

LIBERTY COUNTY, FLORIDA
FINANCIAL STATEMENTS
FISCAL YEAR ENDED SEPTEMBER 30, 2023

**LIBERTY COUNTY, FLORIDA
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SEPTEMBER 30, 2023**

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INDEPENDENT AUDITORS' REPORT

The Honorable Board of County Commissioners,
Liberty County, Florida:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Liberty 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 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 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* (GAS), issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and GAS 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 GAS, 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 required supplementary information, 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.

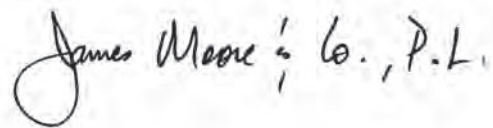
Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's financial statements. The combining and individual nonmajor fund financial statements and other schedules, and schedule of expenditures of federal awards and state financial assistance as required by the audit requirements of 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 Section 215.97, Florida Statutes, *Florida Single Audit Act*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and other schedules, and schedule of expenditures of federal awards and state financial assistance as required by the audit requirements of 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 Section 215.97, Florida Statutes, *Florida Single Audit Act*, is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 5, 2024 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Moore Jr., P.L." The signature is written in a cursive style with a large, looping initial "J".

Tallahassee, Florida
September 5, 2024

MANAGEMENT’S DISCUSSION AND ANALYSIS

As management of the Liberty County, Florida, we offer readers of this narrative overview and analysis of the financial activities of the Liberty County, Florida for the fiscal year ended September 30, 2023.

Financial Highlights

The following are various financial highlights for fiscal year 2023:

- The County’s overall net position increased by \$5,478,344.
- Total ending net position was approximately \$33.1 million, which includes negative unrestricted net position of approximately \$5 million.

Overview of the Basic Financial Statements

This annual report contains government-wide financial statements that report on the County’s activities as a whole and fund financial statements that report on the County’s individual funds.

Government-wide Financial Statements

The first financial statement is the Statement of Net Position. This statement includes all of the County’s assets and liabilities using the accrual basis of accounting. Accrual accounting is similar to the accounting used by most private-sector companies. All of the current year revenues and expenditures are recorded, regardless of when cash is received or paid. Net Position – the difference between assets, liabilities, and deferred outflows/inflows – can be used to measure the County’s financial position.

The second financial statement is the Statement of Activities. This statement is also shown using the accrual basis of accounting. It shows the increases and decreases in net position during the fiscal year. Over time, the increases or decreases in net position are useful indicators of whether the County’s financial health is improving or deteriorating. However, other non-financial factors, such as road conditions or changes in the tax base, must also be considered when assessing the overall health of the County.

In these statements, the County’s activities are reported as follows:

- Governmental activities – The County’s basic services are reported here, including administration, law enforcement and corrections, fire services, road and bridge maintenance, and garbage. Taxes and charges for services finance most of these activities.
- Business-type activities – The County’s water system services are reported here.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that are 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

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 on spendable resources available at the end of the fiscal year. Such information may be used in evaluating a government's near-term financing requirements.

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 financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate 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 the Transportation Trust Fund, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary Funds - *Internal services funds* are an accounting device used to accumulate and allocate costs internally among the various County functions. The County has no internal service fund. 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 the fiscal activities relating to the Water Fund.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because resources of those funds are not available to support the County's own programs.

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information containing budget to actual comparisons for the general fund and major special revenue funds and certain information pertaining to the County's participation in the Florida Retirement System. Following the required supplementary information can be found combining balance sheets and combining statements of revenues, expenditures and changes in fund balances for the non-major governmental funds, a combining statement of fiduciary net position, and a schedule of expenditures of federal and state awards.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Schedule of Net Position

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
ASSETS						
Current and other assets	\$ 13,418,289	\$ 13,492,226	\$ 39,078	\$ 196,718	\$ 13,457,367	\$ 13,688,944
Capital assets	32,280,717	25,414,200	1,171,197	1,197,214	33,451,914	26,611,414
Total assets	<u>45,699,006</u>	<u>38,906,426</u>	<u>1,210,275</u>	<u>1,393,932</u>	<u>46,909,281</u>	<u>40,300,358</u>
Deferred outflows of resources	3,374,945	2,881,548	-	-	3,374,945	2,881,548
LIABILITIES						
Current and other liabilities	2,763,302	3,149,659	450,239	126,536	3,213,541	3,276,195
Long-term liabilities	12,709,389	10,397,686	-	340,000	12,709,389	10,737,686
Total liabilities	<u>15,472,691</u>	<u>13,547,345</u>	<u>450,239</u>	<u>466,536</u>	<u>15,922,930</u>	<u>14,013,881</u>
Deferred inflows of resources	1,306,220	1,591,293	-	-	1,306,220	1,591,293
NET POSITION						
Net investment in capital assets	\$ 32,280,717	\$ 25,414,200	\$ 1,171,197	\$ 841,214	\$ 33,451,914	\$ 26,255,414
Restricted	4,576,435	5,124,799	-	-	4,576,435	5,124,799
Unrestricted	(4,562,112)	(3,889,663)	(411,161)	86,182	(4,973,273)	(3,803,481)
Total net position	<u>\$ 32,295,040</u>	<u>\$ 26,649,336</u>	<u>\$ 760,036</u>	<u>\$ 927,396</u>	<u>\$ 33,055,076</u>	<u>\$ 27,576,732</u>

Schedule of Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
REVENUES						
Program revenues:						
Charges for services	\$ 1,528,228	\$ 2,116,374	\$ 394,664	\$ 404,398	\$ 1,922,892	\$ 2,520,772
Operating grants and contributions	5,717,868	4,336,612	-	-	5,717,868	4,336,612
Capital grants and contributions	11,031,429	4,791,594	-	-	11,031,429	4,791,594
General revenues						
Property taxes	2,974,625	2,844,959	-	-	2,974,625	2,844,959
Other taxes	1,961,622	2,271,480	-	-	1,961,622	2,271,480
Shared revenue	2,686,020	2,441,415	-	-	2,686,020	2,441,415
Other	567,092	731,231	-	-	567,092	731,231
Total revenues	<u>26,466,884</u>	<u>19,533,665</u>	<u>394,664</u>	<u>404,398</u>	<u>26,861,548</u>	<u>19,938,063</u>
EXPENSES						
General government	6,837,733	4,109,234	-	-	6,837,733	4,109,234
Public safety	6,936,895	4,927,120	-	-	6,936,895	4,927,120
Physical environment	472,032	576,194	557,762	468,691	1,029,794	1,044,885
Transportation	4,514,673	7,035,870	-	-	4,514,673	7,035,870
Economic environment	464,807	1,852,033	-	-	464,807	1,852,033
Human services	328,179	311,294	-	-	328,179	311,294
Culture and recreation	506,485	493,368	-	-	506,485	493,368
Court related	760,136	669,732	-	-	760,136	669,732
Interest on long-term debt	240	5,964	4,262	22,411	4,502	28,375
Total expenses	<u>20,821,180</u>	<u>19,980,809</u>	<u>562,024</u>	<u>491,102</u>	<u>21,383,204</u>	<u>20,471,911</u>
Change in net position	5,645,704	(447,144)	(167,360)	(86,704)	5,478,344	(533,848)
Net position, beginning of year	26,649,336	27,096,480	927,396	1,014,100	27,576,732	28,110,580
Net position, end of year	<u>\$ 32,295,040</u>	<u>\$ 26,649,336</u>	<u>\$ 760,036</u>	<u>\$ 927,396</u>	<u>\$ 33,055,076</u>	<u>\$ 27,576,732</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

OVERALL FINANCIAL POSITION AND RESULTS OF OPERATIONS

Governmental Activities

The governmental activities generated approximately \$26.5 million in revenues and incurred approximately \$20.8 million of expenses. This resulted in an increase in net position of approximately \$5.6 million. This compares with a prior year decrease in net position of approximately \$447,000. The largest factor in the positive fluctuation in net position compared to prior year related to an increase in capital grants and contributions.

Business-Type Activities

The business-type activities generated approximately \$395,000 in revenues and incurred approximately \$562,000 of expenses. This resulted in a decrease in net position of approximately \$167,000. This compares with a prior year decrease in net position of approximately \$87,000. The largest factor in the decrease in net position compared to prior year related to an increase in operating expenses of the Water fund.

The County's Individual Funds

- The General Fund is the chief operating fund of the County. The General Fund includes the General Fund of the Board of County Commissioners and the General Funds of each Constitutional Officer. The General Fund had an increase in fund balance of \$848,826. The total fund balance was \$5,071,161, of which \$1,810,619 is assigned for subsequent years' expenditures.
- The Transportation Fund accounts fuel tax revenues, charges for services and grants for the construction and maintenance of road projects to be expended for activities related to the County transportation system. The fund had a total fund balance of \$2,730,157 at year- end. This was a decrease of \$790,575 from the prior year.
- The County's enterprise fund provides the same type of information found in the government-wide financial statements, but in greater detail. The Water Fund accounts for the operations and maintenance of the County's water system. Operating revenues for the Water Fund totaled \$394,664 in the current year. As of September 30, 2023, total net position was \$760,036, a decrease of \$167,360 from the prior year.

GENERAL FUND – BUDGETARY HIGHLIGHTS

Revenues of the General Fund were approximately \$9 million more than budgeted amounts. The largest variance between final budget amounts and actual results occurred with intergovernmental revenues. The primary source of intergovernmental activity that caused the fluctuation was intergovernmental grant revenue. The County budgeted less than the full grant revenue that was recognized in the financial statements. Expenditures were less than budgeted amounts by about approximately \$10 million.

CAPITAL ASSETS

The County's governmental capital assets, net of depreciation, increased by approximately \$7 million during the year and the County's business-type capital assets, net of depreciation, decreased by approximately \$26,000 during the year. Please refer to the note to the accompanying financial statements entitled Capital Assets for more detailed information about the County's capital asset activity.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

DEBT ADMINISTRATION

Long-term debt for the County's governmental activities increased by approximately \$2.3 million during the year (primarily due to the increase in the net pension liability) and long-term debt for the County's business-type activities decreased by \$340,000. Please refer to the note to the accompanying financial statements entitled Long-Term Liabilities for more detailed information about the County's long-term debt activity.

ECONOMIC FACTORS

Liberty County has relied on property taxes, intergovernmental resources, and accumulated reserves to fund its operations. The County is addressing the reliance upon reserves for operational cost going forward. The County has utilized grants and road fees to help fund the infrastructure needs.

The Board of County Commissioners adopted a General Fund millage rate of 9.3247 mills for fiscal year 2023, equal to the millage rate adopted for fiscal year 2022.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and creditors with a general overview of the County's finances and to show the County's accountability for the money it receives. If you have questions concerning this report, contact Daniel Stanley, Clerk of the Court and Comptroller, 10818 NW, FL-20, Bristol, Florida 32321.

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

	Governmental Activities	Business-type Activities	Total
ASSETS			
Equity in pooled cash and investments	\$ 11,341,074	\$ -	\$ 11,341,074
Accounts receivable, net	60,279	39,078	99,357
Due from other governments	1,423,645	-	1,423,645
Internal balances	330,250	(330,250)	-
Prepaid expenses	263,041	-	263,041
Capital assets:			
Non-depreciable	2,257,265	65,000	2,322,265
Depreciable, net	30,023,452	1,106,197	31,129,649
Total assets	<u>\$ 45,699,006</u>	<u>\$ 880,025</u>	<u>\$ 46,579,031</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	\$ 3,176,999	\$ -	\$ 3,176,999
Deferred outflows related to OPEB	197,946	-	197,946
Total deferred outflows	<u>\$ 3,374,945</u>	<u>\$ -</u>	<u>\$ 3,374,945</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$ 1,723,754	\$ 28,095	\$ 1,751,849
Deposits	-	91,894	91,894
Due to other governments	33,239	-	33,239
Unearned revenue	1,006,309	-	1,006,309
Noncurrent liabilities:			
Due within one year	88,869	-	88,869
Due in more than one year	561,757	-	561,757
Total OPEB liability	1,432,703	-	1,432,703
Net pension liability	10,626,060	-	10,626,060
Total liabilities	<u>\$ 15,472,691</u>	<u>\$ 119,989</u>	<u>\$ 15,592,680</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	\$ 736,142	\$ -	\$ 736,142
Deferred inflows related to OPEB	570,078	-	570,078
Total deferred inflows	<u>\$ 1,306,220</u>	<u>\$ -</u>	<u>\$ 1,306,220</u>
NET POSITION			
Net investment in capital assets	\$ 32,280,717	\$ 1,171,197	\$ 33,451,914
Restricted for:			
Law enforcement	396,847	-	396,847
Physical environment	32,796	-	32,796
Roads and transportation	3,971,084	-	3,971,084
Building department	27,672	-	27,672
Court costs	148,036	-	148,036
Unrestricted	(4,562,112)	(411,161)	(4,973,273)
Total net position	<u>\$ 32,295,040</u>	<u>\$ 760,036</u>	<u>\$ 33,055,076</u>

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

LIBERTY COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities
Governmental activities:						
General government	\$ 6,837,733	\$ 215,423	\$ 3,081,658	\$ -	\$ (3,540,652)	\$ -
Public safety	6,936,895	790,521	1,374,417	369,326	(4,402,631)	-
Physical environment	472,032	179,715	93,419	-	(198,898)	-
Transportation	4,514,673	139,376	319,767	9,042,247	4,986,717	-
Economic environment	464,807	-	447,634	1,569,856	1,552,683	-
Human services	328,179	-	45,122	-	(283,057)	-
Culture and recreation	506,485	31,780	58,518	50,000	(366,187)	-
Court related	760,136	171,413	297,333	-	(291,390)	-
Interest on long-term debt	240	-	-	-	(240)	-
Total	20,821,180	1,528,228	5,717,868	11,031,429	(2,543,655)	-
Business-type activities:						
Water	487,762	394,664	-	-	-	(93,098)
Interest on long-term debt	4,262	-	-	-	-	(4,262)
	492,024	394,664	-	-	-	(97,360)
Total primary government	\$ 21,313,204	\$ 1,922,892	\$ 5,717,868	\$ 11,031,429	(2,543,655)	(97,360)
						(2,641,015)
General revenues:						
Property taxes					2,974,625	-
Sales taxes					1,643,097	-
Gas taxes					305,768	-
Communications service tax					12,757	-
Intergovernmental					2,686,020	-
Investment income					349,295	-
Miscellaneous					147,797	-
Transfers					70,000	(70,000)
Total general revenues					8,189,359	(70,000)
Change in net position					5,645,704	(167,360)
Net position - beginning of year					26,649,336	927,396
Net position - end of year					\$ 32,295,040	\$ 760,036
						\$ 33,055,076

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

**LIBERTY COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023**

	General Fund	Transportation Fund	Nonmajor Governmental Funds	Total
ASSETS				
Equity in pooled cash and investments	\$ 8,603,312	\$ 1,289,580	\$ 1,448,182	\$ 11,341,074
Accounts receivable	26,553	-	33,726	60,279
Due from other governments	1,058,248	181,161	184,236	1,423,645
Prepaid items	263,041	-	-	263,041
Due from other funds	487,290	2,428,029	1,770,225	4,685,544
Total assets	<u>\$ 10,438,444</u>	<u>\$ 3,898,770</u>	<u>\$ 3,436,369</u>	<u>\$ 17,773,583</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable and accrued expenses	\$ 484,060	\$ 1,168,613	\$ 71,081	\$ 1,723,754
Due to other governments	2,520	-	30,719	33,239
Unearned revenue	678,431	-	327,878	1,006,309
Due to other funds	4,202,272	-	153,022	4,355,294
Total liabilities	<u>5,367,283</u>	<u>1,168,613</u>	<u>582,700</u>	<u>7,118,596</u>
Fund balances				
Nonspendable:				
Prepays	263,041	-	-	263,041
Restricted for:				
Law enforcement	-	-	396,847	396,847
Physical environment	-	-	32,796	32,796
Roads and transportation	-	2,730,157	1,240,927	3,971,084
Building department inspections	27,672	-	-	27,672
Court costs	-	-	148,036	148,036
Assigned to:				
Capital improvements	-	-	856,409	856,409
Public safety	64,361	-	-	64,361
Physical environment	-	-	260,744	260,744
Subsequent year's budget	1,810,619	-	-	1,810,619
Unassigned	2,905,468	-	(82,090)	2,823,378
Total fund balances	<u>5,071,161</u>	<u>2,730,157</u>	<u>2,853,669</u>	<u>10,654,987</u>
Total Liabilities and Fund Balances	<u><u>\$ 10,438,444</u></u>	<u><u>\$ 3,898,770</u></u>	<u><u>\$ 3,436,369</u></u>	<u><u>\$ 17,773,583</u></u>

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

LIBERTY COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2023

Total fund balances - Governmental Funds		\$ 10,654,987
Amounts reported for governmental activities in the statement of activities are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds		
Total governmental capital assets - nondepreciable	59,124,980	
Less: accumulated depreciation	<u>(26,844,263)</u>	32,280,717
On the governmental fund statements, a net pension liability is not recorded until an amount is due and payable and the pension plan's fiduciary net position is not sufficient for payment of those benefits (no such liability exists at the end of the current fiscal year). On the statement of net position, the net pension liability of the defined benefit pension plans is reported as a noncurrent liability. Additionally, deferred outflows and deferred inflows related to pensions are also reported.		
Net pension liability	(10,626,060)	
Deferred outflows related to pensions	3,176,999	
Deferred inflows related to pensions	<u>(736,142)</u>	(8,185,203)
On the governmental fund statements, total OPEB liability is not recorded unless an amount is due and payable (no such liability exists at the end of the current fiscal year). On the Statement of Net Position, the County's total OPEB liability is reported as a noncurrent liability. Additionally, deferred outflows and deferred inflows related to OPEB are also reported.		
Total OPEB liability	(1,432,703)	
Deferred outflows related to OPEB	197,946	
Deferred inflows related to OPEB	<u>(570,078)</u>	(1,804,835)
Long-term liabilities, including bonds payable and notes payable, are not due and payable in the current period and, therefore, are not reported in the funds. These liabilities, deferred outflows, and other debt-related deferred charges consist of the following:		
Landfill liability	(295,150)	
Compensated absences	<u>(355,476)</u>	(650,626)
Net position of governmental activities		<u><u>\$ 32,295,040</u></u>

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

LIBERTY COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	General Fund	Transportation Fund	Nonmajor Governmental Funds	Total
Revenues				
Taxes	\$ 4,841,174	\$ -	\$ 331,832	\$ 5,173,006
Permit, fees, and special assessments	94,933	-	-	94,933
Intergovernmental	6,894,031	10,006,953	2,175,497	19,076,481
Charges for services	1,279,629	44,334	460,871	1,784,834
Fines and forfeitures	20,418	-	3,562	23,980
Miscellaneous revenues	287,583	14,232	23,191	325,006
Total revenues	<u>13,417,768</u>	<u>10,065,519</u>	<u>2,994,953</u>	<u>26,478,240</u>
Expenditures				
Current:				
General government	6,233,680	-	-	6,233,680
Public safety	5,344,151	-	412,491	5,756,642
Physical environment	122,557	-	298,114	420,671
Economic environment	16,282	-	448,177	464,459
Transportation	-	1,679,574	554,572	2,234,146
Human services	251,121	-	-	251,121
Culture and recreation	314,563	-	-	314,563
Court related	719	-	600,405	601,124
Capital outlay	325,203	9,312,112	321,531	9,958,846
Total expenditures	<u>12,608,276</u>	<u>10,991,686</u>	<u>2,635,290</u>	<u>26,235,252</u>
Excess (deficiency) of revenues over expenditures	<u>809,492</u>	<u>(926,167)</u>	<u>359,663</u>	<u>242,988</u>
Other financing sources (uses)				
Transfers in	195,000	217,450	275,426	687,876
Transfers out	(155,666)	(85,000)	(377,210)	(617,876)
Other external reversion	-	-	(30,719)	(30,719)
Proceeds from sale of capital assets	-	3,142	27,009	30,151
Total other financing sources (uses)	<u>39,334</u>	<u>135,592</u>	<u>(105,494)</u>	<u>69,432</u>
Net change in fund balances	<u>848,826</u>	<u>(790,575)</u>	<u>254,169</u>	<u>312,420</u>
Fund balance, beginning of year	4,222,335	3,520,732	2,599,500	10,342,567
Fund balance, end of year	<u>\$ 5,071,161</u>	<u>\$ 2,730,157</u>	<u>\$ 2,853,669</u>	<u>\$ 10,654,987</u>

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

LIBERTY 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	\$ 312,420
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.

Capital outlay	9,958,846
Gain/(loss) on disposal of capital assets	(739,811)
Depreciation expense	(2,352,518)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. Changes in:

Compensated absences	(73,380)
Total OPEB liability and related items	(32,191)
Landfill liability	(9,797)
Net pension liability and related items	(1,417,865)

Change in net position of governmental activities	<u>\$ 5,645,704</u>
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The accompanying notes to financial statements
are an integral part of this statement.

LEE COUNTY FLORIDA
STATEMENT OF NET POSITION
PROPERTY FUND
SEPTEMBER

	<u>Water Fund</u>
ASSETS	
Accounts receivable, net	<u> ,</u>
Total current assets	<u> ,</u>
Noncurrent assets	
Capital assets	
and	5,
Building and improvements	, , 55
Machinery and equipment	5 ,
Accumulated depreciation	<u> ,</u>
Total noncurrent assets	<u> ,</u>
Total assets	<u><u> ,</u></u>
LIABILITIES	
Current liabilities	
Accounts payable and accrued liabilities	, 5
Deposits	,
Due to other funds	<u> ,</u>
Total current liabilities	<u>5 ,</u>
Total liabilities	<u><u>5 ,</u></u>
NET POSITION	
Net investment in capital assets	, ,
Unrestricted	<u> ,</u>
Total net position	<u><u> ,</u></u>

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

LIBERTY COUNTY, FLORIDA
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Water Fund
Operating revenues	
Charges for services	\$ 394,664
Total operating revenues	<u>394,664</u>
Operating expenses	
Personal services	117,370
Operating expenses	270,055
Depreciation	<u>100,337</u>
Total operating expenses	<u>487,762</u>
Operating income (loss)	<u>(93,098)</u>
Nonoperating revenues (expenses)	
Interest and amortization expense	(4,262)
Income (loss) before contributions and transfers	<u>(97,360)</u>
Transfers out	(70,000)
Change in net position	<u>(167,360)</u>
Net position, beginning of year	927,396
Net position, end of year	<u><u>\$ 760,036</u></u>

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

LIBERTY COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Water Fund</u>
Cash flows from operating activities	
Cash received from customers	\$ 391,240
Cash paid to employees	(117,370)
Cash paid to suppliers	<u>(264,256)</u>
Net cash provided by (used in) operating activities	<u>9,614</u>
Cash flows from noncapital financing activities	
Transfers to other funds	(70,000)
Interfund loans	<u>494,968</u>
Net cash provided by (used in) noncapital financing activities	<u>424,968</u>
Cash flows from capital and related financing activities	
Acquisition and construction of capital assets	(74,320)
Principal payments of long-term debt	(340,000)
Interest paid	<u>(20,262)</u>
Net cash provided by (used in) capital and related financing activities	<u>(434,582)</u>
Net change in cash and cash equivalents	<u>-</u>
Cash and cash equivalents, beginning of year	-
Cash and cash equivalents, end of year	<u><u>\$ -</u></u>
Reconciliation of operating income to net cash provided by operating activities:	
Operating income (loss)	\$ (93,098)
Adjustments to reconcile net operating income (loss) to net cash provided by (used in) operating activities:	
Depreciation	100,337
Changes in assets and liabilities:	
Accounts receivable	(7,078)
Accounts payable and accrued liabilities	5,799
Deposits	<u>3,654</u>
Net cash provided by (used in) operating activities	<u><u>\$ 9,614</u></u>

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

LIBERTY COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2023

	<u>Custodial Funds</u>
ASSETS	
Cash and equivalents	\$ 184,482
Due from other governments	25,833
Total assets	<u>\$ 210,315</u>
LIABILITIES	
Due to others	\$ 3,700
Due to other governments	90,346
Total liabilities	<u>\$ 94,046</u>
NET POSITION	<u>\$ 116,269</u>

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

LIBERTY COUNTY, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2023

	Custodial Funds
Additions	
Taxes	\$ 5,316,025
Payments received from other governments	29,494
Permits, fees, and special assessments	1,968,593
Fines and forfeitures	556
Payments received from individuals	1,030,377
Miscellaneous	185,523
Total additions	<u>8,530,568</u>
Deductions	
Payments to individuals	322,190
Payments to other governments	2,893,955
Property taxes collected for other governments	5,326,066
Total deductions	<u>8,542,211</u>
Net change in fiduciary net position	<u>(11,643)</u>
Net position, beginning of year	127,912
Net position, end of year	<u><u>\$ 116,269</u></u>

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

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) Summary of Significant Accounting Policies:

The financial statements of Liberty County, Florida (the County), have been prepared in accordance with accounting principles generally accepted in the United States of America as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted body for promulgating governmental accounting and financial reporting principles. The following is a summary of the County's significant accounting policies:

(a) **Reporting entity**—The Board of County Commissioners (the Board) is the legislative and governing body of the County. It operates under a non-charter form of government pursuant to the authority provided in the Constitution of the State of Florida and consists of five elected officials. The County was established by the Laws of Florida in 1855. The Clerk of the Circuit Court serves as Clerk to the Board pursuant to Section 125.17, Florida Statutes.

