



MARTIN COUNTY, FLORIDA

ANNUAL FINANCIAL REPORT TO THE AUDITOR GENERAL



FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

**PREPARED BY THE CLERK OF THE CIRCUIT COURT & COMPTROLLER,
MARTIN COUNTY**



The Clerk of the Circuit Court, established by the Florida Constitution of 1838, is the local constitutional officer who serves as the Public Trustee for the county. In addition to serving as Clerk to the Courts, the Clerk provides a county level system of checks and balances through service as the County Comptroller, Clerk to the Board of County Commissioners, guardian of Public and Official Records, Clerk to the Value Adjustment Board, and Internal Auditor of county funds.

Please visit our website at www.MartinClerk.com which provides information and services to assist you with your personal and business matters. Please also call, email, or visit one of the offices if we can be of further service to you.

The Clerk & Comptroller's financial reporting is regularly recognized for excellence. The Annual Comprehensive Financial Report has earned the Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting for 31 consecutive years.

Carolyn Timmann

Clerk of the Circuit Court and Comptroller

MARTIN COUNTY, FLORIDA

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024**



**PREPARED BY THE DIVISION OF FINANCIAL SERVICES
OFFICE OF THE CLERK OF THE CIRCUIT COURT & COMPTROLLER**

Martin County, Florida

ANNUAL COMPREHENSIVE FINANCIAL REPORT

Fiscal Year Ended September 30, 2024

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INTRODUCTORY SECTION



CAROLYN TIMMANN
CLERK OF THE CIRCUIT COURT & COMPTROLLER
MARTIN COUNTY, FLORIDA

CONSTITUTIONAL COURTHOUSE COMPLEX
100 SE OCEAN BOULEVARD
STUART, FL 34994
MARTINCLERK.COM

March 28, 2025

To the Citizens of Martin County, Florida,
the Members of the Board of County Commissioners,
and the Constitutional Officers

Re: Annual Comprehensive Financial Report for Martin County, Florida – September 30, 2024

Dear Ladies and Gentlemen:

The Annual Comprehensive Financial Report for Martin County, Florida, for the fiscal year ended September 30, 2024, is hereby respectfully submitted. This report was prepared by the Division of Financial Services under the supervision of the Clerk of the Circuit Court and Comptroller (the Clerk) in the role as Comptroller for Martin County (the County). Responsibility for the accuracy of the data presented, as well as completeness and fairness of the presentation, including all disclosures, rests with the Clerk and is contingent upon the internal controls established for this purpose.

The County has established a comprehensive framework of internal controls designed to safeguard the assets of the County from loss, theft or misuse, and to ensure the financial records used for preparing the County's audited financial statements are in conformity with generally accepted accounting principles (GAAP). Since the cost of internal controls should not exceed their expected benefit, the County's internal control structure has been designed to provide reasonable, but not absolute, assurance that the financial statements are free from material misstatement. To the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Section 218.39, Florida Statutes, requires an annual audit of local governments. The Annual Comprehensive Financial Report is a complete set of financial statements and notes audited by independent certified public accountants in accordance with Generally Accepted Government Auditing Standards (GAGAS) issued by the Comptroller General of the United States. The independent audit involves examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall presentation of the financial statements. Based on the independent audit performed by the certified public accounting firm Forvis Mazars, LLP, the auditor concluded there was a reasonable basis for rendering an unmodified opinion, stating the County's financial statements for fiscal year ending September 30, 2024, were fairly presented in all material respects. In addition, the Annual Comprehensive Financial Report was developed and organized to meet the program requirements of the Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting

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The Management's Discussion and Analysis (MD&A) is a narrative required to accompany the basic financial statements. It provides an objective and easy to read analysis of the County's financial activities based on currently known facts, decisions, or conditions. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the independent auditor's report.

PROFILE OF THE GOVERNMENT

Martin County was created on May 30, 1925, and was named after Governor John Wellborn Martin (served 1925-29). The County is located on the east coast of Florida, equidistant from Orlando and Miami in the area designated as the Treasure Coast. It encompasses a land area of 544 square miles and the 2024 population is estimated to be 164,853. Martin County is home to 21 miles of ocean beaches and 73 parks (approximately 1,800 acres of park land). Other County facilities include 12 fire stations plus a state-of-the-art medical helicopter, 6 libraries, 10 community centers and 501 miles of county-maintained paved roads. During the past decade (2015 - 2024), the population of the County increased 9.9%. Martin County is currently ranked 33rd in population size with 0.72% of the State's total population.

The County is a non-charter county established under the Florida Constitution and the laws of the State of Florida. The County operates under a County Manager form of government with separation of executive and legislative functions. The five-member Board of County Commissioners (BOCC) is the legislative and governing body of the County. Commissioners are elected by all county voters to four-year terms to the district in which they reside.

The primary government of Martin County consists of the BOCC and the independently elected constitutional officers – Clerk of the Circuit Court and Comptroller, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector. Together they provide a full range of services which include law enforcement, tourist development, fire rescue, conservation and resource management, public improvements, human services, parks and recreation, cultural facilities, planning and zoning, public transportation, economic development, property tax assessments and collections, official recordkeeping, court-related support functions, and financial services, including financial reporting and the investment of public funds. The County also operates four business-type activities: Utilities Department, Solid Waste Department, Sailfish Sands Golf Course, and Martin County Airport at Witham Field.

The Annual Comprehensive Financial Report includes the funds of the primary government and the Community Redevelopment Agency (CRA) as a single blended component unit. The CRA is reported as a blended component unit because GAAP requires organizations that are fiscally dependent on the County, substantively controlled by the same governing board as the County, and that provide services exclusively or almost exclusively for the benefit of the County, to have their financial transactions and account balances reported in the appropriate combining statements with the primary government.

The Clerk, Sheriff, and Supervisor of Elections submit proposed operating budgets to the Board prior to May 1. The Florida Department of Revenue receives budgets from the Property Appraiser prior to June 1 and from the Tax Collector prior to August 1. Once these budgets are approved, they are forwarded to the BOCC. The Clerk submits a budget to the Florida Clerks of Court Operations Corporation (CCOC) prior to June 1 for its court-related functions. These operating budgets include proposed expenditures and the sources to finance them as set forth in section 28.36, Florida Statutes.

During September, public hearings are held pursuant to section 200.065, Florida Statutes, in order for the Board to receive public input on the tentative budget. At the end of the last public hearing, the Board enacts ordinances to legally adopt the budgets at the department level for all governmental fund types. The budgets legally adopted by the Board set forth the anticipated revenues by source and the appropriations by function. Budgets for enterprise and internal service funds are adopted on a basis consistent with GAAP. Management is authorized to transfer budgeted amounts between accounts and departments in any fund as long as the total appropriations of a fund are not exceeded. Board approval to amend the budget is required when unanticipated revenues are received that management wishes to have appropriated, thereby increasing the total appropriations of a fund.

Formal budgetary integration is employed as a management control device during the fiscal year for all fund types. Budgets for all funds are adopted on a basis consistent with GAAP, with one exception within the enterprise funds budgets.

Capital asset purchases are budgeted as capital outlay expenditures for control purposes. The County follows the laws of Florida regarding the control, adoption, and amendment of the budget during each fiscal year. Budgets for the governmental funds are legally adopted. The legal level of budgetary control is maintained at the department level using encumbrance accounting. Appropriations for the County lapse at the close of the fiscal year.

Local Economy

The City of Stuart, the County Seat, is known as the "Sailfish Capital of the World" and sport fishing attracts many tourists to the area. Other municipalities include the Town of Jupiter Island, the Town of Ocean Breeze, the Town of Sewall's Point, and the Village of Indiantown. All the municipalities enjoy the environmental and economic benefits of the recreational spaces and waterways.

The Indian River and the St. Lucie River converge in Stuart, flowing into the Atlantic Ocean at the St. Lucie Inlet. Through a series of natural waterways and canals, the Atlantic Intracoastal Waterway runs through Indian River County into Martin County and extends to Palm Beach County. In addition to the Atlantic Intracoastal Waterway, the South Fork of the St. Lucie River connects with Lake Okeechobee through the St. Lucie Canal as part of the Okeechobee Waterway flowing into the Gulf of Mexico near Fort Myers, Florida. The County recognizes and prioritizes the importance of maintaining its diverse estuary, including the Indian River Lagoon, to support the ecological and economic impact it provides for Martin County.

The local economy is based upon agriculture, tourism, professional and banking services, healthcare services, and light manufacturing. In the past ten years, assessed property values have increased 117.22%. The unemployment rate for the County increased to 3.5% in 2024 from 3.2% in 2023, compared to 3.9% nationally, while Florida's unemployment rate was 3.4%.

Long-Term Financial Planning

In compliance with the Florida Constitution and Florida Statutes, the Martin County Board of County Commissioners adopts and publishes a balanced budget annually. The County's goal is to deliver the best services to its residents with the limited resources that are available. County departments and staff continue to implement the BOCC's strategic goals and objectives using the budget process as a framework to achieve success. In 2024, efforts continued to address the County's infrastructure construction and maintenance backlog. The county anticipates the cost of goods and services to rise based on the current inflation rate.

The County's total weighted average millage rate adopted for Fiscal Year 2024 (FY24) increased just under 1% to 10.1291. The increase in millage results in approximately \$38.53 more in taxes paid by the average single-family homeowner using a \$434,330 net assessed value. The Property Appraiser certified property values with a total tax base of \$31.7 billion, a 12.81% increase from the prior year. The single-family median market value increased from \$300,00 in the prior year to \$434,330. The structure of the homestead exemption established by the Save Our Homes Amendment, allowing for an increase in the assessed value when the assessed value is less than market value, is indexed by the Consumer Price Index (CPI) or 3%, whichever is less. The total County budget for FY24 is \$637,119,084, which is an increase of \$78,142,306, or 13.98%, over the FY23 budget. This net increase includes a \$33.1 million increase in ad-valorem revenues excluding Commission District MSTU's and special districts.

Relevant Financial Policies

The Board of County Commissioners is responsible for establishing annual and long-range financial policies for the purposes of providing transparency and accountability of public funds, planning for the adequate funding of services desired by the public, and providing for the availability and maintenance of public facilities and infrastructure.

The Debt Policy calculates debt service requirements each year prospectively on a five-year time frame in unison with the Capital Improvement Plan (CIP) to examine the implications of long-term decision making and the related effects of debt issuance. Guidelines of the Debt Policy include the following: the County will limit long-term borrowing to capital leases and capital improvements that cannot be financed from current financial resources; the County will not issue debt with a maturity longer than the useful life of the project or asset or 30 years; the County will not fund current operations or maintenance from the proceeds of long-term debt; the County will maintain governmental obligation debt per capita not to exceed \$900, net debt as a percentage of estimated market value of taxable property not to exceed 3%, and the ratio of debt service expenditures as a percentage of governmental fund expenditures not to exceed 10%.

The Fund Balance Reserve Policy ensures that sufficient levels of reserves are maintained for operational and financial stability. The stabilization reserve in the General Fund is to be maintained in an amount not less than 10% of the annual General Fund budget (less reserve totals). Other County funds maintain similar designated reserves.

The County's water and wastewater system reserves are to be maintained equal to a minimum of three months of the water and wastewater operating budget, less depreciation, annual debt service, and capital expenditures.

Major Initiatives

The Martin County Clerk of the Circuit Court & Comptroller undertook several key initiatives throughout the year to enhance efficiency, security, and service delivery:

- **Cybersecurity Enhancements** – Recognizing the increasing importance of data security, the Clerk’s office has made significant investments in strengthening its cybersecurity framework. The following proactive measures are designed to protect sensitive information, maintain public trust, and ensure confidentiality, integrity, and availability of critical data:
 - Enhancing network security measures.
 - Implementing Multi-Factor Authentication (MFA) for all staff.
 - Conducting ongoing cybersecurity awareness training.
 - Regularly updating software and systems to mitigate vulnerabilities.
- **NeoGov Implementation** – To modernize recruitment and onboarding processes, the Clerk’s office adopted NeoGov, a leading human resources management platform. This implementation enhances efficiency and creates a more attractive, streamlined environment for new applicants and hiring managers.
- **ERP Needs Assessment** – Partnering with the Government Finance Officers Association, the Clerk’s office initiated an Enterprise Resource Planning (ERP) needs assessment. This project aims to evaluate the current ERP system, identify gaps, and explore opportunities for operational improvements to enhance overall efficiency and effectiveness.

These initiatives reflect the Clerk’s commitment to leveraging technology, strengthening security, and improving operational processes to better serve the residents of Martin County.

Martin County remains committed to collaboration, with our dedication of county employees, and the engagement of our residents to achieve positive results for our community. Together, we enrich a quality of life, prioritize public safety, foster connections, strengthen infrastructure, cultivate a sense of community, protect paradise, enhance neighborhoods, and govern responsibly.

The BOCC has previously directed that revenue from growth in taxable values be allocated toward addressing the County’s infrastructure maintenance and capital improvement backlog. This ensures that infrastructure remains in at least satisfactory condition. Additionally, the FY24 capital improvement budget includes various projects funded through multiple sources, such as grants, tax increment financing, tourist development (bed) tax, gas taxes, and sales taxes.

Below are some key maintenance and construction projects included in the current year’s capital improvement budget that reflect this commitment:

- **Parks Boat Ramp Replacement** – The boat ramp replacement program is designed to build new and renovate or rehabilitate boat ramps within Martin County’s parks to improve safety, appearance, and performance. The total cost is \$3.8 million, \$0.805 million spent in FY24.

- Manatee Pocket Mooring Field – This project is in a protected embayment near the intersection of the Okeechobee and Atlantic Intracoastal Waterways, an area with high boat traffic. This mooring field will provide a safe and secure anchorage along with amenities such as bathrooms, showers, and laundry facilities. The total cost is \$1.5 million of which one-half million is funded by grants.
- Public Safety Training Facility – The facility will provide more realistic training situations for employees which includes a burn building and training classrooms, The total cost is \$18.2 million, \$2.4 million spent in FY24.
- MSCO Maintenance and K9 Building - This project is to construct a Sheriff’s maintenance ground building and K9 Operations building. The total cost is \$4.1 million, \$3.2 million spent in FY24.
- MacArthur Boulevard Improvements – This project is a FEMA Hazard Mitigation Assistance Program (HMAP) grant funded project to improve the structural integrity and drainage on the roadway. The total cost is \$8.3 million, \$1.2 million spent in FY24.
- Airport Pavement Rehabilitation – This project is to rehabilitate the airport taxiways and runways in accordance with Federal Aviation Administration and Department of Transportation regulations. The total cost is \$24.6 million of which \$22.4 million is funded by grants.
- Rio CRA Improvements – This project supports the long-term vision of a Rio Town Center. It includes upgrading stormwater systems, installing water and sewer systems, and the acquisition of key properties that will spur redevelopment and attract businesses. The total remaining project costs are \$15 million. The project will be funded by Tax Increment Financing (TIF) funds.
- Hobe Sound CRA Improvements – This project includes neighborhood enhancements for the Bridge Road “Main Street” project. Improvements include the provision of infrastructure for affordable housing, traffic calming, crosswalks, and lighting to promote vehicular and pedestrian safety. The total remaining project costs are \$16.6 million. The project will be funded by Tax Increment Financing (TIF) funds.
- Golden Gate CRA Improvements – This project includes infrastructure improvements for pedestrian walkways, bike trails and improved street infrastructure. The total remaining project costs are \$7.2 million and will be funded by Tax Increment Financing (TIF) funds.
- Bathtub Beach – This project to protect upland infrastructure covering approximately 1 mile of beach line. The cost is \$26 million to be funded from \$6.2 million ad valorem taxes, \$7.9 million in grants, \$11.4 million in private contributions, and \$1.1 million of MSTU funds.

AWARDS AND ACKNOWLEDGEMENTS

The GFOA of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to Martin County for its Annual Comprehensive Financial Report (ACFR) for the fiscal year ended September 30, 2023. This was the thirty-first consecutive year the County achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. The Annual Comprehensive Financial Report must satisfy both GAAP and applicable legal requirements and will be submitted to the GFOA to determine its eligibility for recognition.

The County's application for GFOA's Award for Outstanding Achievement in Popular Annual Financial Reporting (PAFR) for the fiscal year ended September 30, 2023, is currently pending. The PAFR is a summarized version of the County's annual ACFR. It is designed to be a short, easy to read report that provides financial information for Martin County, without the voluminous detail that is required to be in the full ACFR.

Additionally, The Government Finance Officers Association (GFOA) has awarded Martin County the Triple Crown for the past three consecutive years, and we anticipate receiving the award again for the fiscal year ended September 30, 2023, upon completion of the PAFR review. This award recognizes governments that have received the GFOA Certificate of Excellence in Financial Reporting, Popular Annual Financial Reporting, and the Distinguished Budget Presentation Award in the same fiscal year.

I would like to thank the entire staff of the Division of Financial Services for their invaluable work in developing this report and for performing the Clerk's designated role as auditor and comptroller to the Board of County Commissioners. I would also like to thank the Office of Management and Budget, as well as the other Constitutional Officers for their support in planning and conducting the financial operations of the County in a responsible, accountable, transparent, and progressive manner. Finally, thanks to the citizens of Martin County for the trust you continue to place in those who work to serve you.

Respectfully submitted,



Carolyn Timmann
Clerk of the Circuit Court and Comptroller

CBT/jr

**MARTIN COUNTY, FLORIDA
ELECTED OFFICIALS
AS OF SEPTEMBER 30, 2024**

BOARD OF COUNTY COMMISSIONERS

HAROLD JENKINS
County Commissioner
District #3
Chairman

DOUG SMITH
County Commissioner
District #1

SARAH HEARD
County Commissioner
District #4

STACEY HETHERINGTON
County Commissioner
District #2

EDWARD CIAMPI
County Commissioner
District #5

CONSTITUTIONAL OFFICERS

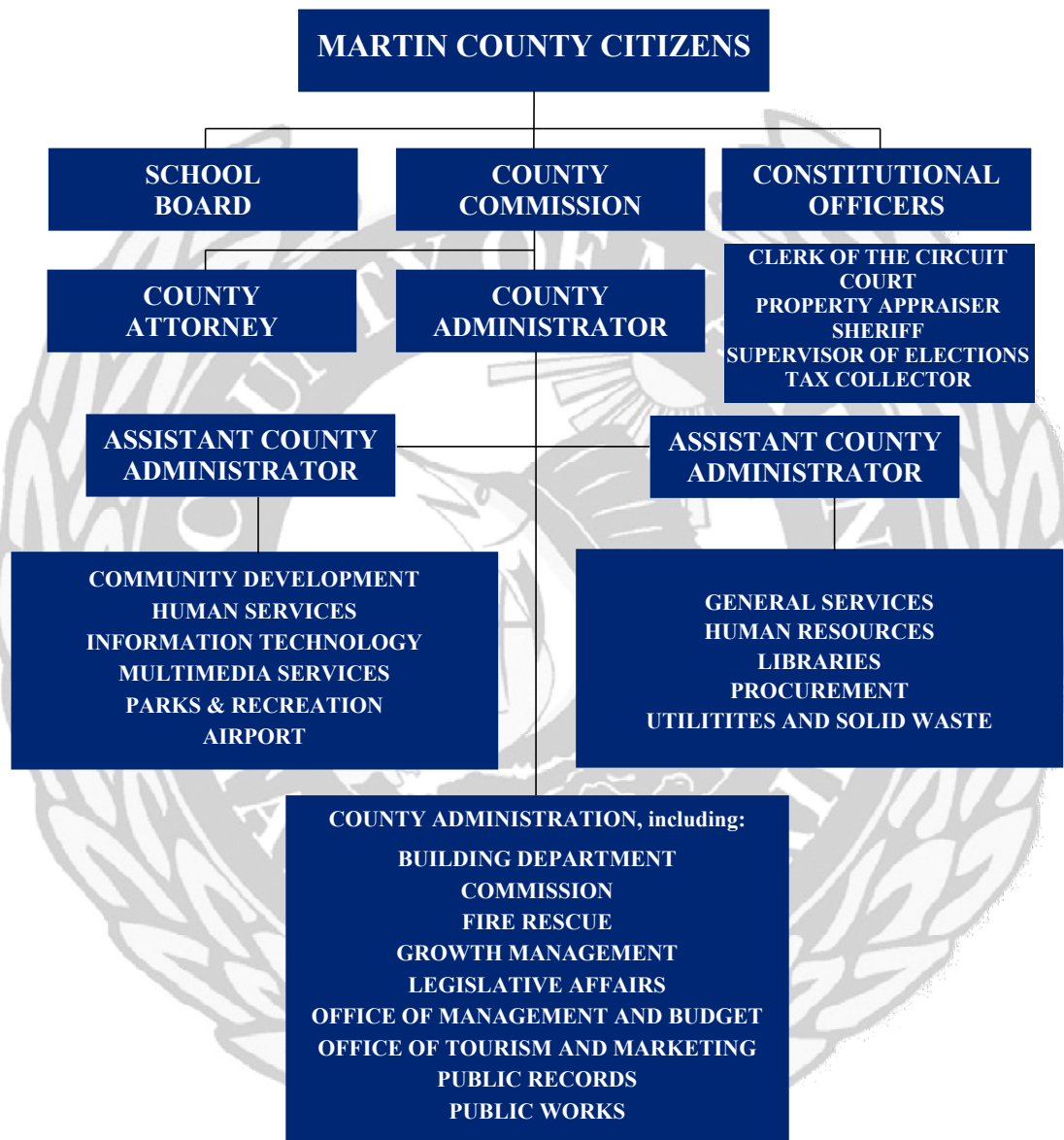
CAROLYN TIMMANN
Clerk of the Circuit Court & Comptroller

JENNY FIELDS
Property Appraiser

WILLIAM SNYDER
Sheriff

VICKI DAVIS
Supervisor of Elections

RUTH PIETRUSZEWSKI
Tax Collector





Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Martin County
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2023

Christopher P. Morill

Executive Director/CEO



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FINANCIAL SECTION

Independent Auditor's Report

Honorable Board of County Commissioners
Martin County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Martin County, Florida (the "County") as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of September 30, 2024, and the respective changes in its financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund and each major special revenue fund 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 (*Government Auditing Standards*). Our responsibilities under those standards are further described in the "Auditor's 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 audits. 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.

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audits 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 audits were conducted for the purpose of forming an opinion on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. The combining and individual fund financial statements are the responsibility of management and were derived from, and relate 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 audits 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 combining and individual fund financial statements are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the Annual Comprehensive Financial Report. The other information comprises the introductory section and the statistical section, as listed in the table of contents, but does not include the basic financial statements and our auditor's report thereon. Our opinion on the basic financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2025, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Forvis Mazars, LLP

**Fort Lauderdale, Florida
March 28, 2025**



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Management's Discussion and Analysis

(Unaudited)

The following narrative provides management's overview and analysis of Martin County's (the County) financial activities for the fiscal year ended September 30, 2024. This information should be reviewed in conjunction with the letter of transmittal at the front of this report and the financial statements and notes following this section. Additional information is provided in this narrative as the accompanying notes to the financial statements.

Financial Highlights

- At the close of fiscal year 2024, the County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by \$1,065.181 million. Of this amount, \$982.787 million, or 92.26%, is net investment in capital assets. An additional portion of the County's net position, \$104.579 million, or 9.82%, represents resources that are subject to restrictions on how they may be used. The remaining balance of unrestricted net position is a deficit of \$22.185 million, or (2.08)%. Overall, the County experienced an increase in net position of \$92.805 million from the prior year net position of \$972.376 million.
- During the fiscal year, the total assets and deferred outflows increased by \$96.027 million. Total assets increased by \$79.996 million while deferred outflows increased by \$16.031 million (an increase of \$14.632 million of deferred outflows for pensions, an increase of \$1.935 million of deferred outflows for other post employment benefits (OPEB), and a decrease of \$0.536 million of deferred outflows for loss on refunding debt).
- Total liabilities decreased \$7.094 million, the change in deferred inflows for pensions has increased by \$13.292 million, and the change in deferred inflows for OPEB decreased \$2.650 million. As a result, the net change in total liabilities and deferred inflows increased during the year by \$3.224 million.
- The County's governmental funds had a fund balance of \$323.717 million compared to last year's fund balance of \$291.526 million, an increase in governmental fund balance of \$32.191 million.
- At the beginning of the 2024 fiscal year, the fund balance for the County's general fund was \$78.645 million. Over the course of the year it increased by \$4.620 million resulting in an ending fund balance of \$83.265 million.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements comprise four components: 1) government-wide financial statements, 2) fund financial statements, 3) notes to the financial statements, and 4) required supplementary information.

Government-wide Financial Statements:

The government-wide financial statements provide an overview of the County's financial position using the accrual basis of accounting, which is the same basis of accounting used by the proprietary funds and is similar to that used by private-sector businesses. The purpose of the government-wide financial statements is to provide an assessment of the government's operational accountability, which shows the extent to which the government has met its operating objectives using all resources available for that purpose, and whether the government can continue to meet its objectives for the foreseeable future.

The government-wide financial statements are presented in two separate columns, one for governmental activities and the other for business-type activities. Financial information in the governmental fund financial statements, which are supported primarily by taxes and intergovernmental revenues, are reported in the governmental activities column. The governmental activities of the County are separated by function, which include general government, public safety, physical environment, transportation, economic environment, human services, and, culture and recreation. The operation of the government's enterprise funds, supported primarily or entirely by the recovery of costs through user fees and charges, are reported under the business-type activities column. The business-type activities of the

County are water, sewer, solid waste, airport and golf course. Because the resources of fiduciary funds by definition are not available to support the government's programs, data from these funds are excluded from the government-wide financial statements.

The Statement of Net Position presents the County's assets plus deferred outflows, less liabilities plus deferred inflows, with the difference between them reported as net position. Changes in net position may serve as an indicator of whether the financial position of the County is improving or deteriorating. The Statement of Activities follows the Statement of Net Position and presents information showing how the County's net position changed during the fiscal year. Changes in net position are reported as soon as the underlying economic transactions occur regardless of when cash is received or paid. Therefore, some of the revenues or expenses reported in the Statement of Activities will have cash flows in future fiscal periods. For example, certain sales taxes are shown as revenues, although cash receipts will occur early in the following fiscal year. Alternatively, an increase in unused vacation leave is recorded as an expense, although related cash outflows will occur in the future.

Fund Financial Statements:

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

Governmental funds

Most of the County's basic services are reported in governmental funds which focus on the near-term inflow and outflow of cash or other spendable resources, with a residual of spendable balances remaining at the end of the fiscal year. The purpose of governmental funds is to promote the concept of fiscal accountability, whereby the government's actions in the current period are shown in the fund statements to have complied with public decisions concerning the raising and spending of public funds in the short term, usually for a single budgetary cycle or one year.

The governmental funds the County uses to provide fiscal accountability are special revenue funds, capital project funds, debt service funds, permanent funds, and the general fund. Special revenue funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects. Capital project funds are used to account for financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Debt service funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest of debt service for bonds, notes, loans, and leases. Permanent funds are used to account for and report resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs for the benefit of the government or its citizenry. Lastly, the general fund, the County's main operating fund, is used to account for and report all financial resources not accounted for and reported in the other governmental fund types.

Governmental funds are reported in the financial statements using a measurement focus and basis of accounting called modified accrual accounting. The modified accrual basis of accounting measures and reports cash and all other financial resources that can be readily converted into cash, usually within a time period of no more than 60 days after the end of the fiscal year. This information is useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the 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 the governmental fund statement of revenues, expenditures, and changes in fund balances, provide reconciliation to facilitate the comparison between governmental funds and governmental activities.

Funds that are significant in terms of revenues, expenditures, assets, deferred outflows, liabilities, or deferred inflows, are identified as major funds in the basic financial statements and reported separately. Budget and actual comparison statements are also presented in this section for the general fund and each major special revenue fund with an annually adopted budget. The County's nonmajor funds, and budget and actual comparison schedules for any nonmajor funds with annually appropriated budgets, are presented in the combining and individual fund statements and schedules section of this report.

Proprietary funds

The County has two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for the water and sewer operations, solid waste function, golf course, and the local airport. Internal service funds are an accounting device used to accumulate and allocate costs internally among various government functions or departments. The County uses internal service funds to account for its fleet of vehicles and for self-insurance. Because both of these services predominantly benefit governmental rather than business-type functions, the majority of the activity has been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the utilities (water and sewer), solid waste, golf course, and airport. Both internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements.

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 since the resources of those funds are not available to support the programs of the County. The accounting used for fiduciary funds is much like that used for proprietary funds.

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.

Required Supplementary Information

Generally accepted accounting principles (GAAP) require governments to provide certain information on the County's total proportionate share of OPEB liability, net pension liability of the FRS and HIS plans, and contributions made.

Government-wide Financial Analysis

As noted earlier, net position viewed over time may serve as a useful indicator of a government's financial position. At the close of fiscal year 2024, the County's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$1,065.181 million. Of the total net position, \$679.024 million can be attributed to governmental activities and \$386.157 million to business-type activities.

Martin County's Net Position as of September 30
(in thousands)

	2024	2023	2024	2023	2024	2023
	Governmental Activities	Governmental Activities	Business-type Activities	Business-type Activities	Government-wide Total	Government-wide Total
Current and other assets	\$ 394,093	\$ 364,244	\$ 148,650	\$ 129,957	\$ 542,743	\$ 494,201
Capital assets and right of use, net	799,689	780,477	319,678	307,436	1,119,367	1,087,913
Total assets	1,193,782	1,144,721	468,328	437,393	1,662,110	1,582,114
Deferred outflows of resources	96,533	80,304	4,940	5,138	101,473	85,442
Current and other liabilities	58,599	60,938	17,869	19,390	76,468	80,328
Long-term liabilities outstanding	471,547	472,360	67,055	69,472	538,602	541,832
Total liabilities	530,146	533,298	84,924	88,862	615,070	622,160
Pension	23,451	10,674	835	320	24,286	10,994
Other postemployment benefits	56,860	59,066	693	1,137	57,553	60,203
Leases	834	939	659	882	1,493	1,821
Deferred inflows of resources	81,145	70,679	2,187	2,339	83,332	73,018
Net position						
Net investment in capital assets	717,108	694,970	265,679	252,486	982,787	947,456
Restricted	78,833	86,176	25,746	26,709	104,579	112,885
Unrestricted (deficit)	(116,917)	(160,099)	94,732	72,134	(22,185)	(87,965)
Total net position	\$ 679,024	\$ 621,047	\$ 386,157	\$ 351,329	\$ 1,065,181	\$ 972,376

The largest portion of the County's net position, \$982.787 million, or 92.26%, reflects its net investment in capital assets (land, buildings, infrastructure, and equipment, less any related outstanding debt that was used to acquire those assets). The County uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position, \$104.579 million, or 9.82%, represents resources that are subject to restrictions on how they may be used. The remaining balance in unrestricted net position is a deficit of \$22.185 million, primarily due to OPEB and pension liabilities. The unrestricted net position for governmental activities has a deficit balance of \$116.917 million, primarily due to OPEB and pension liabilities. The County's overall net position increased by \$92.805 million or 9.54%.

Significant year over year changes in Net Position are as follows:

- During the fiscal year, current and other assets increased by \$48.542 million mostly due to an increase in cash and investments of \$37.496 million resulting from a \$31.749 million increase in tax collections and a \$9.316 million increase in investment earnings.
- Total capital assets net of depreciation increased \$31.454 million primarily due to an increase in building improvements, equipment acquisition, water quality and drainage improvements, and infrastructure assets related to roadway resurfacing and signalization projects completed over the course of the year.
- Total liabilities decreased \$7.094 million from prior year balances primarily as a result of \$12.264 million in scheduled paydown of long term liabilities due to the payoff of outstanding revenue bonds and notes, and a \$5.239 million decrease in the for advances from Solid Waste. These amounts are offset by \$1.640 million increase in the OPEB liability that resulted from the discount rate change of 4.40% to 4.63%. Other items affecting the total change are a \$3.441 million increase in the pension liability, due to actuarial

adjustments based on 2024 market fluctuations; \$5.374 million of new debt issued for a custom pumper and aerial ladder truck for Fire Rescue, Dell computer equipment for the Sheriff's office, leases and SBITAs.

Martin County's Changes in Net Position (in thousands)						
	2024	2023	2024	2023	2024	2023
	Governmental Activities	Governmental Activities	Business-type Activities	Business-type Activities	Government-wide Total	Government-wide Total
Revenues:						
Program revenues:						
Charges for services	\$ 60,685	\$ 65,258	\$ 81,834	\$ 77,422	\$ 142,519	\$ 142,680
Operating grants and contributions	28,666	30,288	-	190	28,666	30,478
Capital grants and contributions	14,979	19,129	30,069	14,005	45,048	33,134
General revenues:						
Property taxes	282,217	248,888	-	-	282,217	248,888
Other taxes	35,511	37,092	-	-	35,511	37,092
Contributions not restricted to specific programs	7,342	7,699	-	-	7,342	7,699
Other	29,308	22,216	10,055	7,341	39,363	29,557
Total revenues	458,708	430,570	121,958	98,958	580,666	529,528
Expenses:						
General government	105,058	102,078	-	-	105,058	102,078
Public safety	194,428	191,320	-	-	194,428	191,320
Physical environment	20,438	13,299	-	-	20,438	13,299
Transportation	35,894	33,905	-	-	35,894	33,905
Economic environment	6,134	5,000	-	-	6,134	5,000
Human services	8,565	10,372	-	-	8,565	10,372
Culture and recreation	27,878	26,458	-	-	27,878	26,458
Interest on long-term debt	2,440	2,557	-	-	2,440	2,557
Water	-	-	25,492	25,835	25,492	25,835
Sewer	-	-	20,866	21,136	20,866	21,136
Solid waste	-	-	32,306	32,952	32,306	32,952
Airport	-	-	4,966	4,712	4,966	4,712
Golf Course	-	-	3,396	2,908	3,396	2,908
Total expenses	400,835	384,989	87,026	87,543	487,861	472,532
Change in net position before transfers	57,873	45,581	34,932	11,415	92,805	56,996
Transfers	104	(1,687)	(104)	1,687	-	-
Change in net position	57,977	43,894	34,828	13,102	92,805	56,996
Net position-beginning	621,047	577,154	351,329	338,226	972,376	915,380
Net position-ending	\$ 679,024	\$ 621,047	\$ 386,157	\$ 351,329	\$ 1,065,181	\$ 972,376

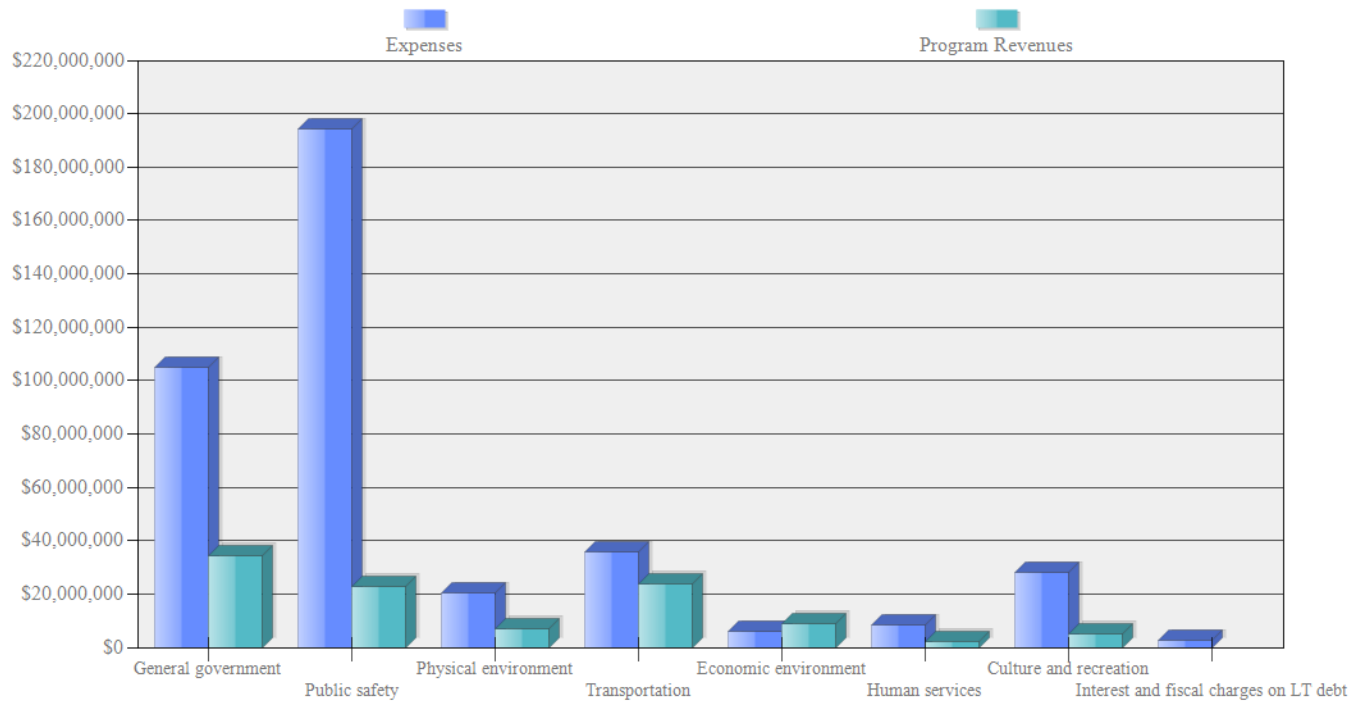
Significant year over year differences in Changes in Net Position are as follows:

Governmental Activities:

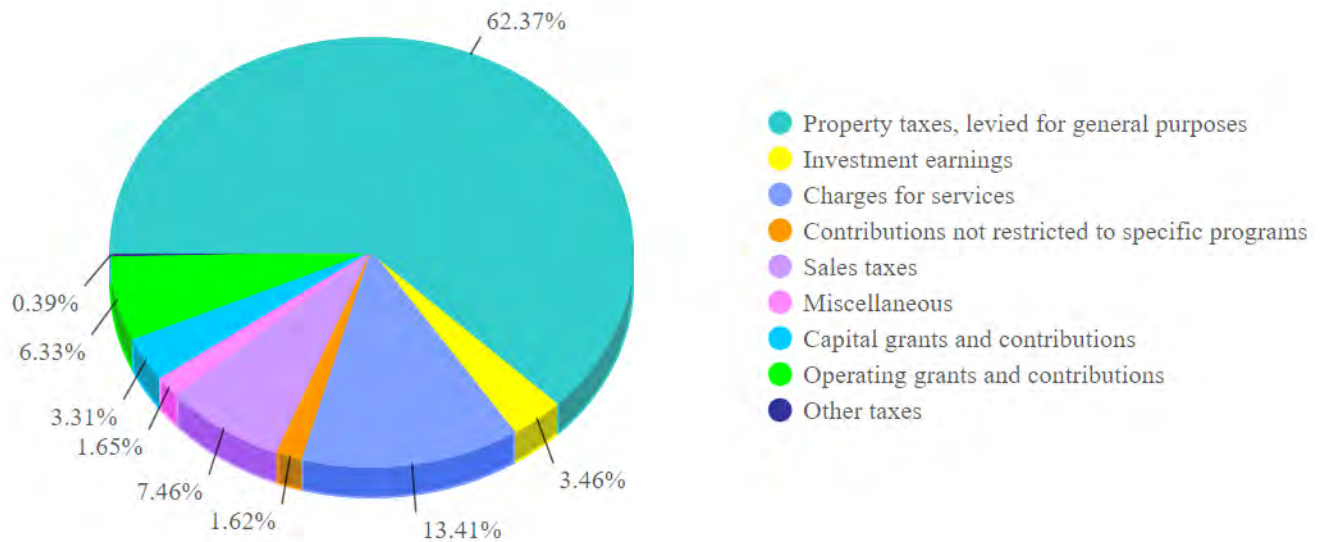
- Charges for services decreased \$4.573 million, or 7.01%. All categories experienced reductions as a result of decreased permitting activity. The primary reductions in charges for services were \$0.726 million in general government, \$3.279 million in transportation, \$0.259 in culture and recreation, and \$0.388 million in public safety. This decline is largely attributed to significantly higher permitting activity in the prior fiscal year compared to fiscal year 2024, which affected impact fee and building permit revenue.

- Operating grants and contributions decreased \$1.622 million, or 5.36%, primarily due to a \$3.443 million reduction in revenue from prior-year grants, mainly related to ARPA Covid-19 State & Local Fiscal Recovery funding. This decrease was partially offset by a \$1.845 million increase in revenue from physical environment grants associated with Hurricane Nicole recovery efforts and the Bathtub Beach renourishment project.
- Capital grants and contributions decreased \$4.150 million, or 21.69% as a result of reduced grant funding for transportation projects. This decrease is largely attributed to the prior year's activity of two significant projects: \$1.741 million for the East Fork Creek Stormwater Project and \$2.261 million for the Salerno Road Resurfacing Project.
- Property taxes increased by \$33.329 million, or 13.39%, due to increased taxable property valuation. The total Countywide average millage rate, which includes regional millage rates, increased from 10.0446 in fiscal year 2023 to 10.1291 in 2024. The taxable property valuation increased 12.81% from last year's property valuation.
- Other revenues increased \$7.092 million, or 31.92%. Miscellaneous revenues declined by \$0.217 million due to lower insurance reimbursements for hurricane damages, which were \$0.645 million higher in the prior year. This decrease was offset by a \$3.448 million increase in investment earnings year-over-year, along with a \$3.861 million unrealized gain in the fair value of investments. The increases in investment earnings and changes in fair value are primarily attributed to market fluctuations in 2024.
- General government expenses increased by \$2.980 million, or 2.92% reflecting rising costs in the current economy. The primary driver of this increase includes \$3.554 million in depreciation expense. Additional contributing factors include a \$1.068 million increase in insurance costs, \$0.561 million in CRA distributions driven by higher taxable values, \$0.770 million related to an FPL grant, \$0.421 million for repairs and maintenance, and \$0.160 million for other contractual staffing services. These increases were partially offset by savings in other areas, including a \$1.983 million decrease in OPEB expenses.
- Public safety expenses increased by \$3.108 million, or 1.62%, largely driven by a \$3.685 million increase in labor related costs. Other contributing factors include a \$1.978 million rise in inmate medical expenses, \$0.587 million for a grant-funded geospatial routing system for emergency calls, and \$0.258 million for grant-funded public safety software. These increases were mitigated by reductions in other expenditures.
- Physical environment expenses increased by \$7.139 million, or 53.68%, primarily due to restoration and recovery efforts. This includes \$2.916 million for the Bathtub Beach renourishment project, \$2.411 million for the St. Lucie Inlet beach renourishment project, and \$2.369 million for repairs related to Hurricane Nicole.
- Transportation expenses increased by \$1.989 million, or 5.87%, primarily due to a \$1.182 million increase in depreciation. Additional cost drivers included \$0.336 million for repairs and maintenance and a \$0.535 million increase in contractual services associated with Martin County Public Transit. However, these increases were partially balanced by cost efficiencies in other areas.

Expenses and Program Revenues Governmental Activities



Revenues by Source Governmental Activities



Business-type Activities:

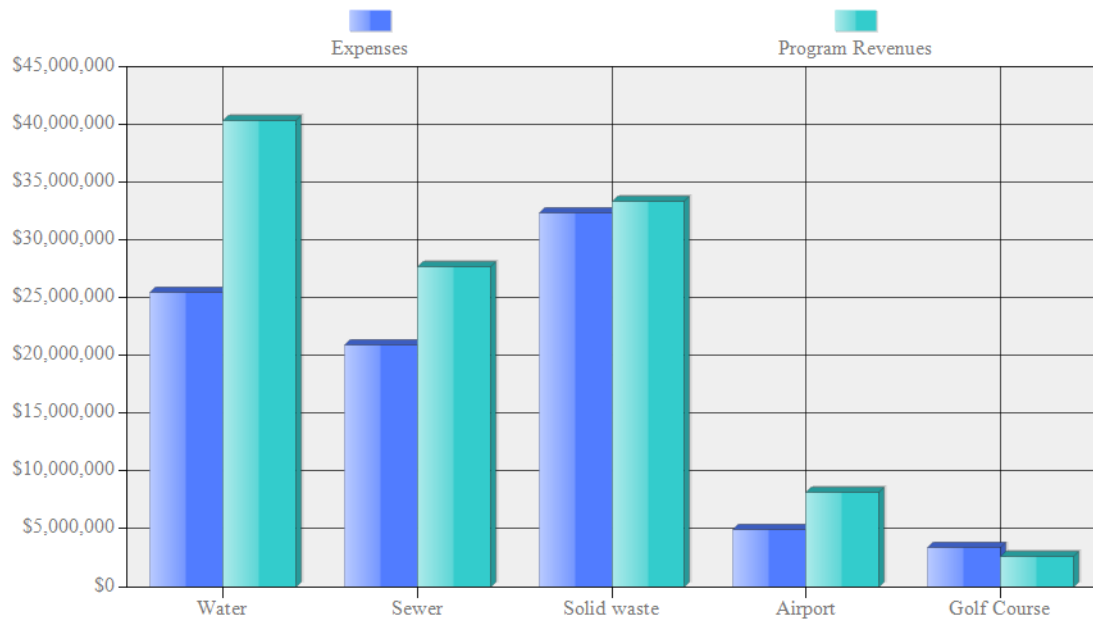
Water/Sewer Utilities:

- Total net position increased by \$28.260 million in fiscal year 2024. Net investment in capital assets for fiscal year 2024 increased \$10.485 million, or 5.22%, compared to 2023, due to the change in long term liabilities, which is offset by an increase in depreciation for newly completed projects. Unrestricted net position increased \$18.737 million, or 32.72%, in fiscal year 2024 due to higher revenues for new septic to sewer conversions and interest earnings.
- Long-term liabilities in fiscal year 2024 decreased \$6.393 million, or 10.01%, due to the paydown of an interfund loan and the reduction of principal of bonds totaling \$10.101 million offset by an increase in principal for the State Revolving Fund Loan for the Golden Gate project \$4.156 million.
- Total operating revenues reflect a 6.37% increase of \$2.704 million in fiscal year 2024 compared to 2023, due to ongoing additional connections and sewer customers added with the septic to sewer program.
- Capital contributions increased \$11.114 million in fiscal year 2024 from 2023 due to large developer contributions in fiscal year 2024.
- Operating expenses, excluding depreciation and amortization, increased by \$1.169 million or 4.72% from fiscal year 2023. The increase was due to rising energy, material, and health costs.

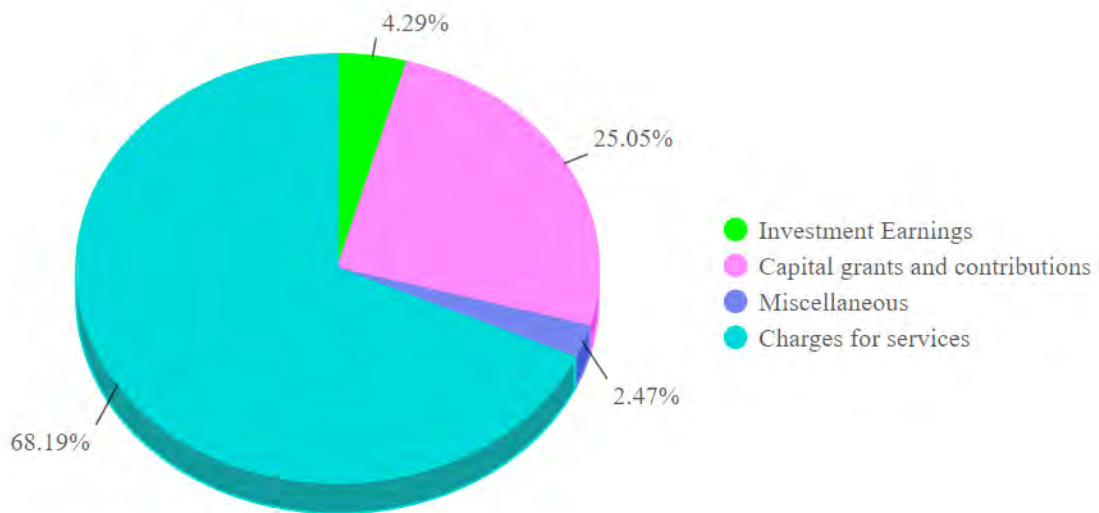
Solid Waste:

- Net position increased by \$3.014 million in fiscal year 2024. Net investment in capital assets for fiscal year 2024 reflects a decrease of \$0.545 million compared to fiscal year 2023. Unrestricted net position increased \$3.560 million to \$15.362 million. Operating levels remained fairly steady in fiscal year 2024.
- Total operating revenues reflect a \$1.480 million, or 4.64%, increase in fiscal year 2024 as compared to fiscal year 2023, due to increased charges for solid waste services.
- Operating expenses, excluding depreciation decreased by \$0.778 million, or 2.44%, in fiscal year 2024 compared to fiscal year 2023, primarily due to slightly elevated operating costs in the prior year.

Expenses and Program Revenues Business-type Activities



Revenues by Source Business-type Activities



Financial Analysis of the Government's Funds

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

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

As of September 30, 2024, the County's governmental funds reported combined ending fund balances of \$323.717 million. Of this total, \$34.327 million, or 10.60%, constitutes unassigned fund balance. By definition, this sum is available for spending at the discretion of the County. The remainder of the fund balance is not available for new spending, since it is allocated to: 1) non-spendable reserves for inventory and permanent fund (\$2.327 million); 2) restricted funds for debt service, grants, federal and state programs, court operations, and other restricted purposes (\$86.380 million); 3) funds committed to purposes determined by the Board of County Commissioners (\$107.601 million); and 4) funds assigned to a variety of other predetermined purposes (\$93.082 million).

The general fund is the primary operating fund of the County. As of September 30, 2024, the total fund balance in this fund was \$83.265 million, while the unassigned fund balance was \$53.039 million. As a measure of the general fund's liquidity, it is useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 24.05% of total general fund expenditures, while the total fund balance represents 37.76% of that same amount.

In fiscal year 2024 the fund balance in the County's general fund increased by \$4.620 million. The fund balance increase was mostly a result of an additional \$17.034 million in tax collections. Additional tax collections were realized due to property tax increases from a 12.81% increase in property valuation over last year.

The fund balance for Consolidated Fire/EMS increased to \$15.328 million, an increase of \$3.371 million, while there was \$8.686 million general cost increases in public safety, the increase was offset by a \$8.067 million increase in Taxes; a \$0.496 million increase in interest and net change in fair value of investments, and a \$0.178 million increase in miscellaneous revenues. Revenues increased by \$8.467 million over the prior year, while expenditures increased by \$8.686 million, resulting in a fund balance increase. Revenues net of expenditures produced an excess of revenues over expenditures of \$3.569 million.

The Federal Grants fund balance decreased \$2.800 million. This net decrease resulted primarily from a decrease in intergovernmental revenues of \$13.994 million attributed to ARPA Covid-19 State & Local Fiscal Recovery funding being recognized in the prior year and additionally the reduction of other grant revenues.

The Other State Grants fund balance decreased \$1.788 million. Revenues net of expenses produced a deficiency of revenues under expenditures of \$5.701 million, reducing the prior year's deficiency by \$4.097 million. Revenues increased by \$0.809 million while expenditures increased by \$4.906 million year over year, contributing to the decrease in net change in fund balance. There was a \$3.034 million decrease in capital outlay for this fiscal year, for road resurfacing and stormwater projects and a \$7.941 million increase in non-capital expenditures year-to-year. There were significant increases in expenditures related to coastal management and beach renourishment projects totaling \$6.978 million. Additionally, the prior fiscal year reported \$0.215 million as cost shares from other funds, whereas, the current fiscal year is reporting \$3.913 million. The Other State Grants fund's share of local intergovernmental revenue increased \$0.809 million.

The County Buildings fund balance increase \$6.101 million to \$48.583 million, as total expenditures increased \$0.203 million, including a capital outlay increase of \$2.424 million related to projects for Park Community Center Building enhancements and for the Sheriff's Maintenance and K-9 Building. These increases in total expenditures were offset \$5.366 increase in collection of additional tax revenues of 36.59% over the prior year.

Budgetary Highlights

Differences between the original budget and the final amended budget and actual amounts to the final budget of the general fund are illustrated in the Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget to Actual – General Fund.

There was a \$33.077 million increase in budgeted expenditures between the FY24 original budget and final amended budget for the General Fund resulting from various general government, public safety, culture and recreation, and capital outlay increases. The general government and public safety budgets increased \$13.875 million and \$0.613 million over many areas, such as salaries and outside services. The capital outlay budget increased \$18.363 million. Budgeted revenues were decreased \$0.923 million primarily due to a \$1.150 million decrease in intergovernmental revenues from additional anticipated reimbursable projects.

Major variances in the General Fund from final budget to actual were as follows:

- Actual tax revenues were \$2.327 million higher than the final budget. *Florida Statutes* require revenues to be budgeted at 95% of reasonably anticipated receipts. The county taxes were collected at 99.99% of the required budgeted amount.
- Actual intergovernmental revenues were \$3.819 million over the final budget, as a result of the fluid nature of multiple outside grant and revenue funding sources.
- Actual interest income and changes in the fair value of investments exceeded the final budget by \$5.898 million, primarily due to market fluctuations..
- Actual general government expenditures are reporting a variance of \$17.062 million less than budgeted. This variance includes \$1.745 million due to unfilled positions across the County and an \$11.377 million variance in budgeted professional services. Additionally, variances include \$0.408 million in aid to governmental agencies, \$0.115 million in communication costs, and \$0.489 million in unspent information technology costs.
- The actual capital outlay expenditures for General Fund were \$9.488 million lower than final budget due to delays caused by supply chain disruptions.

Capital Assets and Debt Administration

As of September 30, 2024, the County's capital assets for its governmental and business-type activities amounts to \$1,119.366 million (net of accumulated depreciation). These capital assets include land, buildings, improvements, equipment, park facilities, roads, bridges, sidewalks, intangible assets, right of use and subscription assets. The total County capital assets for the current fiscal year increased \$31.454 million, or 2.89%; governmental activities increased \$19.212 million, and business-type activities increased \$12.242 million.

Martin County's Capital Assets
(in thousands)

	2024	2023	2024	2023	2024	2023
	Governmental	Governmental	Business-type	Business-type	Government-wide	Government-wide
	Activities	Activities	Activities	Activities	Total	Total
Land and land use rights	\$ 242,640	\$ 232,203	\$ 17,882	\$ 17,657	\$ 260,522	\$ 249,860
Land improvements	100,955	79,738	52,413	52,377	153,368	132,115
Buildings and systems	259,936	244,209	156,423	170,662	416,359	414,871
Machinery and equipment	162,362	154,495	20,282	20,253	182,644	174,748
Infrastructure	714,220	683,678	331,148	318,355	1,045,368	1,002,033
Construction in progress	34,500	61,145	24,659	12,326	59,159	73,471
Other improvements and intangible assets	20,171	20,142	9,475	9,475	29,646	29,617
Right of use assets	12,763	11,403	-	-	12,763	11,403
Subscription assets	2,913	2,295	-	-	2,913	2,295
Less: accumulated depreciation and amortization	(750,772)	(708,832)	(292,604)	(293,669)	(1,043,376)	(1,002,501)
Total	<u>\$ 799,688</u>	<u>\$ 780,476</u>	<u>\$ 319,678</u>	<u>\$ 307,436</u>	<u>\$ 1,119,366</u>	<u>\$ 1,087,912</u>

Major capital asset additions in the governmental funds included:

- CR708 Hobe Sound Bascule Rehab \$ 4.2 million
- Phipps Park Renovations Phase II \$ 3.8 million
- East Fork Creek Stormwater \$ 3.4 million
- MacArthur Boulevard Shoreline Armoring Improvements \$ 3.2 million
- Sandsprit Park Boat Ramp Replacement \$ 2.5 million
- SE Cove Road Resurfacing and Bike Lanes \$ 2.1 million
- Old Palm City CRA Improvements \$ 1.8 million
- Coral Gardens Neighborhood Restoration \$ 1.6 million

Major capital additions to the enterprise funds included:

- Tropical Farms Wastewater Treatment Plant Stabilization \$ 2.1 million
- Rio Force Main East Extension \$ 1.1 million

Additional information on the County's capital assets can be found in Note 4 of the Notes to the Financial Statements.

Martin County's Outstanding Long-Term Obligations
(in thousands)

	2024	2023	2024	2023	2024	2023
	Governmental Activities	Governmental Activities	Business-type Activities	Business-type Activities	Government-wide Total	Government-wide Total
Compensated absences	\$ 21,917	\$ 19,758	\$ 974	\$ 897	\$ 22,891	\$ 20,655
Long-term leases	9,490	9,653	-	-	9,490	9,653
Finance purchase agreements	15,921	16,877	-	-	15,921	16,877
Subscription agreements	1,738	1,488	-	-	1,738	1,488
Revenue bonds/notes	56,172	62,193	35,955	40,980	92,127	103,173
Landfill closure cost	-	-	7,783	8,100	7,783	8,100
Other long-term debt	3,024	3,541	18,294	14,285	21,318	17,826
Total	<u>\$ 108,262</u>	<u>\$ 113,510</u>	<u>\$ 63,006</u>	<u>\$ 64,262</u>	<u>\$ 171,268</u>	<u>\$ 177,772</u>

Long-term obligations: At the end of the current fiscal year, the County had total outstanding revenue notes and bonded debt in the amount of \$92.127 million. This amount represents bonds secured solely by specified revenue sources (revenue bonds).

During fiscal year ended September 30, 2024, the County's overall total long-term obligations decreased by \$6.504 million, or 3.66%. Separately, governmental total long-term obligations decreased by \$5.248 million, or 4.62%, while business-type long-term obligations decreased by \$1.256 million, or 1.95%.

As part of the County's fiscal policies, the ratio of debt service expenditures as a percentage of governmental fund expenditures will not exceed 10%. This ratio for 2024 and 2023 was 3.53% and 4.95%, respectively.

The County's bond ratings as of September 30, 2024, were as follows:

	Fitch	S&P
Water and sewer bonds	AA+	AA+
Half-Cent Sales Tax Revenue Bonds, Series 2019	-	AA

Additional detailed information about the County's long-term debt is presented in Notes 5 through 10 of the financial statements.

Economic Factors

As of July 1, 2024, the County's total taxable values equaled \$31.7 billion, a 12.81% increase as compared to \$28.1 billion in the prior year. The total County-wide average millage, which includes an average for regional MSTU rates, for 2024 is adopted at 10.1291 mills, a increase of 0.84% from 10.0446 mills in 2023.

Requests for Information

This financial report was prepared by the Division of Financial Services of the Office of the Clerk of the Circuit Court in the role as Comptroller for Martin County, www.martinclerk.com. Questions concerning any of the information in this report or requests for additional financial information should be addressed to the Martin County Clerk of the Circuit Court, Attn: Division of Financial Services, 100 East Ocean Boulevard, Stuart, Florida, 34994.

BASIC FINANCIAL STATEMENTS

Martin County, Florida
Statement of Net Position
September 30, 2024

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 108,018,171	\$ 27,076,111	\$ 135,094,282
Restricted cash and cash equivalents	393,500	6,223,631	6,617,131
Investments	245,826,934	55,108,509	300,935,443
Restricted investments	-	1,490,956	1,490,956
Accounts and assessments receivables	5,083,535	6,610,673	11,694,208
Lease receivables, current	368,085	238,432	606,517
Receivable from other governmental agencies	31,605,819	1,072,143	32,677,962
Inventories	2,239,709	3,099,559	5,339,268
Internal balances	(229,577)	229,577	-
Assets held for resale or donation	39,394	130,500	169,894
Other current assets	269,688	235	269,923
Total current assets	393,615,258	101,280,326	494,895,584
Noncurrent assets:			
Restricted investments	-	22,546,191	22,546,191
Restricted due from other governmental units	-	5,304,417	5,304,417
Restricted special assessment notes receivable	-	16,442,055	16,442,055
Lease receivables, less current portion	477,780	522,893	1,000,673
Total restricted assets	477,780	44,815,556	45,293,336
Special assessment notes receivable, less current portion	-	2,554,051	2,554,051
Capital assets:			
Land and land use rights - permanent	242,640,385	17,881,907	260,522,292
Land improvements	100,955,184	52,412,638	153,367,822
Buildings and improvements	259,935,574	156,423,056	416,358,630
Infrastructure	714,220,136	331,148,628	1,045,368,764
Equipment	162,361,526	20,281,617	182,643,143
Construction in progress	34,500,249	24,659,848	59,160,097
Intangible - goodwill	-	6,747,419	6,747,419
Intangible - land use rights - temporary	5,730,194	-	5,730,194
Intangible - software	14,441,149	2,727,324	17,168,473
Right of use buildings	1,071,367	-	1,071,367
Right of use equipment	11,691,528	-	11,691,528
Subscription assets	2,912,740	-	2,912,740
Less accumulated depreciation and amortization	(750,771,509)	(292,604,387)	(1,043,375,896)
Capital assets, net	799,688,523	319,678,050	1,119,366,573
Total noncurrent assets	800,166,303	367,047,657	1,167,213,960
Total assets	1,193,781,561	468,327,983	1,662,109,544
DEFERRED OUTFLOWS OF RESOURCES			
Loss on refunding debt	200,737	1,858,255	2,058,992
Pension	72,381,788	2,688,910	75,070,698
Other postemployment benefits	23,949,648	392,630	24,342,278
Total deferred outflows of resources	96,532,173	4,939,795	101,471,968

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

	Governmental Activities	Business-type Activities	Total
LIABILITIES			
Current liabilities:			
Payable from current assets:			
Accounts payable	15,111,953	6,792,258	21,904,211
Accrued wages payable	2,928,767	336,849	3,265,616
Contracts payable	752,645	-	752,645
Due to other governmental agencies	12,402,652	-	12,402,652
Accrued interest payable	826,901	2,443	829,344
Unearned revenue	165,103	414,649	579,752
Deposits and other liabilities	59,960	-	59,960
Current portion of long term obligations	20,236,205	7,360,409	27,596,614
	<u>52,484,186</u>	<u>14,906,608</u>	<u>67,390,794</u>
Payable from restricted assets:			
Deposits and other liabilities	-	1,372,454	1,372,454
Contracts payable	-	1,588,269	1,588,269
Current portion of other postemployment benefits liability	6,112,050	-	6,112,050
	<u>6,112,050</u>	<u>2,960,723</u>	<u>9,072,773</u>
Total current liabilities	<u>58,596,236</u>	<u>17,867,331</u>	<u>76,463,567</u>
Noncurrent liabilities:			
Noncurrent portion of long term obligations	88,026,390	55,645,609	143,671,999
Other postemployment benefits liability	131,505,323	1,623,749	133,129,072
Net pension liability	252,015,585	9,785,785	261,801,370
Total noncurrent liabilities	<u>471,547,298</u>	<u>67,055,143</u>	<u>538,602,441</u>
Total liabilities	<u>530,143,534</u>	<u>84,922,474</u>	<u>615,066,008</u>
DEFERRED INFLOWS OF RESOURCES			
Pension	23,450,956	835,322	24,286,278
Other postemployment benefits	56,860,489	693,482	57,553,971
Leases	834,201	659,124	1,493,325
Total deferred inflows of resources	<u>81,145,646</u>	<u>2,187,928</u>	<u>83,333,574</u>
NET POSITION			
Net investment in capital assets	717,108,047	265,678,714	982,786,761
Restricted:			
Permanent fund - nonexpendable	23,027	-	23,027
Recreation projects	5,155,259	-	5,155,259
Public safety	14,282,428	-	14,282,428
Housing grants and other	19,540,217	-	19,540,217
Debt service	1,266,257	71,229	1,337,486
Capital projects - county buildings	6,643,915	-	6,643,915
Capital projects - transportation projects	29,544,647	-	29,544,647
Capital projects - recreation projects	23,172	-	23,172
Capital projects - water/sewer projects	-	25,544,689	25,544,689
Airport noise mitigation program	-	130,500	130,500
Clerk of Courts - court operations	2,340,953	-	2,340,953
Permanent fund - expendable	13,333	-	13,333
Unrestricted (deficit)	(116,916,701)	94,732,244	(22,184,457)
Total net position	<u>\$ 679,024,554</u>	<u>\$ 386,157,376</u>	<u>\$ 1,065,181,930</u>

Martin County, Florida
Statement of Activities
For the Year Ended September 30, 2024

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental activities:				
General government	\$ 105,057,729	\$ 23,060,244	\$ 10,028,424	\$ 1,064,411
Public safety	194,427,861	17,937,343	3,685,351	1,382,435
Physical environment	20,437,986	-	3,083,744	3,914,970
Transportation	35,894,308	14,804,689	1,780,767	7,004,814
Economic environment	6,133,793	-	8,685,670	420,306
Human services	8,564,859	182,736	1,138,621	1,038,698
Culture and recreation	27,878,221	4,700,129	263,440	153,121
Interest on long-term debt	2,440,166	-	-	-
Total governmental activities	400,834,923	60,685,141	28,666,017	14,978,755
Business-type activities:				
Water	25,491,889	23,815,854	-	16,478,409
Sewer	20,866,115	19,485,699	-	8,116,231
Solid waste	32,305,706	33,225,156	-	56,297
Airport	4,965,674	2,744,396	-	5,417,817
Golf Course	3,396,175	2,562,832	-	-
Total business-type activities	87,025,559	81,833,937	-	30,068,754
Total	\$ 487,860,482	\$ 142,519,078	\$ 28,666,017	\$ 45,047,509

GENERAL REVENUES:

Property taxes, levied for general purposes
Sales tax
Communications taxes & other taxes
Investment earnings
Net change in fair value of investments
Miscellaneous
Contributions not restricted to specific programs
Transfers
Total general revenues and transfers
Changes in net position
Net position - beginning
Net position - ending

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

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-type Activities	Total
\$ (70,904,650)	\$ -	\$ (70,904,650)
(171,422,732)	-	(171,422,732)
(13,439,272)	-	(13,439,272)
(12,304,038)	-	(12,304,038)
2,972,183	-	2,972,183
(6,204,804)	-	(6,204,804)
(22,761,531)	-	(22,761,531)
(2,440,166)	-	(2,440,166)
<u>(296,505,010)</u>	<u>-</u>	<u>(296,505,010)</u>
-	14,802,374	14,802,374
-	6,735,815	6,735,815
-	975,747	975,747
-	3,196,539	3,196,539
-	(833,343)	(833,343)
<u>-</u>	<u>24,877,132</u>	<u>24,877,132</u>
<u>(296,505,010)</u>	<u>24,877,132</u>	<u>(271,627,878)</u>
282,216,912	-	282,216,912
33,748,122	-	33,748,122
1,763,471	-	1,763,471
15,671,914	5,146,414	20,818,328
6,191,776	1,941,294	8,133,070
7,444,940	2,967,842	10,412,782
7,341,811	-	7,341,811
103,976	(103,976)	-
<u>354,482,922</u>	<u>9,951,574</u>	<u>364,434,496</u>
57,977,912	34,828,706	92,806,618
621,046,642	351,328,670	972,375,312
<u>\$ 679,024,554</u>	<u>\$ 386,157,376</u>	<u>\$ 1,065,181,930</u>

Martin County, Florida
Balance Sheet
Governmental Funds
September 30, 2024

	General Fund	Consolidated Fire/EMS	Federal Grants	Other State Grants	County Buildings	Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 47,312,297	\$ 3,283,919	\$ 741,851	\$ 397,676	\$ 7,326,980	\$ 40,879,603	\$ 99,942,326
Investments	25,550,392	11,930,418	1,212,498	-	45,278,029	156,551,765	240,523,102
Accounts receivable	517,699	1,110,503	-	-	28,797	99,993	1,756,992
Assessments receivable	-	-	-	-	-	2,086,334	2,086,334
Leases receivable	845,865	-	-	-	-	-	845,865
Due from other funds	15,322,718	-	-	1,404	-	36,127	15,360,249
Due from other governmental agencies	3,916,676	58,398	6,586,676	16,125,817	3,900	4,902,763	31,594,230
Inventories	525,304	537,835	-	-	-	975,237	2,038,376
Assets held for resale or donation	-	-	-	-	-	39,394	39,394
Prepaid items	206,543	1,274	21,355	-	-	36,516	265,688
Total assets	\$ 94,197,494	\$ 16,922,347	\$ 8,562,380	\$ 16,524,897	\$ 52,637,706	\$ 205,607,732	\$ 394,452,556
LIABILITIES							
Accounts payable	\$ 3,322,507	\$ 298,339	\$ 997,333	\$ 1,284,251	\$ 1,644,560	\$ 4,989,882	\$ 12,536,872
Accrued wages payable	1,110,427	1,250,387	12,711	2,298	16,131	519,631	2,911,585
Contracts payable - retainage	-	2,520	252,117	47,220	108,874	341,914	752,645
Due to other funds	1,686,538	1,866	218	15,004,001	1,310	341,207	17,035,140
Due to other governmental agencies	3,061,732	-	6,858,818	-	2,283,896	198,206	12,402,652
Unearned revenue	-	-	-	165,103	-	-	165,103
Deposits and other liabilities	59,960	-	-	-	-	-	59,960
Total liabilities	9,241,164	1,553,112	8,121,197	16,502,873	4,054,771	6,390,840	45,863,957
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenue	856,963	41,160	6,090,155	12,470,323	-	4,579,096	24,037,697
Leases	834,201	-	-	-	-	-	834,201
Total deferred inflows of resources	1,691,164	41,160	6,090,155	12,470,323	-	4,579,096	24,871,898
FUND BALANCES							
Nonspendable:							
Inventories and assets held for resale	525,304	537,835	-	-	-	975,237	2,038,376
Permanent fund principal	-	-	-	-	-	23,027	23,027
Prepaid items	206,543	1,274	21,355	-	-	36,516	265,688
Restricted for:							
Bond covenants or debt service	-	-	-	-	-	1,266,257	1,266,257
Culture and recreation projects	-	-	-	-	-	6,759,479	6,759,479
Public safety	-	-	-	-	-	14,282,429	14,282,429
Housing grants and other	184,171	-	-	-	235,699	13,790,405	14,210,275
Court operations	346,378	-	-	-	-	2,264,578	2,610,956
Capital projects	-	-	-	-	6,643,915	28,995,271	35,639,186
Other restricted purposes	-	-	-	-	-	11,611,098	11,611,098
Committed to:							
Ordinance/MSTU/Other	-	14,788,966	-	-	-	72,245,788	87,034,754
Ordinance/Judicial	-	-	-	-	-	939,408	939,408
Ordinance/Culture and recreation	-	-	-	-	-	121,174	121,174
Ordinance/CRA	-	-	-	-	-	17,986,844	17,986,844
Ordinance/Economic Development	-	-	-	-	-	1,519,266	1,519,266
Assigned to:							
Capital projects	5,733,482	-	-	-	-	17,416,887	23,150,369
OPEB	4,503,865	-	-	-	-	-	4,503,865
Disaster recovery	10,512,063	-	-	-	-	-	10,512,063
Employee benefits	3,994,000	-	-	-	-	-	3,994,000
Other assigned purposes	4,219,861	-	-	-	41,703,321	4,998,026	50,921,208
Unassigned:	53,039,499	-	(5,670,327)	(12,448,299)	-	(593,894)	34,326,979
Total fund balances	83,265,166	15,328,075	(5,648,972)	(12,448,299)	48,582,935	194,637,796	323,716,701
Total liabilities, deferred inflows and fund balances	\$ 94,197,494	\$ 16,922,347	\$ 8,562,380	\$ 16,524,897	\$ 52,637,706	\$ 205,607,732	\$ 394,452,556

