

SUWANNEE RIVER ECONOMIC COUNCIL, INC.

FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

SUWANNEE RIVER ECONOMIC COUNCIL, INC.
TABLE OF CONTENTS
SEPTEMBER 30, 2023

	Page(s)
Independent Auditors' Report	1 – 3
Financial Statements	
Statement of Financial Position	4
Statement of Activities	5
Statement of Functional Expenses	6 – 7
Statement of Cash Flows	8
Notes to Financial Statements	9 – 13
Schedule of Expenditures of Federal Awards and State Financial Assistance	14 – 16
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance	17
Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed In Accordance with <i>Government Auditing Standards</i>	18 – 19
Independent Auditors' Report on Compliance For Each Major Federal Program and State Project and Report on Internal Control over Compliance in Accordance with the Uniform Guidance and Chapter 10.650, Rules of the State of Florida, Office of the Auditor General	20 – 22
Schedule of Findings and Questioned Costs	23 – 24

INDEPENDENT AUDITORS' REPORT

To the Board of Directors,
Suwannee River Economic Council, Inc.:

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Suwannee River Economic Council, Inc. (a nonprofit organization), which comprise the statement of financial position as of September 30, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Suwannee River Economic Council, Inc. as of September 30, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Suwannee River Economic Council, Inc. 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 opinion.

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 Suwannee River Economic Council, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditors' Responsibilities for the Audit of the Financial Statements

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

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- 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 audits 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 Suwannee River Economic Council, Inc.'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 Suwannee River Economic Council, Inc.'s ability to continue as a going concern for a reasonable period of time.

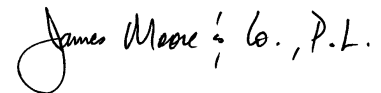
We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control-related matters that we identified during the audits.

Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for purposes of additional analysis as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and Chapter 10.650, Rules of the State of Florida, Office of the Auditor General, and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the 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 Schedule of Expenditures of Federal Awards and State Financial Assistance is fairly stated in all material respects in relation to the financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 28, 2024, on our consideration of Suwannee River Economic Council, Inc.'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 Suwannee River Economic Council, Inc.'s internal control over financial reporting and compliance.

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

Gainesville, Florida
January 28, 2024

SUWANNEE RIVER ECONOMIC COUNCIL, INC.
STATEMENT OF FINANCIAL POSITION
SEPTEMBER 30, 2023

ASSETS

Current assets	
Cash and cash equivalents	\$ 7,980,250
Grants and contracts receivable	1,751,667
Prepaid expenses	48,401
Inventory	248,789
Total current assets	10,029,107
Property and equipment , net of accumulated depreciation	1,614,379
Total Assets	\$ 11,643,486

LIABILITIES AND NET ASSETS

Current liabilities	
Accounts payable	\$ 624,933
Accrued expenses	384,324
Total Liabilities	1,009,257
Net assets	
Without donor restrictions	
Undesignated	9,019,850
Property and equipment	1,614,379
Total net assets	10,634,229
Total Liabilities and Net Assets	\$ 11,643,486

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

SUWANNEE RIVER ECONOMIC COUNCIL, INC.
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Without donor restrictions

Support and revenues

Support:

Grants and contracts	\$ 10,032,188
Contributions and other cash match	301,496
In-kind contributions	88,949
Total support	10,422,633

Revenues:

Interest earned	148,144
-----------------	---------

Total support and revenues

10,570,777

Expenses

Program services:

Special Programs for the Aging	1,820,390
Low-Income Home Energy Assistance	2,834,635
Low-Income Home Water Assistance	155,639
Transportation Disadvantaged	2,016,424
State Housing Initiatives Partnership	207,542
Community Care for the Elderly	991,415
Community Services Block Grant	287,944
Farmer's Market	12,000
Emergency Home Energy Assistance	175,895
Home Care for the Elderly	137,923
Alzheimer's Disease Initiative	260,312
Total program services	8,900,119