The Board of County Commissioners and the offices of the Clerk of the Circuit Court, Sheriff, Tax Collector, Property Appraiser, and Supervisor of Elections are operated as separate County agencies in accordance with applicable provisions of Florida Statutes. The office of the Tax Collector operates on a fee system, whereby the officer retains fees, commissions, and other revenues to pay all operating expenditures, including statutory compensation. Any excess income is remitted to the Board of County Commissioners and other County taxing authorities at the end of the fiscal year. The offices of the Sheriff, Property Appraiser, and Supervisor of Elections operate on a budget system, whereby County-appropriated funds are received from the Board of County Commissioners, and any unexpended appropriations are required to be returned to the Board of County Commissioners at the end of the fiscal year. The Clerk's duties as Clerk to the Board, and Chief Financial Officer for the County are budgeted functions, funded by the Board. The Clerk's duties as Clerk of the Circuit Court are funded by appropriations from the Florida Clerk of Court Operations Corporation.

(b) **Government-wide and fund financial statements**—The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) concentrate on the County as a whole. In addition, they report information on all of the non-fiduciary activities of the County. For the most part, the effect of inter-fund activity has been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expenses, of a given function or segment, are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds, proprietary funds, fiduciary funds even though the latter are excluded from the government-wide financial statements. Major individual governmental and proprietary funds are reported as separate columns in the fund financial statements. The nonmajor funds are combined in one column in the fund financial statements.

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) **Summary of Significant Accounting Policies:** (Continued)

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

The accounting and financial reporting treatment is determined by the applicable measurement focus and the basis of accounting. The basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. The basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. Measurement focus indicates the type of resources being measured such as current financial resources (current assets, less current liabilities) or economic resources (all assets and liabilities).

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

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 County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Property taxes, special assessments, intergovernmental revenues, charges for services, licenses 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 and available only when cash is received by the County.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, certain expenditures relating to future periods, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The fund financial statements provide information about the County's funds, including its fiduciary funds. Separate statements for each fund category—governmental, proprietary, and fiduciary—are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds. Major individual governmental and enterprise funds are reported as separate columns in the fund financial statements.

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) **Summary of Significant Accounting Policies:** (Continued)

The County reports the following major governmental funds:

General Fund - The General fund is the general operating fund of the County. It is used to account for all financial resources, except those required to be accounted for in another fund. Additionally, the general fund also accounts for activities related to the general fund of each constitutional officer.

Transportation Fund - The Transportation fund (a special revenue fund) is used to account for fuel tax revenues, charges for services and grants for the construction and maintenance of road projects to be expended for activities related to the County transportation system.

The County reports the following major enterprise funds:

Water Fund - The Water fund is used to account for operations of the County's water system.

The County reports the following other fund type:

Custodial Funds - Custodial funds are used to account for assets held by the County in a custodial capacity. Custodial funds do not involve the measurement of results of operations.

(d) **Cash and investments**—The institutions in which the County's monies are deposited are certified as a "Qualified Public Depository," as required under the Florida Public Deposits Act. This law requires every qualified public depository to deposit with the State Treasurer eligible collateral equal to or in excess of an amount to be determined by the State Treasurer and requires the State Treasurer to ensure that funds are entirely collateralized throughout the fiscal year. Therefore, the County's total deposits are insured by the Federal Depository Insurance Corporation and the Bureau of Collateral Securities, Division of Treasury, State Department of Insurance.

(e) **Receivables**—Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds" and are eliminated in the government-wide financial statements. All trade and property tax receivables are reported net of an allowance for uncollectible accounts, which is based upon management's analysis of historical trends.

(f) **Prepaid items**—Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the government-wide and fund financial statements. Prepaid items are recognized as expenses when the related expenses are incurred.

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) **Summary of Significant Accounting Policies:** (Continued)

(g) **Capital assets**—Capital assets include property, plant, equipment and infrastructure. The terms general capital assets and general infrastructure assets relate only to the assets associated with governmental activities, whereas the terms capital assets and infrastructure assets relate to all such assets belonging to the County. Capital assets are defined by the County as assets with an initial individual cost of \$1,000 or more and an estimated useful life of more than one-year. Such assets are recorded at historical cost, if purchased or constructed. Donated assets are recorded at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are only capitalized if they meet the dollar threshold above for capitalization. Maintenance and repairs of capital assets are charged to operating expenses.

Depreciation is reported for the primary government using the straight-line method calculated on a service-life basis to amortize the cost of the asset over their estimated economic useful lives, which are as follows:

<u>Assets</u>	<u>Years</u>
Buildings	30 years
Improvements	40 years
Infrastructure	15 – 25 years
Machinery and Equipment	1 – 15 years

(h) **Compensated absences**—The various County agencies maintain policies that permit employees to accumulate earned but unused vacation and sick pay benefits that will be paid to employees upon separation of service if certain criteria are met. These benefits, plus their related tax costs, are classified as compensated absences. The policies of the various County agencies vary as to the amount and the vesting of employee vacation leave time and in some instances sick time. The amount of vacation time is determined by the period of employment. The compensated absences liability is primarily liquidated by the general fund.

(i) **Long-term obligations**—In the government-wide financial statements, long-term debt obligations are reported as liabilities on the statement of net position. The compensated absences and net pension liabilities have been liquidated in the past by the reporting units of the underlying employees, including primarily the general fund, with some smaller amounts paid by other governmental funds.

(j) **Unearned revenue**—Unearned revenue reported in the Governmental Funds represents revenues that are received, but not earned until a future period. The revenue will be recognized in the fiscal year it is earned. Unearned revenue is recorded in liabilities.

(k) **Deferred outflows/inflows of resources**—In addition to assets, the statement of net position will, if required, report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the only items in this category consist of deferred amounts related to pensions and OPEB, as discussed further in Notes (8) and (9), respectively.

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) Summary of Significant Accounting Policies: (Continued)

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Currently, the only items in this category consist of deferred amounts related to pensions and OPEB, as discussed further in Notes (8) and (9), respectively.

(l) **Fund balance**—Fund balance for governmental funds report 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 the funds may be spent. The following classifications describe the relative strength of applicable spending constraints:

Nonspendable – amounts not available to be spent or not in spendable form, such as inventory and prepaid items.

Restricted – amounts constrained to specific purposes by their providers (such as grantors and higher levels of government), through constitutional provisions or by enabling legislation.

Committed – amounts the County intends to use for a specific purpose as expressed at the highest level of decision-making authority by the Board of County Commissioners.

Assigned – amounts the County intends to use for a specific purpose. Intent can be expressed by Board of County Commissioners or by an official or body which the Board delegates authority.

Unassigned – amounts that are available for any purpose. Positive amounts are reported only in the General Fund.

When an expenditure is incurred for purposes for which both restricted and unrestricted resources are available; the County considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds and finally, unassigned funds, as needed.

(m) **Property taxes**—Property tax revenues are recognized when levied, to the extent that they result in current receivables. Details of the property tax calendar are presented below:

Lien date	January 1
Levy date	October 1
Discount periods	November – February
No discount period	March
Delinquent date	April 1

(n) **Net position flow assumption**—Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to determine amounts reported as restricted and unrestricted net position, it is the County's policy to consider restricted net position to have been used before unrestricted net position is applied.

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) **Summary of Significant Accounting Policies:** (Continued)

(o) **Budgets and budgetary accounting**—Annual budgets are legally adopted by the Board of County Commissioners, on a basis consistent with generally accepted principles for the General Fund and special revenue funds. Formal budgetary integration is employed as a management control device during the year for all governmental funds.

The annual budget is prepared at the fund, department, and division level. The department directors submit requests for appropriations to the Clerk of Courts. The Clerk submits a recommended budget to the Board of County Commissioners. Public hearings on the proposed budget are held in September. On or before October 1, the budget is adopted by the Board of County Commissioners. Transfers between funds and additional appropriations require Board approval. Appropriations in all funds lapse at the close of the fiscal year to the extent that it has not been re-budgeted in the following fiscal year. The fund is the legal level of budgetary control.

(p) **Impact fees**—The County has not adopted any ordinances or resolutions to levy impact fees in accordance with Section 163.31801, Florida Statutes.

(q) **Use of estimates**—Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could vary from the estimates assumed in preparing the financial statements.

(2) **Reconciliation of Government-Wide and Fund Financial Statements:**

(a) **Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position**—Following the governmental fund balance sheet is a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. A detailed explanation of these differences is provided in this reconciliation.

(b) **Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities**—Following the governmental fund statement of revenues, expenditures, and changes in fund balances, there is a reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. A detailed explanation of these differences is provided in this reconciliation.

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(3) Deposits and Investments:

Florida Statutes authorize the County to invest in bonds, notes or other obligations of the U.S. Government, certificates of deposits, repurchase agreements, certain bonds of any State or local government unit and the State Treasurer's Investment Pool. As of September 30, 2023, all County deposits were covered by private bank acquired insurance, Securities Investor Protection Corporation (SIPC) insurance, private broker/dealer acquired insurance, Federal Depository Insurance Corporation (FDIC) insurance, and/or the State of Florida collateral pool established under the Florida Security for Public Deposits Act (the Act). The Act established guidelines for qualification and participation by banks and savings associations, procedures for administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the qualified depository must pledge at least 50% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance. Additional collateral, up to 125% may be required if deemed necessary.

The Florida Local Government Investment Trust (FLGIT) is a local government investment pool created by the Florida Association of Court Clerks and the Florida Association of Counties for the purpose of providing public entities with an investment program that focuses on longer term securities with the highest credit ratings. The effective maturity of the underlying investment is five years or less. At year end, the FLGIT was invested in money markets, treasury notes, asset-backed securities and Federal agency obligations. The investment type is subject to some market risk due to fluctuating prices and liquidity risk due to advance redemption notification requirements. However, it has a professional investment advisor and an investment advisory board. The FLGIT maintains a credit rating of AAAm by Fitch Ratings' and the weighted average maturity of the funds was 37.91 days. A copy of FLGIT's most recent financial statements can be found at <http://floridatrustonline.com>. At September 30, 2023, the County had \$3,964,199 invested with FLGIT.

The State Board of Administration PRIME pool (Florida PRIME) is an external investment pool that meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost. Therefore, the County's investment in Florida PRIME is reported at amortized cost. The fair value of the position in the pool is equal to the value of the pool shares. As of September 30, 2023, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value. The weighted average maturity of the fund was 35 days. At September 30, 2023, the County had \$3,183,499 invested with Florida PRIME.

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(3) Deposits and Investments: (Continued)

As of September 30, 2023, the County held certificate of deposit valued at 857,789. Such investments are recorded at cost plus accrued interest, which approximates fair value.

Interest Rate Risk. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk. The County's investment policy places the following maximum limits on what may be invested in any one issuer: SBA Statement Investment Pool. 100%; FLGIT. 75%; Money Market Funds, 50%; Certificates of Deposit, 75%; U.S. Treasury Bills, 50%; Repurchase Agreements, 15%.

(4) Interfund Balances and Transfers:

The County makes routine transfers between its funds in the course of the fiscal year. The principal purposes of these transfers are to allocate resources for debt service, construction or other capital projects, and to provide operating subsidies. These transfers are consistent with the activities of the funds involved. Transfers of resources from a fund receiving revenue to the fund through which the resources are to be expended are recorded as transfers and are reported as other financing sources (uses) in the Governmental Funds and as transfers in (out) in the Proprietary Funds.

As of September 30, 2023, interfund balances consisted of:

<u>Due to Other Funds</u>	<u>Due from Other Funds</u>			<u>Total</u>
	<u>General Fund</u>	<u>Capital Transportation</u>	<u>Nonmajor Governmental</u>	
Governmental Funds				
General Fund	\$ -	\$ 2,428,029	1,770,225	\$ 4,198,254
Nonmajor Governmental	153,022	-	-	153,022
Water Fund	330,250	-	-	330,250
Total	<u>\$ 483,272</u>	<u>\$ 2,428,029</u>	<u>\$ 1,770,225</u>	<u>\$ 6,451,751</u>

Transfers from/to other funds for the year ended September 30, 2023, were as follows:

<u>Transfers Out</u>	<u>Transfers In</u>			<u>Total</u>
	<u>General Fund</u>	<u>Capital Transportation</u>	<u>Nonmajor Governmental</u>	
Governmental Funds				
General Fund	\$ -	\$ -	\$ 155,666	\$ 155,666
Capital Transportation	75,000	-	10,000	85,000
Nonmajor Governmental	50,000	217,450	109,760	377,210
Water Fund	70,000	-	-	70,000
Total	<u>\$ 195,000</u>	<u>\$ 217,450</u>	<u>\$ 275,426</u>	<u>\$ 687,876</u>

The transfers from the Nonmajor funds and the Water Fund to the General Fund were primarily to reimburse the General Fund for expenses incurred by the General Fund on behalf of the various nonmajor governmental funds.

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(5) Capital Assets:

Capital asset activity for the fiscal year ended September 30, 2023, was as follows:

Governmental activities:	Balance 09/30/22	Increases	Decreases	Balance 09/30/23
Capital assets not being depreciated:				
Land	\$ 1,372,381	\$ 121,197	\$ (13,319)	\$ 1,480,259
Construction in progress	1,287,297	(510,291)	-	777,006
Total assets not being depreciated	<u>2,659,678</u>	<u>(389,094)</u>	<u>(13,319)</u>	<u>2,257,265</u>
Capital assets being depreciated:				
Buildings and Improvements	14,158,830	7,594	-	14,166,424
Infrastructure	23,132,525	8,919,043	(365,247)	31,686,321
Machinery and Equipment	10,090,994	1,421,303	(497,327)	11,014,970
Total assets being depreciated	<u>47,382,349</u>	<u>10,347,940</u>	<u>(862,574)</u>	<u>56,867,715</u>
Less accumulated depreciation for:				
Buildings and Improvements	(8,925,738)	(352,717)	-	(9,278,455)
Infrastructure	(9,360,758)	(1,086,432)	24,179	(10,423,011)
Machinery and Equipment	(6,341,331)	(913,369)	111,903	(7,142,797)
Less: accumulated depreciation	<u>(24,627,827)</u>	<u>(2,352,518)</u>	<u>136,082</u>	<u>(26,844,263)</u>
Total capital assets being depreciated, net	<u>22,754,522</u>	<u>7,995,422</u>	<u>(726,492)</u>	<u>30,023,452</u>
Governmental activities capital assets, net	<u>\$ 25,414,200</u>	<u>\$ 7,606,328</u>	<u>\$ (739,811)</u>	<u>\$ 32,280,717</u>
Business-type activities:				
	Balance 09/30/22	Increases	Decreases	Balance 09/30/23
Capital assets not being depreciated:				
Land	\$ 65,000	\$ -	\$ -	\$ 65,000
Total assets not being depreciated	<u>65,000</u>	<u>-</u>	<u>-</u>	<u>65,000</u>
Capital assets being depreciated:				
Buildings and Improvements	2,887,535	74,320	-	2,961,855
Infrastructure	-	-	-	-
Machinery and Equipment	152,222	-	-	152,222
Total assets being depreciated	<u>3,039,757</u>	<u>74,320</u>	<u>-</u>	<u>3,114,077</u>
Less accumulated depreciation for:				
Machinery and Equipment	(1,907,543)	(100,337)	-	(2,007,880)
Less: accumulated depreciation	<u>(1,907,543)</u>	<u>(100,337)</u>	<u>-</u>	<u>(2,007,880)</u>
Total capital assets being depreciated, net	<u>1,132,214</u>	<u>(26,017)</u>	<u>-</u>	<u>1,106,197</u>
Business-type activities capital assets, net	<u>\$ 1,197,214</u>	<u>\$ (26,017)</u>	<u>\$ -</u>	<u>\$ 1,171,197</u>

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(5) **Capital Assets:** (Continued)

Depreciation expense was charged to programs for the County as follows:

Governmental activities	
General government	\$ 204,894
Court services	44,065
Public safety	413,493
Transportation	1,426,308
Human services	74,655
Culture and recreation	185,296
Physical environment	3,807
Total depreciation expense - governmental activities	<u>\$ 2,352,518</u>
Business-type activities	
Water Fund	<u>\$ 100,337</u>
Total depreciation expense-business-type activities	<u>\$ 100,337</u>

(6) **Long-Term Liabilities:**

The following is a summary of changes in long-term debt activity of the County for the year ended September 30, 2023:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Governmental activities:					
Landfill liability	285,353	9,797	-	295,150	-
Compensated absences	<u>282,096</u>	<u>282,299</u>	<u>206,735</u>	<u>355,476</u>	<u>88,869</u>
Governmental activities -					
Total Long-Term Liabilities	<u>\$ 567,449</u>	<u>\$ 292,096</u>	<u>\$ 206,725</u>	<u>\$ 650,626</u>	<u>\$ 88,869</u>
	<u>Beginning Balance</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending Balance</u>	<u>Due Within One Year</u>
Business-type activities:					
Bonds Payable	<u>\$ 356,000</u>	<u>-</u>	<u>356,000</u>	<u>\$ -</u>	<u>\$ -</u>
Business-type activities - Total					
Long-Term Liabilities	<u>\$ 463,341</u>	<u>\$ -</u>	<u>\$ 107,341</u>	<u>\$ -</u>	<u>\$ -</u>

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(6) Long-Term Liabilities: (Continued)

Governmental Activities

Accrued Landfill Closure and Long-Term Care Costs

The County is required to recognize a liability equal to the estimated total current cost of closure and post-closure care for its landfill. The County accrues a portion of the estimated future closure cost of the currently operating landfills each year even though actual payouts will not occur until the landfills are closed. The amount recognized each year is based on the landfill capacity used as of the balance sheet date. At September 30, 2023, the County has accrued \$295,150 for such estimated costs for the Class II Landfill. The County has conducted studies to determine the costs of providing long-term care for its landfill. The results of these studies are reviewed by the Florida Department of Environmental Protection (FDEP).

The County's cost estimate is approximately \$295,150 to provide long-term care for a period of 30 years. These cost estimates may change due to inflation or deflation, or changes in applicable laws or regulations.

The County is required by the State of Florida to make an annual contribution, if necessary, to escrow to finance closure costs. The County is in compliance with these requirements, and, as of September 30, 2023, cash and investments of approximately \$10,555 are held in escrow for these purposes. These are reported as restricted assets on the statement of net position.

Business-type Activities

Bonds Payable

During the 1998-1999 fiscal year, the County received long-term financing from the U.S. Department of Agriculture totaling \$717,000 for the County's Water Facilities Improvement Project. Revenue bonds of \$567,000 and \$150,000 were issued on November 20, 1998, at an interest rate of 4.75%. The net revenues of the water system are pledged to repay the bonds issued. Interest payments were due beginning September 1, 1999, and principal payments were due beginning September 1, 2001. The bonds mature in 2038. As of September 30, 2023, the County paid off the remaining balance of \$356,000, with no remaining amounts at year-end.

(7) Commitments and Contingencies:

Various suits and claims arising in the ordinary course of the County's operations, some of which involve substantial amounts, are pending against the County.

The ultimate effect of such litigation cannot be ascertained at this time. However, in the opinion of counsel for the County, the liabilities which may arise from such action would not result in losses which would materially affect the financial position of the County or the results of its operations, nor is it anticipated that any material amount will be paid for claims and judgments in the next fiscal year.

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(8) Employees' Retirement Plans:

Florida Retirement System

Plan Description and Administration

The County participates in the Florida Retirement System (FRS), a multiple-employer, cost-sharing defined public employee retirement system which covers all of the County's eligible employees. The System is administered by the State of Florida, Department of Administration, Division of Retirement to provide retirement and survivor benefits to participating public employees. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs.

These include a defined-benefit pension plan (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

In addition, all regular employees of the entity are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$7.50. The minimum payment is \$45 and the maximum payment is \$225 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

Benefits Provided and Employees Covered

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service. Members of both Plans may include up to four years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments. Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned.

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(8) Employees' Retirement Plans: (Continued)

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

Employees may elect to participate in the Investment Plan in lieu of the FRS defined-benefit plan. Employer and employee contributions are defined by law, but the ultimate benefit depends in part on the performance of investment funds. The Investment Plan is funded by employer and employee contributions that are based on salary and membership class (Regular, DROP, etc.). Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Employees in the Investment Plan vest at one year of service.

Financial Statements

Financial statements and other supplementary information of the FRS are included in the State's Comprehensive Annual Financial Report, which is available from the Florida Department of Financial Services, Bureau of Financial Reporting, Statewide Financial Reporting Section by mail at 200 E. Gaines Street, Tallahassee, Florida 32399-0364; by telephone at (850) 413-5511; or at the Department's Web site (www.myfloridacfo.com). An annual report on the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from:

Florida Department of Management Services
Division of Retirement, Research and Education Services
P.O. Box 9000
Tallahassee, FL 32315-9000
850-488-5706 or toll free at 877-377-1737

Contributions

The County participates in certain classes of FRS membership. Each class had descriptions and contribution rates in effect during the year ended September 30, 2023, as follows (contribution rates are in agreement with the actuarially determined rates):

<u>FRS Membership Plan & Class</u>	<u>Through June 30, 2023</u>	<u>After June 30, 2023</u>
Regular Class	11.91%	13.57%
Senior Management (SMSC)	31.57%	34.52%
Special Risk	27.83%	32.67%
Elected Official Class	57.00%	58.68%
DROP	10.81%	12.64%

Current-year employer HIS contributions were made at a rate of 1.75% of covered payroll, which are included in the above rates.

