

**OKEECHOBEE COUNTY, FLORIDA**  
**FINANCIAL STATEMENTS**  
**AND SUPPLEMENTAL REPORTS**  
**YEAR ENDED SEPTEMBER 30, 2020**



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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 (the County), as of and for the year ended September 30, 2020, 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, 2020, 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, Landfill Trust Fund, and Special Grants 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 fund 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 March 26, 2021, 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  
March 26, 2021

**OKEECHOBEE COUNTY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2020**

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, 2020. 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 \$6.3 million, of which \$6.3 million was a decrease in governmental activities and there was a \$25,904 decrease from business-type activities.
- The County's assets exceeded its liabilities at September 30, 2020 by \$91.4 million (net position). Of this amount, \$85.1 million was the net investment in capital assets and \$13.2 million was restricted by law, grant agreements, debt covenants, or for capital projects. As a result, unrestricted net position is a deficit \$6.9 million.
- At September 30, 2020 the County's General Fund balance was \$13.4 million which represents a \$4.8 million increase from the previous year. The County's Governmental Funds in total reported combined ending fund balances of \$40.8 million, a decrease of \$3.8 million from the previous year. Of this amount, \$0.3 million is not in a spendable form (nonspendable), \$10.6 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), \$7.2 million is intended for specific purposes (assigned), and \$12.5 million is available for use at the County's discretion (unassigned fund balance).
- At September 30, 2020, unassigned fund balance for the General Fund was \$13.2 million, or 38.9% of General Fund expenditures for the current year. Approximately four months of current year expenditures were available in unassigned fund balance.
- The County's total liabilities increased by \$11.4 million or 23.3% 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, 2020**

**Government-Wide Financial Statements**

Our analysis of the County 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, 2020**

**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 two separate reconciliations.
  
- **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, 2020**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

The comparison of net position from year to year serves to measure a government's financial position. As of September 30, 2020, assets exceeded liabilities by \$91.4 million (net position).

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

	Governmental Activities		Business-Type Activities		Total Entity	
	2020	2019	2020	2019	2020	2019
Current and Other Assets	\$ 49.57	\$ 51.66	\$ 0.14	\$ 0.15	\$ 49.71	\$ 51.81
Capital Assets, Net of Depreciation	84.37	80.61	2.71	2.73	87.08	83.34
Total Assets	<u>133.94</u>	<u>132.27</u>	<u>2.85</u>	<u>2.88</u>	<u>136.79</u>	<u>135.15</u>
Deferred Outflows of Resources	15.59	14.08	-	-	15.59	14.08
Current and Other Liabilities	6.04	5.49	0.01	0.01	6.05	5.50
Long-Term Debt	54.11	43.29	-	-	54.11	43.29
Total Liabilities	<u>60.15</u>	<u>48.78</u>	<u>0.01</u>	<u>0.01</u>	<u>60.16</u>	<u>48.79</u>
Deferred Inflows of Resources	0.79	2.73	-	-	0.79	2.73
Net Position:						
Net Investment in Capital Assets	82.43	78.31	2.71	2.73	85.14	81.04
Restricted	13.23	13.94	-	-	13.23	13.94
Unrestricted	(7.07)	2.59	0.13	0.14	(6.94)	2.73
Total Net Position	<u>\$ 88.59</u>	<u>\$ 94.84</u>	<u>\$ 2.84</u>	<u>\$ 2.87</u>	<u>\$ 91.43</u>	<u>\$ 97.71</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 93.1% 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 14.5% of total net position and is obligated for specific purposes. Unrestricted net position represents -7.6% of total net position and decreased \$6.9 from the prior year. That decrease was caused by pension and other postemployment benefits amounts recorded which had a negative impact on total net position of \$5.7 million and \$0.5 million, respectively. There were also claims and judgments recognized of \$1.3 million.

The following schedule compares revenues and expenses of the entire County for the current and previous fiscal year. Total revenue for the County increased 3.4% over the prior year. Approximately 33.9% of revenues are derived from property taxes and 17.3% from other taxes. Approximately 23.7% of revenues come from charges for services, 8.9% from state shared revenues, 5.6% from Solid Waste Host Fees, 4.6% from operating grants and contributions, and 3.8% from capital grants and contributions. Total expenses increased 7.2% over last year.

**OKEECHOBEE COUNTY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2020**

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

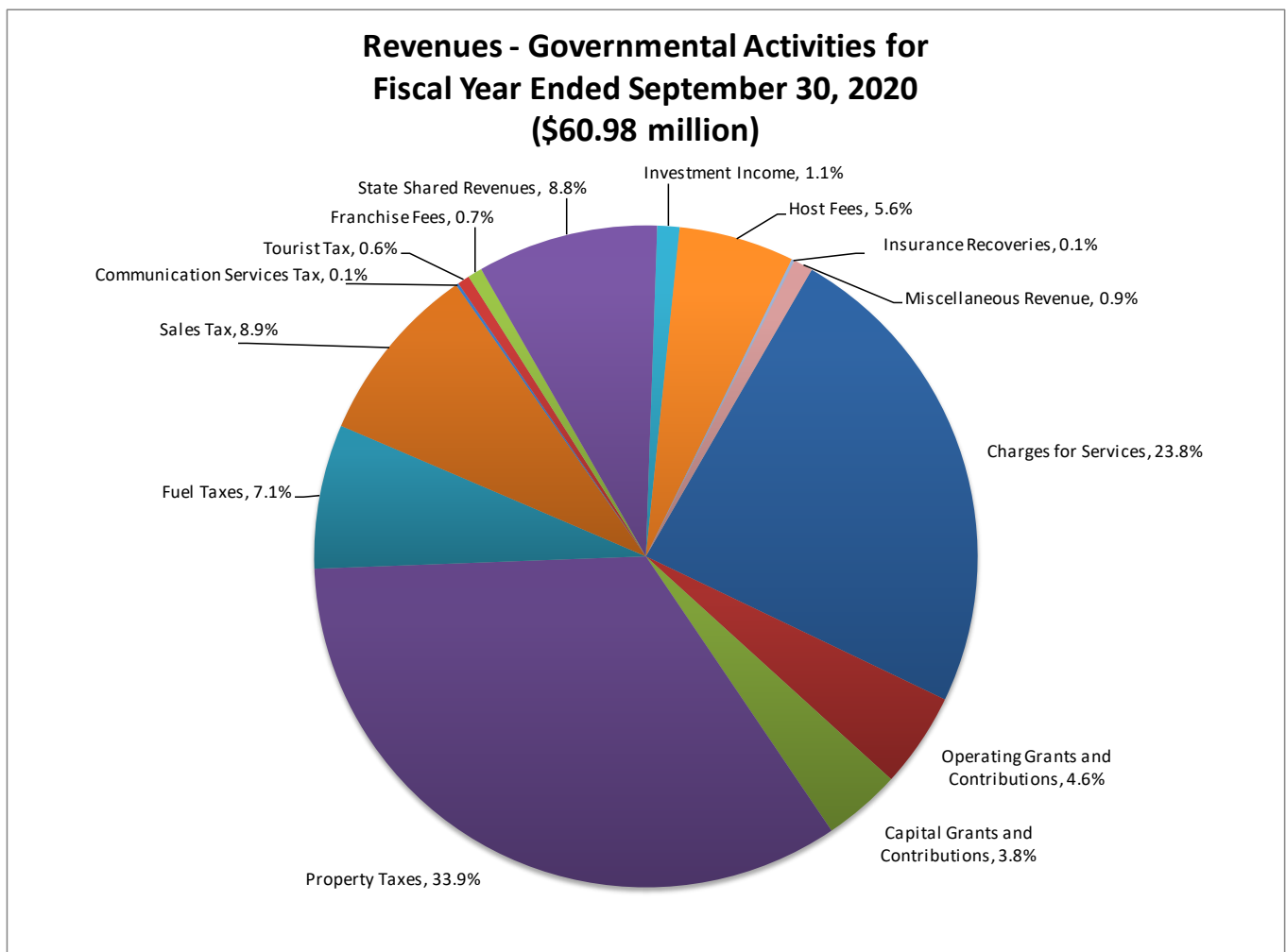
	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues:						
Program Revenues:						
Charges for Services	\$ 14.45	\$ 14.83	\$ 0.05	\$ 0.05	\$ 14.50	\$ 14.88
Operating Grants and Contributions	2.83	4.80	-	-	2.83	4.80
Capital Grants and Contributions	2.31	1.38	-	-	2.31	1.38
General Revenues:						
Taxes:						
Property Taxes	20.66	15.04	-	-	20.66	15.04
Fuel Taxes	4.30	4.71	-	-	4.30	4.71
Sales Tax	5.40	5.17	-	0.08	5.40	5.25
Communication Services Tax	0.08	0.09	-	-	0.08	0.09
Tourist Tax	0.36	0.35	-	-	0.36	0.35
Franchise Fees	0.43	0.44	-	-	0.43	0.44
State Shared Revenues	5.38	5.73	-	-	5.38	5.73
Investment Income	0.66	1.32	-	-	0.66	1.32
Host Fees	3.43	4.36	-	-	3.43	4.36
Insurance Recoveries	0.09	0.09	-	-	0.09	0.09
Miscellaneous Revenue	0.57	0.57	-	-	0.57	0.57
Gain on Sale of Asset	0.03	-	-	-	0.03	-
Total Revenues	<u>60.98</u>	<u>58.88</u>	<u>0.05</u>	<u>0.13</u>	<u>61.03</u>	<u>59.01</u>
Expenses:						
General Government	15.40	14.70	-	-	15.40	14.70
Public Safety	33.50	32.61	-	-	33.50	32.61
Physical Environment	3.13	3.10	-	-	3.13	3.10
Transportation	8.69	6.99	-	-	8.69	6.99
Economic Environment	2.19	1.06	-	-	2.19	1.06
Human Services	1.95	1.94	-	-	1.95	1.94
Culture and Recreation	2.33	2.21	-	-	2.33	2.21
Debt Service:						
Interest and Fiscal Charges	0.04	0.07	-	-	0.04	0.07
Campground and Marina	-	-	0.08	0.11	0.08	0.11
Total Expenses	<u>67.23</u>	<u>62.68</u>	<u>0.08</u>	<u>0.11</u>	<u>67.31</u>	<u>62.79</u>
Change in Net Position	(6.25)	(3.80)	(0.03)	0.02	(6.28)	(3.78)
Net Position - Beginning	<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 Position - Ending	<u>\$ 88.59</u>	<u>\$ 94.84</u>	<u>\$ 2.84</u>	<u>\$ 2.87</u>	<u>\$ 91.43</u>	<u>\$ 97.71</u>



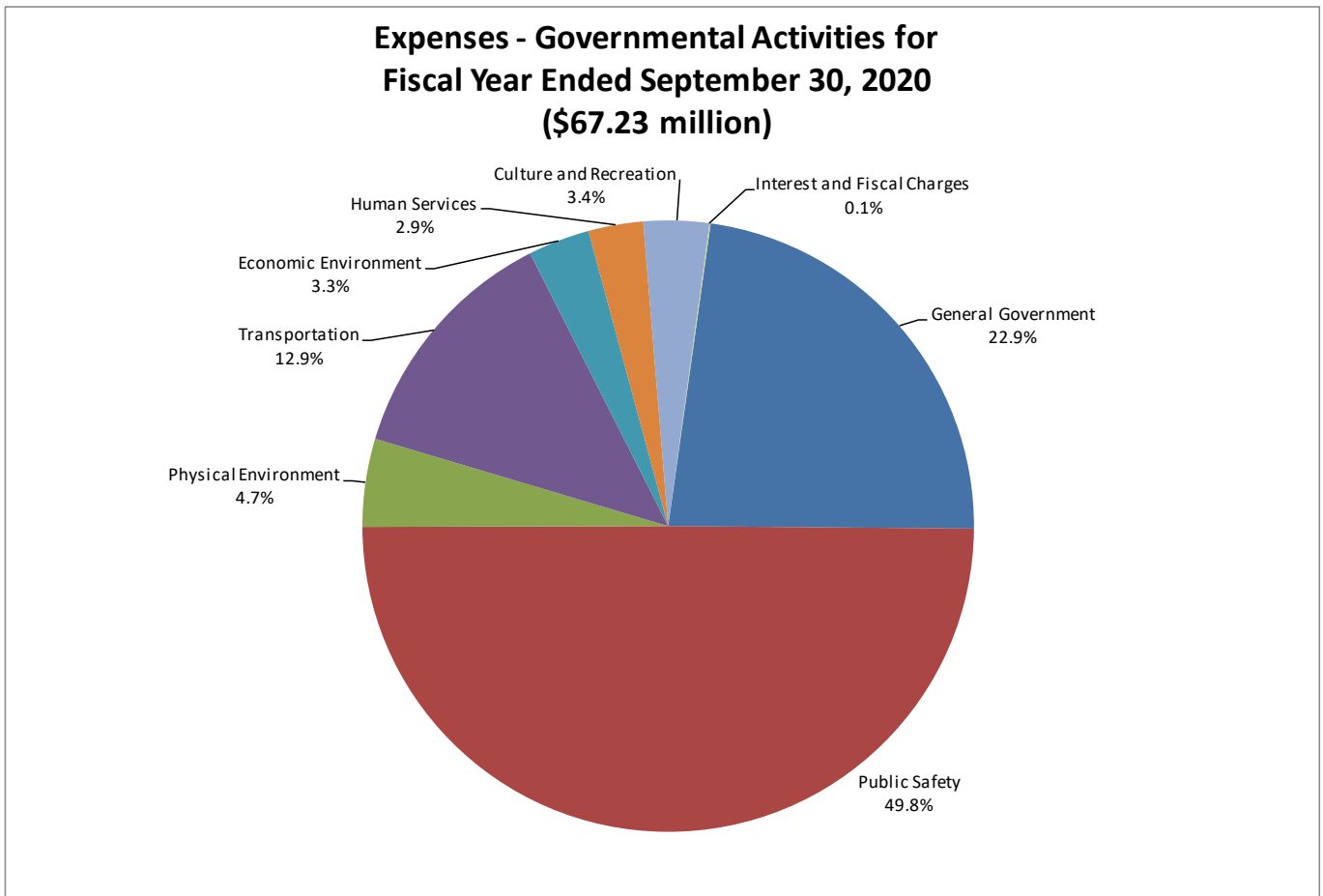
**OKEECHOBEE COUNTY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2020**

**Governmental Activities:** Revenues for the County's governmental activities increased \$2.1 million over the prior year. The cost of all governmental activities this year was \$67.3 million, an increase of \$4.6 million (7.3%) from the prior year. The amount that our taxpayers ultimately financed for these activities through property taxes was \$20.7 million. The area representing the largest increase was transportation, which increased \$1.7 million primarily due to additional expense of \$1.3 million to settle a counterclaim related to a land lease at the airport. The change in net position for the year was a negative \$6.3 million reflecting a 64.5% increase over the prior year change in net position of negative \$3.8 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, 2020**



**Business-Type Activities:** Net position of business-type activities decreased by \$25,904 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, 2020, governmental funds reported combined fund balances of \$40.8 million, a decrease of \$3.8 million from the prior year balance.

**OKEECHOBEE COUNTY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2020**

**Governmental Funds (Continued)**

The General Fund is the operating fund of the County. At September 30, 2020, total fund balance in the General Fund was \$13.4 million, with the majority, \$13.2 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 38.9%. This indicates that 38.9% (4 months approximately) of the year's General Fund expenditures could be paid from unassigned General Fund balances. Revenues, transfer in, insurance recoveries, and issuance of debt exceeded expenditures and transfers out for the fiscal year by \$4.7 million due to unanticipated one-time ad valorem taxes collected on the FPL Power Plant.

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, 2020, total fund balance in the Transportation Trust Fund was a deficit of \$621,748. Expenditures for the fiscal year exceeded revenues by \$2.7 million due primarily to the timing of grant reimbursements related to the FDOT projects at the Okeechobee County Airport and reconstruction projects for NE 36<sup>th</sup> 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, 2020, total fund balance in the Fire Rescue Fund was \$1.9 million, substantially all of which is assigned. The net decrease in fund balance during the current fiscal year was \$0.3 million primarily due to the renovation of Fire Station 2.