Administrative services

1,366,939

Total expenses

10,267,058

Increase in net assets

303,719

Net assets, beginning of year

10,330,510

Net assets, end of year

\$ 10,634,229

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

SUWANNEE RIVER ECONOMIC COUNCIL, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Special Programs for the Aging	Low-Income Home Energy Assistance	Transportation Disadvantaged	State Housing Initiatives Partnership	Community Care for the Elderly	Community Services Block Grant	Farmers' Market
Program services							
Personnel	\$ 556,731	\$ 216,730	\$ 762,840	\$ 113,946	\$ 328,540	\$ 58,510	\$ -
Fringe	260,157	145,418	358,941	56,375	155,216	38,548	-
Travel	62,226	4,719	3,957	13,246	36,280	766	-
Education and training	41,000	792	1,376	1,006	25	86,626	-
Communication and postage	18,249	11,093	29,845	7,404	10,964	1,561	-
Utilities	22,325	6,651	22,670	3,533	12,466	1,099	-
Printing and supplies	15,609	13,597	15,802	7,929	9,469	6,553	-
Advertising	-	-	49	337	-	-	-
Insurance	-	-	123,927	-	-	-	-
Maintenance and repairs	5,514	1,276	344	237	1,640	2,418	-
Space costs	21,165	12,983	20,856	2,030	12,891	1,443	-
Short-term leases	13,878	8,518	13,675	1,330	8,452	945	-
Professional, legal and audit	-	-	4,222	-	-	-	-
Subcontract	726,133	-	1,694	-	233,220	-	-
Program supplies	1,735	-	-	-	417	-	-
Program services and other	616	2,412,858	428,266	169	704	89,475	12,000
Material aid	7,545	-	-	-	30,067	-	-
Medical consumables	26,431	-	-	-	112,748	-	-
In-kind	50,633	-	-	-	38,316	-	-
Total program services before depreciation	<u>1,788,988</u>	<u>2,834,635</u>	<u>1,788,464</u>	<u>207,542</u>	<u>991,415</u>	<u>287,944</u>	<u>12,000</u>
Depreciation	31,402	-	227,960	-	-	-	-
Total program services	<u>1,820,390</u>	<u>2,834,635</u>	<u>2,016,424</u>	<u>207,542</u>	<u>991,415</u>	<u>287,944</u>	<u>12,000</u>
Allocation of administrative expenses	258,298	145,735	378,281	44,645	166,374	39,628	-
Total expenses	<u>\$ 2,078,688</u>	<u>\$ 2,980,370</u>	<u>\$ 2,394,705</u>	<u>\$ 252,187</u>	<u>\$ 1,157,789</u>	<u>\$ 327,572</u>	<u>\$ 12,000</u>

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

SUWANNEE RIVER ECONOMIC COUNCIL, INC.
STATEMENT OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

(Continued)