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(8) Employees' Retirement Plans: (Continued)

For the plan year ended June 30, 2023, actual contributions made for employees participating in FRS and HIS were as follows:

Entity Contributions – FRS	\$ 1,041,981
Entity Contributions – HIS	82,646
Employee Contributions – FRS	149,360

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

At September 30, 2023, the entity reported a liability related to FRS and HIS as follows:

<u>Plan</u>	<u>Net Pension Liability</u>
FRS	\$ 8,630,788
HIS	1,995,272
Total	<u>\$ 10,626,060</u>

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 that date. The County's proportion of the net pension liability was based on a projection of the long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, as actuarially determined. At June 30, 2023 and June 30, 2022, the County's proportionate share of the FRS and HIS net pension liabilities were as follows:

<u>Plan</u>	<u>2023</u>	<u>2022</u>
FRS	0.021659908%	0.019652399%
HIS	0.012563627%	0.011357077%

For the year ended June 30, 2023, pension expense was recognized related to the FRS and HIS plans as follows:

FRS	\$ 1,823,460
HIS	790,047
Total	<u>\$ 2,613,507</u>

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(8) Employees' Retirement Plans: (Continued)

Deferred outflows/inflows related to pensions:

At September 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS		HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 810,357	\$ -	\$ 29,209	\$ (4,683)
Changes of assumptions	562,626	-	52,455	(172,897)
Net difference between projected and actual investment earnings	360,445	-	1,030	-
Change in proportionate share	776,146	(498,732)	250,957	(59,830)
Contributions subsequent to measurement date	306,382	-	27,392	-
Total	<u>\$ 2,815,956</u>	<u>\$ (498,732)</u>	<u>\$ 361,043</u>	<u>\$ (237,410)</u>

The above amounts for deferred outflows of resources for contributions related to pensions 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 and deferred inflows of resources related to pensions being amortized for a period of greater than one year will be recognized in pension expense in succeeding years as follows:

	FRS	HIS	Total
2024	\$ 283,118	\$ 22,239	\$ 305,357
2025	(62,953)	32,415	(30,538)
2026	1,462,772	21,454	1,484,226
2027	257,080	3,997	261,077
2028	70,825	10,976	81,801
Thereafter	-	5,160	5,160
	<u>\$ 2,010,842</u>	<u>\$ 96,241</u>	<u>\$ 2,107,083</u>

Actuarial assumptions:

The actuarial assumptions for both defined benefit plans are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS has a valuation performed annually. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS was completed in 2019 for the period July 1, 2013, through June 30, 2018. Because HIS is funded on a pay-as-you-go basis, no experience study has been completed.

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(8) Employees' Retirement Plans: (Continued)

The total pension liability for each of the defined benefit plans was determined by an actuarial valuation, using the entry age normal actuarial cost method. Inflation increases for both plans is assumed at 2.40%. Payroll growth, including inflation, for both plans is assumed at 3.25%. Both the discount rate and the long-term expected rate of return used for FRS investments is 6.70%. This rate is consistent with the prior year rate of 6.70%. The plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. Because HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 3.65% was used to determine the total pension for the program. This rate increased from the prior year rate, which was 3.54%. Mortality assumptions for both plans were based on the PUB-2010 base table varies by member category and sex, projected generationally with Scale MP-2018.

Long-term expected rate of return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in October 2023, the FRS Actuarial Assumptions Conference reviewed long-term assumptions developed by both Milliman's capital market assumptions team and by a capital market assumptions team from Aon Hewitt Investment Consulting, which consults to the Florida State Board of Administration. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Annual Arithmetic Expected Rate of Return</u>
Cash	1.0%	2.9%
Fixed income	19.8%	4.45%
Global equities	54.0%	8.7%
Real estate	10.3%	7.46%
Private equity	11.1%	11.9%
Strategic investments	3.8%	6.3%
Total	<u>100.0%</u>	

Sensitivity of the net pension liability to changes in the discount rate:

The following presents the proportionate shares of the FRS and HIS net pension liability of the entity calculated using the current discount rates, as well as what the entity's net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

<u>Plan</u>	<u>Current Discount Rate</u>	<u>NPL with 1% Decrease</u>	<u>NPL at Current Discount Rate</u>	<u>NPL with 1% Increase</u>
FRS	6.70%	\$ 14,743,143	\$ 8,630,788	\$ 3,517,071
HIS	3.65%	2,276,293	1,995,272	1,762,323

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(9) Other Post-Employment Benefits (OPEB):

Board of County Commissioners' OPEB Plan

Plan Description and Benefits Provided—The Board of County Commissioners' Other Post-Employment Benefit (OPEB) Plan is a single-employer benefit plan administered by the County. Retirees are charged whatever the insurance company charges for the type of coverage elected, however, the premiums charged by the insurance company are based on a blending of the experience among younger active employees and older retired employees. The older retirees actually have a higher cost which means the County is actually subsidizing the cost of the retiree coverage because it pays all or a significant portion of the premium on behalf of the active employee. GASB No. 75 calls this the "implicit rate subsidy." This conforms to the minimum required of Florida governmental employers per Chapter 112.08, Florida Statutes. The Other Post-Employment Benefit Plan does not issue a stand-alone report.

Plan Membership—At October 1, 2022, the date of the latest actuarial valuation, plan participation consisted of the following:

Active Employees	126
Retirees, Beneficiaries, and Disabled Members	<u>11</u>
	<u><u>137</u></u>

Total OPEB Liability—The County's total OPEB liability of \$1,432,703 was measured as of September 30, 2023, and was determined by an actuarial valuation at October 1, 2022.

Actuarial Assumptions and Other Inputs—The total OPEB liability at the September 30, 2023 measurement date was determined using the following actuarial assumptions and other inputs, applied to all periods in the measurement, unless otherwise specified:

Salary increases	3.25%
Discount rate	4.87%
Healthcare cost trend rate	6.5% reduced 0.5% each year until reaching ultimate trend rate of 4.5%
Retirees' share of benefit-related costs	100.00%

The County does not have a dedicated Trust to pay retiree healthcare benefits. The discount rate was based on the S&P Municipal Bond 20-Year High-Grade Rate Index as of September 30, 2023.

Mortality rates were based on the Pub-2010 mortality table with generational scale using MP-2021.

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(9) Other Post-Employment Benefits (OPEB): (Continued)

Changes in the OPEB liability for the fiscal year ended September 30, 2023, were as follows:

	<u>Total OPEB Liability</u>
Balance at September 30, 2022	\$ 1,315,069
Changes for a year:	
Service cost	69,185
Interest	61,336
Differences between expected and actual experience	85,913
Changes of assumptions	(40,397)
Benefit payments – implicit rate subsidy	(58,403)
Net changes	<u>(117,634)</u>
Balance at September 30, 2023	<u>\$ 1,432,703</u>

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

The following presents the total OPEB liability of the County calculated using the discount rate of 4.87%, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1% lower (3.87%) or 1% higher (5.87%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 1,319,201	\$ 1,432,703	\$ 1,560,510

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rate:

The following presents the total OPEB liability of the County as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (5.5 %) or 1% higher (7.5%) than the current healthcare cost trend rates (6.5%):

	<u>1% Decrease</u>	<u>Current Trend Rates</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 1,535,296	\$ 1,432,703	\$ 1,342,338

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended September 30, 2023, the County recognized OPEB expense of \$32,191. At September 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Changes of assumptions	\$ 121,110	\$ 182,930
Differences between expected and actual experience	76,836	387,148
Total	<u>\$ 197,946</u>	<u>\$ 570,078</u>

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(9) **Other Post-Employment Benefits (OPEB):** (Continued)

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 ended September 30:</u>	<u>Amortization</u>
2024	\$ (39,927)
2025	(39,927)
2026	(39,927)
2027	(39,927)
2028	(39,922)
Thereafter	(172,502)

(10) **Deficit Fund Balances:**

At year-end, the Emergency Management fund had a deficit fund balance of \$(82,090). Such deficits are expected to be recovered through future general fund subsidies and/or increased charges for services.

(11) **Recent Accounting Pronouncements:**

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial statements. Listed below are pronouncements with required implementation dates effective for subsequent fiscal years that have not yet been implemented. Management has not currently determined what, if any, impact implementation of the following will have on the County's financial statements:

- (a) GASB issued Statement No. 101, *Compensated Absences*, in June 2022. GASB Statement No. 101 amends the existing guidance related to the calculation and disclosures surrounding the liability for compensated absences. The provisions for GASB 101 are effective for fiscal years beginning after December 15, 2023.
- (b) GASB issued Statement No. 102, *Certain Risk Disclosures*, in December 2023. The objective of GASB 102 is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. The effective date for implementation is fiscal years beginning after June 15, 2024, and all reporting periods thereafter.
- (c) GASB issued Statement No. 103, *Financial Reporting Model Improvements*, in April 2024. The objective of GASB 103 improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. The effective date for implementation is fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

REQUIRED SUPPLEMENTARY INFORMATION

LIBERTY COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023
(UNAUDITED)

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Taxes	\$ 4,584,914	\$ 4,584,914	\$ 4,841,174	\$ 256,260
Permit, fees, and special assessments	103,221	103,221	94,933	(8,288)
Intergovernmental	14,796,038	15,807,833	6,894,031	(8,913,802)
Charges for services	1,247,175	1,247,175	1,279,629	32,454
Fines and forfeitures	22,770	22,770	20,418	(2,352)
Miscellaneous revenues	691,784	694,717	287,583	(407,134)
Total revenues	<u>21,445,902</u>	<u>22,460,630</u>	<u>13,417,768</u>	<u>(9,042,862)</u>
Expenditures				
Current:				
General government	14,625,600	14,743,401	6,233,680	8,509,721
Public safety	5,442,619	5,442,619	5,344,151	98,468
Physical environment	125,919	125,919	122,557	3,362
Economic environment	18,989	18,989	16,282	2,707
Human services	277,397	279,599	251,121	28,478
Culture and recreation	351,748	351,748	314,563	37,185
Court related	-	-	719	(719)
Capital outlay	1,814,408	1,966,812	325,203	1,641,609
Total expenditures	<u>22,656,680</u>	<u>22,929,087</u>	<u>12,608,276</u>	<u>10,320,811</u>
Excess (deficiency) of revenues over expenditures	<u>(1,210,778)</u>	<u>(468,457)</u>	<u>809,492</u>	<u>1,277,949</u>
Other financing sources (uses)				
Transfers in	737,787	737,787	195,000	(542,787)
Transfers out	(664,759)	(914,759)	(155,666)	759,093
Total other financing sources (uses)	<u>73,028</u>	<u>(176,972)</u>	<u>39,334</u>	<u>216,306</u>
Net change in fund balance	<u>(1,137,750)</u>	<u>(645,429)</u>	<u>848,826</u>	<u>1,494,255</u>
Fund balance, beginning of year	4,222,335	4,222,335	4,222,335	-
Fund balance, end of year	<u>\$ 3,084,585</u>	<u>\$ 3,576,906</u>	<u>\$ 5,071,161</u>	<u>\$ 1,494,255</u>

The accompanying note to schedule of revenues, expenditures and changes in fund balance - budget to actual - governmental funds is an integral part of this schedule.

LIBERTY COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - TRANSPORTATION FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023
(UNAUDITED)

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget
Revenues				
Intergovernmental	\$ 8,857,149	\$ 11,219,057	\$ 10,006,953	\$ (1,212,104)
Charges for services	47,500	47,500	44,334	(3,166)
Miscellaneous revenues	-	-	14,232	14,232
Total revenues	<u>8,904,649</u>	<u>11,266,557</u>	<u>10,065,519</u>	<u>(1,201,038)</u>
Expenditures				
Current:				
Transportation	1,691,318	1,691,318	1,679,574	11,744
Capital outlay	8,100,531	10,462,439	9,312,112	1,150,327
Total expenditures	<u>9,791,849</u>	<u>12,153,757</u>	<u>10,991,686</u>	<u>1,162,071</u>
Excess (deficiency) of revenues over expenditures	<u>(887,200)</u>	<u>(887,200)</u>	<u>(926,167)</u>	<u>(38,967)</u>
Other financing sources (uses)				
Transfers in	217,450	217,450	217,450	-
Transfers out	(85,000)	(85,000)	(85,000)	-
Proceeds from sale of capital assets	254,750	254,750	3,142	(251,608)
Total other financing sources (uses)	<u>387,200</u>	<u>387,200</u>	<u>135,592</u>	<u>(251,608)</u>
Net change in fund balance	<u>(500,000)</u>	<u>(500,000)</u>	<u>(790,575)</u>	<u>(290,575)</u>
Fund balance, beginning of year	3,520,732	3,520,732	3,520,732	-
Fund balance, end of year	<u>\$ 3,020,732</u>	<u>\$ 3,020,732</u>	<u>\$ 2,730,157</u>	<u>\$ (290,575)</u>

The accompanying note to schedule of revenues, expenditures
and changes in fund balance - budget to actual - governmental funds is an integral part of this schedule.

**NOTE TO SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL
SEPTEMBER 30, 2023
(UNAUDITED)**

Note to Budgetary Comparison Schedules:

The preparation, adoption and amendment of the budgets are governed by Florida Statutes. The fund is the legal level of control. Budgets are prepared on a basis that does not differ materially from generally accepted accounting principles (GAAP). Appropriations lapse at year-end. Budgeted excess expenditures over revenues are funded through transfers in and use of fund balance reserves.

LIBERTY COUNTY, FLORIDA
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS
(UNAUDITED)

	2023	2022	2021	2020	2019	2018
County and All Officers (Except Sheriff) Plan						
Total OPEB Liability						
Service cost	\$ 69,185	\$ 84,019	\$ 82,726	\$ 99,428	\$ 92,600	\$ 97,854
Interest	61,336	30,066	36,061	63,384	69,733	62,354
Difference between expected and actual experience	85,913	(422,877)	-	(52,127)	-	-
Changes of assumptions	(40,397)	83,176	(42,680)	(116,023)	94,961	(82,385)
Benefit payments - implicit rate subsidy	(58,403)	(70,479)	(133,944)	(96,866)	(122,242)	(112,665)
Net change in total OPEB liability	117,634	(296,095)	(57,837)	(102,204)	135,052	(34,842)
Total OPEB liability - beginning of year	1,315,069	1,611,164	1,669,001	1,771,205	1,636,153	1,670,995
Total OPEB liability - end of year	\$ 1,432,703	\$ 1,315,069	\$ 1,611,164	\$ 1,669,001	\$ 1,771,205	\$ 1,636,153
Covered payroll	\$ 4,974,549	\$ 3,797,381	\$ 3,577,434	\$ 3,464,827	\$ 3,333,481	\$ 3,228,553
Total OPEB liability as a percentage of covered payroll	28.80%	34.63%	45.04%	48.17%	53.13%	50.68%

Notes to Schedule:

County and All Officers (Except Sheriff) Plan

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

Discount rate	4.87%	4.77%	2.43%	2.14%	3.58%	4.18%
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*10 years of data will be presented as it becomes available.

LIBERTY COUNTY, FLORIDA
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
LAST 10 FISCAL YEARS
(UNAUDITED)

	As of the Plan Year Ended June 30,								
	2023	2022	2021	2020	2019	2018	2017	2016	2015
Florida Retirement System (FRS)									
Proportion of the net pension liability	2.165990800%	0.019652399%	0.053965060%	0.021455990%	0.021106090%	0.059740240%	0.057945090%	0.058090248%	0.005113400%
Proportionate share of the net pension liability	\$ 8,630,788	\$ 7,312,272	\$ 4,076,447	\$ 9,299,343	\$ 7,268,446	\$ 17,994,069	\$ 17,145,653	\$ 14,677,833	\$ 6,961,137
Covered payroll	4,978,660	4,139,752	3,765,720	3,697,512	3,435,597	3,329,149	3,285,923	1,822,785	3,158,276
Proportionate share of the net pension liability as a percentage of covered payroll	173.36%	176.64%	108.25%	251.50%	211.56%	540.50%	521.79%	805.24%	220.41%
Plan fiduciary net position as a percentage of the total pension liability	82.38%	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%
Health Insurance Subsidy Program (HIS)									
Proportion of the net pension liability	1.256362700%	0.011357077%	0.039344180%	0.010777080%	0.010462320%	0.010002290%	0.010362500%	0.010213904%	0.009714630%
Proportionate share of the net pension liability	\$ 1,995,272	\$ 1,202,896	\$ 4,826,156	\$ 1,315,864	\$ 1,170,620	\$ 1,058,653	\$ 1,108,006	\$ 1,190,388	\$ 1,016,932
Covered payroll	4,978,660	4,139,752	3,765,720	3,697,512	3,435,597	3,329,149	3,285,923	1,822,785	3,158,276
Proportionate share of the net pension liability as a percentage of covered payroll	40.08%	29.06%	128.16%	35.59%	34.07%	31.80%	33.72%	65.31%	32.20%
Plan fiduciary net position as a percentage of the total pension liability	4.12%	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%

Note 1: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the County will present information for only those years for which information is available.

LIBERTY COUNTY, FLORIDA
SCHEDULE OF CONTRIBUTIONS
LAST 10 FISCAL YEARS
(UNAUDITED)

	For the Fiscal Year Ended September 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	
Florida Retirement System (FRS)										
Contractually required contribution	\$ 1,104,406	\$ 838,604	\$ 726,005	\$ 712,887	\$ 654,442	\$ 575,916	\$ 547,048	\$ 523,928	\$ 523,928	
Contributions in relation to the contractually required contribution	(1,104,406)	(838,604)	(726,005)	(712,887)	(654,442)	(575,916)	(547,048)	(523,928)	(523,928)	
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Covered payroll	5,215,670	4,139,752	3,765,720	3,697,512	3,435,597	3,329,149	3,285,923	1,822,785	3,158,276	
Contributions as a percentage of covered payroll	21.17%	20.26%	19.28%	19.28%	19.05%	17.30%	16.65%	28.74%	16.59%	
Health Insurance Subsidy Program (HIS)										
Contractually required contribution	\$ 91,237	\$ 68,720	\$ 61,268	\$ 62,103	\$ 58,095	\$ 54,243	\$ 54,616	\$ 54,406	\$ 41,021	
Contributions in relation to the contractually required contribution	(91,237)	(68,720)	(61,268)	(62,103)	(58,095)	(54,243)	(54,616)	(54,406)	(41,021)	
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Covered payroll	5,215,670	4,139,752	3,765,720	3,697,512	3,435,597	3,329,149	3,285,923	1,822,785	3,158,276	
Contributions as a percentage of covered payroll	1.75%	1.66%	1.63%	1.68%	1.69%	1.63%	1.66%	2.98%	1.30%	

Note 1: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the County will present information for only those years for which information is available.

SUPPLEMENTAL INFORMATION

LIBERTY COUNTY, FLORIDA
COMBINING BALANCE SHEET
BOARD AND OFFICER GENERAL FUNDS
SEPTEMBER 30, 2023

	Board of County Commissioners General	Board of County Commissioners Ambulance	Clerk of Circuit Court	Sheriff	Tax Collector	Property Appraiser	Supervisor of Elections	Subtotals	Interfund Eliminations	Totals
ASSETS										
Equity in pooled cash and investments	\$ 8,481,282	\$ -	\$ 5,461	\$ 8,390	\$ 16,347	\$ 37,507	\$ 54,325	\$ 8,603,312	\$ -	\$ 8,603,312
Accounts receivable	12,929	13,624	-	-	-	-	-	26,553	-	26,553
Due from other governments	944,404	-	3,165	110,679	-	-	-	1,058,248	-	1,058,248
Prepaid items	263,041	-	-	-	-	-	-	263,041	-	263,041
Due from constitutional officers	143,697	-	-	-	-	-	-	143,697	(143,697)	-
Due from other funds	487,290	74,842	-	-	-	-	-	562,132	(74,842)	487,290
Total assets	<u>\$ 10,332,643</u>	<u>\$ 88,466</u>	<u>\$ 8,626</u>	<u>\$ 119,069</u>	<u>\$ 16,347</u>	<u>\$ 37,507</u>	<u>\$ 54,325</u>	<u>\$ 10,656,983</u>	<u>\$ (218,539)</u>	<u>\$ 10,438,444</u>
LIABILITIES AND FUND BALANCES										
Liabilities										
Accounts payable and accrued expenses	\$ 367,778	\$ 24,105	\$ 3,646	\$ 76,709	\$ -	\$ -	\$ 11,822	\$ 484,060	\$ -	\$ 484,060
Due to other governments	2,520	-	-	-	-	-	-	2,520	-	2,520
Due to Board of County Commissioners	-	-	4,980	42,360	16,347	37,507	42,503	143,697	(143,697)	-
Unearned revenue	678,431	-	-	-	-	-	-	678,431	-	678,431
Due to other funds	4,277,114	-	-	-	-	-	-	4,277,114	(74,842)	4,202,272
Total liabilities	<u>5,325,843</u>	<u>24,105</u>	<u>8,626</u>	<u>119,069</u>	<u>16,347</u>	<u>37,507</u>	<u>54,325</u>	<u>5,585,822</u>	<u>(218,539)</u>	<u>5,367,283</u>
Fund Balances										
Nonspendable:										
Prepays	263,041	-	-	-	-	-	-	263,041	-	263,041
Restricted										
Building department inspections	27,672	-	-	-	-	-	-	27,672	-	27,672
Assigned to:										
Public safety	-	64,361	-	-	-	-	-	64,361	-	64,361
Subsequent year's budget	1,810,619	-	-	-	-	-	-	1,810,619	-	1,810,619
Unassigned	2,905,468	-	-	-	-	-	-	2,905,468	-	2,905,468
Total fund balances	<u>5,006,800</u>	<u>64,361</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5,071,161</u>	<u>-</u>	<u>5,071,161</u>
Total Liabilities and Fund Balances	<u>\$ 10,332,643</u>	<u>\$ 88,466</u>	<u>\$ 8,626</u>	<u>\$ 119,069</u>	<u>\$ 16,347</u>	<u>\$ 37,507</u>	<u>\$ 54,325</u>	<u>\$ 10,656,983</u>	<u>\$ (218,539)</u>	<u>\$ 10,438,444</u>

See accompanying notes to financial statements.

