

OKEECHOBEE COUNTY, FLORIDA

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL REPORTS**

YEAR ENDED SEPTEMBER 30, 2019



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**OKEECHOBEE COUNTY, FLORIDA
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INDEPENDENT AUDITORS' REPORT

Board of County Commissioners
Okeechobee County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Okeechobee County, Florida (County), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County as of September 30, 2019, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund, Transportation Trust Fund, Fire/Rescue Fund, and Landfill Trust Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 14, information on other postemployment benefits on pages 76 through 77, and information on pension benefits on pages 78 through 81 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

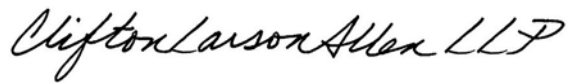
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual financial statements and schedules are presented for purposes of additional analysis and are not a required part of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

The combining and individual fund financial statements and schedules and the schedule of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Board of County Commissioners
Okeechobee County, Florida

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated April 28, 2020, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Sebring, Florida
April 28, 2020

**OKEECHOBEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2019**

Our discussion and analysis of Okeechobee County's (County) financial performance provides an overview of the County's financial activities for fiscal year ended September 30, 2019. Please read it in conjunction with the County's financial statements.

FINANCIAL HIGHLIGHTS

The following are key financial highlights for the fiscal year:

- The County's total net position decreased by \$3.8 million, of which \$3.8 million was a decrease in governmental activities and there was a \$20,808 increase from business-type activities.
- The County's assets exceeded its liabilities at September 30, 2019 by \$97.7 million (net position). Of this amount, \$81.0 million was the net investment in capital assets and \$13.9 million was restricted by law, grant agreements, debt covenants, or for capital projects. As a result, \$2.7 million (unrestricted net position) may be used to meet the County's ongoing obligations to citizens and creditors.
- At September 30, 2019 the County's General Fund balance was \$8.6 million which represents a \$0.8 million decrease from the previous year. The County's Governmental Funds in total reported combined ending fund balances of \$44.6 million, a decrease of \$0.3 million from the previous year. Of this amount, \$0.3 million is not in a spendable form (nonspendable), \$13.2 million is for specific purposes imposed by external providers (restricted), \$10.2 million is for specific purposes determined by formal action of the County (committed), \$12.6 million is intended for specific purposes (assigned), and \$8.4 million is available for use at the County's discretion (unassigned fund balance).
- At September 30, 2019, unassigned fund balance for the General Fund was \$8.4 million, or 25.4% of General Fund expenditures for the current year. Approximately three months of current year expenditures were available in unassigned fund balance.
- The County's total liabilities increased by \$7.7 million or 18.7% during the fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

**OKEECHOBEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2019**

Government-Wide Financial Statements

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

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

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

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

Fund Financial Statements

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

**OKEECHOBEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2019**

Fund Financial Statements (Continued)

- **Governmental Funds** – Most of the County's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are nonspendable, restricted, committed, assigned, or unassigned. These classifications of fund balance show the nature and extent of constraints placed on the County's fund balances by law, creditors, County Commission, and the County's annually adopted budget. Unassigned fund balance is available for spending for any purpose. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term view* of the County's general government operations and the basic services it provides. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. We describe the relationship (or differences) between governmental activities (reported in the statement of net position and the statement of activities) and governmental *funds* in reconciliation at the bottom of the fund financial statements.
- **Proprietary Funds** – When the County charges customers for the services it provides-whether to outside customers or to other units of the County-these services are generally reported in proprietary funds. Proprietary funds are reported in the same way that all activities are reported in the statement of net position and the statement of activities. In fact, the County's enterprise funds (a component of proprietary funds) are the same as the business-type activities we report in the government-wide statements but provide more detail and additional information, such as cash flows, for proprietary funds.
- **Fiduciary Funds** – Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. All of the County's fiduciary activities are reported in separate statement of fiduciary net position. We exclude these activities from the County's other financial statements because the County cannot use these assets to finance its operations. The County is responsible for ensuring that the assets reported in these funds are used for their intended purposes.

Notes to the Financial Statements

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

Other Information

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

**OKEECHOBEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2019**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The comparison of net position from year to year serves to measure government's financial position. As of September 30, 2019, assets exceeded liabilities by \$97.7 million (net position).

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

	Governmental Activities		Business-Type Activities		Total Entity	
	2019	2018	2019	2018	2019	2018
Current and Other Assets	\$ 51.66	\$ 51.50	\$ 0.15	\$ 0.11	\$ 51.81	\$ 51.61
Capital Assets, Net of Depreciation	80.61	78.18	2.73	2.75	83.34	80.93
Total Assets	<u>132.27</u>	<u>129.68</u>	<u>2.88</u>	<u>2.86</u>	<u>135.15</u>	<u>132.54</u>
Deferred Outflows of Resources	14.08	13.60	-	-	14.08	13.60
Current and Other Liabilities	5.49	4.40	0.01	0.01	5.50	4.41
Long-Term Debt	43.29	36.70	-	-	43.29	36.70
Total Liabilities	<u>48.78</u>	<u>41.10</u>	<u>0.01</u>	<u>0.01</u>	<u>48.79</u>	<u>41.11</u>
Deferred Inflows of Resources	2.73	3.54	-	-	2.73	3.54
Net Position:						
Net Investment in Capital Assets	78.31	76.09	2.73	2.75	81.04	78.84
Restricted	13.94	15.82	-	-	13.94	15.82
Unrestricted	2.59	6.73	0.14	0.10	2.73	6.83
Total Net Position	<u>\$ 94.84</u>	<u>\$ 98.64</u>	<u>\$ 2.87</u>	<u>\$ 2.85</u>	<u>\$ 97.71</u>	<u>\$ 101.49</u>

Net investment in capital assets, which consists of capital assets (e.g. land, buildings, equipment, and infrastructure), net of accumulated depreciation, reduced by any related debt used to acquire those assets still outstanding, represents 82.9% of the County's net position. These capital assets are used to provide services to the citizens and, therefore, are not available for future spending. Resources necessary to cover debt must be provided from other sources since the capital assets cannot be used to liquidate these liabilities.

Restricted net position represents 14.3% of total net position and is obligated for a specific purpose. Unrestricted net position represents 2.8% of total net position and may be used to meet ongoing obligations of the County without restriction.

The following schedule compares revenues and expenditures of the entire County for the current and previous fiscal year. Total revenue for the County increased 12.5% over the prior year. Approximately 25.5% of revenues are derived from property taxes and 18.4% from other taxes. Approximately 25.2% of revenues come from charges for services, 9.7% from state shared revenues, 7.4% from Solid Waste Host Fees, and 10.5% from grants and contributions. Total expenses increased 6.8% over last year.

**OKEECHOBEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2019**

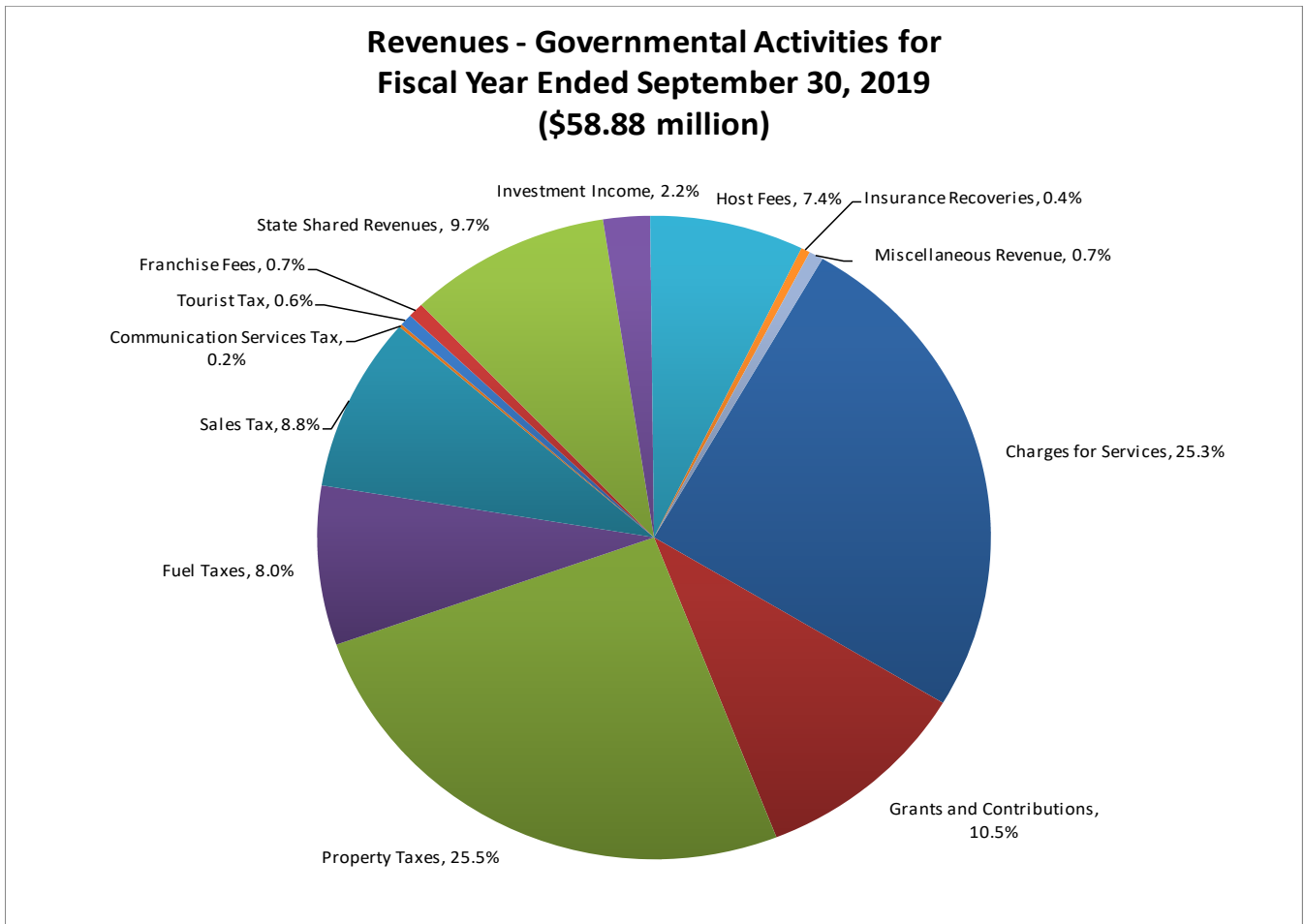
**Changes in Net Position
(Dollars in Millions)**

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program Revenues:						
Charges for Services	\$ 14.83	\$ 13.45	\$ 0.05	\$ 0.05	\$ 14.88	\$ 13.50
Grants and Contributions	6.18	3.79	-	-	6.18	3.79
General Revenues:						
Taxes:						
Property Taxes	15.04	13.57	-	-	15.04	13.57
Fuel Taxes	4.71	4.79	-	-	4.71	4.79
Sales Tax	5.17	5.40	0.08	0.09	5.25	5.49
Communication Services Tax	0.09	0.10	-	-	0.09	0.10
Tourist Tax	0.35	0.36	-	-	0.35	0.36
Franchise Fees	0.44	0.44	-	-	0.44	0.44
State Shared Revenues	5.73	5.21	-	-	5.73	5.21
Investment Income	1.32	0.97	-	-	1.32	0.97
Host Fees	4.36	3.77	-	-	4.36	3.77
Insurance Recoveries	0.26	-	-	-	0.26	-
Miscellaneous Revenue	0.40	0.46	-	-	0.40	0.46
Total Revenues	<u>58.88</u>	<u>52.31</u>	<u>0.13</u>	<u>0.14</u>	<u>59.01</u>	<u>52.45</u>
Expenses:						
General Government	14.70	13.39	-	-	14.70	13.39
Public Safety	32.61	29.95	-	-	32.61	29.95
Physical Environment	3.10	2.92	-	-	3.10	2.92
Transportation	6.99	7.31	-	-	6.99	7.31
Economic Environment	1.06	1.21	-	-	1.06	1.21
Human Services	1.94	1.79	-	-	1.94	1.79
Culture and Recreation	2.21	2.09	-	-	2.21	2.09
Debt Service:						
Interest and Fiscal Charges	0.07	0.04	-	-	0.07	0.04
Campground and Marina	-	-	0.11	0.12	0.11	0.12
Total Expenses	<u>62.68</u>	<u>58.70</u>	<u>0.11</u>	<u>0.12</u>	<u>62.79</u>	<u>58.82</u>
Increase (Decrease) in Net Position						
Before Transfers	(3.80)	(6.39)	0.02	0.02	(3.78)	(6.37)
Transfers	-	-	-	-	-	-
Change in Net Position	<u>(3.80)</u>	<u>(6.39)</u>	<u>0.02</u>	<u>0.02</u>	<u>(3.78)</u>	<u>(6.37)</u>
Net Position - Beginning	98.64	104.45	2.85	2.83	101.49	107.28
Restatement	-	0.58	-	-	-	0.58
Net Position - Beginning, as Restated	<u>98.64</u>	<u>105.03</u>	<u>2.85</u>	<u>2.83</u>	<u>101.49</u>	<u>107.86</u>
Net Position - Ending	<u>\$ 94.84</u>	<u>\$ 98.64</u>	<u>\$ 2.87</u>	<u>\$ 2.85</u>	<u>\$ 97.71</u>	<u>\$ 101.49</u>

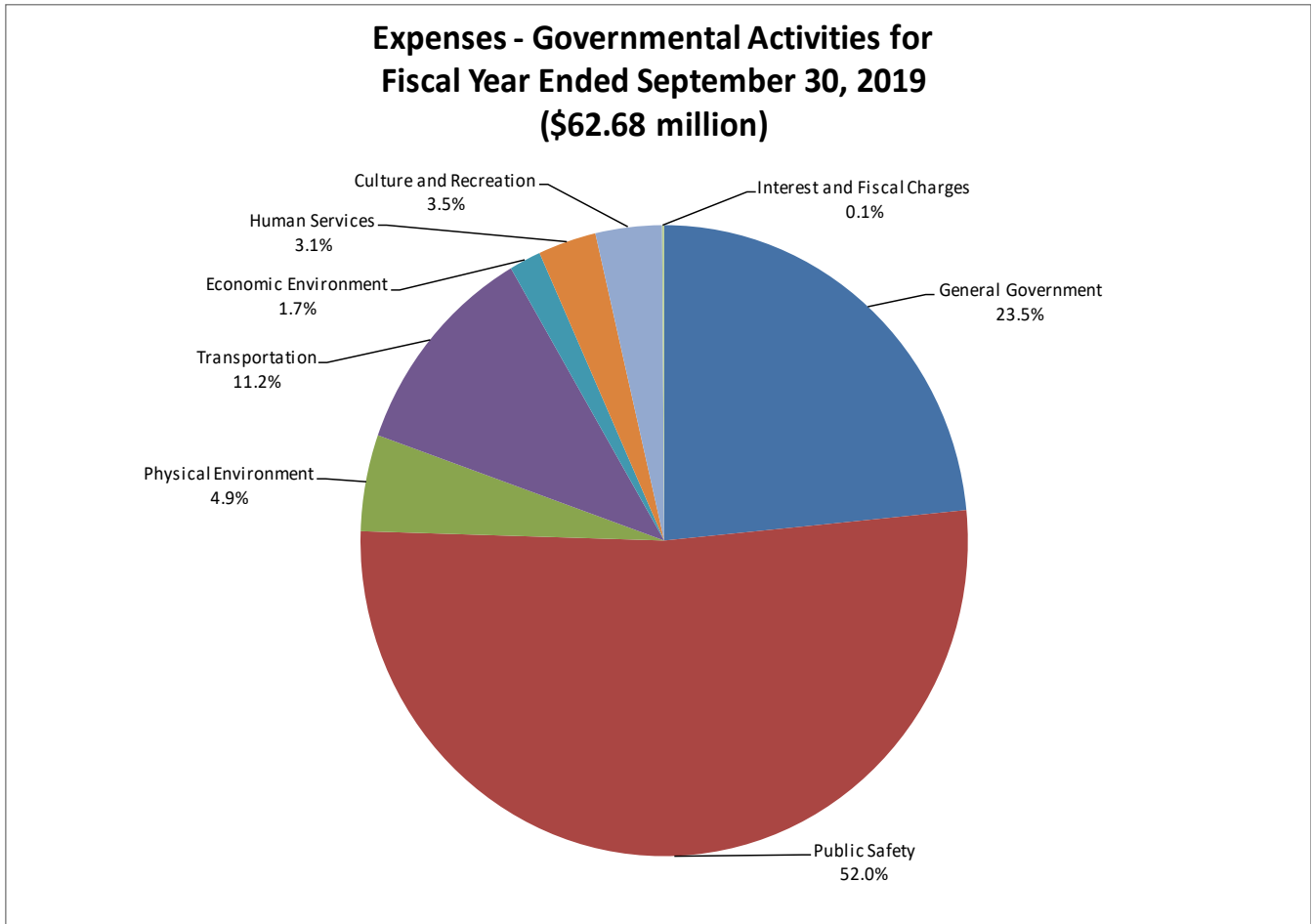
**OKEECHOBEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2019**

Governmental Activities: Revenues for the County's governmental activities increased \$6.6 million over the prior year. The cost of all governmental activities this year was \$62.7 million, an increase of \$4 million (6.8%) from the prior year. The amount that our taxpayers ultimately financed for these activities through property taxes was only \$15.0 million. The area representing the largest increase was public safety, which increased \$2.7 million primarily due new positions and pay increases for the current year. The change in net position for the year was a negative \$3.8 million reflecting a 40.5% decrease over the prior year change in net position of negative \$6.4 million.

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



**OKEECHOBEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2019**



Business-Type Activities: Net position of business-type activities increased by \$20,808 over the prior year. Revenues and expenses of business-type activities remained relatively unchanged.

FINANCIAL ANALYSIS OF OKEECHOBEE COUNTY'S FUNDS

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

Governmental Funds

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

As of September 30, 2019, governmental funds reported combined fund balances of \$44.6 million, a decrease of \$0.3 million from the prior year balance.

**OKEECHOBEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2019**

Governmental Funds (Continued)

The General Fund is the operating fund of the County. At September 30, 2019, total fund balance in the General Fund was \$8.6 million, with the majority, \$8.4 million, being unassigned. As a measure of the General Fund's liquidity, the total unassigned fund balance divided by the total fund annual expenditures equals a percentage of 25.4%. This indicates that 25.4% (3 months) of the year's General Fund expenditures could be paid from unassigned General Fund balances. Revenues, transfer in, and issuance of debt exceeded expenditures and transfers out for the fiscal year by \$0.8 million due primarily to not spending the entire amounts budgeted for personnel and operating.

The Transportation Trust fund is used to fund the maintenance and operations of the County's transportation facilities, such as streets and drainage. At September 30, 2019, total fund balance in the Transportation Trust Fund was \$2.1 million, substantially all of which is restricted. Expenditures for the fiscal year exceeded revenues by \$1.0 million due primarily to the timing of grant reimbursements related to the FDOT projects at the Okeechobee County Airport and reconstruction projects for NE 36th Blvd (Cemetery Road) and County Road 68 (Micco Bluff).

The Fire/Rescue Fund is used to fund fire suppression and emergency medical services of the unincorporated area of the county. At September 30, 2019, total fund balance in the Fire Rescue Fund was \$2.2 million, substantially all of which is assigned. Expenditures and transfers out for the fiscal year exceeded revenues by \$0.4 million due primarily to pay increases and an unanticipated increase in overtime paid for coverage of vacancies.

The Landfill Trust Fund is used to account for a portion of solid waste host fees assessed to the private contractor operating the Okeechobee Landfill committed to a reserve to allow the County funds to provide this service should the landfill revert back to the County. The County has established a minimum fund balance of \$2.5 million for the purpose of the trust fund. The fund also holds \$1.5 million (less any economic development expenditures) assigned for economic development, received from the contractor in lieu of property. At September 30, 2019, total fund balance was \$9.9 million, of which \$8.7 million was committed and \$1.2 was assigned. The net decrease in fund balance during the current fiscal year was \$3.2 million due to the timing of FEMA reimbursements received for expenses related to Hurricane Irma.

The Capital Improvement Fund has a total fund balance of \$7.2 million. The net increase in the fund balance during the current fiscal year was \$2.0 million. Some of these projects include the Public Works Office Building, Agri-Civic Center Roof Extension, Property Appraiser-Tax Collector-Driver's License (PATCDL) Building, Library Flooring Replacement, and Douglas Brown Auditorium Renovations.

The Road Improvement Fund has a total fund balance of \$5.8 million. The net decrease in the fund balance during the current fiscal year was \$5,806. Some of these projects include Basswood Sidewalks, Oak Lake Estates Drainage Improvements and Potter Road Swale Reconstruction.

**OKEECHOBEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2019**

Proprietary Funds

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

At September 30, 2019, total net position amounted to \$2.9 million for enterprise funds of which \$2.7 million is investment in capital assets and \$0.1 million is unrestricted. The net increase in net position during the fiscal year was \$20,808.

The net operating income (loss) of the Enterprise Funds for the fiscal year 2019 was as follows:

Enterprise Operating Income (Loss)			
(in Millions)			
	<u>2019</u>	<u>2018</u>	<u>% Change</u>
Okeechobee	<u>\$ (0.06)</u>	<u>\$ (0.07)</u>	14.29 %

BUDGETARY HIGHLIGHTS

Budgetary statements and schedules, as listed in the table of contents, present the original adopted budgets and final adopted budgets for fiscal year 2019. The actual results of operations are also presented with a variance column showing the difference of actual results to the final budget.

Over the course of the year, the County revised the budget several times; decreasing total appropriations in the General Fund \$1.3 million from the original to the final budget, primarily in Public Safety and Capital Outlay. These budget amendments fall into several categories. The first category includes amendments and supplemental appropriations of \$4.1 million that were approved after the beginning of the year as a result of unanticipated revenues. The second category includes prior year encumbrances for items or services not received by September 30 of that year and were carried forward as a purchase order into the beginning of the current year. The third category includes an amendment to adjust estimated fund balances which are projected during the budget process to the audited funded balances as of September 30.

For the General Fund, a comparison of the final operating budget revenues compared to actual revenues produces a negative variance of \$.5 million due primarily to not receiving the full amount anticipated. Actual expenditures and transfers out were lower than final budgeted expenditures by \$1.1 million due primarily to not spending the entire amounts budgeted for personnel and operating.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

As of September 30, 2019, capital assets net of depreciation for its governmental activities and business-type activities are \$80.6 million and \$2.7 million, respectively. Investment in capital assets includes land, buildings, equipment, infrastructure, and construction in progress. As of September 30, 2019, construction in progress accounted for \$8.0 million of capital assets. The total increase in the County's investment in capital assets for the current fiscal year was \$2.4 million. This is primarily due to current year additions of \$10.7 million. This is offset by the depreciation of buildings and equipment, which represented \$5.9 million.

**OKEECHOBEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2019**

Capital Assets (Continued)

The following is a comparison of capital asset activity for the years ended September 30, 2019 and 2018.

Capital Assets (in Millions)

	Governmental Activities		Business-Type Activities		Entity Total	
	2019	2018	2019	2018	2019	2018
Capital Assets Not Being Depreciated:						
Land	\$ 5.56	\$ 5.56	\$ 2.42	\$ 2.42	\$ 7.98	\$ 7.98
Construction in Progress	7.98	3.84	-	-	7.98	3.84
Capital Assets, Net of Accumulated Depreciation:						
Buildings and Improvements	39.60	40.84	0.31	0.33	39.91	41.17
Machinery and Equipment	7.78	7.99	-	-	7.78	7.99
Computer Software	0.28	0.27	-	-	0.28	0.27
Infrastructure	19.41	19.68	-	-	19.41	19.68
Total Capital Assets, Net	<u>\$ 80.61</u>	<u>\$ 78.18</u>	<u>\$ 2.73</u>	<u>\$ 2.75</u>	<u>\$ 83.34</u>	<u>\$ 80.93</u>

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

Long-Term Debt

At the end of the current fiscal year, the County had total general long-term debt outstanding of \$1.3 million, an 13% decrease over the prior year. The following is a comparison of long-term debt activity for the years ended September 30, 2019 and 2018.

	Governmental Activities		
	2019	2018	% Change
Fire Station IV Note	\$ 0.45	\$ 0.59	-23.7%
Capital Leases	0.86	0.93	-7.5%
Total Long-Term Debt	<u>\$ 1.31</u>	<u>\$ 1.52</u>	-13.8%

The \$210,000 decrease in long-term debt is a result of current year payments on debt. Additional information on long-term debt can be found in Notes 6 to the financial statements.

**OKEECHOBEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2019**

COMMITMENTS AND CONTINGENCIES

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

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The millage rate for fiscal year 2019-2020 was set at 8.0000 mills, which is greater than the rollback rate for the General Fund. This is the same rate from the 2018-2019 fiscal year. The County Commissioners considered many factors when setting the fiscal year 2019-2020 budget, including tax rates, fees that will be charged for services and a reduction in spending.

One of those factors is the economy, which has shown a slight increase. The County's average unemployment rate stands at 2.9% versus 3.7% a year ago. This is greater than the State's unemployment rate of 2.8%, according to the U.S. Bureau of Labor Statistics (Source: www.thefloridascorecard.org).

Okeechobee's estimated 2019 population is 42,170, a 5.4% increase above 2010 census, according to the U.S. Census Bureau: State and County Quickfacts.

Property values increased from \$1.91 billion in 2018 to \$2.12 billion in 2019, resulting in a 10.87% increase in taxable property. Despite the current year increase, property values remain 17% below the peak amounts in 2008.

Subsequent to year-end, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Management believes the County is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events occurred subsequent to year end and are still developing.

Request for Information

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

OKEECHOBEE COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2019

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Investments	\$ 45,079,217	\$ 129,113	\$ 45,208,330
Accounts Receivable - Net	1,780,096	5,575	1,785,671
Due from Other Governments	4,381,731	12,836	4,394,567
Prepaid Items	272,517	-	272,517
Assets Available for Sale	148,826	-	148,826
Capital Assets not being Depreciated	13,531,455	2,421,000	15,952,455
Capital Assets, Net of Depreciation	67,074,029	309,249	67,383,278
Total Assets	<u>132,267,871</u>	<u>2,877,773</u>	<u>135,145,644</u>
DEFERRED OUTFLOWS OF RESOURCES			
Pension Related Items	13,378,368	-	13,378,368
OEPB Related Items	701,023	-	701,023
Total Deferred Outflows of Resources	<u>14,079,391</u>	<u>-</u>	<u>14,079,391</u>
LIABILITIES			
Accounts Payable and Accrued Liabilities	4,304,352	1,074	4,305,426
Accrued Interest Payable	24,814	-	24,814
Due to Other Governments	340,602	-	340,602
Unearned Revenue	127,744	-	127,744
Deposits	695,041	8,673	703,714
Noncurrent Liabilities:			
Due within One Year	2,483,550	-	2,483,550
Due in More than One Year	1,544,040	-	1,544,040
Net Pension Liability	36,638,229	-	36,638,229
Total OPEB Liability	2,618,814	-	2,618,814
Total Liabilities	<u>48,777,186</u>	<u>9,747</u>	<u>48,786,933</u>
DEFERRED INFLOWS OF RESOURCES			
Pension Related Items	2,542,267	-	2,542,267
Other Postemployment Benefits Related Items	184,167	-	184,167
Total Deferred Inflows of Resources	<u>2,726,434</u>	<u>-</u>	<u>2,726,434</u>
NET POSITION			
Net Investment in Capital Assets	78,307,390	2,730,249	81,037,639
Restricted for:			
General Government	872,951	-	872,951
Public Safety	1,711,460	-	1,711,460
Transportation	8,556,470	-	8,556,470
Community Programs	1,519,261	-	1,519,261
Tourism	985,718	-	985,718
Culture and Recreation	296,123	-	296,123
Unrestricted	2,594,269	137,777	2,732,046
Total Net Position	<u>\$ 94,843,642</u>	<u>\$ 2,868,026</u>	<u>\$ 97,711,668</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2019**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total
Primary Government:							
Governmental Activities:							
General Government	\$ 14,700,112	\$ 2,524,424	\$ 383,817	\$ 7,523	\$ (11,784,348)	\$ -	\$ (11,784,348)
Public Safety	32,611,645	8,670,236	515,657	634,226	(22,791,526)	-	(22,791,526)
Physical Environment	3,097,945	2,918,113	90,909	2,461	(86,462)	-	(86,462)
Transportation	6,988,042	268,172	175,604	260,954	(6,283,312)	-	(6,283,312)
Economic Environment	1,057,530	21,186	3,018,385	-	1,982,041	-	1,982,041
Human Services	1,937,814	17,511	480,277	-	(1,440,026)	-	(1,440,026)
Culture and Recreation	2,214,376	411,785	131,054	477,560	(1,193,977)	-	(1,193,977)
Debt Service:							
Interest and Fiscal Charges	73,204	-	-	-	(73,204)	-	(73,204)
Total Governmental Activities	<u>62,680,668</u>	<u>14,831,427</u>	<u>4,795,703</u>	<u>1,382,724</u>	<u>(41,670,814)</u>	<u>-</u>	<u>(41,670,814)</u>
Business-Type Activities:							
Campground and Marina	106,372	45,804	-	-	-	(60,568)	(60,568)
Total Business-Type Activities	<u>106,372</u>	<u>45,804</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(60,568)</u>	<u>(60,568)</u>
Total Primary Government	<u>\$ 62,787,040</u>	<u>\$ 14,877,231</u>	<u>\$ 4,795,703</u>	<u>\$ 1,382,724</u>	(41,670,814)	(60,568)	(41,731,382)
General Revenues:							
Taxes:							
Property Taxes					15,038,822	-	15,038,822
Fuel Taxes					4,709,340	-	4,709,340
Sales Tax					5,172,726	78,772	5,251,498
Communication Services Tax					86,941	-	86,941
Tourist Tax					350,097	-	350,097
Franchise Fees					435,784	-	435,784
State Shared Revenues					5,732,413	-	5,732,413
Investment Earnings					1,324,668	2,526	1,327,194
Host Fees					4,356,281	-	4,356,281
Insurance Recoveries					259,799	-	259,799
Miscellaneous					401,115	78	401,193
Total General Revenues and Transfers					<u>37,867,986</u>	<u>81,376</u>	<u>37,949,362</u>
Change in Net Position					(3,802,828)	20,808	(3,782,020)
Net Position - Beginning of the Year					<u>98,646,470</u>	<u>2,847,218</u>	<u>101,493,688</u>
Net Position - End of Year					<u>\$ 94,843,642</u>	<u>\$ 2,868,026</u>	<u>\$ 97,711,668</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019**

	General	Transportation Trust	Fire/ Rescue	Landfill Trust	Capital Improvement	Road Improvement	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS								
Cash and Cash Equivalents	\$ 5,658,148	\$ 2,174,903	\$ 1,622,065	\$ 5,696,957	\$ 7,409,252	\$ 4,062,701	\$ 8,419,125	\$ 35,043,151
Investments	2,032,723	372,033	706,997	3,941,212	-	1,713,608	1,269,493	10,036,066
Accounts Receivable, Net	934,188	16,860	427,165	-	252,288	-	149,595	1,780,096
Due from Other Funds	62,010	-	-	-	-	-	84,550	146,560
Due from Other Governments	1,509,074	989,158	29,287	953,398	128,689	158,316	613,809	4,381,731
Prepaid Items	144,072	1,604	44,194	-	-	-	82,647	272,517
Advances to Other Funds	-	-	-	500,000	-	-	-	500,000
Assets Available for Sale	-	-	-	-	-	-	148,826	148,826
Total Assets	\$ 10,340,215	\$ 3,554,558	\$ 2,829,708	\$ 11,091,567	\$ 7,790,229	\$ 5,934,625	\$ 10,768,045	\$ 52,308,947
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
Liabilities:								
Accounts Payable and Accrued Liabilities	\$ 1,477,852	\$ 802,418	\$ 369,054	\$ 114,541	\$ 586,369	\$ 173,426	\$ 780,692	\$ 4,304,352
Due to Other Funds	74,226	-	-	-	-	-	72,334	146,560
Due to Other Governments	2,091	-	-	-	-	-	338,511	340,602
Unearned Revenue	-	127,744	-	-	-	-	-	127,744
Deposits	44,539	22,750	-	400,000	250	-	227,502	695,041
Advances from Other Funds	-	-	-	-	-	-	500,000	500,000
Total Liabilities	1,598,708	952,912	369,054	514,541	586,619	173,426	1,919,039	6,114,299
Deferred Inflows of Resources:								
Unavailable Revenue:								
Intergovernmental	109,760	463,401	-	610,979	20,528	-	84,225	1,288,893
Emergency Medical Services	-	-	304,000	-	-	-	-	304,000
Total Deferred Inflows of Resources	109,760	463,401	304,000	610,979	20,528	-	84,225	1,592,893
Fund Balances:								
Nonspendable	144,072	1,604	44,194	-	-	-	82,647	272,517
Restricted	117,669	2,136,641	-	-	-	5,761,199	5,147,843	13,163,352
Committed	-	-	-	8,725,927	-	-	1,463,059	10,188,986
Assigned	-	-	2,112,460	1,240,120	7,183,082	-	2,080,604	12,616,266
Unassigned	8,370,006	-	-	-	-	-	(9,372)	8,360,634
Total Fund Balances	8,631,747	2,138,245	2,156,654	9,966,047	7,183,082	5,761,199	8,764,781	44,601,755
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 10,340,215	\$ 3,554,558	\$ 2,829,708	\$ 11,091,567	\$ 7,790,229	\$ 5,934,625	\$ 10,768,045	\$ 52,308,947

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY, FLORIDA
RECONCILIATION OF FUND BALANCES FOR GOVERNMENTAL
FUNDS TO NET POSITION OF GOVERNMENTAL ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2019**

Fund Balances - Total Governmental Funds	\$ 44,601,755
 Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	80,605,484
Certain receivables are not available to pay current period expenditures and, therefore, are reported as deferred inflows of resources in the funds.	1,592,893
Long-term liabilities, including notes payable, capital leases, and accrued compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.	(4,027,590)
Accrued general long-term debt interest expense is not a financial use and, therefore, is not reported in the funds.	(24,814)
Net pension liability and related deferred outflows and inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds.	(25,802,128)
Total other postemployment benefits liability and related deferred inflows of resources are not due and payable in the current period and, therefore, are not reported in the funds.	<u>(2,101,958)</u>
Net Position of Governmental Activities	<u><u>\$ 94,843,642</u></u>

See accompanying Notes to Financial Statements.

OKEECHOBEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2019

	General	Transportation Trust	Fire/Rescue	Landfill Trust	Capital Improvement	Road Improvement	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES								
Taxes	\$ 21,740,710	\$ 1,827,675	\$ -	\$ -	\$ -	\$ 951,291	\$ 402,612	\$ 24,922,288
Licenses and Permits	43,492	8,200	-	-	-	-	649,440	701,132
Intergovernmental	5,574,765	2,733,747	30,670	2,226,444	477,560	-	2,131,497	13,174,683
Charges for Services	1,951,745	250,560	1,341,643	-	-	-	1,856,223	5,400,171
Fines and Forfeitures	94,859	-	-	-	-	-	604,714	699,573
Special Assessments	-	3,477	5,471,990	-	-	-	2,473,567	7,949,034
Net Change in Fair Value of Investments	332,436	109,791	91,347	294,234	142,856	145,672	202,852	1,319,188
Miscellaneous	2,567,204	107,178	47,917	317,000	1,000,000	-	994,879	5,034,178
Total Revenues	<u>32,305,211</u>	<u>5,040,628</u>	<u>6,983,567</u>	<u>2,837,678</u>	<u>1,620,416</u>	<u>1,096,963</u>	<u>9,315,784</u>	<u>59,200,247</u>
EXPENDITURES								
Current:								
General Government	8,384,897	-	-	-	339,937	-	2,303,704	11,028,538
Public Safety	18,915,844	-	6,519,421	13,577	5,938	-	1,542,746	26,997,526
Physical Environment	259,232	-	-	-	-	-	2,913,615	3,172,847
Transportation	-	4,534,599	-	-	-	102,989	-	4,637,588
Economic Environment	80,545	-	-	-	-	-	982,383	1,062,928
Human Services	1,866,277	-	-	-	-	-	-	1,866,277
Culture and Recreation	1,702,758	-	-	-	-	-	29,647	1,732,405
Capital Outlay	1,262,827	1,477,450	424,663	2,157,360	2,413,426	999,780	301,302	9,036,808
Debt Service:								
Principal Retirement	386,648	-	137,780	-	-	-	-	524,428
Interest and Fiscal Charges	29,279	-	22,756	-	-	-	-	52,035
Total Expenditures	<u>32,888,307</u>	<u>6,012,049</u>	<u>7,104,620</u>	<u>2,170,937</u>	<u>2,759,301</u>	<u>1,102,769</u>	<u>8,073,397</u>	<u>60,111,380</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(583,096)	(971,421)	(121,053)	666,741	(1,138,885)	(5,806)	1,242,387	(911,133)
OTHER FINANCING SOURCES (USES)								
Transfers In	1,037,905	-	-	-	3,200,000	-	928,082	5,165,987
Transfers Out	(117)	-	(330,614)	(4,100,141)	-	-	(735,115)	(5,165,987)
Insurance Recoveries	-	20,689	5,481	233,629	-	-	-	259,799
Issuance of Debt	310,369	-	-	-	-	-	-	310,369
Total Other Financing Sources (Uses)	<u>1,348,157</u>	<u>20,689</u>	<u>(325,133)</u>	<u>(3,866,512)</u>	<u>3,200,000</u>	<u>-</u>	<u>192,967</u>	<u>570,168</u>
NET CHANGE IN FUND BALANCE	765,061	(950,732)	(446,186)	(3,199,771)	2,061,115	(5,806)	1,435,354	(340,965)
Fund Balances - Beginning of Year	7,866,686	3,088,977	2,602,840	13,165,818	5,121,967	5,767,005	7,329,427	44,942,720
FUND BALANCES - END OF YEAR	<u>\$ 8,631,747</u>	<u>\$ 2,138,245</u>	<u>\$ 2,156,654</u>	<u>\$ 9,966,047</u>	<u>\$ 7,183,082</u>	<u>\$ 5,761,199</u>	<u>\$ 8,764,781</u>	<u>\$ 44,601,755</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2019**

Net Change in Fund Balances - Total Governmental Funds \$ (340,965)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation or amortization expense. This is the amount by which capital outlay exceeded depreciation and amortization in the current period. 2,470,331

In the statement of activities, only the gain on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increase financial resources. Thus the change in net position differs from the change in fund balance by the cost of capital assets sold. (41,870)

Long-term liabilities are reported in the statement of net position but not in the governmental funds because they are not due and payable in the current period. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. (123,788)

Some revenues reported in the statement of activities will not be collected for several months after the fiscal year and, therefore, are not reported as revenue in the governmental funds. (582,206)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (21,169)

Changes in net pension liability reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. (4,902,654)

Changes in total other postemployment benefits liability reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. (260,507)

Change in Net Position of Governmental Activities \$ (3,802,828)

OKEECHOBEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 22,487,641	\$ 22,715,946	\$ 21,740,710	\$ (975,236)
Licenses and Permits	43,000	43,000	43,492	492
Intergovernmental	5,737,056	5,905,342	5,574,765	(330,577)
Charges for Services	1,826,043	1,923,087	1,951,745	28,658
Fines and Forfeitures	93,800	93,800	94,859	1,059
Net Change in Fair Value of Investments	99,739	253,776	332,436	78,660
Miscellaneous	1,851,758	1,868,065	2,567,204	699,139
Total Revenues	<u>32,139,037</u>	<u>32,803,016</u>	<u>32,305,211</u>	<u>(497,805)</u>
EXPENDITURES				
Current:				
General Government	8,972,825	9,021,862	8,384,897	636,965
Public Safety	18,533,027	18,960,270	18,915,844	44,426
Physical Environment	272,865	272,865	259,232	13,633
Economic Environment	82,935	83,880	80,545	3,335
Human Services	2,196,174	2,261,677	1,866,277	395,400
Culture and Recreation	1,665,842	1,739,046	1,702,758	36,288
Capital Outlay	594,466	1,238,265	1,262,827	(24,562)
Debt Service:				
Principal	389,938	392,938	386,648	6,290
Interest and Fiscal Charges	32,111	29,111	29,279	(168)
Total Expenditures	<u>32,740,183</u>	<u>33,999,914</u>	<u>32,888,307</u>	<u>1,111,607</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(601,146)	(1,196,898)	(583,096)	613,802
OTHER FINANCING SOURCES (USES)				
Transfers In	831,157	1,054,535	1,037,905	(16,630)
Transfers Out	-	-	(117)	(117)
Issuance of Debt	-	310,369	310,369	-
Total Other Financing Sources (Uses)	<u>831,157</u>	<u>1,364,904</u>	<u>1,348,157</u>	<u>(16,747)</u>
NET CHANGE IN FUND BALANCE	230,011	168,006	765,061	597,055
Fund Balance - Beginning of Year	<u>7,802,183</u>	<u>6,887,352</u>	<u>7,866,686</u>	<u>979,334</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 8,032,194</u></u>	<u><u>\$ 7,055,358</u></u>	<u><u>\$ 8,631,747</u></u>	<u><u>\$ 1,576,389</u></u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
TRANSPORTATION TRUST
YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,925,561	\$ 1,925,561	\$ 1,827,675	\$ (97,886)
Licenses and Permits	6,500	6,500	8,200	1,700
Intergovernmental	7,783,197	8,285,408	2,733,747	(5,551,661)
Charges for Services	267,116	267,116	250,560	(16,556)
Special Assessments	3,600	3,600	3,477	(123)
Net Change in Fair Value of Investments	75,001	105,000	109,791	4,791
Miscellaneous	17,760	21,244	107,178	85,934
Total Revenues	<u>10,078,735</u>	<u>10,614,429</u>	<u>5,040,628</u>	<u>(5,573,801)</u>
EXPENDITURES				
Current:				
Transportation	5,304,424	6,223,965	4,534,599	1,689,366
Capital Outlay	<u>6,151,789</u>	<u>7,359,177</u>	<u>1,477,450</u>	<u>5,881,727</u>
Total Expenditures	<u>11,456,213</u>	<u>13,583,142</u>	<u>6,012,049</u>	<u>7,571,093</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(1,377,478)	(2,968,713)	(971,421)	1,997,292
OTHER FINANCING SOURCES				
Insurance Recoveries	<u>-</u>	<u>-</u>	<u>20,689</u>	<u>20,689</u>
NET CHANGE IN FUND BALANCE	(1,377,478)	(2,968,713)	(950,732)	2,017,981
Fund Balance - Beginning of Year	<u>2,757,499</u>	<u>4,526,094</u>	<u>3,088,977</u>	<u>(1,437,117)</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,380,021</u>	<u>\$ 1,557,381</u>	<u>\$ 2,138,245</u>	<u>\$ 580,864</u>

See accompanying Notes to Financial Statements.

OKEECHOBEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
FIRE/RESCUE FUND
YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 18,500	\$ 39,686	\$ 30,670	\$ (9,016)
Charges for Services	1,328,746	1,340,246	1,341,643	1,397
Special Assessments	5,622,710	5,622,710	5,471,990	(150,720)
Net Change in Fair Value of Investments	30,248	73,950	91,347	17,397
Miscellaneous	80,000	81,000	47,917	(33,083)
Total Revenues	<u>7,080,204</u>	<u>7,157,592</u>	<u>6,983,567</u>	<u>(174,025)</u>
EXPENDITURES				
Current:				
Public Safety	6,422,990	6,676,638	6,519,421	157,217
Capital Outlay	506,256	444,643	424,663	19,980
Debt Service:				
Principal	137,779	137,780	137,780	-
Interest and Fiscal Charges	22,756	22,756	22,756	-
Total Expenditures	<u>7,089,781</u>	<u>7,281,817</u>	<u>7,104,620</u>	<u>177,197</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(9,577)	(124,225)	(121,053)	3,172
OTHER FINANCING SOURCES (USES)				
Transfers Out	(330,614)	(330,614)	(330,614)	-
Insurance Recoveries	-	4,481	5,481	1,000
Total Other Financing Sources (Uses)	<u>(330,614)</u>	<u>(326,133)</u>	<u>(325,133)</u>	<u>1,000</u>
NET CHANGE IN FUND BALANCE	(340,191)	(450,358)	(446,186)	4,172
Fund Balances - Beginning of Year	<u>1,870,949</u>	<u>1,791,738</u>	<u>2,602,840</u>	<u>811,102</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,530,758</u>	<u>\$ 1,341,380</u>	<u>\$ 2,156,654</u>	<u>\$ 815,274</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
LANDFILL TRUST FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 1,168,159	\$ 1,168,159	\$ 2,226,444	\$ 1,058,285
Net Change in Fair Value of Investments	120,000	240,000	294,234	54,234
Miscellaneous	590,000	317,000	317,000	-
Total Revenues	<u>1,878,159</u>	<u>1,725,159</u>	<u>2,837,678</u>	<u>1,112,519</u>
EXPENDITURES				
Current:				
Public Safety	-	-	13,577	(13,577)
Capital Outlay	1,482,324	2,818,886	2,157,360	661,526
Total Expenditures	<u>1,482,324</u>	<u>2,818,886</u>	<u>2,170,937</u>	<u>647,949</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	395,835	(1,093,727)	666,741	1,760,468
OTHER FINANCING SOURCES (USES)				
Transfers Out	(3,450,000)	(4,100,141)	(4,100,141)	-
Insurance Recoveries	-	233,629	233,629	-
Total Other Financing Sources (Uses)	<u>(3,450,000)</u>	<u>(3,866,512)</u>	<u>(3,866,512)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(3,054,165)	(4,960,239)	(3,199,771)	1,760,468
Fund Balance - Beginning of Year	<u>12,684,527</u>	<u>14,395,606</u>	<u>13,165,818</u>	<u>(1,229,788)</u>
FUND BALANCE - END OF YEAR	<u>\$ 9,630,362</u>	<u>\$ 9,435,367</u>	<u>\$ 9,966,047</u>	<u>\$ 530,680</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2019**

	Business-Type Activities
	Okee-Tantie
ASSETS	
Current Assets:	
Cash and Cash Equivalents	\$ 129,113
Accounts Receivable	5,575
Due from Other Governments	12,836
Total Current Assets	147,524
Noncurrent Assets:	
Capital Assets:	
Land	2,421,000
Buildings and Improvements	953,552
Machinery and Equipment	61,594
Less: Accumulated Depreciation	(705,897)
Total Capital Assets (Net of Accumulated Depreciation)	2,730,249
Total Noncurrent Assets	2,730,249
Total Assets	2,877,773
LIABILITIES	
Current Liabilities:	
Accounts Payable and Accrued Liabilities	1,074
Deposits	8,673
Total Current Liabilities	9,747
Total Liabilities	9,747
NET POSITION	
Investment in Capital Assets	2,730,249
Unrestricted	137,777
Total Net Position	\$ 2,868,026

See accompanying Notes to Financial Statements.

OKEECHOBEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
YEAR ENDED SEPTEMBER 30, 2019

	Business-Type Activities
	Okee-Tantie
OPERATING REVENUES	
Charges for Services	\$ 45,804
Total Operating Revenues	45,804
OPERATING EXPENSES	
General and Administrative	85,447
Depreciation	20,925
Total Operating Expenses	106,372
Operating Loss	(60,568)
NONOPERATING REVENUES	
Taxes	78,772
Net Change in Fair Value of Investments	2,526
Other income	78
Total Nonoperating Revenues	81,376
CHANGE IN NET POSITION	20,808
Net Position - Beginning of Year	2,847,218
NET POSITION - END OF YEAR	\$ 2,868,026

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
YEAR ENDED SEPTEMBER 30, 2019**

	Business-Type Activities
	Major Fund
	Okee-Tantie
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Customers and Users	\$ 48,221
Cash Payments to Vendors	(87,786)
Net Cash Used by Operating Activities	(39,565)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Taxes	78,831
Other Income	78
Net Cash Provided by Noncapital Financing Activities	78,909
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest and Dividends from Investments	2,526
NET INCREASE IN CASH AND CASH EQUIVALENTS	41,870
Cash and Cash Equivalents - Beginning of Year	87,243
CASH AND CASH EQUIVALENTS - END OF YEAR	\$ 129,113
RECONCILIATION OF NET OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES	
Operating Loss	\$ (60,568)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Depreciation	20,925
Decrease in Accounts Receivable	2,417
Decrease in Accounts Payable and Accrued Liabilities	(2,339)
Total Adjustments	21,003
Net Cash Used by Operating Activities	\$ (39,565)

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
SEPTEMBER 30, 2019**

	<u>Agency Funds</u>
ASSETS	
Cash	\$ 1,489,981
Due from Others	<u>59</u>
Total Assets	<u><u>\$ 1,490,040</u></u>
LIABILITIES	
Due to Individuals	\$ 665,894
Due to Other Governments	188,990
Deposits	<u>635,156</u>
Total Liabilities	<u><u>\$ 1,490,040</u></u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

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

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

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

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

The County did not participate in any joint ventures during the 2018-2019 fiscal year.

Basic Financial Statements

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

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

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide Financial Statements

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

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

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

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

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

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

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements

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

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

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

Governmental Funds

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

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

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

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Funds (Continued)

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

Proprietary Funds

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

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

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

Basis of Presentation

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

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Governmental Major Funds

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

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

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

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

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

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

Proprietary Fund

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

Other Funds

Agency Funds – These funds are used to account for all assets held by the County in its capacity as custodian or agent for individuals, other governmental units and nonpublic organizations. The Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. A description of each agency fund can be found on pages 121-122.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets and Budgetary Accounting

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

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

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

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

The Clerk's Court Related fund does not budget for the excess of revenue over expenditures that is required to be returned to the state of Florida. For the year ending September 30, 2019, \$308,395 of revenue over expenditures returned to the state of Florida is included in total expenditures.

Cash and Investments

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

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

Receivables

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

Interfund Transactions

Interfund transactions are accounted for in the following manner:

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

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Interfund Transactions (Continued)

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

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

Prepaid Items

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

Assets Available for Sale

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

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

In the Special Grants Fund there are foreclosed homes that were obtained and are in the process of being rehabilitated through the Community Development Block Grant, Neighborhood Stabilization Program 3. At September 30, 2019, \$52,826 represents the value of one property to be sold.

Unearned Revenues

Unearned revenue at the government-wide level arises only when the County receives resources before it has a legal claim to them. Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned.

Revenues in the Proprietary Funds which have not been earned are reported in accordance with the accrual basis of accounting as unearned revenue. The unearned revenue will be recognized as revenues in the fiscal year they are earned.

OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pensions

In the government-wide statement of net position, liabilities are recognized for the County's proportionate share of each pension plan's net pension liability. For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS) defined benefit plan and the Health Insurance Subsidy (HIS) and additions to/deductions from FRS's and HIS's fiduciary net position have been determined on the same basis as they are reported by the FRS and HIS plans. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds of employee contributions are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Outflows/Inflows of Resources

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

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

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

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

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

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

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

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

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

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

The estimated useful lives are as follows:

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

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Taxes

Under the laws of the state of Florida, the assessment of all properties and the collection of all county, municipal and school board property taxes are consolidated in the offices of the Property Appraiser and Tax Collector. The laws of the state regulating tax assessments are also designed to assure a consistent property valuation method statewide. Florida Statutes permit counties to levy property taxes at a rate of up to 10 mills for general operations. The tax levy rate of the County for general operations was 8.0000 mills for the year ended September 30, 2019.

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

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

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

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

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

Compensated Absences

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

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

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences (Continued)

In governmental funds, the cost of accumulated sick and annual leave is recognized when payments are made to employees. As accumulated sick and annual leave would not be liquidated with expendable available resources, a long-term liability of accrued sick and annual leave has been recorded in the government-wide statement of net position at September 30, 2019, representing the Board's commitment to fund such costs from future operations.

Encumbrances

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

Use of Estimates

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

Other Postemployment Benefits (OPEB)

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

NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

"Total fund balances" of the county's governmental funds, \$44,601,757 differs from "net position" of governmental activities, \$94,843,642 reported in the statement of net position. This difference primarily results from the long-term economic focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheet.

Capital Related Items

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

Cost of Capital Assets	\$ 176,574,939
Accumulated Depreciation	(95,969,455)
Total Capital Assets Added	<u>\$ 80,605,484</u>

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

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

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

Long-Term Debt Transactions

Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities (both current and long-term) are reported in the statement of net position. Balances as of September 30, 2019 were:

Fire Station IV Note	\$ (448,804)
Capital Leases	(856,455)
Compensated Absences	<u>(2,722,331)</u>
Total Long-Term Liabilities	<u><u>\$ (4,027,590)</u></u>

Accrued Interest

Accrued liabilities in the statement of net position differ from the amount reported in governmental funds due to accrued interest on notes payable.

Accrued Interest on Notes Payable	<u><u>\$ (24,814)</u></u>
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Receivable Transactions

Certain receivables are not available to pay current period expenditures and, therefore, are reported as deferred inflows of resources in the funds. Balances as of September 30, 2019 were:

Unavailable Revenue	<u><u>\$ 1,592,893</u></u>
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Pension Related Items

Net pension liability and related deferred outflows and inflows of resources are not due and payable in the current period, and accordingly, are not reported as fund liabilities. Balances as of September 30, 2019 were:

Net Pension Liability	\$ (36,638,229)
Deferred Outflows of Resources - Pension Related	13,378,368
Deferred Inflows of Resources - Pension Related	<u>(2,542,267)</u>
Total	<u><u>\$ (25,802,128)</u></u>

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

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

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

Other Postemployment Benefits Related Items

Total OPEB liability and related deferred inflows of resources are not due and payable in the current period, and accordingly, are not reported as fund liabilities. Balances as of September 30, 2019 were:

Total OPEB Liability	\$ (2,618,814)
Deferred Outflows of Resources - OPEB Related	701,023
Deferred Inflows of Resources - OPEB Related	<u>(184,167)</u>
Total	<u><u>\$ (2,101,958)</u></u>

Elimination of Interfund Receivables/Payables

Interfund receivables and payables in the amount of \$146,560 and interfund advance in the amount of \$500,000 between governmental funds must be eliminated for the statement of net position.

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

The “net change in fund balances” for governmental funds, (\$340,965) differs from the “change in net position” for governmental activities, (\$3,802,828) reported in the statement of activities. The differences arise primarily from the long-term economic focus of the statement of activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

Capital Related Items

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

Capital Outlay	\$ 8,368,262
Depreciation/Amortization Expense	<u>(5,897,931)</u>
Difference	<u><u>\$ 2,470,331</u></u>

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

Sale of Capital Assets	<u><u>\$ (41,870)</u></u>
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**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

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

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

Long-Term Debt Transactions

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

Increase in Compensated Absences	\$	(337,847)
Issuance of Capital Leases		(310,369)
Principal Repayments:		
Fire Station IV		137,780
Capital Leases		386,648
Net Adjustment	\$	<u>(123,788)</u>

Revenue Transactions

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

Intergovernmental Revenue	\$	(543,975)
Emergency Medical Services		39,082
Other Revenues		(77,313)
Total Adjustment	\$	<u>(582,206)</u>

Expense Transactions

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

Debt Service: Interest and Fiscal Charges	\$	<u>21,169</u>
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Pension Related Items

Changes in net pension obligations reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Net Change in Net Pension Liability	\$	<u>(4,902,654)</u>
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**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

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

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

Other Postemployment Benefits Related Items

Changes in total OPEB obligations reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.

Net Change in Total OPEB Liability	<u>\$ (260,507)</u>
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Reclassification and Elimination

Transfers in and transfers out in the amount of \$5,165,987 between governmental activities are eliminated.

NOTE 3 DEPOSITS AND INVESTMENTS

At September 30, 2019, the bank balance of the County's deposits consisted of the following:

Demand Deposits	<u>\$ 12,418,984</u>
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Custodial Credit Risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. The County's monies must be deposited in banks designated as qualified public depositories by the Chief Financial Officer, Florida Department of Financial Services. Therefore, the County's total deposits are insured by the Federal Depository Insurance Corporation and collateralized by the Bureau of Collateral Management, Division of Treasury, Florida Department of Financial Services. The law requires the Chief Financial Officer to ensure that funds are entirely collateralized throughout the fiscal year. Other than the preceding, the County has no policy on custodial credit risk.

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

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

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

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

A reconciliation of deposits and investments to amounts shown on the statement of net position and statement of fiduciary net position — agency funds is as follows:

Demand Deposits	\$ 11,625,433
Investments	35,072,878
Total	<u>\$ 46,698,311</u>
Statement of Net Position:	
Cash and Investments	\$ 45,208,330
Statement of Fiduciary Net Position - Agency Funds:	
Cash	1,489,981
Total	<u>\$ 46,698,311</u>

Investments

The County recognizes its fair value measurements within the fair value hierarchy established by GAAP. Debt and equity securities classified as Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Securities classified as Level 2 of the fair value hierarchy are valued using quoted prices for similar assets in active markets. The County had following fair value measurements as of September 30, 2019:

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 2)
Investments by Fair Value Level:				
U.S. Government Obligations	\$ 6,042,748	\$ 6,042,748	\$ -	\$ -
Mortgage/Asset-Backed Obligations	3,280,500	-	3,280,500	-
Total Investments				
Measured at Fair Value	9,323,248	<u>\$ 6,042,748</u>	<u>\$ 3,280,500</u>	<u>\$ -</u>
Measured at Amortized Cost:				
Local Government Surplus Trust				
Funds - PRIME Fund	21,051,511			
Short-Term Money Market Funds	4,079,079			
Measured at NAV:				
Florida Local Government Investment				
Trust - Short Term Bond Fund	619,040			
Total Investments	<u>\$ 35,072,878</u>			

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (Continued)

Florida PRIME

The Local Government Surplus Trust Funds — PRIME Fund (Florida PRIME) is an investment pool administered by the State Board of Administration (SBA), under the regulatory oversight of the state of Florida. Investments in Florida PRIME are made pursuant to Chapter 125.31, Florida Statutes. The investments are not categorized because they are not evidenced by securities that exist in physical or book entry form. Throughout the year and as of September 30, 2019, Florida PRIME contained certain floating and adjustable rate securities which were indexed based on the prime rate and/or one and three month LIBOR rates. These investments represented 36.7% of the Florida PRIME's portfolio at September 30, 2019.

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

The weighted average days to maturity (WAM) of Florida PRIME as of September 30, 2019 was 37 days. Next interest rate reset dates for floating securities are used in the calculation of the WAM. The weighted average life (WAL) of the Florida PRIME at September 30, 2019 was 85 days.

With regard to redemption gates, Chapter 218.409(8)(a), Florida Statutes, states, "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee and the Investment Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the Executive Director may extend the moratorium until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days."

With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

As of September 30, 2019, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (Continued)

Florida Local Government Investment Trust

Florida Local Government Investment Trust (FLGIT), which is a public entity investment trust organized under the laws of the state of Florida. At September 30, 2019, the County is invested in the Short Term Bond Fund.

FLGIT Short Term Bond Fund – At September 30, 2019, the average maturity in years was 2.00 years. The FLGIT reports all share information at net asset value (NAV). The value of the County’s position in the FLGIT external investment pool is the same as the value of the pool’s shares.

The investment objective of the FLGIT Short Term Bond Fund is to hold a diversified mix of credit sectors for income generation. Exposure to corporate bond yield premiums is maintained through the purchase of bonds in the new issue market. Allocation to high-quality asset-backed and mortgage backed securities (ABS/MBS) with short duration profiles is maintained for their yield and diversification benefits.

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

Pooled Funds:	<u>Fair Value</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
FLGIT Short Term Bond Fund	\$ 619,040	\$ -	Daily	1-3 Days

Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. In accordance with the County’s investment policy, authorized investments shall be invested to match investment maturities with known cash needs and anticipated cash-flow requirements. Investments and related level of risk at September 30, 2019, were as follows:

<u>Investment Type</u>	<u>Total</u>	<u>Less Than 1 Year</u>	<u>1-5 Years</u>
Short-Term Money Market Funds	\$ 4,079,079	\$ 4,079,079	\$ -
U.S. Government Obligations	6,042,748	6,042,748	-
Mortgage/Asset-Backed Obligations	3,280,500	1,256,405	2,024,095
Local Government Surplus Trust Funds - PRIME Fund	21,051,511	21,051,511	-
Florida Local Government Investment Trust - Short Term Bond Fund	619,040	-	619,040
Total	<u>\$ 35,072,878</u>	<u>\$ 32,429,743</u>	<u>\$ 2,643,135</u>

Credit Risk – Credit risk is the risk that an insurer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The County had no policy on credit risk.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)

Investments (Continued)

Presented below is the actual rating as of September 30, 2019 for each type of investment:

<u>Investment Type</u>	<u>Credit Rating</u>
Local Government Surplus Trust Fund - Florida PRIME	AAAm
FLGIT Short Term Bond Fund	AAAf
U.S. Government Obligations	AA+
Mortgage/Asset-Backed Obligations	AA+

Concentration of Credit Risk – The County places no limit on the amount that the County may invest in any one issuer. Procedures are established to control risks and diversify investments regarding specific security types, maturities, and financial institutions.

Custodial Credit Risk – This is the risk that in the event of the failure of the counterparty, the County will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 4 RECEIVABLES

Receivables in governmental funds consist of the following at September 30, 2019:

	<u>General</u>	<u>Transportation Trust</u>	<u>Fire/ Rescue</u>	<u>Capital Improvement</u>	<u>Nonmajor Govern- mental Funds</u>	<u>Total</u>
Receivables:						
Emergency Medical Service(EMS) Fees	\$ -	\$ -	\$ 9,591,134	\$ -	\$ -	\$ 9,591,134
Host Fees	659,827	-	-	250,000	125,000	1,034,827
Airport/Industrial Park	-	34,877	-	-	-	34,877
School Resource Officers	130,775	-	-	-	-	130,775
Franchise Fees	104,686	-	-	-	-	104,686
Medical Exams	100,585	-	-	-	-	100,585
Miscellaneous	<u>63,622</u>	<u>-</u>	<u>626</u>	<u>2,288</u>	<u>24,595</u>	<u>91,131</u>
Accounts Receivable, Gross	1,059,495	34,877	9,591,760	252,288	149,595	11,088,015
Less: Allowance for Uncollectible	<u>(125,307)</u>	<u>(18,017)</u>	<u>(9,164,595)</u>	<u>-</u>	<u>-</u>	<u>(9,307,919)</u>
Accounts Receivable, Net	<u>\$ 934,188</u>	<u>\$ 16,860</u>	<u>\$ 427,165</u>	<u>\$ 252,288</u>	<u>\$ 149,595</u>	<u>\$ 1,780,096</u>

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 5 DETAIL OF CAPITAL ASSETS

The following is a summary of the changes in capital assets for the year ended September 30, 2019:

	Beginning Balance	Increases	Decreases	Ending Balance
<u>Governmental Activities:</u>				
Capital Assets, Not Being Depreciated/Amortized:				
Land	\$ 5,555,355	\$ -	\$ -	\$ 5,555,355
Construction in Progress	3,839,155	6,437,841	(2,300,896)	7,976,100
Total Capital Assets, Not Being Depreciated/Amortized	9,394,510	6,437,841	(2,300,896)	13,531,455
Capital Assets, Being Depreciated/Amortized:				
Buildings and Improvements	69,358,822	723,581	-	70,082,403
Machinery and Equipment	28,151,122	1,973,764	(1,198,502)	28,926,384
Computer Software	1,396,714	85,906	-	1,482,620
Infrastructure	61,104,011	1,448,066	-	62,552,077
Total Capital Assets Being Depreciated/Amortized	160,010,669	4,231,317	(1,198,502)	163,043,484
Less: Accumulated Depreciation/Amortization for:				
Buildings and Improvements	(28,515,618)	(1,966,526)	-	(30,482,144)
Machinery and Equipment	(20,159,448)	(2,143,125)	1,156,632	(21,145,941)
Computer Software	(1,127,507)	(73,153)	-	(1,200,660)
Infrastructure	(41,425,583)	(1,715,127)	-	(43,140,710)
Total Accumulated Depreciation/Amortization	(91,228,156)	(5,897,931)	1,156,632	(95,969,455)
Total Capital Assets, Being Depreciated/Amortized, Net	68,782,513	(1,666,614)	(41,870)	67,074,029
Governmental Activities Capital Assets, Net	<u>\$ 78,177,023</u>	<u>\$ 4,771,227</u>	<u>\$ (2,342,766)</u>	<u>\$ 80,605,484</u>

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 5 DETAIL OF CAPITAL ASSETS (CONTINUED)

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
<u>Business-Type Activities:</u>				
Capital Assets, Not Being Depreciated/Amortized:				
Land	\$ 2,421,000	\$ -	\$ -	\$ 2,421,000
Total Capital Assets, Not Being Depreciated/Amortized	2,421,000	-	-	2,421,000
Capital Assets, Being Depreciated/Amortized:				
Buildings and Improvements	953,552	-	-	953,552
Machinery and Equipment	61,594	-	-	61,594
Total Capital Assets Being Depreciated/Amortized	1,015,146	-	-	1,015,146
Less: Accumulated Depreciation/Amortization for:				
Buildings and Improvements	(623,891)	(20,660)	-	(644,551)
Machinery and Equipment	(61,081)	(265)	-	(61,346)
Total Accumulated Depreciation/Amortization	(684,972)	(20,925)	-	(705,897)
Total Capital Assets, Being Depreciated/Amortized, Net	330,174	(20,925)	-	309,249
Business-Type Activities Capital Assets, Net	<u>\$ 2,751,174</u>	<u>\$ (20,925)</u>	<u>\$ -</u>	<u>\$ 2,730,249</u>

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

Government Activities:	
General Government	\$ 1,757,705
Public Safety	1,579,332
Transportation/Public Works	2,149,282
Human Services	12,188
Culture/Recreation	399,424
Total Depreciation/Amortization Expense - Government Activities	<u>\$ 5,897,931</u>
Business-Type Activities:	
Okee-Tantie	\$ 20,925
Total Depreciation/Amortization Expense - Business-Type Activities	<u>\$ 20,925</u>

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 6 LONG-TERM DEBT

The following is a summary of the changes in long-term debt for the year ended September 30, 2019:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Fire Station IV Note	\$ 586,584	\$ -	\$ (137,780)	\$ 448,804	\$ 143,467
Capital Leases	932,734	310,369	(386,648)	856,455	336,695
Compensated Absences	2,384,485	2,426,876	(2,089,030)	2,722,331	2,003,388
Total Governmental Activities	<u>\$ 3,903,803</u>	<u>\$ 2,737,245</u>	<u>\$ (2,613,458)</u>	<u>\$ 4,027,590</u>	<u>\$ 2,483,550</u>

Compensated Absences

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

Fire Station IV Note

The Okeechobee County, Florida promissory note, Series 2007, dated April 19, 2007, bears interest at 4.06%, is payable in semi-annual installments of \$80,268 from February 2008 through August 2022. The note was issued to finance the cost of constructing the new county fire station located on Highway 441 North. This note is secured by a pledge of the County's fire rescue assessments. During the year, \$137,780 of principal and \$22,756 in interest was paid.