	Emergency Home Energy Assistance	Low-Income Home Water Assistance	Home Care for the Elderly	Alzheimer's Disease Initiative	Administrative	Total
Program services						
Personnel	\$ 11,926	\$ 9,554	\$ 32,834	\$ 98,746	\$ 537,349	\$ 2,727,706
Fringe	5,740	6,990	21,628	44,954	346,530	1,440,497
Travel	113	-	1,920	7,654	5,644	136,525
Education and training	-	-	3	7	688	90,564
Communication and postage	255	1,005	1,169	2,906	16,355	100,806
Utilities	352	136,290	1,411	3,549	11,441	221,787
Printing and supplies	220	621	990	2,658	29,838	103,286
Advertising	-	-	-	-	-	386
Insurance	-	-	-	-	63,884	187,811
Maintenance and repairs	1	-	8	50	71,471	82,959
Space costs	376	712	1,657	3,374	14,519	92,006
Short-term leases	247	467	1,085	2,210	9,519	60,326
Professional, legal and audit	-	-	-	-	54,306	58,528
Subcontract	-	-	-	33,727	-	994,774
Program supplies	-	-	-	95	-	2,247
Program services and other	156,665	-	5,443	115	176,397	3,282,708
Material aid	-	-	17,637	7,340	-	62,589
Medical consumables	-	-	52,138	52,927	-	244,244
In-kind	-	-	-	-	-	88,949
Total program services before depreciation	<u>175,895</u>	<u>155,639</u>	<u>137,923</u>	<u>260,312</u>	<u>1,337,941</u>	<u>9,978,698</u>
Depreciation	-	-	-	-	28,998	288,360
Total program services	<u>175,895</u>	<u>155,639</u>	<u>137,923</u>	<u>260,312</u>	<u>1,366,939</u>	<u>10,267,058</u>
Allocation of administrative expenses	4,800	6,783	18,209	49,231	(1,111,984)	-
Total expenses	<u>\$ 180,695</u>	<u>\$ 162,422</u>	<u>\$ 156,132</u>	<u>\$ 309,543</u>	<u>\$ 254,955</u>	<u>\$ 10,267,058</u>

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

SUWANNEE RIVER ECONOMIC COUNCIL, INC.
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Cash flows from operating activities	
Cash received from grantors, contractors and programs	\$ 10,239,292
Cash paid to employees and vendors	(9,945,180)
Interest received	148,144
Local cash contributions	301,496
Net cash provided by operating activities	743,752
 Cash flows from investing activities	
Purchases of property and equipment	(39,786)
Proceeds from the sale of property and equipment	200
Net cash used in investing activities	(39,586)
Net increase in cash and cash equivalents	704,166
Cash and cash equivalents, beginning of year	7,276,084
Cash and cash equivalents, end of year	\$ 7,980,250
 Reconciliation of increase in net assets to net cash provided by operating activities	
Increase in net assets	\$ 303,719
Adjustments to reconcile increase in net assets to net cash provided by operating activities:	
Depreciation	288,360
Gain on sale of fixed asset	(200)
Changes in assets and liabilities:	
Grants and contracts receivable	207,304
Prepaid expenses	148,492
Inventory	(69,163)
Accounts payable and accrued expenses	(134,760)
Total adjustments	440,033
Net cash provided by operating activities	\$ 743,752

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

SUWANNEE RIVER ECONOMIC COUNCIL, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

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

The following is a summary of the more significant accounting policies and practices of Suwannee River Economic Council, Inc. (the "Organization"), which affect significant elements of the accompanying financial statements:

(a) **Organization and purpose**—The Organization is a not-for-profit corporation formed to cooperate with and assist governmental and private agencies in accomplishing the purposes described in the Community Services Act of 1974 and amendments thereto. Its principal activities consist of carrying out community action programs in north Florida under federal, state and private agency grants requiring compliance with specific grant conditions and other special requirements.

(b) **Basis of presentation**—The financial statements have been prepared on the accrual basis of accounting, and accordingly, reflect significant receivables, payables, and other liabilities.

The Organization is required to report information regarding its financial position and activities according to two classes of net assets: without donor restriction and with donor restrictions.

Net assets without donor restrictions—Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. The Organization's board may designate assets without restrictions for specific purposes.

Net assets with donor restrictions—Net assets subject to stipulations imposed by donors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

There are no net assets with donor restrictions at September 30, 2023.

(c) **Revenue recognition**—The Organization receives substantially all of its grant and contract revenue from Federal, State and local agencies. The Organization recognizes contract revenue (up to the contract ceiling) from its contracts over a period which represents the service period for certain contracts, or to the extent of expenses. Revenue recognition varies by the contract.