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, 2020, total fund balance was \$9.8 million, of which \$8.8 million was committed and \$1.0 was assigned for economic development. The net decrease in fund balance during the current fiscal year was \$0.2 million due to transfers out during the fiscal year.

The Special Grants Fund has a total fund balance of \$0.9 million, of which \$0.9 million is assigned. There was no change in the fund balance as total revenues equaled total expenditures within the fund.

The Capital Improvement Fund has a total fund balance of \$2.6 million. The net decrease in the fund balance during the current fiscal year was \$4.6 million. Some of these projects include the Property Appraiser-Tax Collector-Driver's License (PATCDL) Building, Library Roof Replacement, Jail Expansion/Renovation, and Judicial Center Carpet Replacement.

The Road Improvement Fund has a total fund balance of \$6.1 million. The net increase in the fund balance during the current fiscal year was \$297,802. Some of these projects include Oak Lake Estates Drainage Improvements and Potter Road Swale Reconstruction.

**OKEECHOBEE COUNTY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2020**

**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, 2020, total net position amounted to \$2.8 million for enterprise funds of which \$2.7 million is investment in capital assets and \$0.1 million is unrestricted. The net decrease in net position during the fiscal year was \$25,904.

The net operating income (loss) of the Enterprise Funds for the fiscal year 2020 was as follows:

<b>Enterprise Operating Income (Loss)</b>			
<b>(in Millions)</b>			
	<u>2020</u>	<u>2019</u>	<u>% Change</u>
Okee-Tantie	<u>\$ (0.03)</u>	<u>\$ (0.06)</u>	50.00 %

**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 2020. 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; increasing total appropriations in the General Fund \$1.2 million from the original to the final budget, primarily in Capital Outlay, Public Safety, and Human Services. These budget amendments fall into several categories. The first category includes amendments and supplemental appropriations 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 \$1.5 million due primarily to not receiving the full amount anticipated. Actual expenditures and transfers out were lower than final budgeted expenditures by \$1.8 million due primarily to not spending the entire amounts budgeted for personnel, operating, and capital outlay.

**CAPITAL ASSET AND DEBT ADMINISTRATION**

**Capital Assets**

As of September 30, 2020, capital assets net of depreciation for its governmental activities and business-type activities are \$84.4 million and \$2.7 million, respectively. Investment in capital assets includes land, buildings, equipment, infrastructure, and construction in progress. As of September 30, 2020, construction in progress accounted for \$8.4 million of capital assets. The total increase in the County's investment in capital assets for the current fiscal year was \$3.7 million. This is primarily due to current year additions of \$9.7 million. This is offset by the depreciation of buildings and equipment, which represented \$5.8 million.

**OKEECHOBEE COUNTY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
SEPTEMBER 30, 2020**

**Capital Assets (Continued)**

The following is a comparison of capital asset activity for the years ended September 30, 2020 and 2019.

**Capital Assets (in Millions)**

	Governmental Activities		Business-Type Activities		Entity Total	
	2020	2019	2020	2019	2020	2019
Capital Assets Not Being Depreciated:						
Land	\$ 5.56	\$ 5.56	\$ 2.42	\$ 2.42	\$ 7.98	\$ 7.98
Construction in Progress	8.40	7.98	-	-	8.40	7.98
Capital Assets, Net of Accumulated Depreciation:						
Buildings and Improvements	39.26	39.60	0.29	0.31	39.55	39.91
Machinery and Equipment	7.78	7.78	-	-	7.78	7.78
Computer Software	0.21	0.28	-	-	0.21	0.28
Infrastructure	23.16	19.41	-	-	23.16	19.41
Total Capital Assets, Net	<u>\$ 84.37</u>	<u>\$ 80.61</u>	<u>\$ 2.71</u>	<u>\$ 2.73</u>	<u>\$ 87.08</u>	<u>\$ 83.34</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 \$1.06 million, an 19% decrease over the prior year. The following is a comparison of long-term debt activity for the years ended September 30, 2020 and 2019.

	Governmental Activities		
	2020	2019	% Change
Fire Station IV Note	\$ 0.31	\$ 0.45	-31.1%
Capital Leases	0.75	0.86	-12.8%
Total Long-Term Debt	<u>\$ 1.06</u>	<u>\$ 1.31</u>	-19.1%

The \$250,000 decrease in long-term debt is a result of current year payments on debt of offset by issuance of new capital leases. 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, 2020**

**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 2020-2021 was set at 8.0000 mills, which is greater than the rollback rate for the General Fund. This is the same rate from the 2019-2020 fiscal year. The County Commissioners considered many factors when setting the fiscal year 2020-2021 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 substantial decrease, due to the Coronavirus Pandemic. The County's average unemployment rate stands at 4.4% versus 2.7% a year ago. This is less than the State's unemployment rate of 6.1%, according to the U.S. Bureau of Labor Statistics (Source: [www.thefloridascorecard.org](http://www.thefloridascorecard.org)).

Okeechobee's estimated 2020 population is 42,112, a 5.3% increase above 2010 census, according to the Florida Legislature, Office of Economic and Demographic Research.

Property values increased from \$2.12 billion in 2019 to \$2.55 billion in 2020, resulting in a 20.39% increase in taxable property. With the current year increase, property values exceed the peak amounts in 2008 by 3%.

**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 3<sup>rd</sup> Street, Okeechobee, Florida 34972.

**OKEECHOBEE COUNTY, FLORIDA**  
**STATEMENT OF NET POSITION**  
**SEPTEMBER 30, 2020**

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
<b>ASSETS</b>			
Cash and Investments	\$ 42,582,633	\$ 131,218	\$ 42,713,851
Accounts Receivable - Net	1,580,888	5,575	1,586,463
Due from Other Governments	4,995,386	-	4,995,386
Prepaid Items	259,593	-	259,593
Assets Available for Sale	148,826	-	148,826
Capital Assets not being Depreciated	13,956,048	2,421,000	16,377,048
Capital Assets, Net of Depreciation	70,412,276	291,919	70,704,195
Total Assets	<u>133,935,650</u>	<u>2,849,712</u>	<u>136,785,362</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Pension Related Items	14,460,743	-	14,460,743
OPEB Related Items	1,131,463	-	1,131,463
Total Deferred Outflows of Resources	<u>15,592,206</u>	<u>-</u>	<u>15,592,206</u>
<b>LIABILITIES</b>			
Accounts Payable and Accrued Liabilities	3,745,143	-	3,745,143
Accrued Interest Payable	8,862	-	8,862
Due to Other Governments	117,101	-	117,101
Unearned Revenue	1,491,174	-	1,491,174
Deposits	670,518	7,590	678,108
Noncurrent Liabilities:			
Due within One Year	4,132,165	-	4,132,165
Due in More than One Year	1,165,924	-	1,165,924
Net Pension Liability	45,274,458	-	45,274,458
Total OPEB Liability	3,539,735	-	3,539,735
Total Liabilities	<u>60,145,080</u>	<u>7,590</u>	<u>60,152,670</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Pension Related Items	639,613	-	639,613
OPEB Related Items	151,068	-	151,068
Total Deferred Inflows of Resources	<u>790,681</u>	<u>-</u>	<u>790,681</u>
<b>NET POSITION</b>			
Net Investment in Capital Assets	82,429,828	2,712,919	85,142,747
Restricted for:			
General Government	962,083	-	962,083
Public Safety	1,643,934	-	1,643,934
Transportation	8,503,039	-	8,503,039
Community Programs	774,985	-	774,985
Tourism	1,027,513	-	1,027,513
Culture and Recreation	316,187	-	316,187
Unrestricted	<u>(7,065,474)</u>	<u>129,203</u>	<u>(6,936,271)</u>
Total Net Position	<u>\$ 88,592,095</u>	<u>\$ 2,842,122</u>	<u>\$ 91,434,217</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY, FLORIDA  
STATEMENT OF ACTIVITIES  
YEAR ENDED SEPTEMBER 30, 2020**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
<b>Primary Government:</b>							
Governmental Activities:							
General Government	\$ 15,403,428	\$ 2,421,978	\$ 307,179	\$ 58,118	\$ (12,616,153)	\$ -	\$ (12,616,153)
Public Safety	33,498,256	8,661,779	880,003	65,192	(23,891,282)	-	(23,891,282)
Physical Environment	3,128,881	2,745,704	69,331	-	(313,846)	-	(313,846)
Transportation	8,687,694	245,935	276,777	2,182,032	(5,982,950)	-	(5,982,950)
Economic Environment	2,187,152	-	649,278	-	(1,537,874)	-	(1,537,874)
Human Services	1,946,107	15,581	497,591	-	(1,432,935)	-	(1,432,935)
Culture and Recreation	2,334,391	354,523	149,205	-	(1,830,663)	-	(1,830,663)
Debt Service:							
Interest and Fiscal Charges	36,495	-	-	-	(36,495)	-	(36,495)
Total Governmental Activities	<u>67,222,404</u>	<u>14,445,500</u>	<u>2,829,364</u>	<u>2,305,342</u>	<u>(47,642,198)</u>	<u>-</u>	<u>(47,642,198)</u>
<b>Business-Type Activities:</b>							
Campground and Marina	82,438	49,122	-	-	-	(33,316)	(33,316)
Total Business-Type Activities	<u>82,438</u>	<u>49,122</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(33,316)</u>	<u>(33,316)</u>
Total Primary Government	<u>\$ 67,304,842</u>	<u>\$ 14,494,622</u>	<u>\$ 2,829,364</u>	<u>\$ 2,305,342</u>	(47,642,198)	(33,316)	(47,675,514)
<b>General Revenues:</b>							
Taxes:							
Property Taxes					20,656,563	-	20,656,563
Fuel Taxes					4,301,911	-	4,301,911
Sales Tax					5,399,577	-	5,399,577
Communication Services Tax					84,693	-	84,693
Tourist Tax					355,296	-	355,296
Franchise Fees					430,176	-	430,176
State Shared Revenues					5,378,164	-	5,378,164
Investment Income					660,642	1,717	662,359
Host Fees					3,432,577	-	3,432,577
Insurance Recoveries					91,612	-	91,612
Miscellaneous					574,228	5,695	579,923
Gain on Sale of Asset					25,212	-	25,212
Total General Revenues and Transfers					<u>41,390,651</u>	<u>7,412</u>	<u>41,398,063</u>
Change in Net Position					(6,251,547)	(25,904)	(6,277,451)
Net Position - Beginning of the Year					<u>94,843,642</u>	<u>2,868,026</u>	<u>97,711,668</u>
Net Position - End of Year					<u>\$ 88,592,095</u>	<u>\$ 2,842,122</u>	<u>\$ 91,434,217</u>

See accompanying Notes to Financial Statements.



**OKEECHOBEE COUNTY, FLORIDA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2020**

	General	Transportation Trust	Fire/ Rescue	Landfill Trust	Special Grants	Capital Improvement	Road Improvement	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>									
Cash and Cash Equivalents	\$ 8,556,718	\$ 189,342	\$ 899,455	\$ 4,367,301	\$ 2,344,748	\$ 2,993,524	\$ 3,564,372	\$ 5,886,441	\$ 28,801,901
Investments	2,836,275	514,639	984,236	5,276,208	-	-	2,390,979	1,778,395	13,780,732
Accounts Receivable, Net	686,641	4,563	500,022	56,802	-	252,288	-	80,572	1,580,888
Due from Other Funds	1,300,000	-	-	-	-	-	-	96,362	1,396,362
Due from Other Governments	1,393,880	2,939,158	-	-	-	78,646	145,213	438,489	4,995,386
Prepaid Items	155,194	1,696	50,853	-	-	1,581	-	50,269	259,593
Advances to Other Funds	-	-	-	500,000	-	-	-	-	500,000
Assets Available for Sale	-	-	-	-	52,826	-	-	96,000	148,826
	<u>\$ 14,928,708</u>	<u>\$ 3,649,398</u>	<u>\$ 2,434,566</u>	<u>\$ 10,200,311</u>	<u>\$ 2,397,574</u>	<u>\$ 3,326,039</u>	<u>\$ 6,100,564</u>	<u>\$ 8,426,528</u>	<u>\$ 51,463,688</u>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)</b>									
Liabilities:									
Accounts Payable and Accrued Liabilities	\$ 1,351,305	\$ 675,595	\$ 221,508	\$ 28,088	\$ 134,179	\$ 669,188	\$ 41,563	\$ 623,717	\$ 3,745,143
Due to Other Funds	65,976	1,300,000	-	-	-	-	-	30,386	1,396,362
Due to Other Governments	9,280	-	-	-	-	-	-	107,821	117,101
Unearned Revenue	-	111,626	31,882	-	1,347,666	-	-	-	1,491,174
Deposits	34,217	26,150	-	400,000	-	250	-	209,901	670,518
Advances from Other Funds	-	-	-	-	-	-	-	500,000	500,000
Total Liabilities	<u>1,460,778</u>	<u>2,113,371</u>	<u>253,390</u>	<u>428,088</u>	<u>1,481,845</u>	<u>669,438</u>	<u>41,563</u>	<u>1,471,825</u>	<u>7,920,298</u>
Deferred Inflows of Resources:									
Unavailable Revenue:									
Intergovernmental	38,468	2,157,775	-	-	-	78,646	-	142,124	2,417,013
Emergency Medical Services	-	-	308,220	-	-	-	-	-	308,220
Total Deferred Inflows of Resources	<u>38,468</u>	<u>2,157,775</u>	<u>308,220</u>	<u>-</u>	<u>-</u>	<u>78,646</u>	<u>-</u>	<u>142,124</u>	<u>2,725,233</u>
Fund Balances (Deficits):									
Nonspendable	155,194	1,696	50,853	-	-	1,581	-	50,269	259,593
Restricted	117,669	-	-	-	50,196	-	6,059,001	4,400,303	10,627,169
Committed	-	-	-	8,810,103	-	-	-	1,364,257	10,174,360
Assigned	-	-	1,822,103	962,120	865,533	2,576,374	-	1,008,846	7,234,976
Unassigned	13,156,599	(623,444)	-	-	-	-	-	(11,096)	12,522,059
Total Fund Balances (Deficits)	<u>13,429,462</u>	<u>(621,748)</u>	<u>1,872,956</u>	<u>9,772,223</u>	<u>915,729</u>	<u>2,577,955</u>	<u>6,059,001</u>	<u>6,812,579</u>	<u>40,818,157</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)	<u>\$ 14,928,708</u>	<u>\$ 3,649,398</u>	<u>\$ 2,434,566</u>	<u>\$ 10,200,311</u>	<u>\$ 2,397,574</u>	<u>\$ 3,326,039</u>	<u>\$ 6,100,564</u>	<u>\$ 8,426,528</u>	<u>\$ 51,463,688</u>

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, 2020**

Fund Balances - Total Governmental Funds	\$ 40,818,157
 <b>Amounts reported for governmental activities in the statement of net position are different because:</b>	
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	84,368,324
Certain receivables are not available to pay current period expenditures and, therefore, are reported as deferred inflows of resources in the funds.	2,725,233
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.	(3,988,089)
Accrued general long-term debt interest expense is not due and payable in the current period and therefore, is not reported in the funds.	(8,862)
Certain claims and judgments payable are not due and payable in the current period and therefore, are not reported in the funds.	(1,310,000)
Net pension liability is not due and payable in the current period, therefore, the liabilities and the related deferred outflows and inflows of resources are not reported in the funds.	(31,453,328)
Total other postemployment benefits liability is not due and payable in the current period, therefore, the liabilities and the related deferred outflows and inflows of resources are not reported in the funds.	<u>(2,559,340)</u>
Net Position of Governmental Activities	<u><u>\$ 88,592,095</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, 2020**