<u>Fiscal Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2020	\$ 143,467	\$ 17,069	\$ 160,536
2021	149,476	11,060	160,536
2022	155,861	4,843	160,704
Total	<u>\$ 448,804</u>	<u>\$ 32,972</u>	<u>\$ 481,776</u>

NOTE 7 LEASES

Capital Leases

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

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 7 LEASES (CONTINUED)

Capital Leases (Continued)

The assets acquired through capital leases are as follows:

Assets:	Governmental
	<u>Activities</u>
Machinery and Equipment	\$ 1,534,918
Less: Accumulated Depreciation	<u>(389,910)</u>
Total	<u><u>\$ 1,145,008</u></u>

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2019 are as follows:

<u>Year Ending September 30,</u>	Governmental
	<u>Activities</u>
2020	\$ 365,774
2021	264,858
2022	220,644
2023	<u>65,996</u>
Total Minimum Lease Payment	917,272
Less: Amount Representing Interest	<u>(60,817)</u>
Present Value of Minimum Lease Payment	<u><u>\$ 856,455</u></u>

NOTE 8 CONDUIT DEBT OBLIGATIONS

On August 5, 1999 the county issued Series 1999 Tax Exempt Adjustable Mode Exempt Facility Revenue Bonds, (Waste Management, Inc./Okeechobee Landfill Project). Furthermore on July 20, 2004, the County issued Series 2004A Solid Waste Disposal Revenue Bonds (Waste Management, Inc. / Okeechobee Landfill Project). Both Series were issued to provide financial assistance to private organizations for the construction and acquisition of industrial and commercial improvements deemed to be in the public interest. The bonds are secured solely by the property financed and are payable solely from the payments received on the underlying loans on the property. The County is not obligated in any manner for the repayment of the bonds. Accordingly the bonds outstanding are not reported as a liability in these financial statements. As of September 30, 2019, the aggregate principal payable for the Series 1999 bonds was \$15,000,000, which is the same as the original issue amount. The aggregate principal payable for the Series 2004 was \$15,970,000, which is the same as the original issue amount.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS

Plan Description

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

Okeechobee County Plan

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

Employees Covered by Benefit Terms

At October 1, 2018, the following employees were covered by the benefit terms:

Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	13
Active Plan Members	226
Total	<u>239</u>

Total OPEB Liability

The County's Total OPEB liability was measured as of September 30, 2019 and was determined by an actuarial valuation as of October 1, 2018. The following table shows the County's total OPEB liability for the year ended September 30, 2019.

	Total OPEB Liability
Balances - October 1, 2018	\$ 435,132
Changes for the Year:	
Service Cost	50,505
Interest	17,316
Differences Between Expected and Actual Experience	(65,763)
Changes in Assumptions	298,337
Benefit Payments	(11,363)
Net Changes	<u>289,032</u>
Balances - September 30, 2019	<u>\$ 724,164</u>

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Okeechobee County Plan (Continued)

Discount Rate Sensitivity

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

<u>Description</u>	<u>1% Decrease in Discount Rate</u>	<u>Discount Rate</u>	<u>1% Increase in Discount Rate</u>
OPEB Plan Discount Rate	2.58 %	3.58 %	4.58 %
Total OPEB Liability	\$ 811,535	\$ 724,164	\$ 648,979

Healthcare Trend Rate Sensitivity

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

<u>Description</u>	<u>1% Decrease in Healthcare Cost Trend Rate</u>	<u>Healthcare Cost Trend Rate</u>	<u>1% Increase in Healthcare Cost Trend Rate</u>
OPEB Plan Healthcare Cost Rate	3.00% - 7.00%	4.00% - 8.00%	5.00% - 9.00%
Total OPEB Liability	\$ 621,081	\$ 724,164	\$ 851,143

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

For the year ended September 30, 2019, the County recognized OPEB expense of \$97,488. In addition, the County reported deferred inflows of resources from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ -	\$ 58,456
Changes of Assumptions	265,188	21,524
Total	<u>\$ 265,188</u>	<u>\$ 79,980</u>

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

<u>Year Ending September 30.</u>	<u>Amount</u>
2020	\$ 22,767
2021	22,767
2022	22,767
2023	22,767
2024	22,767
Thereafter	71,373

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Okeechobee County Plan (Continued)

Actuarial Assumptions

The total OPEB liability in the October 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation rate used was 2.50%.

The health care inflation rate used was 8.00% on the valuation date of October 1, 2018 grading down to the ultimate trend rate of 4.00% in fiscal year 2074.

The actuarial cost method used was the Entry Age Method.

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

The discount rate used to measure the total OPEB liability was 3.58%, based on the September 30, 2019 S&P Municipal Bond 20 Year High Grade Rate Index as published by S&P Dow Jones Indices.

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

- The discount rate as of the measurement date is 3.58%. The prior measurement used 4.18%.
- Claims and premiums; health care trend rates; and mortality rates were updated.

Sheriff's Office Plan

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

Employees Covered by Benefit Terms

At October 1, 2018, the following employees were covered by the benefit terms:

Inactive Plan Members or Beneficiaries	
Currently Receiving Benefits	66
Active Plan Members	<u>201</u>
Total	<u><u>267</u></u>

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Sheriff's Office Plan (Continued)

Total OPEB Liability

The County's Total OPEB liability was measured as of September 30, 2019 and was determined by an actuarial valuation as of October 1, 2018. The following table shows the County's total OPEB liability for the year ended September 30, 2019.

	Total OPEB Liability
Balances - October 1, 2018	\$ 1,301,431
Changes for the Year:	
Service Cost	102,259
Interest	56,165
Differences Between Expected and Actual Experience	(46,615)
Changes in Assumptions	508,474
Benefit Payments	(27,064)
Net Changes	593,219
Balances - September 30, 2019	\$ 1,894,650

Discount Rate Sensitivity

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

	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
OPEB Plan Discount Rate	2.58 %	3.58 %	4.58 %
Total OPEB Liability	\$ 2,182,510	\$ 1,894,650	\$ 1,658,979

Healthcare Trend Rate Sensitivity

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

	1% Decrease in Healthcare Cost Trend Rate	Healthcare Cost Trend Rate	1% Increase in Healthcare Cost Trend Rate
OPEB Plan Healthcare Cost Rate	3.00% - 7.00%	4.00% - 8.00%	5.00% - 9.00%
Total OPEB Liability	\$ 1,672,773	\$ 1,894,650	\$ 2,164,572

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Sheriff's Office Plan (Continued)

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

For the year ended September 30, 2019, the County recognized OPEB expense of \$213,946. In addition, the County reported deferred inflows of resources from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ -	\$ 39,956
Changes of Assumptions	435,835	64,231
Total	<u>\$ 435,835</u>	<u>\$ 104,187</u>

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

<u>Year Ending September 30,</u>	<u>Amount</u>
2020	\$ 49,922
2021	49,922
2022	49,922
2023	49,923
2024	65,980
Thereafter	65,979

Actuarial Assumptions

The total OPEB liability in the October 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation rate used was 2.50%.

The health care inflation rate used was 8.00% on the valuation date of October 1, 2018 grading down to the ultimate trend rate of 4.00% in fiscal year 2074.

The actuarial cost method used was the Entry Age Method.

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

The discount rate used to measure the total OPEB liability was 3.58%, based on the September 30, 2019 S&P Municipal Bond 20 Year High Grade Rate Index as published by S&P Dow Jones Indices.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Sheriff's Office Plan (Continued)

Actuarial Assumptions (Continued)

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

- The discount rate as of the measurement date is 3.58%. The prior measurement used 4.18%.
- Claims and premiums; health care trend rates; and mortality rates were updated.

Summary

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

	County Plan	Sheriff Plan	Total
Total OPEB Liability	\$ 724,164	\$ 1,894,650	\$ 2,618,814
Deferred Outflows of Resources	265,188	435,835	701,023
Deferred Inflows of Resources	79,980	104,187	184,167
OPEB Expense	97,488	213,946	311,434

NOTE 10 DEFINED BENEFIT PENSION PLAN

Florida Retirement System Pension Plan

Background

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

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

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Plan Description

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

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

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

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

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Benefits Provided

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

<u>Class, Initial Enrollment, and Retirement Age/Years of Service:</u>	<u>% Value</u>
Regular Class members initially enrolled before July 1, 2011	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement up to age 63 or up to 31 years of service	1.63
Retirement up to age 64 or up to 32 years of service	1.65
Retirement up to age 65 or up to 33 years of service	1.68
Regular Class members initially enrolled on or after July 1, 2011	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement up to age 66 or up to 34 years of service	1.63
Retirement up to age 67 or up to 35 years of service	1.65
Retirement up to age 68 or up to 36 years of service	1.68
Elected County Officers	3.00
Senior Management Service Class	2.00
Special Risk Regular	
Service from December 1, 1970, through September 30, 1974	2.00
Service on and after October 1, 1974	3.00

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. FRS Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Contributions

The Florida Legislature establishes contribution rates for participating employers and employees. Effective July 1, 2011, all FRS Plan members (except those in DROP) are required to make 3% employee contributions on a pretax basis. The contribution rates attributable to the County, effective July 1, 2018, were applied to employee salaries as follows: regular employees 8.26%, special risk 24.50%, county elected officials 48.70%, senior management 24.06%, and DROP participants 14.03%. The County's contributions to the FRS Plan were \$2,760,219 for the year ended September 30, 2019.

Pension Costs

At September 30, 2019, the County reported a liability of \$30,081,149 for its proportionate share of the FRS Plan's net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The County's proportion of the net pension liability was based on the County's contributions received by FRS during the measurement period for employer payroll paid dates from July 1, 2018, through June 30, 2019, relative to the total employer contributions received from all of FRS's participating employers. At June 30, 2019, the County's proportion was 0.087347170%, which was an increase of 0.003963110% from its proportion measured as of June 30, 2018.

For the year ended September 30, 2019, the County recognized pension expense of \$7,426,920 for its proportionate share of FRS's pension expense. In addition, the County reported its proportionate share of FRS's deferred outflows of resources and deferred inflows of resources from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual		
Experience	\$ 1,784,199	\$ (18,668)
Changes of Assumptions	7,726,133	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	(1,664,246)
Changes in Proportion and Differences Between County Contributions and Proportionate Share of Contributions	1,614,293	(226,274)
County Contributions Subsequent to the Measurement Date	736,010	-
Total	<u>\$ 11,860,635</u>	<u>\$ (1,909,188)</u>

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Pension Costs (Continued)

\$736,010 reported as deferred outflows of resources related to pensions resulting from County contributions to the FRS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2020	\$ 3,108,518
2021	1,249,644
2022	2,389,552
2023	1,770,486
2024	547,264
Thereafter	149,973

Actuarial Assumptions

The total pension liability in the July 1, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60% per Year
Salary Increases	3.25%, Average, Including Inflation
Investment Rate of Return	6.90%

Mortality rates were based on the PUB-2010 base table, varies by member category and sex, projected generationally with scale MP-2018. The actuarial assumptions used in the July 1, 2019, valuation were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

The long-term expected rate of return on 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, as outlined in the FRS Plan's investment policy, and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Actuarial Assumptions (Continued)

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1.0 %	3.3 %	3.3 %	1.2 %
Fixed Income	18.0	4.1	4.1	3.5
Global Equity	54.0	8.0	6.8	16.5
Real Estate	10.0	6.7	6.1	11.7
Private Equity	11.0	11.2	8.4	25.8
Strategic Investments	6.0	5.9	5.7	6.7
Totals	<u>100.0 %</u>			
Assumed Inflation - Mean			2.6 %	1.7 %

Discount Rate

The discount rate used to measure the total pension liability was 6.90% for the FRS Plan. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, each of the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Pension Liability Sensitivity

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

<u>Description</u>	<u>1% Decrease in Discount Rate</u>	<u>Current Discount Rate</u>	<u>1% Increase in Discount Rate</u>
FRS Plan Discount Rate	5.90%	6.90%	7.90%
County's Proportionate Share of the FRS Plan Net Pension Liability	\$ 52,000,290	\$ 30,081,149	\$ 11,774,959

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Pension Plan Fiduciary Net Position

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

Retiree Health Insurance Subsidy Program

Plan Description

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

Benefits Provided

For the fiscal year ended September 30, 2019, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2019, the contribution rate was 1.66% of payroll pursuant to section 112.363, Florida Statutes. The County contributed 100% of its statutorily required contributions for the current and preceding 3 years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled. The County's contributions to the HIS Plan were \$328,832 for the year ended September 30, 2019.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Retiree Health Insurance Subsidy Program (Continued)

Pension Costs

At September 30, 2019, the County reported a liability of \$6,557,080 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The County's proportion of the net pension liability was based on the County's contributions received by HIS during the measurement period for employer payroll paid dates from July 1, 2018, through June 30, 2019, relative to the total employer contributions received from all participating employers. At June 30, 2019, the County's proportion was 0.058602916%, which was an increase of 0.002423608% from its proportion measured as of June 30, 2018.

For the year ended September 30, 2019, the County recognized pension expense of \$564,782 for its proportionate share of HIS's pension expense. In addition, the County reported its proportionate share of HIS's deferred outflows of resources and deferred inflows of resources from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 79,643	\$ (8,029)
Changes in Actuarial Assumptions	759,248	(535,922)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	4,231	-
Changes in Proportion and Differences Between County Contributions and Proportionate Share of Contributions	590,126	(89,128)
County Contributions Subsequent to the Measurement Date	84,485	-
Total	<u>\$ 1,517,733</u>	<u>\$ (633,079)</u>

\$84,485 reported as deferred outflows of resources related to pensions resulting from County contributions to the FRS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended June 30, 2020. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2018	\$ 189,369
2019	205,342
2020	174,559
2021	59,465
2022	76,902
Thereafter	94,532

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Retiree Health Insurance Subsidy Program (Continued)

Actuarial Assumptions

The total pension liability in the July 1, 2018, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60% per Year
Salary Increases	3.25%, Average, Including Inflation
Discount Rate - Municipal Bond Rate	3.50%

Mortality rates were based on the Generational RP-2000 with Projection Scale BB. The actuarial assumptions used in the July 1, 2018, valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

Discount Rate

The discount rate used to measure the total pension liability was 3.50% for the HIS Plan. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Pension Liability Sensitivity

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

Description	1% Decrease in Discount Rate	Current Discount Rate	1% Increase Discount Rate
HIS Plan Discount Rate	2.50%	3.50%	4.50%
County's Proportionate Share of the FRS Plan Net Pension Liability	\$ 7,485,243	\$ 6,557,080	\$ 5,784,025

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)

Retiree Health Insurance Subsidy Program (Continued)

Pension Plan Fiduciary Net Position

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

Summary

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

	<u>FRS Plan</u>	<u>HIS Plan</u>	<u>Total</u>
Net Pension Liability	\$ 30,081,149	\$ 6,557,080	\$ 36,638,229
Deferred Outflows of Resources	11,860,635	1,517,733	13,378,368
Deferred Inflows of Resources	1,909,188	633,079	2,542,267
Pension Expense	7,426,920	564,782	7,991,702

NOTE 11 DEFINED CONTRIBUTION PENSION PLAN

Investment Plan

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

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

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 11 DEFINED CONTRIBUTION PENSION PLAN (CONTINUED)

Investment Plan (Continued)

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2019, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the County.

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

The County's Investment Plan pension expense totaled \$528,391 for the year ended September 30, 2019. Employee contributions to the Investment Plan totaled \$102,877 for the year ended September 30, 2019.

NOTE 12 DEFERRED COMPENSATION PLAN

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

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 13 INTERFUND ACTIVITY

The balance of interfund receivables and payables were as follows at September 30, 2019:

<u>Due To/From Other Funds</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Major Fund:		
General Fund	\$ 62,010	\$ 74,226
Nonmajor Governmental Funds	84,550	72,334
Total	<u>\$ 146,560</u>	<u>\$ 146,560</u>
<u>Advances To/From Other Funds</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Major Funds:		
Landfill Trust Fund	\$ 500,000	\$ -
Nonmajor Governmental Funds	-	500,000
Total	<u>\$ 500,000</u>	<u>\$ 500,000</u>

Amounts due to and from other funds arise from timing differences as a result of transactions and cash transfers for operating purposes. Advances between funds represent interfund loans that are not expected to be repaid within one year. In 2014, the Board approved a loan from the Landfill Trust Fund to the Community Development Block Grant Fund for the payment of grant expenses, pending reimbursement. As of September 30, 2019, the outstanding balance was \$500,000.

NOTE 14 FUND BALANCES — GOVERNMENTAL FUNDS

As of September 30, 2019, fund balances of the governmental funds are classified as follows:

Nonspendable

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

Restricted

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

Committed

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

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 14 FUND BALANCES — GOVERNMENTAL FUNDS (CONTINUED)

Assigned

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

Unassigned

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

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 14 FUND BALANCES — GOVERNMENTAL FUNDS (CONTINUED)

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

	General Fund	Transportation Trust	Fire/ Rescue	Landfill Trust	Capital Improvement	Road Improvement	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:								
Prepaid Items	\$ 144,072	\$ 1,604	\$ 44,194	\$ -	\$ -	\$ -	\$ 82,647	\$ 272,517
Total Nonspendable	144,072	1,604	44,194	-	-	-	82,647	272,517
Restricted for:								
Boating Improvement	-	-	-	-	-	-	287,536	287,536
County Services	-	-	-	-	-	-	320,704	320,704
Court-Related	-	-	-	-	-	-	543,430	543,430
E-911 System	-	-	-	-	-	-	374,253	374,253
Fire/Rescue	-	-	-	-	-	-	70	70
Housing	-	-	-	-	-	-	1,465,300	1,465,300
Library	-	-	-	-	-	-	8,587	8,587
Mediation and Arbitration	-	-	-	-	-	-	34,002	34,002
Public Safety	117,669	-	-	-	-	-	1,107,715	1,225,384
Substance Abuse	-	-	-	-	-	-	19,959	19,959
Tourism	-	-	-	-	-	-	985,718	985,718
Transportation	-	2,136,641	-	-	-	5,761,199	569	7,898,409
Total Restricted	117,669	2,136,641	-	-	-	5,761,199	5,147,843	13,163,352
Committed for:								
County Services	-	-	-	-	-	-	155,849	155,849
Solid Waste	-	-	-	8,725,927	-	-	1,307,210	10,033,137
Total Committed	-	-	-	8,725,927	-	-	1,463,059	10,188,986
Assigned for:								
Capital Projects	-	-	-	-	7,183,082	-	865,533	8,048,615
County Services	-	-	-	-	-	-	1,215,071	1,215,071
Economic Development	-	-	-	1,240,120	-	-	-	1,240,120
Public Safety	-	-	2,112,460	-	-	-	-	2,112,460
Total Assigned	-	-	2,112,460	1,240,120	7,183,082	-	2,080,604	12,616,266
Unassigned	8,370,006	-	-	-	-	-	(9,372)	8,360,634
Total	\$ 8,631,747	\$ 2,138,245	\$ 2,156,654	\$ 9,966,047	\$ 7,183,082	\$ 5,761,199	\$ 8,764,781	\$ 44,601,755

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 14 FUND BALANCES — GOVERNMENTAL FUNDS (CONTINUED)

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

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

General Fund

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

Landfill Trust Fund

The County shall maintain a \$2,500,000 minimum fund balance. It is the County's policy to utilize these funds to provide funding for one-time expenses, including hurricane recovery (which may or may not be reimbursed by insurance and/or grants, one-time capital project expenditures, pay-down of debt, or a grant match).

Fund Balance Deficit

The Teen Court Fund, a special revenue fund, has a fund balance deficit of \$555 due to the timing of receipts. The funding to recover the deficit will be received in fiscal year 2020.

NOTE 15 GRANTS

The County participates in a number of federal and state grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The audits of these programs for or including the year ended September 30, 2019, have not yet been accepted/approved by the grantors. Accordingly, the final determination of the County's compliance with applicable grant requirements will be established at a future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined, although the County expects such amounts, if any, to be immaterial.

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 16 RISK MANAGEMENT

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

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

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

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

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

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

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 16 RISK MANAGEMENT (CONTINUED)

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

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

NOTE 17 COMMITMENTS AND CONTINGENCIES

The County has entered into various contracts for design, construction, and other services as of September 30, 2019:

<u>Project</u>	<u>Project Amortization</u>	<u>Expended to Date</u>	<u>Commitment</u>
Ag Center Roof Extension	\$ 549,592	\$ 538,717	\$ 10,875
Ag Center Right of Way 70E	90,111	89,886	225
Airport Master Plan	266,483	220,515	45,968
Basswood Sidewalks	1,532,782	1,352,737	180,046
Douglas Brown Auditorium Flooring	11,573	10,415	1,158
Douglas Brown Window Replacement	46,767	39,798	6,969
FDOT CR68 Micco Bluff Resurfacing	239,795	211,373	28,421
Fire Station #2 Construction	28,535	20,528	8,008
NE 304th Street Repairs - Irma	1,068,548	935,305	133,243
NW 190th Road Repairs - Irma	207,876	201,010	6,866
NE 48th Avenue Repairs - Irma	156,161	143,870	12,291
Oak Park Drainage	1,390,378	1,386,558	3,820
Potter Road-Otter Creek Weir - NRCS grant	807,861	750,440	57,420
Potter Rd-Otter Creek Construction - Irma	48,450	35,968	12,483
Oak Lake Estates Drainage Improvement	66,415	47,243	19,172
Property Appraiser, Tax Collector, and Drivers License Building	4,256,653	644,095	3,612,558
Public Works Office Building and Parking	1,311,096	1,098,268	212,828
Resurfacing NE 36th Boulevard	279,740	233,251	46,489
Safe Route to Schools	29,200	20,862	8,338
Total	<u>\$ 12,388,014</u>	<u>\$ 7,980,837</u>	<u>\$ 4,407,177</u>

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

**OKEECHOBEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 18 TRANSFERS

Transfers during the year ended September 30, 2019 consisted of the following:

Transfers to the General Fund from:

Fire/Rescue Fund	\$ 330,614
Nonmajor Governmental Funds	707,291
Total	<u>\$ 1,037,905</u>

Transfers to the Capital Improvement Fund from:

Landfill Trust Fund	<u>\$ 3,200,000</u>
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Transfers to the Nonmajor Governmental Funds from:

General Fund	\$ 117
Landfill Trust Fund	900,141
Nonmajor Governmental Funds	27,824
Total	<u>\$ 928,082</u>

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

NOTE 19 SUBSEQUENT EVENTS

Subsequent to year-end, the World Health Organization declared the spread of Coronavirus Disease (COVID-19) a worldwide pandemic. The COVID-19 pandemic is having significant effects on global markets, supply chains, businesses, and communities. Management believes the County is taking appropriate actions to mitigate the negative impact. However, the full impact of COVID-19 is unknown and cannot be reasonably estimated as these events occurred subsequent to year-end and are still developing.

**OKEECHOBEE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OPEB
LIABILITY AND RELATED RATIOS — OKEECHOBEE COUNTY PLAN
YEAR ENDED SEPTEMBER 30, 2019**

	<u>2019</u>	<u>2018</u>
Total OPEB Liability		
Service Cost	\$ 50,505	\$ 51,094
Interest	17,316	16,440
Changes of Benefit Terms	-	-
Difference Between Expected and Actual Experience	(65,763)	-
Changes of Assumptions	298,337	(27,674)
Benefit Payments	<u>(11,363)</u>	<u>(10,466)</u>
Net Change in Total OPEB Liability	289,032	29,394
Total OPEB Liability - Beginning	<u>435,132</u>	<u>405,738</u>
Total OPEB Liability - Ending	<u>\$ 724,164</u>	<u>\$ 435,132</u>
 County's Covered Payroll	 \$ 10,061,194	 \$ 10,161,536
 County's Total OPEB Liability as a Percentage of Covered Employee Payroll	 7.20 %	 4.28 %

Notes to Schedule:

Covered Employee Payroll was projected one year forward from the valuation date to the measurement date of September 30, 2019.

Difference Between Expected and Actual Experience. Difference Between Expected and Actual Experience reflects the impact of changes to the census data from the prior valuation to the valuation as of October 1, 2018.

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

Fiscal Year Ending September 30, 2019:	3.58 %
Fiscal Year Ending September 30, 2018:	4.18 %

Also Reflected are:

- Updated Claims and Premiums;
- Updated Health Care Trend Rates; and
- Updated Mortality Rates

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

**OKEECHOBEE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OPEB
LIABILITY AND RELATED RATIOS — SHERIFF'S OFFICE PLAN
YEAR ENDED SEPTEMBER 30, 2019**

	<u>2019</u>	<u>2018</u>
Total OPEB Liability		
Service Cost	\$ 102,259	\$ 104,115
Interest	56,165	49,433
Changes of Benefit Terms	-	-
Difference Between Expected and Actual Experience	(46,615)	-
Changes of Assumptions	508,474	(96,347)
Benefit Payments	<u>(27,064)</u>	<u>(19,201)</u>
Net Change in Total OPEB Liability	593,219	38,000
Total OPEB Liability - Beginning	<u>1,301,431</u>	<u>1,263,431</u>
Total OPEB Liability - Ending	<u>\$ 1,894,650</u>	<u>\$ 1,301,431</u>
 County's Covered Payroll	 \$ 8,876,296	 \$ 8,235,801
 Sheriff's Office Total OPEB Liability as a Percentage of Covered Employee Payroll	 21.35 %	 15.80 %

Notes to Schedule:

Covered Employee Payroll was projected one year forward from the valuation date to the measurement date of September 30, 2019.

Difference Between Expected and Actual Experience. Difference Between Expected and Actual Experience reflects the impact of changes to the census data from the prior valuation to the valuation as of October 1, 2018.

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

Fiscal Year Ending September 30, 2019:	3.58 %
Fiscal Year Ending September 30, 2018:	4.18 %

Also Reflected are:

- Updated Claims and Premiums;
- Updated Health Care Trend Rates; and
- Updated Mortality Rates

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

**OKEECHOBEE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY—
FLORIDA RETIREMENT SYSTEM PENSION PLAN ¹
YEAR ENDED SEPTEMBER 30, 2019**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
County's Proportion of the Net Pension Liability	0.087347170%	0.083384060%	0.081590425%	0.077979631%	0.071348317%
County's Proportionate Share of the Net Pension Liability	\$ 30,081,149	\$ 25,115,711	\$ 24,133,900	\$ 19,689,918	\$ 9,215,593
County's Covered Payroll	\$ 16,389,365	\$ 15,798,805	\$ 15,191,035	\$ 14,251,741	\$ 13,426,970
County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of Its Covered Payroll	183.54 %	158.97 %	158.87 %	138.16 %	68.63 %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.61 %	84.26 %	83.89 %	84.88 %	92.00 %

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

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

**OKEECHOBEE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE COUNTY'S CONTRIBUTIONS —
FLORIDA RETIREMENT SYSTEM PENSION PLAN ¹
YEAR ENDED SEPTEMBER 30, 2019**

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 2,760,219	\$ 2,451,033	\$ 2,188,548	\$ 1,996,735	\$ 1,760,886
Contributions in Relation to the Contractually Required Contribution	<u>(2,760,219)</u>	<u>(2,451,033)</u>	<u>(2,188,548)</u>	<u>(1,996,735)</u>	<u>(1,760,886)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's Covered Payroll	\$ 16,413,466	\$ 15,925,563	\$ 15,573,866	\$ 14,584,656	\$ 13,486,221
Contributions as a Percentage of Covered Payroll	16.82 %	15.39 %	14.05 %	13.69 %	13.06 %

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

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

**OKEECHOBEE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY —
HEALTH INSURANCE SUBSIDY PENSION PLAN ¹
YEAR ENDED SEPTEMBER 30, 2019**

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

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

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

**OKEECHOBEE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE COUNTY'S CONTRIBUTIONS —
HEALTH INSURANCE SUBSIDY PENSION PLAN ¹
YEAR ENDED SEPTEMBER 30, 2019**

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

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

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

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

CAPITAL PROJECTS FUNDS

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

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

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

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
CAPITAL IMPROVEMENT FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 996,415	\$ 996,415	\$ 477,560	\$ (518,855)
Net Change in Fair Value of Investments	90,000	90,000	142,856	52,856
Miscellaneous	1,000,000	1,000,000	1,000,000	-
Total Revenues	<u>2,086,415</u>	<u>2,086,415</u>	<u>1,620,416</u>	<u>(465,999)</u>
EXPENDITURES				
Current:				
General Government	391,314	596,990	339,937	257,053
Public Safety	45,351	48,200	5,938	42,262
Physical Environment	-	-	-	-
Transportation	58,000	58,000	-	58,000
Economic Environment	-	9,900	-	9,900
Culture and Recreation	20,000	20,000	-	20,000
Capital Outlay	5,295,937	7,580,747	2,413,426	5,167,321
Total Expenditures	<u>5,810,602</u>	<u>8,313,837</u>	<u>2,759,301</u>	<u>5,554,536</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(3,724,187)	(6,227,422)	(1,138,885)	5,088,537
OTHER FINANCING SOURCES				
Transfers In	<u>3,200,000</u>	<u>3,200,000</u>	<u>3,200,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(524,187)	(3,027,422)	2,061,115	5,088,537
Fund Balance - Beginning of Year	<u>4,519,988</u>	<u>6,690,588</u>	<u>5,121,967</u>	<u>(1,568,621)</u>
FUND BALANCE - END OF YEAR	<u>\$ 3,995,801</u>	<u>\$ 3,663,166</u>	<u>\$ 7,183,082</u>	<u>\$ 3,519,916</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
ROAD IMPROVEMENT FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,008,868	\$ 1,008,868	\$ 951,291	\$ (57,577)
Net Change in Fair Value of Investments	90,000	90,000	145,672	55,672
Total Revenues	<u>1,098,868</u>	<u>1,098,868</u>	<u>1,096,963</u>	<u>(1,905)</u>
EXPENDITURES				
Current:				
Transportation	155,000	322,985	102,989	219,996
Capital Outlay	653,353	1,928,242	999,780	928,462
Total Expenditures	<u>808,353</u>	<u>2,251,227</u>	<u>1,102,769</u>	<u>1,148,458</u>
NET CHANGE IN FUND BALANCE	290,515	(1,152,359)	(5,806)	1,146,553
Fund Balance - Beginning of Year	<u>7,281,417</u>	<u>6,958,671</u>	<u>5,767,005</u>	<u>(1,191,666)</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 7,571,932</u></u>	<u><u>\$ 5,806,312</u></u>	<u><u>\$ 5,761,199</u></u>	<u><u>\$ (45,113)</u></u>

**OKEECHOBEE COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS DESCRIPTION
YEAR ENDED SEPTEMBER 30, 2019**

SPECIAL REVENUE FUNDS

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

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

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

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

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

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

Enhanced 9-1-1 System Fund – The Enhanced 9-1-1 System Fund accounts for the monthly rate of 40 cents per telephone line collected for providing and maintaining an enhanced emergency telephone service and related grants.

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

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

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

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

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

**OKEECHOBEE COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS DESCRIPTION (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2019**

SPECIAL REVENUE FUNDS (CONTINUED)

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

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

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

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

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

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

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

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

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

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

Special Grants Fund – The Special Grants Fund is used to account for grants funded by the Florida Department of Environmental Protection and the Federal Emergency Management Agency for storm water drainage improvements in the southwest section of the County. Also, it is used to account for a grant funded by the U.S. Department of Housing and Urban Development for neighborhood housing improvements.

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

**OKEECHOBEE COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS DESCRIPTION (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2019**

SPECIAL REVENUE FUNDS (CONTINUED)

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

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

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

Sheriff's Community Donations Fund – The Community Donations Fund is used to account for donations received by the Sheriff to be used exclusively for animal control services and the K-9 unit.