LIBERTY COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BOARD AND OFFICER GENERAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Board of County Commissioners General	Board of County Commissioners Ambulance	Clerk of Circuit Court	Sheriff	Tax Collector	Property Appraiser	Supervisor of Elections	Subtotals	Interfund Eliminations	Totals
Revenues										
Taxes	\$ 4,841,174	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,841,174	\$ -	\$ 4,841,174
Permit, fees, and special assessments	94,933	-	-	-	-	-	-	94,933	-	94,933
Intergovernmental	5,612,148	-	-	1,087,873	-	141,935	52,075	6,894,031	-	6,894,031
Charges for services	114,439	179,569	29,232	748,962	207,049	200	178	1,279,629	-	1,279,629
Fines and forfeitures	20,418	-	-	-	-	-	-	20,418	-	20,418
Miscellaneous revenues	138,775	-	108	142,166	703	1,588	4,243	287,583	-	287,583
Total revenues	10,821,887	179,569	29,340	1,979,001	207,752	143,723	56,496	13,417,768	-	13,417,768
Expenditures										
Current:										
General government	4,184,829	-	426,379	-	504,789	644,916	472,767	6,233,680	-	6,233,680
Public safety	243,869	749,087	-	4,351,195	-	-	-	5,344,151	-	5,344,151
Physical environment	122,557	-	-	-	-	-	-	122,557	-	122,557
Economic environment	16,282	-	-	-	-	-	-	16,282	-	16,282
Human services	251,121	-	-	-	-	-	-	251,121	-	251,121
Culture and recreation	314,563	-	-	-	-	-	-	314,563	-	314,563
Court related	-	-	719	-	-	-	-	719	-	719
Capital outlay	320,973	3,230	-	1,000	-	-	-	325,203	-	325,203
Total expenditures	5,454,194	752,317	427,098	4,352,195	504,789	644,916	472,767	12,608,276	-	12,608,276
Excess (deficiency) of revenues over expenditures	<u>5,367,693</u>	<u>(572,748)</u>	<u>(397,758)</u>	<u>(2,373,194)</u>	<u>(297,037)</u>	<u>(501,193)</u>	<u>(416,271)</u>	<u>809,492</u>	<u>-</u>	<u>809,492</u>
Other financing sources (uses)										
Transfers in	195,000	487,172	-	-	-	-	-	682,172	(487,172)	195,000
Transfers out	(642,838)	-	-	-	-	-	-	(642,838)	487,172	(155,666)
Appropriations to constitutional officers	(4,208,509)	-	401,235	2,519,900	313,384	515,216	458,774	-	-	-
Reversions from constitutional officers	223,056	-	(3,477)	(146,706)	(16,347)	(14,023)	(42,503)	-	-	-
Total other financing sources (uses)	<u>(4,433,291)</u>	<u>487,172</u>	<u>397,758</u>	<u>2,373,194</u>	<u>297,037</u>	<u>501,193</u>	<u>416,271</u>	<u>39,334</u>	<u>-</u>	<u>39,334</u>
Net change in fund balances	<u>934,402</u>	<u>(85,576)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>848,826</u>	<u>-</u>	<u>848,826</u>
Fund balances, beginning of year	4,072,398	149,937	-	-	-	-	-	4,222,335	-	4,222,335
Fund balances, end of year	<u>\$ 5,006,800</u>	<u>\$ 64,361</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,071,161</u>	<u>\$ -</u>	<u>\$ 5,071,161</u>

See accompanying notes to financial statements.

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

	Capital Projects	Special Revenue					
	Capital Projects/ Improvement	Landfill	Voted Gas Tax	Liberty Transit	SHHP	Emergency Management	Public Safety 911
ASSETS							
Equity in pooled cash and investments	\$ 857,789	\$ 10,555	\$ -	\$ -	\$ 388,259	\$ -	\$ -
Accounts receivable	-	-	-	930	-	-	-
Due from other governments	-	8,917	62,334	-	-	16,615	10,862
Due from other funds	-	248,104	307,301	893,503	-	-	297,650
Total assets	\$ 857,789	\$ 267,576	\$ 369,635	\$ 894,433	\$ 388,259	\$ 16,615	\$ 308,512
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable and accrued expenses	\$ -	\$ 6,832	\$ -	\$ 23,141	\$ -	\$ 7,444	\$ 14,628
Due to other governments	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	327,878	-	-
Due to other funds	1,380	-	-	-	60,381	91,261	-
Total liabilities	1,380	6,832	-	23,141	388,259	98,705	14,628
Fund balances							
Restricted for:							
Law enforcement	-	-	-	-	-	-	293,884
Physical environment	-	-	-	-	-	-	-
Roads and transportation	-	-	369,635	871,292	-	-	-
Court costs	-	-	-	-	-	-	-
Assigned to:							
Physical environment	-	260,744	-	-	-	-	-
Capital improvements	856,409	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(82,090)	-
Total fund balances	856,409	260,744	369,635	871,292	-	(82,090)	293,884
Total Liabilities and Fund Balances							
	\$ 857,789	\$ 267,576	\$ 369,635	\$ 894,433	\$ 388,259	\$ 16,615	\$ 308,512

See accompanying notes to financial statements.

**LIBERTY COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023
(CONTINUED)**

	Special Revenue							
	Solid Waste	Police Training	Law Enforcement Trust	Clerk of the Circuit Court Court Related	Clerk of the Circuit Court Child Support	Clerk of the Circuit Court Modernization	Sheriff Inmate Welfare	Total
ASSETS								
Equity in pooled cash and investments	\$ -	\$ -	\$ -	\$ -	\$ 81,794	\$ 31,059	\$ 78,726	\$ 1,448,182
Accounts receivable	32,796	-	-	-	-	-	-	33,726
Due from other governments	-	-	570	44,675	39,580	683	-	184,236
Due from other funds	-	5,729	17,938	-	-	-	-	1,770,225
Total assets	<u>\$ 32,796</u>	<u>\$ 5,729</u>	<u>\$ 18,508</u>	<u>\$ 44,675</u>	<u>\$ 121,374</u>	<u>\$ 31,742</u>	<u>\$ 78,726</u>	<u>\$ 3,436,369</u>
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable and accrued expenses	\$ -	\$ -	\$ -	\$ 13,956	\$ 5,080	\$ -	\$ -	\$ 71,081
Due to other governments	-	-	-	30,719	-	-	-	30,719
Unearned revenue	-	-	-	-	-	-	-	327,878
Due to other funds	-	-	-	-	-	-	-	153,022
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>44,675</u>	<u>5,080</u>	<u>-</u>	<u>-</u>	<u>582,700</u>
Fund balances								
Restricted for:								
Law enforcement	-	5,729	18,508	-	-	-	78,726	396,847
Physical environment	32,796	-	-	-	-	-	-	32,796
Roads and transportation	-	-	-	-	-	-	-	1,240,927
Court costs	-	-	-	-	116,294	31,742	-	148,036
Assigned to:								
Physical environment	-	-	-	-	-	-	-	260,744
Capital improvements	-	-	-	-	-	-	-	856,409
Unassigned	-	-	-	-	-	-	-	(82,090)
Total fund balances	<u>32,796</u>	<u>5,729</u>	<u>18,508</u>	<u>-</u>	<u>116,294</u>	<u>31,742</u>	<u>78,726</u>	<u>2,853,669</u>
Total Liabilities and Fund Balances	<u>\$ 32,796</u>	<u>\$ 5,729</u>	<u>\$ 18,508</u>	<u>\$ 44,675</u>	<u>\$ 121,374</u>	<u>\$ 31,742</u>	<u>\$ 78,726</u>	<u>\$ 3,436,369</u>

See accompanying notes to financial statements.

LIBERTY COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	Capital Projects	Special Revenue					
	Capital Transportation	Landfill	Voted Gas Tax	Liberty Transit	SHIP	Emergency Management	Public Safety 911
Revenues	\$	\$	\$	\$	\$	\$	\$
Taxes	-	-	331,832	-	-	-	-
Intergovernmental	-	93,419	-	648,543	447,634	145,411	360,431
Charges for services	-	10,966	-	95,784	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-
Miscellaneous revenues	14,748	2,431	-	-	543	-	-
Total revenues	14,748	106,816	331,832	744,327	448,177	145,411	360,431
Expenditures							
Current:							
Public safety	-	-	-	-	-	171,306	142,590
Physical environment	-	176,230	-	-	-	-	-
Economic environment	-	-	-	-	448,177	-	-
Transportation	-	-	-	554,572	-	-	-
Court related	-	-	-	-	-	-	-
Capital outlay	-	45,679	-	123,178	-	-	152,674
Total expenditures	-	221,909	-	677,750	448,177	171,306	295,264
Excess (deficiency) of revenues over expenditures	14,748	(115,093)	331,832	66,577	-	(25,895)	65,167
Other financing sources (uses)							
Transfers in	-	78,329	-	45,641	-	12,000	10,000
Transfers out	-	-	(263,091)	(50,000)	-	-	-
Other external reversion	-	-	-	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-	-	-	-
Total other financing sources (uses)	-	78,329	(263,091)	(4,359)	-	12,000	10,000
Net change in fund balance	14,748	(36,764)	68,741	62,218	-	(13,895)	75,167
Fund balance, beginning of year, as restated	841,661	297,508	300,894	809,074	-	(68,195)	218,717
Fund balance, end of year	\$ 856,409	\$ 260,744	\$ 369,635	\$ 871,292	\$ -	\$ (82,090)	\$ 293,884

See accompanying notes to financial statements.

LIBERTY COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023
(CONTINUED)

	Special Revenue							
	Solid Waste	Police Training	Law Enforcement Trust	Clerk of the Court Related	Clerk of the Court Child Support	Clerk of the Court Modernization	Sheriff Inmate Welfare	Total
Revenues								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 331,832
Intergovernmental	-	-	-	277,375	202,684	-	-	2,175,497
Charges for services	112,203	-	-	159,620	-	11,793	70,505	460,871
Fines and forfeitures	-	-	3,562	-	-	-	-	3,562
Miscellaneous revenues	-	2,812	-	2,021	-	-	636	23,191
Total revenues	<u>112,203</u>	<u>2,812</u>	<u>3,562</u>	<u>439,016</u>	<u>202,684</u>	<u>11,793</u>	<u>71,141</u>	<u>2,994,953</u>
Expenditures								
Current:								
Public safety	-	5,763	-	-	-	-	92,832	412,491
Physical environment	121,884	-	-	-	-	-	-	298,114
Economic environment	-	-	-	-	-	-	-	448,177
Transportation	-	-	-	-	-	-	-	554,572
Court related	-	-	-	472,416	113,006	14,983	-	600,405
Capital outlay	-	-	-	-	-	-	-	321,531
Total expenditures	<u>121,884</u>	<u>5,763</u>	<u>-</u>	<u>472,416</u>	<u>113,006</u>	<u>14,983</u>	<u>92,832</u>	<u>2,635,290</u>
Excess (deficiency) of revenues over expenditures	<u>(9,681)</u>	<u>(2,951)</u>	<u>3,562</u>	<u>(33,400)</u>	<u>89,678</u>	<u>(3,190)</u>	<u>(21,691)</u>	<u>359,663</u>
Other financing sources (uses)								
Transfers in	65,337	-	-	64,119	-	-	-	275,426
Transfers out	-	-	-	-	(64,119)	-	-	(377,210)
Other external reversion	-	-	-	(30,719)	-	-	-	(30,719)
Proceeds from sale of capital assets	27,009	-	-	-	-	-	-	27,009
Total other financing sources (uses)	<u>92,346</u>	<u>-</u>	<u>-</u>	<u>33,400</u>	<u>(64,119)</u>	<u>-</u>	<u>-</u>	<u>(105,494)</u>
Net change in fund balance	<u>82,665</u>	<u>(2,951)</u>	<u>3,562</u>	<u>-</u>	<u>25,559</u>	<u>(3,190)</u>	<u>(21,691)</u>	<u>254,169</u>
Fund balance, beginning of year, as restated	<u>(49,869)</u>	<u>8,680</u>	<u>14,946</u>	<u>-</u>	<u>90,735</u>	<u>34,932</u>	<u>100,417</u>	<u>2,599,500</u>
Fund balance, end of year	<u>\$ 32,796</u>	<u>\$ 5,729</u>	<u>\$ 18,508</u>	<u>\$ -</u>	<u>\$ 116,294</u>	<u>\$ 31,742</u>	<u>\$ 78,726</u>	<u>\$ 2,853,669</u>

See accompanying notes to financial statements.

LIBERTY COUNTY, FLORIDA
COMBINING SCHEDULE OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2023

	Clerk of Circuit Court	Sheriff	Tax Collector	Total Custodial Funds
ASSETS				
Cash and equivalents	\$ 57,513	\$ 58,600	\$ 68,369	\$ 184,482
Receivables	-	-	-	-
Due from other governments	25,833	-	-	25,833
Due from other funds	-	-	-	-
Total assets	<u>\$ 83,346</u>	<u>\$ 58,600</u>	<u>\$ 68,369</u>	<u>\$ 210,315</u>
LIABILITIES				
Due to others	\$ 528	\$ 3,172	\$ -	\$ 3,700
Due to other governments	17,092	4,885	68,369	90,346
Total liabilities	<u>\$ 17,620</u>	<u>\$ 8,057</u>	<u>\$ 68,369</u>	<u>\$ 94,046</u>
NET POSITION	<u>\$ 65,726</u>	<u>\$ 50,543</u>	<u>\$ -</u>	<u>\$ 116,269</u>

See accompanying notes to financial statements.

LIBERTY COUNTY, FLORIDA
COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2023

	Clerk of Circuit Court	Sheriff	Tax Collector	Total Custodial Funds
Additions				
Taxes	\$ -	\$ -	\$ 5,316,025	\$ 5,316,025
Payments received from other governments	-	6,262	23,232	29,494
Permits, fees, and special assessments	-	-	1,968,593	1,968,593
Fines and forfeitures	-	556	-	556
Payments received from individuals	837,989	192,388	-	1,030,377
Miscellaneous	-	-	185,523	185,523
Total additions	<u>837,989</u>	<u>199,206</u>	<u>7,493,373</u>	<u>8,530,568</u>
Deductions				
Payments to individuals	151,321	170,869	-	322,190
Payments to other governments	720,386	6,262	2,167,307	2,893,955
Property taxes collected for other governments	-	-	5,326,066	5,326,066
Total deductions	<u>871,707</u>	<u>177,131</u>	<u>7,493,373</u>	<u>8,542,211</u>
Net change in fiduciary net position	<u>(33,718)</u>	<u>22,075</u>	<u>-</u>	<u>(11,643)</u>
Net position, beginning of year	99,444	28,468	-	127,912
Net position, end of year	<u><u>\$ 65,726</u></u>	<u><u>\$ 50,543</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 116,269</u></u>

See accompanying notes to financial statements.

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

Federal/State Grantor/Pass Through Grantor/Program Title	ALN/ CSFA Number	Contract Number	Expenditures
FEDERAL AGENCY			
Department of Agriculture			
Passed through Florida Department of Agriculture			
Schools and Roads - Grants to States	10.665	N/A	\$ 319,767
Total Department of Agriculture			<u>319,767</u>
Department of Housing and Urban Development			
Passed through State of Florida Department of Economic Opportunity			
Community Development Block Grants	14.228	H2435	685,000
Total CDBG - Entitlement Grants Cluster			<u>685,000</u>
Total Department of Housing and Urban Development			<u>685,000</u>
Department of the Interior			
Direct:			
Payments in Lieu of Taxes	15.226	N/A	487,408
Secure Rural Schools Program	15.234	2022	<u>24,330</u>
Total Department of the Interior			<u>511,738</u>
Department of Justice			
Passed through the Florida Attorney General:			
Crime Victim Assistance	16.575	VOCA-2021-LCSO-00705	50,609
Passed through the Florida Department of Law Enforcement:			
Stop Violence Against Women Formula Grants	16.588	LN186	<u>113,550</u>
Total Department of Justice			<u>164,159</u>
Department of Transportation			
Passed through the Florida Department of Transportation:			
Public Transportation for Nonurbanized Areas	20.509	G2605	253,545
Public Transportation for Nonurbanized Areas	20.509	G2C81	<u>110,225</u>
			<u>363,770</u>
E-911 Grant Program	20.615	S17-21-02-27	6,396
E-911 Grant Program	20.615	S18-21-05-07	<u>6,564</u>
			<u>12,960</u>
Total Department of Transportation			<u>376,730</u>
Department of State			
Passed through Florida Department of State, Division of Elections			
2018 HAVA Election Security Grants	90.404	22.e.es.300.038	<u>52,075</u>
Total Department of State			<u>52,075</u>
Department of Health and Human Services			
Passed through Florida Department of Revenue			
Child Support Enforcement Title IV-D	93.563	CSU39	202,684
Child Support Enforcement Title IV-D	93.563	CSU39	94,649
Child Support Enforcement Title IV-D	93.563	CSU39	<u>123</u>
Total Department of Health and Human Services			<u>297,456</u>
Department of Homeland Security			
Passed through Department of Economic Opportunity			
Emergency Management Performance Grant	97.042	G0407	<u>39,692</u>
Total			<u>39,692</u>
Public Assistance (Presidentially Declared Disasters)	97.036	Z2585	6,230
Public Assistance (Presidentially Declared Disasters)	97.036	Z2585	<u>22,532</u>
Total Department of Homeland Security			<u>68,454</u>
Department of the Treasury			
Direct:			
Local Assistance and Tribal Consistency Fund	21.032	1505-0276	1,775,506
Passed through Florida Division of Emergency Management:			
COVID 19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	1505-0271	<u>451,808</u>
Total Department of the Treasury			<u>2,227,314</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 4,702,693</u>

See accompanying notes to schedule of expenditures of federal awards and state financial assistance.

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

Federal/State Grantor/Pass Through Grantor/Program Title	ALN/ CSFA Number	Contract Number	Expenditures
STATE AGENCY			
Executive Office of the Governor			
Direct:			
Emergency Management Projects	31.063	A0203	\$ 105,719
Total Executive Office of the Governor			<u>105,719</u>
Florida Department of Environmental Protection			
Direct:			
Small County Consolidated Grants	37.012	SC321	93,803
Florida Recreation Development Assistance Program	37.017	A1073	50,000
Total Florida Department of Environmental Protection			<u>143,803</u>
Florida Department of Agriculture and Consumer Services			
Direct:			
Mosquito Control State Aid	42.003	29486	38,892
Total Florida Department of Agriculture and Consumer Services			<u>38,892</u>
Florida Department of State, Secretary of State			
Direct:			
State Aid to Libraries	45.030	23-ST-44	58,518
Total Department of State			<u>58,518</u>
Florida Department of Economic Opportunity			
Direct:			
Community Development Projects	40.038	DL013	206,213
Growth Management Implementation	40.024	D0185	165,000
Total Florida Department of Economic Opportunity			<u>371,213</u>
Florida Department of Education			
Direct:			
Coach Aaron Feis Guardian Program	48.140	L0953	275,349
Total Florida Department of Education			<u>275,349</u>
Florida Department of Transportation			
Direct:			
Trip/Equipment Grant	55.001	G2B36	64,900
Trip/Equipment Grant	55.001	G2A24	219,873
			<u>284,773</u>
Small County Outreach Program	55.009	G1B47	4,302,871
Small County Outreach Program	55.009	G2087	234,422
Small County Outreach Program	55.009	G2G04	83,793
Small County Outreach Program	55.009	G2G01	114,989
Small County Outreach Program	55.009	G2G03	125,117
Small County Outreach Program	55.009	G2147	20,000
Small County Outreach Program	55.009	G1P06	19,873
Total Small County Outreach Program			<u>4,901,065</u>
Small County Road Assistance Program	55.016	G2086	174,437
Small County Road Assistance Program	55.016	G1H76	1,510,067
Small County Road Assistance Program	55.016	G2088	1,807,934
			<u>3,492,438</u>
Total Florida Department of Transportation			<u>8,678,276</u>
Florida Department of Law Enforcement			
Direct:			
Law Enforcement Salary Assistance for Fiscally Constrained Counties	71.067	7G035	616,421
Liberty County Sheriff's Office Administrative and Jail Complex	71.069	7G007	719,856
Total Florida Department of Law Enforcement			<u>1,336,277</u>
Florida Housing Finance Corporation			
Direct:			
State Housing Initiatives Partnership Program	40.901	2022-2023	447,634
Total Florida Housing Finance Corporation			<u>447,634</u>
Florida Department of Management Services			
Direct:			
E-911 State Grant Program	72.002	S22-23-01-38	30,304
Prepaid Next Generation 911 (NG911) State Grant Program	72.003	S17-21-02-64	6,396
Prepaid Next Generation 911 (NG911) State Grant Program	72.003	S17-21-02-65	64,154
Total Prepaid Next Generation 911 (NG911) State Grant Program			<u>70,550</u>
Wireless 911 Emergency Telephone System Rural County Grant Program	72.001	23-04-09	51,189
Wireless 911 Emergency Telephone System Rural County Grant Program	72.001	22-04-13	57,711
Total Wireless 911 System			<u>108,900</u>
Total Department of Management Services			<u>209,754</u>
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			<u>\$ 11,665,435</u>

See accompanying notes to schedule of expenditures of federal awards and state financial assistance.

LIBERTY COUNTY, FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

(1) **Basis of Presentation:**

The accompanying schedule of expenditures of federal awards and state financial assistance includes the state grant activity of Liberty County, Florida (the County). The information in this schedule is presented in accordance with the 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 Section 215.97, Florida Statutes, *Florida Single Audit Act*. Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

(2) **Summary of Significant Accounting Policies:**

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Section 215, Florida Statutes, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(3) **De Minimis Indirect Cost Rate Election:**

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

(4) **Subrecipients:**

During the year ended September 30, 2023, the County provided no federal or state awards to subrecipients.

(5) **Contingency:**

Project expenditures are subject to audit and adjustment. If any expenditures were to be disallowed by the grantor agency as a result of such an audit, any claim for reimbursement to the grantor agency would become a liability of the County. In the opinion of management, all project expenditures included on the accompanying schedule are in compliance with the terms of the project agreements and applicable federal and state laws and regulations.

OTHER REPORTS AND SCHEDULE

**LIBERTY COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

A. Summary of Auditors' Results:

Financial Statements:

Type of audit report issued on the financial statements: *Unmodified*

Internal control over financial reporting:

Material weakness(es) identified? X yes no

Significant deficiency(ies) identified? X yes none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards:

Internal control over major Federal programs:

Material weakness(es) identified? yes X no

Significant deficiency(ies) identified? yes X none reported

Type of auditors' report issued on compliance for major Federal programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes X none reported

Auditee qualified as a low-risk auditee? yes X no

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

Identification of major Federal programs:

Assistance Listing Number	Program Name
21.032	Local Assistance and Tribal Consistency Fund
14.228	Community Development Block Grant

State Financial Assistance:

Internal control over major State projects:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified? _____ yes X none reported

Type of auditors' report issued on compliance for major State projects: *Unmodified*

Any audit findings disclosed that are required to be reported for state financial assistance projects in accordance with Chapter 10.550? _____ yes X none reported

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

Identification of major State programs:

<u>CSFA Number</u>	<u>Program Name</u>
55.009	Small County Outreach Program
55.016	Small County Road Assistance Program

B. Financial Statement Findings:

2023-001: Material Audit Adjustments and Preparation of Financial Statements

Criteria: Internal controls over financial reporting should include year-end adjustments of all significant account balances, with such adjustments to also include procedures related to the proper cutoff of significant revenue and expense activities. In addition, management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The capability of management to prepare the financial statements and related disclosures is considered a crucial element of the internal control structure.

Condition: For the year ended September 30, 2023, various significant adjustments were required to be made to the accounting records subsequent to the start of the audit process related to year-end accrual entries. In addition, management did not retain an individual with expertise to oversee preparation of the financial statements.

Cause: Various internal balances were not adjusted for final year-end accrual adjustments at the start of audit fieldwork. In addition, management did not retain an individual with expertise to oversee preparation of the financial statements.

Effect: Financial statements would be materially misstated if significant adjustments were not made. In addition, management's reliance on auditors for expertise in drafting the financial statements and related disclosures indicates a material weakness in the controls structure.

Recommendation: We recommend management select and apply the appropriate accounting principles to record year-end accrual basis adjustments to prepare the financial statements in accordance with generally accepted accounting principles. We recommend management retain or train individuals to assist in the preparation of the financial statements in accordance with GAAP.

2023-002: Internal Control Monitoring over EMS Billing System

Criteria: Internal controls over financial reporting should include the monitoring of certain internal control functions over services that are outsourced.

Condition: For the year ended September 30, 2023, the County contracted with an organization to perform billing services for its EMS billing and no SOC-1 for the company was available for review during the audit as the company had not procured one to date. The County did not install various internal controls needed to ensure proper billing and collection of EMS services.