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

Martin County, Florida
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
September 30, 2024

Fund Balances - total governmental funds	\$ 323,716,701
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Deferred outflows of resources related to Pensions and OPEB are recorded in the Statement of Net Position	96,331,436
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds. Those assets consist of:	
Capital Assets	1,529,153,935
Accumulated depreciation	(742,310,141)
Right of use and subscription assets	15,675,636
Accumulated amortization	(3,994,390)
	<u>798,525,040</u>
Certain grant revenues and other miscellaneous revenues which do not provide current financial resources are reported as unavailable in the governmental funds.	24,037,697
Deferred inflows of resources related to Pensions and OPEB are recorded in the Statement of Net Position.	(80,311,445)
Long-term obligations applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest expense on long-term debt is not accrued in the governmental funds, but rather is recognized when due. Unamortized bond premiums/discounts on long-term debt are not accrued/deferred in governmental funds, but rather are recognized as other financing sources or uses when the debt is issued. All liabilities, both current and long-term, are reported in the Statement of Net Position. Balances as of September 30, 2024, are:	
Compensated absences	(21,858,459)
Financed purchase agreements, leases and subscriptions	(27,149,333)
Accrued interest on bonds, notes, and leases	(826,901)
Revenue bonds	(32,430,000)
Revenue notes	(23,742,304)
Deferred amount on refunding	200,737
Unamortized bond premium	(3,023,954)
Other postemployment benefits liabilities	(137,617,373)
Net pension liabilities	(252,015,585)
Total long term obligations	<u>(498,463,172)</u>
Internal service funds used by management	<u>15,188,297</u>
Net position of governmental activities	<u>\$ 679,024,554</u>

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

Martin County, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2024

	General Fund	Consolidated Fire/EMS	Federal Grants	Other State Grants	County Buildings	Other Governmental Funds	Total Governmental Funds
REVENUES							
Taxes	\$ 165,779,112	\$ 62,757,695	\$ -	\$ -	\$ 20,029,746	\$ 48,080,363	\$ 296,646,916
Permits, fees and special assessments	1,559,431	-	-	-	66,286	24,109,072	25,734,789
Intergovernmental revenues	25,075,721	176,063	15,500,175	5,340,802	306,076	20,115,834	66,514,671
Charges for services	17,914,475	9,576,532	-	-	-	5,942,924	33,433,931
Fines and forfeitures	1,634,740	-	-	-	127,668	551,395	2,313,803
Interest income	4,989,450	1,118,532	6,983	6,516	1,942,549	7,072,864	15,136,894
Net change in fair value of investments	1,663,795	417,727	2,716	-	861,014	3,152,273	6,097,525
Contributions - private sources & donations	63,231	-	-	-	206,592	384,295	654,118
Interest income from leases	22,857	-	-	-	-	-	22,857
Miscellaneous revenues	8,650,067	506,109	-	1	448,775	2,311,957	11,916,909
Total revenues	227,352,879	74,552,658	15,509,874	5,347,319	23,988,706	111,720,977	458,472,413
EXPENDITURES							
Current:							
General government	72,314,452	5,284,290	1,145,938	204,006	2,255,286	9,927,575	91,131,547
Public safety	105,902,087	60,960,732	20,979	1,008,869	1,775,771	15,917,594	185,586,032
Physical environment	741,256	-	2,137,891	7,622,740	783,148	5,870,504	17,155,539
Transportation	1,220,676	-	1,273,930	992,020	637,284	13,395,514	17,519,424
Economic environment	396,745	-	165,014	-	375	4,976,888	5,539,022
Human services	2,794,515	-	1,711,889	62,617	-	3,870,132	8,439,153
Culture and recreation	17,099,347	-	252,635	74,062	2,211,807	4,308,183	23,946,034
Capital outlay	15,782,320	3,245,431	11,720,015	1,084,056	14,430,006	20,571,381	66,833,209
Debt service:							
Principal	3,941,458	1,370,294	-	-	931,737	6,020,359	12,263,848
Interest	328,499	78,737	-	-	209,012	2,283,058	2,899,306
Other debt service costs	-	44,508	-	-	1,260	9,600	55,368
Total expenditures	220,521,355	70,983,992	18,428,291	11,048,370	23,235,686	87,150,788	431,368,482
Excess (deficiency) of revenues over (under) expenditures	6,831,524	3,568,666	(2,918,417)	(5,701,051)	753,020	24,570,189	27,103,931
OTHER FINANCING SOURCES (USES)							
Issuance of debt	348,953	2,216,641	-	-	-	-	2,565,594
Lease financings	1,428,923	-	-	-	-	-	1,428,923
SBITA financings	1,380,215	-	-	-	-	-	1,380,215
Transfers in	3,521,418	-	702,732	3,913,125	5,397,677	9,639,105	23,174,057
Transfers out	(8,891,276)	(2,413,955)	(583,995)	-	(50,000)	(11,523,017)	(23,462,243)
Total other financing sources (uses)	(2,211,767)	(197,314)	118,737	3,913,125	5,347,677	(1,883,912)	5,086,546
Net change in fund balances	4,619,757	3,371,352	(2,799,680)	(1,787,926)	6,100,697	22,686,277	32,190,477
Fund balances - beginning	78,645,409	11,956,723	(2,849,292)	(10,660,373)	42,482,238	171,951,519	291,526,224
Fund balances - ending	\$ 83,265,166	\$ 15,328,075	\$ (5,648,972)	\$ (12,448,299)	\$ 48,582,935	\$ 194,637,796	\$ 323,716,701

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

Martin County, Florida
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of
Governmental Funds to the Statement of Activities
For the Year Ended September 30, 2024

Net change in fund balances - total governmental funds	\$ 32,190,477
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.	
Expenditures for capital assets	66,833,209
Depreciation expense	(44,032,443)
Amortization expense	(2,538,828)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Payment of bond principal and capital leases are expenditures in the governmental funds, but the payments reduce long-term liabilities in the Statement of Net Position.	
Issuance of debt	(2,565,594)
Principal payments for financed purchase agreements, leases and subscriptions	6,243,490
Principal payments for loans and notes	6,020,358
Deferred amount on refunding	(100,367)
Deferred amount of bond premium	516,932
Lease financing proceeds	(1,428,923)
Subscription financing proceeds	(1,380,215)
Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available resources. In the Statement of Activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt and the accrued legal settlements are not recognized under the modified accrual basis of accounting until they are due, rather than as they accrue.	
Compensated absences	(2,156,510)
Pension expense	(1,969,542)
Accrued interest on long term debt (net of prior year accrual)	42,574
In the Statement of Activities, only the gain or loss on the sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the cost of the assets sold, donated, retired or reclassified	
Sold, donated, reclassified or retired assets \$8,227,708 less accumulated depreciation of \$4,918,696	(3,309,012)
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.	
Donated property ~ Board of Commissioners	2,443,448
Some revenues reported in the Statement of Activities are not reported in the governmental funds because they have no effect on current financial resources.	
	1,029,002
Internal service funds are used by management to charge the costs of certain activities to individual funds. Certain net revenue (expense) of internal service funds is reported with governmental activities.	
	156,954
The decrease in the other postemployment benefit reported in the Statement of Activities does not require the use of current financial resources and therefore is not reported as expenditures in the governmental funds.	
	1,982,902
Change in net position of governmental activities	<u>\$ 57,977,912</u>

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

Martin County, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES				
Taxes	\$ 163,452,347	\$ 163,452,347	\$ 165,779,112	\$ 2,326,765
Permits, fees and special assessments	1,400,000	1,400,000	1,559,431	159,431
Intergovernmental revenues	22,406,778	21,256,471	25,075,721	3,819,250
Charges for services	17,701,893	17,913,382	17,914,475	1,093
Fines and forfeitures	1,687,595	1,687,595	1,634,740	(52,855)
Interest income	754,588	754,588	4,989,450	4,234,862
Net change in fair value of investments	-	-	1,663,795	1,663,795
Contributions - private sources & donations	2,215,610	2,215,610	63,231	(2,152,379)
Miscellaneous revenues	7,780,816	7,796,216	8,650,067	853,851
Interest income from leases	-	-	22,857	22,857
Statutory budget reduction	(500,000)	(500,000)	-	500,000
Total revenues	216,899,627	215,976,209	227,352,879	11,376,670
EXPENDITURES				
Current:				
General government	75,500,459	89,375,974	72,314,452	17,061,522
Public safety	107,932,694	108,546,010	105,902,087	2,643,923
Physical environment	698,618	984,807	741,256	243,551
Transportation	1,737,702	1,369,127	1,220,676	148,451
Economic environment	457,621	460,621	396,745	63,876
Human services	2,904,205	2,920,782	2,794,515	126,267
Culture and recreation	17,247,777	17,535,098	17,099,347	435,751
Capital outlay	6,906,646	25,269,862	15,782,320	9,487,542
Debt service:				
Principal	-	-	3,941,458	(3,941,458)
Interest	-	-	328,499	(328,499)
Other debt service costs	-	-	-	-
Total expenditures	213,385,722	246,462,281	220,521,355	25,940,926
Excess (deficiency) of revenues over (under) expenditures	3,513,905	(30,486,072)	6,831,524	37,317,596
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	-	348,953	348,953
Transfers in	1,900,529	1,423,305	3,521,418	2,098,113
Transfers out	(4,417,572)	(9,491,800)	(8,891,276)	600,524
Lease financings	-	-	1,428,923	1,428,923
SBITA financings	-	-	1,380,215	1,380,215
Reserves	(23,825,485)	(37,983,389)	-	37,983,389
Total other financing sources (uses)	(26,342,528)	(46,051,884)	(2,211,767)	43,840,117
Net change in fund balances	\$ (22,828,623)	\$ (76,537,956)	\$ 4,619,757	\$ 81,157,713
Fund balances - beginning	22,828,623	76,537,956	78,645,409	
Fund balances - ending	\$ -	\$ -	\$ 83,265,166	

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

Martin County, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Consolidated Fire/EMS
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES:				
Taxes	\$ 61,798,841	\$ 61,798,841	\$ 62,757,695	\$ 958,854
Intergovernmental revenues	125,000	125,000	176,063	51,063
Charges for services	8,970,300	8,970,300	9,576,532	606,232
Interest income	150,000	150,000	1,118,532	968,532
Net change in fair value of investments	-	-	417,727	417,727
Miscellaneous revenues	41,000	394,156	506,109	111,953
Statutory budget reduction	(50,000)	(50,000)	-	50,000
Total revenues	71,035,141	71,388,297	74,552,658	3,164,361
EXPENDITURES:				
Current:				
General government	3,328,611	3,346,469	5,284,290	(1,937,821)
Public safety	54,103,552	61,609,261	60,960,732	648,529
Capital outlay	2,504,105	7,258,108	3,245,431	4,012,677
Debt service:				
Principal	1,539,365	1,539,365	1,370,294	169,071
Interest	67,627	67,627	78,737	(11,110)
Other debt service costs	7,600	47,600	44,508	3,092
Total expenditures	61,550,860	73,868,430	70,983,992	2,884,438
Excess (deficiency) of revenues over (under) expenditures	9,484,281	(2,480,133)	3,568,666	6,048,799
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	2,216,640	2,216,641	1
Transfers out	(2,482,477)	(2,482,477)	(2,413,955)	68,522
Reserves	(7,001,804)	(8,502,892)	-	8,502,892
Total other financing sources (uses)	(9,484,281)	(8,768,729)	(197,314)	8,571,415
Net change in fund balances	-	(11,248,862)	3,371,352	\$ 14,620,214
Fund balances - beginning	-	11,248,862	11,956,723	
Fund balances - ending	\$ -	\$ -	\$ 15,328,075	

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

Martin County, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Federal Grants
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES:				
Intergovernmental revenues	\$ 468,912	\$ 38,568,570	\$ 15,500,175	\$ (23,068,395)
Interest income	-	-	6,983	6,983
Net change in fair value of investments	-	-	2,716	2,716
Total revenues	<u>468,912</u>	<u>38,568,570</u>	<u>15,509,874</u>	<u>(23,058,696)</u>
EXPENDITURES:				
Current:				
General government	468,912	7,199,994	1,145,938	6,054,056
Public safety	-	79,912	20,979	58,933
Physical environment	-	4,011,937	2,137,891	1,874,046
Transportation	-	5,814,877	1,273,930	4,540,947
Economic environment	-	750,000	165,014	584,986
Human services	-	2,048,063	1,711,889	336,174
Culture and recreation	-	456,810	252,635	204,175
Capital outlay	-	19,413,999	11,720,015	7,693,984
Total expenditures	<u>468,912</u>	<u>39,775,592</u>	<u>18,428,291</u>	<u>21,347,301</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(1,207,022)</u>	<u>(2,918,417)</u>	<u>(1,711,395)</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	1,207,021	702,732	(504,289)
Transfers out	-	(11,145)	(583,995)	(572,850)
Reserves	-	(175,290)	-	175,290
Total other financing sources (uses)	<u>-</u>	<u>1,020,586</u>	<u>118,737</u>	<u>(901,849)</u>
Net change in fund balances	<u>-</u>	<u>(186,436)</u>	<u>(2,799,680)</u>	<u>\$ (2,613,244)</u>
Fund balances - beginning	<u>-</u>	<u>186,436</u>	<u>(2,849,292)</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (5,648,972)</u>	

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

Martin County, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Other State Grants
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
REVENUES				
Intergovernmental revenues	\$ -	\$ 33,542,079	\$ 5,340,802	\$ (28,201,277)
Interest income	-	-	6,516	6,516
Miscellaneous revenues	-	-	1	1
Total revenues	<u>-</u>	<u>33,542,079</u>	<u>5,347,319</u>	<u>(28,194,760)</u>
EXPENDITURES				
Current				
General government	-	950,744	204,006	746,738
Public safety	-	2,485,307	1,008,870	1,476,437
Physical environment	-	24,280,988	7,622,738	16,658,250
Transportation	-	1,560,730	992,020	568,710
Human services	-	62,617	62,617	-
Culture and recreation	-	177,452	74,062	103,390
Capital outlay	-	16,473,700	1,084,056	15,389,644
Total expenditures	<u>-</u>	<u>45,991,538</u>	<u>11,048,369</u>	<u>34,943,169</u>
Excess (deficiency) of revenues over				
(under) expenses	<u>-</u>	<u>(12,449,459)</u>	<u>(5,701,050)</u>	<u>6,748,409</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	12,440,937	3,913,124	(8,527,813)
Net change in fund balances	<u>\$ -</u>	<u>\$ (8,522)</u>	<u>(1,787,926)</u>	<u>\$ (1,779,404)</u>
Fund balances, beginning	<u>-</u>	<u>8,522</u>	<u>(10,660,373)</u>	
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (12,448,299)</u>	

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

Martin County, Florida
Statement of Net Position
Proprietary Funds
September 30, 2024

	Business Type Activities				Governmental Activities- Internal Service Funds
	Enterprise Funds				
	Water/ Sewer Utilities	Solid Waste	Nonmajor Enterprise Funds	Total	
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 18,164,349	\$ 7,860,627	\$ 1,051,135	\$ 27,076,111	\$ 8,075,845
Restricted cash	6,223,631	-	-	6,223,631	393,500
Investments	32,658,607	19,808,141	2,641,761	55,108,509	5,303,832
Restricted investments	811,034	679,922	-	1,490,956	-
Accounts receivable	4,494,588	571,599	33,996	5,100,183	1,240,209
Special assessments notes receivable, current	1,510,490	-	-	1,510,490	-
Leases receivable	-	-	238,432	238,432	-
Due from other funds	-	-	-	-	1,674,891
Receivables from other governmental agencies	4,996,275	13,416	858,727	5,868,418	11,589
Inventories	2,975,890	-	123,669	3,099,559	201,333
Assets held for resale or donation	-	-	130,500	130,500	-
Prepaid items	235	-	-	235	4,000
Total current assets	71,835,099	28,933,705	5,078,220	105,847,024	16,905,199
Noncurrent assets:					
Lease receivables	-	-	522,893	522,893	-
Restricted assets:					
Due from other governmental units	508,142	-	-	508,142	-
Investments	22,528,450	17,741	-	22,546,191	-
Special assessments notes receivable	16,442,055	-	-	16,442,055	-
Total restricted assets	39,478,647	17,741	-	39,496,388	-
Special assessment notes receivable	2,554,051	-	-	2,554,051	-
Capital assets:					
Land and land use rights - permanent	7,695,924	3,310,005	6,875,978	17,881,907	-
Buildings	134,339,180	13,185,475	8,898,401	156,423,056	-
Equipment	10,311,039	7,911,692	2,058,886	20,281,617	5,630,461
Water distribution system	151,853,404	-	-	151,853,404	-
Sewer collection system	179,295,224	-	-	179,295,224	-
Land improvements	-	12,741,430	1,355,456	14,096,886	-
Airport improvements	-	-	38,315,752	38,315,752	-
Construction in progress	12,771,166	84,321	11,804,361	24,659,848	-
Intangible assets	9,359,695	34,972	80,076	9,474,743	-
Less accumulated depreciation and amortization	(240,567,344)	(22,344,151)	(29,692,892)	(292,604,387)	(4,466,978)
Capital assets, net	265,058,288	14,923,744	39,696,018	319,678,050	1,163,483
Total noncurrent assets	307,090,986	14,941,485	40,218,911	362,251,382	1,163,483
Total assets	378,926,085	43,875,190	45,297,131	468,098,406	18,068,682
DEFERRED OUTFLOWS OF RESOURCES					
Loss on refunding debt	1,858,255	-	-	1,858,255	-
Pension	2,063,720	432,227	192,963	2,688,910	-
Other postemployment benefits	360,940	19,749	11,941	392,630	-
Total deferred outflows of resources	4,282,915	451,976	204,904	4,939,795	-

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

	Business Type Activities Enterprise Funds				Governmental Activities- Internal Service Funds
	Water/ Sewer Utilities	Solid Waste	Nonmajor Enterprise Funds	Total	
LIABILITIES					
Current liabilities:					
Payable from current assets:					
Accounts payable and accrued claims	2,037,645	3,915,237	839,376	6,792,258	2,575,081
Accrued wages payable	258,927	51,898	26,024	336,849	17,182
Accrued interest payable	2,443	-	-	2,443	-
Accrued compensated absences, current	641,868	128,951	44,000	814,819	50,000
Current portion of loans and notes payable	640,668	-	-	640,668	-
Unearned revenue	-	312,329	102,320	414,649	-
	3,581,551	4,408,415	1,011,720	9,001,686	2,642,263
Payable from restricted assets:					
Landfill closure costs, current	-	679,922	-	679,922	-
Deposits	1,372,454	-	-	1,372,454	-
Contracts payable	1,382,112	-	206,157	1,588,269	-
Bonds payable current portion	5,225,000	-	-	5,225,000	-
	7,979,566	679,922	206,157	8,865,645	-
Total current liabilities	11,561,117	5,088,337	1,217,877	17,867,331	2,642,263
Noncurrent liabilities:					
Accrued compensated absences	94,365	26,525	38,413	159,303	8,545
Other postemployment benefits liability	1,492,694	81,673	49,382	1,623,749	-
Net pension liability	7,510,523	1,573,005	702,257	9,785,785	-
Loans and notes payable	12,879,527	-	-	12,879,527	-
Bonds payable, net of current portion	35,503,730	-	-	35,503,730	-
Landfill closure costs	-	7,103,049	-	7,103,049	-
Total noncurrent liabilities	57,480,839	8,784,252	790,052	67,055,143	8,545
Total liabilities	69,041,956	13,872,589	2,007,929	84,922,474	2,650,808
DEFERRED INFLOWS OF RESOURCES					
Pension	641,105	134,272	59,945	835,322	-
Other postemployment benefits	637,511	34,881	21,090	693,482	-
Leases	-	-	659,124	659,124	-
Total deferred inflows of resources	1,278,616	169,153	740,159	2,187,928	-
NET POSITION					
Net investment in capital assets	211,265,107	14,923,744	39,489,863	265,678,714	1,163,483
Restricted:					
Capital projects	25,544,689	-	-	25,544,689	-
Bond covenants or debt service	71,229	-	-	71,229	-
Noise abatement projects	-	-	130,500	130,500	-
Unrestricted	76,007,403	15,361,680	3,133,584	94,502,667	14,254,391
Total net position	\$ 312,888,428	\$ 30,285,424	\$ 42,753,947	385,927,799	\$ 15,417,874
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds				229,577	
Net position business-type activities				<u>386,157,376</u>	

Martin County, Florida
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended September 30, 2024

	Business Type Activities Enterprise Funds			Governmental Activities - Internal Service Funds
	Water/Sewer Utilities	Solid Waste	Nonmajor Enterprise Funds	Total
OPERATING REVENUES				
Charges for services	\$ 43,301,553	\$ 33,225,156	\$ 5,307,228	\$ 81,833,937
Miscellaneous revenues	1,847,490	182,697	937,657	2,967,844
Total operating revenues	45,149,043	33,407,853	6,244,885	84,801,781
OPERATING EXPENSES				
Salaries and related expenses	10,171,258	2,060,487	988,476	13,220,221
General, administrative, claims, operating, and maintenance	15,758,940	28,639,505	4,059,275	48,457,720
Landfill closure and post closure care costs	-	364,340	-	364,340
Depreciation	16,464,663	1,267,945	2,643,947	20,376,555
Total operating expenses	42,394,861	32,332,277	7,691,698	82,418,836
Operating income (loss)	2,754,182	1,075,576	(1,446,813)	2,382,945
NONOPERATING REVENUES (EXPENSES)				
Interest income	3,656,312	1,321,815	168,287	5,146,414
Net change in fair value	1,393,700	474,644	72,950	1,941,294
Grant income	2,728,538	56,297	-	2,784,835
Interest expense	(1,628,887)	-	-	(1,628,887)
Amortization of bond discount	(435,448)	-	-	(435,448)
Gain (loss) on disposition of capital assets	(1,798,528)	85,283	(637,871)	(2,351,116)
Total net nonoperating revenues (expenses)	3,915,687	1,938,039	(396,634)	5,457,092
Income (loss) before contributions and transfers	6,669,869	3,013,615	(1,843,447)	7,840,037
Capital contributions	21,866,102	-	5,590,296	27,456,398
Transfers in	-	-	-	-
Transfers out	(276,455)	-	-	(276,455)
Change in net position	28,259,516	3,013,615	3,746,849	35,019,980
Total net position - beginning	284,628,912	27,271,809	39,007,098	15,452,194
Total net position - ending	\$ 312,888,428	\$ 30,285,424	\$ 42,753,947	\$ 15,417,874
Adjustment to reflect the consolidation of internal service funds activities related to enterprise funds				(191,274)
Change in net position business type activities				<u>\$ 34,828,706</u>

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



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Martin County, Florida
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2024

	Business Type Activities Enterprise Funds				Governmental Activities - Internal Service Funds
	Water/Sewer Utilities	Solid Waste	Non-Major Enterprise Funds	Total	
CASH FROM OPERATING ACTIVITIES:					
Receipts from customers	\$ 43,372,128	\$ 33,659,848	\$ 5,367,136	\$ 82,399,112	\$ 46,741,370
Other receipts	1,899,347	198,007	914,008	3,011,362	6,709,950
Payments for salaries and benefits	(10,665,576)	(2,197,605)	(1,037,009)	(13,900,190)	(749,409)
Payments to suppliers	(15,907,327)	(30,751,936)	(4,043,904)	(50,703,167)	(55,197,848)
Payments for long-term care costs	-	(364,340)	-	(364,340)	-
Payments for landfill closure cost	-	(317,225)	-	(317,225)	-
Net cash provided (used) by operating activities	18,698,572	226,749	1,200,231	20,125,552	(2,495,937)
CASH FROM NONCAPITAL FINANCING ACTIVITIES:					
Transfers from (to) other funds	(276,455)	-	(1,700,000)	(1,976,455)	564,641
Operating grants	-	56,297	-	56,297	-
Net cash provided by noncapital financing activities	(276,455)	56,297	(1,700,000)	(1,920,158)	564,641
CASH FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Capital grants received	(2,182,976)	71,600	7,177,177	5,065,801	-
Distribution of special assessment fees	5,167,495	-	-	5,167,495	-
Purchases of capital assets	(17,262,930)	(722,857)	(5,730,183)	(23,715,970)	(310,227)
Advances from other funds for capital activities	(5,239,465)	5,239,465	-	-	-
Principal paid on capital debt	(680,766)	-	-	(680,766)	-
Proceeds from sale of assets	277,803	86,113	(633,011)	(269,095)	113,014
Interest payment on bonds, notes and loans	(1,966,710)	-	-	(1,966,710)	-
Net cash provided (used) by capital and related financing activities	(21,887,549)	4,674,321	813,983	(16,399,245)	(197,213)
CASH FROM INVESTING ACTIVITIES:					
Purchase of investments	20,192,548	1,076,226	440,473	21,709,247	1,099,310
Interest received	5,050,012	1,796,459	185,411	7,031,882	716,514
Net cash used in investing activities	25,242,560	2,872,685	625,884	28,741,129	1,815,824
Net increase (decrease) in cash and cash equivalents	21,777,128	7,830,052	940,098	30,547,278	(312,685)
Cash and cash equivalents at beginning of period	2,610,852	30,575	111,037	2,752,464	8,782,030
Cash and cash equivalents at end of period	<u>\$ 24,387,980</u>	<u>\$ 7,860,627</u>	<u>\$ 1,051,135</u>	<u>\$ 33,299,742</u>	<u>\$ 8,469,345</u>

(continued)

Martin County, Florida
Statement of Cash Flows
Proprietary Funds
For the Year Ended September 30, 2024

	Business Type Activities				Governmental Activities - Internal Service Funds
	Enterprise Funds				
	Water/Sewer Utilities	Solid Waste	Non-Major Enterprise Funds	Total	
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:					
Operating income (loss)	\$ 2,754,182	\$ 1,075,576	\$ (1,446,813)	\$ 2,382,945	\$ (1,428,490)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:					
Depreciation and amortization	16,464,663	1,267,945	2,643,947	20,376,555	494,622
Changes in assets and liabilities:					
Accounts receivable, net	70,578	434,691	18,724	523,993	(727,923)
Lease receivables, net	-	-	226,817	226,817	-
Deferred outflows, pension	(377,416)	(52,531)	(37,143)	(467,090)	-
Deferred outflows, OPEB	187,892	18,128	23,723	229,743	-
Unearned revenue	-	-	14,026	14,026	-
Due from other funds	-	-	-	-	(1,076,269)
Inventories	(418,067)	-	(50,239)	(468,306)	12,722
Other current assets	(54)	-	8,993	8,939	-
Accounts payable	269,732	(2,112,431)	56,612	(1,786,087)	223,931
Accrued wages	53,499	9,979	8,492	71,970	3,383
Deferred inflows, pension	398,127	79,562	37,494	515,183	-
Deferred inflows, OPEB	(365,444)	(34,335)	(44,083)	(443,862)	-
Deferred inflows, leases	-	-	(223,303)	(223,303)	-
Net pension liability	146,768	(85,050)	21,822	83,540	-
Other post-employment benefits	(597,354)	(62,565)	(86,433)	(746,352)	-
Landfill closure costs	-	(317,225)	-	(317,225)	-
Accrued compensated absences	59,609	(10,306)	27,595	76,898	2,087
Customer deposits	51,857	15,311	-	67,168	-
Net cash provided (used) by operating activities:	<u>\$ 18,698,572</u>	<u>\$ 226,749</u>	<u>\$ 1,200,231</u>	<u>\$ 20,125,552</u>	<u>\$ (2,495,937)</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES:					
Contributions of capital assets	\$ 11,202,716	\$ -	\$ 172,479	\$ 11,375,195	\$ -

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

Martin County, Florida
Statement of Fiduciary Net Position
Fiduciary Funds
As of September 30, 2024

	Private Purpose Trust Funds	Custodial Funds
ASSETS		
Cash and cash equivalents	\$ 61,121	\$ 15,866,933
Investments	134,223	2,455,501
Accounts receivable	-	677,882
Total assets	<u>195,344</u>	<u>19,000,316</u>
LIABILITIES		
Accounts payable	1,988	47,994
Due to other governmental agencies	-	7,730,709
Deposits from individuals and corporations	-	153,960
Total liabilities	<u>1,988</u>	<u>7,932,663</u>
NET POSITION		
Individuals, organizations, and other governments	-	11,067,653
Held in trust	193,356	-
	<u>\$ 193,356</u>	<u>\$ 11,067,653</u>

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

Martin County, Florida
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
For the Year Ended September 30, 2024

	Private Purpose Trust Funds	Custodial Funds
ADDITIONS:		
Fees and charges collected for others	\$ -	\$ 19,670,484
Tax collections for other governments	-	302,176,971
Fines and forfeitures	68,826	-
Interest income	7,412	-
Net change in fair value of investments	2,898	-
Miscellaneous	-	10,766,757
Total additions	<u>79,136</u>	<u>332,614,212</u>
DEDUCTIONS:		
Payments to individuals, organizations, and other governments	-	321,286,564
Miscellaneous	-	10,364,372
Human services	65,000	-
Salaries and related expenses	31,930	-
Total deductions	<u>96,930</u>	<u>331,650,936</u>
Change in net position	(17,794)	963,276
Net position - beginning	<u>211,150</u>	<u>10,104,377</u>
Net position - ending	<u><u>\$ 193,356</u></u>	<u><u>\$ 11,067,653</u></u>

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



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Martin County, Florida

September 30, 2024

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Martin County, Florida
Notes to Financial Statements
September 30, 2024

Note 1 - Summary of Significant Accounting Policies

The significant accounting policies followed by Martin County, Florida are summarized below:

A. General Information

Martin County (the “County”) is a political subdivision of the State of Florida. The County operates as a non-charter government pursuant to Article VIII, Section (1) (f) of the Constitution of the State of Florida. The fiscal year of the County is from October 1st to September 30th, as established in Section 218.33, *Florida Statutes*.

B. Reporting Entity

The Martin County Board of County Commissioners (the “Board”), a five-member board elected by the County citizenry at-large, governs the County. In addition, the Clerk of the Circuit Court (the “Clerk”), Property Appraiser, Sheriff, Supervisor of Elections and Tax Collector are elected by the citizenry at-large and function independently of the Board. These Constitutional Officers are reported as part of the County since the Board approves their budgets and/or their funding is either partially or totally derived from ad valorem taxes levied on the County taxpayers.

For financial reporting purposes, the County includes all funds of the primary government, organizations for which the primary government is financially accountable, and other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Based on the foregoing criteria, financial data of the departments under the Board, the Constitutional Officers, and the Metropolitan Planning Organization, which is not legally separate from the County, are included in the County's Annual Comprehensive Financial Report.

The Board is responsible for appointing the members of the Martin County Health Facilities Authority and the Martin County Industrial Development Authority, but the Board's accountability for these organizations does not extend beyond making the appointments and, therefore, these organizations are not included in these financial statements.

In addition, the following entities do not meet the aforementioned criteria and, therefore, are not included in these financial statements.

- Martin County School Board
- South Florida Water Management District
- Indiantown Drainage District
- Griswald Barton Drainage District
- Troop Indiantown Drainage District
- Hobe Grove Association
- Pal Mar Water Management District

The members of the governing bodies of these organizations are elected. They have the authority to levy ad valorem taxes. Outstanding debt is not an obligation of the County and the County is not directly accountable for their fiscal matters.

Blended Component Unit: Martin County Community Redevelopment Agency (the “CRA”)

The CRA was established under the authority of F.S. 163, Part III, the Community Redevelopment Act, 1969, as amended (the “Statute”), and became effective upon adoption and filing of the County Ordinance #517 on June 24, 1997, (codified as Chapter 7 1/3 of the Code of Laws and Ordinances of Martin County). There are currently six

Martin County, Florida
Notes to Financial Statements
September 30, 2024

neighborhoods within the County CRA.

The CRA is a policy-making body with the authority to adopt plans and set priorities for the planning, implementation, coordination, and funding of community redevelopment projects. The CRA is charged to act in accordance with the Statute, the Martin County Comprehensive Growth Management Plan (the “CGMP”), Chapter 7 1/3 of the Code of Laws and Ordinances of Martin County, and the 2020 Vision Plan for a Sustainable Martin County (the “Vision Plan”).

The CRA is reported as a blended component unit because when the primary government and the component unit have substantively the same governing body and operational responsibility, accounting principles accepted in the United States of America (GAAP) consider the component unit to be an integral part of the primary government. The CRA, as a department of the Board, is controlled by and fiscally dependent on the Board and provides services exclusively or almost exclusively for the benefit of the County. All CRA department staff are employees of the Board, and any independent contractors utilized by the CRA are Board vendors.

C. Basic Financial Statements

The basic financial statements include both government-wide (based on the County as a whole) and fund financial statements. Both the government-wide and fund financial statements categorize activities as either governmental or business-type. In the government-wide Statement of Net Position, both the governmental and business-type activities columns are prepared using the economic resources measurement focus and accrual basis of accounting, which incorporates long-lived assets and receivables as well as long-term debt and obligations.

The government-wide Statement of Activities reflects both the gross and net costs per functional category (general government, public safety, physical environment, culture and recreation, etc.), which are otherwise being supported by general government revenues (property, sales and use taxes, certain intergovernmental revenues, etc.). The Statement of Activities reduces gross expenses (including depreciation) by related program revenues (charges for services, operating and capital grants and contributions). The program revenues must be directly associated with the function or a business-type activity. The operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

For governmental activities the net cost (by function) is normally funded by general revenue (property, sales or gas taxes, intergovernmental revenues, interest income, etc.).

The emphasis of the fund financial statements is on the major funds in either the governmental or business-type categories. Non-major funds (by category) are summarized into a single column. Fund accounting, as described in Note D, below, is still utilized for the day-to-day operations of the County. The governmental funds in the fund financial statements are presented on the current financial resources measurement focus and modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. This presentation is deemed most appropriate to (a) demonstrate legal and covenant compliance, (b) demonstrate the source and use of liquid resources, and (c) demonstrate how the County’s actual experience conforms to the budget fiscal plan.

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements’ governmental activities column, a reconciliation is presented on the page following each statement, to briefly explain the adjustments necessary to reconcile the governmental fund financial statements with the governmental activities column of the government-wide presentation.

Internal service funds of a government, which traditionally provide services primarily to other funds of the government, are presented in the summary form as part of the proprietary fund financial statements. Since the principal users of the internal services are the County’s governmental activities, financial statements of internal service funds are consolidated into the governmental activities column when presented at the government-wide level. A portion of the internal service funds is included in the business-type activity column. To the extent possible, the

Martin County, Florida
Notes to Financial Statements
September 30, 2024

costs of these services are reflected in the appropriate functional activity.

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

D. Basis of Presentation

The accounting records of the County are organized on the basis of funds as prescribed by accounting principles generally accepted in the United States of America ("GAAP") applicable to governments as established by the Governmental Accounting Standards Board ("GASB"). The operations of each fund are accounted for within a separate set of self-balancing accounts that comprise its assets, deferred outflows, liabilities, deferred inflows, fund equity, revenues and expenditures/expenses. Separate funds are maintained to account for specific government activities or to comply with special regulations or legal restrictions.

The County reports the following major governmental funds:

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

Consolidated Fire/EMS MSTU: This fund was created by County ordinance to account for fire and emergency medical service programs. Revenue sources for this fund include ad valorem taxes, grants and charges for services.

Federal Grants: This fund accounts for the entire County's federal grants that do not require separate presentation, by statutes, or by grant covenant.

Other State Grants: This fund accounts for the entire County's state grants, excluding State Housing Initiative Program, that do not require separate presentation, by statutes, or by grant covenant.

County Buildings: This fund includes accounts for capital projects associated with County buildings.

The County reports the following major enterprise funds:

Water and Sewer Utilities: This fund accounts for the operation, maintenance and development of the County's water and sewer utilities system.

Solid Waste: This fund accounts for the operation, maintenance and long-term care of the County's landfill and disposal sites.

Additionally, the County reports the following fund types:

Internal service funds account for the insurance coverage and the vehicle maintenance services provided to County departments and agencies on a cost reimbursement basis.

The private-purpose trust funds are used to account for resources held and administered by the County, as a fiduciary agent for individuals, private organizations or other governments. The Annie Myers Trust was set up to use funds available to support a home for the aged, or for a similar type project. All the resources of the Annie Meyers Trust may be used to support its activities. The Dori Slosberg Education Trust facilitates distribution of grants for driving safety education.

The custodial funds are used to account for assets of governmental units in the capacity of a trustee or agent for individuals, private organizations, or other governmental units. The Board of County Commissioners' custodial fund holds various impact fees collected on behalf of other government agencies, as well as miscellaneous deposits. The

Martin County, Florida
Notes to Financial Statements
September 30, 2024

Clerk's custodial fund holds fines and fees due to other governmental agencies and various court related deposits. The Sheriff's custodial fund holds monies collected by various Sheriff departments, and by other governmental units or individuals. Sources of monies come from drug and traffic stops, various process and traffic fees, deposits, bonds, and inmates' and recruits' property. The Tax Collector's custodial fund holds taxes that have been collected and are due to other governmental agencies.

E. Basis of Accounting and Measurement Focus

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. 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 have been met.

The governmental fund type measurement focus is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income determination. These funds are maintained on the modified accrual basis of accounting. Revenues are recognized when they become susceptible to accrual; that is, when they become both measurable and available to pay liabilities of the current period. For this purpose the County considers revenue to be available if they are collected within 60 days.

Expenditures are recognized in the accounting period in which the related fund liability is incurred. Exceptions to this general rule include: (1) accumulated sick and vacation pay, which are not recorded as expenditures because these amounts will not be paid from expendable available resources and (2) principal and interest on general long-term debt, claims and judgments, pensions, and other postemployment benefits, which are recognized when due.

In applying the "susceptible to accrual" concept to intergovernmental revenues (grants, entitlements and shared revenue), the legal and contractual requirements of the numerous individual programs are used as guidance. There are essentially two types of these revenues. In one, monies must be expended on the specific purpose before the County will earn any amounts (eligibility requirement); therefore, revenues are recognized based upon when the expenditures are made. In the other, monies are revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if they meet the criterion of availability. Property taxes are recorded as revenues in the fiscal year in which they are levied for.

Licenses and permits, charges for services and miscellaneous revenues (except investment earnings) are recorded as revenues when received in cash, because generally cash is received upon the rendering of services. Investment earnings and most fines and forfeitures are recorded as earned since they are measurable and available.

The proprietary fund types' measurement focus is upon determination of net income, financial position and changes in cash flows and is maintained on the accrual basis of accounting. Revenues are recognized when earned and expenses are recognized when incurred.

As a general rule the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the government's water and sewer functions, solid waste operation, and various other functions of the government. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Martin County, Florida
Notes to Financial Statements
September 30, 2024

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County enterprise funds and internal service funds are charges to customers for sales and services. The County recognizes as operating revenue the portion of capital facilities fees intended to recover the cost of connecting new customers to the water and sewer utility operation. Operating expenses for enterprise funds and internal service funds include the cost of operations and maintenance, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

F. Budgets

Budgets for all funds are prepared on a basis consistent with GAAP, with the exception of the budgeting of capital assets and contributed capital in the Enterprise Funds, which are budgeted as capital outlay expenditures and revenues, respectively. Budgets are balanced, meaning that total appropriations are equal to total revenues. Revenues are budgeted at 95% of anticipated receipts in accordance with Chapter 129, Florida Statutes. Budgets are legally adopted for the general, special revenue, debt service and capital projects funds as required by law, except for the Sheriff's special revenue funds. The Sheriff's special revenue funds are made up of various contracts and grants, and do not require a budget.

The budget process begins with the development of estimates by the Board's departments. The estimates are reviewed, analyzed and submitted to the Board for consideration on or about July 15th. The Board conducts several workshops to thoroughly review the budget and make adjustments as appropriate. Prior to September 30, two public hearings are conducted to hear comments and questions from the public regarding the budget. The budget is adopted at the second public hearing through formal resolution of the Board.

Budgets are adopted at the fund total level. Therefore, formal budgetary control is exercised at that level. Expenditures in excess of appropriations in one or more departments of a fund do not constitute a violation of budgetary controls as long as the total expenditures do not exceed total appropriations for the fund. Management employs lower level (departmental) controls, however, to prevent or reduce the potential for budget overruns at the fund total level.

During the year, the Office of Budget and Finance acts on intradepartmental budget changes that do not alter the total revenue or expenditures budgeted to a cost center. The Board, whether they are transfers between departments or alterations of total revenues or expenditures in a fund, approves all other budget changes. Supplemental appropriations were necessary and the Board amended the budgetary data presented herein during the year in a legally permissible manner.

The County sets aside reserves to address unforeseen and unexpected events and to offset unexpected downturns in revenues from budgeted estimates. It is an objective of the County to maintain a managed reserve in the various operating funds at a level sufficient for temporary financing of unforeseen emergency needs and to permit orderly adjustment to changes resulting from termination of revenue sources through actions of other governmental bodies. Uses of reserves through budget transfers require Board or other Constitutional Officer's approval.

Martin County, Florida
Notes to Financial Statements
September 30, 2024

G. Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded as a reservation of budget, is employed as an extension of the statutorily required budgetary process. Under Florida Statutes, appropriations, even if encumbered, lapse at fiscal year-end. In the accompanying financial statements the encumbered amounts are reported as restricted, committed or assigned based on the purpose of the related resources.

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

1. Cash and Cash Equivalents

Cash reported in the financial statements includes demand deposits, cash on hand, and short-term investments in highly liquid external local government investment pools with maturities of ninety days or less when purchased.

2. Investments

The County maintains a cash and investment pool that is available for use by all funds. Earnings from the pooled investments are allocated to the respective funds based on applicable cash participation by each fund. The investment pool is managed such that all participating funds have the ability to deposit and withdraw cash as if they were demand deposit accounts. Therefore, all balances representing participants' equity in the investment pools are classified as cash and cash equivalents for financial statement purposes.

Except where otherwise specified, the County's investments are reported at fair value in accordance with GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. This standard requires investments reported in the Statement of Net Position to be measured at fair value consistent with an exchange-like transaction between willing parties, other than in a forced liquidation or sale. Governmental external investment pools may report short-term debt investments at amortized cost, provided the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer or other factors. For that purpose, a pool's short-term investments are those with remaining maturities of up to ninety days.

In June 2010, the GASB issued Statement No. 59, *Financial Instruments Omnibus*, which clarified investments in 2a7-like pools should be measured at the net asset value per share. The net asset value per share generally is calculated on a basis other than fair value, such as the amortized cost method.

In December, 2015, the GASB issued Statement No. 79, *Certain External Investment Pools and Pool Participants*. As a result of the SEC's changes to Rule 2a-7, most notably with a change in fund transactions to be recorded at a floating instead of stable net asset value per share, as well as the ability of money market funds to now impose liquidity fees and redemption gates, external investment pools would subsequently lose the ability to report the pool's value at amortized cost. GASB Statement No. 79 addresses accounting and financial reporting for certain external investment pools, by creating an exception to allow for the continued reporting at amortized cost contingent upon adherence to the exceptions within Paragraph 4, and as further delineated in subsequent sections of the new standard.

Martin County, Florida
Notes to Financial Statements
September 30, 2024

The Florida PRIME external investment pool is a highly liquid pool with a weighted average maturity less than 90 days. Florida PRIME currently meets all of the necessary criteria as established by GASB Statement No. 79, *Certain External Investment Pools and Pool Participants* to be reported at amortized cost, and is not operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Therefore, the County's participating balance is considered the fair value of the investment. Because the fair value of the County's investment in Florida PRIME is measured at amortized cost, it is exempt from the scope of GASB Statement No. 72 fair value hierarchy disclosures.

The Florida Local Government Investment Trust (the Trust) was created and established under the laws of the state of Florida for the purpose of providing opportunities for the investment of excess public funds. The Trust is operated and administered by a Board of Trustees consisting of six members, three appointed by the Florida Association of Court Clerks, Inc., and three appointed by the Florida Association of Counties, Inc. The Trust is self-regulated and is not registered with the Securities and Exchange Commission.

The Trust offers two investment funds to its participants, the Short Term Bond Fund and the Day to Day Fund. The Short Term Bond Fund is a longer term, higher yielding fund, which is accounted for as a fluctuating Net Asset Value (NAV) pool. The Short Term Bond Fund does not meet the criteria as established by GASB Statement No. 79, *Certain External Investment Pools and Pool Participants* to be reported at amortized cost, and is not operated in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Therefore, the fair value of the County's investments in the Short Term Bond Fund is determined at the NAV fair value per share in accordance with GASB Statement No. 31. Also, because the County's investment in the Short Term Bond Fund is measured at a NAV fair value per share, it is excluded from categorization within the fair value hierarchy of GASB Statement No. 72.

The Day to Day Fund is a highly liquid fund with underlying investments having a weighted average maturity of less than 90 days. The Day to Day Fund does meet the criteria as established by GASB Statement No. 79, *Certain External Investment Pools and Pool Participants* to be reported at amortized cost, and does have a policy that it will operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. However, because the fund is reported at amortized cost, it is also excluded from categorization within the fair value hierarchy of GASB Statement No. 72.

Florida Short Term Asset Reserve (FLSTAR) and Florida Cooperative Liquid Assets Securities System (FLCLASS) were created under Section 163.01, Florida Statutes and operates as an intergovernmental investment pool as described in Section 218.415, Florida Statutes. All funds and investment assets are held in trust and managed by a Board of Trustees for the benefit of the participants. FLSTAR's policy seeks to invest pooled assets in a manner that will provide for preservation and safety of principal and competitive investment returns while meeting the daily liquidity needs of the participants by utilizing economies of scale and professional investment expertise. Because the County's investment in FLSTAR and FLCLASS is measured at a NAV fair value per share, it is excluded from categorization within the fair value hierarchy of GASB Statement No. 72.

3. Receivables

Receivables are recorded at net collectible amounts. No allowances have been established as they are not deemed to be necessary by management based upon historical collections. These allowances relate to the enterprise funds and are not significant. Billings to water utility customers are based on metered consumption which is determined at various dates each month. Estimated unbilled consumption at year-end is recognized as revenue in the water and sewer utilities enterprise fund.

A non-current special assessment receivable is recorded for contributed capital resulting from special assessment projects. A portion of the balance is reclassified as a current special assessment receivable. This current portion is estimated based on the actual tax billing by the Tax Collector. No allowance is recorded because liens are recorded against assessed property. Special assessments capital contribution revenue are recognized when the

Martin County, Florida
Notes to Financial Statements
September 30, 2024

project has final acceptance and the amounts have been added to the tax roll.

4. Interfund Activities

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.” Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

Advances between funds, when reported in the governmental fund financial statements, are recorded as non-spendable fund balance in the applicable governmental funds to indicate that they are not available for appropriation and are not expendable, available financial resources.

5. Internal Balances

The County is reporting a net Internal Balance amount of \$229,577 (negative for Governmental Activities and positive for Business-Type Activities) for fiscal year 2024. The other amount is the cumulative adjustment to reflect the consolidation of internal service funds activities related to the business-type activities. A “crossover adjustment” is necessary to correctly report the Proprietary funds’ portion of the change in net position. The fiscal year 2024 portion of the internal service funds’ decrease (191,274). That amount is combined with the previous year’s cumulative total of \$420,851. The effect of each year’s “crossover adjustment” on the government-wide financial statements is cumulative.

6. Inventories and Prepaid Items

Inventories of supplies in the governmental funds are recorded at cost, and inventories held for resale are recorded at the lower of cost or market. Both are recorded last-in, first-out and are accounted for under the consumption method. Accordingly, reported inventories are equally offset by non-spendable fund balance, which indicates that they do not constitute available spendable resources even though they are a component of net current assets. Inventories of proprietary fund types and at the government-wide level are reported at cost (first-in, first-out) and are recorded as an expense when used in the operations of the fund.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded using the consumption method in both the government-wide and fund financial statements.

7. Assets Held for Resale

During fiscal year 2010, the County initiated a program whereby 16 homes near the Martin County Airport were eligible for a home buyout and noise insulation program because they are within an area exposed to an average of 60 decibels of noise per day. Homes that are purchased by the County will be insulated, if financially feasible, and resold. Two homes have been demolished, as it was too costly to insulate them. The County has purchased eight properties to date and seven properties have been sold. In addition, the CRA has purchased four properties to date for community redevelopment and sold two of the properties under the requirements of Section 163.380, *Florida Statutes*. Assets held for resale are presented at the lower of cost or market.

8. Restricted Assets

Specific provisions of bond resolutions and agreements restrict the use of certain assets with various parties. Assets so designated are identified as restricted assets on the Statement of Net Position.

Martin County, Florida
Notes to Financial Statements
September 30, 2024

9. Capital Assets

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and intangible items are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and proprietary fund financial statements. In the governmental funds financial statements, costs associated with the acquisition or construction of capital assets are shown as capital outlay expenditures. Capital assets are not shown on the governmental fund balance sheets, and no depreciation expense is recorded in the governmental funds. Dispositions and retirements are reported in the year of disposal. The County uses the following capitalization thresholds for assets, based on asset type:

The threshold for tangible personal property is \$5,000. Depending upon type, the thresholds for infrastructure and other assets ranges between \$25,000 and \$100,000. The threshold for intangible assets purchased or internally generated is \$25,000. For capital assets reporting, intangible assets are assets that lack physical substance and have a non-financial nature such as computer software, land use rights, etc.

All capital assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at their estimated acquisition value on the date donated. Dispositions and retirements and resulting gains or losses for the proprietary fund types and at the government-wide level are reported in the year of the disposal.

Depreciation has been provided over the following estimated useful lives using the straight-line method:

Buildings	20 - 50 years
Improvements and equipment	3 - 40 years
Intangible plant asset	5 - 40 years
Roads	15 - 30 years
Bridges	50 years
Sidewalks	15 - 50 years
Stormwater	30 years
Software	5 years
Land use rights	Depends on Agreement
Leased assets	Depends on Agreement
Subscription agreements	Depends on Agreement

10. Deferred Outflows/Inflows of Resources

In addition to assets, there is a separate section for deferred outflows of resources which represent a consumption of net assets that applies to future periods and will not be recognized as an outflow (expense/expenditure) until that time. The deferred loss on refunding is reported in the government-wide statement of net position and the proprietary funds statement of net position. A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Deferred outflows of resources for pensions and Other Post-Employment Benefits (OPEB) are also reported on the government-wide statement of net position and the proprietary funds statements of net position, due to the implementation of GASB statement No. 68 for pensions and GASB statement No. 75 for OPEB.

In addition to liabilities, there is a separate section for deferred inflows of resources, which represent an acquisition of net assets that applies to future periods and will not be recognized as an inflow (revenue) until that time. Deferred inflows in the fund financial statements represent revenue not received within the County's period of availability. Deferred inflows of resources for pensions and OPEB are being reported on the government-wide

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statement of net position and the proprietary funds statements of net position, due to the implementation of GASB statement No. 68 and GASB statement No. 75.

11. Pension and Other Post-Employment Benefits Disclosure

The County applies GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date* GASB and Statement No. 68, *Accounting and Financial Reporting for Pensions*, for the measurement, recognition, and display of pension expenditures or expenses as discussed in a subsequent note.

The County implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for the measurement, recognition, and display of OPEB expenditures or expenses, liabilities, assets, and deferred inflows and outflows as discussed in a subsequent note.

12. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long term debt and other long term obligations are reported as liabilities in the applicable governmental activities, business type activities, or proprietary fund type statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Gain/loss on bond refundings are deferred and amortized over the life of the bond using the straight line method.

In the fund financial statements, governmental fund types recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Payments on debt are recorded as expenditures. Premiums received on debt issuances are reported as other financing sources. Issuance costs are expensed as incurred.

13. Compensated Absences

It is the policy of the County to permit employees to accumulate a limited amount of earned but unused vacation benefits and sick leave, which will be paid to employees upon separation from County service. The liability for compensated absences is reported as earned in the government-wide Statement of Net Position and the proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

14. Landfill Closure and Post closure Care Costs

Under the terms of Florida Department of Environmental Protection requirements, the County is required to provide long-term care for landfill operations for up to thirty years after final closure. Required obligations for closure and postclosure care costs are recognized in the Solid Waste Enterprise Fund.

15. Special Assessments

Special assessment receivables are recorded at the time of the assessment levy. In the governmental funds, the related revenue is recorded when it becomes measurable and available. In the government wide and proprietary fund level, the revenue is recognized as the County provides the services for which the assessment is levied. No allowance is recorded because liens are recorded against the assessed property. A deferred inflow has been recorded for special assessments that are due but not yet available.

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16. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and other debits and liabilities and other credits, as well as disclosure of contingent assets and other debits and liabilities and other credits at the date of the financial statements and the reported amount of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

17. Net Position

Net investment in capital assets is that portion of net position that relates to the County's capital assets, reduced by debt outstanding used to purchase or construct the capital assets. The related debt is reduced by any unspent proceeds that are outstanding at fiscal year-end.

Restricted net position is that portion of net position that has been restricted from general use by external parties (creditors, grantees, contributors, or laws or regulations of other governments) or imposed by law through constitutional provisions or enabling legislation. Restricted net position on the government-wide statement of net position for fiscal year 2024 includes \$21,661,249 of net position restricted by enabling legislation.

Unrestricted net position represents amounts not included in the other two categories and is generally available for any use.

18. Governmental Fund Balance

In accordance with GAAP fund balances are classified using GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*. Fund balances are classified either as non-spendable or as spendable. Spendable fund balances are further classified in a hierarchy based on the extent to which there are external and internal constraints on the spending of these fund balances. These classifications are described as follows:

Non-spendable fund balances include amounts that cannot be spent because they are not spendable in form or legally or contractually required to remain intact. At the County, inventories, prepaid items, and the principal amount of the Port Salerno Memorial Trust Permanent Fund fall in this category.

Spendable fund balances are classified based on a hierarchy of the County's ability to control the spending of the fund balances.

Restricted fund balances are those amounts that are constrained for specific purposes which are externally imposed by creditors, grantor, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Committed fund balances are those that contain self-imposed constraints or specific purposes, imposed by the government's highest level of decision making authority. Formal action in the form of a County Ordinance must be taken by the Board prior to the end of the fiscal year. The same formal action must be taken by the Board to remove or change the limitations placed on the funds.

Assigned fund balances are those that are intended to be used for specific purposes, but are neither restricted nor committed. County management proposes assignments of fund balance to the Board of County Commissioners, who approves those assignments based on annually adopted fiscal policies.

Unassigned fund balance is the residual positive balance within the General Fund, which has not been assigned to other funds and has not been restricted, committed, or assigned. In funds other than the General Fund, unassigned fund balances are limited to negative residual balances.

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When unrestricted resources are available for use, it is the County's policy to use committed resources first, then assigned resources and then unassigned resources as they are needed.

The Fund Balance Reserve Policy ensures that sufficient levels of reserves are maintained for operational and financial stability. The stabilization reserve in the General Fund is to be maintained in an amount not less than ten percent (10%) of the annual General Fund budget (less reserve totals). This amount approximates sixty days of working capital. Other County funds maintain similar designated reserves.

19. Leases

Leases are defined by the general government as the right to use an underlying asset.

As lessee, the County recognizes a lease liability and an intangible right-of-use lease asset at the beginning of a lease unless the lease is considered a short-term lease or transfers ownership of the underlying asset. Right-of-use lease assets are measured based on the net present value of the future lease payments at inception, using the weighted average cost of capital, which approximate the incremental borrowing rate. Remeasurement of a lease liability occurs when there is a change in the lease term and/or other changes that are likely to have a significant impact on the lease liability. The County calculates the amortization of the discount on the lease liability and reports that amount as outflows of resources. Payments are allocated first to accrued interest liability and then to the lease liability. Variable lease payments based on the usage of the underlying assets are not included in the lease liability calculations but are recognized as outflows of resources in the period in which the obligation was incurred.

As lessor, the County recognizes a lease receivable. The lease receivable is measured using the net present value of future lease payments to be received for the lease term and deferred inflow of receivables at the beginning of the lease term. Periodic amortization of the discount on the receivable are reported as interest revenue for that period. Deferred inflows of resources are recognized as inflows on a straight-line basis over the term of the lease. This recognition does not apply to short-term leases, contracts that transfer ownership, leases of assets that are investments, or certain regulated leases. Any initial direct costs are reported as an outflow of resources for that period. Remeasurement of lease receivables occur when there are modifications, including but not limited to changes in the contract price, lease term, and adding or removing an underlying asset to the lease agreements. In the case of a partial or full lease termination, the carrying value of the lease receivable and the related deferred inflow of resources will be reduced and will include a gain or loss for the difference.

For lease contracts that are short-term, the County recognizes short-term lease payments as inflows of resources (revenues) based on the payment provisions of the lease contract. Liabilities are only recognized if payments are received in advance, and receivables are only recognized if payments are received subsequent to the reporting period. Leases between the Airport and air carriers and other aeronautical users are subject to external laws and regulations. As permitted by GASBS No. 87, paragraph 43, the Airport recognizes inflows of resources based on the payment provisions of the lease contract, and the accounting policies do not apply to regulated leases. Additional disclosures regarding regulated leases are in Note 5.

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20. Subscription Based Information Technology Agreements

Subscription based information technology arrangements are defined by the general government as a contract that conveys control of the right to use another party's information technology software. The County recognizes a SBITA liability and an intangible right-of-use SBITA asset at the beginning of a contract unless the lease is considered a short-term. SBITA assets are measured based on the net present value of the future payments at inception, using the weighted average cost of capital, which approximate the incremental borrowing rate. Remeasurement of a SBITA liability occurs when there is a change in the contract term and/or other changes that are likely to have a significant impact on the SBITA liability. The County calculates the amortization of the discount on the SBITA liability and reports that amount as outflows of resources. Payments are allocated first to accrued interest liability and then to the lease liability. Variable lease payments based on the usage of the underlying assets are not included in the lease liability calculations but are recognized as outflows of resources in the period in which the obligation was incurred. Additional information is provided in Note 6.

Note 2 - Cash and Cash Equivalents and Investments

Cash and Cash Equivalents

Florida Statutes authorize the deposit of County funds in demand deposits or time deposits of financial institutions approved by the State Treasurer and are defined as public deposits. All County public deposits are held in qualified public depositories pursuant to chapter 280, Florida Statutes, the "Florida Security for Public Deposits Act." Under the Act, all qualified public depositories are required to pledge eligible collateral having a fair value equal to or greater than the average daily or monthly balance of all public deposits times the depository's collateral pledging level. The collateral pledging level may range from 25% to 150%, depending upon the depository's financial condition and the length of time that the depository has been established. All collateral must be deposited with the State Treasurer. Any losses to public depositors resulting from insolvency are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessment against other qualified public depositories of the same type as the depository in default. All bank balances of the County are fully insured or collateralized.

The County receives interest on all collected balances in its cash accounts from the qualified public depository acting as its banking agent. Interest earnings are allocated to all funds based on the average daily balance of each fund's equity in the total investment pool. Cash Equivalents consist of short-term investments in highly liquid external local government investment pools with maturities of ninety days or less when purchased.

Investments

GASB 72, Fair Value Measurement and Application, requires the County to use valuation techniques which are appropriate under the circumstances and are a market approach, cost approach, or income approach. GASB 72 establishes a hierarchy of inputs used to measure fair value consisting of three levels. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are inputs, other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs, and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. GASB 72 also contains note disclosure requirements regarding the hierarchy of valuation inputs and valuation techniques that were used for the fair value measurements. The County's fair value measurements for U.S. Treasuries and U.S. Agencies are categorized as Level 2 and are valued by the County's investment brokers using independent pricing services based on the type of asset. The pricing services may use valuation models or matrix pricing, which consider benchmark yields, reported trades, broker/dealer quotes, benchmark securities, bids or offers, and reference data. Investments with fair value measures at amortized cost or

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Net Asset Value (NAV) are excluded from categorization within the fair value hierarchy of GASB No. 72. Additional discussion about fair value measures and the County's investments is detailed in Note 1 Summary of Significant Accounting Policies, item H. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and net Position or Equity, sub section 2. Investments.

The fair value amounts, presented in the following tables, are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of net position.

	Governmental Activities	Business-type Activities	Fiduciary Funds	Total
Cash and cash equivalents	\$ 108,018,171	\$ 27,076,111	\$ 15,928,054	\$ 151,022,336
Restricted cash and cash equivalents	393,500	6,223,631	-	6,617,131
Investments	245,826,934	55,108,509	2,589,724	303,525,167
Restricted investments - current	-	1,490,956	-	1,490,956
Restricted investments - noncurrent	-	22,546,191	-	22,546,191
	<u>\$ 354,238,605</u>	<u>\$ 112,445,398</u>	<u>\$ 18,517,778</u>	<u>\$ 485,201,781</u>

As of September 30, 2024, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit the County's access to 100 percent of their account value in the external investment pool.

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The County had the following investments with stated maturities categorized as Level 1, Level 2, or Level 3 as of September 30, 2024.

Investments by Level	Fair Value as of 9/30/2024	Fair Value Measurements Using		
		Quoted Prices in Active Markets for Similar Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Core fund investments				
US Treasury Notes	\$ 103,634,840	\$ -	\$ 103,634,840	\$ -
FHLB Agency Bullet	49,001,400	-	49,001,400	-
FHLB Agency Callable	27,150,200	-	27,150,200	-
FHLMC Agency Bullet	7,001,190	-	7,001,190	-
FHLMC Agency Callable	6,984,670	-	6,984,670	-
FNMA Agency Bullet	6,736,030	-	6,736,030	-
FNMA Agency Callable	6,790,980	-	6,790,980	-
FFCB Agency Bullet	14,147,350	-	14,147,350	-
Total investments at fair value	221,446,660	\$ -	\$ 221,446,660	\$ -
Investments Reported at Amortized Cost				
Florida PRIME	36,336,503			
FLGIT - Day-to-Day Fund	26,040,950			
Total investments reported at amortized cost	62,377,453			
Investments Reported at NAV share value				
FLGIT - Short Term Bond Fund	9,561,565			
FLCLASS	23,053,588			
FLSTAR	11,123,045			
Total investments reported at NAV share value	43,738,198			
Total investments	327,562,311			
Cash and cash deposits	157,639,470			
Total cash and cash equivalents and investments	\$ 485,201,781			

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Credit Risk and Concentration of Credit Risk

Investment	Amount	Percentage of Portfolio	Standard & Poor's / Fitch Investment Rating
Florida Prime Investment Pool (SBA)	\$ 36,336,503	7.49 %	AAAm
FLCLASS Local Government Investment Pool	23,053,588	4.75	AAAm
Florida Local Government Investment Trust (Short Term Bond Fund)	9,561,565	1.97	AAAf
Florida Local Government Investment Trust (Day to Day fund)	26,040,950	5.37	AAAm
FLSTAR	11,123,045	2.29	AAAm
U.S. Agency Bonds	117,811,820	24.28	N/A
U.S. Treasuries	103,634,840	21.36	N/A
Cash and cash deposits	157,639,470	32.49	N/A
	<u>\$ 485,201,781</u>	<u>100.00 %</u>	

Credit risk is the risk that an issuer will not fulfill its obligations.

The County investment policy and various bond covenants limit credit risk by restricting authorized investments to the following: the Local Government Surplus Funds Trust Fund; Security and Exchange Commission registered money market funds with a Moody's credit rating of "Aaa" or Standard & Poor's credit rating of "AAA;" interest bearing time deposits or savings accounts in qualified public depositories; direct obligations of the U.S. Treasury; securities issued by Federal Agencies; and the Florida Local Government Investment Trust.

Concentration of credit risk is the risk of loss due to the magnitude of an investment in a single issuer.

The Board's investment policy has established asset allocation and issuer limits to reduce concentration of credit risk. The Board's investment policy limits portfolio composition to the following maximum guidelines:

- Local Government Surplus Funds Trust Fund (SBA) 60% per fund
- Local Government Investment Pools (LGIPs) 60% per fund
- Direct Obligations of the U.S. Treasury 100%
- Securities issued by Federal Agencies 100%
- Money Market Funds 25% per fund, 50% of total portfolio
- Interest-bearing Time Deposit Accounts and Non-negotiable Certificates of Deposit (CDs) in Qualified Public Depositories 10% per issuer, 30% of total portfolio
- Corporate Commercial Paper, 5% per issuer, 10% of total portfolio

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Interest Rate Risk

Investment type	Fair Value as of 9/30/2024	Effective Duration in Years		
		Less than 1 Year	1 year but less than 3	3 years but less than 5
Investments subject to Interest rate risk:				
Florida Local Government Investment Trust Short Term Bond Fund (effective duration 1.46 years)	\$ 9,561,565	\$ 1,434,235	\$ 7,964,783	\$ 162,547
U.S. Treasuries	103,634,840	61,652,060	41,982,780	-
U.S. Agency Bonds	117,811,820	62,578,600	55,233,220	-
	<u>\$ 231,008,225</u>	<u>\$ 125,664,895</u>	<u>\$ 105,180,783</u>	<u>\$ 162,547</u>
Other investment:				
Florida Prime Investment Pool (SBA)	36,336,503			
FLCLASS Local Government Investment Pool	23,053,588			
Florida Local Government Investment Trust Day to Day fund	26,040,950			
FLSTAR Local Government Investment Pool	11,123,045			
Cash and cash deposits	<u>157,639,470</u>			
	<u>\$ 485,201,781</u>			

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

The County's investment policy requires the investment portfolio be designed with the objective of attaining a fair market rate of return. It further goes on to require that the investment portfolio shall remain sufficiently liquid to meet all operating and capital requirements that may be reasonably anticipated. To the extent possible, an attempt will be made to match investment maturities with known cash needs and anticipated cash flow requirements. Unless matched to a specific cash flow requirement, investments shall not be directly invested in individual securities maturing more than five (5) years from the date of purchase.

Custodial Credit Risk

This type of risk would arise in the event of the failure of a custodian of County investments, after which the government would not be able to recover the value of its investments that are in the possession of the third party custodian.

The County utilizes a Safekeeping account with its qualified public depository to maintain custody of assets purchased for investment by the County. The investment assets held by the custodian are designated as wholly owned asset of the County separate and apart from any other assets held by the depository. Security transactions between a broker-dealer and the custodian involving purchase or sale of securities by transfer of money or securities must be made on a "delivery versus payment" basis to ensure that the custodian will have the security or money in hand at the conclusion of the transaction.

All securities purchased and/or collateral obtained by the Clerk shall be properly designated as an asset of the County and held in an account separate and apart from other assets held by the depository.

Foreign Currency Risk

The County's investments are not exposed to foreign currency risk.