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

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

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

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

**OKEECHOBEE COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019**

	Special Revenue							
	Tourist Development	Boating Improvement	Tourism Special Revenue	Residential Solid Waste Collection	Library Brick	Enhanced 9-1-1 System	Federal Equitable Sharing	
ASSETS								
Cash and Cash Equivalents	\$ 331,869	\$ 287,536	\$ 205,841	\$ 718,260	\$ 1,424	\$ 263,672	\$ 1,118	\$ 8,412
Investments	283,060	-	141,996	255,201	-	100,762	-	-
Accounts Receivable, Net	710	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-
Due from Other Governments	35,770	-	-	-	-	98,844	-	729
Prepaid Items	-	-	-	-	-	52,342	-	-
Assets Available for Sale	-	-	-	-	-	-	-	-
Total Assets	\$ 651,409	\$ 287,536	\$ 347,837	\$ 973,461	\$ 1,424	\$ 515,620	\$ 1,118	\$ 9,141
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
Liabilities:								
Accounts Payable and Accrued Liabilities	\$ 13,528	\$ -	\$ -	\$ 435,064	\$ -	\$ 4,800	\$ -	\$ 168
Due to Other Funds	-	-	-	-	-	-	-	8,973
Due to Other Governments	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-
Advances from Other Funds	-	-	-	-	-	-	-	-
Total Liabilities	13,528	-	-	435,064	-	4,800	-	9,141
Deferred Inflows of Resources:								
Unavailable Revenue:								
Intergovernmental	-	-	-	-	-	84,225	-	-
Fund Balances:								
Nonspendable	-	-	-	-	-	52,342	-	-
Restricted	637,881	287,536	347,837	-	1,424	374,253	1,118	-
Committed	-	-	-	538,397	-	-	-	-
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
Total Fund Balances	637,881	287,536	347,837	538,397	1,424	426,595	1,118	-
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 651,409	\$ 287,536	\$ 347,837	\$ 973,461	\$ 1,424	\$ 515,620	\$ 1,118	\$ 9,141

**OKEECHOBEE COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
SEPTEMBER 30, 2019**

	Special Revenue							
	Mediation and Arbitration	Drug Abuse Trust	Law Enforcement Trust	Unin- corporated Service Area	State Housing Initiative Partnership	Cemetery Trust	Hurricane Housing Recovery Fund	
ASSETS								
Cash and Cash Equivalents	\$ 34,002	\$ 19,362	\$ 91,307	\$ 645,005	\$ 1,000,081	\$ 136,944	\$ -	\$ 79,622
Investments	-	-	-	488,474	-	-	-	-
Accounts Receivable, Net	-	-	-	125,000	-	-	-	-
Due from Other Funds	-	-	26,126	-	-	-	-	-
Due from Other Governments	-	597	34,717	30,559	350,000	8,558	-	1,420
Prepaid Items	-	-	-	21,488	-	-	-	-
Assets Available for Sale	-	-	-	-	-	-	96,000	-
Total Assets	\$ 34,002	\$ 19,959	\$ 152,150	\$ 1,310,526	\$ 1,350,081	\$ 145,502	\$ 96,000	\$ 81,042
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES								
Liabilities:								
Accounts Payable and Accrued Liabilities	\$ -	\$ -	\$ -	\$ 204,844	\$ 30,977	\$ 1,975	\$ -	\$ -
Due to Other Funds	-	-	60,726	-	-	-	-	-
Due to Other Governments	-	-	-	-	-	-	-	-
Deposits	-	-	-	12,650	-	-	-	-
Advances from Other Funds	-	-	-	-	-	-	-	-
Total Liabilities	-	-	60,726	217,494	30,977	1,975	-	-
Deferred Inflows of Resources:								
Unavailable Revenue:								
Intergovernmental	-	-	-	-	-	-	-	-
Fund Balances:								
Nonspendable	-	-	-	21,488	-	-	-	-
Restricted	34,002	19,959	91,424	-	1,319,104	-	96,000	81,042
Committed	-	-	-	-	-	-	-	-
Assigned	-	-	-	1,071,544	-	143,527	-	-
Unassigned	-	-	-	-	-	-	-	-
Total Fund Balances	34,002	19,959	91,424	1,093,032	1,319,104	143,527	96,000	81,042
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 34,002	\$ 19,959	\$ 152,150	\$ 1,310,526	\$ 1,350,081	\$ 145,502	\$ 96,000	\$ 81,042

**OKEECHOBEE COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
SEPTEMBER 30, 2019**

	Special Revenue								
	Court Innovation	Legal Aid	Impact Fees	Teen Court	Community Development Block Grant	Special Grants	Solid Waste Management	Crime Prevention	Mathewson Library Trust
ASSETS									
Cash and Cash Equivalents	\$ 200,654	\$ 622	\$ 961	\$ -	\$ 500,000	\$ 862,118	\$ 754,366	\$ 305,059	\$ 12,154
Investments	-	-	-	-	-	-	-	-	-
Accounts Receivable, Net	-	-	-	-	-	-	-	-	-
Due from Other Funds	10,324	-	-	-	-	-	-	-	-
Due from Other Governments	729	729	-	729	-	827	17,997	1,392	-
Prepaid Items	-	-	-	-	-	-	-	-	-
Assets Available for Sale	-	-	-	-	-	52,826	-	-	-
Total Assets	\$ 211,707	\$ 1,351	\$ 961	\$ 729	\$ 500,000	\$ 915,771	\$ 772,363	\$ 306,451	\$ 12,154
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES									
Liabilities:									
Accounts Payable and Accrued Liabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42	\$ 3,550	\$ -	\$ 4,991
Due to Other Funds	-	1,351	-	1,284	-	-	-	-	-
Due to Other Governments	-	-	200	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-	-
Advances from Other Funds	-	-	-	-	500,000	-	-	-	-
Total Liabilities	-	1,351	200	1,284	500,000	42	3,550	-	4,991
Deferred Inflows of Resources:									
Unavailable Revenue:									
Intergovernmental	-	-	-	-	-	-	-	-	-
Fund Balances:									
Nonspendable	-	-	-	-	-	-	-	-	-
Restricted	211,707	-	761	-	-	50,196	-	306,451	7,163
Committed	-	-	-	-	-	-	768,813	-	-
Assigned	-	-	-	-	-	865,533	-	-	-
Unassigned	-	-	-	(555)	-	-	-	-	-
Total Fund Balances	211,707	-	761	(555)	-	915,729	768,813	306,451	7,163
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 211,707	\$ 1,351	\$ 961	\$ 729	\$ 500,000	\$ 915,771	\$ 772,363	\$ 306,451	\$ 12,154

**OKEECHOBEE COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
SEPTEMBER 30, 2019**

	Special Revenue						Total All Nonmajor Governmental Funds
	Sheriff's Inmate Welfare	Sheriff's Community Donations	Tax Collector's Coquina Fund	Clerk's PRMT	Clerk's Court Related	Property Appraiser's Coquina Fund	
ASSETS							
Cash and Cash Equivalents	\$ 590,765	\$ 32,205	\$ 56,910	\$ 652,427	\$ 575,590	\$ 50,839	\$ 8,419,125
Investments	-	-	-	-	-	-	1,269,493
Accounts Receivable, Net	23,637	-	-	-	248	-	149,595
Due from Other Funds	-	-	48,100	-	-	-	84,550
Due from Other Governments	-	-	-	-	30,212	-	613,809
Prepaid Items	-	-	-	-	8,817	-	82,647
Assets Available for Sale	-	-	-	-	-	-	148,826
Total Assets	\$ 614,402	\$ 32,205	\$ 105,010	\$ 652,427	\$ 614,867	\$ 50,839	\$ 10,768,045
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
Liabilities:							
Accounts Payable and Accrued Liabilities	\$ 18,940	\$ 109	\$ -	\$ -	\$ 61,704	\$ -	\$ 780,692
Due to Other Funds	-	-	-	-	-	-	72,334
Due to Other Governments	-	-	-	-	338,311	-	338,511
Deposits	-	-	-	-	214,852	-	227,502
Advances from Other Funds	-	-	-	-	-	-	500,000
Total Liabilities	18,940	109	-	-	614,867	-	1,919,039
Deferred Inflows of Resources:							
Unavailable Revenue:							
Intergovernmental	-	-	-	-	-	-	84,225
Fund Balances:							
Nonspendable	-	-	-	-	8,817	-	82,647
Restricted	595,462	32,096	-	652,427	-	-	5,147,843
Committed	-	-	105,010	-	-	50,839	1,463,059
Assigned	-	-	-	-	-	-	2,080,604
Unassigned	-	-	-	-	(8,817)	-	(9,372)
Total Fund Balances	595,462	32,096	105,010	652,427	-	50,839	8,764,781
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 614,402	\$ 32,205	\$ 105,010	\$ 652,427	\$ 614,867	\$ 50,839	\$ 10,768,045

OKEECHOBEE COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2019

	Special Revenue							
	Tourist Development	Boating Improvement	Tourism Special Revenue	Residential Solid Waste Collection	Library Brick	Enhanced 9-1-1 System	Federal Equitable Sharing	
REVENUES								
Taxes	\$ 350,097	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	26,980	-	-	-	-	-	-
Intergovernmental	-	-	50,000	-	-	88,517	-	-
Charges for Services	-	-	-	-	-	180,877	-	-
Fines and Forfeitures	-	-	-	-	-	-	-	10,436
Special Assessments	-	-	-	2,473,567	-	-	-	-
Net Change in Fair Value of Investments	13,948	6,832	7,716	38,370	404	9,605	24	-
Miscellaneous	-	-	-	-	-	-	-	-
Total Revenues	364,045	33,812	57,716	2,511,937	404	278,999	24	10,436
EXPENDITURES								
Current:								
General Government	-	-	-	-	-	-	-	1,463
Public Safety	-	-	-	-	-	186,730	-	-
Physical Environment	-	-	-	2,629,924	-	-	-	-
Economic Environment	322,923	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Capital Outlay	-	38,051	59,284	-	42,418	37,663	-	-
Total Expenditures	322,923	38,051	59,284	2,629,924	42,418	224,393	-	1,463
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	41,122	(4,239)	(1,568)	(117,987)	(42,014)	54,606	24	8,973
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	17,500	-	-	-	-	-
Transfers Out	(17,500)	-	-	-	-	(70,000)	-	(8,973)
Total Other Financing Sources (Uses)	(17,500)	-	17,500	-	-	(70,000)	-	(8,973)
NET CHANGE IN FUND BALANCES	23,622	(4,239)	15,932	(117,987)	(42,014)	(15,394)	24	-
Fund Balance - Beginning of Year	614,259	291,775	331,905	656,384	43,438	441,989	1,094	-
FUND BALANCES - END OF YEAR	\$ 637,881	\$ 287,536	\$ 347,837	\$ 538,397	\$ 1,424	\$ 426,595	\$ 1,118	\$ -

OKEECHOBEE COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2019

	Special Revenue							
	Mediation and Arbitration	Drug Abuse Trust	Law Enforcement Trust	Unin- corporated Service Area	State Housing Initiative Program	Cemetery Trust	Hurricane Housing Recovery Fund	Driver's Education Safety Trust
REVENUES								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 52,515	\$ -	\$ -
Licenses and Permits	-	-	-	622,460	-	-	-	-
Intergovernmental	-	-	60,726	34,481	700,000	-	-	-
Charges for Services	-	-	-	151,135	21,835	169,770	-	-
Fines and Forfeitures	-	8,191	-	72,800	-	-	-	15,842
Special Assessments	-	-	-	-	-	-	-	-
Net Change in Fair Value of Investments	814	363	1,115	23,525	21,614	2,498	-	1,700
Miscellaneous	-	-	44,460	662,987	-	2,655	-	-
Total Revenues	<u>814</u>	<u>8,554</u>	<u>106,301</u>	<u>1,567,388</u>	<u>743,449</u>	<u>227,438</u>	<u>-</u>	<u>17,542</u>
EXPENDITURES								
Current:								
General Government	1,346	-	-	467,545	-	178,527	-	-
Public Safety	-	-	-	1,135,125	-	-	-	-
Physical Environment	-	-	-	-	-	-	-	-
Economic Environment	-	-	-	260,000	329,352	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	59,186	-	5,242	-	-
Total Expenditures	<u>1,346</u>	<u>-</u>	<u>-</u>	<u>1,921,856</u>	<u>329,352</u>	<u>183,769</u>	<u>-</u>	<u>-</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(532)	8,554	106,301	(354,468)	414,097	43,669	-	17,542
OTHER FINANCING SOURCES (USES)								
Transfers In	-	-	117	900,141	-	-	-	-
Transfers Out	-	-	(76,661)	(500,601)	-	-	-	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(76,544)</u>	<u>399,540</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(532)	8,554	29,757	45,072	414,097	43,669	-	17,542
Fund Balance - Beginning of Year	34,534	11,405	61,667	1,047,960	905,007	99,858	96,000	63,500
FUND BALANCES - END OF YEAR	<u>\$ 34,002</u>	<u>\$ 19,959</u>	<u>\$ 91,424</u>	<u>\$ 1,093,032</u>	<u>\$ 1,319,104</u>	<u>\$ 143,527</u>	<u>\$ 96,000</u>	<u>\$ 81,042</u>

OKEECHOBEE COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2019

	Special Revenue								
	Court Innovation	Legal Aid	Impact Fees	Teen Court	Community Development Block Grant	Special Grants	Solid Waste Management	Crime Prevention	Mathewson Library Trust
REVENUES									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	461,874	-	90,909	-	-
Charges for Services	-	-	-	-	-	-	444,548	-	-
Fines and Forfeitures	10,437	10,435	-	10,434	-	-	-	21,132	-
Special Assessments	-	-	-	-	-	-	-	-	-
Net Change in Fair Value of Investments	-	-	18	-	-	-	10,714	7,862	678
Miscellaneous	-	-	-	-	-	-	273,000	-	-
Total Revenues	<u>10,437</u>	<u>10,435</u>	<u>18</u>	<u>10,434</u>	<u>461,874</u>	<u>-</u>	<u>819,171</u>	<u>28,994</u>	<u>678</u>
EXPENDITURES									
Current:									
General Government	2,400	9,084	-	10,989	-	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-	-
Physical Environment	-	-	-	-	-	-	283,691	-	-
Economic Environment	-	-	-	-	70,108	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-	29,647
Capital Outlay	17,498	-	-	-	-	-	-	-	13,000
Total Expenditures	<u>19,898</u>	<u>9,084</u>	<u>-</u>	<u>10,989</u>	<u>70,108</u>	<u>-</u>	<u>283,691</u>	<u>-</u>	<u>42,647</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(9,461)	1,351	18	(555)	391,766	-	535,480	28,994	(41,969)
OTHER FINANCING SOURCES (USES)									
Transfers In	10,324	-	-	-	-	-	-	-	-
Transfers Out	-	(1,351)	-	-	-	-	-	(60,029)	-
Total Other Financing Sources (Uses)	<u>10,324</u>	<u>(1,351)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(60,029)</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	863	-	18	(555)	391,766	-	535,480	(31,035)	(41,969)
Fund Balance - Beginning of Year	210,844	-	743	-	(391,766)	915,729	233,333	337,486	49,132
FUND BALANCES - END OF YEAR	<u>\$ 211,707</u>	<u>\$ -</u>	<u>\$ 761</u>	<u>\$ (555)</u>	<u>\$ -</u>	<u>\$ 915,729</u>	<u>\$ 768,813</u>	<u>\$ 306,451</u>	<u>\$ 7,163</u>

OKEECHOBEE COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2019

	Special Revenue						Total All Nonmajor Governmental Funds
	Sheriff's Inmate Welfare	Sheriff's Community Donations	Tax Collector's Coquina	Clerk's PRMT	Clerk's Court Related	Property Appraiser's Coquina	
REVENUES							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 402,612
Licenses and Permits	-	-	-	-	-	-	649,440
Intergovernmental	-	-	-	-	636,920	8,070	2,131,497
Charges for Services	279,957	-	8,030	71,792	528,279	-	1,856,223
Fines and Forfeitures	-	-	-	-	445,007	-	604,714
Special Assessments	-	-	-	-	-	-	2,473,567
Net Change in Fair Value of Investments	11,811	658	1,233	21,537	19,764	49	202,852
Miscellaneous	346	11,111	-	-	-	320	994,879
Total Revenues	292,114	11,769	9,263	93,329	1,629,970	8,439	9,315,784
EXPENDITURES							
Current:							
General Government	-	-	306	-	1,629,970	2,074	2,303,704
Public Safety	212,491	8,400	-	-	-	-	1,542,746
Physical Environment	-	-	-	-	-	-	2,913,615
Economic Environment	-	-	-	-	-	-	982,383
Culture and Recreation	-	-	-	-	-	-	29,647
Capital Outlay	28,960	-	-	-	-	-	301,302
Total Expenditures	241,451	8,400	306	-	1,629,970	2,074	8,073,397
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	50,663	3,369	8,957	93,329	-	6,365	1,242,387
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	-	-	-	-	928,082
Transfers Out	-	-	-	-	-	-	(735,115)
Total Other Financing Sources (Uses)	-	-	-	-	-	-	192,967
NET CHANGE IN FUND BALANCES	50,663	3,369	8,957	93,329	-	6,365	1,435,354
Fund Balance - Beginning of Year	544,799	28,727	96,053	559,098	-	44,474	7,329,427
FUND BALANCES - END OF YEAR	\$ 595,462	\$ 32,096	\$ 105,010	\$ 652,427	\$ -	\$ 50,839	\$ 8,764,781

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
TOURIST DEVELOPMENT FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 321,236	\$ 300,000	\$ 350,097	\$ 50,097
Net Change in Fair Value of Investments	8,000	8,000	13,948	5,948
Total Revenues	<u>329,236</u>	<u>308,000</u>	<u>364,045</u>	<u>56,045</u>
EXPENDITURES				
Economic Environment	<u>316,133</u>	<u>323,912</u>	<u>322,923</u>	<u>989</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	13,103	(15,912)	41,122	57,034
OTHER FINANCING USES				
Transfers Out	<u>(17,500)</u>	<u>(17,500)</u>	<u>(17,500)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(4,397)	(33,412)	23,622	57,034
Fund Balance - Beginning of Year	<u>551,850</u>	<u>597,797</u>	<u>614,259</u>	<u>16,462</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 547,453</u></u>	<u><u>\$ 564,385</u></u>	<u><u>\$ 637,881</u></u>	<u><u>\$ 73,496</u></u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
BOATING IMPROVEMENT FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Licenses and Permits	\$ 27,000	\$ 27,000	\$ 26,980	\$ (20)
Net Change in Fair Value of Investments	4,500	4,500	6,832	2,332
Total Revenues	<u>31,500</u>	<u>31,500</u>	<u>33,812</u>	<u>2,312</u>
EXPENDITURES				
Capital Outlay	<u>39,600</u>	<u>74,790</u>	<u>38,051</u>	<u>36,739</u>
NET CHANGE IN FUND BALANCE	(8,100)	(43,290)	(4,239)	39,051
Fund Balance - Beginning of Year	<u>289,021</u>	<u>290,200</u>	<u>291,775</u>	<u>1,575</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 280,921</u></u>	<u><u>\$ 246,910</u></u>	<u><u>\$ 287,536</u></u>	<u><u>\$ 40,626</u></u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
TOURISM SPECIAL REVENUE FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ 50,000	\$ 50,000	\$ -
Net Change in Fair Value of Investments	5,000	5,000	7,716	2,716
Total Revenues	<u>5,000</u>	<u>55,000</u>	<u>57,716</u>	<u>2,716</u>
EXPENDITURES				
Current:				
Culture and Recreation	17,740	17,740	-	17,740
Capital Outlay	143,170	195,301	59,284	136,017
Total Expenditures	<u>160,910</u>	<u>213,041</u>	<u>59,284</u>	<u>153,757</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(155,910)	(158,041)	(1,568)	156,473
OTHER FINANCING SOURCES				
Transfers In	<u>17,500</u>	<u>17,500</u>	<u>17,500</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(138,410)	(140,541)	15,932	156,473
Fund Balance - Beginning of Year	<u>334,466</u>	<u>331,655</u>	<u>331,905</u>	<u>250</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 196,056</u></u>	<u><u>\$ 191,114</u></u>	<u><u>\$ 347,837</u></u>	<u><u>\$ 156,723</u></u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
RESIDENTIAL SOLID WASTE COLLECTION FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Special Assessments	\$ 2,564,608	\$ 2,570,108	\$ 2,473,567	\$ (96,541)
Net Change in Fair Value of Investments	19,501	28,000	38,370	10,370
Total Revenues	<u>2,584,109</u>	<u>2,598,108</u>	<u>2,511,937</u>	<u>(86,171)</u>
EXPENDITURES				
Physical Environment	<u>2,611,628</u>	<u>2,666,628</u>	<u>2,629,924</u>	<u>36,704</u>
NET CHANGE IN FUND BALANCE	(27,519)	(68,520)	(117,987)	(49,467)
Fund Balance - Beginning of Year	<u>526,185</u>	<u>527,179</u>	<u>656,384</u>	<u>129,205</u>
FUND BALANCE - END OF YEAR	<u>\$ 498,666</u>	<u>\$ 458,659</u>	<u>\$ 538,397</u>	<u>\$ 79,738</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
LIBRARY BRICK FUND
YEAR ENDED SEPTEMBER 30, 2019**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Net Change in Fair Value of Investments	\$ 750	\$ 750	\$ 404	\$ (346)
EXPENDITURES				
Capital Outlay	<u>42,418</u>	<u>42,418</u>	<u>42,418</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(41,668)	(41,668)	(42,014)	(346)
Fund Balance - Beginning of Year	<u>43,518</u>	<u>43,402</u>	<u>43,438</u>	<u>36</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 1,850</u></u>	<u><u>\$ 1,734</u></u>	<u><u>\$ 1,424</u></u>	<u><u>\$ (310)</u></u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
ENHANCED 9-1-1 SYSTEM FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 56,726	\$ 129,438	\$ 88,517	\$ (40,921)
Charges for Services	159,000	159,000	180,877	21,877
Net Change in Fair Value of Investments	8,000	8,000	9,605	1,605
Total Revenues	<u>223,726</u>	<u>296,438</u>	<u>278,999</u>	<u>(17,439)</u>
EXPENDITURES				
Current:				
Public Safety	206,219	272,131	186,730	85,401
Capital Outlay	-	62,824	37,663	25,161
Total Expenditures	<u>206,219</u>	<u>334,955</u>	<u>224,393</u>	<u>110,562</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	17,507	(38,517)	54,606	93,123
OTHER FINANCING USES				
Transfers Out	<u>(70,000)</u>	<u>(70,000)</u>	<u>(70,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(52,493)	(108,517)	(15,394)	93,123
Fund Balance - Beginning of Year	<u>510,175</u>	<u>430,803</u>	<u>441,989</u>	<u>11,186</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 457,682</u></u>	<u><u>\$ 322,286</u></u>	<u><u>\$ 426,595</u></u>	<u><u>\$ 104,309</u></u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
FEDERAL EQUITABLE SHARING FUND
YEAR ENDED SEPTEMBER 30, 2019**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Net Change in Fair Value of Investments	\$ -	\$ -	\$ 24	\$ 24
EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	-	-	24	24
Fund Balance - Beginning of Year	<u>1,083</u>	<u>1,094</u>	<u>1,094</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,083</u>	<u>\$ 1,094</u>	<u>\$ 1,118</u>	<u>\$ 24</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
LAW LIBRARY FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and Forfeitures	\$ 12,600	\$ 12,600	\$ 10,436	\$ (2,164)
EXPENDITURES				
General Government	4,200	3,627	1,463	2,164
EXCESS OF REVENUES OVER EXPENDITURES	8,400	8,973	8,973	-
OTHER FINANCING USES				
Transfers Out	(8,400)	(8,973)	(8,973)	-
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
MEDIATION AND ARBITRATION FUND
YEAR ENDED SEPTEMBER 30, 2019**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
REVENUES				
Net Change in Fair Value of Investments	\$ 600	\$ 600	\$ 814	\$ 214
EXPENDITURES				
General Government	<u>1,346</u>	<u>1,346</u>	<u>1,346</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(746)	(746)	(532)	214
Fund Balance - Beginning of Year	<u>34,588</u>	<u>34,504</u>	<u>34,534</u>	<u>30</u>
FUND BALANCE - END OF YEAR	<u>\$ 33,842</u>	<u>\$ 33,758</u>	<u>\$ 34,002</u>	<u>\$ 244</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
DRUG ABUSE TRUST FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and Forfeitures	\$ 10,000	\$ 10,000	\$ 8,191	\$ (1,809)
Net Change in Fair Value of Investments	125	250	363	113
Total Revenues	<u>10,125</u>	<u>10,250</u>	<u>8,554</u>	<u>(1,696)</u>
EXPENDITURES				
General Government	<u>12,000</u>	<u>12,000</u>	<u>-</u>	<u>12,000</u>
NET CHANGE IN FUND BALANCE	(1,875)	(1,750)	8,554	10,304
Fund Balance - Beginning of Year	<u>10,505</u>	<u>10,899</u>	<u>11,405</u>	<u>506</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 8,630</u></u>	<u><u>\$ 9,149</u></u>	<u><u>\$ 19,959</u></u>	<u><u>\$ 10,810</u></u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
LAW ENFORCEMENT TRUST FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ 60,726	\$ 60,726	\$ -
Net Change in Fair Value of Investments	850	1,000	1,115	115
Miscellaneous	-	-	44,460	44,460
Total Revenues	<u>850</u>	<u>61,726</u>	<u>106,301</u>	<u>44,575</u>
EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER EXPENDITURES	850	61,726	106,301	44,575
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	117	117
Transfers Out	<u>-</u>	<u>(76,661)</u>	<u>(76,661)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>(76,661)</u>	<u>(76,544)</u>	<u>117</u>
NET CHANGE IN FUND BALANCE	850	(14,935)	29,757	44,692
Fund Balance - Beginning of Year	<u>83,749</u>	<u>61,667</u>	<u>61,667</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 84,599</u>	<u>\$ 46,732</u>	<u>\$ 91,424</u>	<u>\$ 44,692</u>

OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
UNINCORPORATED SERVICE AREA FUND
YEAR ENDED SEPTEMBER 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final		Final Budget - Positive (Negative)
REVENUES				
Licenses and Permits	\$ 815,500	\$ 621,604	\$ 622,460	\$ 856
Intergovernmental	34,481	52,124	34,481	(17,643)
Charges for Services	148,500	128,500	151,135	22,635
Fines and Forfeitures	44,500	84,500	72,800	(11,700)
Net Change in Fair Value of Investments	16,001	16,001	23,525	7,524
Miscellaneous	115,650	593,650	662,987	69,337
Total Revenues	<u>1,174,632</u>	<u>1,496,379</u>	<u>1,567,388</u>	<u>71,009</u>
EXPENDITURES				
Current:				
General Government	519,919	546,087	467,545	78,542
Public Safety	1,307,067	1,209,288	1,135,125	74,163
Economic Environment	260,000	260,000	260,000	-
Capital Outlay	78,500	82,820	59,186	23,634
Total Expenditures	<u>2,165,486</u>	<u>2,098,195</u>	<u>1,921,856</u>	<u>176,339</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(990,854)	(601,816)	(354,468)	247,348
OTHER FINANCING SOURCES (USES)				
Transfers In	250,000	900,141	900,141	-
Transfers Out	(500,601)	(500,601)	(500,601)	-
Total Other Financing Sources (Uses)	<u>(250,601)</u>	<u>399,540</u>	<u>399,540</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(1,241,455)	(202,276)	45,072	247,348
Fund Balance - Beginning of Year	<u>1,961,369</u>	<u>1,002,073</u>	<u>1,047,960</u>	<u>45,887</u>
FUND BALANCE - END OF YEAR	<u>\$ 719,914</u>	<u>\$ 799,797</u>	<u>\$ 1,093,032</u>	<u>\$ 293,235</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
STATE HOUSING INITIATIVE FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 350,000	\$ 350,000	\$ 700,000	\$ 350,000
Charges for Services	-	12,000	21,835	9,835
Net Change in Fair Value of Investments	10,000	19,000	21,614	2,614
Total Revenues	<u>360,000</u>	<u>381,000</u>	<u>743,449</u>	<u>362,449</u>
EXPENDITURES				
Current:				
Economic Environment	<u>1,558,459</u>	<u>1,431,894</u>	<u>329,352</u>	<u>1,102,542</u>
NET CHANGE IN FUND BALANCE	(1,198,459)	(1,050,894)	414,097	1,464,991
Fund Balance - Beginning of Year	<u>1,198,459</u>	<u>1,050,894</u>	<u>905,007</u>	<u>(145,887)</u>
FUND BALANCE - END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 1,319,104</u></u>	<u><u>\$ 1,319,104</u></u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
CEMETERY TRUST FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 58,822	\$ 58,822	\$ 52,515	\$ (6,307)
Charges for Services	102,100	132,100	169,770	37,670
Net Change in Fair Value of Investments	2,000	2,000	2,498	498
Miscellaneous	-	-	2,655	2,655
Total Revenues	<u>162,922</u>	<u>192,922</u>	<u>227,438</u>	<u>34,516</u>
EXPENDITURES				
Current:				
General Government	191,567	192,055	178,527	13,528
Capital Outlay	5,000	5,242	5,242	-
Total Expenditures	<u>196,567</u>	<u>197,297</u>	<u>183,769</u>	<u>13,528</u>
NET CHANGE IN FUND BALANCE	(33,645)	(4,375)	43,669	48,044
Fund Balance - Beginning of Year	<u>117,389</u>	<u>91,712</u>	<u>99,858</u>	<u>8,146</u>
FUND BALANCE - END OF YEAR	<u>\$ 83,744</u>	<u>\$ 87,337</u>	<u>\$ 143,527</u>	<u>\$ 56,190</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
DRIVER'S EDUCATION SAFETY TRUST FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and Forfeitures	\$ 14,000	\$ 14,000	\$ 15,842	\$ 1,842
Net Change in Fair Value of Investments	951	951	1,700	749
Total Revenues	<u>14,951</u>	<u>14,951</u>	<u>17,542</u>	<u>2,591</u>
EXPENDITURES				
Public Safety	<u>77,151</u>	<u>77,703</u>	<u>-</u>	<u>77,703</u>
NET CHANGE IN FUND BALANCE	(62,200)	(62,752)	17,542	80,294
Fund Balance - Beginning of Year	<u>62,200</u>	<u>62,752</u>	<u>63,500</u>	<u>748</u>
FUND BALANCE - END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 81,042</u></u>	<u><u>\$ 81,042</u></u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
COURT INNOVATION FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and Forfeitures	\$ 12,684	\$ 12,684	\$ 10,437	\$ (2,247)
EXPENDITURES				
Current:				
General Government	17,200	17,200	2,400	14,800
Capital Outlay	17,498	17,498	17,498	-
Total Expenditures	<u>34,698</u>	<u>34,698</u>	<u>19,898</u>	<u>14,800</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(22,014)	(22,014)	(9,461)	12,553
OTHER FINANCING SOURCES				
Transfers In	<u>11,791</u>	<u>11,791</u>	<u>10,324</u>	<u>(1,467)</u>
NET CHANGE IN FUND BALANCE	(10,223)	(10,223)	863	11,086
Fund Balance - Beginning of Year	<u>213,027</u>	<u>210,210</u>	<u>210,844</u>	<u>634</u>
FUND BALANCE - END OF YEAR	<u>\$ 202,804</u>	<u>\$ 199,987</u>	<u>\$ 211,707</u>	<u>\$ 11,720</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
LEGAL AID FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and Forfeitures	\$ 12,684	\$ 12,684	\$ 10,435	\$ (2,249)
EXPENDITURES				
General Government	10,900	10,900	9,084	1,816
EXCESS OF REVENUES OVER EXPENDITURES	1,784	1,784	1,351	(433)
OTHER FINANCING USES				
Transfers Out	(1,784)	(1,784)	(1,351)	433
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
TEEN COURT FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and Forfeitures	\$ 12,596	\$ 12,596	\$ 10,434	\$ (2,162)
EXPENDITURES				
General Government	10,989	10,989	10,989	-
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,607	1,607	(555)	(2,162)
OTHER FINANCING USES				
Transfers Out	(1,607)	(1,607)	-	1,607
NET CHANGE IN FUND BALANCE	-	-	(555)	(555)
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (555)</u>	<u>\$ (555)</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
COMMUNITY DEVELOPMENT BLOCK GRANT
YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 475,874	\$ 84,108	\$ 461,874	\$ 377,766
EXPENDITURES				
Economic Environment	475,874	154,216	70,108	84,108
NET CHANGE IN FUND BALANCE	-	(70,108)	391,766	461,874
Fund Balance - Beginning of Year	-	70,108	(391,766)	(461,874)
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
SPECIAL GRANTS FUND
YEAR ENDED SEPTEMBER 30, 2019**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with Final Budget - Positive (Negative)
	<u>Original</u>	<u>Final</u>		
REVENUES	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Current:				
Economic Environment	<u>145,888</u>	<u>-</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(145,888)	-	-	-
Fund Balance - Beginning of Year	<u>917,677</u>	<u>-</u>	<u>915,729</u>	<u>915,729</u>
FUND BALANCE - END OF YEAR	<u>\$ 771,789</u>	<u>\$ -</u>	<u>\$ 915,729</u>	<u>\$ 915,729</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
SOLID WASTE MANAGEMENT FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 90,909	\$ 90,909	\$ 90,909	\$ -
Charges for Services	244,050	258,393	444,548	186,155
Net Change in Fair Value of Investments	1,200	7,300	10,714	3,414
Miscellaneous	-	273,000	273,000	-
Total Revenues	<u>336,159</u>	<u>629,602</u>	<u>819,171</u>	<u>189,569</u>
EXPENDITURES				
Physical Environment	<u>316,423</u>	<u>316,423</u>	<u>283,691</u>	<u>32,732</u>
NET CHANGE IN FUND BALANCE	19,736	313,179	535,480	222,301
Fund Balance - Beginning of Year	<u>515,100</u>	<u>220,725</u>	<u>233,333</u>	<u>12,608</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 534,836</u></u>	<u><u>\$ 533,904</u></u>	<u><u>\$ 768,813</u></u>	<u><u>\$ 234,909</u></u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
CRIME PREVENTION FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Fines and Forfeitures	\$ 25,000	\$ 25,000	\$ 21,132	\$ (3,868)
Net Change in Fair Value of Investments	5,700	5,700	7,862	2,162
Total Revenues	<u>30,700</u>	<u>30,700</u>	<u>28,994</u>	<u>(1,706)</u>
EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
EXCESS OF REVENUES OVER EXPENDITURES	30,700	30,700	28,994	(1,706)
OTHER FINANCING USES				
Transfers Out	<u>-</u>	<u>(60,029)</u>	<u>(60,029)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	30,700	(29,329)	(31,035)	(1,706)
Fund Balance - Beginning of Year	<u>336,746</u>	<u>336,746</u>	<u>337,486</u>	<u>740</u>
FUND BALANCE - END OF YEAR	<u>\$ 367,446</u>	<u>\$ 307,417</u>	<u>\$ 306,451</u>	<u>\$ (966)</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
MATHEWSON LIBRARY TRUST FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Net Change in Fair Value of Investments	\$ -	\$ -	\$ 678	\$ 678
EXPENDITURES				
Current:				
Culture and Recreation	39,000	34,000	29,647	4,353
Capital Outlay	13,000	13,000	13,000	-
Total Expenditures	<u>52,000</u>	<u>47,000</u>	<u>42,647</u>	<u>4,353</u>
NET CHANGE IN FUND BALANCE	(52,000)	(47,000)	(41,969)	5,031
Fund Balance - Beginning of Year	<u>58,592</u>	<u>49,132</u>	<u>49,132</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 6,592</u>	<u>\$ 2,132</u>	<u>\$ 7,163</u>	<u>\$ 5,031</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
SHERIFF'S INMATE WELFARE FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$ -	\$ 260,000	\$ 279,957	\$ 19,957
Net Change in Fair Value of Investments	-	5,000	11,811	6,811
Miscellaneous	-	-	346	346
Total Revenues	-	265,000	292,114	27,114
EXPENDITURES				
Current:				
Public Safety	-	217,529	212,491	5,038
Capital Outlay	-	107,500	28,960	78,540
Total Expenditures	-	325,029	241,451	83,578
NET CHANGE IN FUND BALANCE	-	(60,029)	50,663	110,692
Fund Balance - Beginning of Year	-	60,029	544,799	484,770
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 595,462</u>	<u>\$ 595,462</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL
CLERK'S COURT RELATED FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 558,062	\$ 606,699	\$ 636,920	\$ 30,221
Charges for Services	401,843	401,843	528,279	126,436
Fines and Forfeitures	362,793	366,530	445,007	78,477
Net Change in Fair Value of Investments	9,674	9,674	19,764	10,090
Total Revenues	<u>1,332,372</u>	<u>1,384,746</u>	<u>1,629,970</u>	<u>245,224</u>
EXPENDITURES				
General Government	<u>1,332,372</u>	<u>1,384,746</u>	<u>1,629,970</u>	<u>(245,224)</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**OKEECHOBEE COUNTY, FLORIDA
TRUST AND AGENCY FUNDS DESCRIPTION
YEAR ENDED SEPTEMBER 30, 2019**

These funds are used to account for assets held by the County in its capacity as custodian or agent for individuals, other governmental units and nonpublic organizations.