	General	Transportation Trust	Fire/ Rescue	Landfill Trust	Special Grants	Capital Improvement	Road Improvement	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>									
Taxes	\$ 26,851,241	\$ 1,698,780	\$ -	\$ -	\$ -	\$ -	\$ 875,371	\$ 1,219,229	\$ 30,644,621
Licenses and Permits	48,211	7,925	-	-	-	-	-	748,661	804,797
Intergovernmental	5,343,865	2,459,715	149,590	498,118	702,763	-	32,481	544,993	9,731,525
Charges for Services	1,841,424	229,404	1,341,068	-	-	-	-	1,654,984	5,066,880
Fines and Forfeitures	86,563	-	-	-	-	-	-	554,271	640,834
Special Assessments	-	3,471	5,502,839	-	-	-	-	2,477,664	7,983,974
Investment Income	180,648	28,845	35,259	151,261	-	82,327	79,195	103,107	660,642
Miscellaneous	2,243,775	196,692	88,876	260,163	-	1,006,380	-	417,746	4,213,632
<b>Total Revenues</b>	<b>36,595,727</b>	<b>4,624,832</b>	<b>7,117,632</b>	<b>909,542</b>	<b>702,763</b>	<b>1,088,707</b>	<b>987,047</b>	<b>7,720,655</b>	<b>59,746,905</b>
<b>EXPENDITURES</b>									
Current:									
General Government	9,030,865	-	-	-	-	377,797	-	2,023,075	11,431,737
Public Safety	19,208,023	-	6,664,440	28,090	-	-	-	1,609,997	27,510,550
Physical Environment	259,567	-	-	-	-	-	-	2,941,276	3,200,843
Transportation	-	4,076,300	-	-	-	487,500	676,959	-	5,240,759
Economic Environment	82,591	-	-	-	702,763	-	-	1,394,993	2,180,347
Human Services	1,866,993	-	-	-	-	-	-	-	1,866,993
Culture and Recreation	1,784,962	-	-	-	-	9,900	-	7,049	1,801,911
Capital Outlay	1,113,478	3,314,356	212,882	75,276	-	4,818,637	12,286	536,906	10,083,821
Debt Service:									
Principal Retirement	398,756	-	141,531	-	-	-	-	-	540,287
Interest and Fiscal Charges	33,442	-	19,005	-	-	-	-	-	52,447
<b>Total Expenditures</b>	<b>33,778,677</b>	<b>7,390,656</b>	<b>7,037,858</b>	<b>103,366</b>	<b>702,763</b>	<b>5,693,834</b>	<b>689,245</b>	<b>8,513,296</b>	<b>63,909,695</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>2,817,050</b>	<b>(2,765,824)</b>	<b>79,774</b>	<b>806,176</b>	<b>-</b>	<b>(4,605,127)</b>	<b>297,802</b>	<b>(792,641)</b>	<b>(4,162,790)</b>
<b>OTHER FINANCING SOURCES (USES)</b>									
Transfers In	1,714,362	-	-	-	-	-	-	384,944	2,099,306
Transfers Out	(107,058)	-	(363,472)	(1,000,000)	-	-	-	(628,776)	(2,099,306)
Insurance Recoveries	85,781	5,831	-	-	-	-	-	-	91,612
Issuance of Debt	287,580	-	-	-	-	-	-	-	287,580
<b>Total Other Financing Sources (Uses)</b>	<b>1,980,665</b>	<b>5,831</b>	<b>(363,472)</b>	<b>(1,000,000)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(243,832)</b>	<b>379,192</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>4,797,715</b>	<b>(2,759,993)</b>	<b>(283,698)</b>	<b>(193,824)</b>	<b>-</b>	<b>(4,605,127)</b>	<b>297,802</b>	<b>(1,036,473)</b>	<b>(3,783,598)</b>
Fund Balances - Beginning of Year	8,631,747	2,138,245	2,156,654	9,966,047	915,729	7,183,082	5,761,199	7,849,052	44,601,755
<b>FUND BALANCES (DEFICITS) - END OF YEAR</b>	<b>\$ 13,429,462</b>	<b>\$ (621,748)</b>	<b>\$ 1,872,956</b>	<b>\$ 9,772,223</b>	<b>\$ 915,729</b>	<b>\$ 2,577,955</b>	<b>\$ 6,059,001</b>	<b>\$ 6,812,579</b>	<b>\$ 40,818,157</b>

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, 2020**

Net Change in Fund Balances - Total Governmental Funds \$ (3,783,598)

**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. 3,857,247

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. (94,407)

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. 252,707

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. 1,132,340

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. (1,507,254)

Changes in net pension liability and related pension amounts 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. (5,651,200)

Changes in total other postemployment benefits (OPEB) liability and related OPEB amounts 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. (457,382)

Change in Net Position of Governmental Activities \$ (6,251,547)

**OKEECHOBEE COUNTY, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND**  
**CHANGES IN FUND BALANCES — BUDGET AND ACTUAL**  
**GENERAL FUND**  
**YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 23,347,370	\$ 27,282,425	\$ 26,851,241	\$ (431,184)
Licenses and Permits	43,000	43,000	48,211	5,211
Intergovernmental	5,353,532	5,944,351	5,343,865	(600,486)
Charges for Services	1,853,926	2,009,022	1,841,424	(167,598)
Fines and Forfeitures	79,100	79,100	86,563	7,463
Investment Income	212,489	233,033	180,648	(52,385)
Miscellaneous	2,412,330	2,468,425	2,243,775	(224,650)
Total Revenues	<u>33,301,747</u>	<u>38,059,356</u>	<u>36,595,727</u>	<u>(1,463,629)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	9,715,600	9,478,522	9,030,865	447,657
Public Safety	19,172,525	19,463,335	19,208,023	255,312
Physical Environment	266,633	264,358	259,567	4,791
Economic Environment	89,404	91,167	82,591	8,576
Human Services	2,214,442	2,504,070	1,866,993	637,077
Culture and Recreation	1,767,381	1,924,585	1,784,962	139,623
Capital Outlay	653,167	1,365,438	1,113,478	251,960
Debt Service:				
Principal	441,471	441,471	398,756	42,715
Interest and Fiscal Charges	35,827	35,827	33,442	2,385
Total Expenditures	<u>34,356,450</u>	<u>35,568,773</u>	<u>33,778,677</u>	<u>1,790,096</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(1,054,703)	2,490,583	2,817,050	326,467
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	1,646,776	1,775,832	1,714,362	(61,470)
Transfers Out	(107,058)	(107,058)	(107,058)	-
Insurance Recoveries	46,723	119,419	85,781	(33,638)
Issuance of Debt	-	287,580	287,580	-
Total Other Financing Sources (Uses)	<u>1,586,441</u>	<u>2,075,773</u>	<u>1,980,665</u>	<u>(95,108)</u>
<b>NET CHANGE IN FUND BALANCE</b>	531,738	4,566,356	4,797,715	231,359
Fund Balance - Beginning of Year	<u>7,342,181</u>	<u>7,413,481</u>	<u>8,631,747</u>	<u>1,218,266</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 7,873,919</u>	<u>\$ 11,979,837</u>	<u>\$ 13,429,462</u>	<u>\$ 1,449,625</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, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 1,971,199	\$ 1,971,199	\$ 1,698,780	\$ (272,419)
Licenses and Permits	7,000	7,000	7,925	925
Intergovernmental	1,957,261	7,498,845	2,459,715	(5,039,130)
Charges for Services	254,186	259,186	229,404	(29,782)
Special Assessments	3,600	3,600	3,471	(129)
Investment Income	100,000	100,000	28,845	(71,155)
Miscellaneous	20,760	75,435	196,692	121,257
Total Revenues	<u>4,314,006</u>	<u>9,915,265</u>	<u>4,624,832</u>	<u>(5,290,433)</u>
<b>EXPENDITURES</b>				
Current:				
Transportation	4,069,446	4,882,871	4,076,300	806,571
Capital Outlay	724,869	6,049,129	3,314,356	2,734,773
Total Expenditures	<u>4,794,315</u>	<u>10,932,000</u>	<u>7,390,656</u>	<u>3,541,344</u>
<b>DEFICIENCY OF REVENUES UNDER EXPENDITURES</b>	(480,309)	(1,016,735)	(2,765,824)	(1,749,089)
<b>OTHER FINANCING SOURCES</b>				
Insurance Recoveries	-	-	5,831	5,831
<b>NET CHANGE IN FUND BALANCE</b>	(480,309)	(1,016,735)	(2,759,993)	(1,743,258)
Fund Balance - Beginning of Year	<u>1,644,021</u>	<u>2,737,657</u>	<u>2,138,245</u>	<u>(599,412)</u>
<b>FUND BALANCE (DEFICIT) - END OF YEAR</b>	<u><u>\$ 1,163,712</u></u>	<u><u>\$ 1,720,922</u></u>	<u><u>\$ (621,748)</u></u>	<u><u>\$ (2,342,670)</u></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, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 18,500	\$ 122,360	\$ 149,590	\$ 27,230
Charges for Services	1,383,246	1,387,246	1,341,068	(46,178)
Special Assessments	5,907,926	5,852,927	5,502,839	(350,088)
Investment Income	31,000	31,000	35,259	4,259
Miscellaneous	80,000	80,000	88,876	8,876
Total Revenues	<u>7,420,672</u>	<u>7,473,533</u>	<u>7,117,632</u>	<u>(355,901)</u>
<b>EXPENDITURES</b>				
Current:				
Public Safety	6,402,611	6,972,421	6,664,440	307,981
Capital Outlay	621,510	598,182	212,882	385,300
Debt Service:				
Principal	143,467	141,531	141,531	-
Interest and Fiscal Charges	17,069	19,005	19,005	-
Total Expenditures	<u>7,184,657</u>	<u>7,731,139</u>	<u>7,037,858</u>	<u>693,281</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	236,015	(257,606)	79,774	337,380
<b>OTHER FINANCING USES</b>				
Transfers Out	<u>(363,472)</u>	<u>(363,472)</u>	<u>(363,472)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(127,457)	(621,078)	(283,698)	337,380
Fund Balance - Beginning of Year	<u>1,797,320</u>	<u>1,812,844</u>	<u>2,156,654</u>	<u>343,810</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 1,669,863</u></u>	<u><u>\$ 1,191,766</u></u>	<u><u>\$ 1,872,956</u></u>	<u><u>\$ 681,190</u></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, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 2,967,871	\$ 1,064,848	\$ 498,118	\$ (566,730)
Investment Income	200,000	200,000	151,261	(48,739)
Miscellaneous	292,000	292,000	260,163	(31,837)
Total Revenues	<u>3,459,871</u>	<u>1,556,848</u>	<u>909,542</u>	<u>(647,306)</u>
<b>EXPENDITURES</b>				
Current:				
Public Safety	-	50,000	28,090	21,910
Capital Outlay	477,115	664,106	75,276	588,830
Total Expenditures	<u>477,115</u>	<u>714,106</u>	<u>103,366</u>	<u>610,740</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	2,982,756	842,742	806,176	(36,566)
<b>OTHER FINANCING USES</b>				
Transfers Out	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>(1,000,000)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	1,982,756	(157,258)	(193,824)	(36,566)
Fund Balance - Beginning of Year	<u>9,706,060</u>	<u>10,122,060</u>	<u>9,966,047</u>	<u>(156,013)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 11,688,816</u></u>	<u><u>\$ 9,964,802</u></u>	<u><u>\$ 9,772,223</u></u>	<u><u>\$ (192,579)</u></u>

See accompanying Notes to Financial Statements.



**OKEECHOBEE COUNTY, FLORIDA  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL  
SPECIAL GRANTS FUND  
YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 2,051,256	\$ 702,763	\$ (1,348,493)
<b>EXPENDITURES</b>				
Current:				
Economic Environment	-	2,051,256	702,763	1,348,493
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	-
Fund Balance - Beginning of Year	-	-	915,729	915,729
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 915,729</u>	<u>\$ 915,729</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY, FLORIDA  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
SEPTEMBER 30, 2020**

	Business-Type Activities Okee-Tantie
<b>ASSETS</b>	
Current Assets:	
Cash and Cash Equivalents	\$ 131,218
Accounts Receivable	5,575
Total Current Assets	136,793
Noncurrent Assets:	
Capital Assets:	
Land	2,421,000
Buildings and Improvements	953,552
Machinery and Equipment	61,594
Less: Accumulated Depreciation	(723,227)
Total Capital Assets (Net of Accumulated Depreciation)	2,712,919
Total Noncurrent Assets	2,712,919
Total Assets	2,849,712
<b>LIABILITIES</b>	
Current Liabilities:	
Deposits	7,590
<b>NET POSITION</b>	
Investment in Capital Assets	2,712,919
Unrestricted	129,203
Total Net Position	\$ 2,842,122

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY, FLORIDA**  
**STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**YEAR ENDED SEPTEMBER 30, 2020**

	Business-Type Activities
	Okee-Tantie
<b>OPERATING REVENUES</b>	
Charges for Services	\$ 49,122
Total Operating Revenues	49,122
<b>OPERATING EXPENSES</b>	
General and Administrative	65,108
Depreciation	17,330
Total Operating Expenses	82,438
Operating Loss	(33,316)
<b>NONOPERATING REVENUES</b>	
Investment Income	1,717
Other income	5,695
Total Nonoperating Revenues	7,412
<b>CHANGE IN NET POSITION</b>	(25,904)
Net Position - Beginning of Year	2,868,026
<b>NET POSITION - END OF YEAR</b>	\$ 2,842,122

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY, FLORIDA  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
YEAR ENDED SEPTEMBER 30, 2020**

	Business-Type Activities
	Major Fund
	Okee-Tantie
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash Received from Customers and Users	\$ 48,039
Cash Payments to Vendors	(66,182)
Net Cash Used by Operating Activities	(18,143)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Taxes	12,836
Other Income	5,695
Net Cash Provided by Noncapital Financing Activities	18,531
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Interest and Dividends from Investments	1,717
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	2,105
Cash and Cash Equivalents - Beginning of Year	129,113
<b>CASH AND CASH EQUIVALENTS - END OF YEAR</b>	\$ 131,218
<b>RECONCILIATION OF NET OPERATING LOSS TO NET CASH USED BY OPERATING ACTIVITIES</b>	
Operating Loss	\$ (33,316)
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:	
Depreciation	17,330
Decrease in Accounts Payable and Accrued Liabilities	(1,074)
Decrease in Deposits	(1,083)
Total Adjustments	15,173
Net Cash Used by Operating Activities	\$ (18,143)

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY, FLORIDA  
STATEMENT OF FIDUCIARY NET POSITION  
AGENCY FUNDS  
SEPTEMBER 30, 2020**

	<u>Agency Funds</u>
<b>ASSETS</b>	
Cash	\$ 1,300,550
Due from Others	<u>2,198</u>
Total Assets	<u><u>\$ 1,302,748</u></u>
<b>LIABILITIES</b>	
Due to Individuals	\$ 529,588
Due to Other Governments	239,183
Deposits	<u>533,977</u>
Total Liabilities	<u><u>\$ 1,302,748</u></u>

*See accompanying Notes to Financial Statements.*

**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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 (the 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 (the 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 2019-2020 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, 2020**

**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, 2020**

**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, 2020**

**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 an other financing source rather than as a fund liability. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

**Proprietary Funds**

The County's enterprise 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 recorded when a liability is incurred. 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, 2020**

**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.

**Special Grants Fund** – The Special Grants Fund is a special revenue fund used to account for grants funded by the Florida Housing Corporation and the Florida Department of Emergency Management for assistance to small businesses and residents of Okeechobee County affected by the Coronavirus Pandemic.

**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.

**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Basis of Presentation (Continued)**

**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 118-119.

**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, Community Development Block Grant Fund, Crime Prevention 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.

**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.

**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**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.

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 or advances 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, 2020, \$52,826 represents the value of one property to be sold.

**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Unearned Revenues**

Unearned revenue represents amounts which have been received but are not yet earned.

**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.

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.

**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

**Deferred Outflows/Inflows of Resources (Continued)**

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.

**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 are 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 their 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, 2020**

**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, 2020.

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, 2020**

**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, 2020, 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, \$40,818,157 differs from "net position" of governmental activities, \$88,592,095 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	\$ 184,424,300
Accumulated Depreciation	<u>(100,055,976)</u>
Total Capital Assets Added	<u><u>\$ 84,368,324</u></u>



**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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**

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, 2020 were:

Unavailable Revenue	\$ <u>2,725,233</u>
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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, 2020 were:

Fire Station IV Note	\$ (307,273)
Capital Leases	(745,279)
Compensated Absences	<u>(2,935,537)</u>
Total Long-Term Liabilities	<u>\$ (3,988,089)</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>(8,862)</u>
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Claims and Judgments Payable

Accrued liabilities in the statement of net position differ from the amount reported in governmental funds due to accrued amounts for claims and judgments payable.