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Note 3 - Interfund Receivables and Payables

Interfund balances at September 30, 2024, are expected to be repaid within one year. Interfund receivable and payable balances for the year ended September 30, 2024, were as follows:

Payable Fund	Receivable Fund				Total
	General Fund	Other State Grants	Nonmajor Governmental Funds	Internal Service Funds	
General Fund	\$ -	\$ 94	\$ 11,553	\$1,674,891	\$ 1,686,538
Consolidated Fire/EMS	1,866	-	-	-	1,866
Federal Grants	218	-	-	-	218
Other State Grants	15,001,335	-	2,666	-	15,004,001
County Buildings	-	1,310	-	-	1,310
Nonmajor governmental funds	319,299	-	21,908	-	341,207
Total receivables and payables	<u>\$ 15,322,718</u>	<u>\$ 1,404</u>	<u>\$ 36,127</u>	<u>\$1,674,891</u>	<u>\$17,035,140</u>

The outstanding balances between funds result mainly from the time lag between dates that:

- (1) interfund goods and services are provided or reimbursable expenditures occur;
- (2) temporary loans are used to cover deficit cash;

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Note 4 - Capital Assets

Capital asset activity for the year ended September 30, 2024, was as follows:

	Beginning Balance	Increases/ Transfers	Decreases/ Transfers	Ending Balance
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 228,385,622	\$ 11,677,154	\$ (1,967,589)	\$ 238,095,187
Land use rights - permanent	3,817,067	943,387	(215,256)	4,545,198
Construction in progress	61,145,516	46,092,268	(72,737,535)	34,500,249
Total capital assets not being depreciated	<u>293,348,205</u>	<u>58,712,809</u>	<u>(74,920,380)</u>	<u>277,140,634</u>
Capital assets being depreciated and amortized:				
Buildings and improvements	244,208,784	15,726,790	-	259,935,574
Equipment	154,495,559	12,390,286	(4,524,319)	162,361,526
Land use rights - temporary	5,730,194	-	-	5,730,194
Software	14,411,413	29,736	-	14,441,149
Land improvements	79,737,777	21,217,407	-	100,955,184
Infrastructure	683,677,893	30,542,243	-	714,220,136
Right of use assets	11,403,669	1,428,923	(69,697)	12,762,895
Subscription assets	2,295,594	1,380,215	(763,069)	2,912,740
Total capital assets being depreciated and amortized	<u>1,195,960,883</u>	<u>82,715,600</u>	<u>(5,357,085)</u>	<u>1,273,319,398</u>
Less accumulated depreciation and amortization for:				
Buildings and improvements	(112,664,782)	(9,045,548)	-	(121,710,330)
Equipment and other assets	(105,994,565)	(12,987,353)	4,294,160	(114,687,758)
Land use rights	(2,664,752)	(318,180)	-	(2,982,932)
Software	(10,729,627)	(676,299)	-	(11,405,926)
Land improvements	(46,381,696)	(3,412,435)	-	(49,794,131)
Infrastructure	(428,108,793)	(18,087,251)	-	(446,196,044)
Accumulated amortization, leases	(1,589,828)	(1,575,470)	69,697	(3,095,601)
Accumulated amortization, subscription assets	(698,499)	(963,356)	763,068	(898,787)
Total accumulated depreciation and amortization	<u>(708,832,542)</u>	<u>(47,065,892)</u>	<u>5,126,925</u>	<u>(750,771,509)</u>
Total capital assets being depreciated and amortized, net	<u>487,128,341</u>	<u>35,649,708</u>	<u>(230,160)</u>	<u>522,547,889</u>
Governmental activities capital assets, net	<u>\$ 780,476,546</u>	<u>\$ 94,362,517</u>	<u>\$ (75,150,540)</u>	<u>\$ 799,688,523</u>

Martin County, Florida
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Depreciation and amortization expense was charged as follows:

Governmental activities:

General government	\$ 12,123,586
Public safety	7,292,926
Physical environment	3,250,269
Transportation (which includes depreciation for infrastructure)	17,662,537
Economic environment	646,502
Human services	53,533
Culture and recreation	5,541,917

In addition, depreciation on capital assets held by the County's internal service funds is charged to the various functions based on their usage of assets

	494,622
Total governmental activities depreciation expense	<u>\$ 47,065,892</u>

Business-type activities:	<u>Beginning Balance</u>	<u>Increases/ Transfers</u>	<u>Decreases/ Transfers</u>	<u>Ending Balance</u>
Water/Sewer Utilities:				
Capital assets not being depreciated				
Land	\$ 5,906,021	\$ -	\$ -	\$ 5,906,021
Intangible assets, land use rights	1,564,944	224,959	-	1,789,903
Construction in progress	<u>5,977,024</u>	<u>16,919,653</u>	<u>(10,125,511)</u>	<u>12,771,166</u>
Total capital assets not being depreciated	<u>13,447,989</u>	<u>17,144,612</u>	<u>(10,125,511)</u>	<u>20,467,090</u>
Capital assets being depreciated				
Buildings	148,928,967	302,048	(14,891,835)	134,339,180
Water distribution system	124,914,466	8,096,143	(135,528)	132,875,081
Wells	19,812,394	20,000	(854,071)	18,978,323
Sewer collection system	173,627,970	11,380,357	(5,713,103)	179,295,224
Equipment & leasehold improvement	10,182,600	1,297,552	(1,169,113)	10,311,039
Intangible assets	<u>9,359,695</u>	<u>-</u>	<u>-</u>	<u>9,359,695</u>
Total capital assets being depreciated	<u>486,826,092</u>	<u>21,096,100</u>	<u>(22,763,650)</u>	<u>485,158,542</u>
Less depreciation and amortization for				
Buildings	(78,700,087)	(3,871,999)	13,568,011	(69,004,075)
Water distribution system	(63,851,475)	(5,222,457)	125,240	(68,948,692)
Wells	(10,860,480)	(730,640)	854,071	(10,737,049)
Sewer collection system	(78,964,254)	(5,416,784)	4,973,695	(79,407,343)
Equipment & leasehold improvements	(7,358,752)	(919,656)	1,166,301	(7,112,107)
Intangible assets	<u>(5,054,950)</u>	<u>(303,128)</u>	<u>-</u>	<u>(5,358,078)</u>
Total accumulated depreciation and amortization	<u>(244,789,998)</u>	<u>(16,464,664)</u>	<u>20,687,318</u>	<u>(240,567,344)</u>
Total capital assets being depreciated, net	<u>242,036,094</u>	<u>4,631,436</u>	<u>(2,076,332)</u>	<u>244,591,198</u>
Water/Sewer capital assets, net	<u>\$ 255,484,083</u>	<u>\$ 21,776,048</u>	<u>\$ (12,201,843)</u>	<u>\$ 265,058,288</u>

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	Beginning Balance	Increases Transfers	Decreases Transfers	Ending Balance
Solid Waste:				
Capital assets not being depreciated				
Land	\$ 3,310,005	\$ -	\$ -	\$ 3,310,005
Construction in progress	66,726	242,413	(224,818)	84,321
Total capital assets not being depreciated	3,376,731	242,413	(224,818)	3,394,326
Capital assets being depreciated				
Buildings and improvements	12,960,658	224,817	-	13,185,475
Landfill improvements	12,741,430	-	-	12,741,430
Equipment & leasehold improvement	8,150,799	480,445	(719,552)	7,911,692
Intangible assets	34,972	-	-	34,972
Total capital assets being depreciated:	33,887,859	705,262	(719,552)	33,873,569
Less accumulated depreciation for				
Buildings and improvements	(6,113,745)	(425,004)	-	(6,538,749)
Landfill improvements	(11,358,060)	(202,105)	-	(11,560,165)
Equipment & leasehold improvement	(4,302,528)	(638,327)	718,720	(4,222,135)
Intangible assets	(20,594)	(2,508)	-	(23,102)
Total accumulated depreciation and amortization	(21,794,927)	(1,267,944)	718,720	(22,344,151)
Total capital assets being depreciated, net	12,092,932	(562,682)	(832)	11,529,418
Solid Waste capital assets, net	\$ 15,469,663	\$ (320,269)	\$ (225,650)	\$ 14,923,744
Airport:				
Capital assets not being depreciated				
Land	\$ 6,875,978	\$ -	\$ -	\$ 6,875,978
Construction in progress	6,282,563	6,316,029	(794,231)	11,804,361
Total capital assets, not being depreciated	13,158,541	6,316,029	(794,231)	18,680,339
Capital assets being depreciated				
Buildings	7,514,272	125,870	-	7,640,142
Airport improvements	38,280,403	35,349	-	38,315,752
Equipment	667,386	-	(32,916)	634,470
Intangible assets	80,076	-	-	80,076
Total capital assets, being depreciated	46,542,137	161,219	(32,916)	46,670,440
Less accumulated depreciation for				
Buildings	(3,198,799)	(487,025)	-	(3,685,824)
Airport improvements	(20,851,731)	(1,901,934)	-	(22,753,665)
Equipment	(509,023)	(43,185)	32,916	(519,292)
Intangible assets	(12,895)	(5,486)	-	(18,381)
Total accumulated depreciation and amortization	(24,572,448)	(2,437,630)	32,916	(26,977,162)
Total capital assets being depreciated, net	21,969,689	(2,276,411)	-	19,693,278
Airport capital assets, net	\$ 35,128,230	\$ 4,039,618	\$ (794,231)	\$ 38,373,617

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	Beginning Balance	Increases Transfers	Decreases Transfers	Ending Balance
Golf Course:				
Capital assets being depreciated				
Buildings	\$ 1,258,259	\$ -	\$ -	\$ 1,258,259
Golf Course improvements	1,355,456	-	-	1,355,456
Equipment	1,252,233	179,474	(7,291)	1,424,416
Total capital assets, being depreciated	<u>3,865,948</u>	<u>179,474</u>	<u>(7,291)</u>	<u>4,038,131</u>
Less accumulated depreciation for				
Buildings	(621,549)	(28,115)	-	(649,664)
Golf Course improvements	(862,268)	(90,364)	-	(952,632)
Equipment	(1,028,026)	(87,838)	2,430	(1,113,434)
Total accumulated depreciation	<u>(2,511,843)</u>	<u>(206,317)</u>	<u>2,430</u>	<u>(2,715,730)</u>
Total capital assets being depreciated, net	1,354,105	(26,843)	(4,861)	1,322,401
Golf Course capital assets, net	<u>\$ 1,354,105</u>	<u>\$ (26,843)</u>	<u>\$ (4,861)</u>	<u>\$ 1,322,401</u>
Business-type activities capital assets, net	<u>\$ 307,436,081</u>	<u>\$ 25,468,554</u>	<u>\$ (13,226,585)</u>	<u>\$ 319,678,050</u>

Note 5 - Leases

1. Lessee

For the year ended September 30, 2024, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset. For additional information, refer to the disclosures below. For the year ended September 30, 2024, the County was lessee for the following twenty- nine leases:

Brixmor Property Group: On 10/01/2021, Martin County, FL recognized a remaining 40 month lease as Lessee for the use of 3,000 square feet of building space in Palm City for a Tax Collector branch office. An initial lease liability was recorded in the amount of \$201,872. As of 09/30/2024, the value of the lease liability is \$21,622. Martin County, FL is required to make monthly fixed payments through 01/31/2025. The lease has an interest rate of 3.0000%. The value of the right to use asset as of 09/30/2024 of \$201,872 with accumulated amortization of \$181,685.

Jeffrey H. Sands: On 10/01/2021, Martin County, FL recognized a remaining 48 month lease as Lessee for the use of 6,825 square feet in Sands Commerce Center, Palm City, for a Sheriff's substation office and storage of various equipment and supplies. An initial lease liability was recorded in the amount of \$166,233. As of 09/30/2024, the value of the lease liability is \$44,993. Martin County, FL is required to make monthly fixed payments through 09/30/2025. The lease has an interest rate of 3.0000%. The value of the right to use asset as of 09/30/2024 of \$166,233 with accumulated amortization of \$124,675.

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Hobe Sound-1, LLC: On 11/01/2021, Martin County, FL recognized a remaining 60 month lease as Lessee for the use of Island Crossing Shopping Center – Phase 2, for Clerk and Tax Collector branch offices. An initial lease liability was recorded in the amount of \$703,261. As of 09/30/2024, the value of the lease liability is \$306,066. Martin County, FL is required to make monthly fixed payments through 10/31/2026. The lease has an interest rate of 3.0000%. The value of the right to use asset as of 09/30/2024 of \$703,261 with accumulated amortization of \$410,236.

Dell Marketing, LP: On 03/01/2022, Martin County, FL entered into a 36 month lease as Lessee for the use of of APEX private cloud for Tax Collector. An initial lease liability was recorded in the amount of \$125,183. As of 09/30/2024, the value of the lease liability is \$17,441. Martin County, FL is required to make monthly fixed payments through 02/28/2025. The lease has an interest rate of 0.2400%. The value of the right to use asset as of 09/30/2024 of \$142,409 with accumulated amortization of \$122,630.

American Towers: On 10/01/2021, Martin County, FL recognized a remaining 188 month lease as Lessee for the use of communications tower and surrounding parcel of land. An initial lease liability was recorded in the amount of \$332,224. As of 09/30/2024, the value of the lease liability is \$301,884. Martin County, FL is required to make monthly fixed payments through 05/31/2037. The lease has an interest rate of 3.0000%. The value of the right to use asset as of 09/30/2024 of \$332,224 with accumulated amortization of \$63,617.

AT&T Wireless Services (AWS): On 10/01/2021, Martin County, FL recognized a remaining 60 month lease as Lessee for the use of of a communications tower and surrounding parcel of land. An initial lease liability was recorded in the amount of \$94,741. As of 09/30/2024, the value of the lease liability is \$42,037. Martin County, FL is required to make monthly fixed payments through 09/30/2026. The lease has an interest rate of 3.0000%. The value of the right to use asset as of 09/30/2024 of \$94,741 with accumulated amortization of \$56,845.

The Huntington National Bank: On 10/01/2021, Martin County, FL recognized a remaining 38 month lease as Lessee for the use of of seventy-five EZ-GO golf carts with GPS. An initial lease liability was recorded in the amount of \$160,138. As of 09/30/2024, the value of the lease liability is \$8,812. Martin County, FL is required to make monthly fixed payments through 11/30/2024. The lease has an interest rate of 3.0000%. The value of the right to use asset as of 09/30/2024 of \$160,138 with accumulated amortization of \$151,709.

Turf Tank: On 08/01/2023, Martin County, FL entered into a 72 month lease as Lessee for the use of of GPS line marking robot. An initial lease liability was recorded in the amount of \$89,621. As of 09/30/2024, the value of the lease liability is \$59,874. Martin County, FL is required to make annual fixed payments through 07/31/2029. The lease has an interest rate of 2.7200%. The value of the right to use asset as of 09/30/2024 of \$91,121 with accumulated amortization of \$17,718.

Axon Enterprises: On October 1, 2021, the Sheriff recognized a 5-year lease as a lessee for the use of Axon TASER 7's. An initial lease payable was recorded in the amount of \$561,236. This lease was modified and amended to include additional equipment. On 12/01/2022, Martin County, FL Sheriff entered into a 120 month lease as Lessee for the use of Axon TASER 7's and body cameras. An initial lease liability was recorded in the amount of \$9,245,778. As of 09/30/2024, the value of the lease liability is \$7,432,727. Martin County, FL Sheriff is required to make fixed payments through 11/30/2032. The lease has an interest rate of 1.2840%. The value of the right to use asset as of 09/30/2024 of \$9,245,778 with accumulated amortization of \$1,681,051.

Axon Enterprise: On 01/15/2024, the Sheriff entered into a 107 month lease as Lessee for the use of Tasers. An initial lease liability was recorded in the amount of \$643,531. As of 09/30/2024, the value of the lease liability is \$555,698, and the value of the short-term lease liability is \$66,400. The Sheriff is required to make annual fixed payments of \$73,536. The lease has an interest rate of 1.28%. The Equipment estimated useful life was 0 months as of the contract commencement. The value of the right to use asset as of 09/30/2024 of \$643,531.

JP Leasing Corp.: On 11/01/2022, Martin County, FL Sheriff entered into a 48 month lease as Lessee for the use of

Martin County, Florida
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copiers. An initial lease liability was recorded in the amount of \$196,188. As of 09/30/2024, the value of the lease liability is \$105,088. Martin County, FL Sheriff is required to make monthly fixed payments through 10/31/2026. The lease has an interest rate of 3.2690%. The value of the right to use asset as of 09/30/2024 of \$196,188 with accumulated amortization of \$94,007.

Dell Financial Services: On 10/01/2021, Martin County, FL Sheriff entered into a 35 month lease as Lessee for the use of Dell hardware. An initial lease liability was recorded in the amount of \$69,697. As of 09/30/2024, the value of the lease liability is \$0. Martin County, FL Sheriff is required to make annual fixed payments through 08/31/2024. The lease has an interest rate of 3.0000%. The value of the right to use asset as of 09/30/2024 of \$0 with accumulated amortization of \$0. This lease has the option to purchase the Equipment for \$1.

Enterprise Fleet Management: On 10/01/2023, Martin County, FL Sheriff entered into a 60 month lease as Lessee for the use of 2023 Hyundai Sonata. An initial lease liability was recorded in the amount of \$38,042. As of 09/30/2024, the value of the lease liability is \$28,702, and the value of the short-term lease liability is \$6,654. Martin County, FL Sheriff is required to make monthly fixed payments of \$630. The lease has an interest rate of 3.5110%. The Vehicles estimated useful life was 60 months as of the contract commencement. The value of the right to use asset as of 09/30/2024 of \$38,042 with accumulated amortization of \$7,525.

Enterprise Fleet Management: On 10/25/2023, Martin County, FL Sheriff entered into a 60 month lease as Lessee for the use of 2023 Nissan Rogue. An initial lease liability was recorded in the amount of \$34,678. As of 09/30/2024, the value of the lease liability is \$25,883, and the value of the short-term lease liability is \$6,000. Martin County, FL Sheriff is required to make monthly fixed payments of \$568. The lease has an interest rate of 3.5110%. The Vehicles estimated useful life was 60 months as of the contract commencement. The value of the right to use asset as of 09/30/2024 of \$34,678 with accumulated amortization of \$6,452.

Enterprise Fleet Management: On 10/20/2023, Martin County, FL Sheriff entered into a 60 month lease as Lessee for the use of six 2023 Chevrolet Traverse's. An initial lease liability was recorded in the amount of \$302,922. As of 09/30/2024, the value of the lease liability is \$227,532, and the value of the short-term lease liability is \$52,746. Martin County, FL Sheriff is required to make monthly fixed payments of \$4,992. The lease has an interest rate of 3.51%. The Vehicles estimated useful life was 60 months as of the contract commencement. The value of the right to use asset as of 09/30/2024 of \$302,922 with accumulated amortization of \$57,036.

Enterprise Fleet Management: On 10/20/2023, 10/16/2023 and 12/20/2023, the Sheriff entered into a 60 month lease as Lessee for the use of three 2024 Toyota Grand Highlander's. An initial lease liability was recorded in the amount of \$163,986. As of 09/30/2024, the value of the lease liability is \$124,226, and the value of the short-term lease liability is \$28,371. The Sheriff is required to make monthly fixed payments of \$2,690. The lease has an interest rate of 3.51%. The Vehicles estimated useful life was 60 months as of the contract commencement. The value of the right to use asset as of 09/30/2024 of \$163,986 with accumulated amortization of \$29,107.

Enterprise Fleet Management: On 10/20/2023, the Sheriff entered into a 60 month lease as Lessee for the use of two 2024 Toyota Camry's. An initial lease liability was recorded in the amount of \$73,428. As of 09/30/2024, the value of the lease liability is \$54,766, and the value of the short-term lease liability is \$12,696. The Sheriff is required to make monthly fixed payments of \$1,202. The lease has an interest rate of 3.51%. The Vehicles estimated useful life was 60 months as of the contract commencement. The value of the right to use asset as of 09/30/2024 of \$73,428 with accumulated amortization of \$13,826.

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Enterprise Fleet Management: On 12/12/2023, the Sheriff entered into a 60 month lease as Lessee for the use of 2023 Toyota 4Runner. An initial lease liability was recorded in the amount of \$44,760. As of 09/30/2024, the value of the lease liability is \$34,112, and the value of the short-term lease liability is \$7,575. The Sheriff is required to make monthly fixed payments of \$721. The lease has an interest rate of 3.5110%. The Vehicles estimated useful life was 60 months as of the contract commencement. The value of the right to use asset as of 09/30/2024 of \$44,760 with accumulated amortization of \$7,111.

Enterprise Fleet Management: On 12/11/2023, the Sheriff entered into a 60 month lease as Lessee for the use of 2023 Jeep Grand Cherokee. An initial lease liability was recorded in the amount of \$63,588. As of 09/30/2024, the value of the lease liability is \$48,754, and the value of the short-term lease liability is \$10,827. The Sheriff is required to make monthly fixed payments of \$1,030. The lease has an interest rate of 3.5110%. The Vehicles estimated useful life was 60 months as of the contract commencement. The value of the right to use asset as of 09/30/2024 of \$63,588 with accumulated amortization of \$10,132.

Enterprise Fleet Management: On 01/10/2024, Martin County, FL Sheriff entered into a 60 month lease as Lessee for the use of two 2024 Nissan Altima's. An initial lease liability was recorded in the amount of \$63,988. As of 09/30/2024, the value of the lease liability is \$49,953, and the value of the short-term lease liability is \$10,976. The Sheriff is required to make monthly fixed payments of \$1,024. The lease has an interest rate of 2.31%. The Vehicles estimated useful life was 60 months as of the contract commencement. The value of the right to use asset as of 09/30/2024 of \$63,988 with accumulated amortization of \$9,171.

The following is a summary of leased asset activity for the year ended September 30, 2024:

Governmental activities:	Beginning Balance	Increases	Decreases	Total
Right of use assets				
Right of use buildings	\$ 1,071,367	\$ -	\$ -	\$ 1,071,367
Right of use equipment	10,332,296	1,428,923	(69,691)	11,691,528
Total right of use assets	11,403,663	1,428,923	(69,691)	12,762,895
Less accumulated amortization				
Accumulated amortization, building leases	(473,825)	(242,773)	-	(716,598)
Accumulated amortization, equipment leases	(1,116,004)	(1,332,690)	69,691	(2,379,003)
Total less accumulated amortization	(1,589,829)	(1,575,463)	69,691	(3,095,601)
Total right of use assets, net	<u>\$ 9,813,834</u>	<u>\$ (146,540)</u>	<u>\$ -</u>	<u>\$ 9,667,294</u>

An initial lease liability was recorded in the amount of \$11,403,669. As of September 30, 2024, the value of the lease liability is \$9,490,174. The County makes monthly payments ranging from \$1,691 to \$12,645 and annual payments of \$16,000 through the terms of the leases. Sheriff leases have annual payments ranging from \$3,578 to \$983,573 and monthly payments ranging from \$509 to \$4,354. The leases have interest rates ranging from 0.24% to 3.51%. The value of the right of use assets as of September 30, 2024, is \$12,762,895 with accumulated amortization of \$3,095,601.

Amortization expense was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 330,389
Public Safety	1,179,317
Culture and recreation	65,757
Total amortization expense - governmental activities	<u>\$ 1,575,463</u>

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2. Lessor

The County, as a lessor, is required to recognize a lease receivable and a deferred inflow of resources. For additional information, refer to the disclosures below. For the year ended September 30, 2024, the financial statements include the adoption of GASB Statement No. 87, Leases. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset.

For the year ended September 30, 2024, the County was lessor for the following seven leases:

Governmental

House of Hope: On 10/01/2021, Martin County recognized a remaining 107 month lease as Lessor for the use of a historic building for a community center in Golden Gate. An initial lease receivable was recorded in the amount of \$56,294. As of 09/30/2024, the value of the lease receivable is \$36,638. The lessee is required to make annual fixed payments of \$8,000. The lease has an interest rate of 3.0000%. The value of the deferred inflow of resources as of 09/30/2024 was \$37,354, and Martin County recognized lease revenue of \$6,313 during the fiscal year.

U.S. Customs and Border Patrol: On 10/01/2021, Martin County recognized a remaining 204 month lease as Lessor for the use of a communications tower and surrounding parcel of land. An initial lease receivable was recorded in the amount of \$27,329. As of 09/30/2024, the value of the lease receivable is \$24,608. The lessee is required to make monthly fixed payments of \$137. The lease has an interest rate of 3.0000%. The value of the deferred inflow of resources as of 09/30/2024 was \$22,506, and Martin County recognized lease revenue of \$1,608 during the fiscal year. The lessee has 1 extension option(s), each for 120 months.

Central Florida Cellular: On 10/01/2021, Martin County recognized a remaining 54 month lease as Lessor for the use of a communications tower and surrounding parcel of land. An initial lease receivable was recorded in the amount of \$41,406. As of 09/30/2024, the value of the lease receivable is \$14,508. The lessee is required to make monthly fixed payments of \$748. The lease has an interest rate of 3.0000%. The value of the deferred inflow of resources as of 09/30/2024 was \$13,802, and Martin County recognized lease revenue of \$9,201 during the fiscal year.

Verizon: On 10/01/2021, Martin County recognized a remaining 144 month lease as Lessor for the use of a communications tower and surrounding parcel of land. An initial lease receivable was recorded in the amount of \$262,354. As of 09/30/2024, the value of the lease receivable is \$209,235. The lessee is required to make semi-annual fixed payments of \$11,650. The lease has an interest rate of 3.0000%. The value of the deferred inflow of resources as of 09/30/2024 was \$196,765, and Martin County recognized lease revenue of \$21,863 during the fiscal year.

New Cingular Wireless PCS, LLC: On 08/19/2022, Martin County recognized a remaining 120 month lease as Lessor for the use of a communications tower and surrounding parcel of land. An initial lease receivable was recorded in the amount of \$240,767. As of 09/30/2024, the value of the lease receivable is \$178,738. The lessee is required to make annual fixed payments of \$24,000. The lease has an interest rate of 2.9270%. The value of the deferred inflow of resources as of 09/30/2024 was \$189,805, and Martin County recognized lease revenue of \$24,077 during the fiscal year. The lessee has 3 extension option(s), each for 120 months.

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Halpatiokee Outdoor Center, LLC: On 09/28/2023, Martin County entered into a 120 month lease as Lessor for the use of a building facility at Halpatiokee park. An initial lease receivable was recorded in the amount of \$415,906. As of 09/30/2024, the value of the lease receivable is \$382,138. The lessee is required to make monthly fixed payments of \$4,000. The lease has an interest rate of 2.7600%. The value of the deferred inflow of resources as of 09/30/2024 was \$373,969, and Martin County recognized lease revenue of \$41,591 during the fiscal year. The lessee has 1 extension option(s), each for 60 months.

Enterprise Funds

Liberator Medical Supply: On 10/01/2021, Martin County recognized a remaining 72 month lease as Lessor for the use of two buildings at Witham Field Airport. An initial lease receivable was recorded in the amount of \$1,323,641. As of 09/30/2024, the value of the lease receivable is \$761,293. The lessee is required to make monthly fixed payments of \$13,841. The lease has an interest rate of 3.0000%. The value of the deferred inflow of resources as of 09/30/2024 was \$661,820, and Martin County recognized lease revenue of \$220,607 during the fiscal year.

Classification	Term Range	Lease Receivable as of Commencement Date	Lease Receivable as of September 30, 2024
Buildings	6 -10 years	\$ 1,470,130	\$ 1,180,101
Equipment	4.5 - 17 years	449,076	427,089
		<u>\$ 1,919,206</u>	<u>\$ 1,607,190</u>

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

Year Ending September 30	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2025	\$ 95,153	\$ 23,566	\$ 118,719	\$ 238,433	\$ 19,578	\$ 258,011
2026	94,286	20,822	115,108	253,533	12,219	265,752
2027	93,338	18,185	111,523	269,359	4,397	273,756
2028	97,440	15,474	112,914	-	-	-
2029	101,689	12,644	114,333	-	-	-
2030-2034	354,491	22,450	376,941	-	-	-
2035-2039	9,468	602	10,070	-	-	-
Total	<u>\$ 845,865</u>	<u>\$ 113,743</u>	<u>\$ 959,608</u>	<u>\$ 761,325</u>	<u>\$ 36,194</u>	<u>\$ 797,519</u>

The combined initial lease receivable was \$1,919,206; as of September 30, 2024, the value of the lease receivable is \$1,607,190. The leases all have an interest rate between 2.76% and 2.66%. The value of the deferred inflow of resources as of September 30, 2024 was \$1,493,325, and the County recognized lease revenue of \$325,260 during the fiscal year

Martin County, Florida
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Note 6 - Subscription Based Information Technology Agreements

For the year ended September 30, 2023, the financial statements include the adoption of GASB Statement No. 96, Subscription-Based Information Technology Arrangements. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset. For additional information, refer to the disclosures below. For the year ended September 30, 2024, the County had the following five subscription agreements:

Grant Street Group, Inc.: On 10/01/2022, the Tax Collector entered into a 24 month subscription for the use of Grant - Tax Collection and Billing System. An initial subscription liability was recorded in the amount of \$513,068. As of 09/30/2025, the value of the subscription liability is \$0. The Tax Collector is required to make annual fixed payments of \$256,791. The subscription has an interest rate of 3.2067%. The value of the right to use asset as of 09/30/2025 of \$0 with accumulated amortization of \$0.

On 10/01/2022, the Sheriff entered into a 40 month subscription for the use of security software. An initial subscription liability was recorded in the amount of \$280,123. As of 09/30/2024, the value of the subscription liability is \$140,734. The Sheriff is required to make annual fixed payments of \$73,803. The subscription has an interest rate of 3.2380%. The value of the right to use asset as of 09/30/2024 of \$280,273 with accumulated amortization of \$168,164.

SHI International Corp.: On 01/01/2023, the Sheriff entered into a 48 month subscription for the use of Microsoft Solutions.. An initial subscription liability was recorded in the amount of \$876,417. As of 09/30/2024, the value of the subscription liability is \$438,030. The Sheriff is required to make annual fixed payments of \$228,569. The subscription has an interest rate of 2.8943%. The value of the right to use asset as of 09/30/2024 of \$876,417 with accumulated amortization of \$383,432. The Sheriff has 1 extension option(s), each for 36 months.

Microsoft Office: On 06/01/2024, Martin County entered into a 36 month subscription for the use of Office 365 Plan. An initial subscription liability was recorded in the amount of \$1,380,215. As of 09/30/2024, the value of the subscription liability is \$907,088, and the value of the short-term subscription liability is \$447,139. BOCC - Martin County, FL is required to make annual fixed payments of \$473,127. The subscription has an interest rate of 2.8650%. The value of the right to use asset as of 09/30/2024 of \$1,380,215 with accumulated amortization of \$153,357 is included with Software on the Subscription Class activities table found below. BOCC - Martin County, FL has 1 extension option(s), each for 36 months.

Pictometry International Corp.: On 03/14/2023, the Property Appraiser entered into a 36 month subscription for the use of Pictometry Software. An initial subscription liability was recorded in the amount of \$375,836. As of 09/30/2024, the value of the subscription liability is \$252,495. The Property Appraiser is required to make annual fixed payments of \$151,699. The subscription has an interest rate of 2.6560%. The value of the right to use asset as of 09/30/2024 of \$375,836 with accumulated amortization of \$193,834.

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Governmental activities:	Beginning Balance	Increases	Decreases	Total
Right to use, subscriptions				
Subscription assets	\$ 2,295,594	\$ 1,380,215	\$ (763,069)	\$ 2,912,740
Total right to use, subscriptions	2,295,594	1,380,215	(763,069)	2,912,740
Less accumulated amortization				
Accumulated amortization, subscription assets	(698,499)	(963,356)	763,068	(898,787)
Total less accumulated amortization	(698,499)	(963,356)	763,068	(898,787)
Total right to use, subscriptions, net	<u>\$ 1,597,095</u>	<u>\$ 416,859</u>	<u>\$ (1)</u>	<u>\$ 2,013,953</u>
Governmental activities:				
General government	\$ 660,170			
Public Safety	303,186			
Total amortization expense - governmental activities	<u>\$ 963,356</u>			

The combined initial subscription liability was \$2,611,706; as of September 30, 2024, the value of the subscription liability is \$1,738,346. The subscriptions have an interests rates ranging from 2.66% to 3.24%. The value of the subscription assets as of September 30, 2024, is \$2,912,740 with accumulated amortization of \$898,787.

Note 7 - Fund Balance Deficits

The following funds had a fund balance deficit at September 30, 2024:

Federal Grants	\$ 5,648,972
Other State Grants	\$ 12,448,299

These deficits result from future grant reimbursements which were not susceptible to accrual at September 30, and are being reported as deferred inflows of resources – unavailable revenue, pursuant to GASB Statement No. 65, and as unassigned fund balance, pursuant to GASB Statement No. 54.

Martin County, Florida
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Note 8 - Long-Term Obligations

Long-term obligations for the governmental funds at September 30, 2024, are comprised of the following:

Compensated Absences	<u>\$ 21,917,004</u>

Long term leases:

The County has entered into twenty-nine leases as lessee. See Note 5, Leases, for details.	<u>9,490,174</u>

Subscriptions:

The County has entered into four subscription agreements. See Note 6, Subscriptions, for details.	<u>1,738,346</u>

Obligations under finance purchase agreements:

The County has entered into various finance purchase agreements ("agreements") for financing the acquisition of ambulances, fire pumpers, a custom tractor chassis, water tankers and other fire equipment; and an Energy Performance contract with Trane for the Martin County Jail. In addition, the Sheriff has agreements for a CAD system, a 2020 H125 Airbus helicopter and mission equipment, Forensic Science equipment, and a contract for Dell computers. New agreements for FY24 include the following: the County entered into a \$2,216,641 agreement for a custom pumper and an aerial ladder; the Sheriff entered in to a \$348,953 agreement for additional Dell computers. All of these agreements qualify as finance purchase agreements for accounting purposes and therefore have been recorded at the present value of their future payments as of the inception date, using a discount rate of 1.1025% to 10.7997%. Assets acquired have a cost of \$27,253,210 and a net book value of \$15,581,394.	<u>15,920,813</u>

Revenue notes and bonds:

\$23,135,000 Gas Tax Refunding Revenue Note, Series 2014; interest of 2.21% payable semi-annually; principal payable in annual installments through April 1, 2026; covenants, pledges and conditions are on a parity with the 2006 Gas Tax Revenue Bonds, that is, collateralized by a lien and pledge of (1) Gas Tax Revenues and (2) until applied in accordance with the provisions of the Resolution, except (A) the Unrestricted Revenue Account and the Rebate fund, and (B) any sub account of the Reserve Account, which is pledged solely for the payment of a particular Series of Bonds for which it was established in accordance with the provisions of the Resolution. The purpose of this debt is to advance refund the County's Gas Tax Revenue Bonds, Series 2006 and to pay the costs of issuing this Series 2014 Note. The refunding resulted in a reduction of future debt service payments of \$1.834 million and a present value savings associated with the refunding of \$1.706 million. As of September 30, 2024, principal and interest remaining totaled \$5,154,047. For the year ended September 30, 2024, principal and interest payments were \$2,577,379.	5,042,000

Martin County, Florida
Notes to Financial Statements
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\$3,071,000 Capital Improvement Revenue Note, Series 2017A (Tax-Exempt); interest of 2.67% payable semi-annually; principal payable in annual installments through July 2032; collateralized by non-ad valorem revenues. The purpose of this note is to finance the construction, design, renovation, and equipping of various capital improvements including without limitation acquisition of a portion of an office building at Willoughby Commons for the Property Appraiser and Utilities and Solid Waste Department; and to pay associated transactional costs of issuing the note. As of September 30, 2024, principal and interest remaining on this note totaled \$2,010,476. For the year ended September 30, 2024, principal and interest payments were \$251,039.

1,789,000

\$1,896,000 Capital Improvement Revenue Note, Series 2017B (Taxable); interest of 4.00% payable semi-annually; principal payable in annual installments through July 2032; collateralized by non-ad valorem revenues. The purpose of this note is to finance the construction, design, renovation, and equipping of various capital improvements including without limitation acquisition of a portion of an office building at Willoughby Commons for the Property Appraiser and Utilities and Solid Waste Department; and to pay associated transactional costs of issuing the note. As of September 30, 2024, principal and interest remaining on this note totaled \$1,366,400. For the year ended September 30, 2024, principal and interest payments were \$170,787.

1,150,000

\$3,846,000 Capital Improvement Revenue Note, Series 2017C (Tax-Exempt); interest of 2.84% payable semi-annually; principal payable in annual installments through May 2028; collateralized by non-ad valorem revenues. The purpose of this note is to finance acquisition, design, construction, renovation, installation and equipping of various capital improvements within the Old Palm City Community Redevelopment Area and the Hobe Sound Community Redevelopment Area of the Martin County Community Redevelopment Agency. As of September 30, 2024, principal and interest remaining on this note totaled \$1,789,160. For the year ended September 30, 2024, principal and interest payments were \$447,358.

1,669,000

\$2,246,000 Capital Improvement Revenue Note, Series 2017E (Tax-Exempt); interest of 2.09% payable semi-annually; principal payable in annual installments through November 2025; collateralized by non-ad valorem revenues. The purpose of this note is primarily to finance the acquisition of four Rescue Pumpers on an E-One Typhoon X Chassis. As of September 30, 2024, principal and interest remaining on this note totaled \$617,704. For the year ended September 30, 2024, principal and interest payments were \$308,706.

604,986

\$11,936,000 Capital Improvement Refunding Revenue Note, Series 2022 (Taxable); interest of 3.14% payable semi-annually; principal payable in annual installments through May 2033; collateralized by non-ad valorem revenues. The purpose of this note is to refund the County's Capital Improvement Revenue Note, Series 2017D (Taxable) and to pay all costs and expenses in connection with the preparation, issuance, and sale of this note. The difference in cash flows between the old and new debt service is \$659,210, which resulted in a net present value economic gain of \$555,170. As of September 30, 2024, principal and interest remaining on this note totaled \$11,678,901. For the year ended September 30, 2024, principal and interest payments were \$1,297,870.

10,038,000

Martin County, Florida
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\$5,050,000 North River Shores (Phase 2) Municipal Service Benefit Unit Special Assessment Revenue Note, Series 2018, interest of 3.12% payable semi-annually; principal payable in annual installments through July 2039; collateralized by assessments and non-ad valorem revenues. The purpose of this note was to fund the cost of construction of a vacuum assisted gravity sewer system and associated pumping facility to provide sanitary sewer service to approximately 296 single and multifamily parcels of land in the southern North River Shores area of Martin County, Florida. As of September 30, 2024, principal and interest remaining on this note totaled \$4,371,855. For the year ended September 30, 2024, principal and interest payments were \$291,527. 3,449,318

\$38,840,000 Half-Cent Sales Tax Revenue Bonds, Series 2019; interest from 3% to 5% payable semi-annually and principal payable annually through July 2039; collateralized by a lien and pledge upon the Statewide Half-Cent Sales Tax Revenues. The purpose of these revenue bonds was to fund the Series 2019 Construction Fund for various projects including the following: Renovating/rebuilding of several fire stations; new fire training facility; new Field Operations facility; Golf Course renovations; generators for several locations; jail pod renovations; and constructing the Sheriff Purchasing Warehouse and a K-9 Facility. As of September 30, 2024, principal and interest remaining on this note totaled \$44,364,550. For the year ended September 30, 2024, principal and interest payments were \$2,958,750. 32,430,000

Total Revenue Notes and Bonds	\$	<u>56,172,304</u>

Unamortized premium		<u>3,023,954</u>

Total long-term obligations	\$	<u><u>108,262,595</u></u>

Total pledged revenues recognized for the North River Shores MSBU Special Assessment Note were \$199,141. Principal and interest payments for the year for that note were \$291,527. Total pledged revenues recognized during the fiscal year for the County's Gas Tax Debt were \$8,549,779. Principal and interest payments for the year for the 2014 Gas Tax Refunding Revenue Note were. \$2,577,379. Total pledged revenues recognized during the fiscal year for the County's Half Cent Sales Tax Revenue Bond were \$21,081,590, and principal and interest payments for the year were \$2,958,750. Total pledged revenues recognized for the remaining revenue notes were \$132,847,175 with principal and interest payments for the year totaling \$2,475,760.

Martin County, Florida
Notes to Financial Statements
September 30, 2024

The annual debt service requirements to maturity for long-term bonds, notes and finance purchase agreements are as follows:

Year Ending September 30,	Governmental Activities							
	Bonds and Notes		Financed Purchase Agreements		Long Term Leases		Subscriptions	
	Principal	Interest	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 6,207,294	\$ 2,093,628	\$ 3,608,876	\$ 427,400	\$ 1,424,760	\$ 143,294	\$ 855,616	\$ 51,181
2026	6,408,367	1,897,200	3,220,012	324,999	1,358,328	117,883	882,730	44,467
2027	3,688,468	1,725,635	2,267,397	239,077	1,172,756	95,497	-	-
2028	3,833,327	1,579,820	1,989,438	175,956	1,175,601	76,847	-	-
2029	3,542,110	1,427,893	1,348,669	123,087	1,045,047	59,675	-	-
2030-2034	17,866,830	4,836,175	3,486,421	160,685	3,313,682	108,299	-	-
2035-2039	14,625,908	1,620,439	-	-	-	-	-	-
	<u>\$ 56,172,304</u>	<u>\$ 15,180,790</u>	<u>\$ 15,920,813</u>	<u>\$ 1,451,204</u>	<u>\$ 9,490,174</u>	<u>\$ 601,495</u>	<u>\$ 1,738,346</u>	<u>\$ 95,648</u>

Changes in governmental activities' long-term liabilities for the year-ended September 30, 2024, are as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Compensated absences	\$ 19,758,407	\$ 11,594,660	\$ (9,436,063)	\$ 21,917,004	\$ 7,660,000
Long-term leases	9,652,962	1,428,923	(1,591,711)	9,490,174	1,424,760
Financed purchase agreements	16,877,361	2,565,594	(3,522,142)	15,920,813	3,608,876
Subscriptions	1,487,768	1,380,215	(1,129,637)	1,738,346	855,616
Revenue bonds/notes	62,192,662	-	(6,020,358)	56,172,304	6,207,294
Unamortized premiums	3,540,886	-	(516,932)	3,023,954	479,659
Total liabilities	<u>\$ 113,510,046</u>	<u>\$ 16,969,392</u>	<u>\$ (22,216,843)</u>	<u>\$ 108,262,595</u>	<u>\$ 20,236,205</u>

For the governmental activities, claims and judgments and compensated absences are generally liquidated by the general fund.

Martin County, Florida
Notes to Financial Statements
September 30, 2024

Note 9 - Long-Term Liabilities - Enterprise Funds

Long-term liabilities at September 30, 2024 in the Enterprise Funds consist of the following:

Compensated Absences	\$ 974,122

Revenue Bonds

\$47,760,000 Utilities System Refunding Revenue Bonds, Series 2016A; with interest rate ranging from 2.0% to 4.0% payable semi-annually; principal due annually through 2039; collateralized by (i) net revenues of the department, (ii) certain capital facilities charges collected with respect to the Department, (iii) special assessments, if any, and (iv) amounts on deposit in funds and accounts established by the bond resolutions, equal to remaining annual principal and interest requirements over the terms of the respective bond agreements. The proceeds of this bond were deposited in an irrevocable trust with an escrow agent to provide funding for repayment of the Utilities Series 2010 and Series 2012 notes, as well as providing funding for future debt service payments of the Utilities System Revenue Bonds, Series 2009A. As a result, the series 2010 and 2012 notes are fully defeased and the 2009 Series A is considered defeased in substance. The liabilities of those bonds have been removed from the statement of net position. In addition to the proceeds used for refunding debt, the Utilities received proceeds of \$4 million for capital projects. The refunding resulted in a decrease in future debt service payments of \$2,718,975 and a net present value savings of \$2,097,859.

35,955,000

Total Revenue Bonds

35,955,000

State Revolving Fund Loans

In 2002, the Department entered into a loan agreement with the State of Florida, Department of Environmental Protection (FDEP) to fund the planning and designing of wastewater collection systems for construction in Seagate Harbor and Lighthouse Point; the project was finalized May 16, 2006. Interest rates on the outstanding loan range from 2.71% to 3.11%.

178,767

In 2021, the Department entered into a loan agreement with the State of Florida, Department of Environmental Protection (FDEP) to fund the planning and designing of septic-to-sewer conversion for the Golden Gate Estates. The principal amount of the loan is \$9,191,946. The interest rate on the loan is 0.00%. Semi-annual payments of \$230,950 will be repaid until 2042.

8,545,152

In 2023, the Department entered into a loan agreement with the State of Florida, Department of Environmental Protection (FDEP) to fund the construction of septic-to-sewer conversions for Port Salerno/New Monrovia, Woodside/Stratford Downs, and Western Corridor Water and Sewer Extension. The estimated principal amount of the loan is \$20,147,700 and the loan service fee is \$400,000. The project is expected to be complete six months prior to the first semi-annual payment, which is due May 2028. The interest rate on the loan is 1.14%.

1,808,106

Martin County, Florida
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In 2023, the Department entered into a loan agreement with the State of Florida, Department of Environmental Protection (FDEP) to fund the construction of service lines for potable water service for Beau Rivage, Evergreen and Windstone, Harbor Estates- Gaines Ave, and Western Water Main Extension. The estimated principal amount of the loan is \$12,869,809 and the loan service fee is \$250,262. The project is expected to be complete six months prior to the first semi-annual payment, which is due September 2027. The interest on the loan is 1.52%.

	<u>2,988,169</u>
Total State Revolving Fund Loans	<u>13,520,194</u>
Total Revenue Bonds, State Revolving Fund Loan, and Advances	<u>49,475,194</u>
Unamortized premium	4,773,730
Landfill Closure Costs	<u>7,782,971</u>
Total long-term obligations	<u>\$ 63,006,017</u>

In 2014, the Department entered into an advance agreement of \$6,716,490 with the Solid Waste fund to provide partial funding of the Bio Solids Facilities in Jensen Beach and Tropical Farms. In 2017, the Utilities department entered into two additional advance agreements with the Solid Waste department. One was for the Crane Creek Septic to Sewer Program in the amount of \$1.89 million and the second agreement was for the Orchid Bay Septic to Sewer Program in the amount of \$1 million. In 2018, the Utilities department entered into an additional advance agreement with the Solid Waste department for the Palm Lake Estates Septic to Sewer Program in the amount of \$0.17 million. All of these advances were fully repaid in fiscal year 2024.

The revenue bonds include restrictive covenants which require the establishment and maintenance of various reserve and bond service accounts and governs the flow of funds with respect to such accounts. In addition, covenants generally require the Department to establish rates and fees sufficient to provide net revenues and special assessments equal to 110% of the annual debt service requirements, or rates and fees sufficient to provide net revenues, capital facilities charges and special assessments equal to 120% of annual debt service requirements. Based on the interpretations of the Resolutions, the Department's pledged revenues recognized during the period were approximately \$32,029,349 with capital facilities charges and \$24,129,778 exclusive of capital facilities charges. Principal and interest payments for the total fiscal year totaled \$6,817,380.

Martin County, Florida
Notes to Financial Statements
September 30, 2024

The annual debt service requirements to maturity for long-term bonds and loans payable (excluding the 2023 FDEP loan agreements) outstanding are as follows:

	Business-type Activities Water & Sewer Utilities Bonds and Loans		
Year Ending September 30,	Principal	Interest	Amount
2025	\$ 5,865,668	\$ 1,596,697	\$ 7,462,365
2026	5,946,900	1,331,775	7,278,675
2027	2,556,900	184,925	2,741,825
2028	2,666,900	184,925	2,851,825
2029	2,776,900	184,925	2,961,825
2030-2034	13,949,501	924,625	14,874,126
2035-2039	9,299,501	654,550	9,954,051
2040-2044	1,616,650	-	1,616,650
	<u>\$ 44,678,920</u>	<u>\$ 5,062,422</u>	<u>\$ 49,741,342</u>

Martin County, Florida
Notes to Financial Statements
September 30, 2024

Changes in long-term liabilities for the year ended September 30, 2024, were as follows:

	Balance 9/30/2023	Additions	Reductions	Balance 9/30/2024	Due Within One Year
Water/Sewer Utilities					
Revenue Bonds					
Series 2016A	\$ 38,890,000	\$ -	\$ (2,935,000)	\$ 35,955,000	\$ 5,225,000
Series 2016B	2,090,000	-	(2,090,000)	-	-
Plus (Less):					
Unamortized premium	5,109,176	-	(335,446)	4,773,730	-
Total revenue bonds	46,089,176	-	(5,360,446)	40,728,730	5,225,000
State Revolving Fund loan WWG12063607P -ST	352,747	-	(173,980)	178,767	178,767
State Revolving Fund loan Golden Gate -ST	8,823,213	-	(278,061)	8,545,152	461,901
State Revolving Fund loan WW430250 -ST	-	1,808,106	-	1,808,106	-
State Revolving Fund loan DW430240 -ST	-	2,988,169	-	2,988,169	-
Total long-term debt	55,265,136	4,796,275	(5,812,487)	54,248,924	5,865,668
Other Liabilities:					
Compensated absences	676,624	59,609	-	736,233	641,868
Total long-term liabilities Water/Sewer Utilities	55,941,760	4,855,884	(5,812,487)	54,985,157	6,507,536
Solid Waste:					
Compensated absences	165,783	-	(10,307)	155,476	128,951
Landfill closure costs	8,100,195	-	(317,224)	7,782,971	679,922
Total long-term liabilities Solid Waste	8,265,978	-	(327,531)	7,938,447	808,873
Airport					
Compensated absences	42,019	15,889	-	57,908	37,000
Golf-Course					
Compensated absences	12,799	11,706	-	24,505	7,000
Total long-term liabilities business-type activities	\$ 64,262,556	\$ 4,883,479	\$ (6,140,018)	\$ 63,006,017	\$ 7,360,409

Martin County, Florida
Notes to Financial Statements
September 30, 2024

Note 10 -Long Term Liabilities – Enterprise Funds – Solid Waste

Under the terms of Florida Department of Environmental Protection requirements, the County is required to provide long-term care for landfill operations for up to thirty years after final closure. Required obligations for closure and related maintenance costs are recognized in accordance with GASB Statement No. 18, Accounting for Municipal Solid Waste Landfill Closure and Post-closure Care Costs. The estimated total post-closure care is based on applicable federal and state regulations and is adjusted each year based on inflation or deflation and changes in operating conditions as calculated by an independent engineer. Solid Waste reports a portion of these post-closure care costs as an expense in each period based on actual costs incurred and adjustments to the engineer's report. The reported closure and post-closure care liability at September 30, 2024, represents the cumulative amount accrued to date based on closure of the landfill.

Solid Waste has entered into an agreement with an outside contractor to transfer and dispose of solid waste outside the County. Construction on the cap of the final open cell at Palm City II Landfill was completed during fiscal year 2006.

The decrease of the post closure liability of \$317,224 is due to a recalculation of estimates of the post-closure care costs and the final payment to the contractor for closing Palm City II. The estimates are recalculated every 5 years to reflect current year costs, changing the anticipated remaining costs.

Solid Waste is required by state and federal laws and regulations to make annual contributions to a trust to finance closure and post-closure care. Such amounts held for this purpose comprise the restricted investments on the accompanying balance sheet. Solid Waste expects that future inflation costs will be paid from interest earnings in the Solid Waste fund on these annual contributions. However, if interest earnings are inadequate or additional post-closure care requirements are determined (due to changes in technology or applicable laws or regulation, for example) these costs may need to be covered by charges to future landfill users.

Note 11 -Capital Contributions

Capital contributions in Water/Sewer Utilities fund consist of monies received, and capital assets contributed. The additions during fiscal year 2024 consisted of \$3,167,384 in cash, \$11,202,716 in capital assets (\$224,959 in easements and \$10,977,757 in developer contributions), and \$7,276,140 new special assessment revenue was recognized. Capital contributions recognized in the Airport fund totaled \$5,417,817 and consisted of capital grants. Capital contributions in the Golf Course fund consists of capital assets contributed in the amount of \$172,479.

Martin County, Florida
Notes to Financial Statements
September 30, 2024

Note 12 - Interfund Transfers

Interfund transfers for the year ended September 30, 2024, were as follows:

Transfers In	Transfers Out						Total
	General Fund	Consolidated Fire/EMS	Federal Grants	County Buildings	Nonmajor Governmental Funds	Water/Sewer Utilities	
General Fund	\$ -	\$ 300,000	\$ 510,000	\$ -	\$ 2,711,418	\$ -	\$ 3,521,418
Federal Grants	368,880	-	-	-	333,852	-	702,732
Other State Grants	267,675	-	42,759	-	3,602,691	-	3,913,125
County Buildings	3,897,677	-	-	-	1,500,000	-	5,397,677
Nonmajor Governmental Funds	3,792,403	2,113,955	31,236	50,000	3,375,056	276,455	9,639,105
Nonmajor Business-type Funds	564,641	-	-	-	-	-	564,641
Total Interfund Transfers	<u>\$ 8,891,276</u>	<u>\$ 2,413,955</u>	<u>\$ 583,995</u>	<u>\$ 50,000</u>	<u>\$ 11,523,017</u>	<u>\$ 276,455</u>	<u>\$ 23,738,698</u>

The County's interfund transfers are budgeted amounts transferred from one governmental accounting fund to another that are not repayable and do not constitute payment on reimbursement for work or services provided.

Transfers are used to:

- (1) Move revenues from within the fund which a statute or budget requires them to be collected to a fund from which a statute or budget transfer requires them to be expended.
- (2) Move receipts which are restricted to debt service from the funds where the receipts are collected into the debt service fund, as debt service payments become due.
- (3) Provide matching funds for the County's portion of grant agreements.
- (4) Use and transfer unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.
- (5) Provide funding for various capital projects by means of transfers.

In addition, during 2024, the County transferred capital assets with a net book value of \$172,479 to the Golf Course, from governmental activities to the business type activities. These transfers are reported as capital contributions for the proprietary at the fund level. At the government wide level, the transfer in governmental activities to business type activities is reported as a transfer.

Martin County, Florida
Notes to Financial Statements
September 30, 2024

Note 13 -Property Tax

The key dates applicable to the ad valorem property tax cycle under normal conditions are as follows:

Preliminary Tax Roll Certification	July 1
Notice of Proposed Taxes Mailed	August 10-25
Millage resolution approved	October 8
Final Tax Roll Certification	October 10-20
Beginning of fiscal year for which taxes are levied	October 1
Property taxes payable	
Maximum discount	November 30
Delinquent	April 1
Tax certificates sold	June 1
Lien date	June 1

Property tax levies are based on assessed values as of January 1st and become due and payable on November 1st of each year. A discount of 4 percent is allowed if paid in November, with the discount decreasing by 1 percent each month. Thus, taxes paid in March will not receive any discount. All unpaid taxes become delinquent on April 1st. Real property taxes that are delinquent are charged 3 percent interest for April and May. Florida Power & Light Company is a major tax payer in the county, representing approximately 8.36% of taxable value.

Note 14 -Tax Abatements

Economic Development Exemption

Section 125.045(2) Florida Statutes authorizes the governing body of a county to expend public funds to attract and retain business enterprises, and declares the use of public funds toward the achievement of such economic development goals to be a public purpose. The Board of County Commissioners has appointed an advisory committee to serve as the Martin County Enterprise Zone Development Agency (EZDA). The purpose of the EZDA is to promote the newly established Enterprise Zone, to encourage existing businesses to expand, and to attract new businesses complimentary with the Enterprise Zone Strategic Plan to relocate to within the boundaries of the Enterprise Zone.

In accordance with the Florida Enterprise Zone Act, the EZDA proposed opportunities to expand growth and development within the Enterprise Zone could be accomplished through creation of a tangible personal property tax grant program to industrial business entities with substantially high assessed amounts of tangible personal property. Subsequent to the recommendations of the EZDA to the Board of County Commissioners, the Board approved a Tangible Personal Property Program (TPP) through passage of Resolution No. 15-2.5 in February, 2015. The program was extended for an additional five years in June, 2015 through Resolution No. 15-6.8. The terms of the TPP stipulates eligible business entities receiving grants from the program must be located within the boundaries of the Martin County Enterprise Zone, as well as maintain a substantial taxable value of tangible personal property on the business site, as contained in the County's tangible personal property ad-valorem tax roll and as reported on Tangible Personal Property form DR-405. The grant amount to be received by qualifying entities in reimbursement of paid tangible personal property tax are paid annually after the applicable tangible personal property tax bill has been paid for the appropriate year (January 1st to December 31st), and funds have been received from the Tax Collector by the Board of County Commissioners. The grant amount is calculated by multiplying a negotiated lower millage rate by the total value of the business entity's tangible personal property for the applicable parcel identification number, then subtracting that amount from the total amount of tangible personal property taxes levied

Martin County, Florida
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by the total County millage for the same parcel. The negotiated fixed millage rate is set forth in the terms of each individual agreement.

In June 2015 the Board of County Commissioners approved a five year agreement with Florida Power and Light (FPL) with an effective date of January 1, 2016, through December 31, 2020, to provide grants in reimbursement of tangible personal property tax. In November 2018 the agreement was extended through December 31, 2023. In November 2023 the agreement was further extended to December 2028. The tangible personal property grant reimbursement FPL received for tax roll year 2024 is \$5,141,312. Currently the grant is calculated at 60% of the taxes due the County plus 50% of the taxes due the Fire/Rescue Unincorporated MSTU. The computation is shown in the table below. There are currently no other business entities in the Enterprise Zone receiving grants under the Tangible Personal Property Program.

FY 2024 Tangible Personal Property Grant

Parcel 1000-6002-7823	2024 Taxable Value	2025 Millage	Total Taxes Due with 4% Early Pay Discount	Grant Amount
County Millage	\$1,014,226,881	\$0.00657760	\$ 6,404,332	
Grant Amount	1,014,226,881	0.00394656		\$ 3,842,599
Fire/Rescue Unincorporated MSTU Millage	1,014,226,881	0.00266770	2,597,427	
Grant Amount	1,014,226,881	0.00133385	-	1,298,713
Total FY24 FPL TPP Grant			<u>\$ 9,001,759</u>	<u>\$ 5,141,312</u>

Note 15 - Defined Benefit Pension Plan

Pension Expense/Expenditures

The County's aggregate pension expense/expenditures was an increase of \$3,441,166 for the fiscal year ended September 30, 2024. The County's aggregate net pension liability was \$261,801,370, with balances of deferred outflows of resources related to pensions of \$75,070,698 and deferred inflows of resources related to pensions of \$24,286,278 as of September 30, 2024.

	Net Pension Liability		
	FRS	HIS	Total
Board, including Enterprise Funds	\$ 104,364,123	\$ 29,169,660	\$ 133,533,783
Clerk	3,595,016	1,555,174	5,150,190
Property Appraiser	2,611,482	886,863	3,498,345
Sheriff	93,850,070	19,802,416	113,652,486
Supervisor of Elections	1,002,421	254,225	1,256,646
Tax Collector	3,414,616	1,295,304	4,709,920
Total	<u>\$ 208,837,728</u>	<u>\$ 52,963,642</u>	<u>\$ 261,801,370</u>

Martin County, Florida
Notes to Financial Statements
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	Changes in Net Pension Liability		
	<u>Beginning</u>	<u>Net Changes</u>	<u>Ending</u>
FRS	\$ 203,094,820	\$ 5,742,908	\$ 208,837,728
HIS	55,265,384	(2,301,742)	52,963,642
Total	<u>\$ 258,360,204</u>	<u>\$ 3,441,166</u>	<u>\$ 261,801,370</u>

Plan Description

The County participates in the Florida Retirement System ("FRS"), a cost-sharing, multiple-employer, public employee retirement plan, which covers substantially all of the County's full-time employees. The Florida Department of Management Services Division of Retirement administers the FRS Pension Plan and the Retiree Health Insurance Subsidy ("HIS").

The Florida Legislature established the FRS under Chapter 121, Florida Statutes, and has sole authority to amend benefits provisions. Each year the FRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the Florida Department of Management Services, Division of Retirement, P.O. Box 9000, Tallahassee, FL 32315-9000, or from the Web site: www.dms.myflorida.com/workforce_operations/retirement/publications.

FRS Plan

Drop Benefits

The Deferred Retirement Option Program (DROP) is a program that provides an alternative method for payment of retirement benefits for a specified and limited period for members of the FRS, effective July 1, 1998. Under this program, the employee may retire and have their benefits accumulate in the Florida Retirement System Trust Fund, earning interest, while continuing to work for an FRS employer. The participation in the program does not change conditions of employment. When the DROP period ends, maximum eight years, employment must be terminated. At the time of termination, employees will receive payment of the accumulated DROP benefits, and begin receiving their monthly retirement benefit, in the same amount determined at retirement, plus annual cost-of-living increases.

Funding Policy

Effective July 1, 2011, all employees, except those participating in the DROP program, are required to make a 3% contribution of their gross salary. The FRS is a defined benefit plan for all state, participating county, district school board, community college and university employees. Governmental employers are required to make contributions to the FRS based on statewide contribution rates. Accordingly, the actuarial information and related disclosures attributable to the County's employees are not determinable. The County is required to contribute an actuarially determined rate.

Contribution rates, expressed as a percentage of covered annual payrolls, in effect during the fiscal year for the following classes of memberships were:

	<u>10/01/23- 6/30/24</u>	<u>7/01/24- 9/30/24</u>
Regular	13.57 %	13.63 %
Senior Management	34.52 %	34.52 %
Special Risk	32.67 %	32.79 %
County Elected Officials	58.68 %	58.68 %
DROP	21.13 %	21.13 %

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The pension liability is liquidated through the General Fund. The contributions of the County are established and may be amended by the State Legislature. The County's contributions, including employee contributions, to the FRS Pension Plan totaled \$31,526,888 for the fiscal year ended September 30, 2024.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2024, the County reported a liability of \$208,837,728 for its proportionate share of the FRS Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The County's proportionate share was based on the County's 2023-24 fiscal year contributions relative to the 2022-23 fiscal year contributions of all participating members. At June 30, 2024, the County's proportionate share was 0.540%, an increase of 0.030% over its proportionate share measured as of June 30, 2023.

For the fiscal year ended September 30, 2024, the County recognized an increase in pension expense of \$2,298,253 related to FRS. In addition the department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 21,098,217	\$ -
Change of assumptions	28,623,120	-
Net difference between projected and actual earnings on Pension Plan investments	-	(13,880,442)
Changes in proportion and differences between County Pension Plan contributions and proportionate share of contributions	12,738,193	(3,802,102)
County Pension Plan contributions subsequent to the measurement date	8,178,638	-
Total	\$ 70,638,168	\$ (17,682,544)

The deferred outflows of resources related to the FRS Pension Plan, totaling \$8,178,638 resulting from the County's contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the FRS Pension Plan will be recognized in pension expense as follows:

<u>September 30:</u>	<u>Amount</u>
2025	\$ 7,463,744
2026	997,187
2027	26,941,226
2028	4,535,978
2029	2,828,073
Thereafter	2,010,779
Total	\$ 44,776,987

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Actuarial Assumptions

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

Inflation	2.40 %
Salary increases	3.50 % average, including inflation
Investment rate of return	6.70 % net of pension plan investment expense

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2018 tables.

The actuarial assumptions used in the June 30, 2024, valuation were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

The following key actuarial assumptions occurred in 2024: the long-term expected rate of return and the discount rate used to determine the total pension liability remained at 6.70%, and the active member mortality assumption remained the same.

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

Asset Class	Target Allocation ¹	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0 %	3.3 %	3.3 %	1.1 %
Fixed Income	29.0 %	5.7 %	5.6 %	3.9 %
Global equity	45.0 %	8.6 %	7.0 %	18.2 %
Real estate (property)	12.0 %	8.1 %	6.8 %	16.6 %
Private equity	11.0 %	12.4 %	8.8 %	28.4 %
Strategic investments	2.0 %	6.6 %	6.2 %	8.7 %
Total	100.0 %			
Assumed Inflation - Mean			2.4 %	1.5 %

¹ As outlined in the Pension Plan's investment policy

Discount Rate - The discount rate used to measure the total pension liability was 6.70%. The FRS Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-

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term expected rate of return.

Sensitivity of the Department's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the Department's proportionate share of the net pension liability calculated using the discount rate of 6.70%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (5.70%) or one percentage point higher (7.70%) than the current rate:

	1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)
County's proportionate share of the net pension liability	\$ 367,338,252	\$ 208,837,728	\$ 76,059,922

FRS Pension Plan Fiduciary Net Position - Detailed information regarding the FRS Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report.

HIS Plan

Plan Description – The HIS Plan is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided – For the fiscal year ended September 30, 2024, eligible retirees and beneficiaries received a monthly HIS Plan payment of \$7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS Plan payment of \$45 and a maximum HIS Plan payment of \$225 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions – The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2024, the HIS Plan contribution for the period October 1, 2023, through September 30, 2024, was 1.66%. The County contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contribution is deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The County's contributions to the HIS Plan totaled \$3,072,393 for the fiscal year ended September 30, 2024.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2024, the County reported a liability of \$52,963,642 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The County's proportionate share of the net pension liability was based on the County's 2022-23 fiscal year contributions relative to the 2022-23 fiscal year contributions of all participating members. At June 30, 2024, the County's proportionate share was 0.353%, a decrease of 0.005% over its proportionate share measured as of June 30, 2023.

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For the fiscal year ended September 30, 2024, the County recognized pension expense of \$(197,078) related to HIS. In addition, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 511,400	\$ 101,698
Change of assumptions	937,332	6,270,216
Net difference between projected and actual earnings on pension plan investments	-	19,155
Changes in proportion and differences between county pension plan contributions and proportionate share of contributions	2,183,717	212,665
County pension plan contributions subsequent to the measurement date	<u>800,081</u>	<u>-</u>
Total	<u>\$ 4,432,530</u>	<u>\$ 6,603,734</u>

The deferred outflows of resources related to the FRS Pension Plan, totaling \$800,081 resulting from the County's contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the FRS Pension Plan will be recognized in pension expense as follows:

<u>September 30:</u>	<u>Amount</u>
2025	\$ (320,623)
2026	(168,574)
2027	(423,488)
2028	(869,539)
2029	(718,602)
Thereafter	(470,460)
Total	<u>\$ (2,971,286)</u>

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

Inflation	2.40 %
Salary increases	3.50 % average, including inflation
Investment Rate of Return	3.93 % Municipal Bond Rate

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2018 tables. The actuarial assumptions used in the June 30, 2024, valuation were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

The following changes in key actuarial assumptions occurred in 2024: the long-term expected rate of return and the discount rate used to determine the HIS portion of the total pension liability was increased from 3.65% to 3.93%,

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and the active member mortality assumption remained the same.

Discount Rate - The discount rate used to measure the total pension liability was 3.93%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS Plan benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the FRS Actuarial Assumption Conference. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the County's Proportionate Share of the Net Position Liability to Changes in the Discount Rate - The following represents the County's proportionate share of the net pension liability calculated using the discount rate of 3.93%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.93%) or one percentage point higher (4.93%) than the current rate:

	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
County's proportionate share of the net pension liability	\$ 60,292,299	\$ 52,963,642	\$ 46,879,671

Pension Plan Fiduciary Net Position - Detailed information regarding the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report.

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

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. County employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature.

The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution and by forfeited benefits of plan members.

Allocations to the investment member's accounts from the employer's contribution during the 2023-24 fiscal years, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows: Regular class 11.30%, Special Risk Administrative Support class 12.95%, Special Risk class 19%, Senior Management Service class 12.67% and County Elected Officers class 16.34%.

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service

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credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2024, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the County.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The FRS publishes an annual report that provides ten-year historical trend information about progress made in accumulating sufficient assets to pay benefits when due. This report may be obtained by writing to the Division of Retirement, Research, Education and Policy Section, P.O. Box 9000, Tallahassee, Florida 32315-9000, or by calling (850) 488-5706, or accessing their Internet site at http://dms.myflorida.com/human_resource_support/retirement.

Note 16 -Other Postemployment Benefits (OPEB)

Plan Description

In addition to the retirement system described in Note 14, the County provides post-retirement health care benefits, pursuant to Section 112.0801 of Florida Statutes, to all employees who retire from the County after vesting with the State of Florida Retirement System (FRS). Currently, 668 retirees meet those eligibility requirements. Although not required by Florida Law, the County has opted to pay a portion of the cost of such participation for retired County employees through a single employer defined benefit plan (the “Plan”) for which benefit provisions may be amended. Employees, other than firefighters, who were hired on or after October 13, 2009, are not eligible for post-retirement health care benefits, however, they may participate in the County’s plan, paying the whole cost themselves. The Plan does not issue a stand-alone financial report. All financial information related to the Plan is accounted for in the County’s basic financial statements.

Retired employees of the Board of County Commissioners; Clerk of the Circuit Court; Property Appraiser; Supervisor of Elections; and Tax Collector, (“the Agencies”), hired prior to October 13, 2009, who retire after 30 years of service, or after the age of 55, with ten years of credited service with the County and who were participants in the existing medical plan at the time of retirement, are entitled to participation in the Plan. For these retirees, the Agency subsidizes 75% of the cost of health care coverage for the retiree. The retiree may choose family coverage, but would have to pay the difference in premium cost to the Agency.

Eligible IAFF (International Association of Fire Fighters) employees wishing to participate in the County’s health insurance program upon retirement must have worked for Martin County for ten years, be at least 55 years of age, or have worked for a Florida Retirement System Employer for at least 25 years including ten years with Martin County, regardless of age. The retired employee must be receiving retirement benefits from the Florida Retirement System (FRS) in order to participate in the Plan. Effective October 1, 2011, the Board of County Commissioners reduced the health premium subsidy provided to its retiring firefighters. Those that retired prior to that date will be grandfathered and continue to receive the subsidy of the County paying 75% of insurance cost regardless of the level of coverage (including any dependent coverage). Firefighters who retired after September 30, 2011, will not receive any direct subsidy to dependent coverage; however, the County will continue paying 75% of single premiums until the retiree

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attains Medicare eligibility. For retirees eligible for Medicare, the County will contribute 25% of the applicable single premium.

The Sheriff's Office provides postretirement health care benefits, in accordance with state statutes, to all employees who retire from the Sheriff's Office after vesting with the state of Florida Retirement System (FRS). Currently, 323 retirees meet those eligibility requirements. The Sheriff subsidizes 75% of the amount of health care costs for retirees hired before January 1, 2001, and who have completed ten or more years of creditable, continuous service with the Sheriff's Office. Employees hired after that date through December 31, 2009, are subsidized 60% to 75%, depending on the years of service. Employees hired on or after January 1, 2010, with at least 20 years of service will be subsidized 70% to 75%. Full-time employees hired on or after April 1, 2011 who wish to continue their health insurance benefits upon their retirement, shall be responsible for 100% of their insurance costs. The health care rates for retirees are the same as for active employees. All retirees who have life insurance at the time of their retirement are eligible for a \$5,000 life insurance policy on themselves only, which is subsidized 50% by the Sheriff. The Sheriff does not issue a stand-alone financial report for OPEB.

Funding Policy

The contribution requirements of plan members and the employer are established by the Board of County Commissioners and may be amended. All entities of the County are required by Florida Statute 112.0801 to allow their retirees (and eligible dependents) to continue participation in the group insurance plan. Retirees must be offered the same coverage as is offered to active employees at a premium cost of no more than the premium cost applicable to active employees which results in an implicit subsidy as defined by GASB Codification Section P52: Postemployment Benefits Other Than Pensions – Reporting for Benefits Not Provided Through Trusts That Meet Specified Criteria.

At September 30, 2024, retirees receiving benefits contributed the following monthly premiums in the following categories for Agencies (BOCC, except IAFF, and all constitutionals except the Sheriff), IAFF, and Sheriff:

	Fire Rescue		
	Agencies	IAFF	Sheriff
Monthly Minimum	\$ 100	\$ 100	\$ 208
Monthly Maximum	\$ 1,934	\$ 1,451	\$ 2,251

Funding for the plan is on a pay-as-you-go basis from the County's general assets when due. There are no plan assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75. The County has set an internal assignment of \$4.5 million for this purpose; interest totaling \$239,100 had accrued as of September 30, 2024. The Sheriff's Department has no internal assignment for OPEB.

For the fiscal year ended September 30, 2024, the County provided explicit subsidy contributions of \$3,148,592 to cover retired employees and \$3,040,967 for the Sheriff's Office to cover retired employees. Blended premium rates for active and retired employees combined provide an implicit subsidy for retirees because, on an actual basis, their current and future claims are expected to result in higher costs to the Plan than those of active employees. The current year contributions include an estimate of this implied subsidy.

Plan Membership

Effective for fiscal year 2024, the Enterprise Funds portion of the OPEB liability is being recorded in the Proprietary Fund Statements.

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As of September 30, 2023, membership consisted of the following:

	<u>Agencies</u>	<u>Sheriff</u>
Active employees	1,160	529
Retired participants	345	323
Total	<u>1,505</u>	<u>852</u>

Actuarial Assumptions and Other Inputs

The total OPEB liability was determined based on the following assumptions and information:

Actuarial valuation date	September 30, 2023
Measurement date of the total OPEB liability	September 30, 2023
Employer's reporting date	September 30, 2024
Actuarial cost method	Entry Age Normal

Discount Rate: The discount rate of 4.63% is based on the daily rate of Fidelity's General Obligation AA Index closest to but no later than the measurement date, which provides a yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher.

Inflation: 2.50 % per year

Salary Increases: 3.40% - 8.20% per year, including inflation

Healthcare Cost Trend Rates: Rates are based on the Getzen Model, with trend starting at 6.3% on January 1, 2023, followed by 6.00% on January 1, 2024, and gradually decreasing to an ultimate trend rate of 4.00%; and Sheriff trend starting at 6.3% on October 1, 2023 (10% for premiums), followed by 6.00% on October 1, 2024, and gradually decreasing to an ultimate trend rate of 4.00%. In addition, retiree dental benefits are assumed to increase 4.00% per year.

Mortality Rates: Mortality rates are based on the results of a state wide experience study covering the period 2013-2018.

Premium Rate Subsidy: For Agencies and Fire Rescue, a subsidized rate is available to employees hired by the County before October 13, 2009, and retiring with at least ten years of service with the County who meet requirements for Normal Retirement or upon attaining age 55. The amount and duration of the subsidy depends on the employment classification and date of retirement. For Sheriff, a subsidized rate based on a sliding scale is available for full-time employees of the Sheriff's Office hired on or after June 1, 2007, who qualify under the Disability or Normal Retirement requirements of FRS and who work the last ten continuous years with the Sheriff's Office.