The County maintains the following Fiduciary Funds:

Agency Funds:

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

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

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

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

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

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

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

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

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

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

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

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

**OKEECHOBEE COUNTY, FLORIDA
TRUST AND AGENCY FUNDS DESCRIPTION (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2019**

Agency Funds (Continued):

Sheriff's Individual Depositor – The Sheriff's Individual Depositor Fund is used to account for fees charged to serve civil process. Fees are collected and held until month-end and then remitted to other governmental agencies.

Sheriff's Cash Bond – The Sheriff's Cash Bond Fund is used to account for all cash bonds collected on a daily bases. Bonds are collected and remitted to other governmental agencies.

Sheriff's Inmate Trust – The Sheriff's Inmate Trust Fund is used to account for monies collected from inmates who have money in their possession at the time of their arrest and subsequent deposits to their accounts during incarceration. This fund also includes booking fees and charges to the inmate for medical visits and property damage which is collected and remitted to other governmental agencies.

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

Sheriff's D.A.R.E. Fund – The Sheriff's D.A.R.E. Fund is used to account for the accumulation of donations to support the Drug Abuse Resistance Education program.

Sheriff's C.O.P.S. Fund – The Sheriff's C.O.P.S. Fund is used to account for the accumulation of donations to support the Volunteer Citizen Observation Patrol program.

Sheriff's Search and Rescue – The Sheriff's Search and Rescue Fund is used to account for the accumulation of donations to support the Search & Rescue functions on Lake Okeechobee.

Sheriff's Flower Fund – The Sheriff's Flower Fund is used to account for accumulation of monies from employees to support the flower fund.

Sheriff's Neighborhood Watch – The Sheriff's Neighborhood Watch Fund is used to account for accumulation of monies to support the neighborhood watch program.

Sheriff's Special Duty Detail – The Sheriff's Special Duty Detail Fund is used to account for monies collected from the state of Florida that are due to off-duty officers in their performance of services for the state.

Sheriff's Teen Driver – The Sheriff's Teen Driver Fund is used to account for accumulation of monies to support the teen driver challenge program.

**OKEECHOBEE COUNTY, FLORIDA
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 ALL AGENCY FUNDS
 SEPTEMBER 30, 2019**

	Clerk's Tax Deed	Clerk's Documentary Stamps	Clerk's Intangible Taxes	Clerk's Cash Bond	Clerk's Registry of the Court	Clerk's Escrow	Clerk's Child Support	Clerk's Fines and Costs
ASSETS								
Cash	\$ 9,337	\$ 31,085	\$ 4,849	\$ 61,603	\$ 273,492	\$ 319,722	\$ 559	\$ 77,069
Due from Others	-	-	-	-	-	-	3	-
Total Assets	<u>\$ 9,337</u>	<u>\$ 31,085</u>	<u>\$ 4,849</u>	<u>\$ 61,603</u>	<u>\$ 273,492</u>	<u>\$ 319,722</u>	<u>\$ 562</u>	<u>\$ 77,069</u>
LIABILITIES								
Due to Individuals	\$ 9,337	\$ -	\$ -	\$ 61,603	\$ 273,492	\$ 319,722	\$ 18	\$ -
Due to Other Governments	-	31,085	4,849	-	-	-	544	77,069
Deposit	-	-	-	-	-	-	-	-
Total Liabilities	<u>\$ 9,337</u>	<u>\$ 31,085</u>	<u>\$ 4,849</u>	<u>\$ 61,603</u>	<u>\$ 273,492</u>	<u>\$ 319,722</u>	<u>\$ 562</u>	<u>\$ 77,069</u>

**OKEECHOBEE COUNTY, FLORIDA
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 ALL AGENCY FUNDS (CONTINUED)
 SEPTEMBER 30, 2019**

	Clerk's Restitution	Tax Collector's Tax Collector Fund	Tax Collector's Tax Fund	Tax Collector's Tag Fund	Sheriff's Individual Depositor	Sheriff's Cash Bond	Sheriff's Inmate Trust	Sheriff's Special Suspense
ASSETS								
Cash	\$ 1,722	\$ 439,155	\$ 15,439	\$ 70,539	\$ 148,452	\$ 3,000	\$ 25,217	\$ -
Due from Others	-	-	-	56	-	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>56</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 1,722</u>	<u>\$ 439,155</u>	<u>\$ 15,439</u>	<u>\$ 70,595</u>	<u>\$ 148,452</u>	<u>\$ 3,000</u>	<u>\$ 25,217</u>	<u>\$ -</u>
LIABILITIES								
Due to Individuals	\$ 1,722	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to Other Governments	-	4,629	219	70,595	-	-	-	-
Deposits	-	434,526	15,220	-	148,452	3,000	25,217	-
	<u>-</u>	<u>434,526</u>	<u>15,220</u>	<u>-</u>	<u>148,452</u>	<u>3,000</u>	<u>25,217</u>	<u>-</u>
Total Liabilities	<u>\$ 1,722</u>	<u>\$ 439,155</u>	<u>\$ 15,439</u>	<u>\$ 70,595</u>	<u>\$ 148,452</u>	<u>\$ 3,000</u>	<u>\$ 25,217</u>	<u>\$ -</u>

**OKEECHOBEE COUNTY, FLORIDA
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 ALL AGENCY FUNDS (CONTINUED)
 SEPTEMBER 30, 2019**

	Sheriff's D.A.R.E. Fund	Sheriff's C.O.P.S. Fund	Sheriff's Search & Rescue	Sheriff's Flower Fund	Sheriff's Neighborhood Watch	Sheriff's Special Duty Detail	Sheriff's Teen Driver	Total
ASSETS								
Cash	\$ 3,206	\$ -	\$ 624	\$ 688	\$ 230	\$ 3,992	\$ 1	\$1,489,981
Due from Others	-	-	-	-	-	-	-	59
Total Assets	<u>\$ 3,206</u>	<u>\$ -</u>	<u>\$ 624</u>	<u>\$ 688</u>	<u>\$ 230</u>	<u>\$ 3,992</u>	<u>\$ 1</u>	<u>\$1,490,040</u>
LIABILITIES								
Due to Individuals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 665,894
Due to Other Governments	-	-	-	-	-	-	-	188,990
Deposits	3,206	-	624	688	230	3,992	1	635,156
Total Liabilities	<u>\$ 3,206</u>	<u>\$ -</u>	<u>\$ 624</u>	<u>\$ 688</u>	<u>\$ 230</u>	<u>\$ 3,992</u>	<u>\$ 1</u>	<u>\$1,490,040</u>

**OKEECHOBEE COUNTY, FLORIDA
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED SEPTEMBER 30, 2019**

	Balance October 1, 2018	Increases	(Decreases)	Balance September 30, 2019
<u>Clerk's Tax Deed</u>				
Assets				
Cash	\$ 17,740	\$ 259,830	\$ (268,233)	\$ 9,337
Liabilities				
Due to Individuals	\$ 17,740	\$ 259,830	\$ (268,233)	\$ 9,337
<u>Clerk's Documentary Stamps</u>				
Assets				
Cash	\$ 31,126	\$ 1,956,124	\$ (1,956,165)	\$ 31,085
Liabilities				
Due to Other Governments	\$ 31,126	\$ 1,956,124	\$ (1,956,165)	\$ 31,085
<u>Clerk's Intangible Taxes</u>				
Assets				
Cash	\$ 6,511	\$ 289,892	\$ (291,554)	\$ 4,849
Liabilities				
Due to Other Governments	\$ 6,511	\$ 289,892	\$ (291,554)	\$ 4,849
<u>Clerk's Cash Bond</u>				
Assets				
Cash	\$ 103,157	\$ 145,616	\$ (187,170)	\$ 61,603
Liabilities				
Due to Individuals	\$ 103,157	\$ (184,674)	\$ 143,120	\$ 61,603
<u>Clerk's Registry of the Court</u>				
Assets				
Cash	\$ 170,259	\$ 1,336,791	\$ (1,233,558)	\$ 273,492
Liabilities				
Due to Individuals	\$ 170,259	\$ 1,336,791	\$ (1,233,558)	\$ 273,492
<u>Clerk's Escrow</u>				
Assets				
Cash	\$ 824,468	\$ 168,355	\$ (673,101)	\$ 319,722
Liabilities				
Due to Individuals	\$ 824,468	\$ 168,355	\$ (673,101)	\$ 319,722

**OKEECHOBEE COUNTY, FLORIDA
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2019**

	Balance October 1, 2018	Increases	(Decreases)	Balance September 30, 2019
<u>Clerk's Child Support</u>				
Assets				
Cash	\$ 458	\$ 481,048	\$ (480,947)	\$ 559
Due from Others	3	-	-	3
	<u>\$ 461</u>	<u>\$ 481,048</u>	<u>\$ (480,947)</u>	<u>\$ 562</u>
Liabilities				
Due to Individuals	\$ 18	\$ -	\$ -	\$ 18
Due to Other Governments	443	481,048	(480,947)	544
	<u>\$ 461</u>	<u>\$ 481,048</u>	<u>\$ (480,947)</u>	<u>\$ 562</u>
<u>Clerk's Fines and Costs</u>				
Assets				
Cash	<u>\$ 66,348</u>	<u>\$ 819,082</u>	<u>\$ (808,361)</u>	<u>\$ 77,069</u>
Liabilities				
Due to Other Governments	<u>\$ 66,348</u>	<u>\$ 878,737</u>	<u>\$ (868,016)</u>	<u>\$ 77,069</u>
<u>Clerk's Restitution</u>				
Assets				
Cash	<u>\$ 1,378</u>	<u>\$ 3,591</u>	<u>\$ (3,247)</u>	<u>\$ 1,722</u>
Liabilities				
Due to Individuals	<u>\$ 1,378</u>	<u>\$ 3,591</u>	<u>\$ (3,247)</u>	<u>\$ 1,722</u>
<u>Tax Collector's Tax Collector Fund</u>				
Assets				
Cash	\$ 408,790	\$ 19,008,559	\$ (18,978,194)	\$ 439,155
Due from Others	-	4,379	(4,379)	-
	<u>\$ 408,790</u>	<u>\$ 19,012,938</u>	<u>\$ (18,982,573)</u>	<u>\$ 439,155</u>
Liabilities				
Due to Other Governments	\$ 2,423	\$ 17,694,050	\$ (17,691,844)	\$ 4,629
Deposits	406,367	1,295,283	(1,267,124)	434,526
	<u>\$ 408,790</u>	<u>\$ 18,989,333</u>	<u>\$ (18,958,968)</u>	<u>\$ 439,155</u>
<u>Tax Collector's Tax Fund</u>				
Assets				
Cash	<u>\$ 44,984</u>	<u>\$ 2,247,678</u>	<u>\$ (2,277,223)</u>	<u>\$ 15,439</u>
Liabilities				
Due to Individuals	\$ -	\$ 2,110,437	\$ (2,110,437)	\$ -
Due to Other Governments	347	84,466	(84,594)	219
Deposits	44,637	53,315	(82,732)	15,220
	<u>\$ 44,984</u>	<u>\$ 2,248,218</u>	<u>\$ (2,277,763)</u>	<u>\$ 15,439</u>

**OKEECHOBEE COUNTY, FLORIDA
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2019**

	Balance October 1, 2018	Increases	(Decreases)	Balance September 30, 2019
<u>Tax Collector's Tag Fund</u>				
Assets				
Cash	\$ 87,002	\$ 5,989,786	\$ (6,006,249)	\$ 70,539
Due from Others	-	1,889	(1,833)	56
	<u>\$ 87,002</u>	<u>\$ 5,991,675</u>	<u>\$ (6,008,082)</u>	<u>\$ 70,595</u>
Liabilities				
Due to Individuals	\$ -	\$ 11,218	\$ (11,218)	\$ -
Due to Other Governments	87,002	6,918,098	(6,934,505)	70,595
	<u>\$ 87,002</u>	<u>\$ 6,929,316</u>	<u>\$ (6,945,723)</u>	<u>\$ 70,595</u>
<u>Sheriff's Individual Depositor</u>				
Assets				
Cash	<u>\$ 150,778</u>	<u>\$ 31,985</u>	<u>\$ (34,311)</u>	<u>\$ 148,452</u>
Liabilities				
Deposits	<u>\$ 150,778</u>	<u>\$ 31,985</u>	<u>\$ (34,311)</u>	<u>\$ 148,452</u>
<u>Sheriff's Cash Bond</u>				
Assets				
Cash	<u>\$ 6,500</u>	<u>\$ 170,478</u>	<u>\$ (173,978)</u>	<u>\$ 3,000</u>
Liabilities				
Deposits	<u>\$ 6,500</u>	<u>\$ 170,478</u>	<u>\$ (173,978)</u>	<u>\$ 3,000</u>
<u>Sheriff's Inmate Trust</u>				
Assets				
Cash	<u>\$ 29,302</u>	<u>\$ 419,210</u>	<u>\$ (423,295)</u>	<u>\$ 25,217</u>
Liabilities				
Deposits	<u>\$ 29,302</u>	<u>\$ 419,210</u>	<u>\$ (423,295)</u>	<u>\$ 25,217</u>
<u>Sheriff's Special Suspense</u>				
Assets				
Cash	<u>\$ -</u>	<u>\$ 3,772</u>	<u>\$ (3,772)</u>	<u>\$ -</u>
Liabilities				
Deposits	<u>\$ -</u>	<u>\$ 3,772</u>	<u>\$ (3,772)</u>	<u>\$ -</u>
<u>Sheriff's D.A.R.E. Fund</u>				
Assets				
Cash	<u>\$ 3,202</u>	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ 3,206</u>
Liabilities				
Deposits	<u>\$ 3,202</u>	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ 3,206</u>

**OKEECHOBEE COUNTY, FLORIDA
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2019**

	Balance October 1, 2018	Increases	(Decreases)	Balance September 30, 2019
<u>Sheriff's C.O.P.S. Fund</u>				
Assets				
Cash	\$ -	\$ 237	\$ (237)	\$ -
Liabilities				
Deposits	\$ -	\$ 237	\$ (237)	\$ -
<u>Sheriff's Search & Rescue</u>				
Assets				
Cash	\$ 623	\$ 1	\$ -	\$ 624
Liabilities				
Deposits	\$ 623	\$ 1	\$ -	\$ 624
<u>Sheriff's Flower Fund</u>				
Assets				
Cash	\$ 657	\$ 1,401	\$ (1,370)	\$ 688
Liabilities				
Deposits	\$ 657	\$ 1,401	\$ (1,370)	\$ 688
<u>Sheriff's Neighborhood Watch</u>				
Assets				
Cash	\$ 230	\$ -	\$ -	\$ 230
Liabilities				
Deposits	\$ 230	\$ -	\$ -	\$ 230
<u>Sheriff's Special Duty Detail</u>				
Assets				
Cash	\$ 4,586	\$ 258,787	\$ (259,381)	\$ 3,992
Liabilities				
Deposits	\$ 4,586	\$ 258,787	\$ (259,381)	\$ 3,992
<u>Sheriff's Teen Driver</u>				
Assets				
Cash	\$ 1	\$ -	\$ -	\$ 1
Liabilities				
Deposits	\$ 1	\$ -	\$ -	\$ 1

**OKEECHOBEE COUNTY, FLORIDA
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2019**

	Balance October 1, 2018	Increases	(Decreases)	Balance September 30, 2019
Total - All Agency Funds				
Assets				
Cash	\$ 1,958,100	\$ 33,592,227	\$ (34,060,346)	\$ 1,489,981
Due from Others	3	6,268	(6,212)	59
Total Assets	<u>\$ 1,958,103</u>	<u>\$ 33,598,495</u>	<u>\$ (34,066,558)</u>	<u>\$ 1,490,040</u>
Liabilities				
Due to Individuals	\$ 1,117,020	\$ 3,705,548	\$ (4,156,674)	\$ 665,894
Due to Other Governments	194,200	28,302,415	(28,307,625)	188,990
Deposits	646,883	2,234,473	(2,246,200)	635,156
Total Liabilities	<u>\$ 1,958,103</u>	<u>\$ 34,242,436</u>	<u>\$ (34,710,499)</u>	<u>\$ 1,490,040</u>

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
YEAR ENDED SEPTEMBER 30, 2019**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal CFDA Number	Grant Contract Number/ Pass-Through Entity Identifying Number	Expenditures	Passed Through to Subrecipients
Federal Awards				
U.S. Department of Agriculture				
Natural Resources Conservation Service Hurricane Irma EWP - Replace Structure and Stabilize Banks	10.923	NR184209XXXXC006	\$ 601,500	\$ -
U.S. Department of Homeland Security				
Federal Emergency Management Agency Pass-through from Florida Division of Emergency Management: Local Government Debris Removal , Emergency Protective Services and Repair or Replacement of Disaster Damaged Facilities	97.036	Z0531	2,013,456	-
Pass-through from Florida Division of Emergency Management: Emergency Management Performance Grants - Base Grant	97.042	19-FG-XX-07-57-01-XXX	32,098	-
Emergency Management Performance Grants - Base Grant	97.042	G0040	17,357	-
Total Emergency Management Performance Grants - Base Grant			<u>49,455</u>	<u>-</u>
Total U.S. Department of Homeland Security			2,062,911	-
U.S. Department of Health and Human Services				
Pass-through from U.S. Agency for Children and Families and Office of Child Support Enforcement, Florida Department of Revenue Child Support Enforcement	93.563	COC47	128,072	-
Pass-through from Department of Economic Opportunity Division of Community Development: Community Services Block Grant	93.569	18SB-OD-12-00-01-123	43,387	-
Pass-through Florida Department of Elder Affairs and the Area Agency on Aging, Inc.: Aging Cluster: Special Programs for the Aging Title III, Part B Grants for Supportive Services and Senior Centers: Title III, Part B	93.044	IA013-9400	19,351	-
Title III, Part B	93.044	IA019-9400	48,269	-
Total Title III, Part B			<u>67,620</u>	<u>-</u>
Special Programs for the Aging Title III, Part C Nutrition: Title III, Part C (C1) Congregate Meals	93.045	IA013-9400	4,647	-
Title III, Part C (C1) Congregate Meals	93.045	IA019-9400	22,371	-
Title III, Part C (C2) Home Delivered Meals	93.045	IA013-9400	17,506	-
Title III, Part C (C2) Home Delivered Meals	93.045	IA019-9400	57,406	-
Total Title III Part C			<u>101,930</u>	<u>-</u>
Nutrition Services Incentive Program	93.053	IU016-9400	5,318	-
Nutrition Services Incentive Program	93.053	IA019-9400	17,253	-
Total Nutrition Services Incentive Program			<u>22,571</u>	<u>-</u>
Total Aging Cluster			192,121	-
National Family Caregiver Support, Title III, Part E: Title III, Part E	93.052	IA013-9400	3,667	-
Title III, Part E	93.052	IA019-9400	16,797	-
Total Title III, Part E			<u>20,464</u>	<u>-</u>
Low-Income Home Energy Assistance: Emergency Home Energy Assistance	93.568	IP012-9400	24,914	-
Total U.S. Department of Health and Human Services			408,958	-

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

OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2019

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal CFDA Number	Grant Contract Number/ Pass-Through Entity Identifying Number	Expenditures	Passed Through to Subrecipients
Federal Awards (Continued):				
U.S. Department of Housing and Urban Development				
Pass-through Florida Department of Economic Opportunity:				
Community Development Block Grant	14.228	17DB-OL-07-57-01-N11	\$ 75,108	\$ -
U.S. Election Assistance Commission				
Pass-through Florida Department of State, Division of Elections:				
Voting Systems Assistance Grant	90.401	MOA 2015-2016-0006 E2508	13,939	-
Albert Network Monitoring Solution Grant	90.401	MOA 2018-2019-002	6,200	-
Election Security Grant	90.401	MOA 2018-2019-001	62,968	-
Election Security Grant	90.401	MOA 2018-2019-004	1,240	-
Total U.S. Election Assistance Commission			<u>84,347</u>	<u>-</u>
U.S. Department of Justice				
Direct programs:				
Bulletproof Vest Partnership Program	16.607	2017 Regular Fund	2,613	-
Bulletproof Vest Partnership Program	16.607	2018 Regular Fund	4,320	-
Total Bulletproof Vest Partnership Program			<u>6,933</u>	<u>-</u>
Edward Byrne Memorial Justice Assistance Grant Program	16.738	2019-JAGC-OKEE-1-N2-145	60,726	-
Total U.S. Department of Justice			<u>67,659</u>	<u>-</u>
U.S. Department of Transportation				
Federal Aviation Administration:				
Airport Improvement Program - Update Airport Master Plan Study	20.106	3-12-0056-019-2017	80,970	-
Total Expenditures of Federal Awards			<u>\$ 3,381,453</u>	<u>\$ -</u>
State Financial Assistance				
Florida Executive Office of the Governor				
Division of Emergency Management				
Emergency Management Programs	31.063	19-BG-07-57-01-XXX	\$ 83,528	\$ -
Emergency Management Programs	31.063	A0062	22,727	-
Total Florida Executive Office of the Governor			<u>106,255</u>	<u>-</u>
Florida Department of Agriculture and Consumer Services				
Agriculture Education and Promotion Facilities	42.047	FDACS 023590	477,560	-
Florida Department of Economic Opportunity				
Florida Housing Finance Corporation				
State Housing Initiative Partnership (SHIP)	40.901	N/A	329,351	-
Florida Department of Elder Affairs				
Home Care for the Elderly	65.001	IH012-9400	1,892	-
Home Care for the Elderly	65.001	IH019-9400	602	-
Total Home Care for the Elderly			<u>2,494</u>	<u>-</u>
Alzheimer's Respite Services	65.004	IZ012-9400	18,479	-
Alzheimer's Respite Services	65.004	IZ019-9400	8,127	-
Total Alzheimer's Respite Services			<u>26,606</u>	<u>-</u>
Community Care for the Elderly	65.010	IC012-9400	121,346	-
Community Care for the Elderly	65.010	IC019-9400	44,363	-
Total Community Care for the Elderly			<u>165,709</u>	<u>-</u>
Total Florida Department of Elder Affairs			<u>194,809</u>	<u>-</u>

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

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2019**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal CFDA Number	Grant Contract Number/ Pass-Through Entity Identifying Number	Expenditures	Passed Through to Subrecipients
State Financial Assistance (Continued)				
Florida Department of Education				
Coach Aaron Feis Guardian Program	48.140	96Q-90210-9D001	\$ 78,349	\$ -
Florida Department of Environmental Protection				
Small County Consolidated (Solid Waste) Grant	37.012	SC926	90,909	-
Florida Recreation Development Assistance Program	37.017	A7061	50,000	-
Total Florida Department of Environmental Protection			<u>140,909</u>	<u>-</u>
Florida Department of Financial Services				
Local Government Fire Service Grants	43.009	FM456	7,523	-
Florida Department of Health				
Emergency Medical Services Program	64.005	C6047	-	-
Florida Department of Management Services				
Wireless 911 Emergency Telephone System Rural County Grant Program	72.001	18-04-24	50,119	-
Wireless 911 Emergency Telephone System Rural County Grant Program	72.001	19-04-26	20,893	-
Total Florida Department of Management Services			<u>71,012</u>	<u>-</u>
Florida Department of State				
State Aid to Libraries	45.030	19-ST-17	96,324	-
Florida Department of Transportation				
FDOT - Florida Highway Beautification Grant Program	55.003	439087-1, G0981	101,660	-
SCOP - NE 36th	55.009	436866-1-54-01, GON05	80,097	-
SCOP- CR68 (Mico Bluff)	55.009	436867-1-54-01	77,076	-
Total SCOP			<u>157,173</u>	<u>-</u>
FDOT Aviation Grant Program - Airport Masterplan	55.004	FM-441689-1-94-01	8,997	-
Total Florida Department of Transportation			<u>267,830</u>	<u>-</u>
Total Expenditures of State Financial Assistance			<u>\$ 1,769,922</u>	<u>\$ -</u>

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

OKEECHOBEE COUNTY, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
YEAR ENDED SEPTEMBER 30, 2019

NOTE 1 BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) includes the federal award and state financial assistance activity of Okeechobee County, Florida (County) under programs of the federal government and state of Florida for the year ended September 30, 2019. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and Chapter 69I-5, Rules of the Florida Department of Financial Services. Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting for awards and financial assistance recorded in governmental funds and the accrual basis of accounting for awards and financial assistance recorded in the proprietary funds, which are described in Note 1 to the County's basic financial statements. Such expenditures are recognized following, as applicable, either the cost principles in OMB Circular A-87, *Cost Principles for State, Local and Indian Tribal Governments*, or the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years. The County has not elected to use the 10-percent de minimis indirect cost rate as allowed under the Uniform Guidance.

NOTE 3 CONTINGENCIES

Grant monies received and disbursed by the County are for specific purposes and are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon prior experience, the County does not believe that such disallowances, if any, would have a material effect on the financial position of the County. As of April 28, 2020, there were no material questioned or disallowed costs as a result of grant audits in process or completed.

OKEECHOBEE COUNTY, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2019

NOTE 4 DISASTER GRANTS – PUBLIC ASSISTANCE (PRESIDENTALLY DECLARED DISASTERS) (CFDA 97.036)

After a presidentially declared disaster, FEMA provides Disaster Grants — Public Assistance (Presidentially Declared Disasters) (CFDA 97.036) to reimburse eligible costs associated with debris removal, emergency protective measures and the repair, restoration, reconstruction or replacement of public facilities or infrastructure damaged or destroyed. Reimbursements are provided in the form of cost-shared grants. Hurricane Irma (FEMA-4337-DR) made landfall in Okeechobee County on September 10, 2017. For the fiscal year ended September 30, 2019, \$1,928,006 of approved eligible expenditures that were incurred in prior years are included in the Schedule.



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

Board of County Commissioners
Okeechobee County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Okeechobee County, Florida (County), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated April 28, 2020.

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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as finding 2019-001 that we consider to be a material weakness.

Compliance and Other Matters

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

Okeechobee County’s Response to the Finding

The County’s response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County’s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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



CliftonLarsonAllen LLP

Sebring, Florida
April 28, 2020



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

Board of County Commissioners
Okeechobee County, Florida

Report on Compliance for Each Major Federal Program and State Project

We have audited Okeechobee County, Florida's (County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement*, and the requirements described in the Florida Department of Financial Services' *State Projects Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs and state projects for the year ended September 30, 2019. The County's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs and state projects based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General for Local Governmental Entity Audits. Those standards, Uniform Guidance, and Chapter 10.550, Rules of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program or state project occurred. An audit includes examining, on a test basis, evidence about the County's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program and State Project

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2019.

Report on Internal Control Over Compliance

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

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

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

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



CliftonLarsonAllen LLP

Sebring, Florida
April 28, 2020

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS —
FEDERAL PROGRAMS AND STATE PROJECTS
YEAR ENDED SEPTEMBER 30, 2019**

Section I – Summary of Auditors’ Results

Financial Statements

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

Federal Awards

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

Identification of Major Federal Programs

CFDA Number(s)

97.036

Name of Federal Program or Cluster

Disaster Grants – Public Assistance
(Presidentially Declared Disasters)

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

\$ 750,000

Auditee qualified as low-risk auditee?

 yes X no

**OKEECHOBEE COUNTY, FLORIDA
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS —
 FEDERAL PROGRAMS AND STATE PROJECTS (CONTINUED)
 YEAR ENDED SEPTEMBER 30, 2019**

Section I – Summary of Auditors’ Results (Continued)

State Financial Assistance

1. Internal control over state projects:

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

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

3. Any audit findings disclosed that are required to be reported in accordance with Chapter 10.550, Rules of the Auditor General? _____ yes X no

Identification of Major State Projects

CSFA Number(s)	Name of State Project
40.901	State Housing Initiatives Partnership Program
55.009	Small County Outreach Program
42.047	Agriculture Education and Promotional Facility

Dollar threshold used to distinguish between Type A and Type B state projects: \$ 530,977

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL PROGRAMS AND STATE PROJECTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2019**

Section II – Financial Statement Findings

2019–001 – Audit Adjustment – Emergency Medical Services Accounts Receivable and Revenue

Type of Finding:

- Material Weakness in Internal Control over Financial Reporting

Condition: As part of the audit, we proposed an adjustment to correct the Emergency Medical Services (EMS) receivable, allowance for uncollectible accounts, and revenue account balances in the Fire/Rescue Fund.

Criteria or specific requirement: The County's management is responsible for establishing and maintaining internal controls to ensure that transactions are properly reported in the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAP).

Context: Testing of EMS accounts receivable, allowance for doubtful accounts, and revenue detected the error.

Effect: Gross accounts receivable and the related allowance for uncollectible accounts were overstated. Also, net accounts receivable and charges for services were overstated.