Claims and Judgments Payable	\$ <u>(1,310,000)</u>
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Pension Related Items

Net pension liability is not due and payable in the current period, therefore, the liabilities and the related deferred outflows and inflows of resources are not reported in the funds. Balances as of September 30, 2020 were:

Net Pension Liability	\$ (45,274,458)
Deferred Outflows of Resources - Pension Related	14,460,743
Deferred Inflows of Resources - Pension Related	<u>(639,613)</u>
Total	<u>\$ (31,453,328)</u>

**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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 other postemployment benefits liability is not due and payable in the current period, therefore, the liabilities and the related deferred outflows and inflows of resources are not reported in the funds. Balances as of September 30, 2020 were:

Total OPEB Liability	\$ (3,539,735)
Deferred Outflows of Resources - OPEB Related	1,131,463
Deferred Inflows of Resources - OPEB Related	<u>(151,068)</u>
Total	<u>\$ (2,559,340)</u>

Elimination of Interfund Receivables/Payables

Interfund receivables and payables in the amount of \$1,396,362 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, (\$3,786,598) differs from the “change in net position” for governmental activities, (\$6,251,547) 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 are 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	\$ 9,659,030
Depreciation/Amortization Expense	<u>(5,801,783)</u>
Difference	<u>\$ 3,857,247</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>\$ (94,407)</u>
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**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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.

Issuance of Capital Leases	\$ (287,580)
Principal Repayments:	
Fire Station IV	141,531
Capital Leases	398,756
Net Adjustment	<u>\$ 252,707</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 revenues in governmental funds.

Intergovernmental Revenue	\$ 1,141,425
Emergency Medical Services	(9,085)
Total Adjustment	<u>\$ 1,132,340</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	\$ (15,952)
Increase in Compensated Absences	(213,206)
Claims and Judgments	1,310,000
Total	<u>\$ 1,080,842</u>

Pension Related Items

Changes in net pension liability and related pension amounts 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>\$ (5,651,200)</u>
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**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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 liability and related OPEB amounts 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>\$ (457,382)</u>
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Reclassification and Elimination

Transfers in and transfers out in the amount of \$2,099,306 between governmental activities are eliminated.

**NOTE 3 DEPOSITS AND INVESTMENTS**

At September 30, 2020, the bank balance of the County's deposits consisted of the following:

Demand Deposits	<u>\$ 9,127,814</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. 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, 2020**

**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	\$ 8,457,634
Investments	35,556,767
Total	<u>\$ 44,014,401</u>
Statement of Net Position:	
Cash and Investments	\$ 42,713,851
Statement of Fiduciary Net Position - Agency Funds:	
Cash	1,300,550
Total	<u>\$ 44,014,401</u>

**Investments**

The County recognizes its fair value measurements within the fair value hierarchy established by accounting principles generally accepted in the United States of America. 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. U.S. Agencies are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities relationship to benchmark quoted prices (Level 2 inputs). The County had following fair value measurements as of September 30, 2020:

	Total	Level 1	Level 2	Level 3
Investments by Fair Value Level:				
U.S. Treasuries	\$ 1,522,123	\$ 1,522,123	\$ -	\$ -
U.S. Agencies	11,558,932	-	11,558,932	-
Total Investments				
Measured at Fair Value	13,081,055	<u>\$ 1,522,123</u>	<u>\$ 11,558,932</u>	<u>\$ -</u>
Measured at Amortized Cost:				
Local Government Surplus Trust				
Funds - PRIME Fund	21,301,197			
Short-Term Money Market Funds	533,256			
Measured at NAV:				
Florida Local Government Investment				
Trust - Short Term Bond Fund	641,259			
Total Investments	<u>\$ 35,556,767</u>			

**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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, 2020, 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 17.8% of the Florida PRIME's portfolio at September 30, 2020.

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 dollar weighted average days to maturity (WAM) of Florida PRIME as of September 30, 2020 was 48 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, 2020 was 63 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, 2020, 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, 2020**

**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, 2020, the County is invested in the Short Term Bond Fund.

FLGIT Short Term Bond Fund – At September 30, 2020, 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	\$ 641,259	\$ -	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, 2020, were as follows:

Investment Type	Total	Less Than 1 Year	1-5 Years	5-10 Years
Short-Term Money Market Funds	\$ 533,256	\$ 533,256	\$ -	\$ -
U.S. Treasuries	1,522,123	1,522,123	-	-
U.S. Agencies	11,558,932	24,837	9,357,778	2,176,317
Local Government Surplus Trust Funds - PRIME Fund	21,301,197	21,301,197	-	-
Florida Local Government Investment Trust - Short Term Bond Fund	641,259	-	641,259	-
Total	<u>\$ 35,556,767</u>	<u>\$ 23,381,413</u>	<u>\$ 9,999,037</u>	<u>\$ 2,176,317</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 other than for money market funds, which must have the highest credit quality rating from a nationally recognized rating agency.

**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**NOTE 3 DEPOSITS AND INVESTMENTS (CONTINUED)**

**Investments (Continued)**

Presented below is the actual rating as of September 30, 2020 for each type of investment:

<u>Investment Type</u>	<u>Credit Rating</u>
Short-Term Money Market Funds	AAAm
Local Government Surplus Trust Fund - Florida PRIME	AAAm
FLGIT Short Term Bond Fund	AAAf
U.S. Treasuries	AA+
U.S. Agencies	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. More than 5 percent of the County’s investments are in the Federal Home Loan Banks, Federal Farm Credit Banks Funding Corporation, Federal Home Loan Mortgage Corporation, and Federal National Mortgage Association. These investments are 10.7%, 9.3%, 7.0%, and 5.3%, respectively, of the County’s total investments.

*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. The County’s investment policy requires execution of a third-party custodial safekeeping agreement for purchased securities and collateral, and requires that securities be held in the County’s name.



**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**NOTE 4 RECEIVABLES**

Receivables in governmental funds consist of the following at September 30, 2020:

	General	Transportation Trust	Fire/ Rescue	Landfill Trust	Capital Improvement	Nonmajor Govern- mental Funds	Total
Receivables:							
Emergency Medical Service(EMS) Fees	\$ -	\$ -	\$ 10,309,134	\$ -	\$ -	\$ -	\$ 10,309,134
Host Fees	419,725	-	-	56,802	250,000	62,500	789,027
Airport/Industrial Park	-	8,350	-	-	-	-	8,350
School Resource Officers	134,021	-	-	-	-	-	134,021
Franchise Fees	106,200	-	-	-	-	-	106,200
Medical Exams	100,585	-	-	-	-	-	100,585
Miscellaneous	144,106	-	63,915	-	2,288	18,072	228,381
Accounts Receivable, Gross	904,637	8,350	10,373,049	56,802	252,288	80,572	11,675,698
Less: Allowance for Uncollectible	(217,996)	(3,787)	(9,873,027)	-	-	-	(10,094,810)
Accounts Receivable, Net	<u>\$ 686,641</u>	<u>\$ 4,563</u>	<u>\$ 500,022</u>	<u>\$ 56,802</u>	<u>\$ 252,288</u>	<u>\$ 80,572</u>	<u>\$ 1,580,888</u>

**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**NOTE 5 DETAIL OF CAPITAL ASSETS**

The following is a summary of the changes in capital assets for the year ended September 30, 2020:

	Beginning Balance	Increases	Decreases	Ending Balance
<b>Governmental Activities:</b>				
Capital Assets, Not Being Depreciated/Amortized:				
Land	\$ 5,555,355	\$ -	\$ -	\$ 5,555,355
Construction in Progress	7,976,100	7,537,199	(7,112,606)	8,400,693
Total Capital Assets, Not Being Depreciated/Amortized	13,531,455	7,537,199	(7,112,606)	13,956,048
Capital Assets, Being Depreciated/Amortized:				
Buildings and Improvements	70,082,403	1,682,142	(1,427)	71,763,118
Machinery and Equipment	28,926,384	2,265,306	(1,802,742)	29,388,948
Computer Software	1,482,620	5,250	(5,500)	1,482,370
Infrastructure	62,552,077	5,281,739	-	67,833,816
Total Capital Assets Being Depreciated/Amortized	163,043,484	9,234,437	(1,809,669)	170,468,252
Less: Accumulated Depreciation/Amortization for:				
Buildings and Improvements	(30,482,144)	(2,031,059)	1,284	(32,511,919)
Machinery and Equipment	(21,145,941)	(2,168,075)	1,708,478	(21,605,538)
Computer Software	(1,200,660)	(73,126)	5,500	(1,268,286)
Infrastructure	(43,140,710)	(1,529,523)	-	(44,670,233)
Total Accumulated Depreciation/Amortization	(95,969,455)	(5,801,783)	1,715,262	(100,055,976)
Total Capital Assets, Being Depreciated/Amortized, Net	67,074,029	3,432,654	(94,407)	70,412,276
Governmental Activities Capital Assets, Net	<u>\$ 80,605,484</u>	<u>\$ 10,969,853</u>	<u>\$ (7,207,013)</u>	<u>\$ 84,368,324</u>

**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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	(644,551)	(17,228)	-	(661,779)
Machinery and Equipment	(61,346)	(102)	-	(61,448)
Total Accumulated Depreciation/Amortization	(705,897)	(17,330)	-	(723,227)
Total Capital Assets, Being Depreciated/Amortized, Net	309,249	(17,330)	-	291,919
Business-Type Activities Capital Assets, Net	<u>\$ 2,730,249</u>	<u>\$ (17,330)</u>	<u>\$ -</u>	<u>\$ 2,712,919</u>

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

Government Activities:	
General Government	\$ 1,803,727
Public Safety	1,523,467
Transportation/Public Works	2,040,881
Human Services	12,428
Culture/Recreation	421,280
Total Depreciation/Amortization Expense - Government Activities	<u>\$ 5,801,783</u>
Business-Type Activities:	
Okee-Tantie	\$ 17,330
Total Depreciation/Amortization Expense - Business-Type Activities	<u>\$ 17,330</u>

**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**NOTE 6 LONG-TERM DEBT**

The following is a summary of the changes in long-term debt for the year ended September 30, 2020:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities:					
Note from Direct Borrowing:					
Fire Station IV Note	\$ 448,804	\$ -	\$ (141,531)	\$ 307,273	\$ 149,476
Capital Leases	856,455	287,580	(398,756)	745,279	325,028
Compensated Absences	2,722,331	1,960,672	(1,747,466)	2,935,537	2,347,661
Claims and Judgments	-	1,310,000	-	1,310,000	1,310,000
Total Governmental Activities	<u>\$ 4,027,590</u>	<u>\$ 3,558,252</u>	<u>\$ (2,287,753)</u>	<u>\$ 5,298,089</u>	<u>\$ 4,132,165</u>

**Claims and Judgements**

The liability for claims and judgments is liquidated with resources of the Landfill Trust Fund.

**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.

**Direct Borrowing - 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, \$141,531 of principal and \$19,004 in interest was paid.

<u>Fiscal Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2021	\$ 149,476	\$ 11,060	\$ 160,536
2022	157,797	2,908	160,705
Total	<u>\$ 307,273</u>	<u>\$ 13,968</u>	<u>\$ 321,241</u>

The note contains a provision that in an event of default, the County will, upon request of the bank, and at the expense of the County, engage the services of a consultant to assist the County in levying the assessments until such time as the default is cured.

**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**NOTE 7 LEASES**

**Capital Leases**

The County has entered into several lease agreements as lessee for financing the acquisition of information technology equipment and vehicles 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.

The assets acquired through capital leases are as follows:

	Governmental Activities
Assets:	<u>                    </u>
Machinery and Equipment	\$ 1,502,473
Less: Accumulated Depreciation	<u>(631,283)</u>
Total	<u><u>\$ 871,190</u></u>

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2020 are as follows:

	Governmental Activities
<u>Year Ending September 30,</u>	<u>                    </u>
2021	\$ 325,028
2022	282,701
2023	129,934
2024	<u>62,056</u>
Total Minimum Lease Payment	799,719
Less: Amount Representing Interest	<u>(54,440)</u>
Present Value of Minimum Lease Payment	<u><u>\$ 745,279</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, 2020, 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, 2020**

**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, 2020 and was determined by an actuarial valuation as of October 1, 2018, rolled forward to the measurement date of September 30, 2020. The following table shows the County's total OPEB liability for the year ended September 30, 2020.

	Total OPEB Liability
Balances - October 1, 2019	\$ 724,164
Changes for the Year:	
Service Cost	97,581
Interest	29,092
Changes in Assumptions	150,388
Benefit Payments	(18,368)
Net Changes	<u>258,693</u>
Balances - September 30, 2020	<u>\$ 982,857</u>

**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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>	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
OPEB Plan Discount Rate	1.14 %	2.14 %	3.14 %
Total OPEB Liability	\$ 1,109,379	\$ 982,857	\$ 874,930

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>	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	\$ 830,410	\$ 982,857	\$ 1,173,366

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

For the year ended September 30, 2020, the County recognized OPEB expense of \$168,650. 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	\$ -	\$ (51,149)
Changes of Assumptions	365,717	(18,449)
Total	<u>\$ 365,717</u>	<u>\$ (69,598)</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>
2021	\$ 39,477
2022	39,477
2023	39,477
2024	39,477
2025	39,477
Thereafter	98,734

**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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 2075.

The actuarial cost method used was the Entry Age Cost Method.

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

The discount rate used to measure the total OPEB liability was 2.14%, based on the September 30, 2020 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 2.14%. The prior measurement used 3.58%.

**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	201
Total	<u>267</u>



**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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, 2020 and was determined by an actuarial valuation as of October 1, 2018, rolled forward to the measurement date of September 30, 2020. The following table shows the County's total OPEB liability for the year ended September 30, 2020.

	Total OPEB Liability
Balances - October 1, 2019	\$ 1,894,650
Changes for the Year:	
Service Cost	159,396
Interest	72,831
Changes in Assumptions	469,642
Benefit Payments	(39,641)
Net Changes	662,228
Balances - September 30, 2020	\$ 2,556,878

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	1.14 %	2.14 %	3.14 %
Total OPEB Liability	\$ 2,979,351	\$ 2,556,878	\$ 2,216,385

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	\$ 2,234,532	\$ 2,556,878	\$ 2,955,515

**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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, 2020, the County recognized OPEB expense of \$351,241. 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	\$ -	\$ (33,297)
Changes of Assumptions	765,746	(48,173)
Total	<u>\$ 765,746</u>	<u>\$ (81,470)</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>
2021	\$ 117,014
2022	117,014
2023	117,015
2024	133,072
2025	133,071
Thereafter	67,090

**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 2075.

The actuarial cost method used was the Entry Age Cost Method.

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

The discount rate used to measure the total OPEB liability was 2.14%, based on the September 30, 2020 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 2.14%. The prior measurement used 3.58%.

**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**NOTE 9 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)**

**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.

	<u>County Plan</u>	<u>Sheriff Plan</u>	<u>Total</u>
Total OPEB Liability	\$ 982,857	\$ 2,556,878	\$ 3,539,735
Deferred Outflows of Resources	365,717	765,746	1,131,463
Deferred Inflows of Resources	69,598	81,470	151,068
OPEB Expense	168,650	351,241	519,891

**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](http://www.dms.myflorida.com)).

**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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, 2020**

**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:

<b><u>Class, Initial Enrollment, and Retirement Age/Years of Service:</u></b>	<b><u>% Value</u></b>
<b>Regular Class members initially enrolled before July 1, 2011</b>	
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
<b>Regular Class members initially enrolled on or after July 1, 2011</b>	
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
<b>Elected County Officers</b>	<b>3.00</b>
<b>Senior Management Service Class</b>	<b>2.00</b>
<b>Special Risk Regular</b>	
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, 2020**

**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, 2019, were applied to employee salaries as follows: regular employees 6.75%, special risk 23.76%, county elected officials 47.10%, senior management 23.69%, and DROP participants 12.94%. The County's contributions to the FRS Plan were \$2,965,262 for the year ended September 30, 2020.