Demographic Assumptions: Unless otherwise noted, demographic assumptions used were the same as those employed in the July 1, 2023 actuarial valuation of the Florida Retirement System (FRS), which were developed by FRS from an Actuarial Experience Study completed for the period July 1, 2013, through June 30, 2018.

Expenses: Administrative expenses are included in per capita health costs.

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Changes Since the Prior Valuation: Changes in assumptions and other inputs include the change in the discount rate from 4.40% as of September 30, 2022, to 4.63% as of September 30, 2023. Benefit changes during the year: Effective July 1, 2023, per Senate Bill 7024, the retirement eligibility for Special Risk members hired on or after July 1, 2011 was lowered to the earlier of: (1) age 55 with 8 years of creditable service, (2) 25 years of creditable service regardless of age. In addition, the maximum DROP participation was extended from 5 years to 8 years for all eligible for DROP. Long-term trend rates of healthcare cost increases from 3.75% to 4.00%.

At September 30, 2024, the County reported a total OPEB liability of \$139,241,122. Information required by GASB Codification Section P52: Postemployment Benefits Other Than Pensions – Reporting for Benefits Not Provided Through Trusts That Meet Specified Criteria is being provided as of the September 30, 2023, measurement date.

	Total OPEB Liability
Board, including Enterprise Funds	\$ 54,801,217
Clerk	5,748,493
Property Appraiser	2,239,993
Sheriff	73,281,120
Supervisor of Elections	210,177
Tax Collector	2,960,122
Total	<u>\$139,241,122</u>

Changes in Total OPEB Liability

The County's changes in total OPEB liability for the year ended September 30, 2023 (measurement date), were as follows:

Service Cost	\$ 2,689,454
Interest on the total OPEB liability	6,031,532
Changes of benefit terms	653,400
Difference between expected and actual experience of the total OPEB liability	5,568,664
Changes in assumptions and other inputs	(6,883,033)
Benefit payments	<u>(6,419,441)</u>
Net change in total OPEB liability	<u>\$ 1,640,576</u>

Sensitivity of the Total OPEB Liability

The following table represents the County's total OPEB liability calculated using the discount rate of 4.63%, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower (3.63%) or one percentage point higher (5.63%) than the current rate:

	1% Decrease (3.63%)	Current Discount Rate (4.63%)	1% Increase (5.63%)
Total OPEB Liability	\$158,038,025	\$139,241,122	\$123,557,847

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The following table represents the County's total OPEB liability (aggregating Agencies and the Sheriff's Office) calculated using the current health care cost trend rate, as well as what the County's total OPEB liability would be if it were calculated using a health care cost trend rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease	Current Ultimate Trend Rate	1% Increase
Total OPEB Liability	\$121,425,106	\$139,241,122	\$161,493,612

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

For the fiscal year ended September 30, 2024, the County recognized OPEB expense as follows:

Service cost	\$ 2,689,454
Interest on the total OPEB liability	6,031,532
Recognition of outflow/inflow of resources due to liabilities	(6,128,200)
Current period benefit changes	653,400
Total	<u>\$ 3,246,186</u>

In addition, the County reported deferred outflows of resources and deferred inflows of resources related to the OPEB plan from the following sources:

	Deferred Outflows of Resources			
	Agencies Without Enterprise	Enterprise Funds	Sheriff	Total
Difference between expected and actual experience	\$ 8,326,295	\$ 210,143	\$ 4,746,495	\$ 13,282,933
Changes in assumptions and other inputs	4,159,410	104,977	605,399	4,869,786
Benefits paid after the measurement date	3,071,083	77,509	3,040,967	6,189,559
Total	<u>\$ 15,556,788</u>	<u>\$ 392,629</u>	<u>\$ 8,392,861</u>	<u>\$ 24,342,278</u>

	Deferred Inflows of Resources			
	Agencies Without Enterprise	Enterprise Funds	Sheriff	Total
Difference between expected and actual experience	\$ -	\$ -	\$ -	\$ -
Changes in assumptions and other inputs	27,477,188	693,482	29,383,301	57,553,971
Total	<u>\$ 27,477,188</u>	<u>\$ 693,482</u>	<u>\$ 29,383,301</u>	<u>\$ 57,553,971</u>

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The deferred outflows of resources related to OPEB resulting from County contributions paid subsequent to the measurement date total \$6,189,559 and will be recognized as a reduction of the total OPEB liability in the fiscal year ending September 30, 2025.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB plan will be recognized in the expense as follows:

September 30:	Amount
2025	\$ (6,128,200)
2026	(5,420,016)
2027	(4,378,621)
2028	(3,674,442)
2029	(4,956,707)
Thereafter	(14,843,266)
Total	<u>(39,401,252)</u>

Deferred inflows of resources arising from changes in assumptions and other inputs will be recognized in OPEB expense using a systematic and rational method over a closed period equal to the average of the remaining service lives of all employees that are provided with OPEB through the Plan. At September 30, 2023, the average of the expected remaining service lives is 10.8 years for Agency employees and 9.4 years for employees of the Sheriff's Office.

Note 17 -Risk Management

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

The coverage for property, general liability, automobile liability, workers' compensation, and public employee bond and comprehensive crime loss is covered through a comprehensive property and liability risk management program reported in the Self-Insurance Fund, which was initiated in October 1987, when the County entered into an interlocal agreement with City of Stuart, City of Port St. Lucie, and St. Lucie County to form the Tri-County Risk Management Program (TRICO), a public entity risk pool. TRICO, a self-insured fund, was organized to develop, implement, and administer a multi-district cooperative property and casualty risk management program for the member cities and counties in which risk of loss is transferred to TRICO. The County makes an annual actuarially determined contribution to TRICO and the interlocal agreement and by-laws of TRICO call for it to be self-sustaining through member contributions. However, the County is subject to supplemental contributions in the event of deficiency except to the extent that the deficiency results from a specific claim against another member in excess of the coverage available, then such deficiency is solely the responsibility of that member.

The County provides health insurance for its employees, retirees, and eligible dependents. Employees may choose single or family coverage and pay 25% of premiums, while the county pays 75% of premiums. Participants in the program make payments to the Self-Insurance Fund based on estimates of amounts needed to pay prior and current year claims and to establish an additional liability for claims incurred but not reported.

Fund revenues are primarily insurance contributions from other funds. The revenues are planned to match contributions made to the self-insured comprehensive risk management program, expenses of insurance premiums for excess coverage, estimated payments of claims resulting from the self-insurance program and the operating

Martin County, Florida
Notes to Financial Statements
September 30, 2024

expenses. Settled claims have not exceeded coverage in the past three years.

Annual contributions associated with the TRICO interlocal agreement are presented as expenses in the self-insurance fund, based on actuarially determined contributions required. In addition, self-insurance fund liabilities for employee health are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. Employee health liabilities include an amount for claims that have been incurred but not reported and also any administrative costs reported as accounts payable at year end. Estimates of claims liabilities are determined using actuarial methods and experience of claims history.

Changes in balances of accounts payable and claims liabilities associated with employee health during the past two years are as follows:

Accounts payable & accrued insurance claims at October 1, 2022	\$ 2,129,902
Expenses incurred	49,064,895
Claims paid	<u>(49,027,632)</u>
Accounts payable & accrued insurance claims at September 30, 2023	2,167,165
Expenses incurred	54,647,613
Claims paid	<u>(54,364,680)</u>
Accounts payable & accrued insurance claims at September 30, 2024	<u>\$ 2,450,098</u>

Note 18 -Contingencies

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the state and federal governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

The County is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operations. Claims covered by the self-insurance program are reviewed and losses are accrued as required in the judgment of management. In the opinion of management, based on the advice of legal counsel, the ultimate disposition of these lawsuits and claims will not have a material adverse effect on the financial position of the County.

Note 19 -Subsequent Event

On October 9, 2024, Hurricane Milton impacted Martin County, resulting in significant damage to public infrastructure, facilities, and services. The County is actively assessing the extent of the damage and coordinating response and recovery efforts with state and federal agencies, including the Federal Emergency Management Agency (FEMA).

While the financial impact is expected to be material, the full effect on the County's financial position and operations cannot be reasonably estimated at this time. The County anticipates receiving disaster recovery assistance; however, the amount and timing of such support remain uncertain.

This event occurred after the fiscal year-end but prior to the issuance of these financial statements and is disclosed in accordance with applicable accounting standards.

Martin County, Florida
Notes to Financial Statements
September 30, 2024

Note 20 -New Accounting Pronouncement

The impact of the following accounting pronouncements is currently being assessed by the County as to the impact to the financial statements. Other recently issued accounting pronouncements are not expected to have a material effect to the County's financial statements.

GASB 101, Compensated Absences, is effective for reporting periods beginning after December 15, 2023. The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. The County is aware of this statement and will assess its impact to ensure timely implementation.

REQUIRED SUPPLEMENTARY
INFORMATION
(Unaudited)

Martin County, Florida
Required Supplementary Information (Unaudited)
September 30, 2024

**Schedule of Changes in Martin County
Total OPEB Liability and Related Ratios**

Last 10 Fiscal Years¹

Measurement Year Ended September 30,	<u>2023</u>	<u>2022</u>	<u>2021</u>
Total OPEB liability:			
Service cost	\$ 2,689,454	\$ 4,766,349	\$ 5,428,730
Interest on the total OPEB liability	6,031,532	3,993,108	4,474,995
Changes of benefit terms	653,400	-	-
Difference between expected and actual experience of the total OPEB liability ²	5,568,664	-	6,399,648
Changes in assumptions and other inputs ³	(6,883,033)	(45,702,810)	(13,058,232)
Benefit payments	<u>(6,419,441)</u>	<u>(6,046,901)</u>	<u>(5,820,054)</u>
Net change in total OPEB liability	1,640,576	(42,990,254)	(2,574,913)
Total OPEB liability - beginning	137,600,546	180,590,800	183,165,713
Total OPEB liability - ending	<u>\$ 139,241,122</u>	<u>\$ 137,600,546</u>	<u>\$ 180,590,800</u>
Covered-employee payroll for the measurement period	\$ 129,393,463	\$ 112,851,075	\$ 105,573,079
Total OPEB liability as a percentage of covered-employee payroll	107.61 %	121.93 %	171.06 %

Notes to the Schedule

- ¹ GASB Statement No. 75 was implemented in fiscal year 2018. Until a full 10-year trend is compiled, the County is presenting information only for those years for which it is available.
- ² Total OPEB liability at the beginning of the initial period of implementation was developed by rolling back the liability from the measurement date as permitted by Q&A 4.499 of the Implementation Guide No. 2017-3. Consequently, there was no difference between expected and actual experience. For the measurement year ended September 30, 2023, the liability was measured using updated procedures as allowed by the standards; therefore, there are no experience-related changes in the liability in that measurement year.
- ³ No assets are accumulated in a trust that meets the criteria of paragraph 4 of GASB Statement No. 75 to pay related benefits. There is no actuarial determined contribution to the OPEB plan. There were no benefit changes during the measurement period. Amounts reported as changes in assumptions and other inputs include the change in the discount rate from 2.19% at the beginning of the measurement period to 4.40% as of September 30, 2023.

<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
\$ 5,063,860	\$ 4,554,660	\$ 4,788,408	\$ 5,144,071
4,887,138	6,172,603	5,720,398	5,227,897
-	-	-	-
-	9,201,131	-	-
3,238,073	1,215,401	(7,887,942)	(10,017,812)
<u>(5,347,200)</u>	<u>(4,859,717)</u>	<u>(4,465,311)</u>	<u>(5,935,446)</u>
7,841,871	16,284,078	(1,844,447)	(5,581,290)
<u>175,323,842</u>	<u>159,039,764</u>	<u>160,884,211</u>	<u>166,465,501</u>
<u>\$ 183,165,713</u>	<u>\$175,323,842</u>	<u>\$ 159,039,764</u>	<u>\$ 160,884,211</u>
\$ 116,500,509	\$111,865,282	\$ 104,033,520	\$ 98,632,591
157.22 %	156.73 %	152.87 %	163.11 %

Martin County, Florida
Required Supplementary Information (Unaudited)
September 30, 2024

Schedule of Martin County Proportionate Share of Net Pension Liability
Florida Retirement System

Last 10 Fiscal Years*

	2024	2023	2022
Martin County's proportion of the net pension liability	0.539845759%	0.509688711%	0.493469040%
Martin County's proportionate share of the net pension liability	\$ 208,837,728	\$ 203,094,820	\$ 183,610,139
Martin County's covered payroll	\$ 149,603,051	\$ 138,611,552	\$ 126,184,900
Martin County's proportionate share of the net pension liability as a percentage of its covered payroll	139.59 %	146.52 %	145.51 %
Plan fiduciary net position as a percentage of the total pension liability	83.70 %	82.38 %	82.89 %

* The amounts presented for each fiscal year were determined as of June 30, 2024. This Schedule is presented to illustrate the requirements of GASB Statement No. 68.

Schedule of Martin County Contributions
Florida Retirement System

Last 10 Fiscal Years*

	2024	2023	2022
Contractually required contribution	\$ 31,526,888	\$ 25,781,538	\$ 22,179,290
Contributions in relation to the contractually required contribution	(31,526,888)	(25,781,538)	(22,179,290)
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Martin County covered payroll	\$ 153,750,215	\$ 140,464,841	\$ 131,383,654
Contributions as a percentage of covered payroll	20.51 %	18.35 %	16.88 %

* The amounts presented for each fiscal year were determined as of September 30, 2024. This Schedule is presented to illustrate the requirements of GASB Statement No. 68.

2021	2020	2019	2018	2017	2016	2015
0.488834729%	0.521193850%	0.509115803%	0.489615465%	0.499175903%	0.501183440%	0.473666223%
\$ 36,925,907	\$ 225,893,095	\$ 175,332,394	\$ 147,474,716	\$ 147,703,563	\$ 126,549,211	\$ 61,180,345
\$ 120,683,029	\$ 115,751,825	\$ 109,619,462	\$ 102,805,084	\$ 99,529,340	\$ 95,364,963	\$ 93,967,225
30.60 %	195.15 %	159.95 %	143.45 %	148.40 %	132.70 %	65.11 %
96.40 %	78.85 %	82.61 %	84.26 %	83.89 %	84.88 %	92.00 %

2021	2020	2019	2018	2017	2016	2015
\$ 19,193,709	\$ 17,522,378	\$ 16,281,660	\$ 14,320,988	\$ 12,980,128	\$ 12,533,055	\$ 11,723,425
(19,193,709)	(17,522,378)	(16,281,660)	(14,320,988)	(12,980,128)	(12,533,055)	(11,723,425)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 121,769,740	\$ 116,500,509	\$ 111,865,282	\$ 104,033,520	\$ 98,632,591	\$ 95,308,577	\$ 94,440,184
15.76 %	15.04 %	14.55 %	13.77 %	13.16 %	13.15 %	12.41 %

Martin County, Florida
Required Supplementary Information (Unaudited)
September 30, 2024

Schedule of Martin County Proportionate Share of Net Pension Liability
Health Insurance Subsidy Program

Last 10 Fiscal Years*

	2024	2023	2022
Martin County's proportion of the net pension liability	0.353067951%	0.347989562%	0.344819522%
Martin County's proportionate share of the net pension liability	\$ 52,963,642	\$ 55,265,384	\$ 36,521,896
Martin County's covered payroll	\$ 149,603,051	\$ 138,611,552	\$ 126,184,900
Martin County's proportionate share of the net pension liability as a percentage of its covered payroll	35.40 %	39.87 %	28.94 %
Plan fiduciary net position as a percentage of the total pension liability	4.80 %	4.12 %	4.81 %

* The amounts presented for each fiscal year were determined as of June 30, 2024. This Schedule is presented to illustrate the requirements of GASB Statement No. 68.

Schedule of Martin County Contributions
Health Insurance Subsidy Program

Last 10 Fiscal Years*

	2024	2023	2022
Contractually required contribution	\$ 3,072,393	\$ 2,446,124	\$ 2,168,302
Contributions in relation to the contractually required contribution	(3,072,393)	(2,446,124)	(2,168,302)
Contribution deficiency (excess)	\$ -	\$ -	\$ -
Martin County's covered payroll	\$ 153,750,215	\$ 140,464,841	\$ 131,383,654
Contributions as a percentage of covered payroll	2.00 %	1.74 %	1.65 %

* The amounts presented for each fiscal year were determined as of September 30, 2024. This Schedule is presented to illustrate the requirements of GASB Statement No. 68.

2021	2020	2019	2018	2017	2016	2015
0.339891590%	0.332741937%	0.326851124%	0.314140395%	0.311620376%	0.308091335%	0.309027731%
\$ 41,692,813	\$ 40,627,249	\$ 36,571,370	\$ 33,248,972	\$ 33,319,888	\$ 35,906,770	\$ 31,515,967
\$ 120,683,029	\$ 115,751,825	\$ 109,619,462	\$ 102,805,084	\$ 99,529,340	\$ 95,364,963	\$ 93,967,225
34.55 %	35.10 %	33.36 %	32.34 %	33.48 %	37.65 %	33.54 %
3.56 %	3.00 %	2.63 %	2.15 %	1.64 %	0.50 %	0.50 %

2021	2020	2019	2018	2017	2016	2015
\$ 2,016,356	\$ 1,930,076	\$ 1,851,963	\$ 1,723,669	\$ 1,633,796	\$ 1,582,714	\$ 1,284,136
(2,016,356)	(1,930,076)	(1,851,963)	(1,723,669)	(1,633,796)	(1,582,714)	(1,284,136)
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
\$ 121,769,740	\$ 116,500,509	\$ 111,865,282	\$ 104,033,520	\$ 98,632,591	\$ 95,298,577	\$ 94,440,484
1.66 %	1.66 %	1.66 %	1.66 %	1.66 %	1.66 %	1.36 %



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COMBINING BALANCE SHEETS

Martin County, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2024

	Special Revenue				
	District One MSTU	District Two MSTU	District Three MSTU	District Four MSTU	District Five MSTU
ASSETS					
Cash and cash equivalents	\$ 130,259	\$ 204,828	\$ 94,422	\$ 139,130	\$ 62,984
Investments	881,959	930,187	451,369	696,762	383,213
Accounts receivable	-	-	-	-	-
Assessments receivable	-	-	-	-	-
Due from other funds	-	-	-	-	-
Due from other governmental agencies	-	-	-	-	-
Inventories	-	-	-	-	-
Assets held for resale or donation	-	-	-	-	-
Prepaid items	-	-	750	-	-
Total assets	\$ 1,012,218	\$ 1,135,015	\$ 546,541	\$ 835,892	\$ 446,197
LIABILITIES					
Accounts payable	\$ 198,174	\$ -	\$ 18,684	\$ -	\$ -
Accrued wages payable	-	-	-	-	-
Contracts payable - retainage	3,328	-	1,942	-	-
Due to other funds	-	-	-	-	-
Due to other governmental agencies	-	-	-	-	-
Total liabilities	201,502	-	20,626	-	-
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	-	-	-	-	-
FUND BALANCES					
Nonspendable:					
Inventories	-	-	-	-	-
Permanent fund principal	-	-	-	-	-
Prepaid items	-	-	750	-	-
Restricted for:					
Bond covenants or debt service	-	-	-	-	-
Culture and recreation projects	-	-	-	-	-
Public safety	-	-	-	-	-
Housing grants and other	-	-	-	-	-
Court operations	-	-	-	-	-
Capital projects	-	-	-	-	-
Other restricted purposes	-	-	-	-	-
Committed to:					
Ordinance/MSTU/Other	810,716	1,135,015	525,165	835,892	446,197
Ordinance/Judicial	-	-	-	-	-
Ordinance/Culture and recreation	-	-	-	-	-
Ordinance/CRA	-	-	-	-	-
Ordinance/Economic Development	-	-	-	-	-
Assigned to:					
Capital projects	-	-	-	-	-
Other assigned purposes	-	-	-	-	-
Unassigned	-	-	-	-	-
Total fund balances	810,716	1,135,015	525,915	835,892	446,197
Total liabilities, deferred inflows and fund balances	\$ 1,012,218	\$ 1,135,015	\$ 546,541	\$ 835,892	\$ 446,197

Special Revenue

Unincorporated MSTUs	Other MSTUs	CRA Fund	SHIP - State Housing Grants	Local Grants
\$ 2,970,054	\$ 2,910,009	\$ 2,348,660	\$ 3,736,810	\$ 602,748
17,081,734	17,712,727	15,800,063	1,178,709	32,512
-	-	-	-	-
-	141,090	-	-	-
-	-	-	-	2,667
121,295	-	-	-	106,105
-	-	-	-	-
-	-	39,394	-	-
2,288	926	1,780	1,300	-
<u>\$ 20,175,371</u>	<u>\$ 20,764,752</u>	<u>\$ 18,189,897</u>	<u>\$ 4,916,819</u>	<u>\$ 744,032</u>
\$ 247,085	\$ 815,373	\$ 129,551	\$ 150,215	\$ 87,114
229,091	114,522	13,736	-	6,294
-	5,078	18,592	-	-
573	-	-	-	-
-	60,215	-	-	-
<u>476,749</u>	<u>995,188</u>	<u>161,879</u>	<u>150,215</u>	<u>93,408</u>
-	141,090	-	-	-
-	-	-	-	-
-	-	-	-	-
2,288	926	1,780	1,300	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	4,765,304	650,624
-	-	-	-	-
-	-	-	-	-
14,737,702	19,627,548	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	17,986,844	-	-
-	-	-	-	-
-	-	-	-	-
4,958,632	-	39,394	-	-
-	-	-	-	-
<u>19,698,622</u>	<u>19,628,474</u>	<u>18,028,018</u>	<u>4,766,604</u>	<u>650,624</u>
<u>\$ 20,175,371</u>	<u>\$ 20,764,752</u>	<u>\$ 18,189,897</u>	<u>\$ 4,916,819</u>	<u>\$ 744,032</u>

(continued)

Martin County, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2024
(continued)

	Special Revenue					
	Other Impact Fees	Transportation Impact Fees	Public Safety	Judicial	Economic Development	Culture and Recreation
ASSETS						
Cash and cash equivalents	\$ 2,599,054	\$ 1,260,521	\$ 2,374,356	\$ 945,560	\$ 3,398,684	\$ 247,865
Investments	8,611,612	6,113,950	7,706,001	424,406	9,180,772	944,445
Accounts receivable	-	-	1,209	-	-	-
Assessments receivable	-	-	-	-	-	-
Due from other funds	-	-	21,907	-	-	-
Due from other governmental agencies	-	-	207,701	-	-	-
Inventories	-	-	-	-	-	-
Assets held for resale or donation	-	-	-	-	-	-
Prepaid items	-	-	-	-	2,459	-
Total assets	\$ 11,210,666	\$ 7,374,471	\$10,311,174	\$ 1,369,966	\$ 12,581,915	\$ 1,192,310
LIABILITIES						
Accounts payable	\$ 431,064	\$ 97,340	\$ 744,477	\$ 155,425	\$ 203,860	\$ 60,809
Accrued wages payable	-	-	3,066	5,130	11,339	-
Contracts payable - retainage	105,375	32,267	-	-	-	-
Due to other funds	-	-	78,128	-	-	-
Due to other governmental agencies	-	-	-	-	3	-
Total liabilities	536,439	129,607	825,671	160,555	215,202	60,809
DEFERRED INFLOWS OF RESOURCES						
Unavailable revenue	-	-	63,500	-	-	-
FUND BALANCES						
Nonspendable:						
Inventories	-	-	-	-	-	-
Permanent fund principal	-	-	-	-	-	-
Prepaid items	-	-	-	-	2,459	-
Restricted for:						
Bond covenants or debt service	-	-	-	-	-	-
Culture and recreation projects	5,155,258	-	-	-	-	1,604,221
Public safety	3,701,795	-	9,422,003	-	-	-
Housing grants and other	-	-	-	-	-	-
Court operations	-	-	-	270,003	-	-
Capital projects	1,064,396	7,244,864	-	-	-	-
Other restricted purposes	752,778	-	-	-	10,844,988	-
Committed to:						
Ordinance/MSTU/Other	-	-	-	-	-	-
Ordinance/Judicial	-	-	-	939,408	-	-
Ordinance/Culture and recreation	-	-	-	-	-	121,174
Ordinance/CRA	-	-	-	-	-	-
Ordinance/Economic Development	-	-	-	-	1,519,266	-
Assigned to:						
Capital projects	-	-	-	-	-	-
Other assigned purposes	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(593,894)
Total fund balances	10,674,227	7,244,864	9,422,003	1,209,411	12,366,713	1,131,501
Total liabilities, deferred inflows and fund balances	\$ 11,210,666	\$ 7,374,471	\$10,311,174	\$ 1,369,966	\$ 12,581,915	\$ 1,192,310

Special Revenue				Debt Service		
Franchise Fees	Clerk Special Revenue	Sheriff Special Revenue	Total	Revenue Bonds	Bank Notes and Loans	Total
\$ 5,374,972	\$ 1,855,508	\$ 1,179,456	\$ 32,435,880	\$ 741,850	\$ 262,019	\$ 1,003,869
29,319,545	145,181	-	117,595,147	-	152,286	152,286
-	-	98,784	99,993	-	-	-
-	-	-	141,090	-	1,780,181	1,780,181
-	-	11,553	36,127	-	-	-
-	-	215,355	650,456	-	116,855	116,855
-	-	-	-	-	-	-
-	-	-	39,394	-	-	-
-	25,740	-	35,243	-	-	-
<u>\$34,694,517</u>	<u>\$ 2,026,429</u>	<u>\$ 1,505,148</u>	<u>\$ 151,033,330</u>	<u>\$ 741,850</u>	<u>\$ 2,311,341</u>	<u>\$ 3,053,191</u>
\$ 463,723	\$ -	\$ 84,048	\$ 3,886,942	\$ -	\$ 2,973	\$ 2,973
7,826	6,114	-	397,118	-	-	-
95,415	-	-	261,997	1,260	2,520	3,780
-	-	262,469	341,170	-	-	-
-	-	-	60,218	-	-	-
<u>566,964</u>	<u>6,114</u>	<u>346,517</u>	<u>4,947,445</u>	<u>1,260</u>	<u>5,493</u>	<u>6,753</u>
-	-	-	204,590	-	1,780,181	1,780,181
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	25,740	-	35,243	-	-	-
-	-	-	-	740,590	525,667	1,266,257
-	-	-	6,759,479	-	-	-
-	-	1,158,631	14,282,429	-	-	-
-	-	-	5,415,928	-	-	-
-	1,994,575	-	2,264,578	-	-	-
-	-	-	8,309,260	-	-	-
-	-	-	11,597,766	-	-	-
34,127,553	-	-	72,245,788	-	-	-
-	-	-	939,408	-	-	-
-	-	-	121,174	-	-	-
-	-	-	17,986,844	-	-	-
-	-	-	1,519,266	-	-	-
-	-	-	-	-	-	-
-	-	-	4,998,026	-	-	-
-	-	-	(593,894)	-	-	-
<u>34,127,553</u>	<u>2,020,315</u>	<u>1,158,631</u>	<u>145,881,295</u>	<u>740,590</u>	<u>525,667</u>	<u>1,266,257</u>
<u>\$34,694,517</u>	<u>\$ 2,026,429</u>	<u>\$ 1,505,148</u>	<u>\$ 151,033,330</u>	<u>\$ 741,850</u>	<u>\$ 2,311,341</u>	<u>\$ 3,053,191</u>

(continued)

Martin County, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
September 30, 2024
(continued)

	Capital Projects			Permanent Fund	
	Recreation Projects	Transportation Road Projects	Total	Port Salerno Memorial Trust	Total Nonmajor Governmental Funds
ASSETS					
Cash and cash equivalents	\$ 3,470,324	\$ 3,965,071	\$ 7,435,395	\$ 4,459	\$ 40,879,603
Investments	22,587,945	16,184,127	38,772,072	32,260	156,551,765
Accounts receivable	-	-	-	-	99,993
Assessments receivable	-	165,063	165,063	-	2,086,334
Due from other funds	-	-	-	-	36,127
Due from other governmental agencies	1,969,606	2,165,846	4,135,452	-	4,902,763
Inventories	-	975,237	975,237	-	975,237
Assets held for resale or donation	-	-	-	-	39,394
Prepaid items	1,273	-	1,273	-	36,516
Total assets	\$ 28,029,148	\$ 23,455,344	\$ 51,484,492	\$ 36,719	\$ 205,607,732
LIABILITIES					
Accounts payable	\$ 223,611	\$ 875,996	\$ 1,099,607	\$ 360	\$ 4,989,882
Accrued wages payable	8,474	114,039	122,513	-	519,631
Contracts payable - retainage	19,389	56,748	76,137	-	341,914
Due to other funds	-	37	37	-	341,207
Due to other governmental agencies	-	137,988	137,988	-	198,206
Total liabilities	251,474	1,184,808	1,436,282	360	6,390,840
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenue	1,969,606	624,719	2,594,325	-	4,579,096
FUND BALANCES					
Nonspendable:					
Inventories	-	975,237	975,237	-	975,237
Permanent fund principal	-	-	-	23,027	23,027
Prepaid items	1,273	-	1,273	-	36,516
Restricted for:					
Bond covenants or debt service	-	-	-	-	1,266,257
Culture and recreation projects	-	-	-	-	6,759,479
Public safety	-	-	-	-	14,282,429
Housing grants and other	8,374,477	-	8,374,477	-	13,790,405
Court operations	-	-	-	-	2,264,578
Capital projects	23,171	20,662,840	20,686,011	-	28,995,271
Other restricted purposes	-	-	-	13,332	11,611,098
Committed to:					
Ordinance/MSTU/Other	-	-	-	-	72,245,788
Ordinance/Judicial	-	-	-	-	939,408
Ordinance/Culture and recreation	-	-	-	-	121,174
Ordinance/CRA	-	-	-	-	17,986,844
Ordinance/Economic Development	-	-	-	-	1,519,266
Assigned to:					
Capital projects	17,409,147	7,740	17,416,887	-	17,416,887
Other assigned purposes	-	-	-	-	4,998,026
Unassigned	-	-	-	-	(593,894)
Total fund balances	25,808,068	21,645,817	47,453,885	36,359	194,637,796
Total liabilities, deferred inflows and fund balances	\$ 28,029,148	\$ 23,455,344	\$ 51,484,492	\$ 36,719	\$ 205,607,732

COMBINING STATEMENTS OF REVENUES,
EXPENDITURES AND CHANGES
IN FUND BALANCES

Martin County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2024

	Special Revenue				
	District One MSTU	District Two MSTU	District Three MSTU	District Four MSTU	District Five MSTU
REVENUES					
Taxes	\$ 343,831	\$ 218,101	\$ 211,131	\$ 217,510	\$ 375,321
Permits, fees and special assessments	-	-	-	-	-
Intergovernmental revenues	-	-	-	-	-
Charges for services	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-
Interest income	39,235	40,705	25,743	29,289	14,562
Net change in fair value of investments	16,902	17,211	10,736	12,662	10,908
Contributions - private sources & donations	-	-	-	-	-
Miscellaneous revenues	-	-	-	-	-
Total revenues	399,968	276,017	247,610	259,461	400,791
EXPENDITURES					
Current:					
General government	68,765	13,109	134,563	14,969	14,156
Public safety	-	-	-	-	-
Physical environment	-	-	-	-	-
Transportation	-	-	-	-	-
Economic environment	-	-	-	-	-
Human services	-	-	-	-	-
Culture and recreation	-	-	-	-	-
Capital outlay	316,586	-	183,870	-	-
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Other debt service costs	-	-	-	-	-
Total expenditures	385,351	13,109	318,433	14,969	14,156
Excess (deficiency) of revenues over (under) expenditures	14,617	262,908	(70,823)	244,492	386,635
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	-	-
Transfers out	-	-	(38,546)	-	(545,306)
Total other financing sources (uses)	-	-	(38,546)	-	(545,306)
Net change in fund balances	14,617	262,908	(109,369)	244,492	(158,671)
Fund balances - beginning	796,099	872,107	635,284	591,400	604,868
Fund balances - ending	\$ 810,716	\$ 1,135,015	\$ 525,915	\$ 835,892	\$ 446,197

Special Revenue

Unincorporated MSTUs	Other MSTUs	CRA Fund	SHIP - State Housing Grants	Local Grants
\$ 1,251,972	\$ 16,406,326	\$ -	\$ -	\$ -
7,373,883	59,283	-	-	-
3,499,616	6,911	6,593,272	1,403,362	2,512,288
1,447,200	494,209	-	-	-
530,095	-	-	-	-
750,756	793,423	742,265	197,012	10,224
329,054	379,855	312,603	22,973	634
-	1,500	-	-	-
53,140	220,465	-	447,623	-
<u>15,235,716</u>	<u>18,361,972</u>	<u>7,648,140</u>	<u>2,070,970</u>	<u>2,523,146</u>
4,549,487	558,408	-	-	509,141
8,341,876	-	-	-	291,069
-	4,213,665	-	-	35,360
28,454	3,734,693	-	-	-
-	-	1,094,205	945,927	-
-	-	-	-	64,853
-	3,450,243	-	-	344,273
426,869	2,221,576	1,538,323	-	25,326
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>13,346,686</u>	<u>14,178,585</u>	<u>2,632,528</u>	<u>945,927</u>	<u>1,270,022</u>
<u>1,889,030</u>	<u>4,183,387</u>	<u>5,015,612</u>	<u>1,125,043</u>	<u>1,253,124</u>
-	-	-	-	-
(300,000)	(200,000)	(958,708)	-	-
<u>(300,000)</u>	<u>(200,000)</u>	<u>(958,708)</u>	<u>-</u>	<u>-</u>
1,589,030	3,983,387	4,056,904	1,125,043	1,253,124
<u>18,109,592</u>	<u>15,645,087</u>	<u>13,971,114</u>	<u>3,641,561</u>	<u>(602,500)</u>
<u>\$ 19,698,622</u>	<u>\$ 19,628,474</u>	<u>\$ 18,028,018</u>	<u>\$ 4,766,604</u>	<u>\$ 650,624</u>

(continued)

Martin County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2024
(continued)

	Special Revenue					
	Other Impact Fees	Transportation Impact Fees	Public Safety	Judicial	Economic Development	Culture and Recreation
REVENUES						
Taxes	\$ -	\$ -	\$ 10,388,196	\$ -	\$ 4,312,087	\$ -
Permits, fees and special assessments	2,563,938	1,390,491	-	-	-	-
Intergovernmental revenues	-	-	-	-	-	-
Charges for services	-	-	1,111,005	912,522	-	-
Fines and forfeitures	-	-	-	-	-	-
Interest income	468,354	297,192	405,878	53,492	433,335	64,140
Net change in fair value of investments	188,507	125,319	176,030	11,097	180,423	26,373
Contributions - private sources & donations	-	99,369	-	-	-	-
Miscellaneous revenues	-	-	1,279,036	13,573	94	-
Total revenues	3,220,799	1,912,371	13,360,145	990,684	4,925,939	90,513
EXPENDITURES						
Current:						
General government	48,511	-	577,433	2,039,867	159,763	23,679
Public safety	15,630	-	6,509,629	-	-	-
Physical environment	40,718	-	-	-	-	-
Transportation	-	6,219	-	-	-	-
Economic environment	-	-	14	-	2,897,851	656
Human services	-	-	3,798,779	-	-	-
Culture and recreation	328,106	-	-	-	161,865	23,696
Capital outlay	4,294,151	930,675	-	4,788	-	656,669
Debt Service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Other debt service costs	-	-	-	-	-	-
Total expenditures	4,727,116	936,894	10,885,855	2,044,655	3,219,479	704,700
Excess (deficiency) of revenues over (under) expenditures	(1,506,317)	975,477	2,474,290	(1,053,971)	1,706,460	(614,187)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	1,133,401	1,289,446	308,000	50,000
Transfers out	-	(2,000,000)	(911,418)	-	-	-
Total other financing sources (uses)	-	(2,000,000)	221,983	1,289,446	308,000	50,000
Net change in fund balances	(1,506,317)	(1,024,523)	2,696,273	235,475	2,014,460	(564,187)
Fund balances - beginning	12,180,544	8,269,387	6,725,730	973,936	10,352,253	1,695,688
Fund balances - ending	\$ 10,674,227	\$ 7,244,864	\$ 9,422,003	\$ 1,209,411	\$ 12,366,713	\$ 1,131,501

Special Revenue				Debt Service		
Franchise Fees	Clerk Special Revenue	Sheriff Special Revenue	Total	Revenue Bonds	Bank Notes and Loans	Total
\$ -	\$ -	\$ -	\$ 33,724,475	\$ -	\$ -	\$ -
11,680,470	-	-	23,068,065	-	118,298	118,298
-	-	921,949	14,937,398	-	1,690,159	1,690,159
-	384,931	683,868	5,033,735	-	-	-
-	-	21,300	551,395	-	-	-
1,274,163	87,243	11,180	5,738,191	44,549	122,452	167,001
555,641	-	-	2,376,928	-	7,710	7,710
-	-	-	100,869	-	-	-
-	-	162,684	2,176,615	-	-	-
<u>13,510,274</u>	<u>472,174</u>	<u>1,800,981</u>	<u>87,707,671</u>	<u>44,549</u>	<u>1,938,619</u>	<u>1,983,168</u>
-	290,591	703,863	9,706,305	-	1,383	1,383
-	-	759,390	15,917,594	-	-	-
74,425	-	-	4,364,168	-	-	-
878,697	-	-	4,648,063	-	-	-
-	-	-	4,938,653	-	-	-
-	-	-	3,863,632	-	-	-
-	-	-	4,308,183	-	-	-
5,488,174	-	399,084	16,486,091	-	-	-
-	-	-	-	1,450,000	4,570,359	6,020,359
-	-	-	-	1,508,750	774,308	2,283,058
-	-	-	-	5,820	3,780	9,600
<u>6,441,296</u>	<u>290,591</u>	<u>1,862,337</u>	<u>64,232,689</u>	<u>2,964,570</u>	<u>5,349,830</u>	<u>8,314,400</u>
<u>7,068,978</u>	<u>181,583</u>	<u>(61,356)</u>	<u>23,474,982</u>	<u>(2,920,021)</u>	<u>(3,411,211)</u>	<u>(6,331,232)</u>
260,000	-	255,674	3,296,521	2,863,421	3,035,163	5,898,584
(2,744,000)	-	(21,907)	(7,719,885)	-	-	-
<u>(2,484,000)</u>	<u>-</u>	<u>233,767</u>	<u>(4,423,364)</u>	<u>2,863,421</u>	<u>3,035,163</u>	<u>5,898,584</u>
4,584,978	181,583	172,411	19,051,618	(56,600)	(376,048)	(432,648)
<u>29,542,575</u>	<u>1,838,732</u>	<u>986,220</u>	<u>126,829,677</u>	<u>797,190</u>	<u>901,715</u>	<u>1,698,905</u>
<u>\$ 34,127,553</u>	<u>\$ 2,020,315</u>	<u>\$ 1,158,631</u>	<u>\$ 145,881,295</u>	<u>\$ 740,590</u>	<u>\$ 525,667</u>	<u>\$ 1,266,257</u>

(continued)

Martin County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended September 30, 2024
(continued)

	Capital Projects			Permanent Fund	Total Nonmajor Governmental Funds
	Recreation Projects	Transportation Road Projects	Total	Port Salerno Memorial Trust	
REVENUES					
Taxes	\$ 5,806,109	\$ 8,549,779	\$ 14,355,888	\$ -	\$ 48,080,363
Permits, fees and special assessments	33,143	889,566	922,709	-	24,109,072
Intergovernmental revenues	497,001	2,991,276	3,488,277	-	20,115,834
Charges for services	-	909,189	909,189	-	5,942,924
Fines and forfeitures	-	-	-	-	551,395
Interest income	574,753	591,411	1,166,164	1,508	7,072,864
Net change in fair value of investments	462,419	304,649	767,068	567	3,152,273
Contributions - private sources & donations	233,426	50,000	283,426	-	384,295
Miscellaneous revenues	2,502	132,840	135,342	-	2,311,957
Total revenues	7,609,353	14,418,710	22,028,063	2,075	111,720,977
EXPENDITURES					
Current:					
General government	86,056	131,707	217,763	2,124	9,927,575
Public safety	-	-	-	-	15,917,594
Physical environment	1,502,836	3,500	1,506,336	-	5,870,504
Transportation	181	8,747,270	8,747,451	-	13,395,514
Economic environment	-	38,235	38,235	-	4,976,888
Human services	-	6,500	6,500	-	3,870,132
Culture and recreation	-	-	-	-	4,308,183
Capital outlay	1,120,172	2,965,118	4,085,290	-	20,571,381
Debt Service:					
Principal	-	-	-	-	6,020,359
Interest	-	-	-	-	2,283,058
Other debt service costs	-	-	-	-	9,600
Total expenditures	2,709,245	11,892,330	14,601,575	2,124	87,150,788
Excess (deficiency) of revenues over (under) expenditures	4,900,108	2,526,380	7,426,488	(49)	24,570,189
OTHER FINANCING SOURCES (USES)					
Transfers in	-	444,000	444,000	-	9,639,105
Transfers out	(3,602,693)	(200,439)	(3,803,132)	-	(11,523,017)
Total other financing sources (uses)	(3,602,693)	243,561	(3,359,132)	-	(1,883,912)
Net change in fund balances	1,297,415	2,769,941	4,067,356	(49)	22,686,277
Fund balances - beginning	24,510,653	18,875,876	43,386,529	36,408	171,951,519
Fund balances - ending	\$25,808,068	\$ 21,645,817	\$ 47,453,885	\$ 36,359	\$ 194,637,796

STATEMENT OF NET POSITION,
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION &
STATEMENT OF CASH FLOWS
FOR NONMAJOR ENTERPRISE FUNDS

Martin County, Florida
Statement of Net Position
Nonmajor Enterprise Funds
September 30, 2024

	Business Type Activities - Enterprise Funds		
	Airport	Sailfish Sands Golf Course	Totals
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 660,119	\$ 391,016	\$ 1,051,135
Investments	2,513,461	128,300	2,641,761
Accounts receivable	33,532	464	33,996
Leases receivable	238,432	-	238,432
Receivables from other governmental agencies	858,727	-	858,727
Inventories	-	123,669	123,669
Assets held for resale or donation	130,500	-	130,500
Prepaid items	-	-	-
Total current assets	4,434,771	643,449	5,078,220
Noncurrent assets:			
Lease receivables	522,893	-	522,893
Capital assets:			
Land and land use rights - permanent	6,875,978	-	6,875,978
Buildings	7,640,142	1,258,259	8,898,401
Equipment	634,470	1,424,416	2,058,886
Land improvements	-	1,355,456	1,355,456
Airport improvements	38,315,752	-	38,315,752
Construction in progress	11,804,361	-	11,804,361
Intangible assets	80,076	-	80,076
Less accumulated depreciation	(26,977,162)	(2,715,730)	(29,692,892)
Capital assets, net	38,373,617	1,322,401	39,696,018
Total noncurrent assets	38,896,510	1,322,401	40,218,911
Total assets	43,331,281	1,965,850	45,297,131
DEFERRED OUTFLOWS OF RESOURCES			
Pension	122,593	70,370	192,963
Other postemployment benefits	11,113	828	11,941
Total deferred outflows of resources	133,706	71,198	204,904

Business Type Activities - Enterprise Funds			
	Airport	Sailfish Sands Golf Course	Totals
LIABILITIES			
Current liabilities:			
Payable from current assets:			
Accounts payable	699,386	139,990	839,376
Accrued wages payable	16,607	9,417	26,024
Accrued compensated absences, current	37,000	7,000	44,000
Unearned revenue	32,916	69,404	102,320
Contracts payable	206,157	-	206,157
Total current liabilities	992,066	225,811	1,217,877
Noncurrent liabilities:			
Accrued compensated absences	20,908	17,505	38,413
Other postemployment benefits liability	45,956	3,426	49,382
Net pension liability	446,156	256,101	702,257
Total noncurrent liabilities	513,020	277,032	790,052
Total liabilities	1,505,086	502,843	2,007,929
DEFERRED INFLOWS OF RESOURCES			
Pension	38,085	21,860	59,945
Other postemployment benefits	19,627	1,463	21,090
Leases	659,124	-	659,124
Total deferred inflows of resources	716,836	23,323	740,159
NET POSITION			
Net investment in capital assets	38,167,461	1,322,402	39,489,863
Restricted:			
Noise abatement projects	130,500	-	130,500
Unrestricted	2,945,104	188,480	3,133,584
Total net position	\$ 41,243,065	\$ 1,510,882	\$ 42,753,947

Martin County, Florida
Statement of Revenues, Expenses and Changes in Net Position
Nonmajor Enterprise Funds
For the Year Ended September 30, 2024

	Business Type Activities - Enterprise Funds		
	Airport	Sailfish Sands Golf Course	Total
OPERATING REVENUES			
Charges for services	\$ 2,744,396	\$ 2,562,832	\$ 5,307,228
Miscellaneous revenues	27,293	910,364	937,657
Total operating revenues	2,771,689	3,473,196	6,244,885
OPERATING EXPENSES			
Salaries and related expenses	590,341	398,135	988,476
General, administrative, claims, operating, and maintenance	1,272,412	2,786,863	4,059,275
Depreciation	2,437,630	206,317	2,643,947
Total operating expenses	4,300,383	3,391,315	7,691,698
Operating loss	(1,528,694)	81,881	(1,446,813)
NONOPERATING REVENUES			
Interest income	113,188	55,099	168,287
Net change in fair value	55,826	17,124	72,950
Gain on disposition of capital assets	(633,011)	(4,860)	(637,871)
Total net nonoperating revenues	(463,997)	67,363	(396,634)
Loss before contributions and transfers	(1,992,691)	149,244	(1,843,447)
Capital contributions	5,417,817	172,479	5,590,296
Change in net position	3,425,126	321,723	3,746,849
Total net position - beginning	37,817,939	1,189,159	39,007,098
Total net position - ending	\$ 41,243,065	\$ 1,510,882	\$ 42,753,947

Martin County, Florida
Statement of Cash Flows
Nonmajor Enterprise Funds
For the Year Ended September 30, 2024

	Airport	Sailfish Sands Golf Course	Total
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 2,768,034	\$ 2,599,102	\$ 5,367,136
Other receipts	3,644	910,364	914,008
Payments for salaries and benefits	(654,117)	(382,892)	(1,037,009)
Payments to suppliers	(1,232,245)	(2,811,659)	(4,043,904)
Net cash provided (used) by operating activities	885,316	314,915	1,200,231
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers from (to) other funds	(1,700,000)	-	(1,700,000)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Capital grants received	7,177,177	-	7,177,177
Purchases of capital assets	(5,723,188)	(6,995)	(5,730,183)
Proceeds from sale of assets	(633,011)	-	(633,011)
Net cash provided (used) by capital and related financing activities	820,978	(6,995)	813,983
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest and gains (loss) on investments	444,536	(4,063)	440,473
Interest received	113,188	72,223	185,411
Net cash provided (used) by investing activities	557,724	68,160	625,884
Change in cash and cash equivalents	564,018	376,080	940,098
Cash and cash equivalents - beginning of the year	96,101	14,936	111,037
Cash and cash equivalents - end of year	\$ 660,119	\$ 391,016	\$ 1,051,135
RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ (1,528,694)	\$ 81,881	\$ (1,446,813)
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:			
Depreciation and amortization	2,437,630	206,317	2,643,947
Changes in assets and liabilities:			
Accounts receivable, net	(3,520)	22,244	18,724
Lease receivable, net	226,817	-	226,817
Deferred outflows, pension	(14,197)	(22,946)	(37,143)
Deferred outflow, OPEB	14,994	8,729	23,723
Unearned revenue	-	14,026	14,026
Inventories	-	(50,239)	(50,239)
Other current assets	8,443	550	8,993
Accounts payable	31,719	24,893	56,612
Accrued wages	5,811	2,681	8,492
Deferred inflows, pension	22,467	15,027	37,494
Deferred inflows, OPEB	(28,083)	(16,000)	(44,083)
Deferred inflows, leases	(223,303)	-	(223,303)
Net pension liability	(27,190)	49,012	21,822
Other post-employment benefits	(53,467)	(32,966)	(86,433)
Accrued compensated absences	15,889	11,706	27,595
Net cash provided (used) by operating activities:	885,316	314,915	1,200,231
NONCASH INVESTING CAPITAL AND FINANCING ACTIVITIES			
Contributions of capital assets	\$ -	\$ 172,479	\$ 172,479



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SCHEDULES OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES -
BUDGET AND ACTUAL
FOR NONMAJOR SPECIAL REVENUE,
DEBT SERVICE, AND CAPITAL PROJECT FUNDS
(INCLUDING COUNTY BUILDINGS MAJOR FUND)

Martin County, Florida
Nonmajor Special Revenue Funds
District One MSTU
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES:				
Taxes	\$ 337,958	\$ 337,958	\$ 343,831	\$ 5,873
Interest income	-	-	39,235	39,235
Net change in fair value of investments	-	-	16,902	16,902
Total revenues	<u>337,958</u>	<u>337,958</u>	<u>399,968</u>	<u>62,010</u>
EXPENDITURES:				
Current:				
General government	14,924	14,924	68,765	(53,841)
Capital outlay	323,034	1,119,133	316,586	802,547
Total expenditures	<u>337,958</u>	<u>1,134,057</u>	<u>385,351</u>	<u>748,706</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(796,099)</u>	<u>14,617</u>	<u>810,716</u>
Net change in fund balances	<u>-</u>	<u>(796,099)</u>	<u>14,617</u>	<u>\$ 810,716</u>
Fund balances, beginning	<u>-</u>	<u>796,099</u>	<u>796,099</u>	
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 810,716</u>	

Martin County, Florida
Nonmajor Special Revenue Funds
District Two MSTU
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES:				
Taxes	\$ 215,000	\$ 215,000	\$ 218,101	\$ 3,101
Interest income	-	-	40,705	40,705
Net change in fair value of investments	-	-	17,211	17,211
Total revenues	<u>215,000</u>	<u>215,000</u>	<u>276,017</u>	<u>61,017</u>
EXPENDITURES:				
Current:				
General government	8,087	8,087	13,109	(5,022)
Capital outlay	206,913	1,079,020	-	1,079,020
Total expenditures	<u>215,000</u>	<u>1,087,107</u>	<u>13,109</u>	<u>1,073,998</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(872,107)</u>	<u>262,908</u>	<u>1,135,015</u>
Net change in fund balances	<u>-</u>	<u>(872,107)</u>	<u>262,908</u>	<u>\$ 1,135,015</u>
Fund balances, beginning	<u>-</u>	<u>872,107</u>	<u>872,107</u>	
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,135,015</u>	

Martin County, Florida
Nonmajor Special Revenue Funds
District Three MSTU
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES:				
Taxes	\$ 208,000	\$ 208,000	\$ 211,131	\$ 3,131
Interest income	-	-	25,743	25,743
Net change in fair value of investments	-	-	10,736	10,736
Total revenues	<u>208,000</u>	<u>208,000</u>	<u>247,610</u>	<u>39,610</u>
EXPENDITURES:				
Current:				
General government	8,735	8,735	134,563	(125,828)
Capital outlay	199,265	784,548	183,870	600,678
Total expenditures	<u>208,000</u>	<u>793,283</u>	<u>318,433</u>	<u>474,850</u>
Deficiency of revenues under expenditures	<u>-</u>	<u>(585,283)</u>	<u>(70,823)</u>	<u>514,460</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(50,000)	(38,546)	11,454
Net change in fund balances	<u>-</u>	<u>(635,283)</u>	<u>(109,369)</u>	<u>\$ 525,914</u>
Fund balances, beginning	<u>-</u>	<u>635,283</u>	<u>635,284</u>	
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 525,915</u>	

Martin County, Florida
Nonmajor Special Revenue Funds
District Four MSTU
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES:				
Taxes	\$ 214,390	\$ 214,390	\$ 217,510	\$ 3,120
Interest income	-	-	29,289	29,289
Net change in fair value of investments	-	-	12,662	12,662
Total revenues	<u>214,390</u>	<u>214,390</u>	<u>259,461</u>	<u>45,071</u>
EXPENDITURES:				
Current:				
General government	9,489	9,489	14,969	(5,480)
Capital outlay	204,901	796,301	-	796,301
Total expenditures	<u>214,390</u>	<u>805,790</u>	<u>14,969</u>	<u>790,821</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(591,400)</u>	<u>244,492</u>	<u>835,892</u>
Net change in fund balances	<u>-</u>	<u>(591,400)</u>	<u>244,492</u>	<u>\$ 835,892</u>
Fund balances, beginning	<u>-</u>	<u>591,400</u>	<u>591,400</u>	
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 835,892</u>	

Martin County, Florida
Nonmajor Special Revenue Funds
District Five MSTU
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES:				
Taxes	\$ 370,000	\$ 370,000	\$ 375,321	\$ 5,321
Interest income	-	-	14,562	14,562
Net change in fair value of investments	-	-	10,908	10,908
Total revenues	370,000	370,000	400,791	30,791
EXPENDITURES:				
Current:				
General government	8,088	8,088	14,156	(6,068)
Capital outlay	361,912	421,474	-	421,474
Total expenditures	370,000	429,562	14,156	415,406
Excess of revenues over expenditures	-	(59,562)	386,635	446,197
OTHER FINANCING SOURCES (USES)				
Transfers out	-	(545,306)	(545,306)	-
Net change in fund balances	-	(604,868)	(158,671)	\$ 446,197
Fund balances, beginning	-	604,868	604,868	
Fund balances, ending	\$ -	\$ -	\$ 446,197	

Martin County, Florida
Nonmajor Special Revenue Funds
Unincorporated MSTUs
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES:				
Taxes	\$ 1,187,959	\$ 1,187,959	\$ 1,251,972	\$ 64,013
Permits, fees and special assessments	6,115,000	6,115,000	7,373,883	1,258,883
Intergovernmental revenues	2,819,260	2,894,260	3,499,616	605,356
Charges for services	1,577,000	1,577,000	1,447,200	(129,800)
Fines and forfeitures	301,000	301,000	530,095	229,095
Interest income	165,000	165,000	750,756	585,756
Net change in fair value of investments	-	-	329,054	329,054
Miscellaneous revenues	22,000	22,000	53,140	31,140
Statutory budget reduction	(110,000)	(110,000)	-	110,000
Total revenues	12,077,219	12,152,219	15,235,716	3,083,497
EXPENDITURES:				
Current:				
General government	4,471,805	4,991,569	4,549,487	442,082
Public safety	7,706,732	8,814,124	8,341,876	472,248
Transportation	18,062	18,702	28,454	(9,752)
Capital outlay	130,000	7,080,000	426,869	6,653,131
Total expenditures	12,326,599	20,904,395	13,346,686	7,557,709
Excess (deficiency) of revenues over (under) expenditures	(249,380)	(8,752,176)	1,889,030	10,641,206
OTHER FINANCING SOURCES (USES):				
Transfers out	-	(300,000)	(300,000)	-
Reserves	(3,934,733)	(9,056,799)	-	9,056,799
Total other financing sources (uses)	(3,934,733)	(9,356,799)	(300,000)	9,056,799
Net change in fund balances	(4,184,113)	(18,108,975)	1,589,030	\$ 19,698,005
Fund balances, beginning	4,184,113	18,108,975	18,109,592	
Fund balances, ending	\$ -	\$ -	\$ 19,698,622	

Martin County, Florida
Nonmajor Special Revenue Funds
Other MSTUs
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES:				
Taxes	\$ 16,150,867	\$ 16,150,867	\$ 16,406,326	\$ 255,459
Permits, fees and special assessments	25,000	25,000	59,283	34,283
Intergovernmental revenues	6,200	6,200	6,911	711
Charges for services	400,000	400,000	494,209	94,209
Interest income	55,000	55,000	793,423	738,423
Net change in fair value of investments	-	-	379,855	379,855
Contributions - private sources & donations	2,000	2,000	1,500	(500)
Miscellaneous revenues	-	-	220,465	220,465
Statutory budget reduction	(39,000)	(39,000)	-	39,000
Total revenues	16,600,067	16,600,067	18,361,972	1,761,905
EXPENDITURES:				
Current:				
General government	546,663	546,663	558,408	(11,745)
Physical environment	4,995,554	6,333,568	4,213,665	2,119,903
Transportation	3,533,974	3,610,869	3,734,693	(123,824)
Culture and recreation	3,487,921	3,547,921	3,450,243	97,678
Capital outlay	3,586,983	14,816,739	2,221,576	12,595,163
Total expenditures	16,151,095	28,855,760	14,178,585	14,677,175
Excess (deficiency) of revenues over (under) expenditures	448,972	(12,255,693)	4,183,387	16,439,080
OTHER FINANCING SOURCES (USES):				
Transfers out	-	(200,000)	(200,000)	-
Reserves	(659,502)	(2,989,018)	-	2,989,018
Total other financing sources (uses)	(659,502)	(3,189,018)	(200,000)	2,989,018
Net change in fund balances	(210,530)	(15,444,711)	3,983,387	\$ 19,428,098
Fund balances, beginning	210,530	15,444,711	15,645,087	
Fund balances, ending	\$ -	\$ -	\$ 19,628,474	

Martin County, Florida
Nonmajor Special Revenue Funds
CRA Fund

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES:				
Intergovernmental revenues	\$ 6,906,840	\$ 6,595,525	\$ 6,593,272	\$ (2,253)
Interest income	-	3,500	742,265	738,765
Net change in fair value of investments	-	-	312,603	312,603
Total revenues	6,906,840	6,599,025	7,648,140	1,049,115
EXPENDITURES:				
Current:				
Economic environment	760,927	821,122	1,094,205	(273,083)
Capital outlay	5,159,208	18,689,809	1,538,323	17,151,486
Total expenditures	5,920,135	19,510,931	2,632,528	16,878,403
Excess (deficiency) of revenues over (under) expenditures	986,705	(12,911,906)	5,015,612	17,927,518
OTHER FINANCING SOURCES (USES):				
Transfers out	(958,205)	(958,205)	(958,708)	(503)
Reserves	(28,500)	(1,500)	-	1,500
Total other financing sources (uses):	(986,705)	(959,705)	(958,708)	997
Net change in fund balances	-	(13,871,611)	4,056,904	\$ 17,928,515
Fund balances, beginning	-	13,871,611	13,971,114	
Fund balances, ending	\$ -	\$ -	\$ 18,028,018	

Martin County, Florida
Nonmajor Special Revenue Funds
SHIP - State Housing Grants
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES:				
Intergovernmental revenues	\$ -	\$ 3,398,306	\$ 1,403,362	\$ (1,994,944)
Interest income	-	-	197,012	197,012
Net change in fair value of investments	-	-	22,973	22,973
Miscellaneous revenues	-	-	447,623	447,623
Total revenues	<u>-</u>	<u>3,398,306</u>	<u>2,070,970</u>	<u>(1,327,336)</u>
EXPENDITURES:				
Current:				
Economic environment	-	7,039,867	945,927	6,093,940
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(3,641,561)</u>	<u>1,125,043</u>	<u>4,766,604</u>
Net change in fund balances	<u>-</u>	<u>(3,641,561)</u>	<u>1,125,043</u>	<u>\$ 4,766,604</u>
Fund balances, beginning	<u>-</u>	<u>3,641,561</u>	<u>3,641,561</u>	
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,766,604</u>	

Martin County, Florida
Nonmajor Special Revenue Funds
Local Grants

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES:				
Intergovernmental revenues	\$ 269,950	\$ 3,706,990	\$ 2,512,288	\$ (1,194,702)
Interest income	-	-	10,224	10,224
Net change in fair value of investments	-	-	634	634
Total revenues	<u>269,950</u>	<u>3,706,990</u>	<u>2,523,146</u>	<u>(1,183,844)</u>
EXPENDITURES:				
Current:				
General government	-	2,238,480	509,141	1,729,339
Public safety	269,950	350,415	291,069	59,346
Physical environment	-	880,000	35,360	844,640
Human services	-	103,504	64,853	38,651
Culture and recreation	-	344,284	344,273	11
Capital outlay	-	210,360	25,326	185,034
Total expenditures	<u>269,950</u>	<u>4,127,043</u>	<u>1,270,022</u>	<u>2,857,021</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(420,053)</u>	<u>1,253,124</u>	<u>1,673,177</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	<u>-</u>	<u>420,000</u>	<u>-</u>	<u>(420,000)</u>
Net change in fund balances	<u>-</u>	<u>(53)</u>	<u>1,253,124</u>	<u>\$ 1,253,177</u>
Fund balances, beginning	<u>-</u>	<u>53</u>	<u>(602,500)</u>	
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 650,624</u>	

Martin County, Florida
Nonmajor Special Revenue Funds
Other Impact Fees
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES:				
Permits, fees and special assessments	\$ 2,110,000	\$ 2,110,000	\$ 2,563,938	\$ 453,938
Interest income	3,000	3,000	468,354	465,354
Net change in fair value of investments	-	-	188,507	188,507
Total revenues	2,113,000	2,113,000	3,220,799	1,107,799
EXPENDITURES:				
Current:				
General government	-	667,806	48,511	619,295
Public safety	-	39,950	15,630	24,320
Physical environment	-	-	40,718	(40,718)
Culture and recreation	-	-	328,106	(328,106)
Capital outlay	747,500	10,697,382	4,294,151	6,403,231
Total expenditures	747,500	11,405,138	4,727,116	6,678,022
Excess (deficiency) of revenues over (under) expenditures	1,365,500	(9,292,138)	(1,506,317)	7,785,821
Reserves	(1,719,500)	(2,880,055)	-	2,880,055
Total other financing sources (uses)	(1,719,500)	(2,880,055)	-	(2,880,055)
Net change in fund balances	(354,000)	(12,172,193)	(1,506,317)	\$ 10,665,876
Fund balances, beginning	354,000	12,172,193	12,180,544	
Fund balances, ending	\$ -	\$ -	\$ 10,674,227	

Martin County, Florida
Nonmajor Special Revenue Funds
Transportation Impact Fees
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES:				
Permits, fees and special assessments	\$ 990,000	\$ 990,000	\$ 1,390,491	\$ 400,491
Interest income	-	-	297,192	297,192
Net change in fair value of investments	-	-	125,319	125,319
Contributions - private sources & donations	-	-	99,369	99,369
Total revenues	<u>990,000</u>	<u>990,000</u>	<u>1,912,371</u>	<u>922,371</u>
EXPENDITURES:				
Current:				
Transportation	-	-	6,219	(6,219)
Capital outlay	80,000	1,974,322	930,675	1,043,647
Total expenditures	<u>80,000</u>	<u>1,974,322</u>	<u>936,894</u>	<u>1,037,428</u>
Excess (deficiency) of revenues over (under) expenditures	<u>910,000</u>	<u>(984,322)</u>	<u>975,477</u>	<u>1,959,799</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	(2,776,000)	(2,776,000)	(2,000,000)	776,000
Reserves	(910,000)	(4,487,260)	-	4,487,260
Total other financing sources (uses)	<u>(3,686,000)</u>	<u>(7,263,260)</u>	<u>(2,000,000)</u>	<u>5,263,260</u>
Net change in fund balances	<u>(2,776,000)</u>	<u>(8,247,582)</u>	<u>(1,024,523)</u>	<u>\$ 7,223,059</u>
Fund balances, beginning	<u>2,776,000</u>	<u>8,247,582</u>	<u>8,269,387</u>	
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 7,244,864</u>	

Martin County, Florida
Nonmajor Special Revenue Funds
Public Safety
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES:				
Taxes	\$ 10,243,598	\$ 10,243,598	\$ 10,388,196	\$ 144,598
Charges for services	850,000	850,000	1,111,005	261,005
Fines and forfeitures	3,000	3,000	-	(3,000)
Interest income	40,500	40,500	405,878	365,378
Net change in fair value of investments	-	-	176,030	176,030
Miscellaneous revenues	50,000	414,548	1,279,036	864,488
Total revenues	11,187,098	11,551,646	13,360,145	1,808,499
EXPENDITURES:				
Current:				
General government	306,254	991,363	577,433	413,930
Public safety	6,923,358	7,251,258	6,509,629	741,629
Economic environment	-	-	14	(14)
Human services	4,699,415	4,699,415	3,798,779	900,636
Total expenditures	11,929,027	12,942,036	10,885,855	2,056,181
Excess (deficiency) of revenues over (under) expenditures	(741,929)	(1,390,390)	2,474,290	3,864,680
OTHER FINANCING SOURCES (USES):				
Transfers in	726,494	1,126,494	1,133,401	6,907
Transfers out	(946,494)	(1,120,429)	(911,418)	209,011
Reserves	(229,323)	(5,011,401)	-	5,011,401
Total other financing sources (uses)	(449,323)	(5,005,336)	221,983	5,227,319
Net change in fund balances	(1,191,252)	(6,395,726)	2,696,273	\$ 9,091,999
Fund balances, beginning	1,191,252	6,395,726	6,725,730	
Fund balances, ending	\$ -	\$ -	\$ 9,422,003	

Martin County, Florida
Nonmajor Special Revenue Funds
Judicial

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES:				
Charges for services	\$ 858,229	\$ 858,229	\$ 912,522	\$ 54,293
Interest income	-	-	53,492	53,492
Net change in fair value of investments	-	-	11,097	11,097
Miscellaneous revenues	-	-	13,573	13,573
Total revenues	858,229	858,229	990,684	132,455
EXPENDITURES:				
Current:				
General government	2,125,769	2,180,769	2,039,867	140,902
Capital outlay	35,998	52,498	4,788	47,710
Total expenditures	2,161,767	2,233,267	2,044,655	188,612
Deficiency of revenues under expenditures	(1,303,538)	(1,375,038)	(1,053,971)	321,067
OTHER FINANCING SOURCES (USES):				
Transfers in	1,182,790	1,277,790	1,289,446	11,656
Reserves	(43,203)	(847,261)	-	847,261
Total other financing sources (uses)	1,139,587	430,529	1,289,446	858,917
Net change in fund balances	(163,951)	(944,509)	235,475	\$ 1,179,984
Fund balances, beginning	163,951	944,509	973,936	
Fund balances, ending	\$ -	\$ -	\$ 1,209,411	

Martin County, Florida
Nonmajor Special Revenue Funds
Economic Development
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES:				
Taxes	\$ 4,546,278	\$ 4,546,278	\$ 4,312,087	\$ (234,191)
Interest income	-	-	433,335	433,335
Net change in fair value of investments	-	-	180,423	180,423
Miscellaneous revenues	-	-	94	94
Statutory budget reduction	(219,814)	(219,814)	-	219,814
Total revenues	4,326,464	4,326,464	4,925,939	599,475
EXPENDITURES:				
Current:				
General government	112,895	1,191,223	159,763	1,031,460
Physical environment	500,000	2,061,531	-	2,061,531
Economic environment	3,281,509	10,088,849	2,897,851	7,190,998
Culture and recreation	180,676	180,676	161,865	18,811
Capital outlay	219,677	506,075	-	506,075
Total expenditures	4,294,757	14,028,354	3,219,479	10,808,875
Excess (deficiency) of revenues over (under) expenditures	31,707	(9,701,890)	1,706,460	11,408,350
OTHER FINANCING SOURCES (USES)				
Transfers in	308,000	308,000	308,000	-
Reserves	(339,707)	(950,667)	-	950,667
Total other financing sources (uses)	(31,707)	(642,667)	308,000	950,667
Net change in fund balances	-	(10,344,557)	2,014,460	\$ 12,359,017
Fund balances, beginning	-	10,344,557	10,352,253	
Fund balances, ending	\$ -	\$ -	\$ 12,366,713	

Martin County, Florida
Nonmajor Special Revenue Funds
Culture and Recreation
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES:				
Interest income	\$ -	\$ -	\$ 64,140	\$ 64,140
Net change in fair value of investments	-	-	26,373	26,373
Total revenues	<u>-</u>	<u>-</u>	<u>90,513</u>	<u>90,513</u>
EXPENDITURES:				
Current:				
General government	35,500	126,965	23,679	103,286
Economic environment	14,500	14,500	656	13,844
Culture and recreation	-	1,540,346	23,696	1,516,650
Capital outlay	-	63,876	656,669	(592,793)
Total expenditures	<u>50,000</u>	<u>1,745,687</u>	<u>704,700</u>	<u>1,040,987</u>
Deficiency of revenues under expenditures	<u>(50,000)</u>	<u>(1,745,687)</u>	<u>(614,187)</u>	<u>1,131,500</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>(1,695,687)</u>	<u>(564,187)</u>	<u>\$ 1,131,500</u>
Fund balances, beginning	<u>-</u>	<u>1,695,687</u>	<u>1,695,688</u>	
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,131,501</u>	

Martin County, Florida
Nonmajor Special Revenue Funds
Franchise Fees
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES:				
Permits, fees and special assessments	\$ 9,850,921	\$ 9,850,921	\$ 11,680,470	\$ 1,829,549
Interest income	-	-	1,274,163	1,274,163
Net change in fair value of investments	-	-	555,641	555,641
Total revenues	<u>9,850,921</u>	<u>9,850,921</u>	<u>13,510,274</u>	<u>3,659,353</u>
EXPENDITURES:				
Current:				
Physical environment	-	-	74,425	(74,425)
Transportation	438,726	438,726	878,697	(439,971)
Capital outlay	7,728,195	31,405,659	5,488,174	25,917,485
Total expenditures	<u>8,166,921</u>	<u>31,844,385</u>	<u>6,441,296</u>	<u>25,403,089</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,684,000</u>	<u>(21,993,464)</u>	<u>7,068,978</u>	<u>29,062,442</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	260,000	260,000	260,000	-
Transfers out	(1,944,000)	(2,744,000)	(2,744,000)	-
Reserves	-	(5,065,111)	-	5,065,111
Net change in fund balances	<u>-</u>	<u>(29,542,575)</u>	<u>4,584,978</u>	<u>\$ 34,127,553</u>
Fund balances, beginning	<u>-</u>	<u>29,542,575</u>	<u>29,542,575</u>	
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,127,553</u>	

Martin County, Florida
Nonmajor Special Revenue Funds
Clerk Special Revenue
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES:				
Charges for services	\$ 323,000	\$ 323,000	\$ 384,931	\$ 61,931
Interest income	-	-	87,243	87,243
Total revenues	<u>323,000</u>	<u>323,000</u>	<u>472,174</u>	<u>149,174</u>
EXPENDITURES:				
Current:				
General government	1,253,074	1,253,074	290,591	962,483
Excess (deficiency) of revenues over (under) expenditures	<u>(930,074)</u>	<u>(930,074)</u>	<u>181,583</u>	<u>1,111,657</u>
OTHER FINANCING SOURCES (USES):				
Net change in fund balances	<u>(930,074)</u>	<u>(930,074)</u>	<u>181,583</u>	<u>\$ 1,111,657</u>
Fund balances, beginning	<u>930,074</u>	<u>930,074</u>	<u>1,838,732</u>	
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,020,315</u>	