Cause: Monitoring over the outsourced billing company was not performed during the fiscal year under audit.

Effect: Misappropriation of asset and a misstatement of the financial statements could occur if monitoring over the EMS services is not performed.

Recommendation: We recommend management develop internal controls to perform oversight over the activities of the outsourced EMS billing company and/or utilize a SOC-1 report from the outsourced EMS billing company and perform the complimentary user entity controls contained within that report.

2023-003: Cutoff of Accounts Payable in the General Ledger

Criteria: Internal controls over financial reporting should include proper cutoff of accounts payable balances by reviewing payments made subsequent to year-end to ensure accounts payable balances are fairly stated at the close of the fiscal year.

Condition: For the year ended September 30, 2023, there were 2 instances identified where payments made subsequent to year end related to the current year and needed to be accrued.

Cause: While the County had processes in place to review payments after year end for proper cutoff with regard to the period in which the invoice should have been recorded, there were 2 instances identified where this was not identified during this process.

Effect: A misstatement was present in the financial statements that was required to be adjusted in during the audit for the year ended September 30, 2023.

Recommendation: We recommend management review all transactions after year end to ensure accounts payable balances at year-end are fairly stated.

2023-004: Bank Reconciliation Preparation and Review

Criteria: Internal controls over financial reporting should include accurate completion and timely review.

Condition: For the year ended September 30, 2023, the County did not document physically or electronically the bank statement and reconciliation preparation or approvals.

Cause: The County did not have processes in place to document the preparation and review of bank reconciliations.

Effect: An adjustment to the cash balance in the trial balance was identified and waived.

Recommendation: We recommend management develop internal controls and processes needed to prepare accurate bank reconciliations and perform reviews in a timely manner.

C. **Federal Award Findings and Questioned Costs:** None.

D. **State Project Findings and Questioned Costs:** None.

E. **Summary Schedule of Prior Audit Findings:**

2022-001: Material Audit Adjustments and Preparation of Financial Statements

Corrective action was not taken. Comment repeated as 2023-001.

2022-002: Internal Control Monitoring over EMS Billing System

Corrective action was not taken. Comment repeated as 2023-002.

2022-003: Maintenance and Control of Source Documentation for Various Financial Processes

Corrective action was taken. Reliance was not placed on an outside party for custody of various accounting schedules and the County's administration maintained and reconciled the schedules to the general ledger in the current year.

2022-004: Fixed Asset Module and Reconciliation of Fixed Asset Balances to General Ledger

Corrective action was taken. County maintained fixed asset schedule and reconciled to the general ledger during the current year.

2022-005: Utility Billing Controls and Reporting

Corrective action was taken. The County maintained accurate schedule of customers and their balances, and reconciled the listing to the general ledger in the current year.

2022-006: Cutoff of Accounts Payable in the General Ledger

Corrective action was not taken. Comment repeated as 2023-003.

F. **Corrective Action Plan:** See management's response to current year findings as referenced in the table of contents.

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

To the Honorable Board of County Commissioners,
Liberty County, Florida:

Report on Compliance for Each Major Federal Program and Major State Project

Opinion on Each Major Federal Program and Each Major State Project

We have audited Liberty County, Florida (the County)'s compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* and the Florida Department of Financial Services *State Projects Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs and major state projects for the year ended September 30, 2023. The County's major federal programs and major state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and major state projects for the year ended September 30, 2023.

Basis for Opinion on Each Major Federal Program and Each Major State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and major 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.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit.

Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General, 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 County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, Rules of the Auditor General, 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.

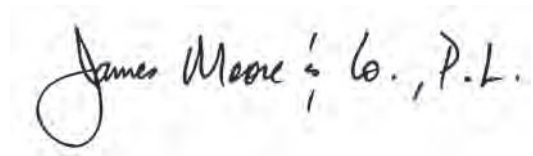
Report on Internal Control Over Compliance

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 or state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

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

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Tallahassee, Florida
September 5, 2024



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

The Honorable Board of County Commissioners,
Liberty County, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Liberty County, Florida (the County) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated September 5, 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.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2023-001 and 2023-002 to be material weaknesses.

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. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2023-003 and 2023-004 to be significant deficiencies.

Report on Compliance and Other Matters

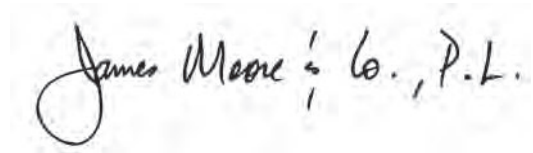
As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Management's Response to Findings

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

Purpose of this Report

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

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive, flowing style.

Tallahassee, Florida
September 5, 2024



**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED
BY CHAPTER 10.550, RULES OF THE STATE OF FLORIDA
OFFICE OF THE AUDITOR GENERAL**

To the Honorable Board of County Commissioners,
Liberty County, Florida:

Report on the Financial Statements

We have audited the financial statements of Liberty County, Florida (the County), as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated September 5, 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 Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance in accordance with the Uniform Guidance and Chapter 10.550 Rules of the Florida Auditor General; Schedule of Findings and Questioned Costs; and Independent Accountants' Examination Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated September 5, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Three findings remain uncorrected from the preceding audit report. A full summary of the status of the prior year findings follows:

Tabulation of Uncorrected Audit Findings		
Current Year Finding #	2022 Finding #	2021 Finding #
2023-001	2022-001	N/A
2023-002	2022-002	N/A
2023-003	2022-006	N/A
2023-004	N/A	N/A

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. The legal authority for the primary government and component unit of the reporting entity is disclosed in Note 1 of the basic financial statements.

Financial Condition and Management

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

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

2022-005 Budgetary Controls – Ambulance Fund

During our audit, we noted funds were expended in excess of budgeted amounts in the Ambulance fund. The Ambulance Fund exceeded its budgetary authority by \$6,586. We recommend the County review year end expenditures on an accrual basis in order to ensure expenditures do not exceed appropriations.

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; therefore, we did not note any such component units that failed to provide the necessary information, nor is any specific special district information required to be reported.

Additional Matters

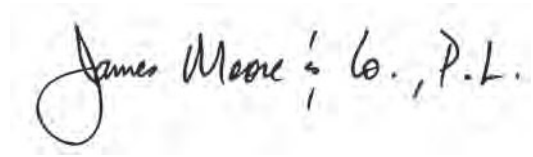
Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants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

Management's Response to Recommendations

The County's responses to the recommendations identified in our audit are described in the management's response as listed in the table of contents. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 State grant agencies, the Board of County Commissioners, management, and others within the County 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 "James Moore & Co., P.L." The signature is written in a cursive, flowing style.

Tallahassee, Florida
September 5, 2024



INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

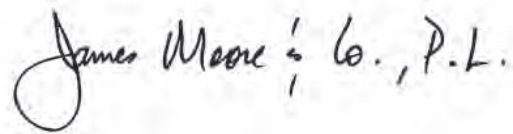
To the Honorable Board of County Commissioners,
Liberty County, Florida

We have examined the compliance of Liberty County, Florida (the County) with Section 365.172, Florida Statutes, *Emergency Communications Number "E911"*, Section 365.173, Florida Statutes, *Communications Number E911 System Fund*, and Section 218.415, Florida Statutes, *Local Government Investment Policies* (the Statutes), for the year ended September 30, 2023. The County's Management is responsible for the compliance with those requirements. Our responsibility is to obtain reasonable assurance by evaluating against the aforementioned statutes and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation based on our examination.

Our examination was conducted in accordance with the attestation standards for a direct examination engagement established by the American Institute of Certified Public Accountants (AICPA). Those standards require that we obtain reasonable assurance for evaluating the County's compliance with the Statutes during the year ended September 30, 2023 and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation of the County's compliance with the Statutes during the year ended September 30, 2023. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks that the County was not in compliance with the Statutes in all material respects, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

In our opinion, the County complied, in all material respects, with the Statutes for the year ended September 30, 2023.



Tallahassee, Florida
September 5, 2024

**LIBERTY COUNTY, FLORIDA
MANAGEMENT'S RESPONSE TO CURRENT YEAR FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

2023-001: Material Audit Adjustments and Preparation of Financial Statements

Management will select and apply the appropriate accounting principles to year-end accrual basis adjustments.

2023-002: Internal Control Monitoring over EMS Billing System

The county will work to develop internal controls to perform oversight over the activities of the outsourced EMS billing company.

2023-003: Cutoff of Accounts Payable in the General Ledger

Of the nineteen invoices that were reviewed we did have one that covered a period of two fiscal years that should have been split between the prior fiscal year and the new fiscal year. However, we do practice internal controls with review to payments made to ensure that accounts payable balances are fairly stated at year end. We will continue reviewing disbursements made after year end to ensure proper accounting treatment of those transactions.

2023-004: Bank Reconciliation Preparation and Review

Management has developed internal controls to establish written approval by the Clerk of Court for review and approval of all bank reconciliation statements on a monthly basis.

**LIBERTY COUNTY CLERK OF COURTS AND
COMPTROLLER**

**SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT**

SEPTEMBER 30, 2023

LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER

**SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT**

SEPTEMBER 30, 2023

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INDEPENDENT AUDITORS' REPORT

The Honorable Daniel Stanley, Clerk of the Circuit Court,
Liberty County, Florida:

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of each major fund and the aggregate remaining fund information of the Liberty County Clerk of Courts and Comptroller (the Office), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Office's 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 Office as of September 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund and the aggregate remaining fund information, only for that portion of the major funds and the aggregate remaining fund information, of Liberty County, Florida (the County), that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of the County as of September 30, 2023, the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; 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 Office's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Governmental 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, individually or in the aggregate, they would influence the judgment made by a reasonable user on the basis of these 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 Office'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 Office'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

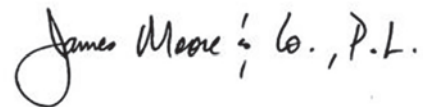
Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Office's financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the 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 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 financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 5, 2024, on our consideration of the Office'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 Office'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 Office's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive, flowing style.

Tallahassee, Florida
September 5, 2024

LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	<u>General Fund</u>	<u>Court Fund</u>	<u>Child Support Fund</u>	<u>Records Modernization Fund</u>	<u>Total Governmental Funds</u>
Assets					
Cash and cash equivalents	\$ 5,461	\$ -	\$ 81,794	\$ 31,059	\$ 118,314
Due from other governments	3,165	44,675	39,580	683	88,103
Total Assets	<u>\$ 8,626</u>	<u>\$ 44,675</u>	<u>\$ 121,374</u>	<u>\$ 31,742</u>	<u>\$ 206,417</u>
Liabilities					
Accounts payable and accrued expenses	\$ 3,646	\$ 13,956	\$ 5,080	\$ -	\$ 22,682
Due to Board of County Commissioners	4,980	-	-	-	4,980
Total liabilities	<u>8,626</u>	<u>44,675</u>	<u>5,080</u>	<u>-</u>	<u>58,381</u>
Fund Balances					
Restricted for:					
Court operations	-	-	116,294	-	116,294
Records modernization	-	-	-	31,742	31,742
Total fund balances	<u>-</u>	<u>-</u>	<u>116,294</u>	<u>31,742</u>	<u>148,036</u>
Total Liabilities and Fund Balances	<u>\$ 8,626</u>	<u>\$ 44,675</u>	<u>\$ 121,374</u>	<u>\$ 31,742</u>	<u>\$ 206,417</u>

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

LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	General Fund	Court Fund	Child Support Fund	Records Modernization Fund	Total Governmental Funds
Revenues					
Intergovernmental	\$ -	\$ 277,375	\$ 202,684	\$ -	\$ 480,059
Charges for services	29,232	159,620	-	11,793	200,645
Miscellaneous	108	2,021	-	-	2,129
Total revenues	<u>29,340</u>	<u>439,016</u>	<u>202,684</u>	<u>11,793</u>	<u>682,833</u>
Expenditures					
Current:					
General government	426,379	-	-	-	426,379
Court related	719	472,416	113,006	14,983	601,124
Total expenditures	<u>427,098</u>	<u>472,416</u>	<u>113,006</u>	<u>14,983</u>	<u>1,027,503</u>
Excess (deficiency) of revenues over expenditures	<u>(397,758)</u>	<u>(33,400)</u>	<u>89,678</u>	<u>(3,190)</u>	<u>(344,670)</u>
Other financing sources (uses)					
Transfers in	-	64,119	-	-	64,119
Transfers out	-	-	(64,119)	-	(64,119)
Appropriations from Board of County Commissioner:	401,235	-	-	-	401,235
Reversion to Board of County Commissioner:	(3,477)	-	-	-	(3,477)
Article V Reversion	-	(30,719)	-	-	(30,719)
Total other financing sources (uses)	<u>397,758</u>	<u>33,400</u>	<u>(64,119)</u>	<u>-</u>	<u>367,039</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>25,559</u>	<u>(3,190)</u>	<u>22,369</u>
Fund balance, beginning of year	-	-	90,735	34,932	125,667
Fund balance, end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 116,294</u></u>	<u><u>\$ 31,742</u></u>	<u><u>\$ 148,036</u></u>

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

LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Custodial Funds</u>
Assets	
Cash and cash equivalents	\$ 57,513
Due from other governments	25,833
Total Assets	<u>\$ 83,346</u>
Liabilities	
Due to individuals	\$ 528
Due to other governments	17,092
Total Liabilities	<u>\$ 17,620</u>
Net Position	
Restricted for:	
Other individuals and organizations	\$ 65,726
Total Net Position	<u>\$ 65,726</u>

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

LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Custodial Funds</u>
Additions	
Court related	\$ 837,989
Total additions	<u>837,989</u>
Deductions	
Payments to individuals	151,321
Payments to other governments	<u>720,386</u>
Total deductions	<u>871,707</u>
Net change in fiduciary net position	<u>(33,718)</u>
Net position, beginning of year, as restated	99,444
Net position, end of year	<u><u>\$ 65,726</u></u>

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

LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) Summary of Significant Accounting Policies:

The accounting policies of the Liberty County Clerk of Courts and Comptroller (the “Office”) conform to generally accepted accounting principles as applicable to governments in the Governmental Accounting Standards Board (GASB) Codification. The following is a summary of the more significant policies.

(a) **Reporting entity**—The Clerk is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. The Office is an integral part of Liberty County, Florida (the County), the reporting entity for financial reporting purposes. The Office’s General Fund is combined with the Board of County Commissioners in the County’s financial statements to properly reflect the county-wide General Fund.

(b) **Basis of presentation**—The Office’s financial statements are special-purpose financial statements that have been prepared for the purpose of complying with the Rules of the Auditor General of the State of Florida (the Rules). In conformity with the Rules, the Office has not presented the government-wide financial statements, the reconciliations to the government-wide statements or management’s discussion and analysis.

(c) **Fund accounting**—Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, as appropriate for each fund type. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column.

The Office reports the following major governmental fund; there are no non-major governmental funds:

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

The Office reports the following Special Revenue funds:

Court Fund - Used to account for fines, court costs, filing fees, and service charges as mandated by Florida Statutes for court-related expenditures.

Records Modernization Trust Fund - Used to account for additional recording fees, which are collected by the Clerk’s office and are earmarked for the modernization of recording service operations.

Child Support Fund – The Child Support Fund was established to account for federal reimbursement of the court-related child support revenues and expenditures for overhead that is required to be reported separately from the Clerk’s general fund activities.

Additionally, the Office reports the following fiduciary fund type:

Custodial Funds - Used to account for assets held by the Office as an agent for individuals, private organizations, other governments, and/or other funds.

(d) **Measurement focus/basis of accounting**—All governmental funds are accounted for on a spending or current financial resources measurement focus and the modified accrual basis of accounting. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of “available spendable resources”. Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of “available spendable resources” during a period.

LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) **Summary of Significant Accounting Policies:** (Continued)

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. The Office follows the County's policy for revenue recognition in which it considers revenues to be available if they are collected within 90 days of the end of the current fiscal period, except for property taxes which is 60 days.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on general long-term debt are recognized when due.

(e) **Cash and cash equivalents**—The Office's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

(f) **Capital assets and long-term liabilities**—Capital assets used by the Office are capitalized (recorded and accounted for) by the Liberty County Clerk of Courts and Comptroller.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude 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. They are instead reported as liabilities in the financial statements of the County.

(g) **Accounts payable**—Accounts payable balances in the general fund are primarily payable to third-party vendors for goods provided and services rendered.

(h) **Compensated absences**—The Office follows generally accepted accounting principles in accounting for accrued compensated absences. The Office allows limited vesting of unused employee leave time. Since the annual and sick leave liability is considered long-term, it is recorded in the government-wide financial statements of the County. Compensated absences are expected to be paid out of the General Fund of the Office and this practice is expected to continue in the future. The Office maintained compensated absence records for the hours earned, used and available.

(i) **Fund balance**—Fund balance for governmental funds report 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 the funds may be spent. In as much as the Clerk is a county constitutional officer, any funds remaining at the end of the fiscal year are returned to the Board of County Commissioners. Assigned amounts represent residual external funding to be used by the Office. Unassigned fund balance represents funds available for spending at the government's discretion.

The Office does not have a formal written policy regarding whether restricted or unrestricted amounts are considered to be spent when an expenditure for purposes for which both restricted and unrestricted fund balances are available. However, it has been the Office's general practice when expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available; the Office considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Office considers amounts to have been spent first out of committed funds, then assigned funds, and lastly unassigned funds, as needed.

LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) **Summary of Significant Accounting Policies:** (Continued)

(j) **Use of estimates**—The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

(2) **Budgets and Budgetary Accounting:**

Governmental fund revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget was adopted for the General Fund. All budget amounts presented in the accompanying special-purpose financial statements have been adjusted for legally authorized amendments of the annual budget for the year. The annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total budget appropriations at the individual fund level. All appropriations lapse at year-end.

(3) **Investments:**

Florida Statutes authorize the Office to invest in bonds, notes or other obligations of the U.S. Government, certificates of deposits, repurchase agreements, certain bonds of any State or local government unit and the State Treasurer's Investment Pool.

Interest Rate Risk. The Office does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk. The Office places no limit on the amount the Office may invest in any one issuer. The Office maintained 100-percent of excess deposits in a checking account with a local financial institution subject to Federal Depository Insurance Corporation (FDIC) insurance, and/or the State of Florida collateral pool established under the Florida Security for Public Deposits Act (the Act).

(4) **Risk Management:**

The County purchased commercial insurance to limit the exposure of the following risks of loss: theft of, damage to, and destruction of assets; natural disasters and injuries to employees. Commercial insurance is obtained in conjunction with the County to cover the risks of loss due to employee errors or omissions and health insurance. Settled claims resulting from all risks have not exceeded insurance coverage in any of the past three years.

(5) **Pension Plan:**

The Office participates in the Florida Retirement System (FRS), a multiple-employer, cost-sharing defined public employee retirement system which covers all of the Office's eligible employees. The System is administered by the State of Florida, Department of Administration, Division of Retirement to provide retirement and survivor benefits to participating public employees. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension plan (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(5) **Pension Plan:** (Continued)

In addition, all regular employees of the Office are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended September 30, 2023, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$7.50.

The minimum payment is \$45 and the maximum payment is \$225 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

For financial reporting purposes, the Office is deemed to be part of the primary government of the County. A liability related to the Office's proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of the County for the fiscal year ended September 30, 2023.

REQUIRED SUPPLEMENTARY INFORMATION

LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 34,207	\$ 34,207	\$ 29,232	\$ (4,975)
Miscellaneous	150	150	108	(42)
Total revenues	<u>34,357</u>	<u>34,357</u>	<u>29,340</u>	<u>(5,017)</u>
Expenditures				
Current:				
General government	435,592	435,592	426,379	9,213
Court related	-	-	719	(719)
Total expenditures	<u>435,592</u>	<u>435,592</u>	<u>427,098</u>	<u>8,494</u>
Excess (deficiency) of revenues over expenditures	<u>(401,235)</u>	<u>(401,235)</u>	<u>(397,758)</u>	<u>3,477</u>
Other financing sources (uses)				
Appropriations from Board of County Commissioners	401,235	401,235	401,235	-
Reversion to Board of County Commissioners	-	-	(3,477)	(3,477)
Total other financing sources (uses)	<u>401,235</u>	<u>401,235</u>	<u>397,758</u>	<u>(3,477)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying note to the schedule of revenues, expenditures and changes in fund balance - budget and actual - general fund is an integral part of this schedule.

LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
COURT FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 203,963	\$ 203,963	\$ 277,375	\$ 73,412
Charges for services	172,144	172,144	159,620	(12,524)
Miscellaneous	250	250	2,021	1,771
Total revenues	<u>376,357</u>	<u>376,357</u>	<u>439,016</u>	<u>62,659</u>
Expenditures				
Current:				
Court related	472,574	472,574	472,416	158
Total expenditures	<u>472,574</u>	<u>472,574</u>	<u>472,416</u>	<u>158</u>
Excess (deficiency) of revenues over expenditures	<u>(96,217)</u>	<u>(96,217)</u>	<u>(33,400)</u>	<u>62,817</u>
Other financing sources (uses)				
Transfers in	96,217	96,217	64,119	(32,098)
Article V Reversion	-	-	(30,719)	(30,719)
Total other financing sources (uses)	<u>96,217</u>	<u>96,217</u>	<u>33,400</u>	<u>(62,817)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying note to the schedule of revenues, expenditures and changes in fund balance - budget and actual - court fund is an integral part of this schedule.

LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
CHILD SUPPORT FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 84,627	\$ 84,627	\$ 202,684	\$ 118,057
Total revenues	<u>84,627</u>	<u>84,627</u>	<u>202,684</u>	<u>118,057</u>
Expenditures				
Current:				
Court related	209,224	209,224	113,006	96,218
Total expenditures	<u>209,224</u>	<u>209,224</u>	<u>113,006</u>	<u>96,218</u>
Net change in fund balance	<u>(124,597)</u>	<u>(124,597)</u>	<u>25,559</u>	<u>150,156</u>
Fund balance, beginning of year	124,597	124,597	90,735	33,862
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 116,294</u>	<u>\$ 184,018</u>

The accompanying note to the schedule of revenues, expenditures and changes in fund balance - budget and actual - child support fund is an integral part of this schedule.

LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
RECORDS MODERNIZATION FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 11,887	\$ 11,887	\$ 11,793	\$ (94)
Total revenues	<u>11,887</u>	<u>11,887</u>	<u>11,793</u>	<u>(94)</u>
Expenditures				
Current:				
Court related	35,367	35,367	14,983	20,384
Total expenditures	<u>35,367</u>	<u>35,367</u>	<u>14,983</u>	<u>20,384</u>
Net change in fund balance	<u>(23,480)</u>	<u>(23,480)</u>	<u>(3,190)</u>	<u>20,290</u>
Fund balance, beginning of year	23,480	23,480	34,932	(11,452)
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,742</u>	<u>\$ 8,838</u>

The accompanying note to the schedule of revenues, expenditures and changes in fund balance - budget and actual - records modernization fund is an integral part of this schedule.

**LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
NOTE TO SCHEDULES OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

(1) **Budgetary Information:**

An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund, the court fund, the records modernization trust fund, and the child support fund. All annual appropriations lapse at fiscal year-end.