(d) **Property and equipment**—Property and equipment acquired by the Organization are considered to be owned by the Organization. However, funding sources may maintain an equitable interest in the property purchased with grant monies as well as the right to determine the use of any proceeds from the sale of these assets. The State of Florida has a reversionary interest in those assets purchased with its funds which have a cost of \$1,000 or more and an estimated useful life of at least one year. The federal government has a reversionary interest in those assets purchased with its funds which have a cost of \$5,000 or more and an estimated useful life of at least one year.

Property and equipment with a value greater than \$5,000 and an estimated useful life of at least one year are recorded at cost when purchased or at estimated fair value when contributed. Depreciation is computed using the straight-line method over the estimated useful life of the assets, ranging from 3 to 39 years.

SUWANNEE RIVER ECONOMIC COUNCIL, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

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

(e) **Contributed facilities, services and other support**—The Organization receives contributed materials and supplies which are reported as in-kind contributions and in-kind expense at their estimated fair value in the period in which they are donated.

Contributed property and equipment is recorded at fair value at the date of donation. In the absence of donor-imposed stipulations regarding how long the contributed assets must be used, the Organization has adopted a policy of not implying a time restriction on contributions of such assets; consequently, all contributions of property and equipment, and of the assets contributed to acquire property and equipment, are recorded as net assets without donor restrictions.

The value of donated professional services is included as in-kind contributions and in-kind expense in the financial statements. In addition, donated services with an estimated value of approximately \$17,000 were not recognized in the financial statements because they did not meet the criteria for revenue recognition.

(f) **Functional allocation of expenses**—The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited. Costs are allocated between programs and supporting services based on salary expense.

(g) **Income taxes**—The Organization is generally exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Therefore, no provision for income taxes has been made in the accompanying financial statements.

The Organization files income tax returns in the U.S. Federal jurisdiction. The Organization's income tax returns for the past three years are subject to examination by tax authorities and may change upon examination.

The Organization has reviewed and evaluated the relevant technical merits of each of its tax positions in accordance with accounting principles generally accepted in the United States of America for accounting for uncertainty in income taxes, and determined that there are no uncertain tax positions that would have a material impact on the financial statements.

(h) **Cash and cash equivalents**—For the purpose of reporting cash flows, cash and cash equivalents includes cash on hand, amounts in demand deposits and short-term investments with an original maturity date of ninety days or less.

(i) **Use of estimates**—The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

SUWANNEE RIVER ECONOMIC COUNCIL, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

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

(j) **Contributions**—All contributions are reported as increases in net assets without donor restrictions unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donors for specific purposes are reported as increases in net assets with donor restrictions. However, if a restriction is fulfilled in the same time period in which the contribution is received, the entity reports the support as increase in net assets without donor restrictions.

Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received.

Amortization of the discounts is included in contribution revenue. It is the Organization's policy to use the direct write-off method for unconditional promises to give deemed to be uncollectible. This method yields substantially the same results as the allowance method. Conditional promises to give are not included as support until the conditions are substantially met.

(k) **Grants and contracts receivable**—Grants and contracts receivable are stated at the amount management expects to collect from balances outstanding at year-end. Based on management's assessment of the credit history with grantors and contractors having outstanding balances and current relationships with them, it has concluded that realization losses on balances outstanding at year-end will be immaterial. The grants and contracts receivable balance on October 1, 2022, was \$1,958,971.

(l) **Inventory**—Inventory consists of frozen meals for distribution to program participants. Inventory is recorded at the lower of cost or market.

(m) **Accrued leave**—The Organization compensates its employees for unused vacation and sick leave upon termination of employment. The amount of change in accrued vacation and sick leave for all employees from one year to the next is recorded in personnel expense during the current year.

(n) **Deferred revenue**—The Organization records certain contract receipts as deferred revenue until it is expended for the purpose of the contract, at which time it is recognized as revenue.

(o) **Subsequent events**—The Organization has evaluated events and transactions for potential recognition or disclosure in the financial statements through January 28, 2024, the date which the financial statements were available to be issued. No subsequent events have been recognized or disclosed.