Cause: The general ledger balances for multiple EMS accounts receivable and allowance for uncollectible accounts were not reconciled to the supporting documentation after they were initially adjusted at year-end. Additionally, the journal entry review process did not detect the error.

Recommendation: The County should reconcile the EMS receivable subsidiary ledger and allowance calculation to the general ledger for all accounts.

Views of responsible officials and planned corrective actions: We concur with your finding. The County's EMS contracted billing company went through review of old accounts resulting in a large number of accounts being written off in the 2018/2019 fiscal year. The process involved reposting on the county's books the billing company's written off accounts and eventually passing them to the county's contracted collection agent. Within the initial process between the posting and re-assignment to the collection agent is where the error occurred. Finance has identified the key steps to the process, has a good understanding of the assignment process and developed a reconciliation to ensure that this error will not occur in the future.

**OKEECHOBEE COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL PROGRAMS AND STATE PROJECTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2019**

Section III – Findings and Questioned Costs – Major Federal Programs

Our audit did not disclose any matters required to be reported in accordance with 2 CFR 200.516(a).

Section IV – Findings and Questioned Costs – Major State Projects

Our audit did not disclose any matters required to be reported in accordance with Chapter 10.550, Rules of the Auditor General.



MANAGEMENT LETTER

Honorable Board of County Commissioners
Okeechobee County, Florida

Report on the Financial Statements

We have audited the financial statements of Okeechobee County, Florida (County), as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated April 28, 2020.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control Over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated April 28, 2020, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. See the accompanying schedule of findings and responses for the current status of prior year audit findings.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. See Note 1 to the financial statements.

Financial Condition and Management

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

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

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. Our recommendations are included in the accompanying schedule of findings and responses as 2019-002.

Special District Component Units

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

Additional Matters

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

Honorable Board of County Commissioners
Okeechobee County, Florida

Purpose of this Letter

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
April 28, 2020

**OKEECHOBEE COUNTY, FLORIDA
MANAGEMENT LETTER
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED SEPTEMBER 30, 2019**

Prior Year

Prior Year Findings		Current Year Status			Current Year Finding #	2017-2018 Year Finding #	2016-2017 Year Finding #
		Cleared	Partially Cleared	Not Cleared			
Audit Adjustments	Material Weakness in Internal Control over Financial Reporting			x	2019-001	2018-001	Not reported
Reporting - SHIP Program	Material Weakness in Internal Control over Compliance and Other Matters	x			Not reported	2018-002	Not reported
Special Provisions - Earmarking - SHIP Program	Material Weakness in Internal Control over Compliance and Other Matters	x			Not reported	2018-003	2017-004
Special Provisions - Notice of Available Funding - SHIP Program	Material Weakness in Internal Control over Compliance and Other Matters	x			Not reported	2018-004	Not reported
Special Provisions - Tracking of Program Income Usage - SHIP Program	Material Weakness in Internal Control over Compliance and Other Matters	x			Not reported	2018-005	2017-007
Florida Permit Surcharge	Improvements to Financial Management		x		2019-002	2018-006	Not reported

Current Year

2019-002 – Florida Permit Surcharge (Previously Identified as Finding 2018-006)

Condition: The County has not remitted the Building Code Administrators and Inspectors Trust Fund surcharge to the Department of Business and Professional Regulation (DBPR) for the time period November 2011 through December 2018.

Criteria or specific requirement: Section 468.631, Florida Statutes, states that the County shall collect the Building Code Administrators and Inspectors Trust Fund surcharge and remit amounts collected to the DBPR on a quarterly basis.

Context: In fiscal year 2017 testing of liabilities disclosed that remittances were not made. During the current year the County made the required remittances starting with the March 2019 quarter.

Effect: The County is not in compliance with the remittance requirements of Section 468.631, Florida Statutes.

Cause: Management has not processed the required remittances for the November 2011 through December 2018 period.

Recommendation: We recommend that management determine the amounts due to DBPR and the County's revenue for all quarters in which the surcharge has not been remitted. Those amounts should be remitted to the DBPR and the County's Unincorporated Service Area Fund.

**OKEECHOBEE COUNTY, FLORIDA
MANAGEMENT LETTER
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2019**

Views of responsible officials: We concur with your finding. The review and payment process has been corrected going forward since April of 2019. The Building department furnished pdf files with the respective reports and requests for payments. The Finance department started last fiscal year and will be concluding the analysis and reconciliation of the accrued liabilities, the furnished reports, and request for payments in the near future. Finance will then apply all the actual payments made to determine which liabilities, if any, are unpaid, the amount owed to the state, and the collection allowance revenue to the board.



INDEPENDENT ACCOUNTANTS' REPORT

Honorable Board of County Commissioners
Okeechobee County, Florida

We have examined Okeechobee County, Florida's (County)'s compliance with Section 218.415, Florida Statutes, regarding the investment of public funds and Section 365.172(10) and 365.173(2)(d), Florida Statutes, regarding emergency communications number E911 system fund during the year ended September 30, 2019. Management of the County is responsible for the County's compliance with the specified requirements. Our responsibility is to express an opinion on the County's compliance with the specified requirements based on our examination.

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

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

In our opinion, the County complied, in all material respects, with Section 218.415, Florida Statutes, regarding the investment of public funds and Section 365.172(10) and 365.173(2)(d), Florida Statutes, regarding emergency communications number E911 system fund during the year ended September 30, 2019.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
April 28, 2020

**OKEECHOBEE COUNTY CLERK OF
THE CIRCUIT COURT**

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL REPORTS**

YEAR ENDED SEPTEMBER 30, 2019



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**WEALTH ADVISORY
OUTSOURCING
AUDIT, TAX, AND
CONSULTING**

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
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YEAR ENDED SEPTEMBER 30, 2019**

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INDEPENDENT AUDITORS' REPORT

The Honorable Sharon Robertson
Okeechobee County Clerk of the Circuit Court
Okeechobee County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Okeechobee County Clerk of the Circuit Court, Okeechobee County, Florida (Clerk) as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the Clerk as of September 30, 2019, and the respective changes in financial position and budgetary comparisons for the General Fund and Court Related Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the state of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund and the aggregate remaining fund information, only for that portion of the major funds and the aggregate remaining fund information, of Okeechobee County that is attributable to the Clerk. They do not purport to, and do not, present fairly the financial position of Okeechobee County as of September 30, 2019, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Information

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

The Honorable Sharon Robertson
Okeechobee County Clerk of the Circuit Court

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated January 21, 2020 on our consideration of the Clerk's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Clerk's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clerk's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Sebring, Florida
January 21, 2020

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019**

	<u>General</u>	<u>PRMT</u>	<u>Court Related</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash	\$ 142,222	\$ 652,427	\$ 575,590	\$ 1,370,239
Accounts Receivable	129	-	248	377
Due from Other Governments	-	-	30,212	30,212
Prepaid Items	19,536	-	8,817	28,353
	<u>161,887</u>	<u>652,427</u>	<u>614,867</u>	<u>1,429,181</u>
Total Assets	<u>\$ 161,887</u>	<u>\$ 652,427</u>	<u>\$ 614,867</u>	<u>\$ 1,429,181</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable and Accrued Liabilities	\$ 52,573	\$ -	\$ 61,704	\$ 114,277
Due to Board of County Commissioners	93,595	-	-	93,595
Due to Other Governmental Units	-	-	338,311	338,311
Deposits	15,719	-	214,852	230,571
Total Liabilities	<u>161,887</u>	<u>-</u>	<u>614,867</u>	<u>776,754</u>
FUND BALANCES				
Nonspendable	19,536	-	8,817	28,353
Restricted	-	652,427	-	652,427
Unassigned	(19,536)	-	(8,817)	(28,353)
Total Fund Balances	<u>-</u>	<u>652,427</u>	<u>-</u>	<u>652,427</u>
Total Liabilities and Fund Balances	<u>\$ 161,887</u>	<u>\$ 652,427</u>	<u>\$ 614,867</u>	<u>\$ 1,429,181</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2019**

	General	PRMT	Court Related	Total Governmental Funds
REVENUES				
Appropriations from Board of County Commissioners	\$ 1,640,145	\$ -	\$ -	\$ 1,640,145
Intergovernmental	-	-	636,920	636,920
Charges for Services	199,160	71,792	528,279	799,231
Fines and Forfeitures	-	-	445,007	445,007
Interest	15,735	21,537	19,764	57,036
Miscellaneous	55	-	-	55
Total Revenues	<u>1,855,095</u>	<u>93,329</u>	<u>1,629,970</u>	<u>3,578,394</u>
EXPENDITURES				
Current:				
General Government:				
Salaries and Benefits	1,392,390	-	1,255,115	2,647,505
Operating Expenditures	224,456	-	66,460	290,916
Capital Outlay	144,654	-	-	144,654
Total Expenditures	<u>1,761,500</u>	<u>-</u>	<u>1,321,575</u>	<u>3,083,075</u>
EXCESS OF REVENUES OVER EXPENDITURES	93,595	93,329	308,395	495,319
OTHER FINANCING USES				
Distribution of Excess Revenues:				
Board of County Commissioners	(93,595)	-	-	(93,595)
State of Florida	-	-	(308,395)	(308,395)
Total Other Financing Uses	<u>(93,595)</u>	<u>-</u>	<u>(308,395)</u>	<u>(401,990)</u>
NET CHANGE IN FUND BALANCES	-	93,329	-	93,329
Fund Balances - Beginning of Year	<u>-</u>	<u>559,098</u>	<u>-</u>	<u>559,098</u>
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ 652,427</u>	<u>\$ -</u>	<u>\$ 652,427</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budget		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Appropriations from Board of County Commissioners	\$ 1,640,145	\$ 1,688,989	\$ 1,640,145	\$ (48,844)
Charges for Services	234,511	234,511	199,160	(35,351)
Interest	15,489	15,489	15,735	246
Miscellaneous	-	-	55	55
Total Revenues	<u>1,890,145</u>	<u>1,938,989</u>	<u>1,855,095</u>	<u>(83,894)</u>
EXPENDITURES				
Current:				
General Government:				
Salaries and Benefits	1,496,379	1,522,737	1,392,390	130,347
Operating Expenditures	301,732	357,277	224,456	132,821
Capital Outlay	<u>40,000</u>	<u>58,975</u>	<u>144,654</u>	<u>(85,679)</u>
Total Expenditures	<u>1,838,111</u>	<u>1,938,989</u>	<u>1,761,500</u>	<u>177,489</u>
EXCESS OF REVENUES OVER EXPENDITURES	52,034	-	93,595	93,595
OTHER FINANCING USES				
Distribution of Excess Revenues:				
Board of County Commissioners	<u>(52,034)</u>	<u>-</u>	<u>(93,595)</u>	<u>(93,595)</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
COURT RELATED FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budget		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 558,062	\$ 606,699	\$ 636,920	\$ 30,221
Charges for Services	401,843	401,843	528,279	126,436
Fines and Forfeitures	362,793	366,530	445,007	78,477
Interest	9,674	9,674	19,764	10,090
Total Revenues	<u>1,332,372</u>	<u>1,384,746</u>	<u>1,629,970</u>	<u>245,224</u>
EXPENDITURES				
Current:				
General Government:				
Salaries and Benefits	1,230,923	1,284,316	1,255,115	29,201
Operating Expenditures	101,449	100,430	66,460	33,970
Total Expenditures	<u>1,332,372</u>	<u>1,384,746</u>	<u>1,321,575</u>	<u>63,171</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	-	308,395	308,395
OTHER FINANCING USES				
Distribution of Excess Revenues:				
State of Florida	-	-	(308,395)	(308,395)
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUND
SEPTEMBER 30, 2019**

ASSETS

Cash	\$ 779,480
Due from Others	3
Total Assets	<u>\$ 779,483</u>

LIABILITIES

Due to Individuals	\$ 665,894
Due to Board of County Commissioners	42
Due to Other Governments	113,547
Total Liabilities	<u>\$ 779,483</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Reporting Entity

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

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

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

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

Basis of Presentation

These financial statements have been prepared for the purpose of complying with Section 218.39(2), Florida Statutes, and Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*, which allows the Clerk to only present fund financial statements. These financial statements present only the portion of the funds of Okeechobee County, Florida that are attributable to the Clerk. They are not intended to present fairly the financial position and results of operations of Okeechobee County, Florida in conformity with accounting principles generally accepted in the United States of America.

Fund Accounting

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

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Accounting (Continued)

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

Governmental Funds

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

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

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

Fiduciary Fund Type

Agency Fund – Agency Funds are used to account for assets held by a government as an agent for individuals, private organizations, or other governments and/or funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Measurement Focus

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

Basis of Accounting

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

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

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting (Continued)

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

Budgetary Requirements

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

Prepaid Items

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

Capital Assets

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

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

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accrued Compensated Absences

It is the Clerk's policy to grant permanent full-time employees vacation and sick leave. Employees are fully vested after 90 days for vacation leave and 1 year for sick leave. For all full-time employees hired prior to January 15, 1996, the maximum vacation and sick leave to be reimbursed upon termination will be 240 hours, unless the employee has 25 years of service with the County. An employee with 25 years of service or more will be reimbursed for all accrued and unused vacation and sick leave. For all full-time employees hired after January 15, 1996, the maximum vacation to be reimbursed upon termination will be 240 hours; the maximum sick leave to be reimbursed will also be 240 hours.

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

Use of Estimates

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

Other Postemployment Benefit Obligations

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

NOTE 2 CASH

At September 30, 2019, the Clerk's total bank balance was \$2,352,383. The entire amount of the demand deposits is deposited in a state of Florida qualified depository and, therefore, is fully collateralized.

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 2 CASH (CONTINUED)

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

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

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

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

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

Demand Deposits	\$ 2,147,269
Petty Cash and Change Funds	2,450
Total	<u>\$ 2,149,719</u>
Balance Sheet:	
Cash	\$ 1,370,239
Statement of Fiduciary Net Position:	
Cash	779,480
Total Cash	<u>\$ 2,149,719</u>

OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 3 CAPITAL ASSETS

The Clerk's capital assets include machinery and equipment and software. Detailed information concerning capital assets is recorded and reported in the government-wide financial statements of the County. The following is a summary of changes in capital assets for the year ended September 30, 2019:

<u>Governmental Activities</u>	Balance October 1, 2018	Increases	(Decreases)	Balance September 30, 2019
Capital Assets, Not Being Depreciated/Amortized:				
Software in Progress	\$ 24,330	\$ 56,481	\$ -	\$ 80,811
Capital Assets, Being Depreciated/Amortized:				
Machinery and Equipment	891,601	64,602	(106,327)	849,876
Computer Software	405,611	23,571	-	429,182
Total Capital Assets Being Depreciated/Amortized	1,297,212	88,173	(106,327)	1,279,058
Less: Accumulated Depreciation/ Amortization for:				
Machinery and Equipment	(711,824)	(69,829)	105,537	(676,116)
Computer Software	(405,612)	(7,202)	-	(412,814)
Total Accumulated Depreciation/Amortization	(1,117,436)	(77,031)	105,537	(1,088,930)
Total Capital Assets, Being Depreciated/Amortized, net	179,776	11,142	(790)	190,128
Total Capital Assets, Net	<u>\$ 204,106</u>	<u>\$ 67,623</u>	<u>\$ (790)</u>	<u>\$ 270,939</u>

NOTE 4 FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2019, fund balances of the governmental funds are classified as follows:

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

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

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

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 4 FUND BALANCES – GOVERNMENTAL FUNDS (CONTINUED)

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

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

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

A detailed schedule of fund balances at September 30, 2019 is as follows:

	General Fund	PRMT	Court Related	Total Governmental Funds
Nonspendable:				
Prepaid Items	\$ 19,536	\$ -	\$ 8,817	\$ 28,353
Restricted for:				
Records Modernization/ Court-Related Technology	-	652,427	-	652,427
Unassigned Fund Balance	(19,536)	-	(8,817)	(28,353)
Total Fund Balances	<u>\$ -</u>	<u>\$ 652,427</u>	<u>\$ -</u>	<u>\$ 652,427</u>

NOTE 5 PERSONNEL COMMITMENTS

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

The following is a summary of the changes in long-term obligations of the Clerk for the year ended September 30, 2019:

	Balance October 1, 2018	Additions	Deductions	Balance September 30, 2019
Compensated Absences	<u>\$ 176,649</u>	<u>\$ 251,775</u>	<u>\$ (227,809)</u>	<u>\$ 200,615</u>

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 6 PENSION PLANS

Background

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

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

Florida Retirement System Pension Plan

Plan Description

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

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

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 6 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Plan Description (Continued)

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at 8 years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Employees enrolled in the FRS Plan may include up to 4 years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

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

Benefits Provided

Benefits under the FRS Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the 5 highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 8 highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. FRS Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 6 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Benefits Provided (Continued)

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

Retiree Health Insurance Subsidy Program

Plan Description

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

Benefits Provided

For the fiscal year ended June 30, 2019, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

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

FRS Investment Plan

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

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

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 6 PENSION PLANS (CONTINUED)

FRS Investment Plan (Continued)

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

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2019, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Clerk.

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

Contributions

Participating employer contributions are based upon statewide rates established by the state of Florida. The Clerk's contributions made to the plans during the years ended September 30, 2019, 2018, and 2017 were \$159,013, \$146,006, and \$125,593, respectively, equal to the actuarially determined contribution requirements for each year.

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

NOTE 7 DEFERRED COMPENSATION PLAN

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

OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

NOTE 8 RELATED PARTY TRANSACTIONS

Transactions with the Okeechobee County Board of County Commissioners for the year ended September 30, 2019 were as follows:

Budget Appropriation

The General Fund of the Clerk received payments from the Board of County Commissioners for noncourt related and accounting services in the amount of \$1,640,145. Excess revenues and other amounts payable to the Board at September 30, 2019 were \$93,595. Distribution of excess revenues to the Board was \$93,595 for the year ended September 30, 2019.

NOTE 9 RISK MANAGEMENT

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

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

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

NOTE 10 COMMITMENTS AND CONTINGENCIES

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

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

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 ALL AGENCY FUNDS
 SEPTEMBER 30, 2019**

	<u>Tax Deed</u>	<u>Documentary Stamps</u>	<u>Intangible Taxes</u>	<u>Cash Bond</u>	<u>Registry of the Court</u>	<u>Escrow</u>	<u>Child Support</u>	<u>Fines and Costs</u>	<u>Restitution</u>	<u>Total</u>
ASSETS										
Cash	\$ 9,337	\$ 31,085	\$ 4,849	\$ 61,603	\$ 273,492	\$ 319,722	\$ 559	\$ 77,111	\$ 1,722	\$ 779,480
Due from Others	-	-	-	-	-	-	3	-	-	3
Total Assets	<u>\$ 9,337</u>	<u>\$ 31,085</u>	<u>\$ 4,849</u>	<u>\$ 61,603</u>	<u>\$ 273,492</u>	<u>\$ 319,722</u>	<u>\$ 562</u>	<u>\$ 77,111</u>	<u>\$ 1,722</u>	<u>\$ 779,483</u>
LIABILITIES										
Due to Individuals	\$ 9,337	\$ -	\$ -	\$ 61,603	\$ 273,492	\$ 319,722	\$ 18	\$ -	\$ 1,722	\$ 665,894
Due to Board of County Commissioners	-	-	-	-	-	-	-	42	-	42
Due to Other Governments	-	31,085	4,849	-	-	-	544	77,069	-	113,547
Total Liabilities	<u>\$ 9,337</u>	<u>\$ 31,085</u>	<u>\$ 4,849</u>	<u>\$ 61,603</u>	<u>\$ 273,492</u>	<u>\$ 319,722</u>	<u>\$ 562</u>	<u>\$ 77,111</u>	<u>\$ 1,722</u>	<u>\$ 779,483</u>

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
 COMBINING STATEMENT OF CHANGES IN
 ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 YEAR ENDED SEPTEMBER 30, 2019**

	Balance October 1, 2018	Increases	(Decreases)	Balance September 30, 2019
TAX DEED				
Assets				
Cash	<u>\$ 17,740</u>	<u>\$ 259,830</u>	<u>\$ (268,233)</u>	<u>\$ 9,337</u>
Liabilities				
Due to Individuals	<u>\$ 17,740</u>	<u>\$ 259,830</u>	<u>\$ (268,233)</u>	<u>\$ 9,337</u>
 DOCUMENTARY STAMPS				
Assets				
Cash	<u>\$ 31,126</u>	<u>\$ 1,956,124</u>	<u>\$ (1,956,165)</u>	<u>\$ 31,085</u>
Liabilities				
Due to Other Governments	<u>\$ 31,126</u>	<u>\$ 1,956,124</u>	<u>\$ (1,956,165)</u>	<u>\$ 31,085</u>
 INTANGIBLE TAXES				
Assets				
Cash	<u>\$ 6,511</u>	<u>\$ 289,892</u>	<u>\$ (291,554)</u>	<u>\$ 4,849</u>
Liabilities				
Due to Other Governments	<u>\$ 6,511</u>	<u>\$ 289,892</u>	<u>\$ (291,554)</u>	<u>\$ 4,849</u>
 CASH BOND				
Assets				
Cash	<u>\$ 103,157</u>	<u>\$ 145,616</u>	<u>\$ (187,170)</u>	<u>\$ 61,603</u>
Liabilities				
Due to Individuals	<u>\$ 103,157</u>	<u>\$ (184,674)</u>	<u>\$ 143,120</u>	<u>\$ 61,603</u>

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
 COMBINING STATEMENT OF CHANGES IN
 ASSETS AND LIABILITIES (CONTINUED)
 ALL AGENCY FUNDS
 YEAR ENDED SEPTEMBER 30, 2019**

	Balance October 1, 2018	Increases	(Decreases)	Balance September 30, 2019
REGISTRY OF THE COURT				
Assets				
Cash	<u>\$ 170,259</u>	<u>\$ 1,336,791</u>	<u>\$ (1,233,558)</u>	<u>\$ 273,492</u>
Liabilities				
Due to Individuals	<u>\$ 170,259</u>	<u>\$ 1,336,791</u>	<u>\$ (1,233,558)</u>	<u>\$ 273,492</u>
 ESCROW				
Assets				
Cash	<u>\$ 824,468</u>	<u>\$ 168,355</u>	<u>\$ (673,101)</u>	<u>\$ 319,722</u>
Liabilities				
Due to Individuals	<u>\$ 824,468</u>	<u>\$ 168,355</u>	<u>\$ (673,101)</u>	<u>\$ 319,722</u>
 CHILD SUPPORT				
Assets				
Cash	\$ 458	\$ 481,048	\$ (480,947)	\$ 559
Due from Others	3	-	-	3
Total Assets	<u>\$ 461</u>	<u>\$ 481,048</u>	<u>\$ (480,947)</u>	<u>\$ 562</u>
Liabilities				
Due to Individuals	\$ 18	\$ -	\$ -	\$ 18
Due to Other Governments	443	481,048	(480,947)	544
Total Liabilities	<u>\$ 461</u>	<u>\$ 481,048</u>	<u>\$ (480,947)</u>	<u>\$ 562</u>

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT
 COMBINING STATEMENT OF CHANGES IN
 ASSETS AND LIABILITIES (CONTINUED)
 ALL AGENCY FUNDS
 YEAR ENDED SEPTEMBER 30, 2019**

	<u>Balance October 1, 2018</u>	<u>Increases</u>	<u>(Decreases)</u>	<u>Balance September 30, 2019</u>
FINES AND COSTS				
Assets				
Cash	\$ 66,348	\$ 874,906	\$ (864,143)	\$ 77,111
Liabilities				
Due to Board of County Commissioners	\$ -	\$ 55,824	\$ (55,782)	\$ 42
Due to Other Governments	66,348	878,737	(868,016)	77,069
Total Liabilities	<u>\$ 66,348</u>	<u>\$ 934,561</u>	<u>\$ (923,798)</u>	<u>\$ 77,111</u>
RESTITUTION				
Assets				
Cash	\$ 1,378	\$ 3,591	\$ (3,247)	\$ 1,722
Liabilities				
Due to Individuals	\$ 1,378	\$ 3,591	\$ (3,247)	\$ 1,722
<u>TOTAL ALL AGENCY FUNDS</u>				
Assets				
Cash	\$ 1,221,445	\$ 5,516,153	\$ (5,958,118)	\$ 779,480
Due from Others	3	-	-	3
Total Assets	<u>\$ 1,221,448</u>	<u>\$ 5,516,153</u>	<u>\$ (5,958,118)</u>	<u>\$ 779,483</u>
Liabilities				
Due to Individuals	\$ 1,117,020	\$ 1,583,893	\$ (2,035,019)	\$ 665,894
Due to Board of County Commissioners	-	55,824	(55,782)	42
Due to Other Governments	104,428	3,605,801	(3,596,682)	113,547
Total Liabilities	<u>\$ 1,221,448</u>	<u>\$ 5,245,518</u>	<u>\$ (5,687,483)</u>	<u>\$ 779,483</u>



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

The Honorable Sharon Robertson
Okeechobee County Clerk of the Circuit Court
Okeechobee County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Okeechobee County Clerk of the Circuit Court, Okeechobee County, Florida (Clerk), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements, and have issued our report thereon dated January 21, 2020.

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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Clerk's internal control. Accordingly, we do not express an opinion on the effectiveness of the Clerk's internal control.

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

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

The Honorable Sharon Robertson
Okeechobee County Clerk of the Circuit Court

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Sebring, Florida
January 21, 2020



MANAGEMENT LETTER

The Honorable Sharon Robertson
Okeechobee County Clerk of the Circuit Court
Okeechobee County, Florida

Report on the Financial Statements

We have audited the financial statements of the Okeechobee County Clerk of the Circuit Court, Okeechobee County, Florida (Clerk), as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated January 21, 2020.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated January 21, 2020, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. See Note 1 in the notes to the financial statements.

The Honorable Sharon Robertson
Okeechobee County Clerk of the Circuit Court

Financial Management

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

Additional Matters

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

Purpose of this Letter

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



CliftonLarsonAllen LLP

Sebring, Florida
January 21, 2020



INDEPENDENT ACCOUNTANTS' REPORT

The Honorable Sharon Robertson,
Okeechobee County Clerk of the Circuit Court,
and the Florida Auditor General
Okeechobee County, Florida

We have examined the Okeechobee County Clerk of the Circuit Court, Okeechobee County, Florida's (Clerk) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds; Section 61.181, Florida Statutes, regarding clerks of the courts alimony and child support payments; and Sections 28.35 and 28.36, Florida Statutes, regarding clerks of the courts performance standards and budgets during the year ended September 30, 2019. Management of the Clerk is responsible for the Clerk's compliance with the specified requirements. Our responsibility is to express an opinion on the Clerk's compliance with the specified requirements based on our examination.

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

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

In our opinion, the Clerk complied, in all material respects, with Section 218.415, Florida Statutes, regarding the investment of public funds; Section 61.181, Florida Statutes, regarding clerks of the courts alimony and child support payments; and Sections 28.35 and 28.36, Florida Statutes, regarding clerks of the courts performance standards and budgets during the year ended September 30, 2019.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
January 21, 2020

OKEECHOBEE COUNTY PROPERTY APPRAISER

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL REPORTS**

YEAR ENDED SEPTEMBER 30, 2019



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OUTSOURCING
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**OKEECHOBEE COUNTY PROPERTY APPRAISER
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INDEPENDENT AUDITORS' REPORT

The Honorable Mickey L. Bandi
Okeechobee County Property Appraiser
Okeechobee County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund of the Okeechobee County Property Appraiser, Okeechobee County, Florida (Property Appraiser), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Property Appraiser's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund of the Property Appraiser as of September 30, 2019, and the respective changes in financial position and the budgetary comparison of the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the state of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, only for that portion of the major funds of Okeechobee County, Florida that is attributable to the Property Appraiser. They do not purport to, and do not, present fairly the financial position of Okeechobee County, Florida as of September 30, 2019, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2019, on our consideration of the Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Property Appraiser's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Property Appraiser's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Sebring, Florida
December 13, 2019

**OKEECHOBEE COUNTY PROPERTY APPRAISER
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019**

	<u>General</u>	<u>Coquina</u>	<u>Total</u>
ASSETS			
Cash	\$ 42,736	\$ 50,839	\$ 93,575
Accounts Receivable	27	-	27
	<u>42,763</u>	<u>50,839</u>	<u>93,602</u>
Total Assets	<u>\$ 42,763</u>	<u>\$ 50,839</u>	<u>\$ 93,602</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 1,311	\$ -	\$ 1,311
Due to Board of County Commissioners	39,707	-	39,707
Due to Other Governments	1,745	-	1,745
Total Liabilities	<u>42,763</u>	<u>-</u>	<u>42,763</u>
FUND BALANCES			
Committed	<u>-</u>	<u>50,839</u>	<u>50,839</u>
Total Liabilities and Fund Balances	<u>\$ 42,763</u>	<u>\$ 50,839</u>	<u>\$ 93,602</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY PROPERTY APPRAISER
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2019**

	<u>General</u>	<u>Coquina</u>	<u>Total</u>
REVENUES			
Intergovernmental:			
Appropriations from Board of County Commissioners	\$ 1,247,067	\$ -	\$ 1,247,067
South Florida Water Management District	22,783	-	22,783
St. Johns River Water Management District	1,042	-	1,042
Children's Services Council	30,985	-	30,985
Coquina Water Control District	-	8,070	8,070
Interest	228	49	277
Miscellaneous	1,286	320	1,606
Total Revenues	<u>1,303,391</u>	<u>8,439</u>	<u>1,311,830</u>
EXPENDITURES			
Current:			
General Government:			
Salaries and Benefits	856,025	-	856,025
Operating Expenditures	309,235	2,074	311,309
Capital Outlay	96,679	-	96,679
Total Expenditures	<u>1,261,939</u>	<u>2,074</u>	<u>1,264,013</u>
EXCESS OF REVENUES OVER EXPENDITURES	41,452	6,365	47,817
OTHER FINANCING USES			
Distribution of Excess Revenues:			
Board of County Commissioners	(39,707)	-	(39,707)
Other Governments	(1,745)	-	(1,745)
Total Other Financing Uses	<u>(41,452)</u>	<u>-</u>	<u>(41,452)</u>
NET CHANGE IN FUND BALANCE	-	6,365	6,365
Fund Balances - Beginning of Year	<u>-</u>	<u>44,474</u>	<u>44,474</u>
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ 50,839</u>	<u>\$ 50,839</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY PROPERTY APPRAISER
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental:				
Appropriations from Board of County Commissioners	\$ 1,261,408	\$ 1,247,067	\$ 1,247,067	\$ -
South Florida Water Management District	23,045	22,783	22,783	-
St. Johns River Water Management District	1,053	1,042	1,042	-
Children's Services Council	31,341	30,985	30,985	-
Interest	-	-	228	228
Miscellaneous	-	-	1,286	1,286
Total Revenues	<u>1,316,847</u>	<u>1,301,877</u>	<u>1,303,391</u>	<u>1,514</u>
EXPENDITURES				
Current:				
General Government:				
Salaries and Benefits	832,156	856,025	856,025	-
Operating Expenditures	448,081	349,173	309,235	39,938
Capital Outlay	<u>36,610</u>	<u>96,679</u>	<u>96,679</u>	<u>-</u>
Total Expenditures	<u>1,316,847</u>	<u>1,301,877</u>	<u>1,261,939</u>	<u>39,938</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	-	41,452	41,452
OTHER FINANCING USES				
Distribution of Excess Revenues:				
Board of County Commissioners	-	-	(39,707)	(39,707)
Other Governments	-	-	(1,745)	(1,745)
Total Other Financing Uses	<u>-</u>	<u>-</u>	<u>(41,452)</u>	<u>(41,452)</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies used in the preparation of the financial statements of the Okeechobee County Property Appraiser (Property Appraiser).

Reporting Entity

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

The Property Appraiser is an elected official of the County, pursuant to the Constitution of the state of Florida, Article VIII, Section 1(d). The Property Appraiser is part of the primary government of the County. Although the Board and the Florida Department of Revenue approve the Property Appraiser's total operating budget, the Property Appraiser is responsible for the administration and the operation of the Property Appraiser's office. The Property Appraiser's financial statements include only the funds of the Property Appraiser's office. There are no separate legal entities (component units) for which the Property Appraiser is considered to be financially accountable.

The operations of the Property Appraiser are funded by the Board, the South Florida Water Management District, St. Johns River Water Management District, and the Children's Services Council of Okeechobee County. The balance of revenues in excess of expenditures remaining at September 30 are divided among the various taxing governmental units in the same proportion as that particular unit's payments to the Property Appraiser during the year relates to the total payments from all taxing governmental units.

Revenues are collected from commissions earned on the drainage taxes assessed for the Coquina Water Control District pursuant to Florida Statute 298.401.

Basis of Presentation

These financial statements have been prepared for the purpose of complying with Section 218.39(2), Florida Statutes, and Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*, which allows the Property Appraiser to only present fund financial statements. These financial statements present only the portion of the funds of Okeechobee County, Florida that are attributable to the Property Appraiser. They are not intended to present fairly the financial position and results of operations of Okeechobee County, Florida in conformity with accounting principles generally accepted in the United States of America.

**OKEECHOBEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Accounting

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

Governmental Funds

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

Coquina Fund – The Coquina Fund is a special revenue fund, used to account for the revenues received from the Coquina District. The revenues are committed for specific purposes by the Property Appraiser.

Measurement Focus

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

Basis of Accounting

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

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

**OKEECHOBEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgetary Requirements

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

Capital Assets

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

Capital assets are defined by the Property Appraiser as assets with an initial, individual cost of \$750 or more and an estimated useful of life in excess of one year. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets.

Accrued Compensated Absences

It is the Property Appraiser's policy to allow employees to accumulate vacation and sick leave. Employees with more than one year of service with the County are vested and will be paid for up to 480 hours of earned, unused, sick, and vacation time upon proper termination. Employees vested with 25 years of service will receive compensation for all accumulated, unused, sick, and vacation time upon proper termination. Employees who have entered the DROP program of the Florida Retirement System or who have reached 25 years of service with the Property Appraiser's Office may request to be paid for time they have in accrual once a year.

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

**OKEECHOBEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

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

Other Postemployment Benefit Obligations

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

NOTE 2 CASH

At September 30, 2019, the carrying amount of the Property Appraiser's deposits was \$93,575 and bank balance was \$161,976, consisting entirely of demand deposits. The entire amount of the demand deposits is deposited in a state of Florida qualified depository and, therefore, is fully collateralized.

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

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

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

**OKEECHOBEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 2 CASH (CONTINUED)

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

NOTE 3 CAPITAL ASSETS

The Property Appraiser's capital assets include machinery and equipment. Detailed information concerning capital assets is recorded and reported in the government-wide financial statements of the County. The following is a summary of changes in capital assets for the year ended September 30, 2019:

	Balance October 1, 2018	Increases	Decreases	Balance September 30, 2019
Government Activities:				
Capital Assets, Not Being Depreciated:				
Software in Progress	\$ -	\$ 50,000	\$ -	\$ 50,000
Capital Assets, Being Depreciated:				
Machinery and Equipment	332,639	46,297	-	378,936
Less: Accumulated Depreciation:				
Machinery and Equipment	(253,340)	(19,705)	-	(273,045)
Total Capital Assets, Being Depreciated, Net	<u>79,299</u>	<u>26,592</u>	<u>-</u>	<u>105,891</u>
Governmental Activities				
Capital Assets, Net	<u>\$ 79,299</u>	<u>\$ 76,592</u>	<u>\$ -</u>	<u>\$ 155,891</u>

NOTE 4 FUND BALANCES – GOVERNMENT FUNDS

As of September 30, 2019, fund balances of the governmental funds are classified as follows:

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

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

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

**OKEECHOBEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 4 FUND BALANCES – GOVERNMENT FUNDS (CONTINUED)

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

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

The Property Appraiser has adopted a Fund Balance policy. Funds are committed through an office memo signed by the Property Appraiser. As of September 30, 2019, fund balances of the Coquina Fund are composed of committed amounts for personal services in the form of salary, FICA, and retirements as related to the Coquina District and operating expenses in the form of travel and office supplies.

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

NOTE 5 PERSONNEL COMMITMENTS

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

The following is a summary of the changes in long-term obligations of the Property Appraiser for the year ended September 30, 2019:

	Balance October 1, 2018	Additions	Deductions	Balance September 30, 2019
Compensated Absences	\$ 67,738	\$ 45,577	\$ (54,307)	\$ 59,008

**OKEECHOBEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 6 PENSION PLANS

Background

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

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

Florida Retirement System Pension Plan

Plan Description

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

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

**OKEECHOBEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 6 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Plan Description (Continued)

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

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

Benefits Provided

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

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. FRS Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

**OKEECHOBEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 6 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Benefits Provided (Continued)

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

Retiree Health Insurance Subsidy Program

Plan Description

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

Benefits Provided

For the fiscal year ended June 30, 2019, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

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

FRS Investment Plan

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

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Property Appraiser employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan.

**OKEECHOBEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 6 PENSION PLANS (CONTINUED)

FRS Investment Plan (Continued)

Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll and by forfeited benefits of plan members.

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2019, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Property Appraiser.

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

Contributions

Participating employer contributions are based upon statewide rates established by the state of Florida. The Property Appraiser's contributions made to the plans during the years ended September 30, 2019, 2018, and 2017 were \$96,697, \$88,915, and \$69,127, respectively, equal to the actuarially determined contribution requirements for each year.

Additional information about pension plans can be found in the Countywide financial statements.

**OKEECHOBEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 7 RELATED PARTY TRANSACTIONS

Transactions with the Board for the year ended September 30, 2019 were as follows:

Appropriations – The General Fund of the Property Appraiser received revenue from the Board in the amount of \$1,247,067 for the year ended September 30, 2019. Amounts due to the Board were \$39,707 at September 30, 2019.

NOTE 8 RISK MANAGEMENT

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

The Property Appraiser carries commercial insurance coverage to insure employees for health and life insurance costs. The Property Appraiser does not retain any risk of loss under these policies.

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

NOTE 9 COMMITMENTS AND CONTINGENCIES

In July 2019, the Property Appraiser entered into a contract in the amount of \$263,024 for the development of a computer assisted mass appraisal (CAMA) system. During the fiscal year ended September 30, 2019, \$50,000 was incurred and paid. The payment schedule for the total amount due is as follows:

<u>Year</u>	<u>Amount</u>
2020	\$ 131,512
2021	81,512
Total	<u>\$ 213,024</u>

The Property Appraiser is named as a defendant in several lawsuits concerning assessment and collection of prior years' ad valorem taxes on real and personal property located in Okeechobee County, Florida, as of September 30, 2019. The outcome of these matters turns upon disputed questions of property classifications and tax values. As of September 30, 2019, based on management's opinion, it does not appear the Property Appraiser's assets will be affected and, consequently, no provision has been made in any of the funds for any liability that might arise from these claims.



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

The Honorable Mickey L. Bandi
Okeechobee County Property Appraiser
Okeechobee County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund of the Okeechobee County Property Appraiser, Okeechobee County, Florida (Property Appraiser), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Property Appraiser's basic financial statements, and have issued our report thereon dated December 13, 2019.

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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Property Appraiser's internal control. Accordingly, we do not express an opinion on the effectiveness of the Property Appraiser's internal control.

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

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


The Honorable Mickey L. Bandi
Okeechobee County Property Appraiser

Compliance and Other Matters

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

Purpose of this Report

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



CliftonLarsonAllen LLP

Sebring, Florida
December 13, 2019



MANAGEMENT LETTER

The Honorable Mickey L. Bandi
Okeechobee County Property Appraiser
Okeechobee County, Florida

Report on the Financial Statements

We have audited the financial statements of the Okeechobee County Property Appraiser, Okeechobee County, Florida (Property Appraiser), as of and for the fiscal year ended September 30, 2019 and have issued our report thereon dated December 13, 2019.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated December 13, 2019, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. See Note 1 in the notes to the financial statements.

The Honorable Mickey L. Bandi
Okeechobee County Property Appraiser

Financial Management

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

Additional Matters

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

Purpose of this Letter

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



CliftonLarsonAllen LLP

Sebring, Florida
December 13, 2019



INDEPENDENT ACCOUNTANTS' REPORT

The Honorable Mickey L. Bandi, Okeechobee County Property Appraiser
and the Florida Auditor General
Okeechobee County, Florida

We have examined the Okeechobee County Property Appraiser, Okeechobee County, Florida (Property Appraiser)'s compliance with Section 218.415, Florida Statutes, regarding the investment of public funds, during the year ended September 30, 2019. Management of the Property Appraiser is responsible for the Property Appraiser's compliance with the specified requirements. Our responsibility is to express an opinion on the Property Appraiser's compliance with the specified requirements based on our examination.

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

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

In our opinion, the Property Appraiser complied, in all material respects, with Section 218.415, Florida Statutes, regarding the investment of public funds, during the year ended September 30, 2019.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
December 13, 2019

OKEECHOBEE COUNTY SHERIFF

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL REPORTS**

YEAR ENDED SEPTEMBER 30, 2019



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**OKEECHOBEE COUNTY SHERIFF
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INDEPENDENT AUDITORS' REPORT

The Honorable Noel E. Stephen
Okeechobee County Sheriff
Okeechobee County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Okeechobee County Sheriff, Okeechobee County, Florida (the Sheriff), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the Sheriff as of September 30, 2019, and the respective changes in financial position and budgetary comparison for the General Fund, Special Suspense Forfeiture Fund, and Inmate Welfare Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the state of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, and the aggregate remaining fund information, only for that portion of the major funds, and the aggregate remaining fund information, of Okeechobee County, Florida that is attributable to the Sheriff. They do not purport to, and do not, present fairly the financial position of Okeechobee County, Florida as of September 30, 2019, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Supplementary Information

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

The Honorable Noel E. Stephen
Okeechobee County Sheriff

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 18, 2019, on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Sheriff's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Sebring, Florida
December 18, 2019

**OKEECHOBEE COUNTY SHERIFF
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019**

	General Fund	Special Suspense Forfeiture	Inmate Welfare	Nonmajor Community Donations	Total Governmental Funds
ASSETS					
Cash	\$ 845,058	\$ 3,722	\$ 590,765	\$ 32,205	\$ 1,471,750
Accounts Receivable	28,792	-	23,637	-	52,429
Due from Board of County Commissioners	-	60,726	-	-	60,726
Due from Other Funds	60,726	-	-	-	60,726
Prepaid Items	25,817	-	-	-	25,817
	<u>960,393</u>	<u>64,448</u>	<u>614,402</u>	<u>32,205</u>	<u>1,671,448</u>
Total Assets	<u>\$ 960,393</u>	<u>\$ 64,448</u>	<u>\$ 614,402</u>	<u>\$ 32,205</u>	<u>\$ 1,671,448</u>
LIABILITIES AND FUND BALANCES					
LIABILITIES					
Accounts Payable and Accrued Liabilities	\$ 913,768	\$ 3,605	\$ 18,940	\$ 109	\$ 936,422
Due to Board of County Commissioners	46,625	117	-	-	46,742
Due to Other Funds	-	60,726	-	-	60,726
Total Liabilities	<u>960,393</u>	<u>64,448</u>	<u>18,940</u>	<u>109</u>	<u>1,043,890</u>
FUND BALANCES					
Nonspendable	25,817	-	-	-	25,817
Restricted	-	-	595,462	32,096	627,558
Unassigned	(25,817)	-	-	-	(25,817)
Total Fund Balances	<u>-</u>	<u>-</u>	<u>595,462</u>	<u>32,096</u>	<u>627,558</u>
Total Liabilities and Fund Balances	<u>\$ 960,393</u>	<u>\$ 64,448</u>	<u>\$ 614,402</u>	<u>\$ 32,205</u>	<u>\$ 1,671,448</u>

See accompanying Notes to Financial Statements.

OKEECHOBEE COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2019

	General Fund	Special Suspense Forfeiture	Inmate Welfare	Nonmajor Community Donations	Total Governmental Funds
REVENUES					
Appropriations from Board of County Commissioners	\$ 18,760,029	\$ 76,661	\$ -	\$ -	\$ 18,836,690
Intergovernmental	85,346	-	-	-	85,346
Charges for Services - Senior Meals	80,256	-	-	-	80,256
Charges for Services	49,350	-	279,957	-	329,307
Net Change in Fair Value of Investments	64,535	117	11,811	658	77,121
Miscellaneous	3,752	-	346	11,111	15,209
Total Revenues	19,043,268	76,778	292,114	11,769	19,423,929
EXPENDITURES					
Current:					
Public Safety:					
Salaries and Benefits	14,106,326	-	101,372	-	14,207,698
Operating Expenditures	4,252,691	56,597	111,119	8,400	4,428,807
Capital Outlay	532,068	20,064	28,960	-	581,092
Debt Service:					
Principal Retirement	386,648	-	-	-	386,648
Interest and Fiscal Charges	29,279	-	-	-	29,279
Total Expenditures	19,307,012	76,661	241,451	8,400	19,633,524
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(263,744)	117	50,663	3,369	(209,595)
OTHER FINANCING SOURCES AND (USES)					
Issuance of Debt	310,369	-	-	-	310,369
Distribution of Excess Revenues:					
Board of County Commissioners	(46,625)	(117)	-	-	(46,742)
Total Other Financing Sources (Uses)	263,744	(117)	-	-	263,627
NET CHANGE IN FUND BALANCES	-	-	50,663	3,369	54,032
Fund Balances - Beginning of Year	-	-	544,799	28,727	573,526
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ 595,462	\$ 32,096	\$ 627,558

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Appropriation from Board of County Commissioners	\$ 18,700,000	\$ 18,760,029	\$ 18,760,029	\$ -
Intergovernmental	-	152,437	85,346	(67,091)
Charges for Services - Senior Meals	-	59,563	80,256	20,693
Charges for Services	-	42,700	49,350	6,650
Net Change in Fair Value of Investments	-	54,037	64,535	10,498
Miscellaneous	-	105	3,752	3,647
Total Revenues	<u>18,700,000</u>	<u>19,068,871</u>	<u>19,043,268</u>	<u>(25,603)</u>
EXPENDITURES				
Current:				
Public Safety:				
Salaries and Benefits	14,395,877	14,080,302	14,106,326	(26,024)
Operating Expenditures	3,690,735	4,343,154	4,252,691	90,463
Capital Outlay	191,339	533,735	532,068	1,667
Debt Service:				
Principal Retirement	389,938	392,938	386,648	6,290
Interest and Fiscal Charges	32,111	29,111	29,279	(168)
Total Expenditures	<u>18,700,000</u>	<u>19,379,240</u>	<u>19,307,012</u>	<u>72,228</u>
DEFICIENCY OF REVENUES UNDER EXPENDITURES	-	(310,369)	(263,744)	46,625
OTHER FINANCING SOURCES AND (USES)				
Issuance of Debt	-	310,369	310,369	-
Distribution of Excess Revenues:				
Board of County Commissioners	-	-	(46,625)	(46,625)
Total Other Financing Sources and (Uses)	<u>-</u>	<u>310,369</u>	<u>263,744</u>	<u>(46,625)</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
SPECIAL SUSPENSE FORFEITURE FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Appropriations from Board of County Commissioners	\$ -	\$ 76,661	\$ 76,661	\$ -
Net Change in Fair Value of Investments	-	-	117	117
Total Revenues	-	76,661	76,778	117
EXPENDITURES				
Current:				
Public Safety:				
Operating Expenditures	-	53,943	56,597	(2,654)
Capital Outlay	-	22,718	20,064	2,654
Total Expenditures	-	76,661	76,661	-
EXCESS OF REVENUES OVER EXPENDITURES	-	-	117	117
OTHER FINANCING USES				
Distribution of Excess Revenues:				
Board of County Commissioners	-	-	(117)	(117)
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	\$ -	\$ -	\$ -	\$ -

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
INMATE WELFARE FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$ -	\$ 260,000	\$ 279,957	\$ 19,957
Net Change in Fair Value of Investments	-	5,000	11,811	6,811
Miscellaneous	-	-	346	346
Total Revenues	-	265,000	292,114	27,114
EXPENDITURES				
Current:				
Public Safety:				
Salaries and Benefits	-	103,318	101,372	1,946
Operating Expenditures	-	114,211	111,119	3,092
Capital Outlay	-	107,500	28,960	78,540
Total Expenditures	-	325,029	241,451	83,578
NET CHANGE IN FUND BALANCE	-	(60,029)	50,663	110,692
Fund Balance - Beginning of Year	-	60,029	544,799	484,770
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 595,462</u>	<u>\$ 595,462</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY SHERIFF
STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUND
SEPTEMBER 30, 2019**

ASSETS

Cash	\$ 262,682
------	------------

LIABILITIES

Due to Board of County Commissioners	\$ 77,272
Due to Others	185,410
Total Liabilities	<u>\$ 262,682</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies used in the preparation of the financial statements of the Okeechobee County Sheriff (the Sheriff).

Reporting Entity

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

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

The operations of the Sheriff are funded by the Board. The receipts from the Board are recorded as revenue on the Sheriff's financial statements and as other financing uses on the Board's financial statements. Any excess of revenues and other financing sources received over expenditures are remitted to the Board at year-end.

Basis of Presentation

These financial statements have been prepared for the purpose of complying with Section 218.39(2), Florida Statutes, and Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*, which allows the Sheriff to only present fund financial statements. These financial statements present only the portion of the funds of Okeechobee County, Florida that are attributable to the Sheriff. They are not intended to present fairly the financial position and results of operations of Okeechobee County, Florida in conformity with accounting principles generally accepted in the United States of America.

Fund Accounting

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

**OKEECHOBEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Accounting (Continued)

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

Governmental Funds

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

Special Suspense Forfeiture Fund – The Special Suspense Forfeiture Fund is a special revenue fund used to account for the Edward Byrne Memorial Justice Assistance Grant Program and other task force expenditures.

Inmate Welfare Fund – The Inmate Welfare Fund is a special revenue fund used to account for commissions earned by providing goods and services to the inmates. These resources are restricted by Section 951.23, Florida Statutes, for inmate welfare.

Nonmajor Governmental Fund

Community Donations Fund – The Community Donations Fund is a special revenue fund used to account for donations received by the Sheriff to be used exclusively for animal control services and the K-9 unit.

Fiduciary Funds

Agency Funds – Agency Funds are used to account for assets held by a government as an agent for individuals, private organizations or other governments and/or funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operation.

Major Fund Determination

GASB Statement No. 34 sets forth minimum criteria for the determination of major funds: percentage of the assets, liabilities, revenues, or expenditures/expenses of either fund category, or the governmental and enterprise funds combined.

The Sheriff considers the Special Suspense Forfeiture Fund important to financial statement users because of public interest and is, therefore, reporting that governmental fund as major even though the quantitative criteria have not been met.

Measurement Focus

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

**OKEECHOBEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting

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

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

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

Budgetary Requirements

General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget is adopted by the Sheriff for the General Fund, Special Suspense Forfeiture Fund, and Inmate Welfare Fund. Budgets are prepared on the modified accrual (U.S. GAAP) basis of accounting.

The Sheriff's annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total annual budget appropriations at the individual fund level. All appropriations lapse at year-end.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Interfund Transactions

Outstanding balances between funds at September 30, 2019 are reported as "due to/from other funds."

Capital Assets

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

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

**OKEECHOBEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accrued Compensated Absences

It is the Sheriff's policy to allow employees to accumulate annual and sick leave. Employees can accumulate and carry over 240 hours of annual leave and an unlimited amount of sick leave. Annual leave is paid out at separation of service up to 240 hours for those with up to 31 years of service. For those with 31 plus years of services they will be paid out 240 hours plus any annual leave time accrued in the current fiscal year. Sick leave is paid out in varying amounts. Employees with at least one year or more of satisfactory, continuous, and creditable service, who separate in good standing shall be paid their accumulated unused sick leave in varying percentages according to years of service up to 2,000 hours.

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

Use of Estimates

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

Other Postemployment Benefit Obligations

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

NOTE 2 CASH

At September 30, 2019, the Sheriff's total bank balance was \$1,967,854. The entire amount of the demand deposits is deposited in a state of Florida qualified depository and, therefore, is fully collateralized.

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

**OKEECHOBEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 2 CASH (CONTINUED)

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

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

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

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

Demand Deposits	\$ 1,734,432
Balance Sheet:	
Cash	\$ 1,471,750
Statement of Fiduciary Net Position:	
Cash	262,682
Total Cash	\$ 1,734,432

NOTE 3 CHANGES IN CAPITAL ASSETS

The Sheriff's capital assets include machinery and equipment and computer software. Detailed information concerning capital assets is recorded and reported in the government-wide financial statements of the County. The following is a summary of changes in capital assets for the year ended September 30, 2019:

<u>Government Activities</u>	Balance October 1, 2018	Increases	Decreases	Balance September 30, 2019
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 7,436,442	\$ 623,324	\$ (331,400)	\$ 7,728,366
Computer Software	808,890	-	-	808,890
Total Capital Assets Being Depreciated/Amortized	8,245,332	623,324	(331,400)	8,537,256
Less Accumulated Depreciation:				
Machinery and Equipment	(5,370,617)	(651,024)	327,529	(5,694,112)
Computer Software	(635,533)	(40,221)	-	(675,754)
Total Accumulated Depreciation/Amortization	(6,006,150)	(691,245)	327,529	(6,369,866)
Total Capital Assets, Net	\$ 2,239,182	\$ (67,921)	\$ (3,871)	\$ 2,167,390

**OKEECHOBEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 4 FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2019, fund balances of the governmental funds are classified as follows:

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

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

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

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

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

The Sheriff has adopted a fund balance policy. Funds are committed through a standard operating procedure signed by the Sheriff. As of September 30, 2019, fund balances of the Inmate Welfare Fund are composed of restricted amounts for overall inmate welfare according to Section 951.23, Florida Statutes, and fund balances of the Community Donations Fund are comprised donor restricted amounts for animal control services and the K-9 unit.

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

**OKEECHOBEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 5 PERSONNEL COMMITMENTS

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

The following is a summary of the changes in compensated absences of the Sheriff for the year ended September 30, 2019:

<u>Government Activities</u>	Balance October 1, 2018	Increases	Decreases	Balance September 30, 2019
Compensated Absences	\$ 1,120,274	\$ 819,069	\$ (597,279)	\$ 1,342,064

NOTE 6 PENSION PLANS

Background

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

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

**OKEECHOBEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 6 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan

Plan Description

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

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

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

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

Benefits Provided

Benefits under the FRS Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation.

**OKEECHOBEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 6 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Benefits Provided (Continued)

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

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. FRS Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

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

Retiree Health Insurance Subsidy Program

Plan Description

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

Benefits Provided

For the fiscal year ended June 30, 2019, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

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

**OKEECHOBEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 6 PENSION PLANS (CONTINUED)

FRS Investment Plan

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

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

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2019, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Sheriff.

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

**OKEECHOBEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 6 PENSION PLANS (CONTINUED)

Contributions

Participating employer contributions are based upon statewide rates established by the state of Florida. The Sheriff's contributions made to the plans during the years ended September 30, 2019, 2018, and 2017 were \$1,771,907, \$1,597,237, and \$1,491,655, respectively, equal to the actuarially determined contribution requirements for each year.

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

NOTE 7 DEFERRED COMPENSATION PLAN

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

NOTE 8 RELATED PARTY TRANSACTIONS

Transactions with the Board for the year ended September 30, 2019 were as follows:

Board Appropriation – The General Fund and Special Suspense Forfeiture Fund of the Sheriff received revenues from the Board in the amount of \$18,836,690 for the fiscal year ended September 30, 2019. Excess revenues payable to the Board was \$46,742 at September 30, 2019. Receivables from the Board related to appropriations was \$60,726 at September 30, 2019.

Charges for Services – The General Fund of the Sheriff received revenue from the Board for preparation of the meals for Okeechobee Senior Services totaling \$80,256 for the fiscal year ended September 30, 2019.

NOTE 9 RISK MANAGEMENT

The Sheriff is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. There are no significant reductions in insurance coverage from the prior year.

**OKEECHOBEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 9 RISK MANAGEMENT (CONTINUED)

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

The Sheriff carries commercial insurance coverage to insure employees for health and life insurance costs. The Sheriff does not retain any risk of loss under these policies.

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

NOTE 10 COMMITMENTS AND CONTINGENCIES

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

The Sheriff is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of legal counsel for the Sheriff, the resolution of these matters will not have a materially adverse effect on the financial condition of the Sheriff.

NOTE 11 CAPITAL LEASES

The Sheriff has entered into several lease agreements as lessee for financing the acquisition of vehicles and information technology equipment.

- Principal and interest is payable monthly in installments of \$3,533 including interest at 5.9% through April 2020 for the laptops lease.
- Principal and interest is payable monthly in installments of \$350 including interest at 8.6% through April 2020 for the docking stations and aircards lease.
- Principal and interest is payable monthly in installments of \$2,086 including interest at 4.8% through November 2019 for the server storage system lease.
- Principal and interest is payable monthly in installments of \$1,042 including interest at 8.0% through December 2019 for the desktop lease.

**OKEECHOBEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 11 CAPITAL LEASES (CONTINUED)

- Principal and interest is payable annually in installments of \$152,765 including interest at 3.1% through October 2021 for the GM Vehicle lease.
- Principal and interest is payable annually in installments of \$28,559 including interest at 5.3% through July 2020 for the Dell server lease.
- Principal and interest is payable monthly in installments of \$4,862 including interest at 2.0% through April 2021 for the De Lage network lease.
- Principal and interest is payable monthly in installments of \$2,020 including interest at 4.2% through February 2021 for the De Lage telephone lease.
- Principal and interest is payable annually in installments of \$67,878 including interest at 4.7% through October 2022 for the GM Vehicle Lease.

These leases qualify as capital leases for accounting purposes and, therefore, have been recorded at the present value of the future minimum lease payments, as of the inception date, in the government-wide financial statements of the County. A summary of the capital leases are as follows:

<u>Government Activities</u>	Balance October 1, 2018	Increases	Decreases	Balance September 30, 2019
Capital Leases	\$ 932,734	\$ 310,369	\$ (386,648)	\$ 856,455

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2019 are as follows:

<u>Year Ending September 30,</u>	
2020	\$ 365,774
2021	264,858
2022	220,644
2023	65,996
Total Minimum Lease Payment	917,272
Less: Amount Representing Interest	(60,817)
Present Value of Minimum Lease Payment	\$ 856,455

NOTE 12 SUBSEQUENT EVENTS

On October 11, 2019 the Sheriff entered into a lease in the amount of \$287,580 for financing 10 vehicles. The interest rate is 3.95% with a final maturity on October 11, 2023.

**OKEECHOBEE COUNTY SHERIFF
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 ALL AGENCY FUNDS
 SEPTEMBER 30, 2019**

	<u>Individual Depositor</u>	<u>Cash Bond</u>	<u>Inmate Trust</u>	<u>Special Suspense</u>	<u>D.A.R.E.</u>	<u>C.O.P.</u>
ASSETS						
Cash	<u>\$ 148,452</u>	<u>\$ 3,000</u>	<u>\$ 58,029</u>	<u>\$ 44,460</u>	<u>\$ 3,206</u>	<u>\$ -</u>
LIABILITIES						
Due to Board of County Commissioners	\$ -	\$ -	\$ 32,812	\$ 44,460	\$ -	\$ -
Due to Others	<u>148,452</u>	<u>3,000</u>	<u>25,217</u>	<u>-</u>	<u>3,206</u>	<u>-</u>
Total Liabilities	<u>\$ 148,452</u>	<u>\$ 3,000</u>	<u>\$ 58,029</u>	<u>\$ 44,460</u>	<u>\$ 3,206</u>	<u>\$ -</u>

<u>Search and Rescue</u>	<u>Flower</u>	<u>Special Duty Detail</u>	<u>Neighborhood Watch</u>	<u>Teen Driver</u>	<u>Total</u>
<u>\$ 624</u>	<u>\$ 688</u>	<u>\$ 3,992</u>	<u>\$ 230</u>	<u>\$ 1</u>	<u>\$ 262,682</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 77,272</u>
<u>624</u>	<u>688</u>	<u>3,992</u>	<u>230</u>	<u>1</u>	<u>185,410</u>
<u>\$ 624</u>	<u>\$ 688</u>	<u>\$ 3,992</u>	<u>\$ 230</u>	<u>\$ 1</u>	<u>\$ 262,682</u>

**OKEECHOBEE COUNTY SHERIFF
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS
YEAR ENDED SEPTEMBER 30, 2019**

	Balance October 1, 2018	Increases	Decreases	Balance September 30, 2019
<u>INDIVIDUAL DEPOSITOR</u>				
Assets				
Cash	\$ 150,778	\$ 31,985	\$ (34,311)	\$ 148,452
Liabilities				
Due to Others	\$ 150,778	\$ 31,985	\$ (34,311)	\$ 148,452
<u>CASH BOND</u>				
Assets				
Cash	\$ 6,500	\$ 170,478	\$ (173,978)	\$ 3,000
Liabilities				
Due to Others	\$ 6,500	\$ 170,478	\$ (173,978)	\$ 3,000
<u>INMATE TRUST</u>				
Assets				
Cash	\$ 68,593	\$ 452,022	\$ (462,586)	\$ 58,029
Liabilities				
Due to Board of County Commissioners	\$ 39,291	\$ 32,812	\$ (39,291)	\$ 32,812
Due to Others	29,302	419,210	(423,295)	25,217
Total Liabilities	\$ 68,593	\$ 452,022	\$ (462,586)	\$ 58,029
<u>SPECIAL SUSPENSE</u>				
Assets				
Cash	\$ 8,273	\$ 48,232	\$ (12,045)	\$ 44,460
Liabilities				
Due to Board of County Commissioners	\$ 8,273	\$ 48,232	\$ (12,045)	\$ 44,460

**OKEECHOBEE COUNTY SHERIFF
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
ALL AGENCY FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2019**

	Balance October 1, 2018	Increases	(Decreases)	Balance September 30, 2019
<u>D.A.R.E.</u>				
Assets				
Cash	\$ 3,202	\$ 4	\$ -	\$ 3,206
Liabilities				
Due to Others	\$ 3,202	\$ 4	\$ -	\$ 3,206
<u>C.O.P.</u>				
Assets				
Cash	\$ -	\$ 237	\$ (237)	\$ -
Liabilities				
Due to Others	\$ -	\$ 237	\$ (237)	\$ -
<u>SEARCH & RESCUE</u>				
Assets				
Cash	\$ 623	\$ 1	\$ -	\$ 624
Liabilities				
Due to Others	\$ 623	\$ 1	\$ -	\$ 624
<u>FLOWER</u>				
Assets				
Cash	\$ 657	\$ 1,401	\$ (1,370)	\$ 688
Liabilities				
Due to Others	\$ 657	\$ 1,401	\$ (1,370)	\$ 688
<u>SPECIAL DUTY DETAIL</u>				
Assets				
Cash	\$ 4,586	\$ 258,787	\$ (259,381)	\$ 3,992
Liabilities				
Due to Others	\$ 4,586	\$ 258,787	\$ (259,381)	\$ 3,992

**OKEECHOBEE COUNTY SHERIFF
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
 ALL AGENCY FUNDS (CONTINUED)
 YEAR ENDED SEPTEMBER 30, 2019**

	Balance October 1, 2018	Increases	Decreases	Balance September 30, 2019
<u>NEIGHBORHOOD WATCH</u>				
Assets				
Cash	\$ 230	\$ -	\$ -	\$ 230
Liabilities				
Due to Others	\$ 230	\$ -	\$ -	\$ 230
<u>TEEN DRIVER</u>				
Assets				
Cash	\$ 1	\$ -	\$ -	\$ 1
Liabilities				
Due to Others	\$ 1	\$ -	\$ -	\$ 1
<u>TOTAL ALL AGENCY FUNDS</u>				
Assets				
Cash	\$ 243,443	\$ 963,147	\$ (943,908)	\$ 262,682
Liabilities				
Due to Board of County Commissioners	\$ 47,564	\$ 81,044	\$ (51,336)	\$ 77,272
Due to Others	195,879	882,103	(892,572)	185,410
Total Liabilities	\$ 243,443	\$ 963,147	\$ (943,908)	\$ 262,682



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

The Honorable Noel E. Stephen
Okeechobee County Sheriff
Okeechobee County, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Okeechobee County Sheriff, Okeechobee County, Florida (the Sheriff), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements, and have issued our report thereon dated December 18, 2019.

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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Sheriff's internal control. Accordingly, we do not express an opinion on the effectiveness of the Sheriff's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2019-001 that we consider to be a material weakness.

The Honorable Noel E. Stephen
Okeechobee County Sheriff

Compliance and Other Matters

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

Okeechobee County Sheriff's Response to Finding

The Sheriff's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. The Sheriff's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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



CliftonLarsonAllen LLP

Sebring, Florida
December 18, 2019



MANAGEMENT LETTER

The Honorable Noel E. Stephen
Okeechobee County Sheriff
Okeechobee County, Florida

Report on the Financial Statements

We have audited the financial statements of the Okeechobee County Sheriff, Okeechobee County, Florida (Sheriff), as of and for the fiscal year ended September 30, 2019 and have issued our report thereon dated December 18, 2019.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated December 18, 2019, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. See Note 1 in the notes to the financial statements.

The Honorable Noel E. Stephen
Okeechobee County Sheriff

Financial Management

Section 10.554(1)(i)2, Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. See items 2019-003 and 2019-004 in the accompanying schedule of findings and responses.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. See item 2019-002 in the accompanying schedule of findings and responses.

Purpose of this Letter

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



CliftonLarsonAllen LLP

Sebring, Florida
December 18, 2019

**OKEECHOBEE COUNTY SHERIFF
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED SEPTEMBER 30, 2019**

CURRENT YEAR FINDINGS AND RECOMMENDATIONS

2019-001: Inmate Welfare Accounts Receivable and Revenue

Type of Finding

- Material Weakness in Internal Control Over Financial Reporting

Condition: As part of the audit, we proposed an adjustment to correct the following error in the Sheriff's financial statements.