The Clerk follows these procedures in establishing the budgetary data reflected in the financial statements:

- a) The preparation, adoption and amendment of the budgets are governed by Florida Statutes. Public hearings are conducted to obtain taxpayer comments.
- b) Budget excess expenditures over revenues are funded through appropriations from the Board of County Commissioners.
- c) Formal budgetary integration is employed as a management control device during the year. The legal level of budgetary control is the fund level.
- d) The budgets for the funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

SUPPLEMENTARY INFORMATION

LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2023

	Domestic Relations Fund	Registry of Court Fund	General Trust Fund	Cash Bond Fund	Total Custodial Funds
Assets					
Cash and cash equivalents	\$ -	\$ 16,253	\$ 27,658	\$ 13,602	\$ 57,513
Due from other governments	-	-	25,833	-	25,833
Total Assets	<u>\$ -</u>	<u>\$ 16,253</u>	<u>\$ 53,491</u>	<u>\$ 13,602</u>	<u>\$ 83,346</u>
Liabilities					
Due to individuals	\$ -	\$ 528	\$ -	\$ -	\$ 528
Due to other governments	-	-	17,092	-	17,092
Total Liabilities	<u>\$ -</u>	<u>\$ 528</u>	<u>\$ 17,092</u>	<u>\$ -</u>	<u>\$ 17,620</u>
Net Position					
Restricted for:					
Other individuals and organizations	\$ -	\$ 15,725	\$ 36,399	\$ 13,602	\$ 65,726
Total Net Position	<u>\$ -</u>	<u>\$ 15,725</u>	<u>\$ 36,399</u>	<u>\$ 13,602</u>	<u>\$ 65,726</u>

See accompanying notes to financial statements.

LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2023

	Domestic Relations Fund	Registry of Court Fund	General Trust Fund	Cash Bond Fund	Total Custodial Funds
Additions					
Court related	\$ 8,887	\$ 63,533	\$ 746,438	\$ 19,131	\$ 837,989
Total additions	<u>8,887</u>	<u>63,533</u>	<u>746,438</u>	<u>19,131</u>	<u>837,989</u>
Deductions					
Payments to individuals	8,887	109,529	-	32,905	151,321
Payments to other governments	-	-	720,386	-	720,386
Total deductions	<u>8,887</u>	<u>109,529</u>	<u>720,386</u>	<u>32,905</u>	<u>871,707</u>
Net change in fiduciary net position	<u>-</u>	<u>(45,996)</u>	<u>26,052</u>	<u>(13,774)</u>	<u>(33,718)</u>
Net position, beginning of year, as restated	-	61,721	10,347	27,376	99,444
Net position, end of year	<u>\$ -</u>	<u>\$ 15,725</u>	<u>\$ 36,399</u>	<u>\$ 13,602</u>	<u>\$ 65,726</u>

See accompanying notes to financial statements.

ADDITIONAL ELEMENTS REQUIRED BY THE RULES OF THE AUDITOR GENERAL



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

The Honorable Daniel Stanley, Clerk of the Circuit Court,
Liberty County, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Liberty County Clerk of Courts and Comptroller (the Office) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Liberty County Clerk of Courts and Comptroller's special-purpose financial statements, and have issued our report thereon dated September 5, 2024, which was modified to refer to a basis of accounting required for compliance with state filing requirements, and for other reasons.

Report on Internal Control over Financial Reporting

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

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 over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified.

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 Office's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2023-001 and 2023-002 to be material weaknesses.

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. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2023-03 to be a significant deficiency.

2023-001: Segregation of Duties

Internal controls are designed to safeguard assets and help prevent or detect losses from employee dishonesty or error. A fundamental concept in a good system of internal control is the segregation of duties. The basic premise is that no one employee should have access to both physical assets and the related accounting records or all phases of a transaction. Due to the small size of the Office, we noted that for the year ended September 30, 2023, the same person within the accounting department held the duties of maintaining the accounting records, opening the mail, depositing checks, preparing bank reconciliations and recording journal entries.

2023-002: Cash to Accrual Basis Audit Adjustments and Preparation of Financial Statements:

Internal controls over financial reporting should include year-end adjustments of all significant account balances, with such adjustments to also include procedures related to the proper cutoff of significant revenue and expense activities. In addition, management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America (“GAAP”). The capability of management to prepare the financial statements and related disclosures is considered a crucial element of the internal control structure. For the year ended September 30, 2023, various account balance adjustments were required to be made to the accounting records subsequent to the start of the audit process related to year-end accrual entries.

2023-003: Journal Entries

During our testing of journal entries, the approval of journal entries could not be observed. Although a monthly closeout process is performed by the Deputy Clerk and reviewed/approved by the Clerk of Court as a mitigating control, we recommend that written approval be documented on each reclassifying journal entry or batch of journal entries.

Report on Compliance and Other Matters

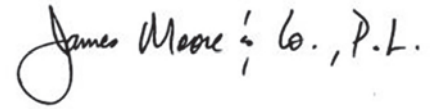
As part of obtaining reasonable assurance about whether the Office’s special-purpose financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Management’s Response to Findings

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

Purpose of this Report

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

A handwritten signature in black ink that reads "James Moore & Co., P.L.". The signature is written in a cursive style with a large, looping initial "J".

Tallahassee, Florida
September 5, 2024



**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED BY
CHAPTER 10.550, RULES OF THE STATE OF FLORIDA, OFFICE OF THE
AUDITOR GENERAL**

The Honorable Daniel Stanley, Clerk of the Circuit Court,
Liberty County, Florida:

We have audited the financial statements of the Liberty County Clerk of Courts and Comptroller (the Office), as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated September 5, 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 Compliance and Other Matters Based on an Audit of Special-Purpose 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 September 5, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Two findings (2023-001 and 2023-002) remain uncorrected from the preceding audit report. A full summary of the status of the prior year findings follows:

Tabulation of Uncorrected Audit Findings		
Current Year Finding #	2022 Finding #	2021 Finding #
2023-001	2022-001	N/A
2023-002	2022-002	N/A

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. The Liberty County Clerk of the Circuit Court is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. Liberty County,

including the Office of the Clerk, was established by Chapter 8516, Laws of Florida in 1921. There are no component units of the Liberty County Clerk of Courts and Comptroller to be disclosed as required by accounting principles generally accepted in the United States of America.

Financial Management

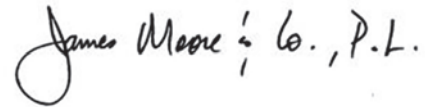
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

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 have the following 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, the Liberty County Clerk of Courts and Comptroller, 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 "James Moore & Co., P.L." The signature is written in a cursive, flowing style.

Tallahassee, Florida
September 5, 2024



INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

The Honorable Daniel Stanley, Clerk of the Circuit Court,
Liberty County, Florida:

We have examined the Liberty County Clerk of Courts and Comptroller's (the Office) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, Section 28.35, Florida Statutes, *Florida Clerks of Court Operations Corporation*, Section 28.36, Florida Statutes, *Budget Procedure*, and Section 61.181, Florida Statutes, *Depository for Alimony Transactions, Support, Maintenance, and Support Payments; Fees* (collectively, "the Statutes"), for the year ended September 30, 2023. Management is responsible for the Office's compliance with those requirements. Our responsibility is to obtain reasonable assurance by evaluating against the aforementioned statutes and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation based on our examination.

Our examination was conducted in accordance with the attestation standards for a direct examination engagement established by the AICPA. Those standards require that we obtain reasonable assurance by evaluating against the aforementioned statutes during the year ended September 30, 2023 and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation of the Office's compliance during the year ended September 30, 2023. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks that were not in accordance with those requirements in all material respects, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

In our opinion, for the year ended September 30, 2023, the Office complied with the Statutes in all material respects.

Tallahassee, Florida
September 5, 2024

MANAGEMENT'S RESPONSE

Finding 2023-001: Segregation of Duties

Management will work with the auditor to identify areas to strengthen the internal controls of the office. However, due to the small size of the office, it is acknowledged that there may be limited ways for fully corrective action over this finding. Any areas of control that can be strengthened will be done in conjunction with consultation from the outside auditing firm.

Finding 2023-002: Cash to Accrual Basis Audit Adjustments and Preparation of Financial Statements

Management will identify areas to strengthen the internal controls of the office to balance adjustments prior to the start of the audit process related to year-end accrual entries.

Finding 2023-003: Journal Entries

Management will establish written approval by the Clerk of Court of reclassifying journal entry or batch of journal entries.

**LIBERTY COUNTY PROPERTY APPRAISER
SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT**

SEPTEMBER 30, 2023

LIBERTY COUNTY PROPERTY APPRAISER
SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT

SEPTEMBER 30, 2023

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INDEPENDENT AUDITORS' REPORT

The Honorable Cindy Walker, Property Appraiser,
Liberty County, Florida:

Report on Audit of the Financial Statements

Opinion

We have audited the financial statements of the general fund of the Liberty County Property Appraiser (the Office), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Office's 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 financial position of the general fund of the Office as of September 30, 2023, and the change in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the general fund, only for that portion of the general fund, of Liberty County, Florida (the County), that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of the County as of September 30, 2023, the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

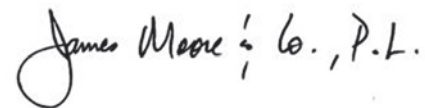
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, 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 GAAS and *Government Auditing Standards*, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 5, 2024 on our consideration of the Office'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 Office'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 Office's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive, flowing style.

Tallahassee, Florida
September 5, 2024

**LIBERTY COUNTY PROPERTY APPRAISER
BALANCE SHEET
GOVERNMENTAL FUND
SEPTEMBER 30, 2023**

	<u>General Fund</u>
ASSETS	
Cash and cash equivalents	\$ 37,507
Total Assets	<u>\$ 37,507</u>
 LIABILITIES AND FUND BALANCE	
Liabilities	
Due to Board of County Commissioners	\$ 37,507
Total Liabilities	<u>37,507</u>
 Fund Balance	
Unassigned	<u>-</u>
Total Fund Balances	<u>-</u>
 Total Liabilities and Fund Balance	<u><u>\$ 37,507</u></u>

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

**LIBERTY COUNTY PROPERTY APPRAISER
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	General Fund
Revenues	
Charges for services	\$ 200
Intergovernmental revenue	141,935
Miscellaneous revenue	1,588
Total revenues	<u>143,723</u>
Expenditures	
Current:	
General government	<u>644,916</u>
Total expenditures	<u>644,916</u>
Excess (deficiency) of revenues over expenditures	<u>(501,193)</u>
Other financing sources (uses)	
Appropriations from Board of County Commissioners	515,216
Reversion to Board of County Commissioners	<u>(14,023)</u>
Total other financing sources (uses)	<u>501,193</u>
Net change in fund balance	<u>-</u>
Fund balance, beginning of year	-
Fund balance, end of year	<u><u>\$ -</u></u>

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

LIBERTY COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) Summary of Significant Accounting Policies:

The accounting policies of the Liberty County Property Appraiser (the “Office”) conform to generally accepted accounting principles as applicable to governments in the Governmental Accounting Standards Board (GASB) Codification. The following is a summary of the more significant policies.

(a) **Reporting entity**—The Property Appraiser is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. The Office is an integral part of Liberty County, Florida (the County), the reporting entity for financial reporting purposes. The Office’s General Fund is combined with the Board of County Commissioners in the County’s financial statements to properly reflect the county-wide General Fund.

(b) **Basis of presentation**—The Office’s financial statements are special-purpose financial statements that have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the Rules). In conformity with the Rules, the Office has not presented the government-wide financial statements, the reconciliations to the government-wide statements or management’s discussion and analysis.

(c) **Fund accounting**—Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, as appropriate for each fund type. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column.

The Office reports the following major governmental fund; there are no non-major governmental funds:

General Fund – The principal operating fund of the Office. It is used to account for all financial resources.

(d) **Measurement focus/basis of accounting**—All governmental funds are accounted for on a spending or current financial resources measurement focus and the modified accrual basis of accounting. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of “available spendable resources”. Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of “available spendable resources” during a period.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. The Office follows the County’s policy for revenue recognition in which it considers revenues to be available if they are collected within 90 days of the end of the current fiscal period, except for property taxes which is 60 days.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on general long-term debt are recognized when due.

**LIBERTY COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

(1) **Summary of Significant Accounting Policies:** (Continued)

(e) **Cash and cash equivalents**—The Office's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

(f) **Capital assets and long-term liabilities**—Capital assets used by the Office are capitalized (recorded and accounted for) by the Liberty County Board of County Commissioners.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude 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. They are instead reported as liabilities in the financial statements of the County.

(g) **Accounts payable**—Accounts payable balances in the general fund are primarily payable to third-party vendors for goods provided and services rendered.

(h) **Compensated absences**—The Office follows generally accepted accounting principles in accounting for accrued compensated absences. The Office allows limited vesting of unused employee leave time. Since the annual and sick leave liability is considered long-term, it is recorded in the government-wide financial statements of the County. Compensated absences are expected to be paid out of the General Fund of the Office and this practice is expected to continue in the future. The Office kept compensated absence records for the hours earned, used and available.

(i) **Fund balance**—Fund balance for governmental funds report 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 the funds may be spent. In as much as the Property Appraiser is a county constitutional officer, any funds remaining at the end of the fiscal year are returned to the Board of County Commissioners. Unassigned fund balance represents funds available for spending at the government's discretion.

The Office does not have a formal written policy regarding whether restricted or unrestricted amounts are considered to be spent when an expenditure for purposes for which both restricted and unrestricted fund balances are available. However, it has been the Office's general practice when expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available; the Office considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Office considers amounts to have been spent first out of committed funds, then assigned funds, and lastly unassigned funds, as needed.

(j) **Use of estimates**—The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

**LIBERTY COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

(2) Budgets and Budgetary Accounting:

Governmental fund revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget was adopted for the General Fund. All budget amounts presented in the accompanying special-purpose financial statements have been adjusted for legally authorized amendments of the annual budget for the year. The annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total budget appropriations at the individual fund level. All appropriations lapse at year-end.

(3) Investments:

Florida Statutes authorize the Office to invest in bonds, notes or other obligations of the U.S. Government, certificates of deposits, repurchase agreements, certain bonds of any State or local government unit and the State Treasurer's Investment Pool.

Interest Rate Risk. The Office does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk. The Office places no limit on the amount the Office may invest in any one issuer. The Office maintained 100-percent of excess deposits in a checking account with a local financial institution subject to Federal Depository Insurance Corporation (FDIC) insurance, and/or the State of Florida collateral pool established under the Florida Security for Public Deposits Act (the Act).

(4) Risk Management:

The County purchased commercial insurance to limit the exposure of the following risks of loss: theft of, damage to, and destruction of assets; natural disasters and injuries to employees. Commercial insurance has been purchased by the Office to cover the risks of loss due to employee errors or omissions and health insurance. Settled claims resulting from all risks have not exceeded insurance coverage in any of the past three years.

**LIBERTY COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

(5) Pension Plan:

The Office participates in the Florida Retirement System (FRS), a multiple-employer, cost-sharing defined public employee retirement system which covers all of the Office's eligible employees. The System is administered by the State of Florida, Department of Administration, Division of Retirement to provide retirement and survivor benefits to participating public employees. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension plan (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

In addition, all regular employees of the Office are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended September 30, 2023, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$7.50. The minimum payment is \$45 and the maximum payment is \$225 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

For financial reporting purposes, the Office is deemed to be part of the primary government of the County. A liability related to the Office's proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of the County for the fiscal year ended September 30, 2023.

REQUIRED SUPPLEMENTARY INFORMATION

LIBERTY COUNTY PROPERTY APPRAISER
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>			<u>Variance with</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Final Budget</u>
Revenues				
Charges for services	\$ -	\$ -	\$ 200	\$ 200
Miscellaneous revenue	141,636	141,636	1,588	(140,048)
Total revenues	<u>141,636</u>	<u>141,636</u>	<u>143,723</u>	<u>2,087</u>
Expenditures				
Current:				
General government	656,852	656,852	644,916	11,936
Total expenditures	<u>656,852</u>	<u>656,852</u>	<u>644,916</u>	<u>11,936</u>
Excess (deficiency) of revenues over expenditures	<u>(515,216)</u>	<u>(515,216)</u>	<u>(501,193)</u>	<u>14,023</u>
Other financing sources (uses)				
Appropriations from Board of County Commissioners	515,216	515,216	515,216	-
Reversion to Board of County Commissioners	-	-	(14,023)	(14,023)
Total other financing sources (uses)	<u>515,216</u>	<u>515,216</u>	<u>501,193</u>	<u>(14,023)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

The accompanying note to schedule of revenues, expenditures, and changes in fund balance - budget to actual - general fund is an integral part of this schedule.

**LIBERTY COUNTY PROPERTY APPRAISER
NOTE TO SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

(1) **Budgetary Information:**

An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund. All annual appropriations lapse at fiscal year-end.

The Property Appraiser follows these procedures in establishing the budgetary data reflected in the financial statements:

- a) The preparation, adoption and amendment of the budgets are governed by Florida Statutes. Public hearings are conducted to obtain taxpayer comments.
- b) Budget excess expenditures over revenues are funded through appropriations from the Board of County Commissioners.
- c) Formal budgetary integration is employed as a management control device during the year for the General Fund. The legal level of budgetary control is the fund level.
- d) The budgets for the funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

ADDITIONAL ELEMENTS REQUIRED BY THE RULES OF THE AUDITOR GENERAL



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

The Honorable Cindy Walker, Property Appraiser,
Liberty County, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the general fund of the Liberty County Property Appraiser (the Office) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Office's special-purpose financial statements, and have issued our report thereon dated September 5, 2024.

Internal Control over Financial Reporting

In planning and performing our audit of the special-purpose financial statements, we considered the Office's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the special-purpose financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Office's internal control. Accordingly, we do not express an opinion on the effectiveness of the Office'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 over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described below as items 2023-001 and 2023-002 that we consider to be material weaknesses.

2023-001: Cash to Accrual Basis Audit Adjustments and Preparation of Financial Statements:

Internal controls over financial reporting should include year-end adjustments of all significant account balances, with such adjustments to also include procedures related to the proper cutoff of significant revenue and expense activities. In addition, management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The capability of

management to prepare the financial statements and related disclosures is considered a crucial element of the internal control structure. For the year ended September 30, 2023, various account balance adjustments were required to be made to the accounting records subsequent to the start of the audit process related to year-end accrual entries.

2023-002: Segregation of Duties

Internal controls are designed to safeguard assets and help prevent or detect losses from employee dishonesty or error. A fundamental concept in a good system of internal control is the segregation of duties. The basic premise is that no one employee should have access to both physical assets and the related accounting records or all phases of a transaction. Due to the small size of the Office, we noted that for the year ended September 30, 2023, the same person within the accounting department held the duties of maintaining the accounting records, opening the mail, depositing checks, preparing bank reconciliations and recording journal entries. In addition, we noted there was no individual assigned to review bank reconciliations after they are prepared.

Report on Compliance and Other Matters

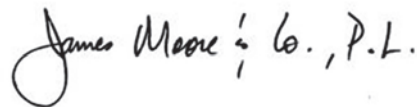
As part of obtaining reasonable assurance about whether the Office's special-purpose financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Management's Response to Findings

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

Purpose of this Report

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



Tallahassee, Florida
September 5, 2024



**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED BY
CHAPTER 10.550, RULES OF THE STATE OF FLORIDA, OFFICE OF THE
AUDITOR GENERAL**

The Honorable Cindy Walker, Property Appraiser,
Liberty County, Florida:

Report on the Financial Statements

We have audited the financial statements of the Liberty County Property Appraiser (the Office), as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated September 5, 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 Compliance and Other Matters Based on an Audit of Special-Purpose 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 September 5, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Findings 2023-001 and 2023-002 remain uncorrected from the preceding audit report. A full summary of the status of the prior year findings follows:

Tabulation of Uncorrected Audit Findings		
Current Year Finding #	FY2022 Finding #	FY2021 Finding #
2023-001	2022-001	N/A
2023-002	2022-002	N/A

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. The Liberty County Property Appraiser is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. There are no component units of the Office to be disclosed as required by accounting principles generally accepted in the United States of America.

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.

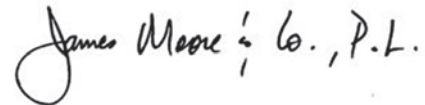
Additional Matters

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

Tallahassee, Florida
September 5, 2024

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive, flowing style.



INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

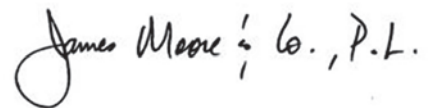
The Honorable Cindy Walker, Property Appraiser,
Liberty County, Florida:

We have examined the Liberty County Property Appraiser's (the Office) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies* (the Statute), for the year ended September 30, 2023. Management is responsible for the Office's compliance with those requirements. Our responsibility is to obtain reasonable assurance by evaluating against the aforementioned statutes and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation based on our examination.

Our examination was conducted in accordance with the attestation standards for a direct examination engagement established by the AICPA. Those standards require that we obtain reasonable assurance by evaluating against aforementioned statutes during the year ended September 30, 2023 and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation of the Office's compliance during the year ended September 30, 2023. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks that were not in accordance with those requirements in all material respects, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

In our opinion, for the year ended September 30, 2023, the Office complied with the Statute in all material respects.

James Moore & Co., P.L.

Tallahassee, Florida
September 5, 2024

**LIBERTY COUNTY, FLORIDA PROPERTY APPRAISER
MANAGEMENT'S RESPONSE TO CURRENT YEAR FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

2023-001: Cash to Accrual Basis Audit Adjustments and Preparation of Financial Statements:

The Liberty County Property Appraiser is committed to making the necessary adjustments to financial statements in a timely manner. We will also work together with our auditors to ensure the accuracy of these financial statements.

2023-002: Segregation of Duties

Although the day to day accounting is handled by one employee, office managers do review accounting statements, to include incoming and outgoing transactions, for the purposes of safeguarding assets and loss prevention.

LIBERTY COUNTY SHERIFF
SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT

SEPTEMBER 30, 2023

LIBERTY COUNTY SHERIFF
SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT
SEPTEMBER 30, 2023

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INDEPENDENT AUDITORS' REPORT

The Honorable Walter Money, Sheriff,
Liberty County, Florida:

Report on the Financial Statements

Opinions

We have audited the financial statements of each major fund and the aggregate remaining fund information of the Liberty County Sheriff (the Office), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Office's 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 Office as of September 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, and aggregate remaining fund information only for that portion of the major funds, and aggregate remaining fund information of Liberty County, Florida (the County), that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of the County as of September 30, 2023, the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

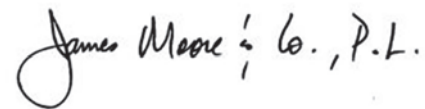
Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of 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 Office's financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 5, 2024 on our consideration of the Office'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 Office'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 Office's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive, flowing style.