(p) **Recently issued accounting pronouncements**—In February 2016, the Financial Accounting Standards Board (FASB) issued guidance (Accounting Standards Codification [ASC] 842, *Leases*) to increase transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the balance sheet. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

SUWANNEE RIVER ECONOMIC COUNCIL, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

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

(p) **Recently issued accounting pronouncements** (Continued)—The Organization adopted the standard effective October 1, 2022. Since there were no operating or finance leases in effect as of October 1, 2022, requiring recognition under ASC 842, the adoption did not have a material impact on the Organization’s financial position, results of operations and cash flows. Certain terminology changes have been implemented, including references to rent and/or short-term rent being referenced as short-term lease.

(2) **Matching Requirements:**

The Organization receives a portion of its support through grants and contracts. Certain grants and contracts require the Organization to provide specified amounts of matching revenue. For each grant/contract, where applicable, the Organization has met all matching requirements. Also, for each grant/contract that ended on or before September 30, 2023, no obligation remains outstanding to the funding source.

(3) **Pension Plan:**

The Organization sponsors a 401(k) plan. The plan covers all eligible employees of the Organization. Employees are considered to be eligible when they are 21 years of age and have one year of service as defined by the plan document. Employees are fully vested following three years of service. The Organization normally makes a contribution of 10% of each eligible employee’s gross salary. The level of future funding could affect the Organization’s ability to continue the normal contribution. The amount of plan expense for the year ended September 30, 2023, was approximately \$298,000.

(4) **Short-term Leases:**

The Organization leases various office equipment and office space. The Organization has elected to apply the short-term lease exemption to these leases. The short-term lease cost recognized and disclosed for those leases in the year ended September 30, 2023, was approximately \$60,000.

(5) **Property and Equipment:**

Property and equipment consists of the following at September 30, 2023:

Land	\$ 154,107
Equipment	1,938,622
Buildings	<u>2,840,740</u>
	4,933,469
Less: accumulated depreciation	<u>(3,319,090)</u>
Total	<u>\$ 1,614,379</u>

Depreciation expense for the year ended September 30, 2023 was \$288,360

SUWANNEE RIVER ECONOMIC COUNCIL, INC.
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

(6) Concentrations of Credit Risk:

The more significant concentrations of credit risk are as follows:

(a) **Demand deposits**—The Organization maintains demand deposits with one financial institution. The Organization has a policy requiring collateral or other security to support its deposits in excess of FDIC coverage. All demand deposits with banks are insured for amounts in excess of FDIC limits.

(b) **Grants and contracts receivable**—The Organization’s receivables are for amounts due under contracts with the Federal, State, and local agencies under cost-reimbursement and service contracts related to health and welfare activities. The Organization has no policy requiring collateral or other security to support its receivables.

(c) **Significant funding sources**—The Organization receives a substantial amount of its funding from the following sources:

U.S. Department of Health and Human Services	51%
U.S. Department of Transportation	16%
State of Florida Department of Elder Affairs	12%

A significant reduction in the level of this funding, if this were to occur, could have an adverse effect on the Organization’s programs and activities.

(7) Contingent Liabilities:

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

(8) Liquidity and Availability:

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

Financial assets available within one year, at year end:	
Cash and cash equivalents	\$ 7,980,250
Grants and contracts receivable	1,751,667
Financial assets available to meet cash needs for general expenditures within one year	\$ 9,731,917

As shown in the table above, the Organization has adequate financial assets available to meet liquidity needs. The Organization receives significant grant funds each year, which are entirely available to meet annual cash needs for general and program expenditures. The Organization is reliant on this grant funding to meet liquidity needs, as discussed in Note 6.