Pension Costs

At September 30, 2020, the County reported a liability of \$38,156,880 for its proportionate share of the FRS Plan's net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. 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, 2019, through June 30, 2020, relative to the total employer contributions received from all of FRS's participating employers. At June 30, 2020, the County's proportion was 0.088037802%, which was an increase of 0.000690632% from its proportion measured as of June 30, 2019.

For the year ended September 30, 2020, the County recognized pension expense of \$8,312,933 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	\$ 1,460,341	\$ -
Changes of Assumptions	6,907,609	-
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	2,271,897	-
Changes in Proportion and Differences Between County Contributions and Proportionate Share of Contributions	1,407,559	(143,243)
County Contributions Subsequent to the Measurement Date	776,164	-
Total	<u>\$ 12,823,570</u>	<u>\$ (143,243)</u>

**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**Florida Retirement System Pension Plan (Continued)**

Pension Costs (Continued)

\$776,164 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, 2021. 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>
2021	\$ 2,615,736
2022	3,765,233
2023	3,142,148
2024	1,909,768
2025	471,278
Thereafter	-

Actuarial Assumptions

The total pension liability in the July 1, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40% per Year
Salary Increases	3.25%, Average, Including Inflation
Investment Rate of Return	6.80%

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, 2020 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  
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**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 %	2.2 %	2.2 %	1.2 %
Fixed Income	19.0	3.0	2.9	3.5
Global Equity	54.2	8.0	6.7	17.1
Real Estate	10.3	6.4	5.8	11.7
Private Equity	11.1	10.8	8.1	25.7
Strategic Investments	4.4	5.5	5.3	6.9
Totals	<u>100.0 %</u>			
Assumed Inflation - Mean			2.4 %	1.7 %

Discount Rate

The discount rate used to measure the total pension liability was 6.80% for the FRS Plan, which was a 0.10% decrease from the 6.90% rate as of June 30, 2019. 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	5.80%	6.80%	7.80%
County's Proportionate Share of the FRS Plan Net Pension Liability	\$ 60,930,126	\$ 38,156,880	\$ 19,136,567

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>.



**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**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, 2020, 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, 2020, 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 three 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 \$338,771 for the year ended September 30, 2020.

Pension Costs

At September 30, 2020, the County reported a liability of \$7,117,578 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2020, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020. 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, 2019, through June 30, 2020, relative to the total employer contributions received from all participating employers. At June 30, 2020, the County's proportion was 0.058293803%, which was a decrease of 0.000309113% from its proportion measured as of June 30, 2019.

**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**Retiree Health Insurance Subsidy Program (Continued)**

Pension Costs (Continued)

For the year ended September 30, 2020, the County recognized pension expense of \$643,061 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	\$ 291,152	\$ (5,491)
Changes in Actuarial Assumptions	765,342	(413,859)
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	5,683	-
Changes in Proportion and Differences Between County Contributions and Proportionate Share of Contributions	487,720	(77,020)
County Contributions Subsequent to the Measurement Date	87,276	-
Total	<u>\$ 1,637,173</u>	<u>\$ (496,370)</u>

\$87,276 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 ending June 30, 2021. 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	\$ 276,625
2019	246,086
2020	131,501
2021	148,685
2022	150,008
Thereafter	100,622

**Actuarial Assumptions**

The total pension liability in the July 1, 2020, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40% per Year
Salary Increases	3.25%, Average, Including Inflation
Discount Rate - Municipal Bond Rate	2.21%

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2018. The actuarial assumptions used in the July 1, 2020 valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**NOTE 10 DEFINED BENEFIT PENSION PLAN (CONTINUED)**

**Retiree Health Insurance Subsidy Program (Continued)**

**Discount Rate**

The discount rate used to measure the total pension liability was 2.21% for the HIS Plan, which was a 1.29% decrease from the 3.50% rate as of June 30, 2019. 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:

<u>Description</u>	<u>1% Decrease in Discount Rate</u>	<u>Current Discount Rate</u>	<u>1% Increase Discount Rate</u>
HIS Plan Discount Rate	1.21%	2.21%	3.21%
County's Proportionate Share of the FRS Plan Net Pension Liability	\$ 8,227,603	\$ 7,117,578	\$ 6,209,027

**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	\$ 38,156,880	\$ 7,117,578	\$ 45,274,458
Deferred Outflows of Resources	12,823,570	1,637,173	14,460,743
Deferred Inflows of Resources	143,243	496,370	639,613
Pension Expense	8,312,933	643,061	8,955,994

**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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.

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, 2020, 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 \$471,064 for the year ended September 30, 2020. Employee contributions to the Investment Plan totaled \$93,524 for the year ended September 30, 2020.

**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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.

**NOTE 13 INTERFUND ACTIVITY**

The balance of interfund receivables and payables were as follows at September 30, 2020:

<u>Due To/From Other Funds</u>	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
Major Fund:		
General Fund	\$ 1,300,000	\$ 65,976
Transportation Trust	-	1,300,000
Nonmajor Governmental Funds	<u>96,362</u>	<u>30,386</u>
Total	<u>\$ 1,396,362</u>	<u>\$ 1,396,362</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, 2020, the outstanding balance was \$500,000.

**NOTE 14 FUND BALANCES — GOVERNMENTAL FUNDS**

As of September 30, 2020, 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.

**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
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**NOTE 14 FUND BALANCES — GOVERNMENTAL FUNDS (CONTINUED)**

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.

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, 2020**

**NOTE 14 FUND BALANCES — GOVERNMENTAL FUNDS (CONTINUED)**

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

	General Fund	Trans- portation Trust	Fire/ Rescue	Landfill Trust	Special Grants	Capital Improvement	Road Improvement	Nonmajor Governmental Funds	Total Governmental Funds
<b>Nonspendable:</b>									
Prepaid Items	\$ 155,194	\$ 1,696	\$ 50,853	\$ -	\$ -	\$ 1,581	\$ -	\$ 50,269	\$ 259,593
Total Nonspendable	155,194	1,696	50,853	-	-	1,581	-	50,269	259,593
<b>Restricted for:</b>									
Boating Improvement	-	-	-	-	-	-	-	314,568	314,568
County Services	-	-	-	-	-	-	-	349,377	349,377
Court-Related	-	-	-	-	-	-	-	604,033	604,033
E-911 System	-	-	-	-	-	-	-	340,882	340,882
Fire/Rescue	-	-	-	-	-	-	-	71	71
Housing	-	-	-	-	50,196	-	-	667,212	717,408
Library	-	-	-	-	-	-	-	1,619	1,619
Mediation and Arbitration	-	-	-	-	-	-	-	33,428	33,428
Public Safety	117,669	-	-	-	-	-	-	1,036,872	1,154,541
Substance Abuse	-	-	-	-	-	-	-	24,149	24,149
Tourism	-	-	-	-	-	-	-	1,027,513	1,027,513
Transportation	-	-	-	-	-	-	6,059,001	579	6,059,580
Total Restricted	117,669	-	-	-	50,196	-	6,059,001	4,400,303	10,627,169
<b>Committed for:</b>									
County Services	-	-	-	-	-	-	-	158,474	158,474
Solid Waste	-	-	-	8,810,103	-	-	-	1,205,783	10,015,886
Total Committed	-	-	-	8,810,103	-	-	-	1,364,257	10,174,360
<b>Assigned for:</b>									
Capital Projects	-	-	-	-	865,533	2,576,374	-	-	3,441,907
County Services	-	-	-	-	-	-	-	1,008,846	1,008,846
Economic Development	-	-	-	962,120	-	-	-	-	962,120
Public Safety	-	-	1,822,103	-	-	-	-	-	1,822,103
Total Assigned	-	-	1,822,103	962,120	865,533	2,576,374	-	1,008,846	7,234,976
<b>Unassigned</b>	13,156,599	(623,444)	-	-	-	-	-	(11,096)	12,522,059
<b>Total</b>	<u>\$ 13,429,462</u>	<u>\$ (621,748)</u>	<u>\$ 1,872,956</u>	<u>\$ 9,772,223</u>	<u>\$ 915,729</u>	<u>\$ 2,577,955</u>	<u>\$ 6,059,001</u>	<u>\$ 6,812,579</u>	<u>\$ 40,818,157</u>

**OKEECHOBEE COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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 Transportation Trust, a special revenue fund, has a fund balance deficit of \$621,748 due to the timing of receipts. The funding to recover the deficit will be received in fiscal year 2021.

The Legal Aid, a special revenue fund, has a fund balance deficit of \$1,816 due to the timing of receipts. The funding to recover the deficit will be received in fiscal year 2021.

The Teen Court Fund, a special revenue fund, has a fund balance deficit of \$607 due to the timing of receipts. The funding to recover the deficit will be received in fiscal year 2021.

**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, 2020, 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, 2020**

**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, 2020**

**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, 2020:

<u>Project</u>	<u>Project Amortization</u>	<u>Expended to Date</u>	<u>Commitment</u>
Ag Center Maintenance & Storage Building	\$ 8,800	\$ 7,660	\$ 1,140
Animal Control Phase II Kennel	33,320	28,340	4,980
Computer Assisted Mass Appraisal System	263,024	181,513	81,511
FDOT CR68 Micco Bluff Resurfacing	2,662,591	2,210,170	452,421
Fire Station #2 Construction	85,020	78,646	6,374
Jail Expansion	335,075	241,662	93,413
Oak Lake Estates Drainage Improvement	91,000	75,021	15,979
Potter Rd-Swale Reconstruction & Drainage	69,486	10,045	59,441
Resurfacing NE 36th Boulevard	2,639,625	343,083	2,296,542
Safe Route to Schools	29,200	20,862	8,338
Total	<u>\$ 6,217,141</u>	<u>\$ 3,197,002</u>	<u>\$ 3,020,139</u>

Subsequent to fiscal year-end the County settled a counterclaim related to a land lease at the airport for \$1,310,000. That liability has been recognized in the government activities as of September 30, 2020.

Subsequent to fiscal year-end a claim bill for \$5,000,000 was filed with the state of Florida legislature in regard to a matter involving the Sheriff's Office. A claim bill allows for the waiver of sovereign immunity when judgments exceed the limits imposed by Section 768.28(5), Florida Statutes. With respect to this matter, the possible outcome or impact on the financial statements cannot be determined at this time.

The County is contingently liable with respect to other 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, 2020**

**NOTE 18 TRANSFERS**

Transfers during the year ended September 30, 2020 consisted of the following:

Transfers to the General Fund from:

Fire/Rescue Fund	\$ 363,472
Landfill Trust Fund	750,000
Nonmajor Governmental Funds	<u>600,890</u>
Total	<u><u>\$ 1,714,362</u></u>

Transfers to the Nonmajor Governmental Funds from:

General Fund	\$ 107,058
Landfill Trust Fund	250,000
Nonmajor Governmental Funds	<u>27,886</u>
Total	<u><u>\$ 384,944</u></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 TAX ABATEMENTS**

The County provides tax abatements through one program: Economic Development Ad Valorem Property Tax Exemption. Pursuant to Section 196.1995, Florida Statutes, and voter referendum (Amendment #2, November 2014) the County is authorized to grant economic development tax exemptions for new businesses and expansions of existing businesses, that are expected to create new, full-time jobs in the County. Abatements are obtained through application by the property owner, including proof that requirements have been met. The amount of the abatement is determined by the Board and it is deducted from the recipient's tax bill.

As of September 30, 2020 the County, per Ordinance 2020-005, has entered into one tax abatement agreement with Florida Power and Light Company. No taxes were abated during fiscal year 2020. Abatements will begin with the County's fiscal year 2021.

**OKEECHOBEE COUNTY, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OPEB  
LIABILITY AND REALTED RATIOS — OKEECHOBEE COUNTY PLAN  
LAST TEN FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability			
Service Cost	\$ 97,581	\$ 50,505	\$ 51,094
Interest	29,092	17,316	16,440
Changes of Benefit Terms	-	-	-
Difference Between Expected and Actual Experience	-	(65,763)	-
Changes of Assumptions	150,388	298,337	(27,674)
Benefit Payments	<u>(18,368)</u>	<u>(11,363)</u>	<u>(10,466)</u>
Net Change in Total OPEB Liability	258,693	289,032	29,394
Total OPEB Liability - Beginning	<u>724,164</u>	<u>435,132</u>	<u>405,738</u>
Total OPEB Liability - Ending	<u>\$ 982,857</u>	<u>\$ 724,164</u>	<u>\$ 435,132</u>
County's Covered Employee Payroll	\$ 10,664,865	\$ 10,061,194	\$ 10,161,536
County's Total OPEB Liability as a Percentage of Covered Employee Payroll	9.22 %	7.20 %	4.28 %

Notes to Schedule:

Covered Employee Payroll was projected two years forward from the valuation date for the reporting period ending September 30, 2020.

*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, 2020:	2.14 %
Fiscal Year Ending September 30, 2019:	3.58 %
Fiscal Year Ending September 30, 2018:	4.18 %

*Benefit Payments.* The plan sponsor did not provide actual net benefits paid by the Plan for the fiscal year ending on September 30, 2020. Expected net benefit payments produced by the valuation model for the same period are shown in the table above.

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  
LAST TEN FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Total OPEB Liability			
Service Cost	\$ 159,396	\$ 102,259	\$ 104,115
Interest	72,831	56,165	49,433
Changes of Benefit Terms	-	-	-
Difference Between Expected and Actual Experience	-	(46,615)	-
Changes of Assumptions	469,642	508,474	(96,347)
Benefit Payments	<u>(39,641)</u>	<u>(27,064)</u>	<u>(19,201)</u>
Net Change in Total OPEB Liability	662,228	593,219	38,000
Total OPEB Liability - Beginning	<u>1,894,650</u>	<u>1,301,431</u>	<u>1,263,431</u>
Total OPEB Liability - Ending	<u><u>\$ 2,556,878</u></u>	<u><u>\$ 1,894,650</u></u>	<u><u>\$ 1,301,431</u></u>
County's Covered Employee Payroll	\$ 9,408,874	\$ 8,876,296	\$ 8,235,801
Sheriff's Office Total OPEB Liability as a Percentage of Covered Employee Payroll	27.18 %	21.35 %	15.80 %

Notes to Schedule:

Covered Employee Payroll was projected two years forward from the valuation date for the reporting period ending September 30, 2020.

*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, 2020:	2.14 %
Fiscal Year Ending September 30, 2019:	3.58 %
Fiscal Year Ending September 30, 2018:	4.18 %

*Benefit Payments.* The plan sponsor did not provide actual net benefits paid by the Plan for the fiscal year ending on September 30, 2020. Expected net benefit payments produced by the valuation model for the same period are shown in the table above.