Tallahassee, Florida
September 5, 2024

**LIBERTY COUNTY SHERIFF
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023**

	General Fund	Special Revenue Inmate Welfare Fund	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 8,390	\$ 78,726	\$ 87,116
Due from other governments	110,679	-	110,679
Total Assets	<u>\$ 119,069</u>	<u>\$ 78,726</u>	<u>\$ 197,795</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accrued expenditures	\$ 76,709	\$ -	\$ 76,709
Due to Board of County Commissioners	42,360	-	42,360
Total liabilities	119,069	-	119,069
Fund Balances			
Restricted for:			
Law enforcement	-	78,726	78,726
Unassigned	-	-	-
Total fund balances	-	78,726	78,726
Total Liabilities and Fund Balances	<u>\$ 119,069</u>	<u>\$ 78,726</u>	<u>\$ 197,795</u>

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

LIBERTY COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	General Fund	Special Revenue Inmate Welfare Fund	Total Governmental Funds
Revenues			
Intergovernmental	\$ 1,087,873	\$ -	\$ 1,087,873
Charges for services	748,962	70,505	819,467
Miscellaneous revenue	142,166	636	142,802
Total revenues	<u>1,979,001</u>	<u>71,141</u>	<u>2,050,142</u>
Expenditures			
Current:			
Public safety	4,351,195	92,832	4,444,027
Capital outlay	1,000	-	1,000
Total expenditures	<u>4,352,195</u>	<u>92,832</u>	<u>4,445,027</u>
Excess (deficiency) of revenues over expenditures	<u>(2,373,194)</u>	<u>(21,691)</u>	<u>(2,394,885)</u>
Other financing sources (uses)			
Appropriations from board of county commissioners	2,519,900	-	2,519,900
Reversion to board of county commissioners	(146,706)	-	(146,706)
Total other financing sources (uses)	<u>2,373,194</u>	<u>-</u>	<u>2,373,194</u>
Net change in fund balance	<u>-</u>	<u>(21,691)</u>	<u>(21,691)</u>
Fund balances, beginning of year	<u>-</u>	<u>100,417</u>	<u>100,417</u>
Fund balances, end of year	<u><u>\$ -</u></u>	<u><u>\$ 78,726</u></u>	<u><u>\$ 78,726</u></u>

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

**LIBERTY COUNTY SHERIFF
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2023**

	Custodial Funds
Assets	
Cash and cash equivalents	\$ 58,600
Total Assets	<u>\$ 58,600</u>
Liabilities	
Due to individuals	\$ 3,172
Due to other governments	4,885
Total Liabilities	<u>\$ 8,057</u>
Net Position	
Restricted for:	
Other individuals and organizations	50,543
Total Net Position	<u>\$ 50,543</u>

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

LIBERTY COUNTY SHERIFF
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Custodial Funds</u>
Additions	
Payments on behalf of other governments	\$ 6,262
Fines and forfeitures	556
Total additions	<u>199,206</u>
Deductions	
Payments to individuals	170,869
Payments to other governments	<u>6,262</u>
Total deductions	<u>177,131</u>
Net change in fiduciary net position	<u>22,075</u>
Net position, beginning of year	28,468
Net position, end of year	<u><u>\$ 50,543</u></u>

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

LIBERTY COUNTY SHERIFF
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) Summary of Significant Accounting Policies:

The accounting policies of the Liberty County Sheriff (the Office) conform to generally accepted accounting principles as applicable to governments in the Governmental Accounting Standards Board (GASB) Codification. The following is a summary of the more significant policies.

(a) **Reporting entity**—The Sheriff is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. The Office is an integral part of Liberty County, Florida (the County), the reporting entity for financial reporting purposes. The Office’s General Fund is combined with the Board of County Commissioners in the County’s financial statements to properly reflect the county-wide General Fund.

(b) **Basis of presentation**—The Office’s financial statements are special-purpose financial statements that have been prepared for the purpose of complying with the Rules of the Auditor General of the State of Florida (the Rules). In conformity with the Rules, the Office has not presented the government-wide financial statements, the reconciliations to the government-wide statements or management’s discussion and analysis.

(c) **Fund accounting**—Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, as appropriate for each fund type. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column.

The Office reports the following major governmental funds:

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

Special Revenue Funds – The Inmate Welfare Special Revenue Fund is used to account for the funds that are generated by phone commissions. The profits can only be spent for the benefit of the inmates.

Additionally, the Sheriff reports the following fiduciary fund type:

Custodial Funds – Custodial Funds are used to account for assets held by the Office in a trustee capacity, or as an agent for individuals, private organizations, and other governments.

(d) **Measurement focus/basis of accounting**—All governmental funds are accounted for on a spending or current financial resources measurement focus and the modified accrual basis of accounting. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of “available spendable resources”. Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of “available spendable resources” during a period.

LIBERTY COUNTY SHERIFF
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) **Summary of Significant Accounting Policies:** (Continued)

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. The Office follows the County's policy for revenue recognition in which it considers revenues to be available if they are collected within 90 days of the end of the current fiscal period, except for property taxes which is 60 days.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on general long-term debt are recognized when due.

(e) **Cash and cash equivalents**—The Office's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

(f) **Capital assets and long-term liabilities**—Capital assets used by the Office are capitalized (recorded and accounted for) by the Liberty County Board of County Commissioners.

Depreciation is reported for the primary government using the straight-line method calculated on a service-life basis to amortize the cost of the asset over their estimated economic useful lives, which are as follows:

<u>Assets</u>	<u>Years</u>
Vehicles	4 – 6 years
Building and improvements	20 years
Computer software	3 – 10 years
Machinery and equipment	3 – 20 years

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude 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. They are instead reported as liabilities in the financial statements of the County.

(g) **Accounts payable**—Accounts payable balances in the general fund are primarily payable to third-party vendors for goods provided and services rendered.

(h) **Compensated absences**—The Office follows generally accepted accounting principles in accounting for accrued compensated absences. The Office allows limited vesting of unused employee leave time. Since the annual and sick leave liability is considered long-term, it is recorded in the government-wide financial statements of the County. Compensated absences are expected to be paid out of the General Fund of the Office and this practice is expected to continue in the future. The Office maintained compensated absence records for the hours earned, used and available.

(i) **Fund balance**—Fund balance for governmental funds report 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 the funds may be spent. In as much as the Sheriff is a county constitutional officer, any funds remaining at the end of the fiscal year are returned to the Board of County Commissioners. Unassigned fund balance represents funds available for spending at the government's discretion.

LIBERTY COUNTY SHERIFF
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) **Summary of Significant Accounting Policies:** (Continued)

The Office does not have a formal written policy regarding whether restricted or unrestricted amounts are considered to be spent when an expenditure for purposes for which both restricted and unrestricted fund balances are available. However, it has been the Office's general practice when expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available; the Office considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Office considers amounts to have been spent first out of committed funds, then assigned funds, and lastly unassigned funds, as needed.

(j) **Use of estimates**—The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

(2) **Budgets and Budgetary Accounting:**

Governmental fund revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget was adopted for the General Fund. All budget amounts presented in the accompanying special-purpose financial statements have been adjusted for legally authorized amendments of the annual budget for the year. The annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total budget appropriations at the individual fund level. All appropriations lapse at year-end.

(3) **Investments:**

Florida Statutes authorize the Office to invest in bonds, notes or other obligations of the U.S. Government, certificates of deposits, repurchase agreements, certain bonds of any State or local government unit and the State Treasurer's Investment Pool.

Interest Rate Risk. The Office does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk. The Office places no limit on the amount the Office may invest in any one issuer. The Office maintained 100-percent of excess deposits in a checking account with a local financial institution subject to Federal Depository Insurance Corporation (FDIC) insurance, and/or the State of Florida collateral pool established under the Florida Security for Public Deposits Act (the Act).

(4) **Risk Management:**

The County purchased commercial insurance to limit the exposure of the following risks of loss: theft of, damage to, and destruction of assets; natural disasters and injuries to employees. Commercial insurance is obtained in conjunction with the County to cover the risks of loss due to employee errors or omissions and health insurance. Settled claims resulting from all risks have not exceeded insurance coverage in any of the past three years.

**LIBERTY COUNTY SHERIFF
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

(5) Pension Plan:

The Office participates in the Florida Retirement System (FRS), a multiple-employer, cost-sharing defined public employee retirement system which covers all of the Office's employees. The System is administered by the State of Florida, Department of Administration, Division of Retirement to provide retirement and survivor benefits to participating public employees. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension plan (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

In addition, all regular employees of the entity are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended September 30, 2023, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$7.50. The minimum payment is \$45 and the maximum payment is \$225 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

For financial reporting purposes, the Office is deemed to be part of the primary government of the County. A liability related to the Office's proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of the County for the fiscal year ended September 30, 2023.

REQUIRED SUPPLEMENTARY INFORMATION

LIBERTY COUNTY SHERIFF
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 1,236,622	\$ 1,236,622	\$ 1,087,873	\$ (148,749)
Charges for services	659,345	659,345	748,962	89,617
Miscellaneous revenue	476,000	476,000	142,166	(333,834)
Total revenues	<u>2,371,967</u>	<u>2,371,967</u>	<u>1,979,001</u>	<u>(392,966)</u>
Expenditures				
Current:				
Public safety	4,459,441	4,459,441	4,351,195	108,246
Capital outlay	395,900	395,900	1,000	394,900
Total expenditures	<u>4,855,341</u>	<u>4,855,341</u>	<u>4,352,195</u>	<u>503,146</u>
Excess (deficiency) of revenues over expenditures	<u>(2,483,374)</u>	<u>(2,483,374)</u>	<u>(2,373,194)</u>	<u>110,180</u>
Other financing sources (uses)				
Appropriations from board of county commissioners	2,483,374	2,483,374	2,519,900	36,526
Reversion to board of county commissioners	-	-	(146,706)	(146,706)
Total other financing sources (uses)	<u>2,483,374</u>	<u>2,483,374</u>	<u>2,373,194</u>	<u>(110,180)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying note to schedule of revenues, expenditures, and changes in fund balance - budget to actual - governmental funds is an integral part of this schedule.

**LIBERTY COUNTY SHERIFF
NOTE TO SCHEDULES OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

(1) **Budgetary Information:**

An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund. All annual appropriations lapse at fiscal year-end. A formal budget is not adopted for the inmate welfare fund, and therefore, a budgetary comparison schedule is not presented for this fund.

The Sheriff follows these procedures in establishing the budgetary data reflected in the financial statements:

- a) The preparation, adoption and amendment of the budgets are governed by Florida Statutes. Public hearings are conducted to obtain taxpayer comments.
- b) Budget excess expenditures over revenues are funded through appropriations from the Board of County Commissioners.
- c) Formal budgetary integration is employed as a management control device during the year. The legal level of budgetary control is the fund level.
- d) The budgets for the funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

SUPPLEMENTARY INFORMATION

LIBERTY COUNTY SHERIFF
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2023

	Inmate Trust Fund	Individual Depository Fund	Narcotics Fund	Suspense Fund	Total Custodial Funds
Assets					
Cash and cash equivalents	\$ 49,054	\$ 4,885	\$ 75	\$ 4,586	\$ 58,600
Total Assets	<u>\$ 49,054</u>	<u>\$ 4,885</u>	<u>\$ 75</u>	<u>\$ 4,586</u>	<u>\$ 58,600</u>
Liabilities					
Due to individuals	\$ 3,172	\$ -	\$ -	\$ -	\$ 3,172
Due to other governments	-	4,885	-	-	4,885
Total Liabilities	<u>\$ 3,172</u>	<u>\$ 4,885</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 8,057</u>
Net Position					
Restricted for:					
Other individuals and organizations	\$ 45,882	\$ -	\$ 75	\$ 4,586	\$ 50,543
Total Net Position	<u>\$ 45,882</u>	<u>\$ -</u>	<u>\$ 75</u>	<u>\$ 4,586</u>	<u>\$ 50,543</u>

See accompanying notes to financial statements.

LIBERTY COUNTY SHERIFF
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Inmate Trust Fund	Individual Depository Fund	Narcotics Fund	Suspense Fund	Total Custodial Funds
Additions					
Payments on behalf of other governments	\$ -	\$ 6,262	\$ -	\$ -	\$ 6,262
Fines and forfeitures	-	-	556	-	556
Total additions	192,388	6,262	556	-	199,206
Deductions					
Payments to individuals	170,313	-	556	-	170,869
Payments to other governments	-	6,262	-	-	6,262
Total deductions	170,313	6,262	556	-	177,131
Net change in fiduciary net position	22,075	-	-	-	22,075
Net position, beginning of year	23,807	-	75	4,586	28,468
Net position, end of year	<u>\$ 45,882</u>	<u>\$ -</u>	<u>\$ 75</u>	<u>\$ 4,586</u>	<u>\$ 50,543</u>

See accompanying notes to financial statements.

ADDITIONAL ELEMENTS REQUIRED BY THE RULES OF THE AUDITOR GENERAL



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

The Honorable Walter Money, Sheriff,
Liberty County, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Liberty County Sheriff (the Office) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Office's special-purpose financial statements, and have issued our report thereon dated January 1, 2025, which was modified to refer to a basis of accounting required for compliance with state filing requirements, and for other reasons.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Office's internal control over financial reporting (internal control) as a basis for designing 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 Office's internal control. Accordingly, we do not express an opinion on the effectiveness of the Office'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 over financial reporting that might be material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control over financial reporting, items 2023-001 through 2023-004 that we consider to be material weaknesses:

2023-001 Preparation of Financial Statements

During the audit, we noted the Office has historically placed a heavy reliance on external auditors for financial statement preparation and year end adjusting entries, which has resulted in delays in financial reporting and potential risks to data accuracy and ultimately onboarding a third-party CPA consultant to assist in closing out the Office's financial records in preparation for audit. Generally accepted internal control framework (the COSO model) also recognizes that external auditors are not permitted to be a part of an organization's internal control. We recommend the Office continue to engage external accounting assistance for guidance and periodic reviews throughout the year, as well as assisting with audit preparation.

2023-002 Material Audit Adjustments

During our audit procedures, we noted that various accounts contained material misstatements that were required to be corrected during the audit. JMCo recommends that management reconcile all accounts during the year end closing procedures to ensure that misstatements do not exist within the accounting records.

2023-003 Approval for Adjusting Journal Entries

Internal controls over financial reporting are designed to safeguard records and help prevent or detect misstatements from employee dishonesty or error. A fundamental concept in a quality system of control over journal entries is to require management approval in order for adjusting entries to be posted. During our audit, we noted that management did not approve adjusting journal entries throughout the year under audit. We recommend that management develop and implement internal controls that require a qualified individual to review and approve journal entries.

2023-004 Segregation of Duties and Documentation of Approvals for Transactions

During our testing of internal controls over payroll and cash receipts, we noted that it is policy of the Sheriff's Office to have someone other than the individual(s) responsible for coding/batching payroll and preparing deposits (Financial Assistant) to verify for accuracy and completeness. This control was unable to be verified as implemented as there was no evidence of approval by the individuals responsible for the approval of payroll and cash receipts (Finance Director). We recommend that individuals document electronically or physically their approvals going forward.

Report on Compliance and Other Matters

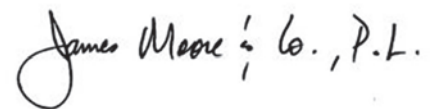
As part of obtaining reasonable assurance about whether the Office's special-purpose financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Management's Response to Findings

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

Purpose of this Report

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



Tallahassee, Florida
September 5, 2024



**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED BY
CHAPTER 10.550, RULES OF THE STATE OF FLORIDA, OFFICE OF THE
AUDITOR GENERAL**

The Honorable Walter Money, Sheriff,
Liberty County, Florida:

We have audited the financial statements of the Liberty County Sheriff (the Office), as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated January 1, 2035.

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 Compliance and Other Matters Based on an Audit of Special-Purpose Financial Statements Performed in Accordance with *Government Auditing Standards*, and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated January 1, 2035, should be considered in conjunction with this management letter.

Prior Audit Findings

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

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. The Office is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. Liberty County, including the Office of the Sheriff, was established by Chapter 8516, Laws of Florida in 1921. There are no component units of the Office to be disclosed as required by accounting principles generally accepted in the United States of America.

Financial Management

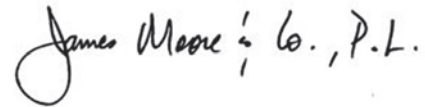
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

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 Office, 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 "James Moore & Co., P.L." The signature is written in a cursive, flowing style.

Tallahassee, Florida
September 5, 2024



INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

The Honorable Walter Money, Sheriff,
Liberty County, Florida:

We have examined the Liberty County Sheriff's (the Office) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies* (the Statute), for the year ended September 30, 2023. Management is responsible for the Office's compliance with those requirements. Our responsibility is to obtain reasonable assurance by evaluating against the aforementioned statutes and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation based on our examination.

Our examination was conducted in accordance with the attestation standards for a direct examination engagement established by the AICPA. Those standards require that we obtain reasonable assurance by evaluating against the aforementioned statutes during the year ended September 30, 2023 and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation of Office's compliance during the year ended September 30, 2023. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks that were not in accordance with those requirements in all material respects, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

In our opinion, for the year ended September 30, 2023, the Office complied with the Statute in all material respects.

Tallahassee, Florida
September 5, 2024



LIBERTY COUNTY SHERIFF'S OFFICE

SHERIFF BUDDY MONEY

Please see below management responses for the Liberty County Sheriff's Office Audit 2022-2023 Fiscal year:

2023-001 Preparation of Financial Statements –

The Liberty County Sheriff's Office will continue making adjusting entries throughout the year to ensure all entries are accurate and reflect activities as well as assisting audit staff.

2023-002 Material Audit Adjustments-

The Liberty County Sheriff's Office is currently in the process of soliciting a new system for the inmate trust fund to ensure the accuracy of all reports and general ledger activities.

2023-003 Approval of Adjusting Journal Entries-

The Liberty County Sheriff's Office now has in place a process for the approval of adjusting entries at different levels of management for approval of all adjusting entries.

2023-004 Segregations of Duties and Documentation of Approvals for Transactions-

The Liberty County Sheriff's Office has hired additional personnel to place another level of checks and balances to ensure accurate and additional layers in the process of deposits, journal entries, accounts payables and receivables.

12832 NW Central AVE Bristol, FL 32321
P. O. BOX 67
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FAX: 850-643-2402

LIBERTY COUNTY SUPERVISOR OF ELECTIONS

**SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT**

SEPTEMBER 30, 2023

LIBERTY COUNTY SUPERVISOR OF ELECTIONS

**SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT**

SEPTEMBER 30, 2023

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INDEPENDENT AUDITORS' REPORT

The Honorable Grant Conyers, Supervisor of Elections,
Liberty County, Florida:

Report on the Financial Statements

Opinion

We have audited the financial statements of the general fund of the Liberty County Supervisor of Elections (the Office), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Office's 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 financial position of the general fund for the Office as of September 30, 2023, and the respective change in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the general fund, only for that portion of the general fund, of Liberty County, Florida (the County), that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of the County as of September 30, 2023, the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; 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 Office's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our 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, individually or in the aggregate, they would influence the judgment made by a reasonable user made on the basis of these 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 Office'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 Office'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.

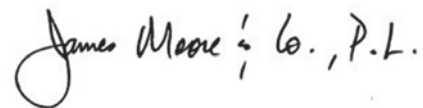
Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, 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 GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 5, 2024 on our consideration of the Office'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 Office'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 Office's internal control over financial reporting and compliance.

Tallahassee, Florida
September 5, 2024

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive, flowing style.

**LIBERTY COUNTY SUPERVISOR OF ELECTIONS
BALANCE SHEET
GOVERNMENTAL FUND
SEPTEMBER 30, 2023**

	<u>General Fund</u>
ASSETS	
Cash and equivalents	\$ 54,325
Total Assets	<u>\$ 54,325</u>
 LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts payable and accrued expenditures	\$ 11,822
Due to Board of County Commissioners	<u>42,503</u>
Total liabilities	54,325
 Fund Balance	
Unassigned	-
 Total Liabilities and Fund Balance	<u>\$ 54,325</u>

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

LIBERTY COUNTY SUPERVISOR OF ELECTIONS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>General Fund</u>
Revenues	
Intergovernmental	\$ 52,075
Charges for services	178
Miscellaneous	4,243
Total revenues	<u>56,496</u>
Expenditures	
Current:	
General government	<u>472,767</u>
Total expenditures	<u>472,767</u>
Excess (deficiency) of revenues over expenditures	<u>(416,271)</u>
Other financing sources (uses)	
Appropriations from Board of County Commissioners	458,774
Reversion to Board of County Commissioners	<u>(42,503)</u>
Total other financing sources (uses)	<u>416,271</u>
Net change in fund balance	<u>-</u>
Fund balance, beginning of year	-
Fund balance, end of year	<u><u>\$ -</u></u>

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

LIBERTY COUNTY SUPERVISOR OF ELECTIONS
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) Summary of Significant Accounting Policies:

The accounting policies of the Liberty County Supervisor of Elections (the “Office”) conform to generally accepted accounting principles as applicable to governments in the Governmental Accounting Standards Board (GASB) Codification. The following is a summary of the more significant policies.

(a) **Reporting entity**—The Office is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. The Office is an integral part of Liberty County, Florida (the County), the reporting entity for financial reporting purposes. The Office’s General Fund is combined with the Board of County Commissioners in the County’s financial statements to properly reflect the county-wide General Fund.

(b) **Basis of presentation**—The Office’s financial statements are special-purpose financial statements that have been prepared for the purpose of complying with the Rules of the Auditor General of the State of Florida (the Rules). In conformity with the Rules, the Office has not presented the government-wide financial statements, the reconciliations to the government-wide statements or management’s discussion and analysis.

(c) **Fund accounting**—Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, as appropriate for each fund type. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column.

The Office reports the following major governmental fund; there are no non-major governmental funds:

General Fund – The principal operating fund of the Office. It is used to account for all financial resources.

(d) **Measurement focus/basis of accounting**—All governmental funds are accounted for on a spending or current financial resources measurement focus and the modified accrual basis of accounting. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of “available spendable resources”. Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of “available spendable resources” during a period.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. The Office follows the County’s policy for revenue recognition in which it considers revenues to be available if they are collected within 90 days of the end of the current fiscal period, except for property taxes which is 60 days.

LIBERTY COUNTY SUPERVISOR OF ELECTIONS
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) **Summary of Significant Accounting Policies:** (Continued)

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on general long-term debt are recognized when due.

(e) **Cash and cash equivalents**—The Office’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

(f) **Capital assets and long-term liabilities**—Capital assets used by the Office are capitalized (recorded and accounted for) by the Liberty County Board of County Commissioners.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude 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. They are instead reported as liabilities in the financial statements of the County.

(g) **Accounts payable**—Accounts payable balances in the general fund are primarily payable to third-party vendors for goods provided and services rendered.

(h) **Compensated absences**—The Office follows generally accepted accounting principles in accounting for accrued compensated absences. The Office allows limited vesting of unused employee leave time. Since the annual and sick leave liability is considered long-term, it is recorded in the government-wide financial statements of the County. Compensated absences are expected to be paid out of the General Fund of the Office and this practice is expected to continue in the future. The Office maintained compensated absence records for the hours earned, used and available.

(i) **Fund balance**—Fund balance for governmental funds report 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 the funds may be spent. In as much as the Supervisor of Elections is a county constitutional officer, any funds remaining at the end of the fiscal year are returned to the Board of County Commissioners. Unassigned fund balance represents funds available for spending at the government’s discretion.

The Office does not have a formal written policy regarding whether restricted or unrestricted amounts are considered to be spent when an expenditure for purposes for which both restricted and unrestricted fund balances are available. However, it has been the Office’s general practice when expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available; the Office considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Office considers amounts to have been spent first out of committed funds, then assigned funds, and lastly unassigned funds, as needed.

(j) **Use of estimates**—The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

LIBERTY COUNTY SUPERVISOR OF ELECTIONS
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(2) Budgets and Budgetary Accounting:

Governmental fund revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget was adopted for the General Fund. All budget amounts presented in the accompanying special-purpose financial statements have been adjusted for legally authorized amendments of the annual budget for the year. The annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total budget appropriations at the individual fund level. All appropriations lapse at year-end.