SUWANNEE RIVER ECONOMIC COUNCIL, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Federal Grantor/Pass-Through Grantor/ State Grantor/Program Title	Federal AL Number	State CSFA Number	Pass-Through Entity Identifying Number	Expenditures
FEDERAL AWARDS				
U.S. Department of Transportation				
Passed through Florida Department of Transportation				
COVID-19 Formula Grants for Rural Areas - Bradford	20.509	--	G2589	\$ 463,042
COVID-19 Formula Grants for Rural Areas - Dixie	20.509	--	G2590	210,189
COVID-19 Formula Grants for Rural Areas - Gilchrist	20.509	--	G2591	217,305
COVID-19 Formula Grants for Rural Areas - Lafayette	20.509	--	G2592	275,811
COVID-19 Formula Grants for Rural Areas - Union	20.509	--	G2593	207,545
Formula Grants for Rural Areas - Dixie	20.509	--	G1M05/G2K12	128,413
Formula Grants for Rural Areas - Gilchrist	20.509	--	G1M06/G2N01	44,115
Formula Grants for Rural Areas - Union	20.509	--	G1M08/G2K14	122,937
Total U.S. Department of Transportation				<u>1,669,357</u>
U.S. Department of Agriculture				
Passed through Mid-Florida Area Agency on Aging, Inc.				
Senior Farmers Market Nutrition Program	10.576	--	M1901-13	12,000
Total U.S. Department of Agriculture				<u>12,000</u>

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

SUWANNEE RIVER ECONOMIC COUNCIL, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2023
(Continued)

Federal Grantor/Pass-Through Grantor/ State Grantor/Program Title	Federal AL Number	State CSFA Number	Pass-Through Entity Identifying Number	Expenditures
FEDERAL AWARDS (Continued)				
U.S. Department of Health and Human Services				
Passed through Florida Department of Elder Affairs				
Passed through Mid-Florida Area Agency on Aging, Inc.				
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	--	OAA-22-SREC	\$ 156,823
Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	--	OAA-23-SREC	448,995
COVID-19 Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers	93.044	--	APR-22-SREC	44,346
				<u>650,164</u>
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	--	OAA-21-SREC	44,838
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	--	OAA-22-SREC	283,610
Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	--	OAA-23-SREC	486,332
COVID-19 Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	--	ARP-22-SREC	116,912
COVID-19 Special Programs for the Aging, Title III, Part C, Nutrition Services	93.045	--	CV-21-SREC	13,343
				<u>945,035</u>
Nutrition Services Incentive Program	93.053	--	OAA-22-SREC	23,343
Nutrition Services Incentive Program	93.053	--	OAA-23-SREC	50,602
				<u>73,945</u>
			Total Aging Cluster	<u>1,669,144</u>
National Family Caregiver Support, Title III, Part E	93.052	--	OAA-22-SREC	27,912
National Family Caregiver Support, Title III, Part E	93.052	--	OAA-23-SREC	26,768
				<u>54,680</u>
Passed through Florida Department of Commerce				
Low-Income Home Energy Assistance	93.568	--	E2024	2,985,232
Low-Income Home Energy Assistance	93.568	--	EA-21-SREC	191,615
COVID-19 Low-Income Home Energy Assistance	93.568	--	ARPA-EA -21-SREC	31,874
				<u>3,208,721</u>
Passed through Florida Department of Commerce				
Community Services Block Grant	93.569	--	E2024	327,975
Passed through Florida Department of Commerce				
Low-Income Home Water Assistance	93.499	--	E2024	160,870
				<u>5,421,390</u>
Total U.S. Department of Health and Human Services				<u>5,421,390</u>
Total Federal Awards				<u>\$ 7,102,747</u>

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

SUWANNEE RIVER ECONOMIC COUNCIL, INC.
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2023
(Continued)