- Inmate Welfare fund receivables and revenue were understated because telephone commissions earned in August and September 2019 were not recognized as of September 30, 2019. The amounts were received within the period of availability.

Criteria or specific requirement: The Sheriff's management is responsible for establishing and maintaining internal controls to ensure that transactions are properly recorded and reported in the financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Context: Testing of the telephone commissions identified the deficiency.

Effect: Receivables and revenues in the Inmate Welfare Fund were understated.

Cause: Amounts received subsequent to the fiscal year-end that were for current year services were not properly identified and recorded.

Recommendation: We recommend that the year-end closing procedures include a review of all amounts received subsequent to the fiscal year-end to identify any that should be accrued. Also, the telephone commission revenue account should be reviewed and reconciled to the periodic reports provided by the third-party provider.

Views of Responsible Officials: A year-end checklist has been created to assure that all revenue is accounted for in the period earned.

**OKEECHOBEE COUNTY SHERIFF
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2019**

CURRENT YEAR FINDINGS AND RECOMMENDATIONS (CONTINUED)

2019-002: Security for Public Deposits

Type of Finding

- State Compliance

Condition: The Public Deposit Identification and Acknowledgement Form was not prepared for one bank account that was opened during the current year.

Criteria or specific requirement: Chapter 280.17(2)(c), Florida Statutes, requires public depositors to maintain a current Public Deposit Identification and Acknowledgement Form, DFS-J1-1295 as a valuable record. This form is mandatory for filing a claim with the Florida Chief Financial Officer upon default or insolvency of a qualified public depository.

Context: Testing of compliance with Chapter 280 identified the deficiency.

Effect: Without the required documentation, the Sheriff allows itself to be susceptible to financial loss upon default or insolvency of a qualified public depository.

Cause: Management was unfamiliar with some of the requirements of Chapter 280, Florida Statutes.

Recommendation: We recommend that management review the provisions of Chapter 280, Florida Statutes, and establish procedures to ensure that the required forms are completed and maintained, and submitted to the Florida Chief Financial Officer, as applicable.

Views of Responsible Officials: New accounts that are opened for the Sheriff's Office will include the completion of the Public Deposit Identification and Acknowledgement Form as part of the new account procedure.

**OKEECHOBEE COUNTY SHERIFF
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2019**

CURRENT YEAR FINDINGS AND RECOMMENDATIONS (CONTINUED)

2019-003: Expenditures Cutoff

Type of Finding

- Deficiency in Internal Control over Financial Reporting

Condition: During our audit procedures, we identified amounts incorrectly recorded as accounts payable and expenditures. Although the items were ordered before September 30, they were not received prior to that date; therefore, the amounts should not be recorded in fiscal year 2019.

Criteria or specific requirement: The Sheriff's management is responsible for establishing and maintaining internal controls to ensure that transactions are properly recorded and reported in the financial statements in accordance with U.S. GAAP.

Context: Testing of subsequent disbursements detected the errors.

Effect: Recording expenditures in the incorrect period resulted in an immaterial overstatement of expenditures and an immaterial understatement of excess fees payable to the Board of County Commissioners.

Cause: Goods ordered were not received until the next fiscal year. The invoices received after year-end were not evaluated to determine when the liabilities were incurred.

Recommendation: The Sheriff should review all invoices received after year-end to ensure expenditures are recognized in accordance with U.S. GAAP.

Views of Responsible Officials: Invoices received after September 30th will be more closely reviewed to ensure they are recognized in the correct year.

**OKEECHOBEE COUNTY SHERIFF
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2019**

CURRENT YEAR FINDINGS AND RECOMMENDATIONS (CONTINUED)

2019-004: Recording Revenue

Type of Finding

- Deficiency in Internal Control over Financial Reporting

Condition: During our audit procedures, we identified revenue and expenditure accounts that were understated. Amounts received to assist with costs incurred for training and an insurance recovery were netted against expenditures, rather than being recorded as revenue.

Criteria or specific requirement: The Sheriff's management is responsible for establishing and maintaining internal controls to ensure that transactions are properly recorded and reported in the financial statements in accordance with U.S. GAAP.

Context: Testing of journal entries and capital outlay expenditures detected the misstatements.

Effect: Revenues and expenditures of the General Fund are understated by immaterial amounts. Distribution of excess revenues to the Board was not affected.

Cause: The receipt transactions are recorded against the associated expenditures.

Recommendation: The Sheriff should report revenues at gross rather than netting against expenditures.

Views of Responsible Officials: Revenue will be monitored and recorded appropriately.



INDEPENDENT ACCOUNTANTS' REPORT

The Honorable Noel E. Stephen, Okeechobee County Sheriff,
and the Florida Auditor General
Okeechobee County, Florida

We have examined the Okeechobee County Sheriff, Okeechobee County, Florida's (the Sheriff) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2019. Management of the Sheriff is responsible for the Sheriff's compliance with the specified requirements. Our responsibility is to express an opinion on the Sheriff's compliance with the specified requirements based on our examination.

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

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

In our opinion, the Sheriff complied, in all material respects, with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2019.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
December 18, 2019

OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL REPORTS**

YEAR ENDED SEPTEMBER 30, 2019



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**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS
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INDEPENDENT AUDITORS' REPORT

The Honorable Diane Hagan
Okeechobee County Supervisor of Elections
Okeechobee County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the General Fund of the Okeechobee County Supervisor of Elections, Okeechobee County, Florida (Supervisor of Elections), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the General Fund of the Supervisor of Elections as of September 30, 2019, and the changes in financial position and the budgetary comparison of the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the General Fund, only for that portion of the General Fund of Okeechobee County, Florida that is attributable to the Supervisor of Elections. They do not purport to, and do not, present fairly the financial position of Okeechobee County, Florida as of September 30, 2019, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2019, on our consideration of the Supervisor of Elections' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Supervisor of Elections' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Supervisor of Elections' internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Sebring, Florida
December 13, 2019

**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS
BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2019**

ASSETS

Prepaid Items	<u>\$ 14,726</u>
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LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts Payable and Accrued Liabilities	\$ 10,511
Due to Board of County Commissioners	<u>4,215</u>
Total Liabilities	14,726

FUND BALANCE

Nonspendable	14,726
Unassigned	<u>(14,726)</u>
Total Fund Balance	<u>-</u>

Total Liabilities and Fund Balance	<u>\$ 14,726</u>
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**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budget Amounts		Actual	Variance with Budget Positive (Negative)
	Original	Final		
REVENUES				
Appropriation from Board of County Commissioners	\$ 470,650	\$ 536,384	\$ 486,564	\$ (49,820)
Intergovernmental	-	7,780	10,079	2,299
Total Revenues	<u>470,650</u>	<u>544,164</u>	<u>496,643</u>	<u>(47,521)</u>
EXPENDITURES				
Current:				
General Government:				
Salaries and Benefits	318,270	300,993	290,488	10,505
Operating Expenditures	132,380	142,176	116,969	25,207
Capital Outlay	20,000	100,995	89,186	11,809
Total Expenditures	<u>470,650</u>	<u>544,164</u>	<u>496,643</u>	<u>47,521</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies used in the preparation of the financial statements of the Okeechobee County Supervisor of Elections (Supervisor of Elections).

Reporting Entity

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

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

The operations of the Supervisor of Elections are funded by the Board. The receipts from the Board are recorded as revenue on the Supervisor of Elections' financial statements and as other financing uses on the Board's financial statements.

Basis of Presentation

These financial statements have been prepared for the purpose of complying with Section 218.39(2), Florida Statutes, and Chapter 10.550, Rules of the Auditor General – Local Governmental Entity Audits, which allows the Supervisor of Elections to only present fund financial statements. These financial statements present only the portion of the funds of Okeechobee County, Florida that are attributable to the Supervisor of Elections. They are not intended to present fairly the financial position and results of operations of Okeechobee County, Florida in conformity with accounting principles generally accepted in the United States of America.

Fund Accounting

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

**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Accounting (Continued)

The purpose of the Supervisor of Elections' fund is as follows:

Government Funds

General Fund – The General Fund is the general operating fund of the Supervisor of Elections. All receipts that are not required either legally or by accounting principles generally accepted in the United States of America to be accounted for in other funds are accounted for in the General Fund.

Measurement Focus

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

Basis of Accounting

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

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

Budgetary Requirements

General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget is adopted for the General Fund. Budget to actual comparisons are provided in the financial statements for the General Fund, where the Supervisor of Elections has legally adopted an annual budget. Final budget amounts presented in the accompanying financial statements have been adjusted for legally authorized amendments of the annual budget for the year. Budgets are prepared on the modified accrual (accounting principles generally accepted in the United States of America) basis of accounting. The Supervisor of Elections' budget is monitored at varying levels of classification detail. However for purposes of budgetary control, expenditures cannot legally exceed the total annual budget appropriations at the individual fund level. All appropriations lapse at year-end.

**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Capital Assets

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

Capital assets are defined by the Supervisor of Elections as assets with an initial, individual cost of \$1,000 or more and an estimated useful of life in excess of one year. Depreciation is calculated using the straight-line method over the estimated useful lives of 3 to 30 years of the related machinery and equipment assets.

Accrued Compensated Absences

It is the Supervisor of Elections' policy to grant permanent full-time employees vacation and sick leave. Employees are fully vested after 90 days for vacation leave and one year for sick leave. For all full-time employees, the maximum vacation to be reimbursed upon termination will be 240 hours; the maximum sick leave to be reimbursed will also be 240 hours.

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

Use of Estimates

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

Other Postemployment Benefits

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

**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 2 CASH

The Supervisor of Elections does not maintain her own deposit account as all of her transactions are processed by the Board.

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

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

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

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

NOTE 3 CAPITAL ASSETS

The Supervisor of Elections' capital assets include machinery and equipment. Detailed information concerning capital assets is recorded and reported in the government-wide financial statements of the County. The following is a summary of changes in capital assets for the year ended September 30, 2019:

<u>Governmental Activities</u>	<u>Balance October 1, 2018</u>	<u>Increases</u>	<u>(Decreases)</u>	<u>Balance September 30, 2019</u>
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 193,656	\$ 79,118	\$ (55,940)	\$ 216,834
Less: Accumulated Depreciation for:				
Machinery and Equipment	(176,021)	(19,491)	55,940	(139,572)
Total Capital Assets, Net	<u>\$ 17,635</u>	<u>\$ 59,627</u>	<u>\$ -</u>	<u>\$ 77,262</u>

**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 4 FUND BALANCE – GOVERNMENT FUNDS

As of September 30, 2019, fund balance of the General Fund is classified as follows:

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

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

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

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

Unassigned – amounts that are available for any purpose; these amounts can be reported only in the Supervisor of Elections’ General Fund.

The Supervisor of Elections has adopted a fund balance policy. Funds are committed through a written memorandum signed by the Supervisor of Elections. As of September 30, 2019, fund balances of the General Fund are composed of nonspendable amounts for prepaid items.

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

NOTE 5 PERSONNEL COMMITMENTS

Accrued compensated absences represent the vested portion of accrued vacation and sick leave. See Note 1 for a summary of the Supervisor of Elections’ compensated absences policy.

The following is a summary of the changes in compensated absences for the Supervisor of Elections for the year ended September 30, 2019:

	Balance October 31, 2018	Increases	(Decreases)	Balance September 30, 2019
<u>Governmental Activities</u>				
Compensated Absences	<u>\$ 5,708</u>	<u>\$ 3,281</u>	<u>\$ (5,457)</u>	<u>\$ 3,532</u>

**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 6 PENSION PLANS

Background

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

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

Florida Retirement System Pension Plan

Plan Description

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

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

**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 6 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Plan Description (Continued)

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

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

Benefits Provided

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

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. FRS Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 6 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Benefits Provided (Continued)

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

Retiree Health Insurance Subsidy Program

Plan Description

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

Benefits Provided

For the fiscal year ended June 30, 2019, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

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

FRS Investment Plan

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

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

**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 6 PENSION PLANS (CONTINUED)

FRS Investment Plan (Continued)

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2019, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Supervisor of Elections.

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

Contributions

Participating employer contributions are based upon statewide rates established by the state of Florida. The Supervisor of Elections' contributions made to the plans during the years ended September 30, 2019, 2018, and 2017 were \$22,646, \$21,205, and \$18,735, respectively, equal to the actuarially determined contribution requirements for each year.

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

NOTE 7 RELATED PARTY TRANSACTIONS

The General Fund of the Supervisor of Elections received payments from the Board in the amount of \$486,564 for the fiscal year ended September 30, 2019. Amounts payable to the Board at September 30, 2019 was \$4,215.

**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 8 RISK MANAGEMENT

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

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

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



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

The Honorable Diane Hagan
Okeechobee County Supervisor of Elections
Okeechobee County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the General Fund of the Okeechobee County Supervisor of Elections, Okeechobee County, Florida (Supervisor of Elections) as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' basic financial statements, and have issued our report thereon dated December 13, 2019.

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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Supervisor of Elections' internal control. Accordingly, we do not express an opinion on the effectiveness of the Supervisor of Elections' internal control.

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

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

The Honorable Diane Hagan
Okeechobee County Supervisor of Elections

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Supervisor of Elections' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. 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 cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Sebring, Florida
December 13, 2019



MANAGEMENT LETTER

The Honorable Diane Hagan
Okeechobee County Supervisor of Elections
Okeechobee County, Florida

Report on the Financial Statements

We have audited the financial statements of the Okeechobee County Supervisor of Elections, Okeechobee County, Florida (Supervisor of Elections), as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated December 13, 2019.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated December 13, 2019, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. See Note 1 in the notes to the financial statements.

The Honorable Diane Hagan
Okeechobee County Supervisor of Elections

Financial Management


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

Additional Matters

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

Purpose of this Letter

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



CliftonLarsonAllen LLP

Sebring, Florida
December 13, 2019



INDEPENDENT ACCOUNTANTS' REPORT

The Honorable Diane Hagan, Okeechobee County Supervisor of Elections
and the Florida Auditor General
Okeechobee County, Florida

We have examined the Okeechobee County Supervisor of Elections, Okeechobee County, Florida's (Supervisor of Elections) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds, during the year ended September 30, 2019. Management of the Supervisor of Elections is responsible for the Supervisor of Elections' compliance with the specified requirements. Our responsibility is to express an opinion on the Supervisor of Elections' compliance with the specified requirements based on our examination.

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

Our examination does not provide a legal determination on the Supervisor of Elections' compliance with specified requirements.

In our opinion, the Supervisor of Elections complied, in all material respects, with Section 218.415, Florida Statutes, regarding the investment of public funds, during the year ended September 30, 2019.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
December 13, 2019

OKEECHOBEE COUNTY TAX COLLECTOR

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL REPORTS**

YEAR ENDED SEPTEMBER 30, 2019



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**OKEECHOBEE COUNTY TAX COLLECTOR
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INDEPENDENT AUDITORS' REPORT

The Honorable Celeste Watford
Okeechobee County Tax Collector
Okeechobee County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Okeechobee County Tax Collector, Okeechobee County, Florida (Tax Collector), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Tax Collector's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the Tax Collector as of September 30, 2019, and the respective changes in financial position and budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the state of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, and the aggregate remaining fund information, only for that portion of the major funds, and the aggregate remaining fund information, of Okeechobee County, Florida that is attributable to the Tax Collector. They do not purport to, and do not, present fairly the financial position of Okeechobee County, Florida as of September 30, 2019, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

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

Supplementary Information

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

Honorable Celeste Watford
Okeechobee County Tax Collector

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 13, 2019, on our consideration of the Tax Collector's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Tax Collector's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tax Collector's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Sebring, Florida
December 13, 2019

**OKEECHOBEE COUNTY TAX COLLECTOR
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019**

	General	Coquina	Total
ASSETS			
Cash	\$ 42,403	\$ 56,910	\$ 99,313
Due from Other Funds	-	48,100	48,100
Prepaid Items	8,097	-	8,097
	<u>50,500</u>	<u>-</u>	<u>8,097</u>
Total Assets	<u>\$ 50,500</u>	<u>\$ 105,010</u>	<u>\$ 155,510</u>
LIABILITIES AND FUND BALANCES			
LIABILITIES			
Accounts Payable	\$ 18	\$ -	\$ 18
Due to Board of County Commissioners	731	-	731
Due to Other Governments	1,651	-	1,651
Due to Other Funds	48,100	-	48,100
Total Liabilities	<u>50,500</u>	<u>-</u>	<u>50,500</u>
FUND BALANCES			
Nonspendable	8,097	-	8,097
Committed	-	105,010	105,010
Unassigned	(8,097)	-	(8,097)
Total Fund Balances	<u>-</u>	<u>105,010</u>	<u>105,010</u>
Total Liabilities and Fund Balances	<u>\$ 50,500</u>	<u>\$ 105,010</u>	<u>\$ 155,510</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY TAX COLLECTOR
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2019**

	General	Coquina	Total
REVENUES			
Charges for Services - Board of County Commissioners	\$ 574,611	\$ -	\$ 574,611
Charges for Services	590,544	8,030	598,574
Interest	6,195	1,233	7,428
Miscellaneous	21,896	-	21,896
Total Revenues	1,193,246	9,263	1,202,509
EXPENDITURES			
Current:			
General Government:			
Salaries and Benefits	946,372	306	946,678
Operating Expenditures	162,791	-	162,791
Capital Outlay	7,174	-	7,174
Total Expenditures	1,116,337	306	1,116,643
EXCESS OF REVENUES OVER EXPENDITURES	76,909	8,957	85,866
OTHER FINANCING USES			
Distribution of Excess Revenues:			
Board of County Commissioners	(75,258)	-	(75,258)
Other Governments	(1,651)	-	(1,651)
Total Other Financing Uses	(76,909)	-	(76,909)
NET CHANGE IN FUND BALANCES	-	8,957	8,957
Fund Balances - Beginning of Year	-	96,053	96,053
FUND BALANCES - END OF YEAR	\$ -	\$ 105,010	\$ 105,010

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY TAX COLLECTOR
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2019**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services -				
Board of County Commissioners	\$ 500,000	\$ 529,000	\$ 574,611	\$ 45,611
Charges for Services	609,960	609,960	590,544	(19,416)
Interest	3,500	3,500	6,195	2,695
Miscellaneous	21,300	21,300	21,896	596
Total Revenues	<u>1,134,760</u>	<u>1,163,760</u>	<u>1,193,246</u>	<u>29,486</u>
EXPENDITURES				
Current:				
General Government:				
Salaries and Benefits	963,400	984,874	946,372	38,502
Operating Expenditures	169,763	169,763	162,791	6,972
Capital Outlay	-	7,174	7,174	-
Total Expenditures	<u>1,133,163</u>	<u>1,161,811</u>	<u>1,116,337</u>	<u>45,474</u>
EXCESS OF REVENUES OVER EXPENDITURES	1,597	1,949	76,909	74,960
OTHER FINANCING USES				
Distribution of Excess Revenues:				
Board of County Commissioners	(1,597)	(1,949)	(75,258)	(73,309)
Other Governments	-	-	(1,651)	(1,651)
Total Other Financing Uses	<u>(1,597)</u>	<u>(1,949)</u>	<u>(76,909)</u>	<u>(74,960)</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY TAX COLLECTOR
STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUND
SEPTEMBER 30, 2019**

ASSETS

Cash	\$ 537,093
Due from Others	56
Total Assets	<u>\$ 537,149</u>

LIABILITIES

Due to Board of County Commissioners	\$ 11,960
Due to Other Governments	75,443
Deposits	449,746
Total Liabilities	<u>\$ 537,149</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies used in the preparation of the financial statements of the Okeechobee County Tax Collector (Tax Collector).

Reporting Entity

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

The Tax Collector is an elected official of the County, pursuant to the Constitution of the state of Florida, Article VIII, Section 1(d). The Tax Collector is part of the primary government of the County. Although the Board and the Florida Department of Revenue approve the Tax Collector's operating budget, the Tax Collector is responsible for the administration and the operation of the Tax Collector's office. The Tax Collector's financial statements include only the funds of the Tax Collector's office. There are no separate legal entities (component units) for which the Tax Collector is considered to be financially accountable.

Upon approval of the operating budget, revenues are collected from the fees for the sale of tags, driver licenses, and sports licenses and from commissions earned for the collection of taxes for Okeechobee County, Florida, the Okeechobee County School Board, South Florida Water Management District, St. John's Water Management District, Children's Services Council, and Okeechobee Utility Authority pursuant to Florida Statute Chapter 192.091 (2) as a Fee Officer. Any excess revenues received over expenditures made are remitted to the Board and the other taxing districts and recorded as other financing uses.

Revenues are collected from commissions earned from the collection of taxes for the Coquina Water Control District pursuant to Florida Statute 298.401.

Basis of Presentation

These financial statements have been prepared for the purpose of complying with Section 218.39(2), Florida Statutes, and Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*, which allows the Tax Collector to only present fund financial statements. These financial statements present only the portion of the funds of Okeechobee County, Florida that are attributable to the Tax Collector. They are not intended to present fairly the financial position and results of operations of Okeechobee County, Florida in conformity with accounting principles generally accepted in the United States of America.

**OKEECHOBEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Accounting

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

Governmental Funds

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

Coquina Fund – The Coquina Fund is a special revenue fund, used to account for the revenues received from the Coquina District. The revenues are committed for specific purposes by the Tax Collector.

Fiduciary Funds

Agency Funds – Agency Funds are used to account for assets held by a government as an agent for individuals, private organizations or other governments and/or funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Measurement Focus

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

Basis of Accounting

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

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

**OKEECHOBEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting (Continued)

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

Budgetary Requirements

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

Interfund Transactions

Outstanding balances between funds at September 30, 2019 are reported as "due to/from other funds."

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items.

Capital Assets

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

Capital assets are defined by the Tax Collector as assets with an initial, individual cost of \$750 or more and an estimated useful of life in excess of one year. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets.

**OKEECHOBEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accrued Compensated Absences

It is the Tax Collector's policy to allow employees to accumulate vacation and sick leave. After one year of creditable and continuous service, employees are fully vested and shall be paid for accumulated and unused sick leave up to a maximum of 120 hours. After one year of creditable and continuous service, employees are vested and shall be paid for accumulated and unused vacation leave up to a maximum of 120 hours. As an additional incentive, all employees who have been employed 30 years or more are eligible to receive all accumulated sick and vacation time upon their resignation or retirement.

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

Use of Estimates

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

Other Postemployment Benefit Obligations

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

NOTE 2 CASH

At September 30, 2019, the Tax Collector's bank balance was \$629,073, consisting entirely of demand deposits. The entire amount of the demand deposits is deposited in a state of Florida qualified depository and, therefore, is fully collateralized.

**OKEECHOBEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 2 CASH (CONTINUED)

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

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

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

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

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

Demand Deposits	\$ 634,425
Petty Cash and Change Funds	1,981
	<u>\$ 636,406</u>
Balance Sheet:	
Cash	\$ 99,313
Statement of Fiduciary Net Position:	
Cash	537,093
Total Cash	<u>\$ 636,406</u>

**OKEECHOBEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 3 CAPITAL ASSETS

The Tax Collector's capital assets include machinery and equipment. Detailed information concerning capital assets is recorded and reported in the government-wide financial statements of the County. The following is a summary of changes in capital assets for the year ended September 30, 2019:

<u>Government Activities</u>	Balance October 1, 2018	Increases	Decreases	Balance September 30, 2019
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 145,981	\$ 5,854	\$ -	\$ 151,835
Less: Accumulated Depreciation:				
Machinery and Equipment	(79,288)	(18,905)	-	(98,193)
Total Capital Assets, Net	<u>\$ 66,693</u>	<u>\$ (13,051)</u>	<u>\$ -</u>	<u>\$ 53,642</u>

NOTE 4 FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2019, fund balances of the governmental funds are classified as follows:

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

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

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

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

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

The Tax Collector has adopted a Fund Balance policy. Funds are committed through an office memo of the Tax Collector. As of September 30, 2019, fund balances of the Coquina Fund are composed of committed amounts for personnel expenses associated with Coquina related duties, professional, other contractual, office supplies, and equipment.

**OKEECHOBEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 4 FUND BALANCES – GOVERNMENTAL FUNDS (CONTINUED)

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

NOTE 5 PERSONNEL COMMITMENTS

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

The following is a summary of the changes in long-term obligations of the Tax Collector for the year ended September 30, 2019:

	Balance October 1, 2018	Additions	Deductions	Balance September 30, 2019
Compensated Absences	\$ 45,452	\$ 78,557	\$ (44,224)	\$ 79,785

NOTE 6 PENSION PLANS

Background

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

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

**OKEECHOBEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 6 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan

Plan Description

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

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

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

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

**OKEECHOBEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 6 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Benefits Provided

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

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. FRS Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

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

Retiree Health Insurance Subsidy Program

Plan Description

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

Benefits Provided

For the fiscal year ended June 30, 2019, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

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

**OKEECHOBEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 6 PENSION PLANS (CONTINUED)

FRS Investment Plan

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

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

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2019, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Tax Collector.

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.

**OKEECHOBEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2019**

NOTE 6 PENSION PLANS (CONTINUED)

Contributions

Participating employer contributions are based upon statewide rates established by the state of Florida. The Tax Collector's contributions made to the plans during the years ended September 30, 2019, 2018, and 2017 were \$63,792, \$60,659, and \$53,933, respectively, equal to the actuarially determined contribution requirements for each year.

Additional information about pension plans can be found in the countywide financial statements.

NOTE 7 RELATED PARTY TRANSACTIONS

Transactions with the Board for the year ended September 30, 2019 were as follows:

Charges for Services – The General Fund of the Tax Collector received revenue from the Board in the amount of \$574,611 for the year ended September 30, 2019. Excess fees payable to the Board at September 30, 2019 was \$731.

NOTE 8 RISK MANAGEMENT

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

The Tax Collector carries commercial insurance coverage to insure employees for health and life insurance costs. The Tax Collector does not retain any risk of loss under these policies.

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

NOTE 9 COMMITMENTS AND CONTINGENCIES

The Tax Collector is named as a defendant in several lawsuits concerning assessment and collection of prior years' ad valorem taxes on real and personal property located in Okeechobee County, Florida, as of September 30, 2019. The outcome of these matters turns upon disputed questions of property classifications and tax values. As of September 30, 2019, based on management's opinion, it does not appear the Tax Collector's assets will be affected and, consequently, no provision has been made in any of the funds for any liability that might arise from these claims.

**OKEECHOBEE COUNTY TAX COLLECTOR
 COMBINING STATEMENT OF FIDUCIARY NET POSITION
 ALL AGENCY FUNDS
 SEPTEMBER 30, 2019**

	Tax Collector Fund	Tax Fund	Tag Fund	Total
ASSETS				
Cash	\$ 449,605	\$ 15,705	\$ 71,783	\$ 537,093
Due from Others	-	-	56	56
Total Assets	<u>\$ 449,605</u>	<u>\$ 15,705</u>	<u>\$ 71,839</u>	<u>\$ 537,149</u>
LIABILITIES				
Due to Board of County Commissioners	\$ 10,450	\$ 266	\$ 1,244	\$ 11,960
Due to Other Governments	4,629	219	70,595	75,443
Deposits	434,526	15,220	-	449,746
Total Liabilities	<u>\$ 449,605</u>	<u>\$ 15,705</u>	<u>\$ 71,839</u>	<u>\$ 537,149</u>

**OKEECHOBEE COUNTY TAX COLLECTOR
 COMBINING STATEMENT OF CHANGES IN
 ASSETS AND LIABILITIES
 ALL AGENCY FUNDS
 YEAR ENDED SEPTEMBER 30, 2019**

	Balance October 1, 2018	Increases	Decreases	Balance September 30, 2019
<u>TAX COLLECTOR FUND</u>				
Assets				
Cash	\$ 419,444	\$ 42,020,833	\$ (41,990,672)	\$ 449,605
Due from Others	-	4,379	(4,379)	-
Total Assets	<u>\$ 419,444</u>	<u>\$ 42,025,212</u>	<u>\$ (41,995,051)</u>	<u>\$ 449,605</u>
Liabilities				
Due to Board of County Commissioners	\$ 10,654	\$ 23,012,274	\$ (23,012,478)	\$ 10,450
Due to Other Governments	2,423	17,694,050	(17,691,844)	4,629
Deposits	406,367	1,295,283	(1,267,124)	434,526
Total Liabilities	<u>\$ 419,444</u>	<u>\$ 42,001,607</u>	<u>\$ (41,971,446)</u>	<u>\$ 449,605</u>
<u>TAX FUND</u>				
Assets				
Cash	<u>\$ 45,395</u>	<u>\$ 2,376,877</u>	<u>\$ (2,406,567)</u>	<u>\$ 15,705</u>
Liabilities				
Due to Individuals	\$ -	\$ 2,110,437	\$ (2,110,437)	\$ -
Due to Board of County Commissioners	411	129,199	(129,344)	266
Due to Other Governments	347	84,466	(84,594)	219
Deposits	44,637	53,315	(82,732)	15,220
Total Liabilities	<u>\$ 45,395</u>	<u>\$ 2,377,417</u>	<u>\$ (2,407,107)</u>	<u>\$ 15,705</u>

**OKEECHOBEE COUNTY TAX COLLECTOR
 COMBINING STATEMENT OF CHANGES IN
 ASSETS AND LIABILITIES (CONTINUED)
 ALL AGENCY FUNDS
 YEAR ENDED SEPTEMBER 30, 2019**

	Balance October 1, 2018	Increases	Decreases	Balance September 30, 2019
<u>TAG FUND</u>				
Assets				
Cash	\$ 88,570	\$ 6,018,558	\$ (6,035,345)	\$ 71,783
Due from Others	-	1,889	(1,833)	56
Total Assets	<u>\$ 88,570</u>	<u>\$ 6,020,447</u>	<u>\$ (6,037,178)</u>	<u>\$ 71,839</u>
Liabilities				
Due to Individuals	\$ -	\$ 11,218	\$ (11,218)	\$ -
Due to Board of County Commissioners	1,568	28,772	(29,096)	1,244
Due to Other Governments	87,002	6,918,098	(6,934,505)	70,595
Total Liabilities	<u>\$ 88,570</u>	<u>\$ 6,958,088</u>	<u>\$ (6,974,819)</u>	<u>\$ 71,839</u>
<u>TOTAL - ALL AGENCY FUNDS</u>				
Assets				
Cash	\$ 553,409	\$ 50,416,268	\$ (50,432,584)	\$ 537,093
Due from Others	-	6,268	(6,212)	56
Total Assets	<u>\$ 553,409</u>	<u>\$ 50,422,536</u>	<u>\$ (50,438,796)</u>	<u>\$ 537,149</u>
Liabilities				
Due to Individuals	\$ -	\$ 2,121,655	\$ (2,121,655)	\$ -
Due to Board of County Commissioners	12,633	23,170,245	(23,170,918)	11,960
Due to Other Governments	89,772	24,696,614	(24,710,943)	75,443
Deposits	451,004	1,348,598	(1,349,856)	449,746
Total Liabilities	<u>\$ 553,409</u>	<u>\$ 51,337,112</u>	<u>\$ (51,353,372)</u>	<u>\$ 537,149</u>



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

The Honorable Celeste Watford
Okeechobee County Tax Collector
Okeechobee County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Okeechobee County Tax Collector, Okeechobee County, Florida (Tax Collector), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Tax Collector's basic financial statements, and have issued our report thereon dated December 13, 2019.

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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Tax Collector's internal control. Accordingly, we do not express an opinion on the effectiveness of the Tax Collector's internal control.

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

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

Honorable Celeste Watford
Okeechobee County Tax Collector

Compliance and Other Matters

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

Purpose of this Report

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



CliftonLarsonAllen LLP

Sebring, Florida
December 13, 2019



MANAGEMENT LETTER

The Honorable Celeste Watford
Okeechobee County Tax Collector
Okeechobee County, Florida

Report on the Financial Statements

We have audited the financial statements of the Okeechobee County Tax Collector, Okeechobee County, Florida (Tax Collector), as of and for the fiscal year ended September 30, 2019 and have issued our report thereon dated December 13, 2019.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated December 13, 2019, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. See Note 1 in the notes to the financial statements.

Financial Management

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

Honorable Celeste Watford
Okeechobee County Tax Collector

Additional Matters

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

Purpose of this Letter

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

A handwritten signature in cursive script that reads "CliftonLarsonAllen LLP".

CliftonLarsonAllen LLP

Sebring, Florida
December 13, 2019



INDEPENDENT ACCOUNTANTS' REPORT

The Honorable Celeste Watford, Okeechobee County Tax Collector,
and the Florida Auditor General
Okeechobee County, Florida

We have examined the Okeechobee County Tax Collector, Okeechobee County, Florida's (Tax Collector) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2019. Management of the Tax Collector is responsible for the Tax Collector's compliance with the specified requirements. Our responsibility is to express an opinion on the Tax Collector's compliance with the specified requirements based on our examination.

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

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

In our opinion, the Tax Collector complied, in all material respects, with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2019.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
December 13, 2019