(3) Investments:

Florida Statutes authorize the Office to invest in bonds, notes or other obligations of the U.S. Government, certificates of deposits, repurchase agreements, certain bonds of any State or local government unit and the State Treasurer's Investment Pool.

Interest Rate Risk. The Office does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk. The Office places no limit on the amount the Office may invest in any one issuer. The Office maintained 100-percent of excess deposits in a checking account with a local financial institution subject to Federal Depository Insurance Corporation (FDIC) insurance, and/or the State of Florida collateral pool established under the Florida Security for Public Deposits Act (the Act).

(4) Risk Management:

The County purchased commercial insurance to limit the exposure of the following risks of loss: theft of, damage to, and destruction of assets; natural disasters and injuries to employees. Commercial insurance has been purchased by the Office to cover the risks of loss due to employee errors or omissions and health insurance. Settled claims resulting from all risks have not exceeded insurance coverage in any of the past three years.

(5) Pension Plan:

The Office participates in the Florida Retirement System (FRS), a multiple-employer, cost-sharing defined public employee retirement system which covers all of the Office's eligible employees. The System is administered by the State of Florida, Department of Administration, Division of Retirement to provide retirement and survivor benefits to participating public employees. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension plan (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

LIBERTY COUNTY SUPERVISOR OF ELECTIONS
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(5) **Pension Plan:** (Continued)

In addition, all regular employees of the Office are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended September 30, 2023, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$7.50. The minimum payment is \$45 and the maximum payment is \$225 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

For financial reporting purposes, the Office is deemed to be part of the primary government of the County. A liability related to the Office's proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of the County for the fiscal year ended September 30, 2023.

REQUIRED SUPPLEMENTARY INFORMATION

LIBERTY COUNTY SUPERVISOR OF ELECTIONS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental	\$ 52,075	\$ 52,075	\$ 52,075	\$ -
Charges for services	-	-	178	178
Miscellaneous	-	-	4,243	4,243
Total revenues	<u>52,075</u>	<u>52,075</u>	<u>56,496</u>	<u>4,421</u>
Expenditures				
Current:				
General government	494,453	494,453	472,767	21,686
Total expenditures	<u>494,453</u>	<u>494,453</u>	<u>472,767</u>	<u>21,686</u>
Excess (deficiency) of revenues over expenditures	<u>(442,378)</u>	<u>(442,378)</u>	<u>(416,271)</u>	<u>26,107</u>
Other financing sources (uses)				
Appropriations from Board of County Commissioners	442,378	442,378	458,774	16,396
Reversion to Board of County Commissioners	-	-	(42,503)	(42,503)
Total other financing sources (uses)	<u>442,378</u>	<u>442,378</u>	<u>416,271</u>	<u>(26,107)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying note to schedule of revenues, expenditures, and changes in fund balance - budget to actual - general fund is an integral part of this schedule.

**LIBERTY COUNTY SUPERVISOR OF ELECTIONS
NOTE TO SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

(1) **Budgetary Information:**

An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund. All annual appropriations lapse at fiscal year-end.

The Supervisor of Elections follows these procedures in establishing the budgetary data reflected in the financial statements:

- a) The preparation, adoption and amendment of the budgets are governed by Florida Statutes. Public hearings are conducted to obtain taxpayer comments.
- b) Budget excess expenditures over revenues are funded through appropriations from the Board of County Commissioners.
- c) Formal budgetary integration is employed as a management control device during the year for the General Fund. The legal level of budgetary control is the fund level.
- d) The budgets for the funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

ADDITIONAL ELEMENTS REQUIRED BY THE RULES OF THE AUDITOR GENERAL



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

The Honorable Grant Conyers, Supervisor of Elections,
Liberty County, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the general fund of the Liberty County Supervisor of Elections (the Office) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Office's special-purpose financial statements, and have issued our report thereon dated September 5, 2024.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the special-purpose financial statements, we considered the Office's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the special-purpose financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Office's internal control. Accordingly, we do not express an opinion on the effectiveness of the Office'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 Office'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 over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described below as items 2023-001, 2023-002 and 2023-003 that we consider to be material weaknesses.

2023-001: Cash to Accrual Basis Audit Adjustments and Preparation of Financial Statements:

Internal controls over financial reporting should include year-end adjustments of all significant account balances, with such adjustments to also include procedures related to the proper cutoff of significant revenue and expense activities. In addition, management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America ("GAAP"). The capability of management to prepare the financial statements and related disclosures is considered a crucial element of the internal control structure. For the year ended September 30, 2023, various account balance adjustments were required to be made to the accounting records subsequent to the start of the audit process related to year-end accrual entries.

2023-002: Segregation of Duties

Internal controls are designed to safeguard assets and help prevent or detect losses from employee dishonesty or error. A fundamental concept in a good system of internal control is the segregation of duties. The basic premise is that no one employee should have access to both physical assets and the related accounting records or all phases of a transaction. Due to the small size of the Office, for the year ended September 30, 2023, the same person within the accounting department held the duties of maintaining the accounting records, opening the mail, depositing checks, preparing bank reconciliations and recording journal entries. In addition, there was no individual assigned to review bank reconciliations after they are prepared.

2023-003: Bank Reconciliations

Management is responsible for the preparation and reconciliation of the bank account to the accounting records. During the review of the bank reconciliations, it was noted that the monthly reconciliation process did not include reconciling the ending balance on the bank reconciliation to the amount listed in the trial balance for the respective month. We recommend that once the bank reconciliation is performed, management does not change dates in the accounting system for cash transactions for the respective month without re-reconciling.

Report on Compliance and Other Matters

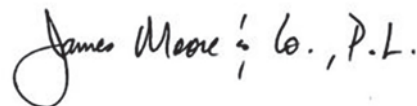
As part of obtaining reasonable assurance about whether the Office's special-purpose financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Management's Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office'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 Office's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Tallahassee, Florida
September 5, 2024



**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED BY
CHAPTER 10.550, RULES OF THE STATE OF FLORIDA, OFFICE OF THE
AUDITOR GENERAL**

The Honorable Grant Conyers, Supervisor of Elections,
Liberty County, Florida:

Report on the Financial Statements

We have audited the financial statements of the Liberty County Supervisor of Elections (the Office), as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated September 5, 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 Compliance and Other Matters Based on an Audit of Special-Purpose 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 September 5, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. See below for a summary of uncorrected findings from the preceding audit reports.:

Tabulation of Uncorrected Audit Findings		
Current Year Finding #	2022 Finding #	2021 Finding #
2023-001	2022-001	N/A
2023-002	2022-002	N/A
2023-004	2022-004	N/A

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. The Office is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. There are no component units of the Office to be disclosed as required by accounting principles generally accepted in the United States of America.

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 have the following recommendations:

2023-004 Payroll Reporting and Recording of Transactions

During our audit, we noted that the trial balance required numerous adjusting entries to reconcile the trial balances account balances to the underlying payroll transactions and activity. We recommend the Office partner with a 3rd party payroll service provider to record payroll transactions or partner with the Board of County Commissioners Office to record accounting transactions overall in the Office's general ledger.

2023-005 Outstanding Uncleared Items on Bank Reconciliation: During our audit, we noted that the bank reconciliation contained numerous uncleared items (deposits and disbursements) from previous periods that were greater than 90 days outstanding. We recommend the Office review those items and remit any valid uncleared disbursements to the State in accordance with State statutes.

2023-006 Chart of Account Numbers: During our audit, we noted that the Office is not currently utilizing a chart of accounts in the accounting system that matches the standard state chart of accounts through the Department of Financial Services. In addition, we noted some accounts do not have account numbers assigned. We recommend the Office review the chart of account numbers in the accounting system and assign or reassign numbers to match a standard chart of accounts. In addition, we recommend the Office inactivate unused accounts in the accounting system.

2023-007 Backups of the Information System: During our audit, we noted that the process for backing up information technology does not currently include testing of backups or storing backups at an offsite location. We recommend the Office review its policies and procedures for backing up of its information technology system and test backups on a regular basis and store copies of any backups at an offsite location.

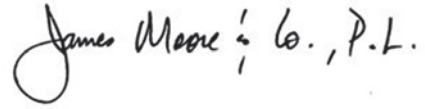
2023-008 QuickBooks Set-Up of Fiscal Year End Date: During our audit, we noted that the QuickBooks file is not set up correctly with regard to the year end date, which should match the Office's fiscal year end. In order for reporting in the system to be accurate, the close and report dates in the system should match the Office's September fiscal year end. We recommend the Office review the company set up in QuickBooks for proper set up or contract with the Board of County Commissioners Office to record transactions to the Office's general ledger.

Management's Response to Findings

The Office's response to the findings identified in our audit is described in the accompanying Management's Response to Findings section, as listed in the table of contents. The Office's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 Office, 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 "James Moore & Co., P.L.". The signature is written in a cursive style with a large, looped initial "J".

Tallahassee, Florida
September 5, 2024



INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

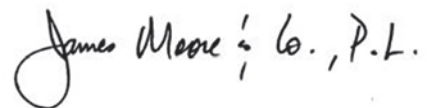
The Honorable Grant Conyers, Supervisor of Elections,
Liberty County, Florida:

We have examined the Liberty County Supervisor of Elections' (the Office) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies* (the Statute), for the year ended September 30, 2023. Management is responsible for the Office's compliance with those requirements. Our responsibility is to obtain reasonable assurance by evaluating against the aforementioned statutes and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation based on our examination.

Our examination was conducted in accordance with the attestation standards for a direct examination engagement established by the AICPA. Those standards require that we obtain reasonable assurance by evaluating against the aforementioned statutes during the year ended September 30, 2023, and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation of the Office's compliance during the year ended September 30, 2023. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks that were not in accordance with those requirements in all material respects, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

In our opinion, for the year ended September 30, 2023, the Office complied with the Statute in all material respects.

James Moore & Co., P.L.

Tallahassee, Florida
September 5, 2024



Grant Conyers

Supervisor of Elections
Liberty County

10818 NW State Road 20 PO Box 597 Bristol, FL 32321

MANAGEMENT'S RESPONSE TO FINDINGS FOR THE YEAR ENDED SEPTEMBER 30, 2023

2023-001: Management is looking at accounting firms to help us with this task.

2023-002: I believe the new accountant should satisfy this issue as well.

2023-003: I believe the new accountant should satisfy this issue also.

2023-004: We agree that a 3rd party provider will help.

2023-005: We found that they were not cleared because they were voided transactions. I believe that was the case on all the uncleared items.

2023-006: We will be happy to use those chart of account numbers. May ask for assistance on that.

2023-007: We are backed up off site regularly. This was confirmed by our Information Technology vendor, Aegis Technologies.

2023-008: We have tried multiple times and will continue to reach out to quick books. If someone could help us with that, that would be great.

LIBERTY COUNTY TAX COLLECTOR
SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT

SEPTEMBER 30, 2023

LIBERTY COUNTY TAX COLLECTOR
SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT

SEPTEMBER 30, 2023

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INDEPENDENT AUDITORS' REPORT

The Honorable Marie Goodman, Liberty County Tax Collector,
Liberty County, Florida:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the general fund and the aggregate remaining fund information of the Liberty County Tax Collector (the Office), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Office's 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 general fund and the aggregate remaining fund information for the Office as of September 30, 2023, and the respective change in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the general fund and aggregate remaining fund information, only for that portion of the general fund and aggregate remaining fund information, of Liberty County, Florida (the County), that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of the County as of September 30, 2023, the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; 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 a substantial doubt about the Office's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

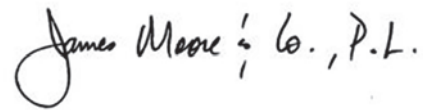
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated September 5, 2024 on our consideration of the Office'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 Office'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 Office's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive, flowing style.

Tallahassee, Florida
September 5, 2024

**LIBERTY COUNTY TAX COLLECTOR
BALANCE SHEET
GOVERNMENTAL FUND
SEPTEMBER 30, 2023**

	<u>General Fund</u>
Assets	
Cash and equivalents	\$ 16,347
Total Assets	<u><u>\$ 16,347</u></u>
 Liabilities and Fund Balance	
Liabilities	
Due to Board of County Commissioners	\$ 16,347
 Fund Balance	-
 Total Liabilities and Fund Balance	<u><u>\$ 16,347</u></u>

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

LIBERTY COUNTY TAX COLLECTOR
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>General Fund</u>
Revenues	
Charges for services	\$ 207,049
Miscellaneous	703
Total revenues	<u>207,752</u>
Expenditures	
Current:	
General government	504,789
Total expenditures	<u>504,789</u>
Excess (deficiency) of revenues over expenditures	<u>(297,037)</u>
Other financing sources (uses)	
Appropriations from Board of County Commissioners	313,384
Reversion to Board of County Commissioners	(16,347)
Total other financing sources (uses)	<u>297,037</u>
Net change in fund balance	<u>-</u>
Fund balance, beginning of year	-
Fund balance, end of year	<u>\$ -</u>

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

**LIBERTY COUNTY TAX COLLECTOR
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUND
SEPTEMBER 30, 2023**

	<u>Custodial Fund</u>
Assets	
Cash and cash equivalents	\$ 68,369
Total Assets	<u>\$ 68,369</u>
Liabilities	
Due to other governments	\$ 68,369
Total Liabilities	<u>\$ 68,369</u>
Total Net Position	<u>\$ -</u>

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

LIBERTY COUNTY TAX COLLECTOR
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Custodial Fund</u>
Additions	
Payments collected for other governments	\$ 23,232
Property taxes	5,316,025
Permits, fees, and special assessments	1,968,593
Miscellaneous	<u>185,523</u>
Total additions	<u>7,493,373</u>
Deductions	
Property taxes collected for other governments	5,326,066
Payments collected for other governments	<u>2,167,307</u>
Total deductions	<u>7,493,373</u>
Net change in fiduciary net position	<u>-</u>
Net position, beginning of year	-
Net position, end of year	<u><u>\$ -</u></u>

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

LIBERTY COUNTY TAX COLLECTOR
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) Summary of Significant Accounting Policies:

The accounting policies of the Liberty County Tax Collector (the “Office”) conform to generally accepted accounting principles as applicable to governments in the Governmental Accounting Standards Board (GASB) Codification. The following is a summary of the more significant policies.

(a) **Reporting entity**— The Tax Collector is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. The Office is an integral part of Liberty County, Florida (the County), the reporting entity for financial reporting purposes. The Office’s General Fund is combined with the Board of County Commissioners in the County’s financial statements to properly reflect the county-wide General Fund.

(b) **Basis of presentation**—The Office’s financial statements are special-purpose financial statements that have been prepared for the purpose of complying with the Rules of the Auditor General of the State of Florida (the Rules). In conformity with the Rules, the Office has not presented the government-wide financial statements, the reconciliations to the government-wide statements or management’s discussion and analysis.

(c) **Fund accounting**—Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, as appropriate for each fund type. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column.

The Office reports the following major governmental fund; there are no non-major governmental funds:

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

Additionally, the Office reports the following fiduciary fund type:

Custodial Fund - Used to account for assets held by the Office as an agent for individuals, private organizations, other governments, and/or other funds. The Custodial Fund is used to account for the collection and distribution of property taxes, sales tax, vehicle tags and titles, boat registrations and titles, fishing licenses, and driver’s licenses.

(d) **Measurement focus/basis of accounting**—All governmental funds are accounted for on a spending or current financial resources measurement focus and the modified accrual basis of accounting. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of “available spendable resources”. Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of “available spendable resources” during a period.

LIBERTY COUNTY TAX COLLECTOR
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(1) **Summary of Significant Accounting Policies:** (Continued)

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. The Office follows the County's policy for revenue recognition in which it considers revenues to be available if they are collected within 90 days of the end of the current fiscal period, except for property taxes which is 60 days.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on general long-term debt are recognized when due.

(e) **Cash**—The Office's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

(f) **Capital assets and long-term liabilities**—Capital assets used by the Office are capitalized (recorded and accounted for) by the Liberty County Board of County Commissioners.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude 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. They are instead reported as liabilities in the financial statements of the County.

(g) **Accounts payable**—Accounts payable balances in the general fund are primarily payable to third-party vendors for goods provided and services rendered.

(h) **Compensated absences**—The Office follows generally accepted accounting principles in accounting for accrued compensated absences. The Office allows limited vesting of unused employee leave time. Since the annual and sick leave liability is considered long-term, it is recorded in the government-wide financial statements of the County. Compensated absences are expected to be paid out of the General Fund of the Office and this practice is expected to continue in the future. The Office maintained compensated absence records for the hours earned, used and available.

(i) **Fund balance**—Fund balance for governmental funds report 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 the funds may be spent. In as much as the Tax Collector is a county constitutional officer, any funds remaining at the end of the fiscal year are returned to the Board of County Commissioners. Unassigned fund balance represents funds available for spending at the government's discretion.

The Office does not have a formal written policy regarding whether restricted or unrestricted amounts are considered to be spent when an expenditure for purposes for which both restricted and unrestricted fund balances are available. However, it has been the Office's general practice when expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available; the Office considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Office considers amounts to have been spent first out of committed funds, then assigned funds, and lastly unassigned funds, as needed.

(j) **Use of estimates**—The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

LIBERTY COUNTY TAX COLLECTOR
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(2) Budgets and Budgetary Accounting:

Governmental fund revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget was adopted for the General Fund. All budget amounts presented in the accompanying special-purpose financial statements have been adjusted for legally authorized amendments of the annual budget for the year. The annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total budget appropriations at the individual fund level. All appropriations lapse at year-end.

(3) Investments:

Florida Statutes authorize the Office to invest in bonds, notes or other obligations of the U.S. Government, certificates of deposits, repurchase agreements, certain bonds of any State or local government unit and the State Treasurer's Investment Pool.

Interest Rate Risk. The Office does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk. The Office places no limit on the amount the Office may invest in any one issuer. The Office maintained 100-percent of excess deposits in a checking account with a local financial institution subject to Federal Depository Insurance Corporation (FDIC) insurance, and/or the State of Florida collateral pool established under the Florida Security for Public Deposits Act (the Act).

(4) Risk Management:

The County purchased commercial insurance to limit the exposure of the following risks of loss: theft of, damage to, and destruction of assets; natural disasters and injuries to employees. Commercial insurance has been purchased by the Office to cover the risks of loss due to employee errors or omissions and health insurance. Settled claims resulting from all risks have not exceeded insurance coverage in any of the past three years.

(5) Pension Plan:

The Office participates in the Florida Retirement System (FRS), a multiple-employer, cost-sharing defined public employee retirement system which covers all of the Office's eligible employees. The System is administered by the State of Florida, Department of Administration, Division of Retirement to provide retirement and survivor benefits to participating public employees. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension plan (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

LIBERTY COUNTY TAX COLLECTOR
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(5) **Pension Plan:** (Continued)

In addition, all regular employees of the Office are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended September 30, 2023, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$7.50.

The minimum payment is \$45 and the maximum payment is \$225 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

For financial reporting purposes, the Office is deemed to be part of the primary government of the County. A liability related to the Office's proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of the County for the fiscal year ended September 30, 2023.

REQUIRED SUPPLEMENTARY INFORMATION

LIBERTY COUNTY TAX COLLECTOR
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Charges for services	\$ 194,922	\$ 194,922	\$ 207,049	\$ 12,127
Miscellaneous	-	-	703	703
Total revenues	<u>194,922</u>	<u>194,922</u>	<u>207,752</u>	<u>12,830</u>
Expenditures				
Current:				
General government	504,922	504,922	504,789	133
Total expenditures	<u>504,922</u>	<u>504,922</u>	<u>504,789</u>	<u>133</u>
Excess (deficiency) of revenues over expenditures	<u>(310,000)</u>	<u>(310,000)</u>	<u>(297,037)</u>	<u>12,963</u>
Other financing sources (uses)				
Appropriations from Board of County Commissioners	310,000	310,000	313,384	3,384
Reversion to Board of County Commissioners	-	-	(16,347)	(16,347)
Total other financing sources (uses)	<u>310,000</u>	<u>310,000</u>	<u>297,037</u>	<u>(12,963)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying note to schedule of revenues, expenditures, and changes in fund balance - budget to actual - general fund is an integral part of this schedule.

**LIBERTY COUNTY TAX COLLECTOR
NOTE TO SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

(1) **Budgetary Information:**

An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund. All annual appropriations lapse at fiscal year-end.

The Tax Collector follows these procedures in establishing the budgetary data reflected in the financial statements:

- a) The preparation, adoption and amendment of the budgets are governed by Florida Statutes. Public hearings are conducted to obtain taxpayer comments.
- b) Budget excess expenditures over revenues are funded through appropriations from the Board of County Commissioners.
- c) Formal budgetary integration is employed as a management control device during the year for the General Fund. The legal level of budgetary control is the fund level.
- d) The budgets for the funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

ADDITIONAL ELEMENTS REQUIRED BY THE RULES OF THE AUDITOR GENERAL



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

The Honorable Marie Goodman, Tax Collector,
Liberty County, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the general fund and the aggregate remaining fund information of the Liberty County Tax Collector (the Office) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Office's special-purpose financial statements, and have issued our report thereon dated September 5, 2024, which was modified to refer to a basis of accounting required for compliance with state filing requirements, and for other reasons.

Report on Internal Control over Financial Reporting

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

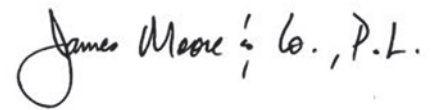
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Office's special-purpose financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office'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 Office's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "James Moore & Co., P.L.". The signature is written in a cursive, flowing style.

Tallahassee, Florida
September 5, 2024



**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED BY
CHAPTER 10.550, RULES OF THE STATE OF FLORIDA, OFFICE OF THE
AUDITOR GENERAL**

The Honorable Marie Goodman, Tax Collector,
Liberty County, Florida:

Report on the Financial Statements

We have audited the financial statements of the Liberty County Tax Collector (the Office), as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated September 5, 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 Compliance and Other Matters Based on an Audit of Special-Purpose 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 September 5, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations made in the preceding 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. The Liberty County Tax Collector is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. Liberty County, including the Office of the Tax Collector, was established by Chapter 8516, Laws of Florida in 1921. There are no component units of the Liberty County Tax Collector to be disclosed as required by accounting principles generally accepted in the United States of America.

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.

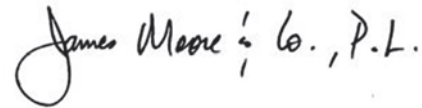
Additional Matters

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

Tallahassee, Florida
September 5, 2024

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive, flowing style.



INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

The Honorable Marie Goodman, Tax Collector,
Liberty County, Florida:

We have examined Liberty County Tax Collector's (the Office) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies* (the Statute), for the year ended September 30, 2023. The Office's management is responsible for the Office's compliance with those requirements. Our responsibility is to obtain reasonable assurance by evaluating against the aforementioned statutes and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation based on our examination.

Our examination was conducted in accordance with the attestation standards for a direct examination engagement established by the AICPA. Those standards require that we obtain reasonable assurance by evaluating against the aforementioned statutes during the year ended September 30, 2023 and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation of the Office's compliance during the year ended September 30, 2023. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks that were not in accordance with those requirements in all material respects, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

In our opinion, the Office compliance for the year ended September 30, 2023, was in accordance with the aforementioned requirements in all material respects.

A handwritten signature in black ink that reads 'James Moore & Co., P.L.' with a stylized flourish at the end.

Tallahassee, Florida
September 5, 2024