Federal Grantor/Pass-Through Grantor/ State Grantor/Program Title	Federal AL Number	State CSFA Number	Pass-Through Entity Identifying Number	Expenditures
STATE FINANCIAL ASSISTANCE				
Florida Department of Transportation				
Florida Commission for the Transportation Disadvantaged (CTD) Trip and Equipment Grant Program - Bradford	--	55.001	G2992	\$ 110,427
Florida Commission for the Transportation Disadvantaged (CTD) Trip and Equipment Grant Program - Bradford	--	55.001	G2K25	42,000
Florida Commission for the Transportation Disadvantaged (CTD) Trip and Equipment Grant Program - Dixie	--	55.001	G2A02	147,718
Florida Commission for the Transportation Disadvantaged (CTD) Trip and Equipment Grant Program - Dixie	--	55.001	G2K38	47,090
Florida Commission for the Transportation Disadvantaged (CTD) Trip and Equipment Grant Program - Gilchrist	--	55.001	G2A08	69,802
Florida Commission for the Transportation Disadvantaged (CTD) Trip and Equipment Grant Program - Gilchrist	--	55.001	G2K44	26,482
Florida Commission for the Transportation Disadvantaged (CTD) Trip and Equipment Grant Program - Lafayette	--	55.001	G2A18	90,397
Florida Commission for the Transportation Disadvantaged (CTD) Trip and Equipment Grant Program - Lafayette	--	55.001	G2K56	30,978
Florida Commission for the Transportation Disadvantaged (CTD) Trip and Equipment Grant Program - Union	--	55.001	G2A48	100,239
Florida Commission for the Transportation Disadvantaged (CTD) Trip and Equipment Grant Program - Union	--	55.001	G2K86	31,771
Total Florida Department of Transportation				<u>696,904</u>
Florida Department of Elder Affairs				
Passed through Mid-Florida Area Agency on Aging, Inc.				
Home Care for the Elderly	--	65.001	HCE-22-SREC	69,484
Home Care for the Elderly	--	65.001	HCE-23-SREC	22,649
Home Care for the Elderly		65.001	EHCE-CE-22-SREC	<u>30,828</u>
				<u>122,961</u>
Passed through Mid-Florida Area Agency on Aging, Inc.				
Alzheimer's Respite Services	--	65.004	ADI-22-SREC	176,887
Alzheimer's Respite Services	--	65.004	ADI-23-SREC	<u>63,093</u>
				<u>239,980</u>
Passed through Mid-Florida Area Agency on Aging, Inc.				
Community Care for the Elderly	--	65.010	CCE-22-SREC	703,248
Community Care for the Elderly	--	65.010	CCE-23-SREC	<u>209,287</u>
				<u>912,535</u>
Total Florida Department of Transportation				<u>1,275,476</u>
Total State Financial Assistance				<u>1,972,380</u>
Total Federal Awards and State Financial Assistance				<u>\$ 9,075,127</u>

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

**SUWANNEE RIVER ECONOMIC COUNCIL, INC.
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

Note 1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) includes the Federal Awards and State Financial Assistance activity of Suwannee River Economic Council, Inc. under programs of the federal and state government for the year ended September 30, 2023, 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 10.650, Rules of the State of Florida, Office of the Auditor General. Because the Schedule presents only a selected portion of the operations of Suwannee River Economic Council, Inc. it is not intended to and does not present the financial position, changes in net assets, or cash flows of Suwannee River Economic Council, Inc.

Note 2. Summary of Significant Accounting Policies

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowed or are limited as to reimbursement.

No amounts were passed through to subrecipients during the year ended September 30, 2023.

Note 3. De Minimis Indirect Cost Rate Election

Suwannee River Economic Council, Inc. has elected not to use the 10 percent de minimis indirect cost rate as allowed under Uniform Guidance.

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

To the Board of Directors,
Suwannee River Economic Council, Inc.:

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of Suwannee River Economic Council, Inc., which comprise the statement of financial position as of September 30, 2023, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the financial statements and have issued our report thereon dated January 28, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Suwannee River Economic Council, Inc.'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 Suwannee River Economic Council, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Suwannee River Economic Council, Inc.'s internal control.