Martin County, Florida
Nonmajor Debt Service Funds
Revenue Bonds

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES:				
Interest income	\$ -	\$ -	\$ 44,549	\$ 44,549
EXPENDITURES:				
Debt service				
Principal	1,450,000	1,450,000	1,450,000	-
Interest	1,508,750	1,508,750	1,508,750	-
Other debt service costs	3,260	3,260	5,820	(2,560)
Total expenditures	<u>2,962,010</u>	<u>2,962,010</u>	<u>2,964,570</u>	<u>(2,560)</u>
Deficiency of revenues under expenditures	<u>(2,962,010)</u>	<u>(2,962,010)</u>	<u>(2,920,021)</u>	<u>41,989</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	2,972,185	2,972,185	2,863,421	(108,764)
Reserves	<u>(10,175)</u>	<u>(807,364)</u>	<u>-</u>	<u>807,364</u>
Net change in fund balances	-	(797,189)	(56,600)	<u>\$ 740,589</u>
Fund balances, beginning	<u>-</u>	<u>797,189</u>	<u>797,190</u>	
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 740,590</u>	

Martin County, Florida
Nonmajor Debt Service Funds
Bank Notes and Loans
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES:				
Permits, fees and special assessments	\$ 163,531	\$ 163,531	\$ 118,298	\$ (45,233)
Intergovernmental revenues	1,554,381	1,554,381	1,690,159	135,778
Interest income	-	-	122,452	122,452
Net change in fair value of investments	-	-	7,710	7,710
Total revenues	<u>1,717,912</u>	<u>1,717,912</u>	<u>1,938,619</u>	<u>220,707</u>
EXPENDITURES:				
General government	-	-	1,383	(1,383)
Debt service				
Principal	4,565,271	4,565,271	4,570,359	(5,088)
Interest	780,095	780,095	774,308	5,787
Other debt service costs	9,305	68,498	3,780	64,718
Total expenditures	<u>5,354,671</u>	<u>5,413,864</u>	<u>5,349,830</u>	<u>64,034</u>
Deficiency of revenues under expenditures	<u>(3,636,759)</u>	<u>(3,695,952)</u>	<u>(3,411,211)</u>	<u>284,741</u>
OTHER FINANCING SOURCES (USES):				
Transfers in	3,833,880	3,833,880	3,035,163	(798,717)
Reserves	(197,121)	(1,039,641)	-	1,039,641
Total other financing sources (uses)	<u>3,636,759</u>	<u>2,794,239</u>	<u>3,035,163</u>	<u>240,924</u>
Net change in fund balances	-	(901,713)	(376,048)	<u>\$ 525,665</u>
Fund balances, beginning	-	901,713	901,715	
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 525,667</u>	

Martin County, Florida
Major Capital Project Funds
County Buildings
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES:				
Taxes	\$ 19,747,116	\$ 19,747,116	\$ 20,029,746	\$ 282,630
Permits, fees and special assessments	150,000	150,000	66,286	(83,714)
Intergovernmental revenues	130,000	130,000	306,076	176,076
Fines and forfeitures	140,000	140,000	127,668	(12,332)
Interest income	150,000	150,000	1,942,549	1,792,549
Net change in fair value of investments	-	-	861,014	861,014
Contributions - private sources & donations	-	997,962	206,592	(791,370)
Miscellaneous revenues	-	-	448,775	448,775
Statutory budget reduction	(19,750)	(19,750)	-	19,750
Total revenues	20,297,366	21,295,328	23,988,706	2,693,378
EXPENDITURES:				
Current:				
General government	915,344	1,047,162	2,255,286	(1,208,124)
Public safety	-	-	1,775,771	(1,775,771)
Physical environment	815,000	1,976,991	783,148	1,193,843
Transportation	82,884	1,225,846	637,284	588,562
Economic environment	-	-	375	(375)
Culture and recreation	-	-	2,211,807	(2,211,807)
Capital outlay	20,813,139	58,764,641	14,430,006	44,334,635
Debt service:				
Principal	879,777	879,777	931,737	(51,960)
Interest	207,900	207,900	209,012	(1,112)
Other debt service costs	2,000	2,000	1,260	740
Total expenditures	23,716,044	64,104,317	23,235,686	40,868,631
Excess (deficiency) of revenues over (under) expenditures	(3,418,678)	(42,808,989)	753,020	43,562,009
OTHER FINANCING SOURCES (USES):				
Transfers in	2,587,677	5,397,677	5,397,677	-
Transfers out	(50,000)	(285,699)	(50,000)	235,699
Reserves	(174,000)	(4,476,267)	-	4,476,267
Total other financing sources (uses)	2,363,677	635,711	5,347,677	4,711,966
Net change in fund balances	(1,055,001)	(42,173,278)	6,100,697	\$ 48,273,975
Fund balances, beginning	1,055,001	42,173,278	42,482,238	
Fund balances, ending	\$ -	\$ -	\$ 48,582,935	

Martin County, Florida
Nonmajor Capital Project Funds
Recreation Projects
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES:				
Taxes	\$ 5,723,108	\$ 5,723,108	\$ 5,806,109	\$ 83,001
Permits, fees and special assessments	65,000	65,000	33,143	(31,857)
Intergovernmental revenues	-	2,957,315	497,001	(2,460,314)
Interest income	-	-	574,753	574,753
Net change in fair value of investments	-	-	462,419	462,419
Contributions - private sources & donations	-	192,655	233,426	40,771
Miscellaneous revenues	-	-	2,502	2,502
Statutory budget reduction	(2,500)	(2,500)	-	2,500
Total revenues	<u>5,785,608</u>	<u>8,935,578</u>	<u>7,609,353</u>	<u>(1,326,225)</u>
EXPENDITURES:				
Current:				
General government	99,704	99,704	86,056	13,648
Physical environment	5,715,150	12,743,787	1,502,836	11,240,951
Transportation	-	-	181	(181)
Capital outlay	-	986,774	1,120,172	(133,398)
Total expenditures	<u>5,814,854</u>	<u>13,830,265</u>	<u>2,709,245</u>	<u>11,121,020</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(29,246)</u>	<u>(4,894,687)</u>	<u>4,900,108</u>	<u>9,794,795</u>
OTHER FINANCING SOURCES (USES):				
Transfers out	-	(11,982,366)	(3,602,693)	8,379,673
Reserves	(27,410)	(7,473,767)	-	7,473,767
Total other financing sources (uses)	<u>27,410</u>	<u>19,456,133</u>	<u>(3,602,693)</u>	<u>15,853,440</u>
Net change in fund balances	<u>(56,656)</u>	<u>(24,350,820)</u>	<u>1,297,415</u>	<u>\$ 25,648,235</u>
Fund balances, beginning	<u>56,656</u>	<u>24,350,820</u>	<u>24,510,653</u>	
Fund balances, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 25,808,068</u>	

Martin County, Florida
Nonmajor Capital Project Funds
Transportation Road Projects
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES:				
Taxes	\$ 7,925,000	\$ 7,925,000	\$ 8,549,779	\$ 624,779
Permits, fees and special assessments	685,000	685,000	889,566	204,566
Intergovernmental revenues	2,800,000	2,800,000	2,991,276	191,276
Charges for services	776,895	776,895	909,189	132,294
Interest income	190,000	190,000	591,411	401,411
Net change in fair value of investments	-	-	304,649	304,649
Contributions - private sources & donations	-	-	50,000	50,000
Miscellaneous revenues	60,000	60,000	132,840	72,840
Statutory budget reduction	(196,120)	(196,120)	-	196,120
Total revenues	12,240,775	12,240,775	14,418,710	2,177,935
EXPENDITURES:				
Current:				
General government	147,324	151,324	131,707	19,617
Physical environment	3,500	6,031	3,500	2,531
Transportation	9,468,605	9,782,156	8,747,270	1,034,886
Economic environment	34,020	38,020	38,235	(215)
Human services	6,500	6,500	6,500	-
Capital outlay	1,608,000	14,234,327	2,965,118	11,269,209
Debt service				
Total expenditures	11,267,949	24,218,358	11,892,330	12,326,028
Excess (deficiency) of revenues over (under) expenditures	972,826	(11,977,583)	2,526,380	14,503,963
OTHER FINANCING SOURCES (USES):				
Transfers in	444,000	444,000	444,000	-
Transfers out	(208,052)	(208,052)	(200,439)	7,613
Reserves	(1,823,371)	(6,686,987)	-	6,686,987
Total other financing sources (uses)	(1,587,423)	(6,451,039)	243,561	6,694,600
Net change in fund balances	(614,597)	(18,428,622)	2,769,941	\$ 21,198,563
Fund balances, beginning	614,597	18,428,622	18,875,876	
Fund balances, ending	\$ -	\$ -	\$ 21,645,817	

INTERNAL SERVICE FUNDS
COMBINING STATEMENTS

Martin County, Florida
Internal Service Funds
Combining Statement of Net Position
September 30, 2024

	Self-Insurance	Vehicle Maintenance	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 7,069,479	\$ 1,006,366	\$ 8,075,845
Restricted cash	393,500	-	393,500
Investments	2,461,999	2,841,833	5,303,832
Accounts receivable	1,203,472	36,737	1,240,209
Due from other funds	1,662,702	12,189	1,674,891
Due from other governmental agencies	-	11,589	11,589
Inventories	-	201,333	201,333
Prepaid items	4,000	-	4,000
Total current assets	12,795,152	4,110,047	16,905,199
Noncurrent assets:			
Equipment	10,634	5,619,827	5,630,461
Less accumulated depreciation and amortization	(10,634)	(4,456,344)	(4,466,978)
Capital assets, net	-	1,163,483	1,163,483
Total assets	12,795,152	5,273,530	18,068,682
LIABILITIES			
Current liabilities:			
Accounts payable and accrued claims	2,450,098	124,983	2,575,081
Accrued wages payable	-	17,182	17,182
Accrued compensated absences, current	-	50,000	50,000
Total current liabilities	2,450,098	192,165	2,642,263
Noncurrent liabilities:			
Accrued compensated absences	-	8,545	8,545
Total liabilities	2,450,098	200,710	2,650,808
NET POSITION			
Net investment in capital assets	-	1,163,483	1,163,483
Unrestricted	10,345,054	3,909,337	14,254,391
Total net position	\$ 10,345,054	\$ 5,072,820	\$ 15,417,874

Martin County, Florida
Internal Service Funds
Combining Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended September 30, 2024

	Self-Insurance	Vehicle Maintenance	Total
OPERATING REVENUES			
Charges for services	\$ 46,680,861	\$ 1,864,700	\$ 48,545,561
Miscellaneous revenues	6,673,773	36,177	6,709,950
Total operating revenues	53,354,634	1,900,877	55,255,511
OPERATING EXPENSES			
Salaries and related expenses	-	754,879	754,879
General, administrative, claims, operating, and maintenance	54,778,924	655,576	55,434,500
Depreciation	-	494,622	494,622
Total operating expenses	54,778,924	1,905,077	56,684,001
Operating income (loss)	(1,424,290)	(4,200)	(1,428,490)
NONOPERATING REVENUES			
Interest income	492,100	130,163	622,263
Net change in fair value	39,765	54,486	94,251
Gain on disposition of capital assets	-	113,015	113,015
Total net nonoperating revenues	531,865	297,664	829,529
Transfers in	-	564,641	564,641
Change in net position	(892,425)	858,105	(34,320)
Total net position - beginning	11,237,479	4,214,715	15,452,194
Total net position - ending	\$ 10,345,054	\$ 5,072,820	\$ 15,417,874

Martin County, Florida
Internal Service Funds
Combining Statement of Cash Flows
For the Year Ended September 30, 2024

	<u>Self-Insurance</u>	<u>Vehicle Maintenance</u>	<u>Total</u>
CASH FLOWS FROM OPERATING ACTIVITIES:			
Receipts from customers	\$ 44,876,738	\$ 1,864,632	\$ 46,741,370
Other receipts	6,673,773	36,177	6,709,950
Payments for salaries and benefits	-	(749,409)	(749,409)
Payments to suppliers	(54,495,991)	(701,857)	(55,197,848)
Net cash provided (used) by operating activities	<u>(2,945,480)</u>	<u>449,543</u>	<u>(2,495,937)</u>
CASH FLOWS FROM NONCAPITAL AND RELATED FINANCING ACTIVITIES:			
Transfers from other funds	-	564,641	564,641
Net cash provided (used) by noncapital financing activities	<u>-</u>	<u>564,641</u>	<u>564,641</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Purchases of capital assets	-	(310,227)	(310,227)
Proceeds from sale of assets	-	113,014	113,014
Net cash provided (used) for capital and related financing activities	<u>-</u>	<u>(197,213)</u>	<u>(197,213)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:			
Interest and gain (loss) on investments	1,400,258	(300,948)	1,099,310
Interest received	531,865	184,649	716,514
Net cash provided (used) in investing activities	<u>1,932,123</u>	<u>(116,299)</u>	<u>1,815,824</u>
Net change in cash and cash equivalents	(1,013,357)	700,672	(312,685)
Cash and cash equivalents - beginning of year	8,476,336	305,694	8,782,030
Cash and cash equivalents - end of year	<u>\$ 7,462,979</u>	<u>\$ 1,006,366</u>	<u>\$ 8,469,345</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY OPERATING ACTIVITIES:			
Operating income (loss)	\$ (1,424,290)	\$ (4,200)	\$ (1,428,490)
Adjustments to reconcile operating income (loss) to net cash provided by operating activities			
Depreciation and amortization	-	494,622	494,622
Changes in assets and liabilities:			
Accounts receivable, net	(727,499)	(424)	(727,923)
Due from other funds	(1,076,625)	356	(1,076,269)
Inventories	-	12,722	12,722
Accounts payable	282,934	(59,003)	223,931
Accrued wages	-	3,383	3,383
Accrued compensated absences	-	2,087	2,087
Net cash provided (used) by operating activities	<u>\$ (2,945,480)</u>	<u>\$ 449,543</u>	<u>\$ (2,495,937)</u>

COMBINING STATEMENTS OF
FIDUCIARY NET POSITION

Martin County, Florida
Combining Statement of Fiduciary Net Position
Private Purpose Trust Funds
September 30, 2024

	Private Purpose Trust		
	Annie E Meyers Trust Fund	D Slosberg Driver Education Trust	Total
ASSETS			
Cash and cash equivalents	\$ 22,344	\$ 38,777	\$ 61,121
Investments	128,305	5,918	134,223
Total assets	150,649	44,695	195,344
LIABILITIES			
Accounts payable and accrued claims	1,988	-	1,988
Total liabilities	1,988	-	1,988
NET POSITION			
Held in trust	<u>\$ 148,661</u>	<u>\$ 44,695</u>	<u>\$ 193,356</u>

Martin County, Florida
Combining Statement of Changes in Fiduciary Net Position
Private Purpose Trust Funds
For the Year Ended September 30, 2024

	Private Purpose Trust		
	Annie E Meyers Trust Fund	D Slosberg Driver Education Trust	Total
ADDITIONS:			
Fines and forfeitures	\$ -	\$ 68,826	\$ 68,826
Interest income	6,388	1,024	7,412
Net change in fair value of investments	2,783	115	2,898
Total additions	9,171	69,965	79,136
DEDUCTIONS:			
Human services	-	65,000	65,000
Culture and recreation	31,930	-	31,930
Total deductions	31,930	65,000	96,930
Change in net position	(22,759)	4,965	(17,794)
Net position - beginning	171,420	39,730	211,150
Net position - ending	<u>\$ 148,661</u>	<u>\$ 44,695</u>	<u>\$ 193,356</u>

Martin County, Florida
Combining Statement of Fiduciary Net Position
Custodial Funds
As of September 30, 2024

	Custodial Funds				
	Board of County Commissioners	Clerk of the Circuit Court	Sheriff	Tax Collector	Total
ASSETS					
Cash and cash equivalents	\$ 633,183	\$ 8,717,183	\$ 518,688	\$ 5,997,879	\$ 15,866,933
Investments	2,393,226	62,275	-	-	2,455,501
Accounts receivable	-	-	-	677,882	677,882
Total assets	3,026,409	8,779,458	518,688	6,675,761	19,000,316
LIABILITIES					
Accounts payable	38,000	9,994	-	-	47,994
Due to other governmental agencies	223,106	831,842	-	6,675,761	7,730,709
Deposits from individuals and corporations	-	-	153,960	-	153,960
Total liabilities	261,106	841,836	153,960	6,675,761	7,932,663
NET POSITION					
Restricted for:					
Individuals, organizations, and other governments	2,765,303	7,937,622	364,728	-	11,067,653
Total net position	\$ 2,765,303	\$ 7,937,622	\$ 364,728	\$ -	\$ 11,067,653

Martin County, Florida
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended September 30, 2024

	Custodial Funds				
	Board of County Commissioners	Clerk of the Circuit Court	Sheriff	Tax Collector	Total
ADDITIONS:					
Fees and charges collected for others	\$ 856,378	\$ 17,723,295	\$ 1,090,811	\$ -	\$ 19,670,484
Tax collections for other governments	-	-	-	302,176,971	302,176,971
Miscellaneous	-	-	402,385	10,364,372	10,766,757
Total additions	856,378	17,723,295	1,493,196	312,541,343	332,614,212
DEDUCTIONS:					
Payments to individuals, organizations, and other governments	891,137	16,578,127	1,640,329	302,176,971	321,286,564
Miscellaneous	-	-	-	10,364,372	10,364,372
Total deductions	891,137	16,578,127	1,640,329	312,541,343	331,650,936
Change in net position	(34,759)	1,145,168	(147,133)	-	963,276
Net position - beginning	2,800,062	6,792,454	511,861	-	10,104,377
Net position - ending	\$ 2,765,303	\$ 7,937,622	\$ 364,728	\$ -	\$ 11,067,653



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Martin County, Florida
For the Year Ended September 30, 2024

STATISTICAL SECTION

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This part of Martin County's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

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These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time	
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These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.	
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Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year. The County implemented GASB Statement 34 in 2002; schedules presenting government-wide information include information beginning in that year.

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

(Unaudited)

	Fiscal Year			
	2015	2016	2017	2018
Governmental activities:				
Net investment in capital assets	\$ 574,409,202	\$ 582,985,255	\$ 588,757,447	\$ 578,846,232
Restricted	30,976,073	17,081,598	30,094,214	27,618,666
Unrestricted (deficit)	<u>(97,297,239)</u>	<u>(80,670,842)</u>	<u>(193,307,105)</u>	<u>(155,874,479)</u>
Total governmental activities net position	<u>508,088,036</u>	<u>519,396,011</u>	<u>425,544,556</u>	<u>450,590,419</u>
Business-type activities:				
Net investment in capital assets	207,660,423	213,980,503	215,089,431	222,075,194
Restricted	16,186,585	18,433,671	21,832,218	23,922,630
Unrestricted	<u>29,812,548</u>	<u>29,015,710</u>	<u>34,053,862</u>	<u>35,987,367</u>
Total business-type activities net position	<u>253,659,556</u>	<u>261,429,884</u>	<u>270,975,511</u>	<u>281,985,191</u>
Primary government:				
Net investment in capital assets	782,069,625	796,965,758	803,846,878	800,921,426
Restricted	47,162,658	35,515,269	51,926,432	51,541,296
Unrestricted (deficit)	<u>(67,484,691)</u>	<u>(51,655,132)</u>	<u>(159,253,243)</u>	<u>(119,887,112)</u>
Total primary government net position	<u>\$ 761,747,592</u>	<u>\$ 780,825,895</u>	<u>\$ 696,520,067</u> ¹	<u>\$ 732,575,610</u>

¹ A restatement of Net Position was required for fiscal year 2017 due to the implementation of GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, and to correct an overstatement in the Airport.

(Unaudited)

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 601,338,623	\$ 620,193,915	\$ 644,479,645	\$ 674,040,518	\$ 694,969,546	\$ 717,108,047
78,089,370	79,601,114	72,645,353	79,184,253	96,568,898	78,833,208
<u>(224,977,889)</u>	<u>(240,130,846)</u>	<u>(184,038,718)</u>	<u>(176,070,909)</u>	<u>(170,491,802)</u>	<u>(116,916,701)</u>
<u>454,450,104</u>	<u>459,664,183</u>	<u>533,086,280</u>	<u>577,153,862</u>	<u>621,046,642</u>	<u>679,024,554</u>
230,986,721	234,840,965	240,200,094	251,803,610	252,485,759	265,678,714
24,696,371	22,642,275	24,576,091	27,964,412	26,708,526	25,746,417
<u>43,574,404</u>	<u>48,197,642</u>	<u>52,728,188</u>	<u>58,457,579</u>	<u>72,134,388</u>	<u>94,732,245</u>
<u>299,257,496</u>	<u>305,680,882</u>	<u>317,504,373</u>	<u>338,225,601</u>	<u>351,328,673</u>	<u>386,157,376</u>
832,325,344	855,034,880	884,679,739	925,844,128	947,455,305	982,786,761
102,785,741	102,243,389	97,221,444	107,148,665	123,277,424	104,579,627
<u>(181,403,485)</u>	<u>(191,933,204)</u>	<u>(131,310,530)</u>	<u>(117,613,330)</u>	<u>(98,357,414)</u>	<u>(22,184,458)</u>
<u>\$ 753,707,600</u>	<u>\$ 765,345,065</u>	<u>\$ 850,590,653</u>	<u>\$ 915,379,463</u>	<u>\$ 972,375,315</u>	<u>\$1,065,181,930</u>

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

(Unaudited)

	Fiscal Year			
	2015	2016	2017	2018
EXPENSES				
Governmental activities:				
General government	\$ 54,161,287	\$ 60,130,281	\$ 81,825,734	\$ 72,222,820
Public safety	107,481,640	122,869,345	131,938,152	122,941,121
Physical environment	11,751,153	18,707,158	13,526,213	12,611,453
Transportation	20,620,634	26,668,080	28,034,919	25,588,350
Economic environment	2,398,875	2,762,139	3,117,596	3,248,157
Human services	7,023,863	5,477,529	6,736,303	7,886,328
Culture and recreation	15,396,102	19,164,676	18,380,784	18,885,864
Interest on long-term debt	3,230,145	630,743	1,616,733	2,608,387
Total governmental activities expenses	<u>222,063,699</u>	<u>256,409,951</u>	<u>285,176,434</u>	<u>265,992,480</u>
Business-type activities:				
Water	16,850,339	18,001,230	18,107,855	18,418,508
Sewer	13,786,910	14,727,068	14,904,946	15,067,538
Solid waste	19,119,647	20,215,746	20,127,005	22,071,898
Airport	2,809,151	2,550,230	2,867,089	2,855,588
Golf Course	2,359,326	2,155,843	2,101,181	2,241,544
Total business-type activities expenses	<u>54,925,373</u>	<u>57,650,117</u>	<u>58,108,076</u>	<u>60,655,076</u>
Total primary government expenses	<u>276,989,072</u>	<u>314,060,068</u>	<u>343,284,510</u>	<u>326,647,556</u>
PROGRAM REVENUES				
Governmental activities:				
Charges for services:				
General government	19,683,175	18,880,214	19,691,748	21,959,446
Public safety	9,640,170	10,745,708	10,758,372	11,453,571
Transportation	2,004,028	8,839,752	10,904,523	11,597,968
Other functions	3,042,410	3,077,146	2,831,719	3,430,711
Operating grants and contributions	13,422,146	22,469,288	17,742,156	18,071,188
Capital grants and contributions	5,605,898	8,272,209	5,967,672	6,929,695
Total governmental activities program revenues	<u>53,397,827</u>	<u>72,284,317</u>	<u>67,896,190</u>	<u>73,442,579</u>
Business-type activities:				
Charges for services:				
Water	17,005,577	17,303,188	18,217,161	17,908,528
Sewer	13,913,653	14,157,153	14,904,949	14,652,432
Solid waste	20,540,252	21,506,398	21,862,075	23,033,917
Airport	1,779,790	1,481,705	1,576,098	1,790,287
Golf course	1,318,018	1,567,205	1,360,820	1,242,475
Operating grants and contributions	201,730	332,825	200,619	698,657
Capital grants and contributions	2,153,427	5,905,610	8,303,835	7,994,611
Total business-type activities program revenues	<u>56,912,447</u>	<u>62,254,084</u>	<u>66,425,557</u>	<u>67,320,907</u>
Total primary government program revenues	<u>110,310,274</u>	<u>134,538,401</u>	<u>134,321,747</u>	<u>140,763,486</u>
NET (EXPENSE)/REVENUE				
Governmental activities	(168,665,872)	(184,125,634)	(217,280,244)	(192,549,901)
Business-type activities	1,987,074	4,603,967	8,317,481	6,665,831
Total primary government net expense	<u>\$ (166,678,798)</u>	<u>\$ (179,521,667)</u>	<u>\$ (208,962,763)</u>	<u>\$ (185,884,070)</u>

(Unaudited)

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 76,708,159	\$ 79,135,836	\$ 75,361,775	\$ 85,325,812	\$ 101,873,223	\$ 105,057,729
154,948,452	169,589,316	144,875,113	158,136,849	191,514,941	194,427,861
17,690,501	11,060,466	16,740,196	22,771,324	13,367,442	20,437,986
27,226,015	28,414,094	29,169,914	29,412,843	34,061,793	35,894,308
4,059,861	5,405,614	4,154,570	4,288,422	4,999,624	6,133,793
7,889,435	6,810,278	6,871,475	10,301,735	10,400,131	8,564,859
20,964,724	20,177,931	20,136,453	22,873,413	26,566,194	27,878,221
2,989,916	3,857,091	3,604,741	3,327,847	2,557,363	2,440,166
<u>312,477,063</u>	<u>324,450,626</u>	<u>300,914,237</u>	<u>336,438,245</u>	<u>385,340,711</u>	<u>400,834,923</u>
17,832,021	20,783,312	20,004,112	21,074,105	25,834,710	25,491,889
14,587,226	17,002,334	16,365,667	17,241,291	21,136,461	20,866,115
22,236,926	24,059,828	24,840,568	29,494,994	32,951,595	32,305,706
3,478,010	3,980,649	4,349,095	4,405,569	4,711,842	4,965,674
<u>2,049,446</u>	<u>1,946,739</u>	<u>1,841,329</u>	<u>2,113,005</u>	<u>2,908,331</u>	<u>3,396,175</u>
<u>60,183,629</u>	<u>67,772,862</u>	<u>67,400,771</u>	<u>74,328,964</u>	<u>87,542,939</u>	<u>87,025,559</u>
<u>372,660,692</u>	<u>392,223,488</u>	<u>368,315,008</u>	<u>410,767,209</u>	<u>472,883,650</u>	<u>487,860,482</u>
21,216,292	16,486,527	21,485,811	19,482,273	23,511,259	23,060,244
15,071,983	14,724,266	14,918,377	16,609,532	18,285,285	17,937,343
13,938,681	12,119,256	12,949,824	13,802,036	18,052,441	14,804,689
3,992,216	2,795,721	4,699,863	4,470,817	5,022,221	4,882,865
14,985,006	23,916,661	41,371,889	25,006,137	30,289,836	28,666,017
8,821,957	12,076,458	18,841,365	23,769,195	19,128,526	14,978,755
<u>78,026,135</u>	<u>82,118,889</u>	<u>114,267,129</u>	<u>103,139,990</u>	<u>114,289,568</u>	<u>104,329,913</u>
18,978,060	19,511,132	20,580,094	21,749,161	22,352,116	23,815,854
15,527,504	15,963,653	16,838,259	17,794,768	18,288,096	19,485,699
22,846,245	22,996,139	24,322,357	28,638,951	31,834,483	33,225,156
2,055,359	2,322,456	2,390,699	2,595,806	2,574,566	2,744,396
1,155,034	415,710	598,792	1,617,717	2,373,175	2,562,832
434,240	58,136	2,378,552	657,230	189,872	-
<u>11,383,405</u>	<u>7,803,941</u>	<u>8,117,671</u>	<u>18,893,522</u>	<u>14,005,117</u>	<u>30,068,754</u>
<u>72,379,847</u>	<u>69,071,167</u>	<u>75,226,424</u>	<u>91,947,155</u>	<u>91,617,425</u>	<u>111,902,691</u>
<u>150,405,982</u>	<u>151,190,056</u>	<u>189,493,553</u>	<u>195,087,145</u>	<u>205,906,993</u>	<u>216,232,604</u>
(234,450,928)	(242,331,737)	(186,647,108)	(233,298,255)	(271,051,143)	(296,505,010)
12,196,218	1,298,305	7,825,653	17,618,191	4,074,486	24,877,132
<u>\$ (222,254,710)</u>	<u>\$ (241,033,432)</u>	<u>\$ (178,821,455)</u>	<u>\$ (215,680,064)</u>	<u>\$ (266,976,657)</u>	<u>\$ (271,627,878)</u>

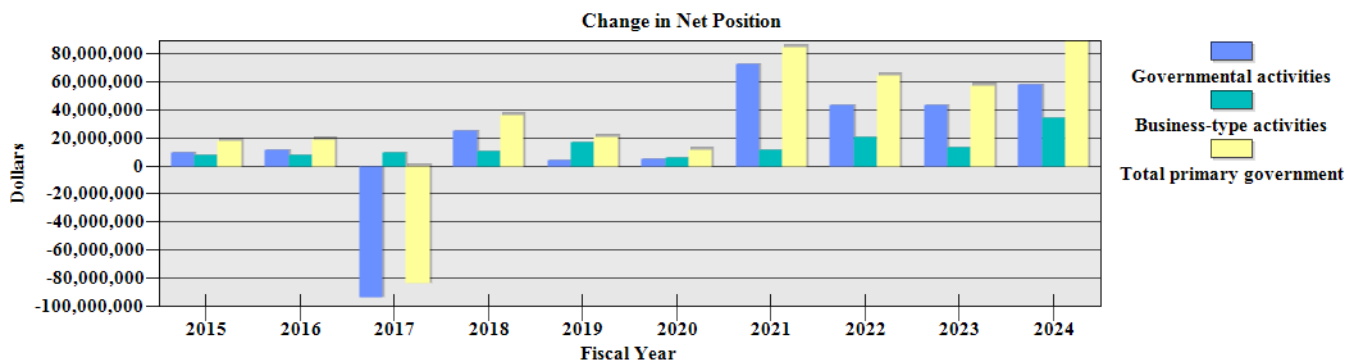
Martin County, Florida
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(continued)

(Unaudited)

	Fiscal Year			
	2015	2016	2017	2018
GENERAL REVENUES AND OTHER CHANGES IN NET POSITION				
Governmental activities:				
Taxes:				
Property taxes, levied for general purposes	\$ 143,978,913	\$ 153,708,854	\$ 163,537,265	\$ 177,654,874
Property taxes, levied for debt service	309,294	-	-	-
Sales tax	24,290,190	25,216,906	26,453,707	27,201,598
Communications taxes & other taxes	2,167,514	2,080,831	2,028,122	2,022,644
Contributions not restricted to specific programs	4,729,451	4,858,369	5,045,489	5,112,842
Investment earnings & net change in fair value of investments	1,345,004	1,015,589	1,627,547	3,056,643
Miscellaneous	4,625,758	9,004,747	4,591,058	3,237,554
Restatement	-	-	(78,071,499) ²	-
Transfers	(2,935,397)	(451,687)	(1,782,900)	(690,392)
Total governmental activities	<u>178,510,727</u>	<u>195,433,609</u>	<u>123,428,789</u>	<u>217,595,763</u>
Business-type activities:				
Investment earnings & net change in fair value of investments	1,345,849	1,000,223	1,257,963	1,802,142
Miscellaneous	1,727,946	1,714,451	1,771,328	1,851,316
Restatement	-	-	(3,584,045) ²	-
Transfers	2,935,397	451,687	1,782,900	690,391
Total business-type activities	<u>6,009,192</u>	<u>3,166,361</u>	<u>1,228,146</u>	<u>4,343,849</u>
Total primary government	<u>184,519,919</u>	<u>198,599,970</u>	<u>124,656,935</u>	<u>221,939,612</u>
CHANGES IN NET POSITION				
Governmental activities	9,844,855	11,307,975	(93,851,455)	25,045,862
Business-type activities	7,996,266	7,770,328	9,545,627	11,009,680
Total primary government	<u>\$ 17,841,121</u>	<u>\$ 19,078,303</u>	<u>\$ (84,305,828)</u>	<u>\$ 36,055,542</u>

Note: Martin County Community Redevelopment Agency (CRA) is included in this schedule as a blended component unit. More information about the CRA can be found in the notes to the financial statements.

² A restatement of Net Position was required for fiscal year 2017 due to the implementation of GASB Statement 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, and to correct an overstatement in the Airport.



(Unaudited)

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 188,544,685	\$ 206,468,520	\$ 217,707,071	\$ 229,168,584	\$ 248,887,924	\$ 282,216,912
-	-	-	-	-	-
26,718,241	26,360,535	30,512,386	34,107,017	35,308,132	33,748,122
1,841,005	1,754,554	1,693,712	1,730,964	1,783,643	1,763,471
5,406,243	5,102,288	5,870,682	7,370,554	7,698,778	7,341,811
5,946,573	4,610,976	948,091	(861,597)	15,144,163	21,863,690
10,360,764	4,385,411	4,251,128	5,797,255	7,808,609	7,444,940
-	-	-	-	-	-
(506,897)	(1,136,468)	(913,865)	53,060	(1,687,332)	103,976
<u>238,310,614</u>	<u>247,545,816</u>	<u>260,069,205</u>	<u>277,365,837</u>	<u>314,943,917</u>	<u>354,482,922</u>
2,701,675	2,047,743	910,004	546,485	5,081,810	7,087,708
1,867,515	1,940,870	2,173,969	2,609,613	2,259,445	2,967,842
-	-	-	-	-	-
506,897	1,136,468	913,865	(53,060)	1,687,331	(103,976)
<u>5,076,087</u>	<u>5,125,081</u>	<u>3,997,838</u>	<u>3,103,038</u>	<u>9,028,586</u>	<u>9,951,574</u>
<u>243,386,701</u>	<u>252,670,897</u>	<u>264,067,043</u>	<u>280,468,875</u>	<u>323,972,503</u>	<u>364,434,496</u>
3,859,686	5,214,079	73,422,097	44,067,582	43,892,774	57,977,912
17,272,305	6,423,386	11,823,491	20,721,229	13,103,072	34,828,706
<u>\$ 21,131,991</u>	<u>\$ 11,637,465</u>	<u>\$ 85,245,588</u>	<u>\$ 64,788,811</u>	<u>\$ 56,995,846</u>	<u>\$ 92,806,618</u>

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

(Unaudited)

	Fiscal Year			
	2015	2016	2017	2018
General Fund				
Nonspendable	\$ 503,070	\$ 697,679	\$ 691,690	\$ 1,009,653
Restricted	589,757	291,012	255,066	250,956
Committed	10,000,000	12,118,821	-	-
Assigned	13,670,207	14,967,267	14,248,233	16,035,534
Unassigned	10,274,088	5,383,561	5,071,422	9,469,569
Total General Fund	<u>35,037,122</u>	<u>33,458,340</u> ⁰	<u>20,266,411</u> ⁰	<u>26,765,712</u>
Other governmental funds				
Nonspendable	1,215,170	1,542,426	1,439,591	1,376,801
Restricted	34,156,092	34,047,005	34,298,141	31,356,087
Committed	28,408,166	38,516,691	42,188,800	47,763,475
Assigned	9,115,052	13,180,233	24,678,083	43,491,061
Unassigned	-	(18,020)	(2,911,597)	(688,331)
Total other governmental funds	<u>\$ 72,894,480</u>	<u>\$ 87,268,335</u>	<u>\$ 99,693,018</u>	<u>0\$ 123,299,093</u>

Note: Martin County Community Redevelopment Agency (CRA) is included in this schedule as a blended component unit. More information about the CRA can be found in the notes to the financial statements.

(Unaudited)

Fiscal Year					
2019	2020	2021	2022	2023	2024
\$ 428,595	\$ 495,476	\$ 606,146	\$ 553,027	\$ 685,963	\$ 731,847
532,242	866,204	930,218	794,976	858,129	530,549
-	-	-	-	-	-
12,582,102	12,518,556	22,945,115	6,094,682	23,514,814	28,963,271
20,518,225	29,752,682	38,193,826	60,414,634	53,586,499	53,039,499
<u>34,061,164</u>	<u>43,632,918</u>	<u>62,675,305</u>	<u>67,857,319</u>	<u>78,645,405</u>	<u>83,265,166</u>
1,467,422	1,510,207	1,327,141	1,277,788	1,916,667	1,595,244
79,694,247	78,829,081	73,744,115	67,435,819	77,766,147	85,849,131
58,225,295	69,735,364	65,449,221	70,480,861	89,711,300	107,601,446
34,752,162	38,803,893	40,389,284	45,772,364	57,907,849	64,118,234
(1,872,251)	(3,743,228)	-	(20,865,209)	(14,421,147)	(18,712,520)
<u>\$ 172,266,875</u>	<u>\$ 185,135,317</u>	<u>\$ 180,909,761</u>	<u>\$ 164,101,623</u>	<u>\$ 212,880,816</u>	<u>\$ 240,451,535</u>

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

(Unaudited)

	Fiscal Year				
	2015	2016	2017	2018	2019
REVENUES					
Taxes	\$ 156,330,631	\$ 165,949,315	\$ 176,526,313	\$ 190,844,002	\$ 201,094,942
Permits, fees and special assessments	9,043,602	16,050,279	16,700,257	18,859,211	23,061,318
Intergovernmental revenues	33,570,648	46,178,269	38,601,668	42,394,731	37,501,958
Charges for services	20,888,270	21,801,676	22,631,331	23,373,480	27,080,987
Fines and forfeitures	2,610,061	2,431,495	1,858,250	1,968,848	1,954,037
Interest income	1,362,176	1,015,118	1,625,710	3,052,116	5,937,140
Net change in fair value of investments ²	-	-	-	-	-
Contributions - private sources & donations	-	-	587,128	1,824,125	7,234,797
Miscellaneous revenues	7,597,938	12,054,384	7,647,736	6,201,848	7,869,702
Interest income from leases	-	-	-	-	-
Total revenues	<u>231,403,326</u>	<u>265,480,536</u>	<u>266,178,393</u>	<u>288,518,361</u>	<u>311,734,881</u>
EXPENDITURES					
General government	49,976,819	54,116,377	66,940,228	67,542,558	63,364,085
Public safety	105,551,237	108,884,240	114,006,200	119,915,758	127,294,502
Physical environment	6,104,090	16,832,848	11,585,656	10,659,263	15,420,796
Transportation	10,774,798	16,168,819	16,752,567	13,878,569	13,904,016
Economic environment	2,536,617	2,875,403	3,212,106	3,277,611	3,994,326
Human services	5,986,228	6,889,048	6,599,584	7,776,731	7,689,971
Culture and recreation	13,246,401	13,802,127	14,204,491	15,416,463	16,906,201
Capital outlay	21,952,027	29,357,748	30,096,103	50,049,349	44,228,195
DEBT SERVICE:					
Principal	10,278,846	7,283,408	6,610,235	6,357,929	9,987,385
Interest	2,226,584	1,556,658	1,447,430	1,819,083	2,611,891
Other debt service costs	111,804	45,110	78,600	218,159	343,405
Total expenditures	<u>228,745,451</u>	<u>257,811,786</u>	<u>271,533,200</u>	<u>296,911,473</u>	<u>305,744,773</u>
Excess (deficiency) of revenues	2,657,875	7,668,750	(5,354,807)	(8,393,112)	5,990,108
OTHER FINANCING SOURCES (USES)					
Issuance of debt	2,688,885	5,355,323	4,967,000	26,175,000	50,589,064
Refunding bond proceeds	23,135,000	-	-	-	-
Lease financings	-	-	-	-	-
SBITA financings	-	-	-	-	-
Payments to refunding agent	(22,779,999)	-	-	-	-
Transfers in	12,701,960	14,332,588	12,497,435	12,817,801	11,047,017
Transfers out	(13,528,190)	(14,561,588)	(12,876,874)	(8,526,378)	(11,362,955)
Total other financing sources (uses)	<u>2,217,656</u>	<u>5,126,323</u>	<u>4,587,561</u>	<u>30,466,423</u>	<u>50,273,126</u>
Net changes in fund balances	<u>\$ 4,875,531</u>	<u>\$ 12,795,073</u>	<u>\$ (767,246)</u>	<u>\$ 22,073,311</u>	<u>\$ 56,263,234</u>
Debt service as a percentage of noncapital expenditures ³	6.05 %	3.87 %	3.34 %	3.31 %	4.82 %
Debt service as a percentage of total expenditures	5.52 %	3.45 %	3.00 %	2.83 %	4.23 %
Capital outlay as a percentage of total expenditures	9.60 %	11.39 %	11.08 %	16.86 %	14.47 %

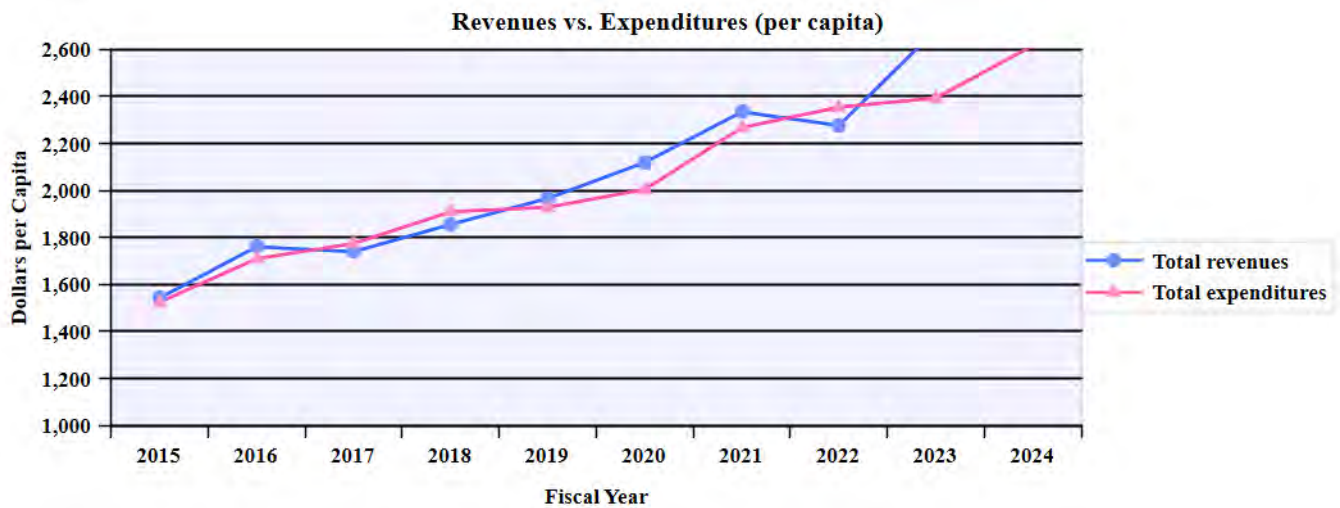
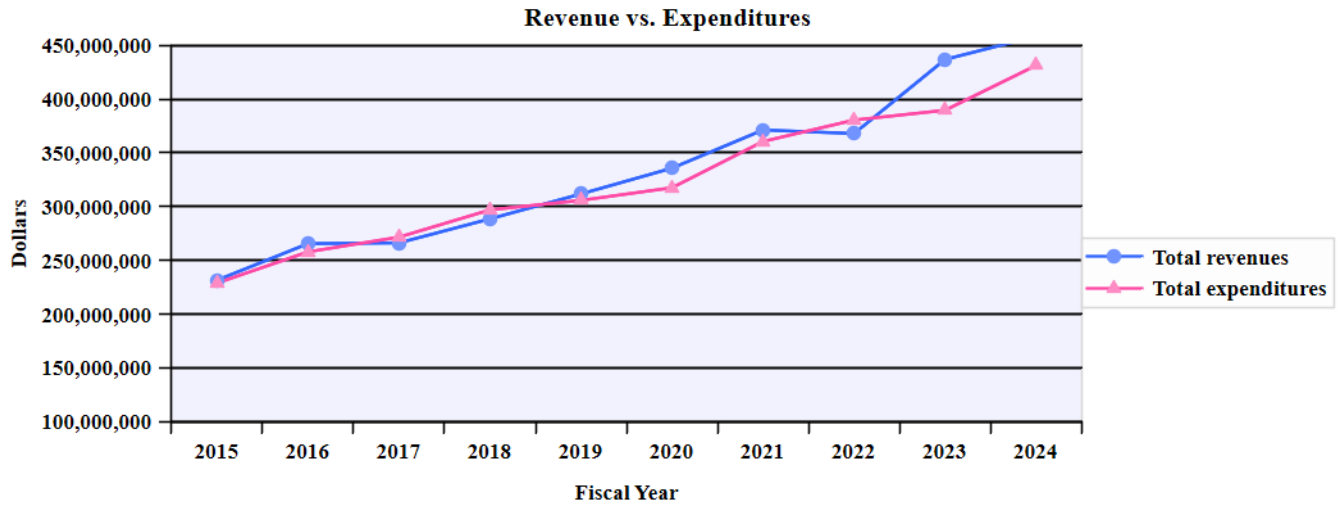
Note: Martin County Community Redevelopment Agency (CRA) is included in this schedule as a blended component unit. More information about the CRA can be found in the notes to the financial statements.

³ Debt service in this ratio only includes the principal and interest components of debt service.

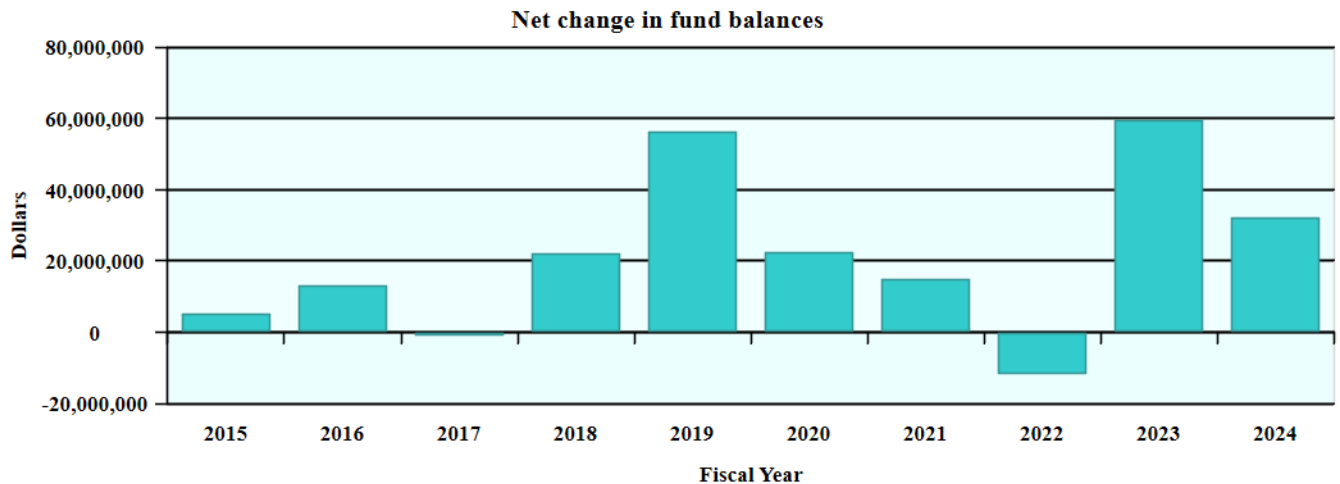
(Unaudited)

Fiscal Year				
2020	2021	2022	2023	2024
\$ 218,615,430	\$ 230,675,039	\$ 243,537,632	\$ 264,271,263	\$ 296,646,916
20,379,331	23,782,956	24,128,786	30,263,593	25,734,789
55,208,606	76,825,330	56,893,212	80,747,823	66,514,671
26,239,453	28,093,822	29,510,425	32,666,375	33,433,931
1,842,571	2,000,336	1,980,014	2,024,430	2,313,803
4,605,218	946,398	2,012,173	12,198,646	15,136,894
-	-	(2,873,738)	2,330,379	6,097,525
1,057,586	852,939	2,655,778	779,613	654,118
7,791,479	8,081,534	10,066,632	11,601,921	11,916,909
-	-	9,152	16,666	22,857
<u>335,739,674</u>	<u>371,258,354</u>	<u>367,920,066</u>	<u>436,900,709</u>	<u>458,472,413</u>
65,420,054	68,400,886	74,740,429	83,825,019	91,131,547
137,362,518	152,794,447	148,186,307	159,305,195	185,586,032
8,481,826	14,655,512	19,986,181	10,177,203	17,155,539
14,420,850	15,024,851	14,344,846	16,727,800	17,519,424
5,314,723	4,227,196	4,188,870	4,284,980	5,539,022
6,607,913	6,798,599	10,206,178	10,209,668	8,439,153
16,311,583	17,815,346	19,622,382	22,077,985	23,946,034
49,182,342	64,586,074	68,130,444	63,719,437	66,833,209
10,079,893	12,194,673	17,227,060	16,156,829	12,263,848
4,263,646	4,042,197	3,781,946	3,092,645	2,899,306
58,436	23,070	73,843	43,395	55,368
<u>317,503,784</u>	<u>360,562,851</u>	<u>380,488,486</u>	<u>389,620,156</u>	<u>431,368,482</u>
18,235,890	10,695,503	(12,568,420)	47,280,553	27,103,931
6,935,079	5,012,851	12,189,298	542,783	2,565,594
-	-	-	-	-
-	-	2,427,918	9,531,588	1,380,215
-	-	-	2,045,444	1,380,215
-	-	(11,857,000)	-	-
14,015,604	41,802,487	28,246,921	25,984,569	23,174,057
(16,746,377)	(42,694,010)	(30,064,839)	(25,817,652)	(23,462,243)
<u>4,204,306</u>	<u>4,121,328</u>	<u>942,298</u>	<u>12,286,732</u>	<u>5,037,838</u>
<u>\$ 22,440,196</u>	<u>\$ 14,816,831</u>	<u>\$ (11,626,122)</u>	<u>\$ 59,567,285</u>	<u>\$ 32,141,769</u>
5.35 %	5.49 %	6.73 %	5.91 %	4.16 %
4.54 %	4.51 %	5.54 %	4.95 %	3.53 %
15.49 %	17.91 %	17.91 %	16.35 %	15.49 %

Martin County, FL **Graphs Related to Changes in Fund Balance** Governmental Funds, Last Ten Fiscal Years



Note: Population data can be found in the Demographic and Economic Statistics schedule.





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Martin County, Florida
Assessed Value and Actual Value of Taxable Property
Last Ten Fiscal Years

(Unaudited)

Fiscal Year	Residential	Commercial	Agricultural	Other	Total Real Property
2015	\$ 15,804,742,761	\$ 2,777,158,840	\$ 1,257,881,600	\$ 2,012,517,930	\$ 21,852,301,131
2016	17,009,437,730	3,053,618,651	1,229,280,140	2,110,660,352	23,402,996,873
2017	18,587,439,790	3,165,196,132	1,420,282,210	1,979,667,392	25,152,585,524
2018	20,127,111,320	3,308,529,153	1,606,888,087	1,957,524,942	27,000,053,502
2019	21,110,757,518	3,405,503,074	1,596,625,950	1,883,872,182	27,996,758,724
2020	22,293,751,712	3,519,405,004	1,841,313,080	2,069,732,842	29,724,202,638
2021	23,081,626,867	3,693,456,192	1,968,098,900	2,125,333,432	30,868,515,391
2022	24,900,691,432	3,871,388,411	2,059,818,802	2,173,591,807	33,005,490,452
2023	32,857,426,260	4,404,989,502	2,337,378,369	1,815,257,650	41,415,051,781
2024	40,241,004,743	5,119,413,790	2,575,621,535	1,741,045,522	49,677,085,590

Source: Martin County Property Appraiser's Office

Note: Assessed values approximate estimated actual value. Tax rates are per \$1,000 of assessed value.

(Unaudited)

Personal Property	Centrally Assessed Property	Total Assessed Value	Homestead & Other Exemptions	Total Taxable Valuation	Total Direct Millage Rate
\$ 2,694,829,935	\$ 56,762,712	\$ 24,603,893,778	\$ 6,915,578,676	\$ 17,688,315,102	7.0137
2,851,740,402	58,633,754	26,313,371,029	7,725,990,616	18,587,380,413	7.1924
2,886,913,105	63,522,147	28,103,020,776	8,553,106,907	19,549,913,869	9.4144
3,151,615,660	65,573,219	30,217,242,381	9,458,772,763	20,758,469,618	9.6226
3,411,347,516	67,193,896	31,475,300,136	9,448,245,360	22,027,054,776	10.0218
2,984,729,327	66,463,862	32,775,395,827	10,077,573,541	22,697,822,286	10.3574
3,107,181,882	66,662,298	34,042,359,571	10,199,946,852	23,842,412,719	10.3651
3,185,797,785	68,352,425	36,259,640,662	11,146,826,350	25,112,814,312	10.3538
3,292,862,395	72,515,839	44,780,430,015	16,636,321,000	28,144,109,015	10.0446
3,692,709,049	75,583,317	53,445,377,956	21,806,081,512	31,639,296,444	10.1291

Martin County, Florida
Direct and Overlapping Property Tax Rates
Per Thousand of Taxable Value
Last Ten Fiscal Years

(Unaudited)

	Fiscal Year Taxes Are Payable			
	2015	2016	2017	2018
County Direct Rates				
General- Countywide				
General Fund	5.9651	6.1264	6.2407	6.3887
Municipal Service Taxing Units ⁴	1.0486	1.0660	3.1737	3.2339
Total County Direct Rate	7.0137	7.1924	9.4144	9.6226
Overlapping Rates - Countywide				
School Board	7.1380	7.0980	6.8810	6.5520
Children's Services	0.3618	0.3618	0.3618	0.3618
South Florida Water Management	0.3842	0.3551	0.3307	0.3100
Florida Inland Navigation District	0.0345	0.0320	0.0320	0.0320
Overlapping Rates - Non-Countywide				
City of Stuart	4.8540	4.8327	4.8224	4.7572
Town of Jupiter Island	4.5813	4.4270	4.3087	4.1724
Town of Ocean Breeze Park	4.9472	3.9814	5.2177	5.4750
Town of Sewall's Point	2.6000	2.8700	2.8700	2.8700
Village of Indiantown	-	-	-	-
Drainage Districts ⁵	5.82-68.27/ac	5.82-68.27/ac	5.78-68.23/ac	5.78-123.61/ac

Source: Martin County Tax Collector's Office

Note: Per *Florida Statute* (F.S.) 200.081, no municipality can levy ad valorem taxes against real and tangible personal property in excess of 10 mills, except for voted levies. As defined in F.S. 192.001, a mill is one-thousandth of a United States dollar. So, a one mill tax rate would produce one dollar of taxes on each \$1,000 of assessed property valuation.

⁴ Municipal Services Taxing Units are special taxing units established by the Board of County Commissioners via an adopted ordinance. They are geographic areas defined by specific boundaries and are in the unincorporated areas of the County. These taxes are used within the boundaries of the taxing unit for services such as sidewalk/street repair, fire/rescue services, stormwater abatement, parks operations, and community redevelopment area operations. Starting in FY 2017, the MSTU rate calculation includes both the weighted average segments and total countywide direct rates.

⁵ Drainage Districts are special districts that have governing boards with policy-making powers. They have the responsibility for providing irrigation, drainage, etc. for the land areas within the drainage district boundaries. The tax rates are assessed on a per acre basis and are only assessed on the land within the drainage district boundaries. The total tax levy for taxes payable in fiscal year 2024 is \$643,123. This is 0.22% of the total original levy of \$292,829,369.

(Unaudited)

Fiscal Year Taxes Are Payable					
2019	2020	2021	2022	2023	2024
6.5971	6.6928	6.7618	6.7934	6.5559	6.6017
3.4247	3.6646	3.6033	3.5604	3.4887	3.5274
10.0218	10.3574	10.3651	10.3538	10.0446	10.1291
6.8620	6.6480	6.4470	6.3230	5.9880	5.9430
0.3618	0.3618	0.3618	0.3618	0.3618	0.0362
0.2936	0.2795	0.2675	0.2572	0.2301	0.2301
0.0320	0.0320	0.0320	0.0320	0.0320	0.0288
4.9962	5.3202	5.2136	5.2004	5.1700	5.1487
4.1027	4.0391	4.0214	4.0214	4.0215	3.9952
6.3826	4.8008	3.0800	1.4000	1.0000	0.8000
2.8700	2.8700	2.8700	3.2688	3.2700	3.2700
4.2623	1.6304	1.6304	1.6304	1.6304	1.6304
5.78-123.61/ac	5.78-123.61/ac	20.45- 156.39/ac	20.45-156.39	98.02-219.37/ac	52.56-88.79/ac

Martin County, Florida
Principal Property Tax Payers
Current Fiscal Year and Nine Years Ago

(Unaudited)

Taxpayer	2024			2015		
	Taxable Assessed Valuation	Rank⁶	Percentage of Total Taxable Valuation	Taxable Assessed Valuation	Rank⁶	Percentage of Total Taxable Valuation⁶
Florida Power & Light Company	\$ 2,645,308,622	1	8.36%	\$ 1,884,170,525	1	10.65 %
Publix Super Markets, Inc.	93,430,169	2	0.30%	-	-	- %
Florida Southeast Connection	93,389,913	3	0.30%	-	-	- %
Jeffrey H. Sands	86,262,688	4	0.27%	-	-	- %
Treasure Coast Harbor Property Owners LLC	63,657,280	5	0.20%	74,269,101	3	0.42 %
Treasure Coast - JCP Assoc LTD	59,476,878	6	0.19%	48,655,135	4	0.28 %
PRCP -FL Stuart Heritage Bay LLC	57,072,757	7	0.18%	-	-	- %
Jupiter Island Irrevocable Homestead Trust	48,511,593	8	0.15%	-	-	- %
Palm Trust , Kapp Stuart T TTEE	47,783,806	9	0.15%	-	-	- %
Arium Jensen Beach LLC	41,830,167	10	0.13%	-	-	- %
Indiantown Congregation, LP	-	-	-%	235,550,633	2	1.33 %
Christopher J. Hubman (TR)	-	-	-%	45,751,170	5	0.26 %
Gulfstream Natural Gas	-	-	-%	41,609,315	6	0.24 %
Louis Dreyfus Citrus Inc.	-	-	-%	29,327,378	7	0.17 %
Edward H. Hamm (TR)	-	-	-%	28,311,850	8	0.16 %
Sandhill Cove Properties, Inc.	-	-	-%	26,119,360	9	0.15 %
Bre Throne Martin Downs	-	-	-%	25,198,310	10	0.14 %
Total	\$ 3,236,723,873		10.23 %	\$ 2,438,962,777		13.80 %

Source: Martin County Tax Collector

⁶ Based on property tax payments made during the year



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Martin County, Florida
Property Tax Levies and Collections
Last Ten Fiscal Years

(Unaudited)

<u>Fiscal Year Ended September 30,</u>	<u>Gross Taxes Levied for the Fiscal Year (Original Levy)</u>	<u>Discounts for Early Payments and Adjustments</u>	<u>Net Taxes Levied for the Fiscal Year (Net Levy)</u>
2015	\$ 149,622,887	\$ (5,486,606)	\$ 144,136,281
2016	161,232,665	(6,088,449)	155,144,216
2017	169,678,386	(6,279,049)	163,399,337
2018	184,363,027	(6,709,264)	177,653,763
2019	195,546,575	(7,205,518)	188,341,057
2020	214,409,134	(7,912,566)	206,496,568
2021	225,967,221	(8,489,183)	217,478,038
2022	238,089,244	(8,957,145)	229,132,099
2023	258,288,054	(9,567,770)	248,720,284
2024	292,829,369	(10,795,168)	282,034,201

Source: Martin County Tax Collector

Note: The adjustments are discounts, errors and insolvencies. The errors and insolvencies could be errors in values, homestead omission, etc. Property tax levies become due and payable on November 1st of each year. A 4% discount is allowed if paid in November, with the discount decreasing by 1% each month. Thus, taxes paid in March will not receive any discount. Subsequent collections for 2020-2023 exceeded the adjusted levy amount due to increased interest collected for taxes due.

(Unaudited)

Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
Amount	Percentage of Net Levy		Amount	Percentage of Net Levy
\$ 143,978,561	\$ 99.89	\$ 127,111	\$ 144,105,672	99.98 %
155,035,798	99.93	66,655	155,102,453	99.97 %
163,241,656	99.90	94,943	163,336,599	99.96 %
177,381,468	99.85	59,176	177,440,644	99.88 %
188,100,633	99.87	137,007	188,237,640	99.95 %
206,362,171	99.93	241,983	206,604,154	100.05 %
217,371,249	99.95	150,011	217,521,260	100.02 %
228,923,592	99.91	206,035	229,129,627	100.00 %
248,665,111	99.98	121,899	248,787,010	100.03 %
282,013,798	99.99	-	282,013,798	99.99 %

Martin County, Florida
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years

(Unaudited)

Fiscal Year	Governmental Activities						
	General Obligation Bonds	Revenue Bonds & Notes	Financed Purchase Agreements	Long-Term Leases	Subscription Arrangements	State Loans	Notes Payable
2015	\$ 590,000	\$ 43,371,277	\$ 10,113,570	\$ -	\$ -	\$ 1,445,261	\$ 382,639
2016	-	39,304,760	13,352,297	-	-	1,317,605	-
2017	-	40,409,754	10,735,207	-	-	1,186,465	-
2018	-	62,388,044	21,526,506	-	-	1,051,749	-
2019	-	100,506,324	24,552,116	-	-	-	-
2020	-	93,067,288	28,350,115	-	-	-	-
2021	-	85,268,191	28,487,566	-	-	-	-
2022	-	72,256,840	24,691,686	1,877,815	-	-	-
2023	-	65,733,548	16,877,361	9,652,962	1,487,768	-	-
2024	-	59,196,258	15,920,814	9,490,174	1,738,346	-	-

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements. Total personal income is not available for 2024.

⁷ See the schedule of demographic and economic statistics for personal income and population data.

⁸ These ratios are calculated using personal income and population for the calendar year.

(Unaudited)

Business-Type Activities				
Revenue Bonds & Notes	State Loans	Total Primary Government	Percentage of Personal Income⁷	Per Capita⁸
\$ 76,635,000	\$ 1,586,965	\$ 134,124,712	1.21 %	\$ 894
72,585,000	1,446,937	128,006,599	1.10 %	848
70,724,682	1,303,058	124,359,166	0.98 %	815
70,885,012	1,155,221	157,006,532	1.16 %	1,009
66,144,686	1,003,317	192,206,443	1.40 %	1,212
61,310,608	847,235	183,575,246	1.27 %	1,159
56,364,644	3,664,387	173,784,788	1.06 %	1,093
51,295,838	7,279,307	155,523,671	0.87 %	962
46,089,176	9,175,960	137,876,045	0.89 %	1,022
35,955,000	13,520,194	124,592,266	-	756

Martin County, Florida
Ratios of Net General Bonded Debt Outstanding
Last Ten Fiscal Years

(Unaudited)

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Less: Amounts Available in Debt Service Fund</u>	<u>Net General Bonded Debt</u>	<u>Percentage of Actual Taxable Value of Property⁹</u>	<u>Per Capita¹⁰</u>
2015	\$ 590,000	\$ 590,000	\$ -	- %	\$ -
2019	-	-	-	-	-
2020	-	-	-	-	-
2021	-	-	-	-	-
2022	-	-	-	-	-
2023	-	-	-	-	-
2024	-	-	-	-	-

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements. The Constitution of the State of Florida, Florida Statute 200.181, and Martin County set no legal debt limit.

⁹ Taxable value data can be found on the schedule of Assessed Value and Actual Value of Taxable Property.

¹⁰Population data can be found on the Demographic and Economic Statistics schedule.

Martin County, Florida
Direct and Overlapping Governmental Activities Debt
September 30, 2024

(Unaudited)

<u>Government Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable¹¹</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
City of Stuart			
Revenue Bonds and Notes	\$ 3,995,000	-%	\$ -
General Obligation Bonds	4,370,823	-%	-
Town of Jupiter Island			
Martin County School Board			
Bonds Payable	800,000	100%	800,000
Certificates of Participation	40,609,000	100%	40,609,000
South Florida Water Management District			
Certificates of Participation	289,895,000	2.10%	6,087,795
Town of Sewall's Point			
Bank Loan	1,868,427	100.00%	1,868,427
Subtotal, overlapping debt			49,365,222
Martin County Direct Debt			<u>87,464,928</u>
Total direct and overlapping debt			<u>\$ 136,830,150</u>

Source: Outstanding debt data for the overlapping governments is provided by the applicable government. Assessed values, after exemptions and other adjustments, are provided by the Martin County Property Appraiser for all units except the South Florida Water Management District (SFWMD). The SFWMD provided their own value since their borders extend beyond the County's borders.

Note: Government units that are included in this schedule are those whose geographic boundaries overlap, at least in part, with the boundaries of the County. This schedule estimates the portion of the overlapping government's outstanding debt that is borne by the residents and businesses of Martin County. This process recognizes that, when considering the County's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore, responsible for repaying the debt of each overlapping government.

¹¹These percentages are estimated using assessed values of taxable property less homestead exemptions and other adjustments (taxable value). Applicable percentages were estimated by determining the portion of another governmental unit's taxable value that is within the County's boundaries and dividing it by each total taxable value.

Martin County, Florida
Pledged-Revenue Coverage - Governmental Activities
Last Ten Fiscal Years

(Unaudited)

Fiscal Year	Gas Tax Bonds, Series 2006 ¹²			
	Gross Revenues	Debt Service		Coverage
		Principal	Interest	
2015	\$ 8,260,051	\$ 2,050,000	\$ 618,778	3.10
2016	8,115,460	2,325,000	678,936	2.70
2017	8,839,708	2,092,000	488,167	3.43
2018	8,570,571	2,138,000	441,425	3.32
2019	7,879,763	2,186,000	393,645	3.05
2020	7,890,500	2,234,000	344,804	3.06
2021	7,879,538	2,284,000	294,880	3.06
2022	8,328,006	2,334,000	243,851	3.23
2023	8,698,915	2,386,000	191,695	3.37
2024	8,549,778	2,439,000	138,379	3.32

Fiscal Year	Half-Cent Sales Tax Revenue Bonds, Series 2019 ¹³			
	Gross Revenues	Debt Service		Coverage
		Principal	Interest	
2019	16,008,991	-	-	N/A
2020	\$ 15,968,179	\$ 1,015,000	\$ 1,931,396	5.42
2021	19,238,129	1,250,000	1,706,000	6.51
2022	21,468,934	1,315,000	1,643,500	7.26
2023	21,708,437	1,380,000	1,577,750	7.34
2024	21,081,590	1,450,000	1,508,750	7.13

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements. The bonds presented do not have any specific operating expenses to net to the pledged revenues.

¹²The Gas Tax Revenue Bonds, Series 2006, are backed by Gas Tax Revenues. These bonds were refunded on December 19, 2014, with the Gas Tax Refunding Revenue Note, Series 2014.

¹³The Half-Cent Sales Tax Revenue Bonds, Series 2019, dated May 8, 2019, are backed by Half-Cent Sales Tax Revenues.



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Martin County, Florida
Pledged-Revenue Coverage - Business-Type Activities
Last Ten Fiscal Years

(Unaudited)

	2024	2023	2022	2021	2020
<i>PRIMARY DEBT SERVICE COVERAGE</i>					
Operating revenues	\$ 45,149,043	\$ 40,640,212	\$ 39,543,928	\$ 39,209,570	\$ 37,044,677
General and administrative expenses (a)	(24,163,881)	(23,028,305)	(19,193,620)	(18,030,661)	(21,166,024)
Non-operating income (b)	6,218,896	2,213,918	1,198,674	2,837,646	1,474,821
Special assessment fees (c)	(3,074,280)	1,930,699	1,740,722	1,807,404	1,373,096
Net revenues available for debt service	24,129,778	21,756,524	23,289,704	25,823,959	18,726,570
Connection fees (d)	7,899,571	3,451,189	4,587,971	2,671,637	4,724,950
Net revenues & connection fees	32,029,349	25,207,713	27,877,675	28,495,596	23,451,520
Debt service requirements (e)	\$ 8,960,630	\$ 6,817,380	\$ 6,815,663	\$ 6,815,469	\$ 6,817,937
Actual coverage:					
Excluding connection fees	2.69	3.19	3.42	3.79	2.75
Including connection fees	3.57	3.70	4.09	4.18	3.44
Required coverage:					
Excluding connection fees	1.10	1.10	1.10	1.10	1.10
Including connection fees	1.20	1.20	1.20	1.20	1.20
<i>STATE REVOLVING FUND LOAN DEBT SERVICE COVERAGE</i>					
Net revenues available for debt service	\$ 24,129,778	\$ 21,756,524	\$ 23,289,704	\$ 25,823,959	\$ 18,726,570
Less: revenue required for primary debt service coverage (f)	9,856,693	7,499,119	7,497,229	7,497,016	7,499,730
Less indirect costs	1,766,315	1,732,539	1,732,540	1,440,585	1,440,585
Adjusted net revenues	12,506,770	12,524,866	14,059,935	16,886,358	9,786,255
Debt service requirements (g)	\$ 1,480,527	\$ 1,296,690	\$ 1,387,362	\$ 1,018,629	\$ 969,566
Actual coverage	8.45	9.66	10.13	16.58	10.09
Required coverage	1.15	1.15	1.15	1.15	1.15

- a. Excludes depreciation, loss on disposal of assets, indirect costs to General Fund, and includes other debt services costs exclusive of bond principal and interest.
- b. Excludes interest income on project funds from bond proceeds or interest income on connection fees. Also does not include gain on sale of assets.
- c. Special assessment fees received in the fiscal year are included for purposes of debt service coverage in the calculation of net revenues per the bond covenants. On the Statement of Revenues, Expenses and Changes in Net Assets, special assessment revenues are recognized when the project is completed and recorded as a capital contribution.
- d. Amounts shown reflect Capital Facility Charges and interest adjusted by the Capital Facility Charges Debt Service Component.
- e. Total debt service includes bond principal and total interest expense. Amount reported as interest expense in the Statement of Revenues, Expenses and Changes in Net Assets is net of capitalized interest and bond premiums.
- f. Represents 110% of primary debt service requirements.
- g. Represents debt service requirements on outstanding State Revolving Fund Loans and Internal Department Loan for each fiscal year.