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 (CONTINUED) <sup>1</sup>  
LAST TEN MEASUREMENT PERIODS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
County's Proportion of the Net Pension Liability	0.088037802%	0.087347170%	0.083384060%	0.081590425%	0.077979631%	0.071348317%
County's Proportionate Share of the Net Pension Liability	\$ 38,156,880	\$ 30,081,149	\$ 25,115,711	\$ 24,133,900	\$ 19,689,918	\$ 9,215,593
County's Covered Payroll	\$ 20,286,748	\$ 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	188.09 %	153.25 %	158.97 %	138.93 %	122.08 %	60.89 %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	78.85 %	82.61 %	84.26 %	83.89 %	84.88 %	92.00 %

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

<sup>1</sup> 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 (CONTINUED) <sup>1</sup>  
LAST TEN FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 2,965,262	\$ 2,760,219	\$ 2,451,033	\$ 2,188,548	\$ 1,996,735	\$ 1,760,886
Contributions in Relation to the Contractually Required Contribution	<u>(2,965,262)</u>	<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>	<u>\$ -</u>
County's Covered Payroll	\$ 20,424,895	\$ 19,839,364	\$ 18,615,015	\$ 17,832,443	\$ 16,609,997	\$ 15,216,538
Contributions as a Percentage of Covered Payroll	14.52 %	13.91 %	13.17 %	12.27 %	12.02 %	11.57 %

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

<sup>1</sup> 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 (CONTINUED) <sup>1</sup>  
LAST TEN MEASUREMENT PERIODS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
County's Proportion of the Net Pension Liability	0.058293800%	0.058602916%	0.056179309%	0.541727270%	0.051841413%	0.049930396%
County's Proportionate Share of the Net Pension Liability	\$ 7,117,578	\$ 6,557,080	\$ 5,946,081	\$ 5,792,398	\$ 6,041,902	\$ 5,092,115
County's Covered Payroll	\$ 20,286,748	\$ 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	35.08 %	33.40 %	32.27 %	33.34 %	37.46 %	33.65 %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	3.00 %	2.63 %	2.15 %	1.64 %	0.97 %	0.50 %

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

<sup>1</sup> 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 (CONITNUED) <sup>1</sup>  
LAST TEN FISCAL YEARS**

	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 338,711	\$ 328,832	\$ 307,879	\$ 294,660	\$ 273,024	\$ 206,972
Contributions in Relation to the Contractually Required Contribution	<u>(338,711)</u>	<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>	<u>\$ -</u>
County's Covered Payroll	\$ 20,424,895	\$ 19,839,364	\$ 18,615,015	\$ 17,832,443	\$ 16,609,997	\$ 15,216,538
Contributions as a Percentage of Covered Payroll	1.66 %	1.66 %	1.65 %	1.65 %	1.64 %	1.36 %

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

<sup>1</sup> 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, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 612,016	\$ 612,017	\$ -	\$ (612,017)
Net Change in Fair Value of Investments	90,000	90,000	82,327	(7,673)
Miscellaneous	1,000,000	1,000,000	1,006,380	6,380
Total Revenues	<u>1,702,016</u>	<u>1,702,017</u>	<u>1,088,707</u>	<u>(613,310)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	413,274	575,822	377,797	198,025
Public Safety	45,351	36,401	-	36,401
Transportation	215,960	503,100	487,500	15,600
Culture and Recreation	-	9,900	9,900	-
Capital Outlay	<u>2,832,354</u>	<u>7,771,782</u>	<u>4,818,637</u>	<u>2,953,145</u>
Total Expenditures	<u>3,506,939</u>	<u>8,897,005</u>	<u>5,693,834</u>	<u>3,203,171</u>
<b>NET CHANGE IN FUND BALANCE</b>	(1,804,923)	(7,194,988)	(4,605,127)	2,589,861
Fund Balance - Beginning of Year	<u>3,145,840</u>	<u>11,124,006</u>	<u>7,183,082</u>	<u>(3,940,924)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 1,340,917</u></u>	<u><u>\$ 3,929,018</u></u>	<u><u>\$ 2,577,955</u></u>	<u><u>\$ (1,351,063)</u></u>

**OKEECHOBEE COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL  
ROAD IMPROVEMENT FUND  
YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 999,786	\$ 999,785	\$ 875,371	\$ (124,414)
Intergovernmental	-	-	32,481	(32,481)
Net Change in Fair Value of Investments	95,000	95,000	79,195	(15,805)
Total Revenues	<u>1,094,786</u>	<u>1,094,785</u>	<u>987,047</u>	<u>(172,700)</u>
<b>EXPENDITURES</b>				
Current:				
Transportation	790,000	919,486	676,959	242,527
Capital Outlay	855,000	1,125,276	12,286	1,112,990
Total Expenditures	<u>1,645,000</u>	<u>2,044,762</u>	<u>689,245</u>	<u>1,355,517</u>
<b>NET CHANGE IN FUND BALANCE</b>	(550,214)	(949,977)	297,802	1,247,779
Fund Balance - Beginning of Year	<u>5,529,757</u>	<u>6,043,500</u>	<u>5,761,199</u>	<u>(282,301)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 4,979,543</u></u>	<u><u>\$ 5,093,523</u></u>	<u><u>\$ 6,059,001</u></u>	<u><u>\$ 965,478</u></u>

**OKEECHOBEE COUNTY, FLORIDA  
NONMAJOR GOVERNMENTAL FUNDS DESCRIPTION  
YEAR ENDED SEPTEMBER 30, 2020**

**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 user fees 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, 2020**

**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.

**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.

**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.

**OKEECHOBEE COUNTY, FLORIDA  
NONMAJOR GOVERNMENTAL FUNDS DESCRIPTION (CONTINUED)  
YEAR ENDED SEPTEMBER 30, 2020**

**SPECIAL REVENUE FUNDS (CONTINUED)**

**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, 2020**

	Special Revenue							
	Tourist Development	Boating Improvement	Tourism Special Revenue	Residential Solid Waste Collection	Library Brick	Enhanced 9-1-1 System	Federal Equitable Sharing	
<b>ASSETS</b>								
Cash and Cash Equivalents	\$ 250,953	\$ 314,568	\$ 160,977	\$ 183,672	\$ -	\$ 203,959	\$ 1,128	\$ 7,987
Investments	397,150	-	199,229	356,080	-	140,592	-	-
Accounts Receivable, Net	710	-	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	-	-	-	-
Due from Other Governments	35,681	-	-	-	-	167,734	-	576
Prepaid Items	-	-	-	-	-	15,178	-	-
Assets Available for Sale	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 684,494</b>	<b>\$ 314,568</b>	<b>\$ 360,206</b>	<b>\$ 539,752</b>	<b>\$ -</b>	<b>\$ 527,463</b>	<b>\$ 1,128</b>	<b>\$ 8,563</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)</b>								
Liabilities:								
Accounts Payable and Accrued Liabilities	\$ 17,187	\$ -	\$ -	\$ 225,531	\$ -	\$ 29,279	\$ -	\$ -
Due to Other Funds	-	-	-	-	-	-	-	8,563
Due to Other Governments	-	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-
Advances from Other Funds	-	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>17,187</b>	<b>-</b>	<b>-</b>	<b>225,531</b>	<b>-</b>	<b>29,279</b>	<b>-</b>	<b>8,563</b>
Deferred Inflows of Resources:								
Unavailable Revenue:								
Intergovernmental	-	-	-	-	-	142,124	-	-
Fund Balances (Deficits):								
Nonspendable	-	-	-	-	-	15,178	-	-
Restricted	667,307	314,568	360,206	-	-	340,882	1,128	-
Committed	-	-	-	314,221	-	-	-	-
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-	-	-
<b>Total Fund Balances (Deficits)</b>	<b>667,307</b>	<b>314,568</b>	<b>360,206</b>	<b>314,221</b>	<b>-</b>	<b>356,060</b>	<b>1,128</b>	<b>-</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)</b>	<b>\$ 684,494</b>	<b>\$ 314,568</b>	<b>\$ 360,206</b>	<b>\$ 539,752</b>	<b>\$ -</b>	<b>\$ 527,463</b>	<b>\$ 1,128</b>	<b>\$ 8,563</b>



**OKEECHOBEE COUNTY, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)  
SEPTEMBER 30, 2020**

	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	
<b>ASSETS</b>								
Cash and Cash Equivalents	\$ 33,428	\$ 23,999	\$ 113,662	\$ 177,005	\$ 625,559	\$ 156,211	\$ -	\$ 93,370
Investments	-	-	-	685,344	-	-	-	-
Accounts Receivable, Net	-	-	-	62,500	-	-	-	-
Due from Other Funds	-	-	60,726	-	-	-	-	-
Due from Other Governments	-	150	-	151,448	-	8,967	-	895
Prepaid Items	-	-	-	26,418	-	-	-	-
Assets Available for Sale	-	-	-	-	-	-	96,000	-
<b>Total Assets</b>	<b>\$ 33,428</b>	<b>\$ 24,149</b>	<b>\$ 174,388</b>	<b>\$ 1,102,715</b>	<b>\$ 625,559</b>	<b>\$ 165,178</b>	<b>\$ 96,000</b>	<b>\$ 94,265</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)</b>								
Liabilities:								
Accounts Payable and Accrued Liabilities	\$ -	\$ -	\$ -	\$ 216,071	\$ 54,347	\$ 3,158	\$ -	\$ -
Due to Other Funds	-	-	-	-	-	-	-	-
Due to Other Governments	-	-	-	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-	-
Deposits	-	-	-	13,400	-	-	-	-
Advances from Other Funds	-	-	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>229,471</b>	<b>54,347</b>	<b>3,158</b>	<b>-</b>	<b>-</b>
Deferred Inflows of Resources:								
Unavailable Revenue:								
Intergovernmental	-	-	-	-	-	-	-	-
Fund Balances (Deficits):								
Nonspendable	-	-	-	26,418	-	-	-	-
Restricted	33,428	24,149	174,388	-	571,212	-	96,000	94,265
Committed	-	-	-	-	-	-	-	-
Assigned	-	-	-	846,826	-	162,020	-	-
Unassigned	-	-	-	-	-	-	-	-
<b>Total Fund Balances (Deficits)</b>	<b>33,428</b>	<b>24,149</b>	<b>174,388</b>	<b>873,244</b>	<b>571,212</b>	<b>162,020</b>	<b>96,000</b>	<b>94,265</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)</b>	<b>\$ 33,428</b>	<b>\$ 24,149</b>	<b>\$ 174,388</b>	<b>\$ 1,102,715</b>	<b>\$ 625,559</b>	<b>\$ 165,178</b>	<b>\$ 96,000</b>	<b>\$ 94,265</b>

**OKEECHOBEE COUNTY, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)  
SEPTEMBER 30, 2020**

	Special Revenue							
	Court Innovation	Legal Aid	Impact Fees	Teen Court	Community Development Block Grant	Solid Waste Management	Crime Prevention	Mathewson Library Trust
<b>ASSETS</b>								
Cash and Cash Equivalents	\$ 204,231	\$ 3,064	\$ 1,174	\$ 9,806	\$ 500,000	\$ 860,199	\$ 332,117	\$ 1,619
Investments	-	-	-	-	-	-	-	-
Accounts Receivable, Net	-	-	-	-	-	-	-	-
Due from Other Funds	10,386	-	-	-	-	-	-	-
Due from Other Governments	576	576	-	576	-	34,839	1,371	-
Prepaid Items	-	-	-	-	-	-	-	-
Assets Available for Sale	-	-	-	-	-	-	-	-
<b>Total Assets</b>	<b>\$ 215,193</b>	<b>\$ 3,640</b>	<b>\$ 1,174</b>	<b>\$ 10,382</b>	<b>\$ 500,000</b>	<b>\$ 895,038</b>	<b>\$ 333,488</b>	<b>\$ 1,619</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)</b>								
Liabilities:								
Accounts Payable and Accrued Liabilities	\$ -	\$ 3,633	\$ -	\$ 10,989	\$ -	\$ 3,476	\$ -	\$ -
Due to Other Funds	-	1,823	-	-	-	-	-	-
Due to Other Governments	-	-	400	-	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-	-
Deposits	-	-	-	-	-	-	-	-
Advances from Other Funds	-	-	-	-	500,000	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>5,456</b>	<b>400</b>	<b>10,989</b>	<b>500,000</b>	<b>3,476</b>	<b>-</b>	<b>-</b>
Deferred Inflows of Resources:								
Unavailable Revenue:								
Intergovernmental	-	-	-	-	-	-	-	-
Fund Balances (Deficits):								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	215,193	-	774	-	-	-	333,488	1,619
Committed	-	-	-	-	-	891,562	-	-
Assigned	-	-	-	-	-	-	-	-
Unassigned	-	(1,816)	-	(607)	-	-	-	-
<b>Total Fund Balances (Deficits)</b>	<b>215,193</b>	<b>(1,816)</b>	<b>774</b>	<b>(607)</b>	<b>-</b>	<b>891,562</b>	<b>333,488</b>	<b>1,619</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)</b>	<b>\$ 215,193</b>	<b>\$ 3,640</b>	<b>\$ 1,174</b>	<b>\$ 10,382</b>	<b>\$ 500,000</b>	<b>\$ 895,038</b>	<b>\$ 333,488</b>	<b>\$ 1,619</b>

**OKEECHOBEE COUNTY, FLORIDA  
COMBINING BALANCE SHEET  
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)  
SEPTEMBER 30, 2020**

	Special Revenue						Total All Nonmajor Governmental Funds
	Sheriff's Inmate Welfare	Sheriff's Community Donations	Tax Collector's Coquina Fund	Clerk's Clerk's PRMT	Clerk's Court Related	Property Appraiser's Coquina Fund	
<b>ASSETS</b>							
Cash and Cash Equivalents	\$ 354,933	\$ 63,548	\$ 107,346	\$ 738,217	\$ 316,576	\$ 47,133	\$ 5,886,441
Investments	-	-	-	-	-	-	1,778,395
Accounts Receivable, Net	17,362	-	-	-	-	-	80,572
Due from Other Funds	-	20,000	5,250	-	-	-	96,362
Due from Other Governments	-	-	-	-	35,100	-	438,489
Prepaid Items	-	-	-	-	8,673	-	50,269
Assets Available for Sale	-	-	-	-	-	-	96,000
<b>Total Assets</b>	<b>\$ 372,295</b>	<b>\$ 83,548</b>	<b>\$ 112,596</b>	<b>\$ 738,217</b>	<b>\$ 360,349</b>	<b>\$ 47,133</b>	<b>\$ 8,426,528</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES (DEFICITS)</b>							
Liabilities:							
Accounts Payable and Accrued Liabilities	\$ 2,364	\$ -	\$ -	\$ -	\$ 56,427	\$ 1,255	\$ 623,717
Due to Other Funds	20,000	-	-	-	-	-	30,386
Due to Other Governments	-	-	-	-	107,421	-	107,821
Unearned Revenue	-	-	-	-	-	-	-
Deposits	-	-	-	-	196,501	-	209,901
Advances from Other Funds	-	-	-	-	-	-	500,000
<b>Total Liabilities</b>	<b>22,364</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>360,349</b>	<b>1,255</b>	<b>1,471,825</b>
Deferred Inflows of Resources:							
Unavailable Revenue:							
Intergovernmental	-	-	-	-	-	-	142,124
Fund Balances (Deficits):							
Nonspendable	-	-	-	-	8,673	-	50,269
Restricted	349,931	83,548	-	738,217	-	-	4,400,303
Committed	-	-	112,596	-	-	45,878	1,364,257
Assigned	-	-	-	-	-	-	1,008,846
Unassigned	-	-	-	-	(8,673)	-	(11,096)
<b>Total Fund Balances (Deficits)</b>	<b>349,931</b>	<b>83,548</b>	<b>112,596</b>	<b>738,217</b>	<b>-</b>	<b>45,878</b>	<b>6,812,579</b>
<b>Total Liabilities, Deferred Inflows of Resources, and Fund Balances (Deficits)</b>	<b>\$ 372,295</b>	<b>\$ 83,548</b>	<b>\$ 112,596</b>	<b>\$ 738,217</b>	<b>\$ 360,349</b>	<b>\$ 47,133</b>	<b>\$ 8,426,528</b>