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

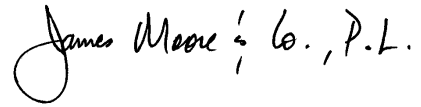
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not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

Report on Compliance and Other Matters

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

Purpose of This Report

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

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

Gainesville, Florida
January 28, 2024

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH
MAJOR FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH THE
UNIFORM GUIDANCE AND CHAPTER 10.650, RULES OF THE
STATE OF FLORIDA, OFFICE OF THE AUDITOR GENERAL**

To the Board of Directors,
Suwannee River Economic Council, Inc.:

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited Suwannee River Economic Council, Inc.'s (a not-for-profit corporation) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *Florida Department of Financial Services State Projects Compliance Supplement* that could have a direct and material effect on each of Suwannee River Economic Council, Inc.'s major federal programs and major state projects for the year ended September 30, 2023. Suwannee River Economic Council, Inc.'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, Suwannee River Economic Council, Inc. complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and major state projects for the year ended September 30, 2023

Basis for Opinion on Each Major Federal Program and 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 Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.650, Rules of the Auditor General. Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Suwannee River Economic Council, Inc. 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 Suwannee River Economic Council, Inc.'s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to Suwannee River Economic Council, Inc.'s federal programs and state programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Suwannee River Economic Council, Inc.'s compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Suwannee River Economic Council, Inc.'s compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.650, Rules of the Florida 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 Suwannee River Economic Council, Inc.'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 Suwannee River Economic Council, Inc.'s internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.650, Rules of the Florida Auditor General, but not for the purpose of expressing an opinion on the effectiveness of Suwannee River Economic Council, Inc.'s internal control over compliance. Accordingly, no such opinion is expressed.

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

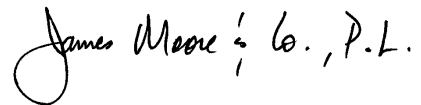
Report on Internal Control over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program and state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program 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 Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses may exist that have not been 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. Accordingly, this report is not suitable for any other purpose.

James Moore & Co., P.L.

Gainesville, Florida
January 28, 2024

**SUWANNEE RIVER ECONOMIC COUNCIL, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

I. Summary of Auditors' Results:

Financial Statements

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

Internal control over financial reporting:

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

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major Federal programs:

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

Type of auditor's report issued on compliance for major

Federal programs: *Unmodified*

Any audit findings that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes X no

Identification of major Federal programs:

Federal Program	Federal AL Number
Formula Grants for Rural Areas	20.509
Aging Cluster	93.044, 93.045, 93.053
Dollar threshold used to distinguish between type A and type B Federal programs:	\$750,000
Auditee qualified as low-risk auditee?	<u> X </u> yes _____ no

State Projects

Internal control over major state projects:

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

SUWANNEE RIVER ECONOMIC COUNCIL, INC.
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023
(Continued)

I. Summary of Auditors' Results: (Continued)

Types of auditor's report issued on compliance for major State projects: *Unmodified*

Any audit findings that are required to be reported in accordance with Chapter 10.650, Rules of the State of Florida, Office of the Auditor General? yes X no

Identification of major state projects:

State Project	State CSFA Number
Community Care for the Elderly (CCE)	65.010
Florida Commission for the Transportation Disadvantaged (CTD) Trip and Equipment Grant Program	55.001
Dollar threshold used to distinguish between type A and type B State projects:	\$585,360

II. Financial Statement Findings:

None.

III. Federal Award Findings and Questioned Costs:

None.

IV. State Financial Assistance Findings and Questioned Costs:

None.

V. Independent Auditors' Management letter required by Chapter 10.650, Rules of the State of Florida, Office of the Auditor General:

Nothing to report.

VI. Federal Award Summary Schedule of Prior Year Findings:

There were no audit findings for the year ended September 30, 2022.

VII. State Financial Assistance Summary Schedule of Prior Year Findings:

There were no audit findings for the year ended September 30, 2022.