Source: Martin County Utilities Department

Martin County, Florida
Pledged-Revenue Coverage - Business-Type Activities
Last Ten Fiscal Years

(Unaudited)

	2019	2018	2017	2016	2015
\$	36,021,167	\$ 34,000,937	\$ 34,466,916	\$ 32,828,095	\$ 32,294,920
	(16,299,794)	(17,745,445)	(18,297,114)	(15,698,777)	(15,447,353)
	3,090,891	1,933,796	623,230	504,729	729,531
	1,161,238	1,187,735	1,267,559	1,220,289	1,219,968
	<u>23,973,502</u>	<u>19,377,023</u>	<u>18,060,591</u>	<u>18,854,336</u>	<u>18,797,066</u>
	2,503,745	2,287,605	1,899,239	1,363,074	1,353,237
	<u>26,477,247</u>	<u>21,664,628</u>	<u>19,959,830</u>	<u>20,217,410</u>	<u>20,150,303</u>
\$	6,817,333	\$ 6,816,309	\$ 6,236,362	\$ 6,825,909	\$ 6,823,649
	3.52	2.84	2.90	2.76	2.76
	3.88	3.18	3.20	2.96	2.95
	1.10	1.10	1.10	1.10	1.10
	1.20	1.20	1.20	1.20	1.20
\$	23,973,502	\$ 19,377,023	\$ 18,060,592	\$ 18,854,336	\$ 18,797,066
	7,499,066	7,497,940	6,859,998	7,508,500	7,506,014
	<u>1,454,462</u>	<u>1,454,462</u>	<u>1,554,623</u>	<u>1,554,623</u>	<u>1,460,459</u>
	15,019,974	10,424,621	9,645,971	9,791,213	9,830,593
\$	954,500	\$ 954,499	\$ 798,090	\$ 722,157	\$ 722,157
	15.74	10.92	12.09	13.56	13.56
	1.15	1.15	1.15	1.15	1.15

Martin County, Florida
Demographic and Economic Statistics
Last Ten Years

(Unaudited)

Year	Population	Personal Income		Unemployment Rate	Median Age
		Total Personal Income¹⁴	Per Capita Personal Income		
2015	150,062	\$ 11,126,863	\$ 71,197	5.2	51.6
2016	150,870	11,632,136	73,296	4.8	52.0
2017	153,022	12,650,502	79,104	4.2	52.3
2018	155,556	13,496,101	83,873	3.0	52.6
2019	158,598	13,748,480	85,394	2.7	52.6
2020	158,431	14,455,817	89,185	4.2	53.2
2021	159,053	16,357,821	102,273	3.4	53.4
2022	161,655	17,875,112	110,336	2.4	53.4
2023	162,847	18,748,460	114,799	3.2	53.7
2024	164,853 ¹⁵	N/A	N/A	3.5	53.4 ¹⁶

Sources: The personal income information is from the Bureau of Economic Analysis, U.S. Department of Commerce, and the 2010-2017 unemployment rates are from the Bureau of Labor Statistics. The 2018-2024 unemployment rates are from the Florida Department of Economic Opportunity. All other information is from the University of Florida Bureau of Economic & Business Research.

N/A - Information is not available

¹⁴In thousands of dollars.

¹⁵This is an estimate based on projections by the University of Florida Bureau of Economic & Business Research.

¹⁶This is an estimate from 2023; data is not available for 2024.

Martin County, Florida
Principal Employers
Current Year and Nine Years Ago

(Unaudited)

Employer	2024			2015		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Cleveland Clinic, formerly known as Martin Memorial Health Systems	3,891	1	4.89 %	3,120	1	4.71 %
Martin County School District	2,893	2	3.63 %	2,528	2	3.81 %
Martin County Government	1,735	3	2.18 %	1,634	3	2.47 %
Publix Supermarkets	1,674	4	2.10 %	1,297		1.96 %
HealthPro Heritage	479	5	0.60 %	-		- %
Walmart	419	6	0.53 %	-		- %
Home Depot	389	7	0.49 %	-		- %
Weath Recovery Solutions	355	8	0.45 %	-		- %
First National Bank & Trust	320	9	0.40 %	-		- %
Visiting Nurse Association	293	10	0.37 %	-		- %
Paradigm Precision	-		- %	369	5	0.56 %
Triumph Group	-		- %	324	6	0.49 %
Liberator Medical Supply	-		-	316	7	0.48 %
Florida Power & Light	-		-	302	8	0.46 %
Seacoast National Bank	-		-	302	9	0.46 %
City of Stuart	-		-	254	10	0.38 %
Total	<u>12,448</u>		<u>15.64 %</u>	<u>10,446</u>		<u>15.78 %</u>

Sources: The labor force figures are from the Florida Department of Economic Opportunity. The Bureau of Workforce Statistics and Economic Research data includes information for only their targeted industries which may not include businesses that have been included on this list in the past, such as Lowes, Publix, Winn-Dixie, etc. More information on their targeted industries can be found on their website <https://floridajobs.org/wser-home/employer-database>.

Note:

The data presented in this list may include part time and full time employees. The labor force figures for 2024 and 2015 are 79,605 and 66,267, respectively. These numbers were used to calculate the percentage of total county employment.

Martin County, Florida
Full-time Equivalent Martin County Government Employees
By Function/Program
Last Ten Fiscal Years

(Unaudited)

Function/ Program	Full-time Equivalent Employees as of September 30¹⁷			
	2015	2016	2017	2018
General government	362.27	344.15	361.97	369.30
Public safety				
Ambulance and fire rescue services	279.00	288.00	284.83	278.60
Police protection	265.00	263.00	266.00	267.00
Corrections	122.00	117.00	136.00	136.00
Other	276.00	292.00	255.17	272.75
Physical environment				
Solid waste	20.70	19.60	18.40	21.40
Water sewer	91.90	91.15	94.35	95.35
Other	26.80	27.70	29.10	27.70
Transportation				
Airport	6.00	7.00	6.00	6.00
Road and street	70.00	70.50	78.75	84.41
Economic environment	7.55	9.55	9.55	10.30
Human services	8.60	11.75	12.35	13.75
Culture and recreation				
Libraries	45.73	45.00	48.00	47.00
Parks and recreation	73.00	67.00	72.00	78.00
Total	1,654.55	1,653.40	1,672.47	1,707.56

Sources: Martin County Board of County Commissioners, Clerk of the Circuit Court, Property Appraiser, Sheriff, and Tax Collector

¹⁷Note: The Sheriff's data, which is reported under the public safety function, is as of March 31 of each fiscal year. Information as of September 30 is unavailable.

(Unaudited)

Full-time Equivalent Employees as of September 30 ¹⁷					
2019	2020	2021	2022	2023	2024
387.55	386.70	381.21	389.68	391.25	394.41
323.00	326.15	328.15	325.32	341.81	344.98
276.00	282.00	283.00	287.00	288.00	302.00
135.00	135.00	152.00	150.00	132.00	130.00
276.00	278.85	257.85	273.68	301.19	302.02
24.40	23.40	27.40	28.70	28.40	26.90
97.35	98.35	102.35	104.30	104.60	114.90
29.80	28.40	27.20	30.80	32.10	31.80
7.00	7.00	8.00	7.00	7.80	8.80
85.06	79.86	86.76	91.46	89.86	85.66
11.30	12.30	11.85	13.05	12.55	14.89
15.75	17.35	16.35	17.35	18.35	18.35
46.00	50.00	50.00	51.00	50.00	51.00
78.00	77.00	81.00	76.00	78.00	81.00
1,792.21	1,802.36	1,813.12	1,845.34	1,875.91	1,906.71

Martin County, Florida
Operating Indicators by Function/Program
Last Ten Fiscal Years

(Unaudited)

Function/ Program	Fiscal Year			
	2015	2016	2017	2018
Public Safety				
Fire Rescue				
Number of calls answered	19,630	21,392	24,015	22,694
Police Protection				
Number of calls answered	314,425	303,509	278,738	296,033
Number of citations	12,537	16,143	8,810	5,861
Number of law violations	13,811	15,559	10,509	10,056
Number of arrests	6,257	6,019	6,558	6,338
Physical Environment				
Water quality/Stormwater				
Basin acres treated	12,200	17,709	17,997	18,225
Treated run-off (in acre-feet)	365.0	390.3	442.0	472.5
Treated run-off (in million gallons)	119.0	127.2	144.0	155.9
Water				
New connections	442	476	300	606
Average daily consumption (million gallons per day)	9.518	9.684	9.465	10.163
Sewer				
Average daily sewage treatment (million gallons per day)	4.148	4.286	5.029	4.295
Solid Waste				
Waste disposal (in tons) ¹	187,396	204,091	207,532	232,266
Recycling materials (in tons) ¹	81,253	89,004	89,241	105,230
Transportation				
Engineering				
Linear miles of paved roadway maintained	514.59	514.68	529.00	498.75
Linear miles of unpaved roadway maintained	14.10	14.10	14.10	15.19
Number of street lights maintained	5,438	5,568	5,571	5,531
Number of traffic signals maintained	199	197	203	202
Number of bridges maintained	51	52	53	53
Lineal feet sidewalks repaired/replaced	8,088	8,174	11,050	12,035
Human Services (in numbers of residents)				
Prescription assistance	12	13	39	72
Indigent medical assistance - hospitalization/physician services	453	434	457	436
Veterans Services-Client Contact	-	-	-	-
Clients serviced through HUD grants	-	-	-	-
Speciality Court client case managed	-	-	-	-
Culture and Recreation				
Libraries				
Library items borrowed	970,947	949,737	904,316	857,851
Library visits	786,970	702,303	688,042	667,187
Program attendance	80,287	80,212	82,113	78,599
Parks				
Number of programs offered	160	165	169	269
Number of participants	425,100	437,800	450,900	528,762

Sources: Various County departments

¹ Solid Waste values prior to 2017 reflect only major waste disposal. Beginning with 2017, values for Solid Waste collections include all disposals received from residents. The same is applicable to Recycling values.

(Unaudited)

Fiscal Year					
2019	2020	2021	2022	2023	2024
23,706	24,526	26,630	27,870	28,026	28,043
288,557	294,948	270,100	262,706	278,889	257,726
6,892	4,968	4,975	6,108	8,608	9,506
9,325	6,544	6,147	7,892	8,281	7,559
5,679	4,287	3,924	3,297	3,617	3,854
18,225	18,610	18,610	18,610	21,470	21,470
472.5	509.6	509.6	509.6	570.6	570.6
155.9	168.0	168.0	168.0	358.0	358.0
691	594	637	755	967	1,056
10.186	9.442	10.910	11.515	11.740	12.145
4.117	5.027	4.340	4.482	4.640	4,578.000
301,319	306,450	335,718	347,908	381,834	364,495
98,634	101,294	105,752	99,404	104,736	101,558
499.96	500.47	501.23	501.46	501.54	501.54
14.16	14.00	14.00	13.99	13.99	13.99
5,544	5,109	5,285	5,294	5,594	5,333
212	209	232	234	238	240
53	53	59	59	59	59
12,082	5,943	5,426	7,340	4,473	7,395
24	5	3	-	-	4
347	545	520	242	517	362
-	18,153	12,586	17,025	16,500	16,206
-	31	33	32	34	28
-	110	102	196	128	119
810,360	557,550	645,918	729,015	791,765	873,336
640,868	341,999	329,496	424,750	470,708	471,799
77,313	67,051	25,498	61,588	95,706	111,645
261	178	279	404	258	282
447,712	296,763	289,583	395,093	432,978	440,389

Martin County, Florida
Capital Asset Statistics by Function
Last Ten Fiscal Years

(Unaudited)

Function/ Program	Fiscal Year									
	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Public Safety										
Fire Rescue										
Number of fire engines	16	16	17	17	17	17	16	16	18	18
Number of ambulances	18	18	20	20	20	20	23	23	23	23
Number of stations	14	14	13	12	12	12	12	12	12	12
Police Protection										
Number of stations/field offices	9	9	8	8	8	8	8	8	8	8
Physical Environment										
Water quality/Stormwater										
Stormwater treatment area (in acres)	203.14	240.86	251.00	276.53	276.53	284.77	285.00	285.00	306.45	306.45
Water										
Water mains (in miles)	546	546	557	568	582	586	592	601	597	312
Fire hydrants	3,555	3,591	3,604	3,759	3,885	3,931	3,974	4,032	3,903	4,192
Sewer										
Vacuum pump stations ¹	3	3	3	4	4	4	4	4	5	5
Pump stations - Liftstations ¹	391	391	391	394	403	410	414	423	378	383
Sewer grinder stations ¹	33	33	33	33	86	187	442	635	777	964
Sewer mains (in miles) ¹	382	383	386	389	400	415	430	454	500	518
Reuse water mains (in miles)	39	39	39	39	40	41	40	39	33	37
Transportation										
Engineering										
Linear miles of paved roadway	514.59	514.68	529.00	498.75	499.96	500.47	501.23	501.46	501.54	501.54
Linear miles of unpaved roadway	14.10	14.10	14.00	15.19	14.16	14.00	14.00	13.99	13.99	13.99
Number of street lights	698	709	725	745	752	809	951	987	1,011	1,019
Number of traffic signals	106	106	110	108	118	120	115	117	117	120
Number of bridges	51	52	53	53	53	59	59	59	59	59
Culture and Recreation										
Library										
Library collection	326,392	287,400	299,069	291,789	313,457	324,566	353,394	363,751	380,994	427,621
Number of libraries	7	7	6	6	6	6	6	6	6	6
Parks										
Number of parks ²	76	76	76	76	75	72	73	73	73	74
Number of acres managed ²	1,784	1,784	1,784	1,776	1,776	1,719	1,730	1,730	1,730	1,732
Number of conservation acres	2,016	2,016	2,016	2,016	2,016	2,016	2,016	2,016	2,016	2,016
Number of baseball/softball fields	39	39	36	36	36	33	33	33	33	33
Number of football/soccer fields	25	25	30	30	30	28	28	28	28	28
Number of community centers	12	12	12	12	12	10	10	10	10	10
Number of boat ramps	26	26	26	26	26	26	26	26	26	26
Linear footage of publicly owned beaches	14,802	14,802	14,802	14,802	14,802	14,802	14,802	14,802	14,802	14,802

Sources: Various County departments

¹ Starting in 2021 Utilities separated the type of pump stations from grinder stations.

² Changes in the Parks department for 2020 were primarily due to transfers to Indiantown and Timers Powers community center was demolished.



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SINGLE AUDIT AND OTHER REPORTS



Martin County, Florida

Single Audit Reports

September 30, 2024



Martin County, Florida
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September 30, 2024

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Martin County, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
Year Ended September 30, 2024

				Expenditures		
Federal Grantor/State Agency	Assistance Listing / CSFA #	Grant Fund #	Grant/Contract #	County	Subrecipient	Total
Pass Through Entity/Program Title						
U.S. DEPARTMENT OF AGRICULTURE						
Passed through Florida Department of Agriculture and Consumer Services 2022 Urban & Community Forestry	10.664	125100	29911	\$ 38,546	\$ -	\$ 38,546
Total Department of Agriculture				38,546	-	38,546
NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION						
Passed through Florida Fish & Wildlife Conservation Commission: Jensen Beach Impoundment Mangrove Restoration	11.022	125010	FWC 20329	315,985	-	315,985
Total National Oceanic Atmospheric Administration				315,985	-	315,985
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						
Passed through Florida Department of Commerce - Department of Economic Opportunity Community Development Block Grant (CDBG) Housing Rehab FY23	14.228	12327	23DB-H05	2,414	-	2,414
Direct awards						
Office of Community Planning and Development:						
Shelter Plus Care	14.267	120323	HUD S+C FL0117L4H092215	104,156	-	104,156
Shelter Plus Care	14.267	120324	HUD S+C FL0118L4H092215	101,950	-	101,950
Shelter Plus Care	14.267	120325	HUD S+C FL0835L4H092203	88,683	-	88,683
Shelter Plus Care	14.267	120326	HUD S+C FL0117L4H092316	42	-	42
Shelter Plus Care	14.267	120327	HUD S+C FL0835L4H092304	11,788	-	11,788
				306,619	-	306,619
Total Department of Housing and Urban Development				309,033	-	309,033
U.S. FISH AND WILDLIFE SERVICE						
Direct award						
Clean Vessel Act	15.616	12418	MV462	56,297	-	56,297
Total Fish and Wildlife Service				56,297	-	56,297
U.S. DEPARTMENT OF INTERIOR						
Passed through Florida Department of Environmental Protection: LWCF Old Palm City Place	15.916	12312	LW737	295,306	-	295,306
Total Department of Interior				295,306	-	295,306
U.S. DEPARTMENT OF JUSTICE						
Direct awards						
Drug Enforcement Administration						
US Marshals Warrant	16.000	Sheriff	JLEO-24-0300	14,000	-	14,000
Operation Safe Streets	16.000	Sheriff	FBI 281D-MM-C106309-MOU	25,395	-	25,395
				39,395	-	39,395
Treatment Court Discretionary Grant Program						
USDOJ Adult Drug Court Program #2	16.585	120011	2020-DC-BX-0141	84,025	-	84,025
State Criminal Alien Assistance Program						
SCAAP	16.606	Sheriff	2019-AP-BX-0060	2,797	-	2,797
SCAAP	16.606	Sheriff	O-BJA-2020-62002	59,123	-	59,123
				61,920	-	61,920
Equitable Sharing Program						
Equitable Sharing	16.922	Sheriff (Fund 1527)	FL0430000	31,236	-	31,236
Passed through the Florida Department of Law Enforcement:						
Edward Byrne Memorial Justice Assistance Grant	16.738	12074	R7116 / 15PBJA-22-GG-00656-MUMU	70,370	-	70,370
Edward Byrne Memorial Justice Assistance Grant - Sheriff	16.738	Sheriff	R7116 / 15PBJA-23-GG-03258-JAGX	29,044	-	29,044
				99,414	-	99,414
Passed through the Office of Attorney General, Office of Justice Programs, and Office of Victims of Crime:						
Victims of Crime Act Grant (VOCA)	16.575	Sheriff	VOCA-C-2023-MCSO-00048	70,634	-	70,634
Total Department of Justice				386,624	-	386,624
U.S. DEPARTMENT OF TRANSPORTATION						
Passed through Federal Aviation Administration:						
FAA Noise Mitigation Phase 2	20.106	12609	AIP-3-12-0076-015-2009	22,518	-	22,518
FAA Taxiway ALPHA	20.106	12623	AIP-3-12-0076-029-2022	3,341,286	-	3,341,286
SUA Weather Reporting Equipment	20.106	12624	AIP-3-12-0076-030-2023	245,403	-	245,403
				3,609,207	-	3,609,207
Passed through Florida Department of Transportation						
Cove Rd Resurfacing - US1 to Dixie - LAP	20.205	128001	441701-1-58-01	1,524,251	-	1,524,251
Salerno Rd Sidewalk - Willoughby to Cable - LAP	20.205	128002	446072-1-58-01	271,527	-	271,527
City of Stuart Riverside Park, Various Locations	20.205	128004	448307-1-58-01	53,876	-	53,876
MPO FY23 & FY24 FHWA Funds	20.205	128307	439328-4-14-01	534,766	-	534,766
MPO FY25 & FY26 FHWA Funds	20.205	128308	439328-5-14-01	215,590	-	215,590
				2,600,010	-	2,600,010
Passed through Florida Department of Transportation						
MPO Section 5305 FY22-FY25	20.505	128105	G2174 / 413733-3-14-10	4,852	-	4,852
				4,852	-	4,852
Passed through Florida Department of Transportation						
Section 5311 FY21 Non-Urbanized	20.509	128224	G1W02 / FM#425977-3-84-01	139,721	-	139,721
Direct awards						
Federal Transit Cluster						
SECTION 5307 - FY18	20.507	128220	FL-2019-043-00	408,141	-	408,141
SECTION 5307 - CARES Act Urbanized Area	20.507	128221	FL-2020-090-00	532,472	-	532,472
Total Federal Transit Cluster				940,613	-	940,613
Total Department of Transportation				7,294,403	-	7,294,403

Martin County, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
Year Ended September 30, 2024

				Expenditures		
Federal Grantor/State Agency	Assistance Listing / CSFA #	Grant Fund #	Grant/Contract #	County	Subrecipient	Total
Pass Through Entity/Program Title						
U.S. DEPARTMENT OF TREASURY						
Direct award						
Coronavirus State & Local Fiscal Recovery Funds						
ARP COVID-10 State & Local Fiscal Recovery	21.027	15284		8,227,882	-	8,227,882
Passed through Florida Department of Environmental Protection						
Stormwater Backflow Prevention	21.027	12518	22FRP114	15,693	-	15,693
Passed through Florida Department of Transportation						
CR714 Resurfacing - SR710 to Fox Brown Rd	21.027	128003	G-2L02 /444268-1-54-01/02	1,291,289	-	1,291,289
Total Department of Treasury				9,534,864	-	9,534,864
ENVIRONMENTAL PROTECTION AGENCY						
Passed through Florida Department of Environmental Protection						
SRF Western Extension Sewer	66.458	12412	WW430520 / 4C-02D38022-0	1,808,106	-	1,808,106
Passed through Florida Department of Environmental Protection						
Septic Tanks	66.460	12405	NF092 / 319H, C9-99451521	798,441	-	798,441
Passed through Florida Department of Environmental Protection						
SRF Western Extension Water SA	66.468	12414	DW430240 / 4D-02D37922-0	2,988,169	-	2,988,169
Direct Award						
EPA-Restore Seagrass in Indian River Lagoon	66.484	125011	FAIN 02D2122	54,897	-	54,897
Total Environmental Protection Agency				5,649,613	-	5,649,613
DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Passed through Florida Department of Revenue, Administration for Children and Families						
Child Support Enforcement Program (Title IV-D)	93.563	Clerk	COC43	314,829	-	314,829
Direct awards						
Injury Prevention & Control Research & State and Community Based Program						
Mental Health Awareness Training Program	93.243	120400	1H79SM084627-01	76,870	-	76,870
CDC National Center for Chronic Disease Prevention & Health						
CDC Drug Free Communities - year 3	93.276	120102	5 NH28CE003044-03-00	74,787	-	74,787
CDC Drug Free Communities - year 4	93.276	120103	5 NH28CE003044-04-00	49,417	-	49,417
				124,204	-	124,204
Passed through Florida Department of Commerce						
Community Services Block Grant						
CSBG FY17	93.569	12048	17SB-OD-12-00-01-023	125,459	-	125,459
Total Department of Health and Human Services				641,362	-	641,362
EXECUTIVE OFFICE OF THE PRESIDENT						
Direct awards						
High Intensity Drug Trafficking Areas Program, OT for Special Projects	95.001	Sheriff	G22MI0014A	2,879	-	2,879
High Intensity Drug Trafficking Areas Program, OT for Special Projects	95.001	Sheriff	G23MI0014A	78,538	-	78,538
High Intensity Drug Trafficking Areas Program, OT for Special Projects	95.001	Sheriff	G24MI0014A	51,769	-	51,769
Total Executive Office of the President				133,186	-	133,186
U.S. DEPARTMENT OF HOMELAND SECURITY						
Direct awards						
Disaster Grants - Public Assistance (Presidentially Declared Disasters)						
PA4673-Hurricane Ian- PW981	97.036	127205	Z2911	493,369	-	493,369
PA4680-Hurricane Nicole- PW83	97.036	127206	Z3653	1,056,563	-	1,056,563
Hazard Mitigation (HMP) - Bathtub Beach	97.036	128754	DR-4468	87,665	-	87,665
				1,637,597	-	1,637,597
Passed through Florida Division of Emergency Management, Hazard Mitigation Grants						
FEMA DEM Hobe Heights H0584	97.039	127201	H0584	-	-	-
MacArthur Blvd Elevation	97.039	12898	H0829	953,077	-	953,077
SW Mockingbird Lane Drainage	97.039	127203	H0730	82,678	-	82,678
				1,035,755	-	1,035,755
Emergency Management Performance Grants						
Emergency Management Preparedness (EMPG) FY23	97.042	127113	G0373	2	-	2
Emergency Management Preparedness (EMPG) FY24	97.042	127114	G0442	42,305	-	42,305
				42,307	-	42,307
Passed through the Florida Division of Emergency Management, Emergency Operations Center:						
Uninterruptible Power Supply	97.052	121100	R0856	687,478	-	687,478
Passed through the Florida Division of Emergency Management, Homeland Security Grant Program:						
Operation Stonegarden; Border Security - Marine	97.067	Sheriff	OPSG FY20 R0356	4,312	-	4,312
Operation Stonegarden; Border Security - Marine	97.067	Sheriff	OPSG FY21 R0396	124,291	-	124,291
Operation Stonegarden; Border Security - Marine	97.067	Sheriff	OPSG FY22 R0555	3,937	-	3,937
				132,540	-	132,540
Total Department of Homeland Security				3,535,677	-	3,535,677
Total Expenditures of Federal Awards				\$ 28,190,896	\$ -	\$ 28,190,896

Martin County, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
Year Ended September 30, 2024

				Expenditures		
Federal Grantor/State Agency	Assistance Listing / CSFA #	Grant Fund #	Grant/Contract #	County	Subrecipient	Total
Pass Through Entity/Program Title						
FLORIDA EXECUTIVE OFFICE OF THE GOVERNOR						
Emergency Management Programs						
FY24 EMPA	31.063	137114	A0372	\$ 78,936	\$ -	\$ 78,936
EMPA FY24 Accreditation	31.063	137115	A0428	700	-	700
EMPA FY25	31.063	137117	A0437	28,254	-	28,254
				107,890	-	107,890
Emergency Management Projects						
HazMat FY21	31.067	13737	T0095	571	-	571
Total Florida Executive Office of the Governor				108,461	-	108,461
FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION						
Beach Management Funding Assistance Program						
Bathhtub/Sailfish Point Beach	37.003	133001	21MI2	1,308,094	-	1,308,094
MC Shore Protection Plan	37.003	133004	21MI1	18,452	-	18,452
MC Shore Protection Plan	37.003	133005	22MI2	49,190	-	49,190
St. Lucie Inlet Management Plan Implementation	37.003	133017	24MI3	896,544	-	896,544
St. Lucie Inlet Management Plan Implementation	37.003	133019	25MI1	405,468	-	405,468
				2,677,748	-	2,677,748
Statewide Water Quality Restoration Projects						
Seven Js Sewer	37.039	13419	LPA0325	1,949,959	-	1,949,959
Resilient Florida Program						
Stormwater Backflow Prevention Installation	37.098	13508	22SRP04	17,255	-	17,255
Golden Gate Station-North Outfall Flood Mitigation	37.098	13509	22SRP06	31,683	-	31,683
Vulnerability Assessment Update	37.098	133008	22PLN13	57,975	-	57,975
Twin Rivers Shoreline Stabilization	37.098	133010	22SRP05	48,842	-	48,842
IRP Living Shoreline Phase II	37.098	133011	22SRP07	72,547	-	72,547
Old Palm City North Neighborhood Improvements	37.098	133732	24SRP11	69,196	-	69,196
MacArthur Blvd Resilience	37.098	133733	24SRP13	35,317	-	35,317
				332,815	-	332,815
Office of Resilience and Coastal Protection-Hurricane Beach Recovery Program						
2022 Hurricane Beach Recovery	37.113	133012	23MI1	820,393	-	820,393
Total Florida Department of Environmental Protection				5,780,915	-	5,780,915
FLORIDA HOUSING FINANCE CORPORATION						
State Housing Initiatives Partnership Program (SHIP)						
State Housing Initiative Program (SHIP)	40.901	13301	N/A	945,926	-	945,926
Total Florida Housing Finance Corporation				945,926	-	945,926
FLORIDA DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES						
Mosquito Control						
Mosquito Control Work Program	42.003	13811	FDACS 30627	62,617	-	62,617
Total Florida Department of Agriculture & Consumer Services				62,617	-	62,617
FLORIDA DEPARTMENT OF FINANCIAL SERVICES						
Fire Marshal Administrative and Support Services						
Fire Rescue Training Facility	43.009	137116	FM909	436,866	-	436,866
Total Florida Department of Financial Services				436,866	-	436,866
FLORIDA DEPARTMENT OF STATE AND SECRETARY OF STATE						
Library, Archives and Information Services						
State Aid to Libraries	45.030	13234	20-ST-30	3,419	-	3,419
State Aid to Libraries	45.030	13235	21-ST-30	369	-	369
State Aid to Libraries	45.030	13236	22-ST-30	63,030	-	63,030
State Aid to Libraries	45.030	13237	23-ST-30	31,395	-	31,395
Total Florida Department of State and Secretary of State				98,213	-	98,213
FLORIDA DEPARTMENT OF TRANSPORTATION						
Commission for the Transportation Disadvantaged						
Transportation Disadvantaged Planning FY23-24	55.002	133513	G2J04	24,129	-	24,129
Transportation Disadvantaged Planning FY24-25	55.002	133514	G3027	5,889	-	5,889
				30,018	-	30,018
Aviation Grant Programs						
FDOT Noise Mitigation Phase 2	55.004	13637	420577-1-94-01	838	-	838
FDOT Airport Operations Center Phase 3	55.004	13675	443883-1-94-01	1,298,468	-	1,298,468
FDOT Taxiway A Construction	55.004	13681	450931-1-94-01	197,288	-	197,288
SUA Weather Reporting Equipment	55.004	13682	451518-1-94-01	13,634	-	13,634
Airport Roof Improvements	55.004	13683	453347-1-94-01	227,570	-	227,570
Airport Signage Replacement	55.004	13684	448118-1-94-01	39,019	-	39,019
Runway 12 Hold Bay Extension	55.004	13687	445980-1-94-01	150	-	150
				1,776,967	-	1,776,967
Small County Outreach Program (SCOP)						
SE Salerno Rd Resurfacing	55.009	133727	G1W97 / 440299-1-54-01	3,271	-	3,271
CRA1A/Dixie HWY Resurfacing	55.009	133728	G2193 / 441909-1-54-01	130,995	-	130,995
Indian Street Resurfacing - Gatehouse Circle to US1	55.009	133729	G2F97 / 441922-1-54-01	381,684	-	381,684
CR714 Resurfacing - SR710 to Fox Brown	55.009	133730	G2L02 / 444268-1-54-01/02	14,472	-	14,472
Jensen Beach Resurfacing Savannah Rd to Indian River Drive	55.009	133731	G2P76 / 444266-1-54-01	250,642	-	250,642
				781,064	-	781,064
Public Transit Block Grant Program						
Public Transit Block Grant FY22	55.010	133608	G2470 / 407189-3-84-01	29,976	-	29,976
Public Transit Block Grant FY23	55.010	133609	G2F88 / 407189-3-84-01	267,675	-	267,675
				297,651	-	297,651
Transit Corridor Program						
MC Treasure Coast Express - Transit Corridor	55.013	133606	G1S58 / 434660-1-84-01	45,010	-	45,010
Florida Shared Use Nonmotorized (SUN) Trail Network Program						
FDOT Sun Trail Network	55.038	133735	G3070 / 443500-2-34-01	2,617	-	2,617
Total Florida Department of Transportation				2,933,327	-	2,933,327

Martin County, Florida
Schedule of Expenditures of Federal Awards and State Financial Assistance
Year Ended September 30, 2024

				Expenditures		
Federal Grantor/State Agency	Assistance Listing / CSFA #	Grant Fund #	Grant/Contract #	County	Subrecipient	Total
Pass Through Entity/Program Title						
FLORIDA DEPARTMENT OF HEALTH						
County Grant Awards, Community Public Health						
Florida EMS Trust Funds FY23	64.005	13771	C1043	8,100	-	8,100
Florida EMS Trust Funds FY24	64.005	13772	C2442	32,553	-	32,553
				40,653	-	40,653
State and Community Interventions, Community Public Health						
Tobacco Free Florida	64.093	130000	COTKA	169,738	-	169,738
Total Florida Department of Health				210,391	-	210,391
FLORIDA DEPARTMENT OF LAW ENFORCEMENT						
Identify Theft and Fraud Grant Program						
Identity Theft and Fraud Grant	71.042	Sheriff	L6005	8,612	-	8,612
Drone Replacement Program						
Replacement of Non-Compliant Drones	71.092	Sheriff	3X0353	106,604	-	106,604
Rapid DNA Technology Pilot Program						
Rapid DNA Booking System	71.113	Sheriff	J3008	194,895	-	194,895
Traveling Criminal & Illegal Immigration Initiative						
Equipment	71.120	Sheriff	L8020	100,373	-	100,373
SAFE Program						
Fentanyl Eradication	71.122	Sheriff	2023-SAFE-SF-025	135,711	-	135,711
Total Florida Department of Law Enforcement				546,195	-	546,195
FLORIDA DEPARTMENT OF MANAGEMENT SERVICES						
E-911 State Grant Program						
KOVA Logging Recorder	72.002	137512	S24-23-08-05	258,217	-	258,217
GIS Repository	72.002	137513	S24-23-08-06	28,078	-	28,078
				286,295	-	286,295
Prepaid Next Generation 911 (NG911) State Grant Program						
Geospatial Routing	72.003	137511	S22-23-01-39	587,531	-	587,531
Local Government Cybersecurity Grant Program						
Florida Digital Service software solutions	72.009	Clerk	DMS-22/23-266	32,553	-	32,553
Florida Digital Service software solutions	72.009	Tax Collector	DMS-22/23-242	3,637	-	3,637
				36,190	-	36,190
Total Florida Department of Management Services				910,016	-	910,016
FLORIDA FISH AND WILDLIFE CONSERVATION COMMISSION						
Florida Boating Improvement Program						
Charlie Leighton Boat Ramp Improvements	77.006	139956	21110	1,674	-	1,674
J&S Boat Ramp Improvements	77.006	139957	21104	21,064	-	21,064
Jensen Beach Causeway Boat Ramp Improvements	77.006	139958	21109	16,972	-	16,972
				39,710	-	39,710
Manatee Habitat Restoration Project						
Florida Oceanographic Society Seagrass Nursery Expansion	77.051	133009	21262	44,833	-	44,833
Total Florida Fish and Wildlife Conservation Commission				84,543	-	84,543
Total Expenditures of State Financial Assistance				\$ 12,117,470	\$ -	\$ 12,117,470

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the "Schedule") includes the grant activity of federal award programs and state financial assistance projects of Martin County, Florida (the "County") for the fiscal year ended September 30, 2024. 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 Chapter 10.550, *Rules of the Auditor General*. Because the Schedule presents only a select portion of the activities of the County, it is not intended to, and does not, present the total expenditures of the County.

Note 2. Summary of Significant Accounting Policies

This Schedule is presented using the modified accrual basis of accounting for expenditures accounted for in governmental type funds and on the accrual basis of accounting for expenses of the proprietary fund types. Such expenditures/expenses are recognized following the cost principles contained in the Uniform Guidance, *Cost Principles for State, Local, and Indian Tribal Governments*, whereas certain types of expenditures/ expenses are not allowable or are limited as to reimbursement.

Note 3. Indirect Cost Rate Election

The County did not elect to use the de minimis rate of 10% for determining indirect cost amounts for its federal programs.

Note 4. Prior Year Expenditures

Prior years' Schedule of Expenditures of Federal Awards and State Financial Assistance incorrectly reported County match amounts. Two years (fiscal year ended September 30, 2022, and fiscal year ended September 30, 2023) were overreported for a combined total of \$23,898 between both years. The County's major grant determination for both years was not impacted.

Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Independent Auditor's Report

Honorable Board of County Commissioners
Martin County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Martin County, Florida (the "County") as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 28, 2025.

Report on Internal Control over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control 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 County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Pursuant to provisions of Chapter 10.550, *Rules of the Auditor General*, we reported certain matters to management in a separate management letter and Independent Accountant's Report dated March 28, 2025.

Purpose of this Report

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

Forvis Mazars, LLP

**Fort Lauderdale, Florida
March 28, 2025**

Report on Compliance for Each Major Federal Program and Major State Project and on Internal Control over Compliance, and Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*

Independent Auditor's Report

Honorable Board of County Commissioners
Martin County, Florida

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

Opinion on Each Major Federal Program and Major State Project

We have audited Martin County, Florida's (the "County") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget ("OMB") *Compliance Supplement* and the requirements described in the Department of Financial Services' *State Projects Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs and major state projects for the fiscal year ended September 30, 2024. The County's major federal programs and major state projects are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to in the first paragraph that could have a direct and material effect on each of the County's major federal programs and major state projects for the fiscal year ended September 30, 2024.

Basis for Opinion on Each Major Federal Program and 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 (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and the Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Auditor General*. Our responsibilities under those standards, the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General* are further described in the "Auditor's 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.

Responsibility 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.

Auditor's 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 generally accepted auditing standards, *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 major state project as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, 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 and state project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program and 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 and 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 "Auditor's Responsibilities for the Audit of Compliance" section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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

**Report on Schedule of Expenditures of Federal Awards and State Financial Assistance
Required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General***

We have audited the basic financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated March 28, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis, as required by the Uniform Guidance, Chapter 69I-5, *Schedule of Expenditures of State Financial Assistance*, Rules of the Department of Financial Services, and Chapter 10.550, *Rules of the Auditor General*, and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and state financial assistance is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Forvis Mazars, LLP

**Fort Lauderdale, Florida
March 28, 2025**

Martin County, Florida
Schedule of Findings and Questioned Costs
Year Ended September 30, 2024

Section I – Summary of Auditor’s Results

Financial Statements

1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

(Check each description that applies)

☒ Unmodified ☐ Qualified ☐ Adverse ☐ Disclaimer

2. Internal control over financial reporting:

Material weakness(es) identified? ☐ Yes ☒ No

Significant deficiency(ies) identified? ☐ Yes ☒ None reported

3. Noncompliance material to the financial statements noted? ☐ Yes ☒ No

Federal Awards and State Financial Assistance

4. Internal control over major federal programs and state projects:

Material weakness(es) identified? ☐ Yes ☒ No

Significant deficiency(ies) identified? ☐ Yes ☒ None reported

5. Type of auditor’s report issued on compliance for major federal program(s) and major state project(s):

(Check each description that applies. If any other than unmodified apply, also list the name of each major program and state project by the type of opinion applicable to that program.)

☒ Unmodified ☐ Qualified ☐ Adverse ☐ Disclaimer

6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) and Chapter 10.557, *Rules of the Auditor General*? ☐ Yes ☒ No

7. Identification of major federal programs and state projects:

<u>Assistance Listing Number(s)</u>	<u>Name of Federal Program or Cluster</u>
20.106	Airport Improvement Program
20.507	Federal Transit Formula Grants
21.027	Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)
66.458	Clean Water State Revolving Fund
66.468	Drinking Water State Revolving Fund
97.036	Disaster Grants – Public Assistance

<u>CSFA Numbers</u>	<u>Name of State Projects</u>
37.003	Beach Management Funding Assistance Program
37.039	Statewide Water Quality Restoration Projects
37.113	Office of Resilience and Coastal Protection
40.901	State Housing Initiatives Partnership Program (SHIP)

8. Dollar threshold used to distinguish between Type A and Type B programs:

Federal: \$845,727

State: \$750,000

9. Auditee qualified as a low-risk auditee? ☒ Yes ☐ No

Martin County, Florida
Schedule of Findings and Questioned Costs (Continued)
Year Ended September 30, 2024

Section II – Financial Statement Findings

Reference Number	Finding
	No matters are reportable.

Section III – Federal Award and State Financial Assistance Findings and Questioned Costs

Reference Number	Finding
	No matters are reportable.

Martin County, Florida
Summary Schedule of Prior Audit Findings
Year Ended September 30, 2024

Reference Number	Finding
	No matters were reported over federal awards and state financial assistance in the prior year.

Independent Auditor's Management Letter

Honorable Board of County Commissioners
Martin County, Florida

Report on the Financial Statements

We have audited the financial statements of Martin County, Florida (the "County") as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated March 28, 2025.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and Major State Project and on Internal Control over Compliance and Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated March 28, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations made in the preceding annual financial report.

Official Title and Legal County

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 is disclosed in the notes to the financial statements.

Financial Condition and Management

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

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the County. It is management's responsibility to monitor the County's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. In connection with our audit, we have the following recommendation:

MLC 2024-001 – Disposal of Property

Criteria:

The authority and documentation of the disposal of property should be approved by the County Board and recorded in the minutes pursuant to Florida Statute 274.07.

Condition:

During the year, the County disposed its capital assets for various reasons. While the disposals were done in accordance with the County's Purchasing Manual, the Manual does not require Board approval. This appears to be in conflict with Florida Statute 274.07.

Cause:

The County's Purchasing Manual does not require Board approval for disposals of capital assets.

Effect:

It appears the County's Purchasing Manual is not in compliance with Florida Statute 274.07.

Recommendation:

The County should update its Purchasing Manual to include Board approval for the disposal of all capital assets. Further, the documentation of the disposals should also be recorded in the Board's minutes.

Views of Responsible Officials and Planned Corrective Action:

The County will work to review and update the policy, as needed, to ensure approval and documentation of capital asset disposals in compliance with section 274.07, Florida Statutes.

Property Assessed Clean Energy (PACE) Programs

As required by Section 10.554(1)(i)6.a., *Rules of the Auditor General*, a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did operate within the County's geographical boundaries during the fiscal year under audit.

As required by Section 10.554(1)(i)6.b. and 6.c., Rules of the Auditor General, a list including full names and contact information of all program administrators and third-party administrators that administered the program is as follows:

Program Administrator: Don Donaldson, PE, CFM

County Administrator
Martin County Board of County Commissioners
2401 SE Monterey Road
Stuart, Florida 34996
(772) 288-5503 (o)

Third-Party Administrator: The Florida PACE Funding Agency

6650 Professional Pkwy STE 102
Sarasota, FL 34240
(850) 400-PACE
info@FloridaPACE.gov

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, provided the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.544(1)(i)6, *Rules of the Auditor General*, the Martin County Community Redevelopment Agency reported:

- (A) The total number of district employees compensated in the last pay period of the district's fiscal year as zero.
- (B) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year as zero.
- (C) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as zero.
- (D) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as zero.
- (E) Each construction project with a total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such projects as zero.
- (F) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, as \$13,871,611.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.544(1)(i)6, *Rules of the Auditor General*, the Martin County Health Facilities Authority reported:

- (A) The total number of district employees compensated in the last pay period of the district's fiscal year as zero.
- (B) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year as zero.
- (C) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as zero.
- (D) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as zero.
- (E) Each construction project with a total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as zero.
- (F) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, as zero.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.544(1)(i)6, *Rules of the Auditor General*, the Martin County Industrial Development Authority reported:

- (A) The total number of district employees compensated in the last pay period of the district's fiscal year as zero.
- (B) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year as zero.
- (C) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as zero.
- (D) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as zero.
- (E) Each construction project with a total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as zero.
- (F) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, as zero.

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.

Honorable Board of County Commissioners
Martin County, Florida

Purpose of this Letter

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

Forvis Mazars, LLP

**Fort Lauderdale, Florida
March 28, 2025**

Independent Accountant's Report

Honorable Board of County Commissioners
Martin County, Florida

We have examined Martin County, Florida's (the "County") compliance with the requirements of Sections 218.415 and 365.172(10), and 365.173(2)(d), Florida Statutes, during the fiscal year ended September 30, 2024. Management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County's compliance based on our examination.

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

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

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

In our opinion, the County complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2024.

Forvis Mazars, LLP

Fort Lauderdale, Florida
March 28, 2025

**MARTIN COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Martin County, Florida
Clerk of the Circuit Court
For the Year Ended September 30, 2024

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Independent Auditor's Report

Honorable Carolyn Timmann
Clerk of the Circuit Court and Comptroller
Martin County, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Clerk of the Circuit Court and Comptroller of Martin County, Florida (the "Clerk") as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the Clerk as of September 30, 2024, and the respective change in financial position, and the budgetary comparison for the General Fund and Public Modernization Trust Fund 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 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Clerk, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 Clerk's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility 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 auditor's 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Emphasis-of-Matter

As described in Note 1 to the financial statements, the accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557(3), *Rules of the Auditor General for Local Governmental Entity Audits*. These financial statements are not intended to be a complete presentation of the financial position of Martin County, Florida as of September 30, 2024, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Honorable Carolyn Timmann
Clerk of the Circuit Court and Comptroller
Martin County, Florida

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 6, 2025, on our consideration of the Clerk's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clerk's internal control over financial reporting and compliance.

Forvis Mazars, LLP

**Fort Lauderdale, Florida
February 6, 2025**



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**Martin County, Florida
Clerk of the Circuit Court
Special-Purpose Balance Sheet
Governmental Funds
September 30, 2024**

	General	Public Records Modernization	Total Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 1,220,299	\$ 1,855,508	\$ 3,075,807
Investments	12,387	145,181	157,568
Accounts receivable	52	-	52
Due from other county agencies	4,896	-	4,896
Due from other governmental agencies	63,660	-	63,660
Inventories	169	-	169
Prepaid items	4,686	25,740	30,426
Total assets	<u>1,306,149</u>	<u>\$ 2,026,429</u>	<u>\$ 3,332,578</u>
LIABILITIES			
Accounts payable	125,081	-	125,081
Accrued wages payable	151,759	6,114	157,873
Due to Board of County Commissioners	188,745	-	188,745
Due to other governmental agencies	483,142	-	483,142
Deposits and other liabilities	6,189	-	6,189
Total liabilities	<u>954,916</u>	<u>6,114</u>	<u>961,030</u>
FUND BALANCES			
Nonspendable:			
Inventories	169	-	169
Prepaid items	4,686	25,740	30,426
Restricted for:			
Court operations	346,378	1,994,575	2,340,953
Total fund balances	<u>351,233</u>	<u>2,020,315</u>	<u>2,371,548</u>
Total liabilities and fund balances	<u>\$ 1,306,149</u>	<u>\$ 2,026,429</u>	<u>\$ 3,332,578</u>

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

Martin County, Florida
Clerk of the Circuit Court
Special-Purpose Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended September 30, 2024

	General	Public Records Modernization	Total Governmental Funds
REVENUES			
Intergovernmental revenues	\$ 1,077,590	\$ -	\$ 1,077,590
Charges for services	3,584,403	384,931	3,969,334
Fines and forfeitures	1,446,280	-	1,446,280
Interest income	74,371	87,243	161,614
Miscellaneous revenues	31,401	-	31,401
Total revenues	<u>6,214,045</u>	<u>472,174</u>	<u>6,686,219</u>
EXPENDITURES			
Current:			
General government	9,317,020	290,591	9,607,611
Capital outlay	18,338	-	18,338
Total expenditures	<u>9,335,358</u>	<u>290,591</u>	<u>9,625,949</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,121,313)</u>	<u>181,583</u>	<u>(2,939,730)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in	3,272,927	-	3,272,927
Transfers out	(89,746)	-	(89,746)
Total other financing sources (uses)	<u>3,183,181</u>	<u>-</u>	<u>3,183,181</u>
Net change in fund balances	61,868	181,583	243,451
Fund balances - beginning	<u>289,365</u>	<u>1,838,732</u>	<u>2,128,097</u>
Fund balances - ending	<u>\$ 351,233</u>	<u>\$ 2,020,315</u>	<u>\$ 2,371,548</u>

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

Martin County, Florida
Clerk of the Circuit Court
Special-Purpose Statement of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
General Fund
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES				
Intergovernmental revenues	\$ 234,910	\$ 492,910	\$ 1,077,590	\$ 584,680
Charges for services	3,395,898	3,451,863	3,584,403	132,540
Fines and forfeitures	1,523,995	1,523,995	1,446,280	(77,715)
Interest income	16,588	16,588	74,371	57,783
Miscellaneous revenues	45,054	45,054	31,401	(13,653)
Total revenues	5,216,445	5,530,410	6,214,045	683,635
EXPENDITURES				
Current:				
General government	7,737,906	8,744,343	9,317,020	(572,677)
Capital outlay	-	18,000	18,338	(338)
Total expenditures	7,737,906	8,762,343	9,335,358	(573,015)
Deficiency of revenues under expenditures	(2,521,461)	(3,231,933)	(3,121,313)	110,620
OTHER FINANCING SOURCES (USES)				
Transfers in	2,562,455	3,272,927	3,272,927	-
Transfers out	(40,994)	(40,994)	(89,746)	(48,752)
Total other financing sources (uses)	2,521,461	3,231,933	3,183,181	(48,752)
Net change in fund balance	-	-	61,868	\$ 61,868
Fund balance - beginning	-	-	289,365	
Fund balance - ending	\$ -	\$ -	\$ 351,233	

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

**Martin County, Florida
Clerk of the Circuit Court
Special-Purpose Statement of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
Public Records Modernization Trust Fund
For the Year Ended September 30, 2024**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES				
Charges for services	\$ 323,000	\$ 323,000	\$ 384,931	\$ 61,931
Interest income	-	-	87,243	87,243
Total revenues	<u>323,000</u>	<u>323,000</u>	<u>472,174</u>	<u>149,174</u>
EXPENDITURES				
Current:				
General government	<u>1,253,074</u>	<u>1,253,074</u>	<u>290,591</u>	<u>962,483</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(930,074)</u>	<u>(930,074)</u>	<u>181,583</u>	<u>1,111,657</u>
Net change in fund balance	<u>(930,074)</u>	<u>(930,074)</u>	<u>181,583</u>	<u>\$ 1,111,657</u>
Fund balance, beginning	<u>930,074</u>	<u>930,074</u>	<u>1,838,732</u>	
Fund balance, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,020,315</u>	

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

Martin County, Florida
Clerk of the Circuit Court
Special-Purpose Statement of Fiduciary Net Position
Custodial Funds
September 30, 2024

ASSETS	
Cash and cash equivalents	\$ 8,717,183
Investments	<u>62,275</u>
Total assets	<u><u>8,779,458</u></u>
LIABILITIES	
Accounts payable	9,994
Due to other governmental agencies	<u>831,842</u>
Total liabilities	<u><u>841,836</u></u>
TOTAL NET POSITION	
Restricted for	
Individuals, organizations, and other governments	<u><u>\$ 7,937,622</u></u>

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

Martin County, Florida
Clerk of the Circuit Court
Special-Purpose Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended September 30, 2024

ADDITIONS:

Fees and charges collected for others	\$ 17,723,295

Total additions	<u>17,723,295</u>

DEDUCTIONS:

Payments to individuals, organizations, and other governments	<u>16,578,127</u>

Total deductions	<u>16,578,127</u>

Change in net position	1,145,168

Total net position - beginning	<u>6,792,454</u>

Total net position - ending	<u><u>\$ 7,937,622</u></u>

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

Martin County, Florida
Clerk of the Circuit Court
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

Note 1 - Summary of Significant Accounting Policies

The significant accounting policies followed by the Clerk of the Circuit Court of Martin County, Florida (the “Clerk”) are summarized below:

A. General Information

Martin County (the “County”) is a political subdivision of the State of Florida (the “State”). The County operates as a non-charter government pursuant to Article VIII, Section (1) (f) of the Constitution of the State of Florida. The fiscal year of the County is from October 1 to September 30, as established in Section 218.33, Florida Statutes.

B. Reporting Entity and Financial Statement Presentation

The Clerk is a separately elected county official established pursuant to the Constitution of the State of Florida. The Clerk’s special-purpose financial statements do not purport to reflect the financial position or the results of operations of the County taken as a whole.

Entity status for financial reporting purposes is governed by the Governmental Accounting Standards Board’s (“GASB”) Codification Section 2100 “Defining the Financial Reporting Entity.” Although the Clerk’s Office is operationally autonomous from the County, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Clerk is reported as a part of the primary government of Martin County, Florida.

The Clerk’s special-purpose financial statements are prepared for the purpose of complying with Section 218.39(2), Florida Statutes, and Chapter 10.550, *Rules of the Auditor General-Local Governmental Entity Audits*, which require the Clerk to only present fund financial statements. In conformity with the Rules, the Clerk has not presented the government-wide financial statements, related disclosures or management’s discussion and analysis, which are required to present a complete presentation of its financial position and changes in financial position.

These financial statements are not intended to be a complete presentation of the financial position of the Clerk or Martin County, Florida as of September 30, 2024, and the changes in its financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

C. Fund Accounting

The accounting records of the Clerk are organized on the basis of funds as prescribed by accounting principles generally accepted in the United States of America (“GAAP”) applicable to governments as established by the GASB. The operations of each fund are accounted for within a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues and expenditures. Separate funds are maintained to account for specific government activities or to comply with special regulations or legal restrictions. Fund financial statements report detailed information about the Clerk. The focus of governmental fund financial statements is on a major fund rather than reporting funds by type. Each major fund is reported in a separate column. The various types and funds used by the Clerk are described as follows:

Martin County, Florida
Clerk of the Circuit Court
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

Major Funds

General Fund – This fund is used to account for all financial activity of the Clerk not accounted for in other funds. Revenue is derived primarily from intergovernmental revenue and charges for services. With the implementation of Revision 7 to Article V on July 1, 2004, the Clerk's activities are now classified as court-related and non-court-related. The Clerk's non court-related General Fund activity is funded through service charges for recording instruments and documents into the official records. Additionally, the Clerk to the Board operations are funded through the collection of ad valorem taxes by the Martin County Board of Commissioners, which is reported in the General Fund as transfers in. Excess revenues at the end of the year, that are required to be returned to the Martin County Board of County Commissioners, are reported as transfers out in the General Fund.

Court related activities are funded by the State in the form of fees charged by the Clerk for maintaining the County and Circuit Court records, and collecting the fines and fees assessed by the courts. These court fees are restricted and are to be used exclusively for funding court-related operations. Court-related activities are tracked and recorded in a sub-fund within the Clerk's General Fund. In FY14 the court's fiscal year was transitioned to match the county's fiscal year. Any unexpended court-related funds as of September 30 are due to the State by the 25th of January and are recorded as a liability to the Florida Department of Revenue. For FY24, the Clerk is owes the Florida Department of Revenue \$415,615, recorded as a liability. Court related fund balance as of September 30 is reported as Restricted for Court Operations.

Public Records Modernization Fund – This fund is a special revenue fund and is used to account for proceeds from recording fees and to support the operations of the Clerk of the Circuit Court. Fund Balances for Public Records Modernization Trust Fund is reported as Restricted for Court Operations.

Custodial Funds

These funds are used to account for assets of a governmental unit in the capacity of a trustee or agent for individuals, private organizations, other funds or other governmental units. The Clerk's custodial funds are: Court Fund, Fines and Forfeitures Fund, Support Fund, Registry Fund, Tax Redemption Fund, Documentary Stamp Fund, Intangible Tax Fund, Jury and Witness Fund, Escrow Fund, Online Auction Fund, and Cash and Surety Bonds Fund.

D. Measurement Focus and Basis of Accounting

The governmental fund type measurement focus is based upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income determination. These funds are maintained on the modified accrual basis of accounting. Revenues are recognized when they become susceptible to accrual; that is, when they become both measurable and available to finance expenditures of the current period. For this purpose, the Clerk considers revenue to be available if they are collected within 60 days after the end of the current fiscal period with the exception of certain grants, which have a period of 1 year after the end of the current fiscal period. Expenditures are recorded in the accounting period in which the related fund liability is incurred, if measurable. Exceptions to this general rule include accumulated sick and vacation, claims and judgments, pension, and Other Postemployment Benefits (OPEB). Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund expenditures or fund liabilities.

Martin County, Florida
Clerk of the Circuit Court
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

In applying the "susceptible to accrual" concept to intergovernmental revenues (grants, entitlements and shared revenue), the legal and contractual requirements of the numerous individual programs are used as guidance. Intergovernmental revenues are susceptible to accrual when the eligibility requirements have been met and the revenue is available as defined above.

Charges for services and miscellaneous revenues are recorded as revenues when received in cash, because they are generally not measurable until actually received. Investment earnings are recorded as earned since they are measurable and available.

Custodial funds do not measure results of operations, but assets and liabilities are measured on the accrual basis of accounting. These funds are used to account for assets held by the Clerk as trustee or agent for individuals and/or other governmental units.

E. Budgets

The budget for the Clerk is prepared, adopted and amended in accordance with Chapter 129, Florida Statutes. The budget is balanced, meaning that total appropriations are equal to total revenues. The budgets for the General Fund and the Public Records Modernization Trust Fund are prepared on a basis consistent with GAAP.

The Clerk to Board budget process begins with the development of estimates by the Clerk. The estimates are reviewed, analyzed and submitted to the Martin County Board of County Commissioners (the "Board") for consideration on or about May 1.

The Board conducts several workshops to thoroughly review the budget and make adjustments as appropriate. Prior to September 30, two public hearings are conducted to hear comments and questions from the public regarding the non-court-related budget. The budget is adopted at the second public hearing through formal resolution of the Board.

The Florida Clerks of the Court are required to follow a budget procedure for the court-related functions they perform pursuant to s. 28.36 F.S. The law requires that the proposed court-related budget be prepared, summarized and submitted to the Clerk of Courts Operations Corporation (the "Corporation"). The budget for the 2024 fiscal year was due to the Corporation by June 1, 2023.

Budgets are adopted at the fund total level. Therefore, formal budgetary control is exercised at that level. Expenditures in excess of appropriations in one or more departments of a fund do not constitute a violation of budgetary controls as long as the total expenditures do not exceed total appropriations for the fund. Management employs lower level (departmental) controls, however, to prevent or reduce the potential for budget overruns at the fund total level.

The original budget is the first complete appropriated budget. The final budget is the original budget adjusted for all reserves, transfers, allocations, supplemental appropriations and other legally authorized changes applicable to the fiscal year when signed into law or otherwise legally authorized.

Martin County, Florida
Clerk of the Circuit Court
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

F. Cash and Cash Equivalents

For purposes of these statements, demand deposits, petty cash and short-term investments with original maturities of three months or less from date of acquisition are considered to be cash and cash equivalents.

G. Investments

GASB 72 requires the Clerk to use valuation techniques which are appropriate under the circumstances. Fair value is defined by GASB 72, as the price that would be received to sell an asset, or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The Clerk's investments in Florida PRIME and the Florida Local Government Investment Trust Day to Day Fund are reported at amortized cost.

H. Due from Other County and Governmental Agencies

Due from other county and governmental agencies are recorded net of allowances for bad debts. Management has determined that allowances are not deemed to be necessary at September 30, 2024.

I. Capital Assets

Upon acquisition, capital assets are recorded as capital outlay expenditures of the appropriate governmental fund in these special-purpose financial statements. The Clerk maintains custodial responsibility for the capital assets used by her office; however, they are recorded in the financial statements of the County.

In the governmental activities section of the County's government-wide financial statements all capital assets with a cost of \$5,000 or greater and an estimated life of more than one year are capitalized and recorded at historical cost or estimated historical cost, if actual historical cost is not available.

Donated capital assets are recorded at their estimated acquisition value on the date donated. No depreciation has been provided on capital assets in these special-purpose financial statements, however, depreciation expense is recorded in the government-wide financial statements of the County.

J. Compensated Absences

It is the policy of the Clerk to permit employees to accumulate a limited amount of earned but unused paid leave time, which will be paid to employees upon separation from service. The Clerk of the Circuit Court does not, and is not legally required, to accumulate expendable available financial resources to liquidate this obligation. Accordingly, the liability for compensated absences is not reported in the special-purpose financial statements, but rather is reported as a liability in the government-wide financial statements of the County.

K. Deposits and Other Liabilities

Estreated surety bonds are reported as deposits - the estreated surety bonds on deposit may be held for two years or longer, pending case disposition and directives of the court and will be eventually recognized as revenue to be used in court operations, or refunded to the bail bondsman who was the depositor.

Martin County, Florida
Clerk of the Circuit Court
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

L. Use of Estimates

The preparation of special-purpose financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the special-purpose financial statements and the reported amount of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

M. Transfers In

In accordance with Florida Statutes, the Board is required to fund certain operations of the Clerk. These County appropriations are reported as transfers in and totaled \$3,272,927.

N. Transfers out

In accordance with Florida Statutes, all revenues in excess of expenditures for all non-court-related items at September 30, 2024, are due to the Board. All revenues in excess of appropriated budget authority for court related items through September 30, 2024, are due to the Florida Department of Revenue. Excess revenues for non-court-related activities are reported as a transfer out in the accompanying Special-Purpose Statement of Revenues, Expenditures, and Changes in Fund Balances. Revenues in excess of expenditures transferred out and due to the Board as of September 30, 2024, were \$89,746.

O. Fund Balance

In accordance with GASB Statement No. 54, fund balances of the governmental funds of the Clerk are classified as nonspendable, assigned and restricted. Nonspendable fund balances include amounts that cannot be spent because they are not spendable in form (Inventories \$169 and Prepaid items \$30,426). The restricted classification included amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation, or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments. For this fiscal year, the Clerk is reporting \$2,340,953 as restricted fund balance for court operations.

Martin County, Florida
Clerk of the Circuit Court
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

Note 2 - Cash and Cash Equivalents and Investments

Cash and cash equivalents

Cash and cash equivalents (including fiduciary funds) consist of the following:

Demand deposits	\$	11,779,895
Petty cash		13,095
	\$	<u>11,792,990</u>

Deposits whose values exceed the limits of federal depository insurance are entirely insured or collateralized pursuant to Florida Statutes, Chapter 280, *Florida Security for Public Deposits Act*, (the Act). Under this Act, Florida's Chief Financial Officer shall determine the collateral requirements and the collateral pledging level for each qualified public depository in order to protect the integrity of the public deposits program. The Public Deposit Security Trust Funds have a procedure to allocate and recover losses in the event of default or insolvency. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereof. All Clerk depositories at year-end were designated as qualified public depositories. The bank balance as of September 30, 2024, was \$11,750,311.

Cash Equivalents consist of cash on hand and amounts in JP Morgan Chase and Valley National Bank.

Investments

The Clerk utilizes Florida Statutes section 218.415 as its investment policy. Florida Statutes authorize investments in the Local Government Surplus Trust Fund or other intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided in 163.01, Florida Statutes; Securities and Exchange Commission registered money market funds with credit rating interest bearing time deposits or savings accounts in qualified public depositories as defined in 280.02, Florida Statutes; direct obligations of the U.S. Treasury.

Florida PRIME and FLGIT are external investment pools that are not registered with the Securities Exchange Commission (SEC) but do operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Rule 2a7 allows funds to use amortized cost to maintain a constant net asset value (NAV) of \$1.00 per share. Accordingly, the Clerk's investments in both Florida PRIME and FLGIT are reported at the amortized cost. There are no restrictions or fees to withdraw from either of these pools.

The Clerk's investments at September 30, 2024, consisted of investments with the State Board of Administration's Investment Pool (the "Florida PRIME") and the Florida Local Government Investment Trust's Day to Day Fund (the "Day to Day Fund"). The Florida PRIME is rated by Standard and Poor's, with a current rating of AAAm. The Day to Day Fund is rated by Fitch, with a current rating of AAAf/S1. At September 30, 2024, the weighted average day to maturity (WAM) was 39 days for the Florida PRIME and 37.91 days for the Day to Day Fund.

At September 30, 2024, the Clerk's office had an amortized cost basis of \$219,843 in investments, including \$102,156 with the State Board of Administration and \$117,687 with the Florida Local Government Investment Trust's Day to Day Fund. The net asset value of these investments presented on the special-purpose financial statements was \$219,843.

Martin County, Florida
Clerk of the Circuit Court
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

Additional information regarding the Local Government Surplus Funds Trust Fund may be obtained from the State Board of Administration, <https://www.sbafla.com/prime>. Additional information for the Day to Day Fund may be obtained at <http://www.floridatrustononline.com/reports>.

Note 3 - Long-Term Liabilities

Changes in long-term liabilities for the year ended September 30, 2024, were as follows:

	Beginning 10/01/23	Additions	Reductions	Ending 09/30/24
Compensated absences	\$ 349,320	\$ 393,156	\$ (366,832)	\$ 375,644

The long-term liabilities are not reported in the special-purpose financial statements of the Clerk since they are not payable from available, spendable resources. They are reported in the government-wide financial statements of the County.

Note 4 – Budget Versus Actual Revenue and Expenditures

The General Fund reported a favorable variance of \$683,635 in revenues in relation to budgeted revenues and an unfavorable variance of \$573,015 in operating and capital expenditures in relation to budgeted expenditures, for an overall net favorable variance of \$110,620. Expenditures include payments for excess Article V Revenue due to the Clerk of Court Trust Fund which is not budgeted. In addition, the Public Records Modernization Trust Fund reported a favorable variance of \$149,174 in revenue and a favorable variance of \$962,483 in expenditures in relation to budgeted revenues and expenditures, resulting in a net favorable variance of \$1,111,657 for the fiscal year.

Note 5 – Retirement Plan

The Clerk participates in the Florida Retirement System and provides retirement benefits to employees through the following plans:

Plan Descriptions

The **Florida Retirement System (FRS) Pension Plan** and the **Retiree Health Insurance Subsidy (HIS) Program** are cost-sharing, multiple-employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement. The FRS Pension Plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. These benefits are established by Chapter 121, Florida Statutes, and may only be amended by the Florida legislature.

The HIS Program benefit is a monthly payment to assist retirees of the State-administered retirement systems in paying their health insurance costs. The HIS Program was established under Section 112.363, Florida Statutes, and may be amended by the Florida legislature at any time.

Martin County, Florida
Clerk of the Circuit Court
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

An annual comprehensive financial report including financial information and required supplementary information on both plans is publicly available on the web site of the Florida Department of Management Services (<http://www.dms.myflorida.com>).

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

The Investment Plan is administered by the State Board of Administration (SBA) and is reported in the SBA's annual financial statements and in the State of Florida's annual comprehensive financial report. Financial information on this plan is available on the web at <http://www.sbafla.com/>.

FRS and HIS Contributions

The Clerk's employer contributions to both plans totaled \$743,344 for the fiscal year ended September 30, 2024. The Clerk contributed 100 percent of its statutorily required contributions for the current and preceding two years for both plans.

Net Pension Liability

For financial reporting purposes, the Clerk is deemed to be part of the primary government of Martin County, Florida. A liability related to the Clerk's proportionate share of the aggregate net pension liability for both plans will be reported in the financial statements of the County for fiscal year ended September 30, 2024. Balances related to the net pension liability, deferred outflows, deferred inflows, and pension expenses are reported in the governmental activities column of the Statement of Net Position and the Statement of Activities as part of the basic financial statements of the County.

FLORIDA RETIREMENT SYSTEM (FRS) PENSION PLAN

Benefits Provided

The Florida Retirement System was created on December 1, 1970. Members enrolled in the FRS and actively employed on July 1, 2001, or first enrolled between July 1, 2001 and June 30, 2011, will be vested, or eligible to receive future benefits after six years of creditable service. Participants first enrolled on or after July 1, 2011 will be vested, or eligible to receive future benefits after eight years of creditable service. Retirement, disability, and death benefits are based on age, average final compensation and years-of-service credit. For members initially enrolled in the FRS before July 1, 2011, average final compensation is the average of the five highest fiscal years of salary earned during covered employment. For members initially enrolled in the FRS on or after July 1, 2011, average final compensation is the average of the eight highest fiscal years of salary earned during covered employment. Members

Martin County, Florida
Clerk of the Circuit Court
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

are eligible for normal retirement when they have met the minimum requirements established by their membership class. For members initially enrolled in the FRS before July 1, 2011, Regular Class members are eligible for normal retirement if they are vested and age 62 or if they have 30 years of creditable service regardless of age. For members initially enrolled in the FRS on or after July 1, 2011, Regular Class members are eligible for normal retirement if they are vested and age 65 or if they have 33 years of creditable service regardless of age. Early retirement may be taken any time after vesting. However, there is a 5% reduction of benefits for each year prior to normal retirement age or date. The percentage level of employees' payroll contribution rates is determined using the frozen entry age actuarial cost method.

Beginning July 1, 1998, the FRS implemented the Deferred Retirement Option Program (DROP), which is a program within the FRS Pension Plan that allows members to retire without terminating their employment for up to eight years while their retirement benefits accumulate and earn interest compounded monthly at a stated effective annual rate. For members who entered DROP prior to July 1, 2011, the rate is 6.5%. For members who enter DROP on or after July 1, 2011, the rate is 4.0%. Members may participate in DROP when they are vested and have reached their normal retirement date. When the DROP period ends, members must terminate employment. At that time, members will receive their accumulated DROP benefits and begin receiving their monthly retirement benefit.

The FRS was amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution plan is known as the FRS Investment Plan, which is described later in this note.

Contributions

The following membership classes and contribution rates, which apply to both the FRS Pension Plan and the FRS Investment Plan, were in effect at September 30, 2024:

<u>Membership Class</u>	<u>Employee</u>	<u>Employer</u>
	<u>Contribution</u>	<u>Contribution</u>
	<u>Rate</u>	<u>Rate*</u>
Regular	3.00%	13.63%
Special Risk	3.00%	32.79%
State Attorney/Public Defender	3.00%	62.97%
County, City, Special District Elected Officers	3.00%	58.68%
Special Risk Administrative Support	3.00%	39.82%
Senior Management	3.00%	34.52%
Deferred Retirement Option Program	N/A	21.13%

*Employer contribution rates in the above table include a 2.00% contribution for the Retiree Health Insurance Subsidy Program.

RETIREE HEALTH INSURANCE SUBSIDY (HIS) PROGRAM

Benefits Provided

For the fiscal year ended September 30, 2024, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 per month and a maximum HIS payment of \$150 per month, through June 30. Effective July 1, 2023, eligible retirees

Martin County, Florida
Clerk of the Circuit Court
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

and beneficiaries received a monthly HIS payment of \$7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$45 per month and a maximum HIS payment of \$225 per month. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions

The HIS Program is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2024, the contribution rate was 2.00 percent of payroll September 30. The Clerk contributed 100 percent of its statutorily required contributions for the current and preceding three years. The HIS Program contributions are deposited in a separate trust fund from which payments are authorized. The HIS Program benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

FLORIDA RETIREMENT SYSTEM INVESTMENT PLAN

Vesting Provisions

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds.

Non-vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five year period, the employee will regain control over their account. If the employee does not return within the five year period, the employee will forfeit the accumulated account balance. After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

For more detailed information on these plans, please refer to the Retirement Note in the County's Annual Comprehensive Financial Report (ACFR).

Martin County, Florida
Clerk of the Circuit Court
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

Note 6 - Other Postemployment Benefits

In addition to the retirement system described in Note 4, the Clerk provides postretirement health care benefits, in accordance with state statutes, to all employees who retire from the Clerk after vesting with the retirement system. Currently, thirty-three (33) retirees meet those eligibility requirements. Retired employees of the Clerk of the Circuit Court hired prior to October 13, 2009, who retire after 30 years of service, or after the age of 55, with ten years of credited service with the County and who were participants in the existing medical plan at the time of retirement, are entitled to participation in the County administered single-employer defined benefit healthcare plan. For these retirees, the Agency subsidizes 75% of the cost of health care coverage for the retiree. The retiree may choose family coverage but would have to pay the difference in premium cost. Once employees become eligible for Medicare all subsidies from the Clerk end. Employees who were hired on or after October 13, 2009, are not eligible for post-retirement health care benefits. Expenditures for postretirement health care benefits are recognized as premiums are paid. During the year, expenditures of \$149,952 were recognized for postretirement health care.