**OKEECHOBEE COUNTY, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**YEAR ENDED SEPTEMBER 30, 2020**

	Special Revenue							
	Tourist Development	Boating Improvement	Tourism Special Revenue	Residential Solid Waste Collection	Library Brick	Enhanced 9-1-1 System	Federal Equitable Sharing	
<b>REVENUES</b>								
Taxes	\$ 355,296	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	20,509	-	-	-	-	-	-
Intergovernmental	-	2,850	-	-	-	65,192	-	-
Charges for Services	-	-	-	-	-	211,410	-	-
Fines and Forfeitures	-	-	-	-	-	-	-	10,937
Special Assessments	-	-	-	2,477,664	-	-	-	-
Investment Income	9,950	3,673	5,616	15,191	18	4,939	10	-
Miscellaneous	-	-	-	-	-	-	-	-
Total Revenues	<u>365,246</u>	<u>27,032</u>	<u>5,616</u>	<u>2,492,855</u>	<u>18</u>	<u>281,541</u>	<u>10</u>	<u>10,937</u>
<b>EXPENDITURES</b>								
Current:								
General Government	-	-	-	-	-	-	-	2,374
Public Safety	-	-	-	-	-	189,440	-	-
Physical Environment	-	-	-	2,717,031	-	-	-	-
Economic Environment	318,320	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	1,442	-	-	-
Capital Outlay	-	-	10,747	-	-	92,636	-	-
Total Expenditures	<u>318,320</u>	<u>-</u>	<u>10,747</u>	<u>2,717,031</u>	<u>1,442</u>	<u>282,076</u>	<u>-</u>	<u>2,374</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	46,926	27,032	(5,131)	(224,176)	(1,424)	(535)	10	8,563
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	-	-	17,500	-	-	-	-	-
Transfers Out	(17,500)	-	-	-	-	(70,000)	-	(8,563)
Total Other Financing Sources (Uses)	<u>(17,500)</u>	<u>-</u>	<u>17,500</u>	<u>-</u>	<u>-</u>	<u>(70,000)</u>	<u>-</u>	<u>(8,563)</u>
<b>NET CHANGE IN FUND BALANCES</b>	29,426	27,032	12,369	(224,176)	(1,424)	(70,535)	10	-
Fund Balances (Deficits) - Beginning of Year	<u>637,881</u>	<u>287,536</u>	<u>347,837</u>	<u>538,397</u>	<u>1,424</u>	<u>426,595</u>	<u>1,118</u>	<u>-</u>
<b>FUND BALANCES (DEFICITS) - END OF YEAR</b>	<u>\$ 667,307</u>	<u>\$ 314,568</u>	<u>\$ 360,206</u>	<u>\$ 314,221</u>	<u>\$ -</u>	<u>\$ 356,060</u>	<u>\$ 1,128</u>	<u>\$ -</u>

**OKEECHOBEE COUNTY, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**  
**YEAR ENDED SEPTEMBER 30, 2020**

	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
<b>REVENUES</b>								
Taxes	\$ -	\$ -	\$ -	\$ 809,937	\$ -	\$ 53,996	\$ -	\$ -
Licenses and Permits	-	-	-	728,152	-	-	-	-
Intergovernmental	-	-	-	34,500	-	-	-	-
Charges for Services	-	-	-	143,331	59,376	173,161	-	-
Fines and Forfeitures	-	3,930	-	32,652	-	-	-	12,170
Special Assessments	-	-	-	-	-	-	-	-
Investment Income	424	260	416	17,473	9,405	1,843	-	1,053
Miscellaneous	-	-	82,548	268,174	-	102	-	-
Total Revenues	424	4,190	82,964	2,034,219	68,781	229,102	-	13,223
<b>EXPENDITURES</b>								
Current:								
General Government	998	-	-	448,764	-	210,132	-	-
Public Safety	-	-	-	1,220,966	-	-	-	-
Physical Environment	-	-	-	-	-	-	-	-
Economic Environment	-	-	-	260,000	816,673	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	-
Capital Outlay	-	-	-	43,387	-	477	-	-
Total Expenditures	998	-	-	1,973,117	816,673	210,609	-	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(574)	4,190	82,964	61,102	(747,892)	18,493	-	13,223
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	-	-	-	250,000	-	-	-	-
Transfers Out	-	-	-	(530,890)	-	-	-	-
Total Other Financing Sources (Uses)	-	-	-	(280,890)	-	-	-	-
<b>NET CHANGE IN FUND BALANCES</b>	(574)	4,190	82,964	(219,788)	(747,892)	18,493	-	13,223
Fund Balances (Deficits) - Beginning of Year	34,002	19,959	91,424	1,093,032	1,319,104	143,527	96,000	81,042
<b>FUND BALANCES (DEFICITS) - END OF YEAR</b>	<u>\$ 33,428</u>	<u>\$ 24,149</u>	<u>\$ 174,388</u>	<u>\$ 873,244</u>	<u>\$ 571,212</u>	<u>\$ 162,020</u>	<u>\$ 96,000</u>	<u>\$ 94,265</u>

**OKEECHOBEE COUNTY, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**  
**YEAR ENDED SEPTEMBER 30, 2020**

	Special Revenue							
	Court Innovation	Legal Aid	Impact Fees	Teen Court	Community Development Block Grant	Solid Waste Management	Crime Prevention	Mathewson Library Trust
<b>REVENUES</b>								
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	69,331	-	-
Charges for Services	-	-	-	-	-	268,040	-	-
Fines and Forfeitures	10,937	10,907	-	10,937	-	-	23,134	-
Special Assessments	-	-	-	-	-	-	-	-
Investment Income	-	-	13	-	-	9,623	3,903	63
Miscellaneous	-	-	-	-	-	-	-	-
Total Revenues	<u>10,937</u>	<u>10,907</u>	<u>13</u>	<u>10,937</u>	<u>-</u>	<u>346,994</u>	<u>27,037</u>	<u>63</u>
<b>EXPENDITURES</b>								
Current:								
General Government	-	10,900	-	10,989	-	-	-	-
Public Safety	-	-	-	-	-	-	-	-
Physical Environment	-	-	-	-	-	224,245	-	-
Economic Environment	-	-	-	-	-	-	-	-
Culture and Recreation	-	-	-	-	-	-	-	5,607
Capital Outlay	17,837	-	-	-	-	-	-	-
Total Expenditures	<u>17,837</u>	<u>10,900</u>	<u>-</u>	<u>10,989</u>	<u>-</u>	<u>224,245</u>	<u>-</u>	<u>5,607</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	(6,900)	7	13	(52)	-	122,749	27,037	(5,544)
<b>OTHER FINANCING SOURCES (USES)</b>								
Transfers In	10,386	-	-	-	-	-	-	-
Transfers Out	-	(1,823)	-	-	-	-	-	-
Total Other Financing Sources (Uses)	<u>10,386</u>	<u>(1,823)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCES</b>	3,486	(1,816)	13	(52)	-	122,749	27,037	(5,544)
Fund Balances (Deficits) - Beginning of Year	<u>211,707</u>	<u>-</u>	<u>761</u>	<u>(555)</u>	<u>-</u>	<u>768,813</u>	<u>306,451</u>	<u>7,163</u>
<b>FUND BALANCES (DEFICITS) - END OF YEAR</b>	<u>\$ 215,193</u>	<u>\$ (1,816)</u>	<u>\$ 774</u>	<u>\$ (607)</u>	<u>\$ -</u>	<u>\$ 891,562</u>	<u>\$ 333,488</u>	<u>\$ 1,619</u>

**OKEECHOBEE COUNTY, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)**  
**YEAR ENDED SEPTEMBER 30, 2020**

	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	
<b>REVENUES</b>							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,219,229
Licenses and Permits	-	-	-	-	-	-	748,661
Intergovernmental	-	-	-	-	363,439	9,681	544,993
Charges for Services	297,436	-	9,410	77,006	415,814	-	1,654,984
Fines and Forfeitures	-	-	-	-	438,667	-	554,271
Special Assessments	-	-	-	-	-	-	2,477,664
Investment Income	3,722	239	653	8,784	5,780	56	103,107
Miscellaneous	220	66,263	439	-	-	-	417,746
<b>Total Revenues</b>	<b>301,378</b>	<b>66,502</b>	<b>10,502</b>	<b>85,790</b>	<b>1,223,700</b>	<b>9,737</b>	<b>7,720,655</b>
<b>EXPENDITURES</b>							
Current:							
General Government	-	-	2,916	-	1,330,758	5,244	2,023,075
Public Safety	193,541	6,050	-	-	-	-	1,609,997
Physical Environment	-	-	-	-	-	-	2,941,276
Economic Environment	-	-	-	-	-	-	1,394,993
Culture and Recreation	-	-	-	-	-	-	7,049
Capital Outlay	353,368	9,000	-	-	-	9,454	536,906
<b>Total Expenditures</b>	<b>546,909</b>	<b>15,050</b>	<b>2,916</b>	<b>-</b>	<b>1,330,758</b>	<b>14,698</b>	<b>8,513,296</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(245,531)</b>	<b>51,452</b>	<b>7,586</b>	<b>85,790</b>	<b>(107,058)</b>	<b>(4,961)</b>	<b>(792,641)</b>
<b>OTHER FINANCING SOURCES (USES)</b>							
Transfers In	-	-	-	-	107,058	-	384,944
Transfers Out	-	-	-	-	-	-	(628,776)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>107,058</b>	<b>-</b>	<b>(243,832)</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>(245,531)</b>	<b>51,452</b>	<b>7,586</b>	<b>85,790</b>	<b>-</b>	<b>(4,961)</b>	<b>(1,036,473)</b>
Fund Balances (Deficits) - Beginning of Year	595,462	32,096	105,010	652,427	-	50,839	7,849,052
<b>FUND BALANCES (DEFICITS) - END OF YEAR</b>	<b>\$ 349,931</b>	<b>\$ 83,548</b>	<b>\$ 112,596</b>	<b>\$ 738,217</b>	<b>\$ -</b>	<b>\$ 45,878</b>	<b>\$ 6,812,579</b>

**OKEECHOBEE COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL  
TOURIST DEVELOPMENT FUND  
YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 338,482	\$ 338,482	\$ 355,296	\$ 16,814
Net Change in Fair Value of Investments	11,000	11,000	9,950	(1,050)
Total Revenues	<u>349,482</u>	<u>349,482</u>	<u>365,246</u>	<u>15,764</u>
<b>EXPENDITURES</b>				
Economic Environment	<u>306,902</u>	<u>347,194</u>	<u>318,320</u>	<u>28,874</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	42,580	2,288	46,926	44,638
<b>OTHER FINANCING USES</b>				
Transfers Out	<u>(17,500)</u>	<u>(17,500)</u>	<u>(17,500)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	25,080	(15,212)	29,426	44,638
Fund Balance - Beginning of Year	<u>615,807</u>	<u>620,407</u>	<u>637,881</u>	<u>17,474</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 640,887</u></u>	<u><u>\$ 605,195</u></u>	<u><u>\$ 667,307</u></u>	<u><u>\$ 62,112</u></u>



**OKEECHOBEE COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL  
BOATING IMPROVEMENT FUND  
YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Licenses and Permits	\$ 27,000	\$ 27,000	\$ 20,509	\$ (6,491)
Intergovernmental	-	2,850	2,850	-
Net Change in Fair Value of Investments	6,000	6,000	3,673	(2,327)
Total Revenues	<u>33,000</u>	<u>35,850</u>	<u>27,032</u>	<u>(8,818)</u>
<b>EXPENDITURES</b>				
Current:				
Culture and Recreation	2,300	5,150	-	5,150
Capital Outlay	30,000	30,000	-	30,000
Total Expenditures	<u>32,300</u>	<u>35,150</u>	<u>-</u>	<u>35,150</u>
<b>NET CHANGE IN FUND BALANCE</b>	700	700	27,032	26,332
Fund Balance - Beginning of Year	<u>286,043</u>	<u>285,886</u>	<u>287,536</u>	<u>1,650</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 286,743</u>	<u>\$ 286,586</u>	<u>\$ 314,568</u>	<u>\$ 27,982</u>

**OKEECHOBEE COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL  
TOURISM SPECIAL REVENUE FUND  
YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Net Change in Fair Value of Investments	\$ 6,500	\$ 6,500	\$ 5,616	\$ (884)
<b>EXPENDITURES</b>				
Capital Outlay	64,600	64,600	10,747	53,853
<b>DEFICIENCY OF REVENUES UNDER EXPENDITURES</b>	(58,100)	(58,100)	(5,131)	52,969
<b>OTHER FINANCING SOURCES</b>				
Transfers In	17,500	17,500	17,500	-
<b>NET CHANGE IN FUND BALANCE</b>	(40,600)	(40,600)	12,369	52,969
Fund Balance - Beginning of Year	348,259	347,512	347,837	325
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 307,659</u>	<u>\$ 306,912</u>	<u>\$ 360,206</u>	<u>\$ 53,294</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, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Special Assessments	\$ 2,553,300	\$ 2,553,300	\$ 2,477,664	\$ (75,636)
Net Change in Fair Value of Investments	25,000	25,000	15,191	(9,809)
Total Revenues	<u>2,578,300</u>	<u>2,578,300</u>	<u>2,492,855</u>	<u>(85,445)</u>
<b>EXPENDITURES</b>				
Physical Environment	<u>2,658,471</u>	<u>2,717,031</u>	<u>2,717,031</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(80,171)	(138,731)	(224,176)	(85,445)
Fund Balance - Beginning of Year	<u>850,163</u>	<u>409,482</u>	<u>538,397</u>	<u>128,915</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 769,992</u></u>	<u><u>\$ 270,751</u></u>	<u><u>\$ 314,221</u></u>	<u><u>\$ 43,470</u></u>

**OKEECHOBEE COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL  
LIBRARY BRICK FUND  
YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Net Change in Fair Value of Investments	\$ 750	\$ 750	\$ 18	\$ (732)
<b>EXPENDITURES</b>				
Current:				
Culture and Recreation	2,322	2,136	1,442	694
<b>NET CHANGE IN FUND BALANCE</b>	(1,572)	(1,386)	(1,424)	(38)
Fund Balance - Beginning of Year	1,572	1,386	1,424	38
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<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, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 72,712	\$ 379,049	\$ 65,192	\$ (313,857)
Charges for Services	190,970	207,358	211,410	4,052
Net Change in Fair Value of Investments	8,000	8,000	4,939	(3,061)
Total Revenues	<u>271,682</u>	<u>594,407</u>	<u>281,541</u>	<u>(312,866)</u>
<b>EXPENDITURES</b>				
Current:				
Public Safety	214,812	464,523	189,440	275,083
Capital Outlay	-	109,089	92,636	16,453
Total Expenditures	<u>214,812</u>	<u>573,612</u>	<u>282,076</u>	<u>291,536</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	56,870	20,795	(535)	(21,330)
<b>OTHER FINANCING USES</b>				
Transfers Out	<u>(70,000)</u>	<u>(70,000)</u>	<u>(70,000)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(13,130)	(49,205)	(70,535)	(21,330)
Fund Balance - Beginning of Year	<u>346,571</u>	<u>438,148</u>	<u>426,595</u>	<u>(11,553)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 333,441</u></u>	<u><u>\$ 388,943</u></u>	<u><u>\$ 356,060</u></u>	<u><u>\$ (32,883)</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, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Net Change in Fair Value of Investments	\$ -	\$ -	\$ 10	\$ 10
<b>EXPENDITURES</b>	-	-	-	-
<b>NET CHANGE IN FUND BALANCE</b>	-	-	10	10
Fund Balance - Beginning of Year	1,118	1,118	1,118	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 1,118</u>	<u>\$ 1,118</u>	<u>\$ 1,128</u>	<u>\$ 10</u>

**OKEECHOBEE COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL  
LAW LIBRARY FUND  
YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Fines and Forfeitures	\$ 12,600	\$ 12,600	\$ 10,937	\$ (1,663)
<b>EXPENDITURES</b>				
General Government	4,200	4,200	2,374	1,826
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	8,400	8,400	8,563	163
<b>OTHER FINANCING USES</b>				
Transfers Out	(8,400)	(8,400)	(8,563)	(163)
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
<b>FUND BALANCE - END OF YEAR</b>	<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, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Net Change in Fair Value of Investments	\$ 700	\$ 700	\$ 424	\$ (276)
<b>EXPENDITURES</b>				
General Government	998	998	998	-
<b>NET CHANGE IN FUND BALANCE</b>	(298)	(298)	(574)	(276)
Fund Balance - Beginning of Year	34,002	33,967	34,002	35
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 33,704</u>	<u>\$ 33,669</u>	<u>\$ 33,428</u>	<u>\$ (241)</u>