The Clerk's total OPEB liability is reported within the governmental activities column of the County's Statement of Net Position. Further information about OPEB is available in the County's Annual Comprehensive Financial Report for the fiscal year ended September 30, 2024.

Note 7 – Risk Management

The Clerk is exposed to various risks of loss related to tort; theft of, damage to, and to destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Clerk participates in the Self-Insurance program of the County. The coverage for employee health, property, general liability, automobile liability, workers' compensation, and public employee bond and comprehensive crime loss is covered through a comprehensive property and liability risk management program reported in the Self-Insurance Fund of the County. The County is part of the Tri-County Risk Management Program, which is a public entity risk pool. The program is a self-insurance program whereby the County makes annual contributions along with the other members of the program. The County is subject to a special assessment in the event of a deficiency, except to the extent that the deficiency results from a specific claim against a member in excess of the reinsurance available; such a deficiency is solely the responsibility of that member.

The program is reported by the County as an Internal Service Fund. The Clerk makes annual contributions to the County self-insurance fund based on amounts determined by the Board of County Commissioners. Such contributions were \$1,179,417 during the fiscal year ended September 30, 2024, and are included as expenditures in the accompanying special-purpose financial statements. As of September 30, 2024, there have been no special assessments. Settlements have not exceeded coverage for each of the past three fiscal years.

Note 8 - Contingencies

Grant funds received by the Clerk are subject to audit by grantor agencies. Audits of these grants may result in disallowed costs, which may constitute a liability of the Clerk. In the opinion of management, disallowed costs, if any, would be immaterial to the financial position of the Clerk.

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Honorable Carolyn Timmann
Clerk of the Circuit Court and Comptroller
Martin County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Clerk of the Circuit Court and Comptroller of Martin County, Florida (the "Clerk") as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated February 6, 2025.

Report on Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

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

We noted certain matters that we reported to management of the Clerk in a separate letter dated February 6, 2025.

Honorable Carolyn Timmann
Clerk of the Circuit Court and Comptroller
Martin County, Florida

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.

Forvis Mazars, LLP

**Fort Lauderdale, Florida
February 6, 2025**

Independent Auditor's Management Letter

Honorable Carolyn Timmann
Clerk of the Circuit Court and Comptroller
Martin County, Florida

We have audited the basic financial statements of the Clerk of the Circuit Court and Comptroller of Martin County, Florida (the "Clerk") as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated February 6, 2025.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated February 6, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

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

Financial Management

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

Honorable Carolyn Timmann
Clerk of the Circuit Court and Comptroller
Martin County, Florida

Additional Matters

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

Purpose of this Letter

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

Forvis Mazars, LLP

**Fort Lauderdale, Florida
February 6, 2025**

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Independent Accountant's Report

Honorable Carolyn Timmann
Clerk of the Circuit Court and Comptroller
Martin County, Florida

We have examined the Clerk of the Circuit Court and Comptroller of Martin County, Florida (the "Clerk") compliance with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2024. The Clerk's management is responsible for the Clerk's compliance with those requirements. Our responsibility is to express an opinion on the Clerk's compliance based on our examination.

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

We are required to be independent and to meet our ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement. Our examination does not provide a legal determination on the Clerk's compliance with the specified requirements.

In our opinion, the Clerk complied with the aforementioned requirements for the fiscal year ended September 30, 2024, in all material respects.

Forvis Mazars, LLP

**Fort Lauderdale, Florida
February 6, 2025**

Independent Accountant's Report

Honorable Carolyn Timmann
Clerk of the Circuit Court and Comptroller
Martin County, Florida

We have examined the Clerk of the Circuit Court and Comptroller of Martin County, Florida (the "Clerk") compliance with the requirements of Sections 28.35, 28.36, 61.181, and 218.415, Florida Statutes, during the fiscal year ended September 30, 2024. The Clerk's management is responsible for the Clerk's compliance with those requirements. Our responsibility is to express an opinion on the Clerk's compliance based on our examination.

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

We are required to be independent and to meet our ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement. Our examination does not provide a legal determination on the Clerk's compliance with the specified requirements.

In our opinion, the Clerk complied with the aforementioned requirements for the fiscal year ended September 30, 2024, in all material respects.

Forvis Mazars, LLP

**Fort Lauderdale, Florida
February 6, 2025**

**MARTIN COUNTY, FLORIDA
PROPERTY APPRAISER**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Martin County, Florida
Property Appraiser
For the Year Ended September 30, 2024

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Independent Auditor's Report

Honorable Jenny Fields
Property Appraiser
Martin County, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Martin County, Florida Property Appraiser (the "Property Appraiser") as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Property Appraiser's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the Property Appraiser as of September 30, 2024, and the respective change in financial position, and the budgetary comparison for the General Fund 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 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Property Appraiser, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 Property Appraiser's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility 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 auditor's 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Emphasis-of-Matter

As described in Note 1 to the financial statements, the accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557(3), *Rules of the Auditor General for Local Governmental Entity Audits*. These financial statements are not intended to be a complete presentation of the financial position of Martin County, Florida as of September 30, 2024, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Honorable Jenny Fields
Property Appraiser
Martin County, Florida

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report, dated February 7, 2025, on our consideration of the Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Property Appraiser's internal control over financial reporting and compliance.

Forvis Mazars, LLP

**Fort Lauderdale, Florida
February 7, 2025**



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Martin County, Florida
Property Appraiser
Special-Purpose Balance Sheet
General Fund
September 30, 2024

ASSETS	
Cash and cash equivalents	\$ 183,268
LIABILITIES	
Accounts payable	\$ 25,269
Accrued wages payable	57,411
Due to Board of County Commissioners	97,357
Due to other governmental agencies	3,231
Total liabilities	183,268
FUND BALANCE	
Total fund balance	-
Total liabilities and fund balance	\$ 183,268

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

Martin County, Florida
Property Appraiser
Special-Purpose Statement of Revenues, Expenditures and Changes in Fund Balance
General Fund
For the Year Ended September 30, 2024

REVENUES

Charges for services	\$ 168,656
Interest income	796
Miscellaneous revenues	94
Total revenues	<u>169,546</u>

EXPENDITURES

Current:	
General government	<u>4,449,256</u>

Deficiency of revenues under expenditures	<u>(4,279,710)</u>

OTHER FINANCING SOURCES

Transfers in	4,377,067
Transfers out	(97,357)
Total other financing sources	<u>4,279,710</u>

Net change in fund balances	-

Fund balance - beginning	<u>-</u>

Fund balance - ending	<u><u>\$ -</u></u>

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

Martin County, Florida
Property Appraiser
Special-Purpose Statement of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
General Fund
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES				
Charges for services	\$ 159,676	\$ 161,900	\$ 168,656	\$ 6,756
Interest income	-	-	796	796
Miscellaneous revenues	-	-	94	94
Total revenues	<u>159,676</u>	<u>161,900</u>	<u>169,546</u>	<u>7,646</u>
EXPENDITURES				
Current:				
General government	<u>4,477,385</u>	<u>4,538,967</u>	<u>4,449,256</u>	<u>89,711</u>
Deficiency of revenues under expenditures	<u>(4,317,709)</u>	<u>(4,377,067)</u>	<u>(4,279,710)</u>	<u>97,357</u>
OTHER FINANCING SOURCES (USES)				
Transfer in	4,317,709	4,377,067	4,377,067	-
Transfer out	<u>-</u>	<u>-</u>	<u>(97,357)</u>	<u>(97,357)</u>
Total other financing sources (uses)	<u>4,317,709</u>	<u>4,377,067</u>	<u>4,279,710</u>	<u>(97,357)</u>
Net change in fund balances	-	-	-	<u>\$ -</u>
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>-</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

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

Martin County, Florida
Property Appraiser
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

Note 1 - Summary of Significant Accounting Policies

The significant accounting policies followed by the Property Appraiser of Martin County, Florida (the “Property Appraiser”) are summarized below:

A. General Information

Martin County (the “County”) is a political subdivision of the State of Florida. The County operates as a non-charter government pursuant to Article VIII, Section (1)(f) of the Constitution of the State of Florida. The fiscal year of the County is from October 1 to September 30, as established in Section 218.33, Florida Statutes.

B. Reporting Entity and Financial Statement Presentation

The Property Appraiser is a separately elected county official established pursuant to the Constitution of the State of Florida. The Property Appraiser’s special-purpose financial statements do not purport to reflect the financial position or the results of operations of the County taken as a whole.

Entity status for financial reporting purposes is governed by the Governmental Accounting Standards Board’s (“GASB”) Codification Section 2100 “Defining the Financial Reporting Entity.” Although the Property Appraiser’s Office is operationally autonomous from the County, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Property Appraiser is reported as a part of the primary government of Martin County, Florida.

The Property Appraiser’s special-purpose financial statements are prepared for the purpose of complying with Section 218.39(2), Florida Statutes, and Chapter 10.550, *Rules of the Auditor General-Local Governmental Entity Audits*, which require the Property Appraiser to only present fund financial statements. In conformity with the Rules, the Property Appraiser has not presented the government-wide financial statements, related disclosures or management’s discussion and analysis, which are required to present a complete presentation of its financial position and changes in financial position.

These financial statements are not intended to be a complete presentation of the financial position of the Property Appraiser or Martin County, Florida, as of September 30, 2024, and the changes in its financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

C. Fund Accounting

The accounting records of the Property Appraiser are maintained in the general fund, a governmental fund type, as prescribed by accounting principles generally accepted in the United States of America (“GAAP”) applicable to governments as established by the GASB.

Martin County, Florida
Property Appraiser
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

D. Measurement Focus and Basis of Accounting

The governmental fund type measurement focus is based upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income determination. This fund is maintained on the modified accrual basis of accounting. Revenues are recognized when they become susceptible to accrual; that is, when they become both measurable and available to finance expenditures of the current period. For this purpose the Property Appraiser considers revenue to be available if collected within 60 days after the end of the current fiscal period. Expenditures are recorded in the accounting period in which the related fund liability is incurred, if measurable. Exceptions to this general rule include accumulated sick and vacation, claims and judgments, pension and Other Postemployment Benefits (OPEB). Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund expenditures or fund liabilities.

E. Budgets

The budget for the Property Appraiser is prepared, adopted and amended in accordance with Chapter 195.087, Florida Statutes. The budget is balanced, meaning that the total appropriations are equal to total revenues and transfers in from the Board of County Commissioners. The budget for the general fund is prepared on a basis consistent with GAAP.

On or before June 1 of each year, the Property Appraiser submits to the Florida Department of Revenue (the "Department") a budget for the operation of the Property Appraiser's office for the ensuing fiscal year, in the manner and form prescribed by the Department. A copy of such budget is furnished at the same time to the Martin County Board of County Commissioners (the "Board"). After the final approval of the budget by the Department, there are no amendments to the budget without the approval of the Department.

The budget is adopted at the fund total level. Therefore, formal budgetary control is exercised at that level. Expenditures in excess of appropriations in one or more departments of a fund do not constitute a violation of budgetary controls as long as the total expenditures do not exceed total appropriations for the fund. Management employs lower level (departmental) controls, however, to prevent or reduce the potential for budget overruns at the fund total level.

The original budget is the first complete appropriated budget. The final budget is the original budget adjusted for all reserves, transfers, allocations, supplemental appropriations and other legally authorized changes applicable to the fiscal year when signed into law or otherwise legally authorized.

F. Cash and Cash Equivalents

For purposes of these statements, demand deposits and petty cash and short-term investments with original maturities of three months or less from date of acquisition are considered to be cash and cash equivalents.

Martin County, Florida
Property Appraiser
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

G. Capital Assets

Upon acquisition, capital assets are recorded as capital outlay expenditures of the appropriate governmental fund in these special-purpose financial statements. The Property Appraiser maintains custodial responsibility for the capital assets used by her office; however, they are recorded in the financial statements of the County.

In the governmental activities section of the County's government-wide financial statements all capital assets with a cost of \$5,000 or greater and an estimated life of more than one year are capitalized and recorded at historical cost or estimated historical cost, if actual historical cost is not available. Donated capital assets are recorded at their estimated acquisition value on the date donated. No depreciation has been provided on capital assets in these special-purpose financial statements, however, depreciation expense is recorded in the government-wide financial statements of the County.

H. Compensated Absences

It is the policy of the Property Appraiser to permit employees to accumulate a limited amount of earned but unused vacation benefits and sick leave, which will be paid to employees upon separation from service. The liability for compensated absences is not reported in the special-purpose financial statements, but rather is reported in the government-wide financial statements of the County.

I. Use of Estimates

The preparation of special-purpose financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the special-purpose financial statements and the reported amount of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

J. Transfers In

In accordance with Florida Statutes, the Board is required to fund certain operations of the Property Appraiser. These County appropriations are reported as transfers in and totaled \$4,377,067.

K. Transfers out

In accordance with Florida Statutes, all revenues and transfers in from the Board in excess of expenditures as of year-end are owed on a pro-rata basis to the Board of County Commissioners and other governments who pay the fees in the same ratio as the fees are collected. Excess fees payable to other governments are recorded as a reduction of charges for services revenue and due to other governmental agencies. Excess fees due to the Board are reported as a transfer out in the accompanying Special-Purpose Statement of Revenues, Expenditures and Changes in Fund Balance. Excess fees were \$100,589 as of September 30, 2024, of which \$97,357 was transferred out to the Board and \$3,232 was returned to other governments.

Martin County, Florida
Property Appraiser
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

Note 2 - Cash and Cash Equivalents and Investments

Cash and cash equivalents

Cash and cash equivalents consist of demand deposits of \$182,868 and petty cash of \$400. Deposits whose values exceed the limits of federal depository insurance are entirely insured or collateralized pursuant to Florida Statutes, Chapter 280, *Florida Security for Public Deposits Act*, (the Act). Under this Act, Florida's Chief Financial Officer shall determine the collateral requirements and the collateral pledging level for each qualified public depository in order to protect the integrity of the public deposits program. The Public Deposit Security Trust Funds have a procedure to allocate and recover losses in the event of default or insolvency. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereof. All Property Appraiser depositories at year-end were designated as qualified public depositories. The bank balance as of September 30, 2024, was \$225,570.

Investments

The Property Appraiser utilizes Florida Statutes Section 218.415 as its investment policy. Florida Statutes authorize investments in certificates of deposit, savings accounts, repurchase agreements, Local Government Surplus Funds Trust Funds, and obligations of the U.S. government and government agencies unconditionally guaranteed by the U.S. government.

Note 3 - Long-Term Liabilities

Changes in long-term liabilities for the year ended September 30, 2024, were as follows:

	<u>Beginning</u> <u>10/01/2023</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending</u> <u>09/30/2024</u>
Compensated absences	\$ <u>185,556</u>	\$ <u>228,942</u>	\$ <u>(205,132)</u>	\$ <u>209,366</u>

The long-term liabilities are not reported in the special-purpose financial statements of the Property Appraiser since they are not payable from available, spendable resources. They are reported in the Government Wide Financial Statements of the County.

Martin County, Florida
Property Appraiser
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

Note 4 - Retirement Plan

The Property Appraiser participates in the Florida Retirement System and provides retirement benefits to employees through the following plans:

Plan Descriptions

The **Florida Retirement System (FRS) Pension Plan** and the **Retiree Health Insurance Subsidy (HIS) Program** are cost-sharing, multiple-employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement. The FRS Pension Plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. These benefits are established by Chapter 121, Florida Statutes, and may only be amended by the Florida legislature.

The HIS Program benefit is a monthly payment to assist retirees of the State-administered retirement systems in paying their health insurance costs. The HIS Program was established under Section 112.363, Florida Statutes, and may be amended by the Florida legislature at any time.

An annual comprehensive financial report including financial information and required supplementary information on both plans is publicly available on the web site of the Florida Department of Management Services (<http://www.dms.myflorida.com>).

The Property Appraiser contributes to the **Florida Retirement System Investment Plan (Investment Plan)**, a defined contribution plan, for its eligible employees who elect to participate in the Investment Plan in lieu of participating in the FRS Pension Plan. As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of FRS defined-benefit plan. Property Appraiser employees participating in the DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.) as the FRS Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. The Investment Plan is administered by the State Board of Administration (SBA) and is reported in the SBA's annual financial statements and in the State of Florida's annual comprehensive financial report. Financial information on this plan is available on the web at <http://www.sbafla.com/>.

FRS and HIS Contributions

The Property Appraiser's employer contributions to both plans totaled \$499,377 for the fiscal year ended September 30, 2024. The Property Appraiser contributed 100 percent of its statutorily required contributions for the current and preceding two years for both plans.

Net Pension Liability

For financial reporting purposes, the Property Appraiser is deemed to be part of the primary government of Martin County, Florida. A liability related to the Property Appraiser's proportionate share of the aggregate net pension

Martin County, Florida
Property Appraiser
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

liability for both plans will be reported in the financial statements of the County for fiscal year ended September 30, 2024. Balances related to the net pension liability, deferred outflows, deferred inflows, and pension expenses are reported in the governmental activities column of the Statement of Net Position and the Statement of Activities as part of the basic financial statements of the County.

FLORIDA RETIREMENT SYSTEM (FRS) PENSION PLAN

Benefits Provided

The Florida Retirement System was created on December 1, 1970. Members enrolled in the FRS and actively employed on July 1, 2001, or first enrolled between July 1, 2001 and June 30, 2011, will be vested, or eligible to receive future benefits after six years of creditable service. Participants first enrolled on or after July 1, 2011 will be vested, or eligible to receive future benefits after eight years of creditable service. Retirement, disability, and death benefits are based on age, average final compensation and years-of-service credit. For members initially enrolled in the FRS before July 1, 2011, average final compensation is the average of the five highest fiscal years of salary earned during covered employment. For members initially enrolled in the FRS on or after July 1, 2011, average final compensation is the average of the eight highest fiscal years of salary earned during covered employment. Members are eligible for normal retirement when they have met the minimum requirements established by their membership class. For members initially enrolled in the FRS before July 1, 2011, Regular Class members are eligible for normal retirement if they are vested and age 62 or if they have 30 years of creditable service regardless of age. For members initially enrolled in the FRS on or after July 1, 2011, Regular Class members are eligible for normal retirement if they are vested and age 65 or if they have 33 years of creditable service regardless of age. Early retirement may be taken any time after vesting. However, there is a 5% reduction of benefits for each year prior to normal retirement age or date. The percentage level of employees' payroll contribution rates is determined using the frozen entry age actuarial cost method.

Beginning July 1, 1998, the FRS implemented the Deferred Retirement Option Program (DROP), which is a program within the FRS Pension Plan that allows members to retire without terminating their employment for up to eight years while their retirement benefits accumulate and earn interest compounded monthly at a stated effective annual rate. For members who entered DROP prior to July 1, 2011, the rate is 6.5%. For members who enter DROP on or after July 1, 2011, the rate is 4.0%. Members may participate in DROP when they are vested and have reached their normal retirement date. When the DROP period ends, members must terminate employment. At that time, members will receive their accumulated DROP benefits and begin receiving their monthly retirement benefit.

The FRS was amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution plan is known as the FRS Investment Plan, which is described later in this note.

Martin County, Florida
Property Appraiser
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

Contributions

The following membership classes and contribution rates, which apply to both the FRS Pension Plan and the FRS Investment Plan, were in effect at September 30, 2024:

<u>Membership Class</u>	<u>Employee Contribution Rate</u>	<u>Employer Contribution Rate*</u>
Regular	3.00%	13.63%
Special Risk	3.00%	32.79%
State Attorney/Public Defender	3.00%	62.97%
County, City, Special District Elected Officers	3.00%	58.68%
Special Risk Administrative Support	3.00%	39.82%
Senior Management	3.00%	34.52%
Deferred Retirement Option Program	N/A	21.13%

*Employer contribution rates in the above table include a 2.00% contribution for the Retiree Health Insurance Subsidy Program.

RETIREE HEALTH INSURANCE SUBSIDY (HIS) PROGRAM

Benefits Provided

For the fiscal year ended September 30, 2024, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 per month and a maximum HIS payment of \$150 per month, through June 30. Effective July 1, 2023, eligible retirees and beneficiaries received a monthly HIS payment of \$7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$45 per month and a maximum HIS payment of \$225 per month. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions

The HIS Program is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2024, the contribution rate was 2.00 through September 30. The Property Appraiser contributed 100 percent of its statutorily required contributions for the current and preceding three years. The HIS Program contributions are deposited in a separate trust fund from which payments are authorized. The HIS Program benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

Martin County, Florida
Property Appraiser
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

FLORIDA RETIREMENT SYSTEM INVESTMENT PLAN

Vesting Provisions

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds.

Non-vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five year period, the employee will regain control over their account. If the employee does not return within the five year period, the employee will forfeit the accumulated account balance. After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

For more detailed information on these plans, please refer to the Retirement Note in the County's Annual Comprehensive Financial Report (ACFR).

Note 5 - Other Postemployment Benefits

In addition to the retirement system described in Note 4, the Property Appraiser provides postretirement health care benefits, in accordance with state statutes, to all employees who retire from the Property Appraiser after vesting with the retirement system. Currently, five (5) retirees meet those eligibility requirements. Retired employees of the Property Appraiser hired prior to October 13, 2009, who retire after 30 years of service, or after the age of 55, with ten years of credited service with the County and who were participants in the existing medical plan at the time of retirement, are entitled to participation in the County administered single-employer defined benefit health care plan. For these retirees, the Agency subsidizes 75% of the cost of health care coverage for the retiree. The retiree may choose family coverage, but would have to pay the difference in premium cost. Once employees become eligible for Medicare all subsidies from the Property Appraiser end. Employees who were hired on or after October 13, 2009, are not eligible for post-retirement health care benefits. Expenditures for postretirement health care benefits are recognized as premiums are paid. During the year, expenditures of \$26,301 were recognized for postretirement health care.

The Property Appraiser's total OPEB liability is reported within the governmental activities column of the County's Statement of Net Position. Further information about OPEB is available in the County's Annual Comprehensive Financial Report for the fiscal year ended September 30, 2024.

Martin County, Florida
Property Appraiser
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

Note 6 – Risk Management

The Property Appraiser is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Property Appraiser participates in the Self-Insurance program of the County. The coverage for employee health, property, general liability, automobile liability, workers' compensation, and public employee bond and comprehensive crime loss is covered through a comprehensive property and liability risk management program reported in the Self-Insurance Fund of the County. The County is part of the Tri-County Risk Management Program, which is a public entity risk pool. The program is a self-insurance program whereby the County makes annual contributions along with the other members of the program. The County is subject to a special assessment in the event of a deficiency, except to the extent that the deficiency results from a specific claim against a member in excess of the reinsurance available; such a deficiency is solely the responsibility of that member. The program is reported by the County as an Internal Service Fund. The Property Appraiser makes annual contributions to the County self-insurance fund based on amounts determined by the Board of County Commissioners. Such contributions were \$499,143 during the fiscal year ended September 30, 2024, and are included as expenditures in the accompanying special-purpose financial statements. As of September 30, 2024, there have been no special assessments. Settlements have not exceeded coverage for each of the past three fiscal years.

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Honorable Jenny Fields
Property Appraiser
Martin County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Martin County, Florida Property Appraiser (the "Property Appraiser") as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated February 7, 2025.

Report on Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

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

We noted certain matters that we reported to management of the Property Appraiser in a separate letter dated February 7, 2025.

Honorable Jenny Fields
Property Appraiser
Martin County, Florida

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.

Forvis Mazars, LLP

**Fort Lauderdale, Florida
February 7, 2025**

Independent Auditor's Management Letter

Honorable Jenny Fields
Property Appraiser
Martin County, Florida

We have audited the basic financial statements of the Martin County, Florida Property Appraiser (the "Property Appraiser") as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated February 7, 2025.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated February 7, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

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

Financial Management

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

Honorable Jenny Fields
Property Appraiser
Martin County, Florida

Additional Matters

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

Purpose of this Letter

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

Forvis Mazars, LLP

**Fort Lauderdale, Florida
February 7, 2025**

Independent Accountant's Report

Honorable Jenny Fields
Property Appraiser
Martin County, Florida

We have examined the Martin County, Florida Property Appraiser's (the "Property Appraiser") compliance with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2024. The Property Appraiser's management is responsible for the Property Appraiser's compliance with those requirements. Our responsibility is to express an opinion on the Property Appraiser's compliance based on our examination.

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

We are required to be independent and to meet our ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement. Our examination does not provide a legal determination on the Property Appraiser's compliance with the specified requirements.

In our opinion, the Property Appraiser complied with the aforementioned requirements for the fiscal year ended September 30, 2024, in all material respects.

Forvis Mazars, LLP

**Fort Lauderdale, Florida
February 7, 2025**



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**MARTIN COUNTY, FLORIDA
SHERIFF**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

MARTIN COUNTY, FLORIDA
Sheriff
For the Year Ended September 30, 2024

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Independent Auditor's Report

Honorable John Budensiek
Martin County, Florida Sheriff

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Martin County, Florida Sheriff (the "Sheriff") as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the Sheriff as of September 30, 2024, and the respective change in financial position, and the budgetary comparison for the General Fund 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 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Sheriff, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 Sheriff's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility 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 auditor's 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Emphasis-of-Matter

As described in Note 1 to the financial statements, the accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557(3), *Rules of the Auditor General for Local Governmental Entity Audits*. These financial statements are not intended to be a complete presentation of the financial position of Martin County, Florida as of September 30, 2024, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Honorable John Budensiek
Martin County, Florida Sheriff

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 11, 2025, on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.

Forvis Mazars, LLP

**Fort Lauderdale, Florida
April 11, 2025**

Martin County, Florida
Sheriff
Balance Sheet
Governmental Funds
September 30, 2024

	General	Canteen/Inmate Welfare Fund	Other Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 3,803,828	\$ 691,695	\$ 487,761	\$ 4,983,284
Accounts receivable	5	98,784	-	98,789
Due from other funds	240,562	-	-	240,562
Due from other county agencies	146,018	-	11,553	157,571
Due from other governmental agencies	37,455	-	215,355	252,810
Total assets	<u>\$ 4,227,868</u>	<u>\$ 790,479</u>	<u>\$ 714,669</u>	<u>\$ 5,733,016</u>
LIABILITIES				
Accounts payable	\$ 575,020	\$ 2,175	\$ 81,873	\$ 659,068
Due to other funds	140,928	25,207	215,355	381,490
Due to Board of County Commissioners	2,848,096	-	21,907	2,870,003
Due to other governmental agencies	663,824	-	-	663,824
Total liabilities	<u>4,227,868</u>	<u>27,382</u>	<u>319,135</u>	<u>4,574,385</u>
FUND BALANCES				
Restricted for:				
Inmate Welfare Fund	-	763,097	-	763,097
Grant Funds	-	-	316,587	316,587
Trust Funds	-	-	78,947	78,947
Total fund balances	<u>-</u>	<u>763,097</u>	<u>395,534</u>	<u>1,158,631</u>
Total liabilities and fund balances	<u>\$ 4,227,868</u>	<u>\$ 790,479</u>	<u>\$ 714,669</u>	<u>\$ 5,733,016</u>

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

Martin County, Florida**Sheriff****Special-Purpose Statement of Revenues, Expenditures and Changes in Fund Balances****Governmental Funds****For the Year Ended September 30, 2024**

	General	Canteen/Inmate Welfare Fund	Other Governmental Funds	Total Governmental Funds
REVENUES				
Intergovernmental revenues	\$ -	\$ -	\$ 921,949	\$ 921,949
Charges for services	5,005,081	683,868	-	5,688,949
Fines and forfeitures	-	-	21,300	21,300
Interest income	306,580	10,008	1,172	317,760
Miscellaneous revenues	559,185	162,684	-	721,869
Total revenues	5,870,846	856,560	944,421	7,671,827
EXPENDITURES				
Current				
General government	4,645,395	703,863	-	5,349,258
Public safety	96,598,007	-	759,390	97,357,397
Capital outlay	5,563,623	-	399,084	5,962,707
Debt service:				
Principal	2,756,566	-	-	2,756,566
Interest	284,227	-	-	284,227
Total expenditures	109,847,818	703,863	1,158,474	111,710,155
Excess (deficiency) of revenues over (under) expenditures	(103,976,972)	152,697	(214,053)	(104,038,328)
OTHER FINANCING SOURCES (USES)				
Issuance of debt	348,953	-	-	348,953
Lease financings	1,428,923	-	-	1,428,923
Transfers in	105,031,031	-	255,674	105,286,705
Transfers out	(2,831,935)	-	(21,907)	(2,853,842)
Total other financing sources (uses)	103,976,972	-	233,767	104,210,739
Net change in fund balances	-	152,697	19,714	172,411
Fund balances - beginning	-	610,400	375,820	986,220
Fund balances - ending	\$ -	\$ 763,097	\$ 395,534	\$ 1,158,631

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

Martin County, Florida
Sheriff
Special-Purpose Statement of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
General Fund
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES				
Charges for services	\$ 5,033,237	\$ 5,033,237	\$ 5,005,081	\$ (28,156)
Interest income	225,000	225,000	306,580	81,580
Miscellaneous revenues	126,200	126,200	559,185	432,985
Total revenues	5,384,437	5,384,437	5,870,846	486,409
EXPENDITURES				
Current				
General government	4,559,840	4,559,840	4,645,395	(85,555)
Public safety	99,087,482	99,087,482	96,598,007	2,489,475
Capital outlay	4,522,891	4,522,891	5,563,623	(1,040,732)
Debt service				
Principal	-	-	2,756,565	(2,756,565)
Interest	-	-	284,228	(284,228)
Total expenditures	108,170,213	108,170,213	109,847,818	(1,677,605)
Deficiency of revenues under expenditures	(102,785,776)	(102,785,776)	(103,976,972)	(1,191,196)
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	-	348,953	348,953
Lease financings	-	-	1,428,923	1,428,923
Transfers in	102,785,776	102,785,776	105,031,031	2,245,255
Transfers out	-	-	(2,831,935)	(2,831,935)
Total other financing sources (uses)	102,785,776	102,785,776	103,976,972	1,191,196
Fund balances, beginning	-	-	-	
Fund balances, ending	\$ -	\$ -	\$ -	

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

Martin County, Florida
Sheriff
Special-Purpose Statement of Net Position
Internal Service Fund - Sheriff Self Insurance
September 30, 2024

ASSETS

Current assets:	
Cash and cash equivalents	\$ 5,479,137
Accounts receivable	1,183,960
Due from other funds	140,928
Prepaid items	4,000
Total assets	<u>6,808,025</u>

LIABILITIES

Current liabilities:	
Accrued claims	<u>783,244</u>

NET POSITION

Unrestricted	<u>\$ 6,024,781</u>

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

Martin County, Florida
Sheriff
Special-Purpose Statement of Revenues, Expenses and Changes in Net Position
Internal Service Fund - Sheriff Self Insurance
For the Year Ended September 30, 2024

OPERATING REVENUES

Charges for services	\$ 14,728,745
Miscellaneous revenues	<u>1,775,330</u>
Total operating revenues	<u><u>16,504,075</u></u>

OPERATING EXPENSES

General, administrative and claims	<u>16,568,275</u>
Operating Loss	<u><u>(64,200)</u></u>

NONOPERATING REVENUES (EXPENDITURES)

Interest income	<u>329,669</u>
Change in net position	265,469
Total net position - beginning	<u>5,759,312</u>
Total net position - ending	<u><u>\$ 6,024,781</u></u>

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

Martin County, Florida
Sheriff
Internal Service Fund
Special-Purpose Statement of Cash Flows
For the Year Ended September 30, 2024

	Self- Insurance
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	\$ 15,700,462
Claims and administrative services paid	<u>(16,467,316)</u>
Net cash provided by operating activities	<u>(766,854)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest earned	<u>329,669</u>
Net cash provided by investing activities	<u>329,669</u>
Net increase in cash and cash equivalents	(437,185)
Cash and cash equivalents - beginning of the year	5,916,322
Cash and cash equivalents - end of year	<u><u>\$ 5,479,137</u></u>
Reconciliation of operating loss to net cash used in operating activities:	
Operating income	\$ (64,200)
Change in assets and liabilities:	
Receivables, net	(871,204)
Other current assets	-
Accounts payable	<u>168,550</u>
Net cash provided by operating activities	<u><u>\$ (766,854)</u></u>

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

Martin County, Florida
Sheriff
Special-Purpose Statement of Fiduciary Net Position
Custodial Funds
September 30, 2024

ASSETS	
Cash and cash equivalents	<u>\$ 518,688</u>
LIABILITIES	
Deposits	<u>153,960</u>
NET POSITION	
Restricted for:	
Individuals, organizations, and other governments	<u>\$ 364,728</u>

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

Martin County, Florida
Sheriff
Special-Purpose Statement of Changes in Fiduciary Net Position
Custodial Funds
For the Year Ended September 30, 2024

ADDITIONS:	
Fees and charges collected for others	\$ 1,205,998
Miscellaneous	<u>402,385</u>
Total additions	<u>1,608,383</u>
DEDUCTIONS:	
Payments to Martin County Board of County Commissioners	115,187
Payments to individuals, organizations, and other governments	<u>1,640,329</u>
Total deductions	<u>1,755,516</u>
Change in net position	(147,133)
Total net position - beginning	<u>511,861</u>
Total net position - ending	<u><u>\$ 364,728</u></u>

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

Martin County, Florida
Sheriff
Notes to Special-Purpose Financial Statements
Year Ended September 30, 2024

Note 1 - Summary of Significant Accounting Policies

The significant accounting policies followed by the Sheriff of Martin County, Florida (the “Sheriff”) are summarized below:

A. General Information

Martin County (the “County”) is a political subdivision of the State of Florida. The County operates as a non-charter government pursuant to Article VIII, Section (1)(f) of the Constitution of the State of Florida. The fiscal year of the County is from October 1 to September 30, as established in Section 218.33, Florida Statutes.

B. Reporting Entity and Financial Statement Presentation

The Sheriff is a separately elected county official established pursuant to the Constitution of the State of Florida. The Sheriff’s special-purpose financial statements do not purport to reflect the financial position or the results of operations of the County taken as a whole.

Entity status for financial reporting purposes is governed by the Governmental Accounting Standards Board’s (“GASB”) Codification Section 2100 “Defining the Financial Reporting Entity.” Although the Sheriff’s Office is operationally autonomous from the County, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Sheriff is reported as a part of the primary government of Martin County, Florida.

The Sheriff’s special-purpose financial statements are prepared for the purpose of complying with Section 218.39(2), Florida Statutes, and Chapter 10.550, *Rules of the Auditor General-Local Governmental Entity Audits*, which require the Sheriff to only present fund financial statements. In conformity with the Rules, the Sheriff has not presented the government-wide financial statements, related disclosures or management’s discussion and analysis, which are required to present a complete presentation of its financial position and changes in financial position.

These financial statements are not intended to be a complete presentation of the financial position of the Sheriff or Martin County, Florida as of September 30, 2024, and the changes in its financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

C. Fund Accounting

The accounting records of the Sheriff are organized on the basis of funds as prescribed by accounting principles generally accepted in the United States of America (“GAAP”) applicable to governments as established by the GASB. The operations of each fund are accounted for within a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues and expenditures. Separate funds are maintained to account for specific government activities or to comply with special regulations or legal restrictions.

Each major fund is reported in a separate column. The various types and funds used by the Sheriff are described as follows:

Martin County, Florida
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Governmental Funds

The Sheriff has the following major governmental funds:

General Fund – This fund is used to account for all financial activity of the Sheriff not accounted for in other funds. The funding is primarily from transfers in from the Martin County Board of County Commissioners.

Canteen/Inmate Welfare Fund – The Canteen fund is used for the subsistence and benefit of the inmates at the Martin County Jail. It is primarily funded by user fees (charges for services) and is reported as a Special Revenue Fund. This fund does not require a budget.

The Sheriff also has fifteen non-major special revenue funds that account for the activities of various law enforcement grants and services.

Proprietary Fund – The Internal Service Fund is used to account for the Sheriff's self-insurance activities.

Fiduciary Funds

Custodial Fund – This fund is used to account for assets and transactions of the Sheriff in the capacity of a trustee or agent for individuals, private organizations, other funds or other governmental units.

D. Measurement Focus and Basis of Accounting

The governmental fund type measurement focus is based upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income determination. These funds are maintained on the modified accrual basis of accounting. Revenues are recognized when they become susceptible to accrual; that is, when they become both measurable and available to finance expenditures of the current period. For this purpose the Sheriff considers revenue to be available if they are collected within 60 days after the end of the current fiscal period with the exception of certain grants, which have a period of 1 year after the end of the current year. Expenditures are recorded in the accounting period in which the related fund liability is incurred, if measurable. Exceptions to this general rule include accumulated sick and vacation and Other Postemployment Benefits (OPEB). Since they do not affect net current assets, such long-term amounts are not recognized as governmental type expenditures or fund liabilities.

In applying the "susceptible to accrual" concept to intergovernmental revenues (grants, entitlements and shared revenue), the legal and contractual requirements of the numerous individual programs are used as guidance. Intergovernmental revenues are susceptible to accrual when the eligibility requirements have been met and the revenues are available as defined above.

Charges for services are invoiced monthly and recorded and accrued as revenues. Investment earnings and most fines and forfeitures are recorded as earned when they are measurable and available.

The fiduciary funds do not measure results of operations, but assets and liabilities are measured on the accrual basis of accounting. These funds are used to account for assets held by the Sheriff as trustee or agent for individuals and/or other governmental units. The Sheriff also measures operations, assets and liabilities of its Internal Service Fund on the accrual basis of accounting, which used the economic resources measurement focus. Revenues are recognized when earned and expenses are recognized when incurred. The Internal Service Fund distinguishes operating revenues

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and expenses from non-operating items. Operating revenues and expenditures generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. The principal operating revenues for the Internal Service Fund are charges to the various departments and funds for insurance services.

E. Budgets

The budgets for the Sheriff are prepared, adopted and amended in accordance with Chapter 129, Florida Statutes. The budget is balanced, meaning that total appropriations are equal to total revenues. The budget for the General Fund is prepared on a basis consistent with GAAP; budgets are not provided for other funds.

The budget process begins with the development of estimates by the Sheriff. The estimates are reviewed, analyzed and submitted to the Martin County Board of County Commissioners (the "Board") for consideration on or about July 15. The Board conducts several workshops to thoroughly review the budget and make adjustments as appropriate. Prior to September 30, two public hearings are conducted to hear comments and questions from the public regarding the budget. The budget is adopted at the second public hearing through formal resolution of the Board.

The budget is adopted at the fund total level. Therefore, formal budgetary control is exercised at that level. Expenditures in excess of appropriations in one or more departments of a fund do not constitute a violation of budgetary controls as long as the total expenditures do not exceed total appropriations for the fund. Management employs lower level (departmental) controls, however, to prevent or reduce the potential for budget overruns at the fund total level.

The original budget is the first complete appropriated budget. The final budget is the original budget adjusted for all reserves, transfers, allocations, supplemental appropriations and other legally authorized changes applicable to the fiscal year, whenever, signed into law or otherwise legally authorized.

F. Cash and Cash Equivalents

For purposes of these statements, demand deposits, petty cash and short-term investments with original maturities of three months or less from date of acquisition are considered to be cash and cash equivalents.

G. Capital Assets

Upon acquisition, capital assets are recorded as capital outlay expenditures of the appropriate governmental fund in these special-purpose financial statements. The Sheriff maintains custodial responsibility for the capital assets used by his office, however, they are recorded in the financial statements of the County.

In the governmental activities section of the County's government-wide financial statements, all capital assets with a cost of \$5,000 or greater and an estimated life of more than one year are capitalized and recorded at historical cost or estimated historical cost, if actual historical cost is not available. Donated capital assets are recorded at their estimated fair market value on the date donated. No depreciation has been provided on capital assets in these special-purpose financial statements, however, depreciation expense is recorded in the government-wide financial statements of the County.

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Sheriff
Notes to Special-Purpose Financial Statements
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H. Compensated Absences

It is the policy of the Sheriff to permit employees to accumulate a limited amount of earned hours, unused vacation and sick leave, which will be paid upon separation from service. The liability for compensated absences is not reported in the special-purpose financial statements, but rather is reported in the government-wide financial statements of the County.

I. Use of Estimates

The preparation of special-purpose financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the special-purpose financial statements and the reported amount of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

J. Transfers In

In accordance with Florida Statutes, the Board is required to fund certain operations of the Sheriff. These County appropriations are reported as transfers in and totaled \$105,031,031 for the Sheriff's General Fund and \$255,674 for the Sheriff's Other Governmental funds.

K. Transfers out

In accordance with Florida Statutes, all revenues in excess of expenditures as of year-end are owed to the Board and are reported as a transfer out in the Special-Purpose Statement of Revenues, Expenditures and Changes in Fund Balances.

L. Fund Balance

In accordance with GASB Statement No. 54, fund balances of the governmental funds are classified as restricted. This classification includes amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors or the laws or regulations of other governments.

M. Investments Policy

The Sheriff follows the provisions of Section 218.415 (17), Florida Statutes, which allows for surplus funds to be invested in the Local Government Surplus Funds Trust fund (the "State Pool") or any intergovernmental investment pool; Securities and Exchange commission registered money market funds; certificates of deposits and savings accounts in state-certified qualified public depositories, or direct obligations of the U. S. Treasury.

Martin County, Florida
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Notes to Special-Purpose Financial Statements
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Note 2 - Cash and Cash Equivalents and Investments

Cash and cash equivalents (including fiduciary funds) consist of the following at September 30, 2024:

Demand deposits	\$	10,977,459
Petty cash		3,650
	\$	<u>10,981,109</u>

Demand deposits and certificates of deposit whose values exceed the limits of federal depository insurance are entirely insured or collateralized pursuant to Florida Statutes, Chapter 280, *Florida Security for Public Deposits Act*, (the Act). Under this Act, financial institutions which are qualified as public depositories place with the State Board of Administration securities which have a market value, equal to 50% of the average daily balance for each month of all public deposits in excess of applicable deposit insurance. The Public Deposit Security Trust Funds have a procedure to allocate and recover losses in the event of default or insolvency. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereof. All the Sheriff's depositories at year-end were designated as qualified public depositories. The bank balance as of September 30, 2024, was \$13,239,900.

Note 3 – Interfund Receivables and Payables and Transfers

Interfund receivable and payable balances at September 30, 2024, consist of the following:

<u>Fund</u>	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
General Fund	\$ 240,562	\$ 140,928
Canteen Fund	-	25,207
Other Governmental Funds	-	215,355
Self-Insurance Fund	140,928	-
	<u>\$ 381,490</u>	<u>\$ 381,490</u>

The interfund receivable and payable is for short-term loans from the general fund to fund operations of the various special revenue programs, which will be reimbursed upon receipt of billings.

Transfers for the year ended September 30, 2024, were as follows:

Fund	<u>Transfers In From:</u>		<u>Transfers Out To:</u>	
	Board	Total	Board	Total
General Fund	\$ 105,031,031	\$ 105,031,031	\$ 2,831,935	\$ 2,831,935
Other Governmental Funds	<u>255,674</u>	<u>255,674</u>	<u>21,907</u>	<u>21,907</u>
Total Transfers	<u>\$ 105,286,705</u>	<u>\$ 105,286,705</u>	<u>\$ 2,853,842</u>	<u>\$ 2,853,842</u>

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The Sheriff's transfers in to the General fund from the Board are an allocation to fund the Sheriff's operations based on the approved budget. Transfers out from the General fund to the Board consist of excess revenue and other financing sources over expenditures and other financing uses, which must be returned to the Board in accordance with Florida Statutes.

Note 4 – Capital Assets and Right of Use Leased Assets

Capital assets consisted of vehicles, furniture, fixtures and equipment. Changes in capital assets for the year ended September 30, 2024, which are reported in the basic Government Wide Financial Statements of the County, were as follows:

	Beginning 10/01/23	Additions	Deletions	Ending 09/30/24
Capital assets, being depreciated:				
Machinery and equipment	\$ 32,823,985	\$ 4,533,784	\$ (932,516)	\$ 36,425,253
Accumulated depreciation	<u>(22,001,641)</u>	<u>(3,286,484)</u>	<u>921,786</u>	<u>(24,366,339)</u>
Total capital assets being depreciated	\$ 10,822,344	\$ 1,247,300	\$ (10,730)	\$ 12,058,914
Right of use assets, being amortized:				
Vehicles, Tasers and Computer				
Hardware	\$ 9,511,664	\$ 1,428,923	\$ (69,697)	\$ 10,870,890
Accumulated amortization	<u>(856,865)</u>	<u>(1,179,317)</u>	<u>69,697</u>	<u>(1,966,485)</u>
Total right of use assets being amortized	\$ 8,654,799	\$ 249,606	\$ -	\$ 8,904,405
Subscription assets, being amortized	\$ 1,156,690	\$ -	\$ -	\$ 1,156,690
Accumulated amortization	<u>(248,410)</u>	<u>(303,186)</u>	<u>-</u>	<u>(551,596)</u>
Total subscription assets being amortized	\$ 908,280	\$ (303,186)	\$ -	\$ 605,094
Total Capital Assets, Right of Use Leased Assets, and Subscription Assets	<u>\$ 20,385,423</u>	<u>\$ 1,193,720</u>	<u>\$ (10,730)</u>	<u>\$ 21,568,413</u>

Martin County, Florida
Sheriff
Notes to Special-Purpose Financial Statements
Year Ended September 30, 2024

Note 5 – Long Term Liabilities

Long-term liabilities are not reported in the special purpose financial statements of the Sheriff since they are not payable from available, spendable resources. They are reported in the Government Wide Financial Statements of the County.

Changes in long-term liabilities for the year ended September 30, 2024, were as follows:

	Beginning 10/01/23	Additions	Deletions	Ending 09/30/24
Compensated Absences	\$ 9,838,807	\$ 1,204,480	\$ (712,884)	\$ 10,330,403
Leases	8,466,126	1,428,923	(1,207,604)	8,687,445
Subscriptions	855,655	-	(276,892)	578,763
Financed purchase agreements	4,423,763	348,953	(1,272,071)	3,500,645
Total	\$ 23,584,351	\$ 2,982,356	\$ (3,469,451)	\$ 23,097,256

Leases are defined by the general government as the right to use an underlying asset. The financial statements include the adoption of GASB Statement No. 87, Leases, for the year ended September 30, 2024. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right of use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. For the Sheriff, this is not reflected in the fund statements, but is reported at government-wide in the County's Annual Comprehensive Financial Report.

The Sheriff had the following leases as of September 30, 2024:

Axon Enterprise, Inc.: On October 1, 2021, the Sheriff recognized a 5-year lease as a lessee for the use of Axon TASER 7's. An initial lease payable was recorded in the amount of \$561,236. This lease was modified and amended to include additional equipment. On 12/01/2022, the Sheriff entered into a 120 month lease as Lessee for the use of Axon TASER 7's and body cameras. An initial lease liability was recorded in the amount of \$9,245,778. As of 09/30/2024, the value of the lease liability is \$7,432,727. The Sheriff is required to make fixed payments through November 30,2032. The lease has an interest rate of 1.28%. The value of the right to use asset as of 09/30/2024 of \$9,245,778 with accumulated amortization of \$1,681,051.

Axon Enterprise, Inc.: On 01/15/2024, the Sheriff entered into a 107 month lease as Lessee for the use of Tasers. An initial lease liability was recorded in the amount of \$643,531. As of 09/30/2024, the value of the lease liability is \$555,698, and the value of the short-term lease liability is \$66,400. The Sheriff is required to make annual fixed payments of \$73,536. The lease has an interest rate of 1.28%. The value of the right to use asset as of 09/30/2024 of \$643,531 with accumulated amortization of \$51,068.

JP Leasing Corp.: On 11/01/2022, the Sheriff entered into a 48 month lease as Lessee for the use of copiers. An initial lease liability was recorded in the amount of \$196,188. As of 09/30/2024, the value of the lease liability is \$105,088. The Sheriff is required to make monthly fixed payments through October 31,2026. The lease has an interest rate of 3.26%. The value of the right to use asset as of 09/30/2024 of \$196,188 with accumulated amortization of \$94,007.

Martin County, Florida
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Notes to Special-Purpose Financial Statements
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Dell Financial Services: On 10/01/2021, the Sheriff entered into a 35 month lease as Lessee for the use of Dell hardware. An initial lease liability was recorded in the amount of \$69,697. As of 09/30/2024, the value of the lease liability is \$0. The Sheriff is required to make annual fixed payments through August 31, 2024. The lease has an interest rate of 3.00%. The value of the right to use asset as of 09/30/2024 of \$0 with accumulated amortization of \$0. This lease has the option to purchase the Equipment for \$1.

Enterprise Fleet Management: On 10/01/2023, the Sheriff entered into a 60 month lease as Lessee for the use of 2023 Hyundai Sonata. An initial lease liability was recorded in the amount of \$38,042. As of 09/30/2024, the value of the lease liability is \$28,702, and the value of the short-term lease liability is \$6,654. The Sheriff is required to make monthly fixed payments of \$630. The lease has an interest rate of 3.51%. The value of the right to use asset as of 09/30/2024 of \$38,042 with accumulated amortization of \$7,525.

Enterprise Fleet Management: On 10/25/2023, the Sheriff entered into a 60 month lease as Lessee for the use of 2023 Nissan Rogue. An initial lease liability was recorded in the amount of \$34,678. As of 09/30/2024, the value of the lease liability is \$25,883, and the value of the short-term lease liability is \$6,000. The Sheriff is required to make monthly fixed payments of \$568. The lease has an interest rate of 3.51%. The value of the right to use asset as of 09/30/2024 of \$34,678 with accumulated amortization of \$6,452.

Enterprise Fleet Management: On 10/20/2023, the Sheriff entered into a 60 month lease as Lessee for the use of six 2023 Chevrolet Traverse's. An initial lease liability was recorded in the amount of \$302,922. As of 09/30/2024, the value of the lease liability is \$227,532, and the value of the short-term lease liability is \$52,746. The Sheriff is required to make monthly fixed payments of \$4,992. The lease has an interest rate of 3.51%. The Vehicles estimated useful life was 60 months as of the contract commencement. The value of the right to use asset as of 09/30/2024 of \$302,922 with accumulated amortization of \$57,036.

Enterprise Fleet Management: On 10/20/2023, 10/16/2023 and 12/20/2023, the Sheriff entered into a 60 month lease as Lessee for the use of three 2024 Toyota Grand Highlanders. An initial lease liability was recorded in the amount of \$163,986. As of 09/30/2024, the value of the lease liability is \$124,226, and the value of the short-term lease liability is \$28,371. The Sheriff is required to make monthly fixed payments of \$2,690. The lease has an interest rate of 3.51%. The value of the right to use asset as of 09/30/2024 of \$163,986 with accumulated amortization of \$29,107.

Enterprise Fleet Management: On 10/20/2023, the Sheriff entered into a 60 month lease as Lessee for the use of two 2024 Toyota Camrys. An initial lease liability was recorded in the amount of \$73,428. As of 09/30/2024, the value of the lease liability is \$54,766, and the value of the short-term lease liability is \$12,696. The Sheriff is required to make monthly fixed payments of \$1,202. The lease has an interest rate of 3.51%. The value of the right to use asset as of 09/30/2024 of \$73,428 with accumulated amortization of \$13,826.

Enterprise Fleet Management: On 12/12/2023, the Sheriff entered into a 60 month lease as Lessee for the use of 2023 Toyota 4Runner. An initial lease liability was recorded in the amount of \$44,760. As of 09/30/2024, the value of the lease liability is \$34,112, and the value of the short-term lease liability is \$7,575. The Sheriff is required to make monthly fixed payments of \$721. The lease has an interest rate of 3.51%. The value of the right to use asset as of 09/30/2024 of \$44,760 with accumulated amortization of \$7,111.

Martin County, Florida
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Enterprise Fleet Management: On 12/11/2023, the Sheriff entered into a 60 month lease as Lessee for the use of 2023 Jeep Grand Cherokee. An initial lease liability was recorded in the amount of \$63,588. As of 09/30/2024, the value of the lease liability is \$48,754, and the value of the short-term lease liability is \$10,827. The Sheriff is required to make monthly fixed payments of \$1,030. The lease has an interest rate of 3.51%. The value of the right to use asset as of 09/30/2024 of \$63,588 with accumulated amortization of \$10,132.

Enterprise Fleet Management: On 01/10/2024, Martin County, FL Sheriff entered into a 60 month lease as Lessee for the use of two 2024 Nissan Altimas. An initial lease liability was recorded in the amount of \$63,988. As of 09/30/2024, the value of the lease liability is \$49,953, and the value of the short-term lease liability is \$10,976. The Sheriff is required to make monthly fixed payments of \$1,024. The lease has an interest rate of 2.31%. The value of the right to use asset as of 09/30/2024 of \$63,988 with accumulated amortization of \$9,171.

The annual debt service requirements to maturity for leases are as follows:

Year Ending September 30,	Principal	Interest
2025	\$ 1,139,937	\$ 123,678
2026	1,158,616	104,999
2027	1,129,125	86,597
2028	1,142,478	68,890
2029	1,025,695	52,692
2030-2033	3,091,595	79,730
	<u>\$ 8,687,446</u>	<u>\$ 516,586</u>

The Sheriff had the following financed purchase agreements as of September 30, 2024:

Government Capital Corporation: On January 24, 2020, the Sheriff entered into a financed purchase agreement for a CAD 911 System Software. Payments are \$342,605 annually, with the final payment due in January 2025. The interest rate is 2.686%.

Government Capital Corporation: On November 18, 2020, the Sheriff entered into a financed purchase agreement for a helicopter, related equipment, and an additional warranty. Payments are \$693,638 annually, with the final payment due in September 2028. The interest rate is 2.382%.

Government Capital Corporation: On August 18, 2023, the Sheriff entered into a financed purchase agreement for Forensic Science equipment. Payments are \$67,747.05 annually, with the final payment due in May 2026. The interest rate is 6.085%.

Dell Financial Services: On June 1, 2023, the Sheriff entered into a financed purchase agreement for laptop computers. Payments are \$101,093.73 annually, with the final payment due in June 2026. The interest rate is 8.2516%.

Dell Financial Services: On July 23, 2024, the Sheriff entered into a financed purchase agreement for laptop computers. Payments are \$101,768.73 annually, with the final payment due in June 2026. The interest rate is 10.7997%.

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The annual debt service requirements to maturity for financed purchase agreements are as follows:

Year Ending September 30,	Principal	Interest
2025	1,184,620	122,232
2026	885,394	78,853
2027	753,132	42,275
2028	677,500	16,138
Total	<u>\$ 3,500,646</u>	<u>\$ 259,498</u>

Subscription Based IT Arrangements ("Subscriptions")

The Sheriff had the following Subscriptions as of September 30, 2024:

Security Software: On 10/01/2022, the Sheriff entered into a 40 month subscription for the use of security software. An initial subscription liability was recorded in the amount of \$280,123. As of 09/30/2024, the value of the subscription liability is \$140,734. The Sheriff is required to make annual fixed payments of \$73,803. The subscription has an interest rate of 3.2380%. The value of the right to use asset as of 09/30/2024 of \$280,273 with accumulated amortization of \$168,164.

SHI International Corp.: On 01/01/2023, the Sheriff entered into a 48 month subscription for the use of Microsoft Solutions. An initial subscription liability was recorded in the amount of \$876,417. As of 09/30/2024, the value of the subscription liability is \$438,030. The Sheriff is required to make annual fixed payments of \$228,569. The subscription has an interest rate of 2.8943%. The value of the right to use asset as of 09/30/2024 of \$876,417 with accumulated amortization of \$383,432. The Sheriff has 1 extension option(s), each for 36 months.

The annual debt service requirements to maturity for subscriptions are as follows:

Year Ending September 30,	Principal	Interest
2025	285,136	17,235
2026	293,627	8,744
Total	<u>\$ 578,763</u>	<u>\$ 25,979</u>

Note 6 - Budget versus Actual Expenditures

The General Fund reported an unfavorable variance of \$636,873 in operating expenditures and debt service in relation to budgeted expenditures in the current fiscal year and an unfavorable variance of \$1,040,732 in capital outlay, resulting in an overall variance of \$1,677,605 for the fiscal year. This variance is due to the capitalization of right of use and subscription assets as of September 30, 2024, as required under GASB 87 and GASB 96.

Martin County, Florida
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Note 7 - Retirement Plan

The Sheriff participates in the Florida Retirement System and provides retirement benefits to employees through the following plans:

Plan Descriptions

The **Florida Retirement System (FRS) Pension Plan** and the **Retiree Health Insurance Subsidy (HIS) Program** are cost-sharing, multiple-employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement. The FRS Pension Plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. These benefits are established by Chapter 121, Florida Statutes, and may only be amended by the Florida legislature.

The HIS Program benefit is a monthly payment to assist retirees of the State-administered retirement systems in paying their health insurance costs. The HIS Program was established under Section 112.363, Florida Statutes, and may be amended by the Florida legislature at any time.

An annual comprehensive financial report including financial information and required supplementary information on both plans is publicly available on the web site of the Florida Department of Management Services (<http://www.dms.myflorida.com>).

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

The Investment Plan is administered by the State Board of Administration (SBA) and is reported in the SBA's annual financial statements and in the State of Florida's annual comprehensive financial report. Financial information on this plan is available on the web at <http://www.sbafla.com/>.

FRS and HIS Contributions

The Sheriff's employer contributions to both plans totaled \$16,325,344 for the fiscal year ended September 30, 2024. The Sheriff contributed 100 percent of its statutorily required contributions for the current and preceding two years for both plans.

Net Pension Liability

For financial reporting purposes, the Sheriff is deemed to be part of the primary government of Martin County, Florida. A liability related to the Sheriff's proportionate share of the aggregate net pension liability for both plans

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will be reported in the financial statements of the County for fiscal year ended September 30, 2024. Balances related to the net pension liability, deferred outflows, deferred inflows, and pension expenses are reported in the governmental activities column of the Statement of Net Position and the Statement of Activities as part of the basic financial statements of the County.

FLORIDA RETIREMENT SYSTEM (FRS) PENSION PLAN

Benefits Provided

The Florida Retirement System was created on December 1, 1970. Members enrolled in the FRS and actively employed on July 1, 2001, or first enrolled between July 1, 2001 and June 30, 2011, will be vested, or eligible to receive future benefits after 6 years of creditable service. Participants first enrolled on or after July 1, 2011 will be vested, or eligible to receive future benefits after 8 years of creditable service. Retirement, disability, and death benefits are based on age, average final compensation and years-of-service credit. For members initially enrolled in the FRS before July 1, 2011, average final compensation is the average of the five highest fiscal years of salary earned during covered employment. For members initially enrolled in the FRS on or after July 1, 2011, average final compensation is the average of the eight highest fiscal years of salary earned during covered employment. Members are eligible for normal retirement when they have met the minimum requirements established by their membership class. For members initially enrolled in the FRS before July 1, 2011, Regular Class members are eligible for normal retirement if they are vested and age 62 or if they have 30 years of creditable service regardless of age. For members initially enrolled in the FRS on or after July 1, 2011, Regular Class members are eligible for normal retirement if they are vested and age 65 or if they have 33 years of creditable service regardless of age. Early retirement may be taken any time after vesting. However, there is a 5% reduction of benefits for each year prior to normal retirement age or date. The percentage level of employees' payroll contribution rates is determined using the frozen entry age actuarial cost method.

Beginning July 1, 1998, the FRS implemented the Deferred Retirement Option Program (DROP), which is a program within the FRS Pension Plan that allows members to retire without terminating their employment for up to eight years while their retirement benefits accumulate and earn interest compounded monthly at a stated effective annual rate. For members who entered DROP prior to July 1, 2011, the rate is 6.5%. For members who enter DROP on or after July 1, 2011, the rate is 4.0%. Members may participate in DROP when they are vested and have reached their normal retirement date. When the DROP period ends, members must terminate employment. At that time, members will receive their accumulated DROP benefits and begin receiving their monthly retirement benefit.

The FRS was amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution plan is known as the FRS Investment Plan, which is described later in this note.

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Contributions

The following membership classes and contribution rates, which apply to both the FRS Pension Plan and the FRS Investment Plan, were in effect at September 30, 2024:

<u>Membership Class</u>	<u>Employee</u>	<u>Employer</u>
	<u>Contribution</u> <u>Rate</u>	<u>Contribution</u> <u>Rate*</u>
Regular	3.00%	13.63%
Special Risk	3.00%	32.79%
State Attorney/Public Defender	3.00%	62.97%
County, City, Special District Elected Officers	3.00%	58.68%
Special Risk Administrative Support	3.00%	39.82%
Senior Management	3.00%	34.52%
Deferred Retirement Option Program	N/A	21.13%

*Employer contribution rates in the above table include a 2.00% contribution for the Retiree Health Insurance Subsidy Program.

RETIREE HEALTH INSURANCE SUBSIDY (HIS) PROGRAM

Benefits Provided

For the fiscal year ended September 30, 2024, eligible retirees and beneficiaries received a monthly HIS payment of \$7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$45 per month and a maximum HIS payment of \$225 per month. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions

The HIS Program is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2024, the contribution rate was 2.00 percent of payroll. The Sheriff contributed 100 percent of its statutorily required contributions for the current and preceding three years. The HIS Program contributions are deposited in a separate trust fund from which payments are authorized. The HIS Program benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

FLORIDA RETIREMENT SYSTEM INVESTMENT PLAN

Vesting Provisions

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the

Martin County, Florida
Sheriff
Notes to Special-Purpose Financial Statements
Year Ended September 30, 2024

years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds.

Non-vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five year period, the employee will regain control over their account. If the employee does not return within the five year period, the employee will forfeit the accumulated account balance. After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

For more detailed information on these plans, please refer to the Retirement Note in the County's Annual Comprehensive Financial Report (ACFR).

Note 8 - Other Postemployment Benefits (OPEB)

Plan Description

In addition to the retirement system benefits described in Note 7, the Sheriff provides post retirement health care benefits, in accordance with state statutes, to all employees who retire from the Sheriff's Office after vesting with the state of Florida Retirement System (FRS). Currently, 344 retirees meet those eligibility requirements. The Sheriff subsidizes 75% of the amount of health care costs for retirees hired before January 1, 2001, and who have completed ten or more years of creditable, continuous service with the Sheriff's Office. Employees hired after that date through December 31, 2009 are subsidized 60% to 75%, depending on the years of service. Employees hired on or after January 1, 2010, with at least 20 years of service will be subsidized 70% to 75%. Full-time employees hired on or after April 1, 2011, who wish to continue their health insurance benefits upon retirement, shall be responsible for 100% of their insurance costs. The health care rates for retirees are the same as for active employees. All retirees who have life insurance at the time of their retirement are eligible for a \$5,000 life insurance policy on themselves only, which is subsidized 50% by the Sheriff. The Sheriff does not issue a stand-alone financial report for OPEB.

The Sheriff's total OPEB liability is reported within the governmental activities column of the County's Statement of Net Position. Further information about OPEB is available in the County's Comprehensive Annual Financial Report for the fiscal year ended September 30, 2024.

Note 9 – Risk Management

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

The coverage for general liability, workers' compensation and comprehensive crime loss is covered through a comprehensive property and liability risk management program, the Florida Sheriff's Self Insurance Fund. The program is a self-insurance program whereby the Sheriff makes annual contributions along with other members of the program. The Sheriff is subject to a special assessment in the event of a deficiency, except to the extent that the deficiency results from a specific claim against a member in excess of the reinsurance available, such deficiency is solely the responsibility of that member. The Sheriff is covered by Florida Statutes under the Doctrine of Sovereign

Martin County, Florida
Sheriff
Notes to Special-Purpose Financial Statements
Year Ended September 30, 2024

Immunity, which generally limits the amount of the liability of the Sheriff to individual claims of \$200,000 or \$300,000 for all claims relating to the same incident. Health and dental insurance is fully insured with third party providers. Settled claims have not exceeded these commercial insurance coverage's in any of the last three years.

The Sheriff's Group Health Insurance is self-insured and administered by a third party administrator. All assets, liabilities and operations related to health insurance as of September 30, 2024, are accounted for in the Sheriff's Internal Service Fund. The Sheriff has excess coverage in place for instances where losses exceed individual claims of \$150,000 and aggregate claims of \$2,000,000. There have been no settlements that have exceeded applicable insurance coverage during the past three fiscal years. The claims liabilities are based on actuarial calculations and methods.

Changes to the claims liability for the Sheriff's internal service funds in fiscal years 2024 and 2023 were as follows:

<u>Fiscal Year</u>	<u>Liability Beginning Balance</u>	<u>Additions</u>	<u>Claim Payments</u>	<u>Liability Ending Balance</u>
2024	\$ 614,694	\$ 15,170,335	\$ (16,568,273)	\$ 783,244
2023	\$ 612,672	\$ 15,396,659	\$ (15,394,637)	\$ 614,694

Note 10 - Contingencies

The Sheriff is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operations. Claims covered by the self-insurance program (Note 9) are reviewed and losses are accrued as required in the judgment of management. In the opinion of management, based on the advice of legal counsel, the ultimate disposition of these lawsuits and claims will not have a material adverse effect on the financial position of the Sheriff.

Grant funds received by the Sheriff are subject to audit by grantor agencies. Audits of these grants may result in disallowed costs, which may constitute a liability of the Sheriff. In the opinion of management, disallowed costs, if any, would be immaterial to the financial position of the Sheriff.

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Honorable John Budensiek
Martin County, Florida Sheriff

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Martin County, Florida Sheriff (the "Sheriff") as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated April 11, 2025.

Report on Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

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

We noted certain matters that we reported to management of the Sheriff in a separate letter dated April 11, 2025.

Honorable John Budensiek
Martin County, Florida Sheriff

Purpose of this Report

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

Forvis Mazars, LLP

**Fort Lauderdale, Florida
April 11, 2025**

Independent Auditor's Management Letter

Honorable John Budensiek
Martin County, Florida Sheriff

We have audited the basic financial statements of the Martin County, Florida Sheriff (the "Sheriff") as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated April 11, 2025.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated April 11, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

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

Financial Management

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

Honorable John Budensiek
Martin County, Florida Sheriff

Additional Matters

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

Purpose of this Letter

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

Forvis Mazars, LLP

**Fort Lauderdale, Florida
April 11, 2025**

Independent Accountant's Report

Honorable John Budensiek
Martin County, Florida Sheriff

We have examined the Martin County, Florida Sheriff (the "Sheriff") compliance with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2024. The Sheriff's management is responsible for the Sheriff's compliance with those requirements. Our responsibility is to express an opinion on the Sheriff's compliance based on our examination.

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

We are required to be independent and to meet our ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement. Our examination does not provide a legal determination on the Sheriff's compliance with the specified requirements.

In our opinion, the Sheriff complied with the aforementioned requirements for the fiscal year ended September 30, 2024, in all material respects.

Forvis Mazars, LLP

**Fort Lauderdale, Florida
April 11, 2025**



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**MARTIN COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Martin County, Florida
Supervisor of Elections
For the Year Ended September 30, 2024

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Independent Auditor's Report

Honorable Vicki Davis
Supervisor of Elections
Martin County, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Martin County, Florida Supervisor of Elections (the "Supervisor of Elections") as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the Supervisor of Elections as of September 30, 2024, and the respective change in financial position, and the budgetary comparison for the General Fund 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 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Supervisor of Elections, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 Supervisor of Elections' ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility 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 auditor's 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

Emphasis-of-Matter

As described in Note 1 to the financial statements, the accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557(3), *Rules of the Auditor General for Local Governmental Entity Audits*. These financial statements are not intended to be a complete presentation of the financial position of Martin County, Florida as of September 30, 2024, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Honorable Vicki Davis
Supervisor of Elections
Martin County, Florida

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 6, 2025, on our consideration of the Supervisor of Elections' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Supervisor of Elections' internal control over financial reporting and compliance.

Forvis Mazars, LLP

**Fort Lauderdale, Florida
February 6, 2025**



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Martin County, Florida
Supervisor of Elections
Special-Purpose Balance Sheet
General Fund
September 30, 2024

ASSETS

Cash and cash equivalents	\$	176,062
Prepaid items		11,160
Total assets	\$	187,222

LIABILITIES

Accounts payable	\$	32,247
Accrued wages payable		21,192
Due to Board of County Commissioners		133,783
Total liabilities		187,222

FUND BALANCE

Nonspendable:		
Prepaid items		11,160
Unassigned:		(11,160)
Total fund balance		-
Total liabilities and fund balance	\$	187,222

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

Martin County, Florida
Supervisor of Elections
Special-Purpose Statement of Revenues, Expenditures and Changes in Fund Balance
General Fund
For the Year Ended September 30, 2024

REVENUES

Charges for services	\$	4,461
Interest income		<u>10,818</u>
Total revenues		<u><u>15,279</u></u>

EXPENDITURES

Current:		
General government		<u>1,652,006</u>

Deficiency of revenues under expenditures		<u><u>(1,636,727)</u></u>

OTHER FINANCING SOURCES

Transfers in		1,770,510
Transfers out		<u>(133,783)</u>
Total other financing sources		<u><u>1,636,727</u></u>

Fund balance - beginning		<u>-</u>

Fund balance - ending	\$	<u><u>-</u></u>

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

Martin County, Florida
Supervisor of Elections
Special-Purpose Statement of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
General Fund
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES				
Charges for services	\$ -	\$ -	\$ 4,461	\$ 4,461
Interest income	-	-	10,818	10,818
Total revenues	<u>-</u>	<u>-</u>	<u>15,279</u>	<u>15,279</u>
EXPENDITURES				
Current:				
General government	<u>1,687,710</u>	<u>1,770,510</u>	<u>1,652,006</u>	<u>118,504</u>
Deficiency of revenues under expenditures	<u>(1,687,710)</u>	<u>(1,770,510)</u>	<u>(1,636,727)</u>	<u>133,783</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	1,687,710	1,770,510	1,770,510	-
Transfers out	<u>-</u>	<u>-</u>	<u>(133,783)</u>	<u>(133,783)</u>
Total other financing sources (uses)	<u>1,687,710</u>	<u>1,770,510</u>	<u>1,636,727</u>	<u>\$ (133,783)</u>
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>	
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

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

Martin County, Florida
Supervisor of Elections
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

Note 1 - Summary of Significant Accounting Policies

The significant accounting policies followed by the Supervisor of Elections of Martin County, Florida (the “Supervisor”) are summarized below:

A. General Information

Martin County (the “County”) is a political subdivision of the State of Florida. The County operates as a non-charter government pursuant to Article VIII, Section (1)(f) of the Constitution of the State of Florida. The fiscal year of the County is from October 1 to September 30, as established in Section 218.33, *Florida Statutes*.

B. Reporting Entity and Financial Statement Presentation

The Supervisor is a separately elected county official established pursuant to the Constitution of the State of Florida. The Supervisor’s special-purpose financial statements do not purport to reflect the financial position, or the results of operations the County taken as a whole.

Entity status for financial reporting purposes is governed by the Governmental Accounting Standards Board’s (“GASB”) Codification Section 2100 “Defining the Financial Reporting Entity.” Although the Supervisor of Elections Office is operationally autonomous from the County, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Supervisor is reported as a part of the primary government of Martin County, Florida.

The Supervisor’s special-purpose financial statements are prepared for the purpose of complying with Section 218.39(2), *Florida Statutes*, and Chapter 10.550, *Rules of the Auditor General-Local Governmental Entity Audits*, which require the Supervisor to only present fund financial statements. In conformity with the Rules, the Supervisor has not presented the government-wide financial statements, related disclosures or management’s discussion and analysis, which are required to present a complete presentation of its financial position and changes in financial position.

These financial statements are not intended to be a complete presentation of the financial position of the Supervisor of Elections or Martin County, Florida as of September 30, 2024, and the changes in its financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

C. Fund Accounting

The accounting records of the Supervisor are maintained within a separate General Fund of the Martin County Board of County Commissioners (the “Board”). The operations are accounted for in a governmental fund type, as prescribed by accounting principles generally accepted in the United States of America (“GAAP”) applicable to governments as established by the GASB, within a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues and expenditures.

Martin County, Florida
Supervisor of Elections
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

D. Measurement Focus and Basis of Accounting

The governmental fund type measurement focus is based upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income determination. This fund is maintained on the modified accrual basis of accounting. Revenues are recognized when they become susceptible to accrual; that is, when they become both measurable and available to finance expenditures of the current period. For this purpose the Supervisor considers revenue to be available if they are collected within 60 days after the end of the current fiscal period. Expenditures are recorded in the accounting period in which the related fund liability is incurred, if measurable. Exceptions to this general rule include accumulated sick and vacation, claims and judgments, pension, and Other Postemployment Benefits (OPEB). Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund expenditures or fund liabilities.

In applying the "susceptible to accrual" concept to intergovernmental revenues (grants, entitlements and shared revenue), the legal and contractual requirements of the numerous individual programs are used as guidance. Intergovernmental revenues are susceptible to accrual when the eligibility requirements have been met.

Miscellaneous revenues are recorded as revenues when received in cash, because they are generally not measurable until actually received.

E. Budgets

The budget for the Supervisor is prepared, adopted and amended in accordance with Chapter 129, *Florida Statutes*. The budget is balanced, meaning that total appropriations are equal to total revenues and transfers in from the Board. The budget for the general fund is prepared on a basis consistent with GAAP.

The budget process begins with the development of estimates by the Supervisor. The estimates are reviewed, analyzed and submitted to the Board for consideration on or about May 1. The Board conducts several workshops to thoroughly review the budget and make adjustments as appropriate.

Prior to September 30, two public hearings are conducted to hear comments and questions from the public regarding the budget. The budget is adopted at the second public hearing through formal resolution of the Board.

The budget is adopted at the fund total level. Therefore, formal budgetary control is exercised at that level. Expenditures in excess of appropriations in one or more departments of a fund do not constitute a violation of budgetary controls as long as the total expenditures do not exceed total appropriations for the fund. Management employs lower level (departmental) controls, however, to prevent or reduce the potential for budget overruns at the fund total level.

The original budget is the first complete appropriated budget. The final budget is the original budget adjusted for all reserves, transfers, allocations, supplemental appropriations and other legally authorized changes applicable to the fiscal year when signed into law or otherwise legally authorized.

F. Cash and Cash Equivalents

For purposes of these statements, demand deposits and petty cash and short-term investments with original maturities of three months or less from date of acquisition are considered to be cash and cash equivalents.

Martin County, Florida
Supervisor of Elections
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

G. Capital Assets

Upon acquisition, capital assets are recorded as capital outlay expenditures of the appropriate governmental fund in these special-purpose financial statements. The Supervisor maintains custodial responsibility for the capital assets used by her office; however, they are recorded in the financial statements of the County.

In the governmental activities section of the County's government-wide financial statements all capital assets with a cost of \$5,000 or greater and an estimated life of more than one year are capitalized and recorded at historical cost or estimated historical cost, if actual historical cost is not available. Donated capital assets are recorded at their estimated acquisition value on the date donated. No depreciation has been provided on capital assets in these special-purpose financial statements, however, depreciation expense is recorded in the government-wide financial statements of the County.

H. Compensated Absences

It is the policy of the Supervisor to permit employees to accumulate a limited amount of earned but unused vacation benefits and sick leave, which will be paid to employees upon separation from service. The liability for compensated absences is not reported in the special-purpose financial statements, but rather is reported in the government-wide financial statements of the County.

I. Use of Estimates

The preparation of special-purpose financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the special-purpose financial statements and the reported amount of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

J. Transfers In

In accordance with *Florida Statutes*, the Board of County Commissioners is required to fund certain operations of the Supervisor of Elections. These County appropriations are reported as transfers in and totaled \$1,770,510.

K. Transfers Out

In accordance with *Florida Statutes*, all revenues in excess of expenditures as of year-end are owed to the Board of County Commissioners. These "excess fees" are reported as transfers out. Revenues in excess of expenditures transferred out and due to the Board as of September 30, 2024, were \$133,783.

L. Governmental Fund Balance

In accordance with GASB Statement No. 54, fund balance may be classified as non-spendable, restricted, committed, assigned, and unassigned. Non-spendable fund balance includes amounts that cannot be spent because they are either not in spendable form or are legally and contractually required to be maintained intact; restricted fund balance is limited by external providers or enabling legislation; committed fund balance can be used only for specific purposes as determined by the government's highest level of decision making authority; assigned fund balance is intended to be used by the government for specific purposes, but does not meet the criteria to be classified as restricted or committed; unassigned fund balance is the residual classification for the government's general fund and includes all spendable amounts not contained in other classifications.

Martin County, Florida
Supervisor of Elections
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

Note 2 – Cash and Cash Equivalents

Cash and cash equivalents consist of the following:

Demand deposits	\$ 175,362
Petty cash	<u>700</u>
	<u>\$ 176,062</u>

Deposits whose values exceed the limits of federal depository insurance are entirely insured or collateralized pursuant to *Florida Statutes*, Chapter 280, *Florida Security for Public Deposits Act*, (the Act). Under this Act, Florida's Chief Financial Officer shall determine the collateral requirements and the collateral pledging level for each qualified public depository in order to protect the integrity of the public deposits program. The Public Deposit Security Trust Funds have a procedure to allocate and recover losses in the event of default or insolvency. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereof. All Supervisor depositories at year-end were designated as qualified public depositories.

Note 3 - Long-Term Liabilities

Changes in long-term liabilities for the year ended September 30, 2024, are as follows:

	<u>Beginning 10/01/2023</u>	<u>Additions</u>	<u>Reductions</u>	<u>Ending 09/30/2024</u>
Compensated absences	\$ <u>28,990</u>	\$ <u>44,829</u>	\$ <u>(34,134)</u>	\$ <u>39,685</u>

The long-term liabilities are not reported in the special-purpose financial statements of the Supervisor since they are not payable from available, spendable resources. They are reported in the Government Wide Financial Statements of the County.

Note 4 - Retirement Plan

The Supervisor participates in the Florida Retirement System and provides retirement benefits to employees through the following plans:

Plan Descriptions

The **Florida Retirement System (FRS) Pension Plan** and the **Retiree Health Insurance Subsidy (HIS) Program** are cost-sharing, multiple-employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement. The FRS Pension Plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. These benefits are established by Chapter 121, Florida Statutes, and may only be amended by the Florida legislature.

The HIS Program benefit is a monthly payment to assist retirees of the State-administered retirement systems in paying their health insurance costs. The HIS Program was established under Section 112.363, Florida Statutes, and may be amended by the Florida legislature at any time.

Martin County, Florida
Supervisor of Elections
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

An annual comprehensive financial report including financial information and required supplementary information on both plans is publicly available on the web site of the Florida Department of Management Services (<http://www.dms.myflorida.com>).

The Supervisor contributes to the **Florida Retirement System Investment Plan (Investment Plan)**, a defined contribution plan, for its eligible employees who elect to participate in the Investment Plan in lieu of participating in the FRS Pension Plan. As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of FRS defined-benefit plan. Supervisor employees participating in the DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.) as the FRS Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. The Investment Plan is administered by the State Board of Administration (SBA) and is reported in the SBA's annual financial statements and in the State of Florida's annual comprehensive financial report. Financial information on this plan is available on the web at <http://www.sbafla.com/>.

FRS and HIS Contributions

The Supervisor's employer contributions to both plans totaled \$99,074 for the fiscal year ended September 30, 2024. The Supervisor contributed 100 percent of its statutorily required contributions for the current and preceding two years for both plans.

Net Pension Liability

For financial reporting purposes, the Supervisor is deemed to be part of the primary government of Martin County, Florida. A liability related to the Supervisor's proportionate share of the aggregate net pension liability for both plans will be reported in the financial statements of the County for fiscal year ended September 30, 2024. Balances related to the net pension liability, deferred outflows, deferred inflows, and pension expenses are reported in the governmental activities column of the Statement of Net Position and the Statement of Activities as part of the basic financial statements of the County.

Martin County, Florida
Supervisor of Elections
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

FLORIDA RETIREMENT SYSTEM (FRS) PENSION PLAN

Benefits Provided

The Florida Retirement System was created on December 1, 1970. Members enrolled in the FRS and actively employed on July 1, 2001, or first enrolled between July 1, 2001 and June 30, 2011, will be vested, or eligible to receive future benefits after six years of creditable service. Participants first enrolled on or after July 1, 2011 will be vested, or eligible to receive future benefits after eight years of creditable service. Retirement, disability, and death benefits are based on age, average final compensation and years-of-service credit. For members initially enrolled in the FRS before July 1, 2011, average final compensation is the average of the five highest fiscal years of salary earned during covered employment. For members initially enrolled in the FRS on or after July 1, 2011, average final compensation is the average of the eight highest fiscal years of salary earned during covered employment. Members are eligible for normal retirement when they have met the minimum requirements established by their membership class. For members initially enrolled in the FRS before July 1, 2011, Regular Class members are eligible for normal retirement if they are vested and age 62 or if they have 30 years of creditable service regardless of age. For members initially enrolled in the FRS on or after July 1, 2011, Regular Class members are eligible for normal retirement if they are vested and age 65 or if they have 33 years of creditable service regardless of age. Early retirement may be taken any time after vesting. However, there is a 5% reduction of benefits for each year prior to normal retirement age or date. The percentage level of employees' payroll contribution rates is determined using the frozen entry age actuarial cost method.

Beginning July 1, 1998, the FRS implemented the Deferred Retirement Option Program (DROP), which is a program within the FRS Pension Plan that allows members to retire without terminating their employment for up to eight years while their retirement benefits accumulate and earn interest compounded monthly at a stated effective annual rate. For members who entered DROP prior to July 1, 2011, the rate is 6.5%. For members who enter DROP on or after July 1, 2011, the rate is 4.0%. Members may participate in DROP when they are vested and have reached their normal retirement date. When the DROP period ends, members must terminate employment. At that time, members will receive their accumulated DROP benefits and begin receiving their monthly retirement benefit.

The FRS was amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution plan is known as the FRS Investment Plan, which is described later in this note.

Martin County, Florida
Supervisor of Elections
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

Contributions

The following membership classes and contribution rates, which apply to both the FRS Pension Plan and the FRS Investment Plan, were in effect at September 30, 2024:

<u>Membership Class</u>	<u>Employee</u>	<u>Employer</u>
	<u>Contribution</u>	<u>Contribution</u>
	<u>Rate</u>	<u>Rate*</u>
Regular	3.00%	13.63%
Special Risk	3.00%	32.79%
County Elected Officers	3.00%	58.68%
Senior Management	3.00%	34.52%
Deferred Retirement Option Program	3.00%	21.13%

*Employer contribution rates in the above table include a 2.00% contribution for the Retiree Health Insurance Subsidy Program.

RETIREE HEALTH INSURANCE SUBSIDY (HIS) PROGRAM

Benefits Provided

For the fiscal year ended September 30, 2024, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 per month and a maximum HIS payment of \$150 per month, through June 30. Effective July 1, 2023, eligible retirees and beneficiaries received a monthly HIS payment of \$7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$45 per month and a maximum HIS payment of \$225 per month. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions

The HIS Program is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2024, the contribution rate was 2.00 percent of payroll. The Supervisor contributed 100 percent of its statutorily required contributions for the current and preceding three years. The HIS Program contributions are deposited in a separate trust fund from which payments are authorized. The HIS Program benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

Martin County, Florida
Supervisor of Elections
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

FLORIDA RETIREMENT SYSTEM INVESTMENT PLAN

Vesting Provisions

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds.

Non-vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five year period, the employee will regain control over their account. If the employee does not return within the five year period, the employee will forfeit the accumulated account balance. After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

For more detailed information on these plans, please refer to the Retirement Note in the County's Annual Comprehensive Financial Report (ACFR).

Note 5 - Other Postemployment Benefits

In addition to the retirement system described in Note 4, the Supervisor provides postretirement health care benefits, in accordance with state statutes, to all employees who retire from the Supervisor after vesting with the retirement system. As of September 2024, there are no eligible retirees. Retired employees of the Supervisor of Elections hired prior to October 13, 2009, who retire after 30 years of service, or after the age of 55, with ten years of credited service with the County and who were participants in the existing medical plan at the time of retirement, are entitled to participation in the County administered single-employer defined benefit healthcare plan. For these retirees, the

Agency subsidizes 75% of the cost of health care coverage for the retiree. The retiree may choose family coverage, but would have to pay the difference in premium cost.

Once employees become eligible for Medicare all subsidies from the Supervisor end. Employees who were hired on or after October 13, 2009 are not eligible for post-retirement health care benefits. Expenditures for postretirement health care benefits are recognized as premiums are paid. During the year, no expenditures were recognized for postretirement health care.

The Supervisor's total OPEB liability is reported within the governmental activities column of the County's Statement of Net Position. Further information about OPEB is available in the County's Annual Comprehensive Financial Report for the fiscal year ended September 30, 2024.

Martin County, Florida
Supervisor of Elections
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

Note 6 – Risk Management

The Supervisor is exposed to various risks of loss related to tort; theft of, damage to, and to destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Supervisor participates in the Self-Insurance program of the County. The coverage for employee health, property, general liability, automobile liability, workers' compensation, and public employee bond and comprehensive crime loss is covered through a comprehensive property and liability risk management program reported in the Self-Insurance Fund of the County. The County is part of the Tri-County Risk Management Program, which is a public entity risk pool. The program is a self-insurance program whereby the County makes annual contributions along with the other members of the program.

The County is subject to a special assessment in the event of a deficiency, except to the extent that the deficiency results from a specific claim against a member in excess of the reinsurance available; such a deficiency is solely the responsibility of that member. The program is reported by the County as an Internal Service Fund. The Supervisor makes annual contributions to the County self-insurance fund based on amounts determined by the Board of County Commissioners. Such contributions were \$59,901 during the fiscal year ended September 30, 2024, and are included as expenditures in the accompanying special-purpose financial statements. As of September 30, 2024, there have been no special assessments. Settlements have not exceeded coverage for each of the past three fiscal years.

Note 7 – Contingencies

Grant funds received by the Supervisor are subject to audit by grantor agencies. Audits of these grants may result in disallowed costs, which may constitute a liability of the Supervisor. In the opinion of management, disallowed costs, if any, would be immaterial to the financial position of the Supervisor.

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Honorable Vicki Davis
Supervisor of Elections
Martin County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Martin County, Supervisor of Elections (the "Supervisor of Elections") as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated February 6, 2025.

Report on Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

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

We noted certain matters that we reported to management of the Supervisor of Elections in a separate letter dated February 6, 2025.

Honorable Vicki Davis
Supervisor of Elections
Martin County, Florida

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.

Forvis Mazars, LLP

**Fort Lauderdale, Florida
February 6, 2025**

Independent Auditor's Management Letter

Honorable Vicki Davis
Supervisor of Elections
Martin County, Florida

We have audited the basic financial statements of the Martin County, Florida Supervisor of Elections (the "Supervisor of Elections") as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated February 6, 2025.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated February 6, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

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

Financial Management

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

Honorable Vicki Davis
Supervisor of Elections
Martin County, Florida

Additional Matters

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

Purpose of this Letter

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

Forvis Mazars, LLP

**Fort Lauderdale, Florida
February 6, 2025**

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Independent Accountant's Report

Honorable Vicki Davis
Supervisor of Elections
Martin County, Florida

We have examined the Martin County, Supervisor of Elections (the "Supervisor of Elections") compliance with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2024. The Supervisor of Elections' management is responsible for the Supervisor of Elections' compliance with those requirements. Our responsibility is to express an opinion on the Supervisor of Elections' compliance based on our examination.

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

We are required to be independent and to meet our ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement. Our examination does not provide a legal determination on the Supervisor of Elections' compliance with the specified requirements.

In our opinion, the Supervisor of Elections complied with the aforementioned requirements for the fiscal year ended September 30, 2024, in all material respects.

Forvis Mazars, LLP

**Fort Lauderdale, Florida
February 6, 2025**



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**MARTIN COUNTY, FLORIDA
TAX COLLECTOR**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Martin County, Florida
Tax Collector
For the Year Ended September 30, 2024

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Independent Auditor's Report

Honorable Ruth Pietruszewski
Tax Collector
Martin County, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Martin County, Florida Tax Collector (the "Tax Collector") as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Tax Collector's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the Tax Collector as of September 30, 2024, and the respective change in financial position, and the budgetary comparison for the General Fund 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 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 Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Tax Collector, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 Tax Collector's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility 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 auditor's 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Emphasis-of-Matter

As described in Note 1 to the financial statements, the accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557(3), *Rules of the Auditor General for Local Governmental Entity Audits*. These financial statements are not intended to be a complete presentation of the financial position of Martin County, Florida as of September 30, 2024, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Honorable Ruth Pietruszewski
Tax Collector
Martin County, Florida

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 7, 2025, on our consideration of the Tax Collector's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tax Collector's internal control over financial reporting and compliance.

Forvis Mazars, LLP

**Fort Lauderdale, Florida
February 7, 2025**



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Martin County, Florida
Tax Collector
Special-Purpose Balance Sheet
General Fund
September 30, 2024

ASSETS	
Cash and cash equivalents	<u><u>\$ 7,006,609</u></u>
LIABILITIES	
Accrued wages payable	85,980
Due to Board of County Commissioners	6,652,637
Due to other governmental agencies	235,555
Deposits and other liabilities	<u>32,437</u>
Total liabilities	<u><u>7,006,609</u></u>
FUND BALANCE	
Total fund balance	<u><u>-</u></u>
Total liabilities and fund balance	<u><u>\$ 7,006,609</u></u>

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

Martin County, Florida
Tax Collector
Special-Purpose Statement of Revenues, Expenditures and Changes in Fund Balance
General Fund
For the Year Ended September 30, 2024

REVENUES

Charges for services	\$ 13,527,820
Interest income	1,520
Miscellaneous revenues	<u>3,497</u>
Total revenues	<u><u>13,532,837</u></u>

EXPENDITURES

Current:	
General government	<u>6,880,200</u>

Excess of revenues over expenditures	<u><u>6,652,637</u></u>

OTHER FINANCING USES

Transfers out	<u>(6,652,637)</u>
Total other financing uses	<u><u>(6,652,637)</u></u>

Net change in fund balance	-

Fund balance - beginning	<u>-</u>

Fund balance - ending	<u><u>\$ -</u></u>

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

Martin County, Florida
Tax Collector
Special-Purpose Statement of Revenues, Expenditures and Changes in Fund Balance -
Budget and Actual
General Fund
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget- Positive (Negative)
REVENUES				
Charges for services	\$ 12,234,060	\$ 12,234,060	\$ 13,527,820	\$ 1,293,760
Interest income	1,000	1,000	1,520	520
Miscellaneous revenues	5,000	5,000	3,497	(1,503)
Total revenues	<u>12,240,060</u>	<u>12,240,060</u>	<u>13,532,837</u>	<u>1,292,777</u>
EXPENDITURES				
Current:				
General government	<u>7,739,364</u>	<u>7,739,364</u>	<u>6,880,200</u>	<u>859,164</u>
Excess of revenues over expenditures	<u>4,500,696</u>	<u>4,500,696</u>	<u>6,652,637</u>	<u>2,151,941</u>
OTHER FINANCING USES				
Transfers out	<u>(4,500,696)</u>	<u>(4,500,696)</u>	<u>(6,652,637)</u>	<u>(2,151,941)</u>
Net change in fund balance	-	-	-	<u>\$ -</u>
Fund balance - beginning	-	-	-	
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	

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

Martin County, Florida
Tax Collector
Special-Purpose Statement of Fiduciary Net Position
Custodial Fund
September 30, 2024

ASSETS

Cash and cash equivalents	\$ 5,997,879
Accounts receivable	<u>677,882</u>
Total assets	<u><u>6,675,761</u></u>

LIABILITIES

Installment tax escrow	5,186,549
Due to other governmental agencies	<u>1,489,212</u>
Total liabilities	<u><u>6,675,761</u></u>

NET POSITION

Net position	<u>-</u>
Total net position	<u><u>\$ -</u></u>

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

Martin County, Florida
Tax Collector
Special-Purpose Statement of Changes in Fiduciary Net Position
Custodial Fund
For the Year Ended September 30, 2024

ADDITIONS:

Tax collections for Martin County Board of County Commissioners	\$ 306,835,553
Tax collections for other governments	302,176,971
Miscellaneous	<u>10,364,372</u>
Total additions	<u>619,376,896</u>

DEDUCTIONS:

Payments to Martin County Board of County Commissioners	306,835,553
Payments to other governments	302,176,971
Miscellaneous	<u>10,364,372</u>
Total deductions	<u>619,376,896</u>

Change in net position	-
Total net position - beginning	<u>-</u>
Total net position - ending	<u><u>\$ -</u></u>

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

Martin County, Florida
Tax Collector
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

Note 1 - Summary of Significant Accounting Policies

The significant accounting policies followed by the Tax Collector of Martin County; Florida (the “Tax Collector”) are summarized below:

A. General Information

Martin County (the “County”) is a political subdivision of the State of Florida. The County operates as a non-charter government pursuant to Article VIII, Section (1) (f) of the Constitution of the State of Florida. The fiscal year of the County is from October 1 to September 30, as established in Section 218.33, Florida Statutes.

B. Reporting Entity and Financial Statement Presentation

The Tax Collector is a separately elected county official established pursuant to the Constitution of the State of Florida. The Tax Collector’s special-purpose financial statements do not purport to reflect the financial position or the results of operations of the County taken as a whole.

Entity status for financial reporting purposes is governed by the Governmental Accounting Standards Board’s (“GASB”) Codification Section 2100 “Defining the Financial Reporting Entity.” Although the Tax Collector’s Office is operationally autonomous from the County, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Tax Collector is reported as a part of the primary government of Martin County, Florida.

The Tax Collector’s special-purpose financial statements are prepared for the purpose of complying with Section 218.39(2), Florida Statutes, and Chapter 10.550, *Rules of the Auditor General-Local Governmental Entity Audits*, which require the Tax Collector to only present fund financial statements. In conformity with the Rules, the Tax Collector has not presented the government-wide financial statements, related disclosures or management’s discussion and analysis, which are required to present a complete presentation of its financial position and changes in financial position.

These financial statements are not intended to be a complete presentation of the financial position of the Tax Collector or Martin County, Florida as of September 30, 2024, and the changes in its financial position for the year then ended, in conformity with accounting principles generally accepted in the United States of America.

C. Fund Accounting

The accounting records of the Tax Collector are organized on the basis of funds as prescribed by accounting principles generally accepted in the United States of America (“GAAP”) applicable to governments as established by the GASB. The operations of each fund are accounted for within a separate set of self-balancing accounts that comprise its assets, liabilities, equity, revenues, and expenditures. Separate funds are maintained to account for specific government activities or to comply with special regulations or legal restrictions. The various types and funds used by the Tax Collector are described as follows:

Martin County, Florida
Tax Collector
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

Governmental Fund

General Fund – This fund represents the Tax Collector’s major fund and is used to account for all financial activity of the Tax Collector not accounted for in other funds. Revenue is derived primarily from charges for services.

Fiduciary Fund

Custodial Fund – This fund is used to account for assets, liabilities, and transactions of a governmental unit in the capacity of a trustee or agent for individuals, private organizations, other funds or other governmental units.

D. Measurement Focus and Basis of Accounting

The governmental fund type measurement focus is based upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income determination. This fund is maintained on the modified accrual basis of accounting. Revenues are recognized when they become susceptible to accrual; that is, when they become both measurable and available to finance expenditures of the current period. For this purpose, the Tax Collector considers revenue to be available if collected within 60 days after the end of the current fiscal period. The Tax Collector’s major source of revenue are fees earned for the collection of taxes on behalf of various taxing authorities. Fees are considered to be earned when the related taxes are collected. Expenditures are recorded in the accounting period in which the related fund liability is incurred, if measurable. Exceptions to this general rule include accumulated sick and vacation, pension, and Other Postemployment Benefits (OPEB). Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund expenditures or fund liabilities.

The Custodial Fund is maintained on the accrual basis of accounting. This fund is used to account for assets held by the Tax Collector as trustee or agent for individuals and/or other governmental units.

E. Budgets

The budget for the Tax Collector is prepared, adopted, and amended in accordance with Chapter 195.087, Florida Statutes. The budget is balanced, meaning that total appropriations are equal to total revenues. The budget for the General Fund is prepared on a basis consistent with GAAP.

On or before August 1 of each year, the Tax Collector submits to the Florida Department of Revenue (the Department) a budget for the operation of the Tax Collector's office for the ensuing fiscal year, in the manner and form prescribed by the Department. A copy of such budget is furnished at the same time to the Martin County Board of County Commissioners (the “Board”). After the final approval of the budget by the Department, there are no amendments to the budget without the approval of the Department.

The budget is adopted at the fund total level. Therefore, formal budgetary control is exercised at that level. Expenditures in excess of appropriations in one or more departments of a fund do not constitute a violation of budgetary controls as long as the total expenditures do not exceed total appropriations for the fund. Management employs lower level (departmental) controls, however, to prevent or reduce the potential for budget overruns at the fund total level.

Martin County, Florida
Tax Collector
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

The original budget is the first complete appropriated budget. The final budget is the original budget adjusted for all reserves, transfers, allocations, supplemental appropriations, and other legally authorized changes applicable to the fiscal year when signed into law or otherwise legally authorized.

F. Cash and Cash Equivalents

For purposes of these statements, demand deposits and petty cash and short-term investments with original maturities of three months or less from date of acquisition are considered to be cash and cash equivalents. Investments in external investment pools, including the Local Government Surplus Funds Trust and Florida Local Government Investment Trust, are considered to be investments.

G. Capital Assets

Upon acquisition, capital assets are recorded as capital outlay expenditures of the appropriate governmental fund in these special-purpose financial statements. The Tax Collector maintains custodial responsibility for the capital assets used by her office; however, they are recorded in the financial statements of the County.

In the governmental activities section of the County's government-wide financial statements all capital assets with a cost of \$5,000 or greater and an estimated life of more than one year are capitalized and recorded at historical cost or estimated historical cost, if actual historical cost is not available. Donated capital assets are recorded at their estimated fair market value on the date donated. No depreciation has been provided on capital assets in these special-purpose financial statements, however, depreciation expense is recorded in the government-wide financial statements of the County.

H. Compensated Absences

It is the policy of the Tax Collector to permit employees to accumulate a limited amount of earned but unused vacation benefits and sick leave, which will be paid to employees upon separation from service. The liability for compensated absences is not reported in the special-purpose financial statements, but rather is reported in the government-wide financial statements of the County.

I. Use of Estimates

The preparation of special-purpose financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the special-purpose financial statements and the reported amount of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

J. Transfers out

In accordance with Florida Statutes, all revenues and transfers from the Board in excess of expenditures as of year-end are owed on a prorata basis to the Board and other governments who pay the fees in the same proportion as the total fees earned by the Tax Collector. These unused fees are reported as a transfer out in the accompanying Special-Purpose Statement of Revenues and Expenditures and Changes in Fund Balance for the portion owed to the Board. Excess fees payable to other governments are recorded as a reduction of charges for services revenue and due to other governmental agencies in the general fund. Unused fees transferred out and due to the Board were \$6,652,637 as of September 30, 2024.

Martin County, Florida
Tax Collector
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

Note 2 - Cash and Cash Equivalents and Investments

Cash and cash equivalents

Cash and cash equivalents consist of demand deposits of \$12,993,988 and petty cash of \$10,500. Deposits whose values exceed the limits of federal depository insurance are entirely insured or collateralized pursuant to Florida Statutes, Chapter 280, *Florida Security for Public Deposits Act*, (the “Act”). Under this Act, Florida’s Chief Financial Officer shall determine the collateral requirements and the collateral pledging level for each qualified public depository in order to protect the integrity of the public deposits program. The Public Deposit Security Trust Funds have a procedure to allocate and recover losses in the event of default or insolvency. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereof. All Tax Collector depositories at year-end were designated as qualified public depositories. The bank balance as of September 30, 2024, was \$12,777,965.

Note 3 - Long-Term Liabilities

Changes in long-term liabilities for the year ended September 30, 2024 are as follows:

	Beginning 10/01/2023	Additions	Reductions	Ending 09/30/2024
Compensated absences	\$ <u>224,272</u>	\$ <u>281,033</u>	\$ <u>(324,747)</u>	\$ <u>180,558</u>

The long-term liabilities are not reported in the special-purpose financial statements of the Tax Collector since they are not payable from available, spendable resources. They are reported in the financial statements of the County.

Martin County, Florida
Tax Collector
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

Note 4 - Retirement Plan

The Tax Collector participates in the Florida Retirement System and provides retirement benefits to employees through the following plans:

Plan Descriptions

The **Florida Retirement System (FRS) Pension Plan** and the **Retiree Health Insurance Subsidy (HIS) Program** are cost-sharing, multiple-employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement. The FRS Pension Plan provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. These benefits are established by Chapter 121, Florida Statutes, and may only be amended by the Florida legislature.

The HIS Program benefit is a monthly payment to assist retirees of the State-administered retirement systems in paying their health insurance costs. The HIS Program was established under Section 112.363, Florida Statutes, and may be amended by the Florida legislature at any time.

An annual comprehensive financial report including financial information and required supplementary information on both plans is publicly available on the web site of the Florida Department of Management Services (<http://www.dms.myflorida.com>).

The Tax Collector contributes to the **Florida Retirement System Investment Plan (Investment Plan)**, a defined contribution plan, for its eligible employees who elect to participate in the Investment Plan in lieu of participating in the FRS Pension Plan. As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of FRS defined-benefit plan. Tax Collector employees participating in the DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.) as the FRS Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. The Investment Plan is administered by the State Board of Administration (SBA) and is reported in the SBA's annual financial statements and in the State of Florida's annual comprehensive financial report. Financial information on this plan is available on the web at <http://www.sbafla.com/>.

FRS and HIS Contributions

The Tax Collector's employer contributions to both plans totaled \$669,450 for the fiscal year ended September 30, 2024. The Tax Collector contributed 100 percent of its statutorily required contributions for the current and preceding two years for both plans.

Martin County, Florida
Tax Collector
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

Net Pension Liability

For financial reporting purposes, the Tax Collector is deemed to be part of the primary government of Martin County, Florida. A liability related to the Tax Collector's proportionate share of the aggregate net pension liability for both plans will be reported in the financial statements of the County for fiscal year ended September 30, 2024. Balances related to the net pension liability, deferred outflows, deferred inflows, and pension expenses are reported in the governmental activities column of the Statement of Net Position and the Statement of Activities as part of the basic financial statements of the County.

FLORIDA RETIREMENT SYSTEM (FRS) PENSION PLAN

Benefits Provided

The Florida Retirement System was created on December 1, 1970. Members enrolled in the FRS and actively employed on July 1, 2001, or first enrolled between July 1, 2001, and June 30, 2011, will be vested, or eligible to receive future benefits after six years of creditable service. Participants first enrolled on or after July 1, 2011 will be vested, or eligible to receive future benefits after eight years of creditable service. Retirement, disability, and death benefits are based on age, average final compensation and years-of-service credit. For members initially enrolled in the FRS before July 1, 2011, average final compensation is the average of the five highest fiscal years of salary earned during covered employment. For members initially enrolled in the FRS on or after July 1, 2011, average final compensation is the average of the eight highest fiscal years of salary earned during covered employment. Members are eligible for normal retirement when they have met the minimum requirements established by their membership class. For members initially enrolled in the FRS before July 1, 2011, Regular Class members are eligible for normal retirement if they are vested and age 62 or if they have 30 years of creditable service regardless of age. For members initially enrolled in the FRS on or after July 1, 2011, Regular Class members are eligible for normal retirement if they are vested and age 65 or if they have 33 years of creditable service regardless of age. Early retirement may be taken any time after vesting. However, there is a 5% reduction of benefits for each year prior to normal retirement age or date. The percentage level of employees' payroll contribution rates is determined using the frozen entry age actuarial cost method.

Beginning July 1, 1998, the FRS implemented the Deferred Retirement Option Program (DROP), which is a program within the FRS Pension Plan that allows members to retire without terminating their employment for up to eight years while their retirement benefits accumulate and earn interest compounded monthly at a stated effective annual rate. For members who entered DROP prior to July 1, 2011, the rate is 6.5%. For members who enter DROP on or after July 1, 2011, the rate is 4.0%. Members may participate in DROP when they are vested and have reached their normal retirement date. When the DROP period ends, members must terminate employment. At that time, members will receive their accumulated DROP benefits and begin receiving their monthly retirement benefit.

The FRS was amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution plan is known as the FRS Investment Plan, which is described later in this note.

Martin County, Florida
Tax Collector
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

Contributions

The following membership classes and contribution rates, which apply to both the FRS Pension Plan and the FRS Investment Plan, were in effect at September 30, 2024:

<u>Membership Class</u>	<u>Employee Contribution Rate</u>	<u>Employer Contribution Rate*</u>
	3.00%	13.63%
Regular	3.00%	32.79%
Special Risk	3.00%	62.97%
State Attorney/Public Defender	3.00%	58.68%
County, City, Special District Elected Officers	3.00%	39.82%
Special Risk Administrative Support	3.00%	34.52%
Senior Management	N/A	21.13%
Deferred Retirement Option Program		

*Employer contribution rates in the above table include a 2.00% contribution for the Retiree Health Insurance Subsidy Program.

RETIREE HEALTH INSURANCE SUBSIDY (HIS) PROGRAM

Benefits Provided

For the fiscal year ended September 30, 2024, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 per month and a maximum HIS payment of \$150 per month, through June 30. Effective July 1, 2024, eligible retirees and beneficiaries received a monthly HIS payment of \$7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$45 per month and a maximum HIS payment of \$225 per month. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions

The HIS Program is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2024, the contribution rate was 2.00 percent of payroll. The Tax Collector contributed 100 percent of its statutorily required contributions for the current and preceding three years. The HIS Program contributions are deposited in a separate trust fund from which payments are authorized. The HIS Program benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

Martin County, Florida
Tax Collector
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

FLORIDA RETIREMENT SYSTEM INVESTMENT PLAN

Vesting Provisions

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds.

Non-vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan or remain in the Investment Plan and rely upon that account balance for retirement income.

For more detailed information on these plans, please refer to the Retirement Note in the County's Annual Comprehensive Financial Report (ACFR).

Note 5 - Other Postemployment Benefits

In addition to the retirement system described in Note 4, the Tax Collector provides postretirement health care benefits, in accordance with state statutes, to all employees who retire from the Tax Collector after vesting with the retirement system. Currently, seventeen (17) retirees meet those eligibility requirements. Retired employees of the Tax Collector hired prior to October 13, 2009, who retire after 30 years of service, or after the age of 55, with ten years of credited service with the County and who were participants in the existing medical plan at the time of retirement, are entitled to participation in the County administered single-employer defined benefit healthcare plan. For these retirees, the Agency subsidizes 75% of the cost of health care coverage for the retiree. The retiree may choose family coverage but would have to pay the difference in premium cost. Once employees become eligible for Medicare all subsidies from the Tax Collector end. Employees who were hired on or after October 13, 2009 are not eligible for post-retirement health care benefits. Expenditures for postretirement health care benefits are recognized as premiums are paid. During the year, expenditures of \$80,791 were recognized for postretirement health care.

The Tax Collector's total OPEB liability is reported within the governmental activities column of the County's Statement of Net Position. Further information about OPEB is available in the County's Annual Comprehensive Financial Report for the fiscal year ended September 30, 2024.

Martin County, Florida
Tax Collector
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

Note 6 – Risk Management

The Tax Collector is exposed to various risks of loss related to tort; theft of, damage to, and to destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Tax Collector participates in the Self-Insurance program of the County. The coverage for employee health, property, general liability, automobile liability, workers' compensation, and public employee bond and comprehensive crime loss is covered through a comprehensive property and liability risk management program reported in the Self-Insurance Fund of the County. The County is part of the Tri-County Risk Management Program, which is a public entity risk pool. The program is a self-insurance program whereby the County makes annual contributions along with the other members of the program. The County is subject to a special assessment in the event of a deficiency, except to the extent that the deficiency results from a specific claim against a member in excess of the reinsurance available; such a deficiency is solely the responsibility of that member. The program is reported by the County as an Internal Service Fund. The Tax Collector makes annual contributions to the County self-insurance fund based on amounts determined by the Board of County Commissioners. Such contributions were \$885,048 during the fiscal year ended September 30, 2024 and are included as expenditures in the accompanying special-purpose financial statements. As of September 30, 2024, there have been no special assessments. Settlements have not exceeded coverage for each of the past three fiscal years.

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Honorable Ruth Pietruszewski
Tax Collector
Martin County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Martin County, Tax Collector (the "Tax Collector") as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated February 7, 2025.

Report on Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Report on Compliance and Other Matters

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

We noted certain matters that we reported to management of the Tax Collector in a separate letter dated February 7, 2025.

Honorable Ruth Pietruszewski
Tax Collector
Martin County, Florida

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.

Forvis Mazars, LLP

**Fort Lauderdale, Florida
February 7, 2025**

Independent Auditor's Management Letter

Honorable Ruth Pietruszewski
Tax Collector
Martin County, Florida

We have audited the basic financial statements of the Martin County, Florida Tax Collector (the "Tax Collector") as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated February 7, 2025.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated February 7, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

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

Financial Management

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

Honorable Ruth Pietruszewski
Tax Collector
Martin County, Florida

Additional Matters

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

Purpose of this Letter

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

Forvis Mazars, LLP

**Fort Lauderdale, Florida
February 7, 2025**

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Independent Accountant's Report

Honorable Ruth Pietruszewski
Tax Collector
Martin County, Florida

We have examined the Martin County, Tax Collector (the "Tax Collector") compliance with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2024. The Tax Collector's management is responsible for the Tax Collector's compliance with those requirements. Our responsibility is to express an opinion on the Tax Collector's compliance based on our examination.

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

We are required to be independent and to meet our ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement. Our examination does not provide a legal determination on the Tax Collector's compliance with the specified requirements.

In our opinion, the Tax Collector complied with the aforementioned requirements for the fiscal year ended September 30, 2024, in all material respects.

Forvis Mazars, LLP

**Fort Lauderdale, Florida
February 7, 2025**



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**MARTIN COUNTY, FLORIDA
COMMUNITY REDEVELOPMENT AGENCY**

FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2024

Martin County, Florida
Community Redevelopment Agency
For the Year Ended September 30, 2024

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Independent Auditor's Report

Honorable Board of County Commissioners
Martin County, Florida
Community Redevelopment Agency

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and General Fund of the Martin County Community Redevelopment Agency (the "CRA"), a component unit of Martin County, Florida, as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the General Fund of the CRA as of September 30, 2024, and the respective changes in financial position and, where applicable, cash flows, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 CRA's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the CRA'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 CRA'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 that audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis 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.

Honorable Board of County Commissioners
Martin County, Florida Community Redevelopment Agency

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 10, 2025, on our consideration of the CRA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the CRA's internal control over financial reporting and compliance.

Forvis Mazars, LLP

**Fort Lauderdale, Florida
April 10, 2025**

Management's Discussion and Analysis (unaudited)

The following narrative provides management's overview and analysis of Martin County Community Redevelopment Agency (CRA) for the fiscal year ended September 30, 2024. This information should be reviewed in conjunction with the financial statements and notes following this section. Additional information is provided in this narrative as the accompanying notes to the financial statements.

The CRA includes six project areas: Golden Gate, Hobe Sound, Jensen Beach, Old Palm City, Port Salerno, and Rio.

Financial Highlights

- At the close of fiscal year 2024, the CRA's assets exceeded its liabilities by \$37.986 million. Of this amount, \$19.958 million, or 52.5%, is net investment in capital assets, and \$18.028 million is unrestricted net position.
- At the beginning of fiscal year 2024, the CRA's net position was \$28.746 million; over the course of the year it increased by \$9.240 million, resulting in an ending net position of \$37.986 million.
- During the fiscal year, total assets increased by \$8.705 million, reflecting an increase of \$5.184 million in capital assets and an increase of \$3.522 million in other assets.
- Total liabilities decreased \$0.535 million, all current.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the CRA's basic financial statements. The CRA's basic financial statements comprise four components: 1) fund financial statements and 2) government-wide financial statements, which are combined into a single report, 3) notes to the financial statements, and 4) required supplementary information.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The CRA uses fund accounting to ensure and demonstrate compliance with legal, legislative, contractual, and other finance-related provisions.

These financial statements use a measurement focus and basis of accounting called modified accrual accounting. The modified accrual basis of accounting measures and reports cash and all other financial resources that can be readily converted into cash, usually within a time period of no more than 60 days after the end of the fiscal year. This information is useful in evaluating a government's near-term financing requirements. Because the focus is narrower than that of government-wide financial statements, it is useful to compare the 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.

Government-wide Financial Statements

The government-wide financial statements provide an overview of the CRA's financial position using the accrual basis of accounting, which is the same basis of accounting used by proprietary funds and is similar to that used by private-sector businesses. The purpose of the government-wide financial statements is to provide an assessment of the government's operational accountability, which shows the extent to which the government has met its operating objectives using all resources available for that purpose, and whether the government can continue to meet its objectives for the foreseeable future.

The CRA fund balance sheet is combined with the government-wide statement of net position, and the CRA governmental fund statement of revenues, expenditures, and changes in fund balances is combined with the government-wide statement of activities, with adjustments shown that occur from fund to government-wide. Details and reconciliation to facilitate the comparison between governmental funds and governmental activities are included in the Notes to the Financial Statements.

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.

Required Supplementary Information

A governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances – Budget to Actual is provided.

Government-wide Financial Analysis

As noted earlier, net position viewed over time may serve as a useful indicator of a government's financial position. At the close of fiscal year 2024, the CRA's assets exceeded liabilities by \$37.986 million.

CRA's Net Position as of September 30

	2024	2023
Assets		
Current and other assets	\$18,189,897	\$14,668,231
Capital assets, net	19,958,123	14,774,579
Total assets	38,148,020	29,442,810
Liabilities		
Current liabilities	161,879	697,117
Net position		
Net investments in capital assets	19,958,123	14,774,579
Unrestricted	18,028,018	13,971,114
Total net position	\$37,986,141	\$28,745,693

Significant year over year changes in Net Position are as follows:

- During the fiscal year, current and other assets increased \$3.521 million, or 24.01%, from increases in local shared revenue due to the overall increase in property values in the county. Capital assets increased \$5.184 million, or 35.08%, related to the contribution of vacant land in Palm City, Palm City Park Improvements, and the Rio Force Main Extension.
- Liabilities decreased \$0.535 million during fiscal year 2024. This decrease includes an increase of \$0.005 million in wages payable offset by a decrease of \$0.528 million in accounts payable and \$0.012 million in retainage payable.
- The net effect of these year-over-year changes is a \$9.240 million increase in net position.

CRA's Change in Net Position for the Year Ended September 30

	<u>2024</u>	<u>2023</u>
Revenues		
Intergovernmental revenues and operating grants and contributions, economic environment	\$ 6,593,272	\$ 6,378,386
Capital contributions, economic environment	4,245,096	690,100
Interest	742,265	494,227
Net change in fair value of investments	312,603	92,512
Total revenues	<u>11,893,236</u>	<u>7,655,225</u>
Expenses		
Current		
Economic Environment	<u>2,652,788</u>	<u>2,003,707</u>
Total expenses	<u>2,652,788</u>	<u>2,003,707</u>
 Change in net position	 9,240,448	 5,651,518
 Net position - beginning	 <u>28,745,693</u>	 <u>23,094,175</u>
 Net position - ending	 <u><u>\$37,986,141</u></u>	 <u><u>\$28,745,693</u></u>

Significant year over year differences in Changes in Net Position are as follows:

- Operating grants and contributions increased \$0.215 million, or 3.37%, due to increased property values that generate tax increment financing (TIF).
- Capital contributions increased \$3.555 million, or 515.14% due to the contribution of vacant Palm City land from general fund.
- Interest, including net change in fair value of investments, increased \$0.468 million because of year-to-year market fluctuations in interest rates.
- Current expenses increased \$0.649 million, or 32.39%, including an increase to depreciation of \$0.172 million, increase in salaries \$0.083 million for two additional employees, and an increase in operating expenses of \$0.234 million. These are normal fluctuations as various project areas start and finish activity. Depreciation activity increases as assets are completed and put into service.

Financial Analysis of the CRA's Funds

As noted earlier, CRA uses fund accounting to ensure and demonstrate compliance with State law and finance related legal requirements.

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

As of September 30, 2024, the CRA's governmental funds reported an ending fund balance of \$18.028 million. Of this total, \$17.987 million is designated as committed, \$0.039 million is assigned related to land held for resale, and

the remaining \$0.002 million is nonspendable prepaid items.

The excess of \$3.589 million in revenues over expenditures is related to revenues increasing. This compares to last fiscal year's increase of \$5.652 million. Revenues increased by \$4.238 million while expenditures increased by \$.649 million year over year, contributing to the increase in net change in fund balance. The CRA's share of local intergovernmental revenue increased \$.215 million.

Budgetary Highlights

Differences between the original budget and the final amended budget, and actual amounts to the final budget of the CRA are illustrated in the Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual.

The CRA final budget increase of \$13.590 million was primarily due to a \$13.530 million increase to the capital outlay budget, but the increase was not used. Various CRA projects were not completed and are ongoing.

Capital Assets and Debt Administration

As of September 30, 2024, the CRA's investment in capital assets amounts to \$19.958 million (net of accumulated depreciation). This investment in capital assets includes mostly land and land use rights, infrastructure, and construction in progress.

Martin County CRA's Capital Assets

	2023	2023
Land and land use rights	\$ 6,790,193	\$ 2,545,097
Land improvements	2,428,481	1,678,761
Buildings	338,609	338,609
Land use rights temporary	-	-
Machinery and equipment	155,203	129,903
Infrastructure	11,081,190	9,213,587
Construction in progress	1,115,247	2,240,539
Less: accumulated depreciation	(1,950,801)	(1,371,917)
Total	\$ 19,958,123	\$ 14,774,579

Major capital additions in fiscal year 2024 include \$5.183 million including the purchase of land in Palm City (\$4.040 million), Palm City Park Improvements (\$0.483 million), and Rio Force Main (\$1.683 million) See *Note 4 – Capital Assets* for additional detail.

Requests for Information

This financial report was prepared by the Division of Financial Services of the Office of the Clerk of the Circuit Court in the role as Comptroller for Martin County. Questions concerning any of the information in this report or requests for additional financial information should be addressed to the Martin County Clerk of the Circuit Court, Attn: Division of Financial Services, 100 East Ocean Boulevard, Stuart, Florida, 34994.



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Martin County, Florida
Community Redevelopment Agency
Governmental Fund Balance Sheet - Governmental Activities
September 30, 2024

	<u>General Fund</u>	<u>Adjustments (Note #2)</u>	<u>Governmental Activities</u>
ASSETS			
Current assets			
Cash and cash equivalents	\$ 2,348,660	\$ -	\$ 2,348,660
Investments	15,800,063	-	15,800,063
Assets held for resale or donation	39,394	-	39,394
Prepaid items	1,780	-	1,780
Noncurrent assets			
Capital assets not being depreciated	-	7,905,441	7,905,441
Capital assets, net of depreciation	-	12,052,682	12,052,682
Total assets	<u><u>\$ 18,189,897</u></u>	<u><u>19,958,123</u></u>	<u><u>38,148,020</u></u>
LIABILITIES			
Current liabilities			
Accounts payable	129,551	-	129,551
Accrued wages payable	13,736	-	13,736
Contracts payable - retainage	18,592	-	18,592
Total liabilities	<u><u>161,879</u></u>	<u><u>-</u></u>	<u><u>161,879</u></u>
FUND BALANCE			
Nonspendable prepaid items	1,780	(1,780)	-
Committed	17,986,844	(17,986,844)	-
Assigned to other assigned purposes	39,394	(39,394)	-
Total fund balance	<u><u>18,028,018</u></u>	<u><u>(18,028,018)</u></u>	<u><u>-</u></u>
Total liabilities and fund balance	<u><u>\$ 18,189,897</u></u>		
NET POSITION			
Net investment in capital assets		19,958,123	19,958,123
Unrestricted		18,028,018	18,028,018
Total net position		<u><u>\$ 37,986,141</u></u>	<u><u>\$ 37,986,141</u></u>

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

Martin County, Florida
Community Redevelopment Agency
Governmental Fund Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Activities
For the Year Ended September 30, 2024

	<u>General Fund</u>	<u>Adjustments (Note #2)</u>	<u>Governmental Activities</u>
REVENUES / PROGRAM REVENUES			
Intergovernmental revenues	\$ 6,593,272	\$ (6,593,272)	\$ -
Operating grants and contributions - economic environment	-	6,593,272	6,593,272
Capital grants and contributions - economic environment	-	4,245,096	4,245,096
Interest income	742,265	-	742,265
Net change in fair value of investments	312,603	-	312,603
Total revenues / program revenues	<u>7,648,140</u>	<u>4,245,096</u>	<u>11,893,236</u>
EXPENDITURES / EXPENSES			
Current:			
Economic environment	2,052,913	599,875	2,652,788
Capital outlay	1,538,323	(1,538,323)	-
Total expenditures / expenses	<u>3,591,236</u>	<u>(938,448)</u>	<u>2,652,788</u>
Excess of revenues over expenditures / expenses	<u>4,056,904</u>	<u>5,183,544</u>	<u>9,240,448</u>
Net change in fund balance / net position	<u>4,056,904</u>	<u>5,183,544</u>	<u>9,240,448</u>
Fund balance / net position - beginning	<u>13,971,114</u>	<u>14,774,579</u>	<u>28,745,693</u>
Fund balance / net position - ending	<u>\$ 18,028,018</u>	<u>\$ 19,958,123</u>	<u>\$ 37,986,141</u>

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

Martin County, Florida
Community Redevelopment Agency
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
For the Year Ended September 30, 2024

	Budgeted Amounts		Actual	Actual
	Original	Final	Amounts	Variance with Final Budget-Positive (Negative)
REVENUES				
Intergovernmental revenues	\$ 6,906,840	\$ 6,595,525	\$ 6,593,272	\$ (2,253)
Interest income	-	3,500	742,265	738,765
Net change in fair value of investments	-	-	312,603	312,603
Total revenues	<u>6,906,840</u>	<u>6,599,025</u>	<u>7,648,140</u>	<u>1,049,115</u>
EXPENDITURES				
Current:				
Economic environment	1,719,132	1,779,327	2,052,913	(273,586)
Capital outlay	<u>5,159,208</u>	<u>18,689,809</u>	<u>1,538,323</u>	<u>17,151,486</u>
Total expenditures	<u>6,878,340</u>	<u>20,469,136</u>	<u>3,591,236</u>	<u>16,877,900</u>
Excess (deficiency) of revenues over (under) expenditures	<u>28,500</u>	<u>(13,870,111)</u>	<u>4,056,904</u>	<u>17,927,015</u>
Reserves	<u>(28,500)</u>	<u>(1,500)</u>	<u>-</u>	<u>1,500</u>
Net change in fund balances	<u>-</u>	<u>(13,871,611)</u>	<u>4,056,904</u>	<u>\$ 17,928,515</u>
Fund balances - beginning	<u>-</u>	<u>13,871,611</u>	<u>13,971,114</u>	
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 18,028,018</u>	

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



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Martin County, Florida
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

Note 1 - Summary of Significant Accounting Policies

The significant accounting policies followed by Martin County Community Redevelopment Agency (the CRA) are summarized below:

A. Reporting Entity and Financial Statement Presentation

The CRA is reported as a blended component unit in the Martin County Annual Comprehensive Financial Report (ACFR). The CRA was established under the authority of F.S. 163, Part III, the Community Redevelopment Act, 1969, as amended (the "Statute"), and became effective upon adoption and filing of the County Ordinance #517 on June 24, 1997, (codified as Chapter 7 1/3 of the Code of Laws and Ordinances of Martin County). There are currently six neighborhoods within the County CRA.

The CRA is a policy-making body with the authority to adopt plans and set priorities for the planning, implementation, coordination, and funding of community redevelopment projects. The CRA is charged to act in accordance with the Statute, the Martin County Comprehensive Growth Management Plan (the "CGMP"), Chapter 7 1/3 of the Code of Laws and Ordinances of Martin County. The CRA is being reported as a nonmajor governmental fund for fiscal year 2024 in the County's ACFR.

The CRA is reported as a blended component unit because accounting principles generally accepted in the United States of America (GAAP) require organizations that are fiscally dependent on the County, substantively controlled by the same governing board as the County and provide services exclusively or almost exclusively for the benefit of the County, to have their financial transactions and account balances reported in the appropriate combining statements with the primary government.

Entity status for financial reporting purposes is governed by the Governmental Accounting Standards Board's ("GASB") Codification Section 2100 "Defining the Financial Reporting Entity." Although the CRA is operationally autonomous from the County, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the CRA is reported as a part of the primary government of Martin County, Florida.

B. Basic Financial Statements

The basic financial statements include both government-wide (based on the CRA as a whole) and fund financial statements. In the government-wide Statement of Net Position, the governmental activities are prepared using the economic resources measurement focus and accrual basis of accounting, which incorporates long-lived assets and receivables as well as long-term debt and obligations when applicable.

The government-wide Statement of Activities reflects both the gross and net costs per functional category (general government, public safety, physical environment, culture and recreation, etc.), which are otherwise being supported by general government revenues such as certain intergovernmental revenues. The Statement of Activities reduces gross expenses (including depreciation) by related program revenues (charges for services, operating and capital grants and contributions). The program revenues must be directly associated with the function or a business-type activity. The operating grants include operating-specific and discretionary (either operating or capital) grants while the capital grants column reflects capital-specific grants.

Martin County, Florida
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

For governmental activities the net cost (by function) is normally funded by general revenue, intergovernmental revenues, and interest income.

The governmental funds in the fund financial statements are presented on the current financial resources measurement focus and modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. This presentation is deemed most appropriate to (a) demonstrate legal and covenant compliance, (b) demonstrate the source and use of liquid resources, and (c) demonstrate how the CRA's actual experience conforms to the budget fiscal plan.

Since the governmental fund statements are presented on a different measurement focus and basis of accounting than the government-wide statements, Note 2 presents a reconciliation to briefly explain the adjustments necessary to reconcile the CRA fund financial statements with the CRA government-wide presentation.

C. Basis of Presentation

The accounting records of the CRA are organized on the basis of funds as prescribed by accounting principles generally accepted in the United States of America ("GAAP") applicable to governments as established by the Governmental Accounting Standards Board ("GASB"). The operations of each fund are accounted for within a separate set of self-balancing accounts that comprise its assets, deferred outflows, liabilities, deferred inflows, fund equity, revenues and expenditures/expenses.

Martin County Community Redevelopment Agency (CRA) fund was created by County ordinance and is used to account for activities of the six neighborhoods within the CRA.

D. Basis of Accounting and Measurement Focus

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

The governmental fund type measurement focus is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income determination. These funds are maintained on the modified accrual basis of accounting. Revenues are recognized when they become susceptible to accrual; that is, when they become both measurable and available to pay liabilities of the current period. For this purpose, the CRA considers revenue to be available if they are collected within 60 days.

In applying the "susceptible to accrual" concept to intergovernmental revenues (grants, entitlements and shared revenue), the legal and contractual requirements of the numerous individual programs are used as guidance. There are essentially two types of these revenues. In one, monies must be expended on the specific purpose before the CRA will earn any amounts (eligibility requirement); therefore, revenues are recognized based upon when the expenditures are made. In the other, monies are revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if they meet the criterion of availability.

Amounts reported as program revenues include 1) charges to customers or applicants for goods, services, or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Martin County, Florida
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

E. Budgets

Budgets are prepared on a basis consistent with GAAP and are balanced, meaning that total appropriations are equal to total revenues.

Budgets are legally adopted at the fund total level. Therefore, formal budgetary control is exercised at that level. Expenditures in excess of appropriations in one or more departments of a fund do not constitute a violation of budgetary controls as long as the total expenditures do not exceed total appropriations for the fund. Management employs lower level (departmental) controls, however, to prevent or reduce the potential for budget overruns at the fund total level.

During the year, the Office of Budget and Finance acts on intradepartmental budget changes that do not alter the total revenue or expenditures budgeted to a cost center. The Board, whether they are transfers between departments or alterations of total revenues or expenditures in a fund, approves all other budget changes. Supplemental appropriations were necessary, and the Board amended the budgetary data presented herein during the year in a legally permissible manner.

Revenues for the CRA are provided for primarily by ad valorem taxes. The key dates applicable to the ad valorem property tax cycle under normal conditions are as follows:

Assessment roll validated	July 1
Notice of Proposed Taxes Mailed	August 10-25
Millage resolution approved	October 8
Final Tax Roll Certification	October 10-20
Beginning of fiscal year for which taxes are levied	October 1
Property taxes payable	
Maximum discount	November 30
Delinquent	April 1
Tax certificates sold	June 1
Lien date	June 1

Property tax levies are based on assessed values as of January 1st and become due and payable on November 1st of each year. A discount of 4 percent is allowed if paid in November, with the discount decreasing by 1 percent each month. Thus, taxes paid in March will not receive any discount. All unpaid taxes become delinquent on April 1st. Real property taxes that are delinquent are charged 3 percent interest for April and May.

CRA projects are largely funded by Tax Increment Financing (TIF) from each redevelopment area. When a redevelopment area is established, the current assessed value of the property within the project area is designated as the base year value. TIF is a mechanism which captures a percentage of any new tax revenue generated within a redevelopment area. For example, if a CRA area is established in 2001, the Agency receives a percentage of any tax revenue greater than the amount of revenue captured in that base year. This percentage can range between 50% and 95%.

Currently, the six CRA areas receive 75% of this increase as TIF funds to be used in the community redevelopment areas, as allocated by the Board of County Commissioners. TIF funds collected from a particular CRA area are invested back into that area only.

Martin County, Florida
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

Generating TIF is not an additional tax levy or a supplementary assessment on property owners. It is not an additional tax. TIF is an economic development tool used to leverage funds to promote private sector investment within the primary urban service boundary, and to generate revenues to finance projects.

Per Florida Statute 163.387(2)(b), any taxing authority that does not pay the increment revenues to the trust fund by January 1 shall pay to the trust fund an amount equal to 5 percent of the amount of the increment revenues and shall pay interest on the amount of the unpaid increment revenues equal to 1 percent for each month the increment is outstanding, provided the agency may waive such penalty payment in whole or in part.

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

1. Cash and Cash Equivalents

Cash reported in the financial statements includes demand deposits, cash on hand, and short-term investments in highly liquid external local government investment pools with maturities of ninety days or less when purchased.

2. Assets Held for Resale

The CRA has purchased four properties to date for community redevelopment and has sold two of the properties under the requirements of Section 163.380, Florida Statutes. Assets held for resale are presented at the lower of cost or market.

3. Capital Assets

Capital assets, which include property, plant, equipment, infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and intangible items are reported in the government-wide financial statements. In the governmental fund financial statements, costs associated with the acquisition or construction of capital assets are shown as capital outlay expenditures. Capital assets are not shown on the governmental fund balance sheets, and no depreciation expense is recorded in the governmental funds. Dispositions and retirements are reported in the year of disposal. The County uses the following capitalization thresholds for assets, based on asset type:

The threshold for tangible personal property is \$5,000. Depending upon type, the thresholds for infrastructure and other assets ranges between \$25,000 and \$100,000. The threshold for intangible assets purchased or internally generated is \$25,000. For capital assets reporting, intangible assets are assets that lack physical substance and have a non-financial nature such as computer software, land use rights, etc.

All capital assets are recorded at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are recorded at their estimated acquisition value on the date donated. Dispositions and retirements and resulting gains or losses for the proprietary fund types and at the government-wide level are reported in the year of the disposal.

Martin County, Florida
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

Depreciation has been provided over the following estimated useful lives using the straight-line method:

Buildings	20 - 50 years
Improvements and equipment	3 - 40 years
Intangible plant asset	5 - 40 years
Roads	15 - 30 years
Bridges	50 years
Sidewalks	15 - 50 years
Stormwater	30 years
Software	5 years
Land use rights	Depends on Agreement

4. Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and other debits and liabilities and other credits, as well as disclosure of contingent assets and other debits and liabilities and other credits at the date of the financial statements and the reported amount of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

5. Fund Balance / Net Position

At the government-wide level:

Net investment in capital assets represents the portion of net position that is associated with capital assets and is therefore not available for general operations.

Unrestricted net position represents amounts that are generally available for any use.

At the governmental fund level:

Non-spendable fund balances include amounts not available in spendable form, like inventories or assets held for resale.

Assigned fund balance represents amounts that are intended to be used for specific purposes, but neither are restricted or committed.

Restricted fund balances are those amounts that are constrained for specific purposes which are externally imposed by creditors, grantor, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation.

Committed fund balances are those that contain self-imposed constraints or specific purposes, imposed by the government's highest level of decision-making authority. Formal action in the form of a County Ordinance must be taken by the Board prior to the end of the fiscal year. The same formal action must be taken by the Board to remove or change the limitations placed on the funds.

Martin County, Florida
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

Note 2 – Reconciliation Between Governmental Fund Statements and Government-Wide Statements

The following is a reconciliation between the Governmental Funds Balance Sheet and the Statement of Net Position at September 30, 2024:

Fund Balance	\$18,028,018
Add Capital Assets, net of accumulated depreciation as they are not financial resources and are therefore not reported in the funds	19,958,123
Net Position	<u>\$37,986,141</u>

The following is a reconciliation between the Statement of Governmental Fund Revenues, Expenditures and Changes in Fund Balances and the Statement of Activities for the fiscal year ended September 30, 2024:

Net change in fund balance	\$4,056,904
Less current year depreciation on capital assets as the Governmental Fund Statements record an expenditure at the time of purchase	(578,884)
Less asset deletion	(20,992)
Plus capital outlay recorded in fund level statements	1,538,323
Plus capital contribution	4,245,096
Change in net position	<u>\$ 9,240,448</u>

In addition, revenues are reported by program/function at government-wide.

Note 3 - Cash and Cash Equivalents and Investments

Cash and cash equivalents

The CRA participates in the pooled cash and investments of Martin County, Florida. Florida Statutes authorize the deposit of County funds in demand deposits or time deposits of financial institutions approved by the State Treasurer and are defined as public deposits. All County public deposits are held in qualified public depositories pursuant to chapter 280, Florida Statutes, the "Florida Security for Public Deposits Act." Under the Act, all qualified public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits times the depository's collateral pledging level. The collateral pledging level may range from 25% to 150%, depending upon the depository's financial condition and the length of time that the depository has been established. All collateral must be deposited with the State Treasurer. Any losses to public depositors resulting from insolvency are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessment against other qualified public depositories of the same type as the depository in default. All bank balances of the County are fully insured or collateralized.

The County receives interest on all collected balances in its cash accounts from the qualified public depository acting as its banking agent. Interest earnings are allocated to all funds based on the average daily balance of each fund's equity in the total investment pool. Cash Equivalents consist of short-term investments in highly liquid external local government investment pools with maturities of ninety days or less when purchased. As of September 30, 2024, the CRA had \$240,710 in cash and cash equivalents.

Martin County, Florida
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

Investments

GASB 72, Fair Value Measurement and Application, requires the County to use valuation techniques which are appropriate under the circumstances and are a market approach, cost approach, or income approach. GASB 72 establishes a hierarchy of inputs used to measure fair value consisting of three levels. Level 1 inputs are quoted prices in active markets for identical assets or liabilities. Level 2 inputs are inputs, other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs, and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. GASB 72 also contains note disclosure requirements regarding the hierarchy of valuation inputs and valuation techniques that were used for the fair value measurements. The County's fair value measurements for U.S. Treasuries and U.S. Agencies are categorized as Level 2 and are valued by the County's investment brokers using independent pricing services based on the type of asset. The pricing services may use valuation models or matrix pricing, which consider benchmark yields, reported trades, broker/dealer quotes, benchmark securities, bids or offers, and reference data. Investments with fair value measures at amortized cost or Net Asset Value (NAV) are excluded from categorization within the fair value hierarchy of GASB No. 72. Additional discussion about fair value measures and the County's investments is detailed in Note 1 Summary of Significant Accounting Policies, item H. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and net Position or Equity, sub section 2. Investments of the County's Annual Comprehensive Financial Report (ACFR) for the year ended September 30, 2024.

The fair value amounts, presented in the following tables, are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of net position.

Cash and cash equivalent	\$ 240,710
Investments	<u>17,908,013</u>
	<u>\$ 18,148,723</u>

As of September 30, 2024, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit the County's access to 100 percent of their account value in the external investment pool.

The CRA does not manage its own investments. It is a portion of the County's overall pooled investments; refer to *Note 2 – Cash and Cash Equivalents and Investments* in the Martin County ACFR for further information on the County's disclosures for custodial risk, credit risk, concentration risk, and interest rate risk.

Martin County, Florida
Notes to Special-Purpose Financial Statements
For the Year Ended September 30, 2024

Note 4 – Capital Assets

Capital asset activity for the year ended September 30, 2024, was as follows:

CRA - CAPITAL ASSET ROLLFORWARD FY2024

	Beginning Balance	Increases/ Transfers	Decreases/ Transfers	Ending Balance
Capital assets not being depreciated:				
Land	2,526,801	4,245,096	-	6,771,897
Land use rights - permanent	18,296	-	-	18,296
Construction in progress	2,240,539	1,538,323	(2,663,615)	1,115,247
Total capital assets not being depreciated	4,785,636	5,783,419	(2,663,615)	7,905,441
Capital assets being depreciated:				
Buildings and improvements	338,609	-	-	338,609
Equipment and other assets	129,903	25,300	-	155,203
Land use rights - temporary	-	-	-	-
Land improvements	1,678,761	749,720	-	2,428,481
Infrastructure	9,213,587	1,867,603	-	11,081,190
Total capital assets being depreciated	11,360,860	2,642,623	-	14,003,483
Less accumulated depreciation for:				
Buildings and improvements	(199,905)	(14,669)	-	(214,574)
Equipment and other assets	(31,383)	(11,706)	-	(43,089)
Land use rights - temporary	-	-	-	-
Land improvements	(161,756)	(95,817)	-	(257,573)
Infrastructure	(978,873)	(456,691)	-	(1,435,564)
Total accumulated depreciation	(1,371,917)	(578,884)	-	(1,950,801)
Total capital assets being depreciated, net	9,988,943	2,063,739	-	12,052,682
Governmental activities capital assets, net	14,774,579	7,847,158	(2,663,615)	19,958,123

Depreciation expense was charged as follows:

Economic Environment	\$ 578,884
Total Depreciation Expense	\$ 578,884

Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Independent Auditor's Report

Honorable Board of County Commissioners
Martin County, Florida
Community Redevelopment Agency

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities and General Fund of the Martin County Community Redevelopment Agency (the "CRA") as of and for the year ended September 30, 2024, and have issued our report thereon dated April 10, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the CRA'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 CRA's internal control. Accordingly, we do not express an opinion on the effectiveness of the CRA'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the CRA'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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the CRA's basic financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, grant agreements and contracts, 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*.

Honorable Board of County Commissioners
Martin County, Florida Community Redevelopment Agency

We noted certain matters that we reported to management of the CRA in a separate letter dated April 10, 2025.

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

Forvis Mazars, LLP

**Fort Lauderdale, Florida
April 10, 2025**

Independent Auditor's Management Letter

Honorable Board of County Commissioners
Martin County, Florida
Community Redevelopment Agency

Report on the Financial Statements

We have audited the basic financial statements of the Martin County Community Redevelopment Agency (the "CRA") as of and for the year ended September 30, 2024, and have issued our report thereon dated April 10, 2025.

Auditor's Responsibility

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

Other Reporting Requirements

We have also issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated April 10, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. In connection with the preceding audit, there were no findings or recommendations.

Official Title and Legal Authority

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

Financial Condition and Management

Sections 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 CRA has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the CRA did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Honorable Board of County Commissioners
Martin County, Florida Community Redevelopment Agency

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the CRA. It is management's responsibility to monitor the CRA's financial condition, and our financial condition assessment was based, in part, on representations made by management and the review of financial information provided by same.

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

Property Assessed Clean Energy (PACE) Programs

As required by Section 10.554(1)(i)6.a., *Rules of the Auditor General*, a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did operate within Martin County's geographical boundaries during the fiscal year under audit. Program administrator information is reported in Martin County's management letter for the fiscal year ended September 30, 2024.

Special District Component Units

Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicated the failure of a special district that is a component unit of a county, municipality, or special district, provided 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 determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Specific information of the CRA, a dependent district of Martin County, Florida, that is required by Section 218.39(3)(c), Florida Statutes, and Section 10.544(1)(i)6, *Rules of the Auditor General*, is reported in Martin County's management letter for the fiscal year ended September 30, 2024.

Additional Matters

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

Purpose of this Letter

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

Forvis Mazars, LLP

**Fort Lauderdale, Florida
April 10, 2025**

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Independent Accountant's Report

Honorable Board of County Commissioners
Martin County, Florida
Community Redevelopment Agency

We have examined the Martin County Community Redevelopment Agency's (the "CRA") compliance with the requirements of Sections 163.387(6) and (7) and 218.415, Florida Statutes, during the year ended September 30, 2024. Management is responsible for the CRA's compliance with those requirements. Our responsibility is to express an opinion on the CRA's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the CRA complied with those requirements, in all material respects. An examination involves performing procedures to obtain evidence about the CRA's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the CRA's compliance with specified requirements.

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

In our opinion, the CRA complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2024.

Forvis Mazars, LLP

**Fort Lauderdale, Florida
April 10, 2025**



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