**OKEECHOBEE COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL  
DRUG ABUSE TRUST FUND  
YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Fines and Forfeitures	\$ 10,000	\$ 10,000	\$ 3,930	\$ (6,070)
Net Change in Fair Value of Investments	250	250	260	10
Total Revenues	<u>10,250</u>	<u>10,250</u>	<u>4,190</u>	<u>(6,060)</u>
<b>EXPENDITURES</b>				
General Government	<u>12,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(1,750)	10,250	4,190	(6,060)
Fund Balance - Beginning of Year	<u>8,979</u>	<u>19,446</u>	<u>19,959</u>	<u>513</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 7,229</u></u>	<u><u>\$ 29,696</u></u>	<u><u>\$ 24,149</u></u>	<u><u>\$ (5,547)</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, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ -	\$ 96,070	\$ -	\$ (96,070)
Net Change in Fair Value of Investments	1,000	1,000	416	(584)
Miscellaneous	-	44,577	82,548	37,971
<b>Total Revenues</b>	<u>1,000</u>	<u>141,647</u>	<u>82,964</u>	<u>(58,683)</u>
<b>EXPENDITURES</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	1,000	141,647	82,964	(58,683)
<b>OTHER FINANCING USES</b>				
Transfers Out	<u>-</u>	<u>(61,470)</u>	<u>-</u>	<u>61,470</u>
<b>NET CHANGE IN FUND BALANCE</b>	1,000	80,177	82,964	2,787
Fund Balance - Beginning of Year	<u>46,924</u>	<u>91,424</u>	<u>91,424</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 47,924</u>	<u>\$ 171,601</u>	<u>\$ 174,388</u>	<u>\$ 2,787</u>

**OKEECHOBEE COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL  
UNINCORPORATED SERVICE AREA FUND  
YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 861,601	\$ 861,602	\$ 809,937	\$ (51,665)
Licenses and Permits	597,500	728,152	728,152	-
Intergovernmental	34,481	34,481	34,500	19
Charges for Services	132,200	130,695	143,331	12,636
Fines and Forfeitures	45,500	65,882	32,652	(33,230)
Net Change in Fair Value of Investments	15,000	15,000	17,473	2,473
Miscellaneous	338,850	338,849	268,174	(70,675)
Total Revenues	<u>2,025,132</u>	<u>2,174,661</u>	<u>2,034,219</u>	<u>(140,442)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	499,859	502,185	448,764	53,421
Public Safety	1,151,770	1,322,307	1,220,966	101,341
Economic Environment	260,000	260,000	260,000	-
Capital Outlay	89,000	111,410	43,387	68,023
Total Expenditures	<u>2,000,629</u>	<u>2,195,902</u>	<u>1,973,117</u>	<u>222,785</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	24,503	(21,241)	61,102	82,343
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers In	250,000	250,000	250,000	-
Transfers Out	(530,890)	(530,890)	(530,890)	-
Total Other Financing Sources (Uses)	<u>(280,890)</u>	<u>(280,890)</u>	<u>(280,890)</u>	<u>-</u>
<b>NET CHANGE IN FUND BALANCE</b>	(256,387)	(302,131)	(219,788)	82,343
Fund Balance - Beginning of Year	<u>1,023,043</u>	<u>1,032,255</u>	<u>1,093,032</u>	<u>60,777</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 766,656</u>	<u>\$ 730,124</u>	<u>\$ 873,244</u>	<u>\$ 143,120</u>

**OKEECHOBEE COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL  
STATE HOUSING INITIATIVE FUND  
YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 350,000	\$ 350,000	\$ -	\$ (350,000)
Charges for Services	-	53,376	59,376	6,000
Net Change in Fair Value of Investments	15,000	15,000	9,405	(5,595)
Total Revenues	<u>365,000</u>	<u>418,376</u>	<u>68,781</u>	<u>(349,595)</u>
<b>EXPENDITURES</b>				
Current:				
Economic Environment	<u>1,370,612</u>	<u>1,883,367</u>	<u>816,673</u>	<u>1,066,694</u>
<b>NET CHANGE IN FUND BALANCE</b>	(1,005,612)	(1,464,991)	(747,892)	717,099
Fund Balance - Beginning of Year	<u>1,005,612</u>	<u>1,464,991</u>	<u>1,319,104</u>	<u>(145,887)</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 571,212</u></u>	<u><u>\$ 571,212</u></u>

**OKEECHOBEE COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL  
CEMETERY TRUST FUND  
YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Taxes	\$ 56,312	\$ 56,312	\$ 53,996	\$ (2,316)
Charges for Services	102,100	125,100	173,161	48,061
Net Change in Fair Value of Investments	2,000	2,000	1,843	(157)
Miscellaneous	-	-	102	102
Total Revenues	<u>160,412</u>	<u>183,412</u>	<u>229,102</u>	<u>45,690</u>
<b>EXPENDITURES</b>				
Current:				
General Government	220,583	222,318	210,132	12,186
Capital Outlay	5,000	5,000	477	4,523
Total Expenditures	<u>225,583</u>	<u>227,318</u>	<u>210,609</u>	<u>16,709</u>
<b>NET CHANGE IN FUND BALANCE</b>	(65,171)	(43,906)	18,493	62,399
Fund Balance - Beginning of Year	<u>122,688</u>	<u>135,506</u>	<u>143,527</u>	<u>8,021</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 57,517</u>	<u>\$ 91,600</u>	<u>\$ 162,020</u>	<u>\$ 70,420</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, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Fines and Forfeitures	\$ 14,000	\$ 14,000	\$ 12,170	\$ (1,830)
Net Change in Fair Value of Investments	1,000	1,000	1,053	53
Total Revenues	<u>15,000</u>	<u>15,000</u>	<u>13,223</u>	<u>(1,777)</u>
<b>EXPENDITURES</b>				
Public Safety	<u>92,036</u>	<u>95,292</u>	<u>-</u>	<u>95,292</u>
<b>NET CHANGE IN FUND BALANCE</b>	(77,036)	(80,292)	13,223	93,515
Fund Balance - Beginning of Year	<u>77,036</u>	<u>80,292</u>	<u>81,042</u>	<u>750</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 94,265</u>	<u>\$ 94,265</u>

**OKEECHOBEE COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL  
COURT INNOVATION FUND  
YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Fines and Forfeitures	\$ 12,684	\$ 12,684	\$ 10,937	\$ (1,747)
<b>EXPENDITURES</b>				
Current:				
General Government	15,000	15,000	-	15,000
Capital Outlay	17,837	17,837	17,837	-
Total Expenditures	<u>32,837</u>	<u>32,837</u>	<u>17,837</u>	<u>15,000</u>
<b>DEFICIENCY OF REVENUES UNDER EXPENDITURES</b>	(20,153)	(20,153)	(6,900)	13,253
<b>OTHER FINANCING SOURCES</b>				
Transfers In	<u>11,791</u>	<u>11,791</u>	<u>10,386</u>	<u>(1,405)</u>
<b>NET CHANGE IN FUND BALANCE</b>	(8,362)	(8,362)	3,486	11,848
Fund Balance - Beginning of Year	<u>202,060</u>	<u>211,073</u>	<u>211,707</u>	<u>634</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ 193,698</u>	<u>\$ 202,711</u>	<u>\$ 215,193</u>	<u>\$ 12,482</u>

**OKEECHOBEE COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL  
LEGAL AID FUND  
YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Fines and Forfeitures	\$ 12,684	\$ 12,684	\$ 10,907	\$ (1,777)
<b>EXPENDITURES</b>				
General Government	10,900	10,900	10,900	-
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	1,784	1,784	7	(1,777)
<b>OTHER FINANCING USES</b>				
Transfers Out	(1,784)	(1,784)	(1,823)	(39)
<b>NET CHANGE IN FUND DEFICIT</b>	-	-	(1,816)	(1,816)
Fund Balance - Beginning of Year	-	-	-	-
<b>FUND DEFICIT - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1,816)</u>	<u>\$ (1,816)</u>



**OKEECHOBEE COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL  
TEEN COURT FUND  
YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Fines and Forfeitures	\$ 12,596	\$ 12,596	\$ 10,937	\$ (1,659)
<b>EXPENDITURES</b>				
General Government	10,989	10,989	10,989	-
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	1,607	1,607	(52)	(1,659)
<b>OTHER FINANCING USES</b>				
Transfers Out	(1,607)	(1,607)	-	1,607
<b>NET CHANGE IN FUND DEFICIT</b>	-	-	(52)	(52)
Fund Deficit - Beginning of Year	-	-	(555)	(555)
<b>FUND DEFICIT - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (607)</u>	<u>\$ (607)</u>

**OKEECHOBEE COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL  
SOLID WASTE MANAGEMENT FUND  
YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 90,909	\$ 90,909	\$ 69,331	\$ (21,578)
Charges for Services	244,050	244,050	268,040	23,990
Net Change in Fair Value of Investments	6,500	6,500	9,623	3,123
Total Revenues	<u>341,459</u>	<u>341,459</u>	<u>346,994</u>	<u>5,535</u>
<b>EXPENDITURES</b>				
Physical Environment	<u>315,294</u>	<u>315,441</u>	<u>224,245</u>	<u>91,196</u>
<b>NET CHANGE IN FUND BALANCE</b>	26,165	26,018	122,749	96,731
Fund Balance - Beginning of Year	<u>539,670</u>	<u>751,740</u>	<u>768,813</u>	<u>17,073</u>
<b>FUND BALANCE - END OF YEAR</b>	<u><u>\$ 565,835</u></u>	<u><u>\$ 777,758</u></u>	<u><u>\$ 891,562</u></u>	<u><u>\$ 113,804</u></u>

**OKEECHOBEE COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES — BUDGET AND ACTUAL  
MATHEWSON LIBRARY TRUST FUND  
YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Net Change in Fair Value of Investments	\$ -	\$ -	\$ 63	\$ 63
<b>EXPENDITURES</b>				
Current:				
Culture and Recreation	3,042	7,026	5,607	1,419
<b>NET CHANGE IN FUND BALANCE</b>	(3,042)	(7,026)	(5,544)	1,482
Fund Balance - Beginning of Year	3,042	14,189	7,163	(7,026)
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ 7,163</u>	<u>\$ 1,619</u>	<u>\$ (5,544)</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, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Charges for Services	\$ 258,144	\$ 269,494	\$ 297,436	\$ 27,942
Net Change in Fair Value of Investments	11,604	11,604	3,722	(7,882)
Miscellaneous	-	-	220	220
Total Revenues	<u>269,748</u>	<u>281,098</u>	<u>301,378</u>	<u>20,280</u>
<b>EXPENDITURES</b>				
Current:				
Public Safety	234,748	261,498	193,541	67,957
Capital Outlay	35,000	398,737	353,368	45,369
Total Expenditures	<u>269,748</u>	<u>660,235</u>	<u>546,909</u>	<u>113,326</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	(379,137)	(245,531)	133,606
Fund Balance - Beginning of Year	<u>-</u>	<u>379,137</u>	<u>595,462</u>	<u>216,325</u>
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 349,931</u>	<u>\$ 349,931</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, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 620,116	\$ 532,768	\$ 363,439	\$ (169,329)
Charges for Services	408,054	408,054	415,814	7,760
Fines and Forfeitures	367,985	367,985	438,667	70,682
Net Change in Fair Value of Investments	9,674	9,674	5,780	(3,894)
Total Revenues	<u>1,405,829</u>	<u>1,318,481</u>	<u>1,223,700</u>	<u>(94,781)</u>
<b>EXPENDITURES</b>				
Current:				
General Government	1,405,829	1,425,539	1,330,758	94,781
Total Expenditures	<u>1,405,829</u>	<u>1,425,539</u>	<u>1,330,758</u>	<u>94,781</u>
<b>DEFICIENCY OF REVENUES UNDER EXPENDITURES</b>	-	(107,058)	(107,058)	-
<b>OTHER FINANCING SOURCES</b>				
Transfers In	-	107,058	107,058	-
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**OKEECHOBEE COUNTY, FLORIDA  
TRUST AND AGENCY FUNDS DESCRIPTION  
YEAR ENDED SEPTEMBER 30, 2020**

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, 2020**

**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 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, 2020**

	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
<b>ASSETS</b>								
Cash	\$ 16,385	\$ 63,126	\$ 10,578	\$ 64,386	\$ 229,930	\$ 97,474	\$ 563	\$ 57,843
Due from Others	-	-	-	-	-	-	3	-
Total Assets	<u>\$ 16,385</u>	<u>\$ 63,126</u>	<u>\$ 10,578</u>	<u>\$ 64,386</u>	<u>\$ 229,930</u>	<u>\$ 97,474</u>	<u>\$ 566</u>	<u>\$ 57,843</u>
<b>LIABILITIES</b>								
Due to Individuals	\$ 16,385	\$ -	\$ -	\$ 64,386	\$ 229,930	\$ 97,474	\$ 19	\$ -
Due to Other Governments	-	63,126	10,578	-	-	-	547	57,843
Deposit	-	-	-	-	-	-	-	-
Total Liabilities	<u>\$ 16,385</u>	<u>\$ 63,126</u>	<u>\$ 10,578</u>	<u>\$ 64,386</u>	<u>\$ 229,930</u>	<u>\$ 97,474</u>	<u>\$ 566</u>	<u>\$ 57,843</u>



**OKEECHOBEE COUNTY, FLORIDA  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 ALL AGENCY FUNDS (CONTINUED)  
 SEPTEMBER 30, 2020**

	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
<b>ASSETS</b>								
Cash	\$ 1,984	\$ 465,846	\$ 133,920	\$ 99,570	\$ 7,946	\$ -	\$ 25,123	\$ -
Due from Others	-	-	1,315	880	-	-	-	-
	<u>-</u>	<u>-</u>	<u>1,315</u>	<u>880</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>\$ 1,984</u>	<u>\$ 465,846</u>	<u>\$ 135,235</u>	<u>\$ 100,450</u>	<u>\$ 7,946</u>	<u>\$ -</u>	<u>\$ 25,123</u>	<u>\$ -</u>
<b>LIABILITIES</b>								
Due to Individuals	\$ 1,984	\$ -	\$ 118,588	\$ 822	\$ -	\$ -	\$ -	\$ -
Due to Other Governments	-	7,435	26	99,628	-	-	-	-
Deposits	-	458,411	16,621	-	7,946	-	25,123	-
	<u>-</u>	<u>458,411</u>	<u>16,621</u>	<u>-</u>	<u>7,946</u>	<u>-</u>	<u>25,123</u>	<u>-</u>
Total Liabilities	<u>\$ 1,984</u>	<u>\$ 465,846</u>	<u>\$ 135,235</u>	<u>\$ 100,450</u>	<u>\$ 7,946</u>	<u>\$ -</u>	<u>\$ 25,123</u>	<u>\$ -</u>

**OKEECHOBEE COUNTY, FLORIDA  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 ALL AGENCY FUNDS (CONTINUED)  
 SEPTEMBER 30, 2020**

	Sheriff's D.A.R.E. Fund	Sheriff's Search & Rescue	Sheriff's Flower Fund	Sheriff's Neighborhood Watch	Sheriff's Special Duty Detail	Sheriff's Teen Driver	Total
<b>ASSETS</b>							
Cash	\$ 10,475	\$ 625	\$ 969	\$ 5,005	\$ 8,801	\$ 1	\$1,300,550
Due from Others	-	-	-	-	-	-	2,198
Total Assets	<u>\$ 10,475</u>	<u>\$ 625</u>	<u>\$ 969</u>	<u>\$ 5,005</u>	<u>\$ 8,801</u>	<u>\$ 1</u>	<u>\$1,302,748</u>
<b>LIABILITIES</b>							
Due to Individuals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 529,588
Due to Other Governments	-	-	-	-	-	-	239,183
Deposits	10,475	625	969	5,005	8,801	1	533,977
Total Liabilities	<u>\$ 10,475</u>	<u>\$ 625</u>	<u>\$ 969</u>	<u>\$ 5,005</u>	<u>\$ 8,801</u>	<u>\$ 1</u>	<u>\$1,302,748</u>

**OKEECHOBEE COUNTY, FLORIDA  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
ALL AGENCY FUNDS  
YEAR ENDED SEPTEMBER 30, 2020**

	Balance October 1, 2019	Increases	(Decreases)	Balance September 30, 2020
<b><u>Clerk's Tax Deed</u></b>				
<b>Assets</b>				
Cash	\$ 9,337	\$ 297,765	\$ (290,717)	\$ 16,385
<b>Liabilities</b>				
Due to Individuals	\$ 9,337	\$ 297,765	\$ (290,717)	\$ 16,385
<b><u>Clerk's Documentary Stamps</u></b>				
<b>Assets</b>				
Cash	\$ 31,085	\$ 2,013,572	\$ (1,981,531)	\$ 63,126
<b>Liabilities</b>				
Due to Other Governments	\$ 31,085	\$ 2,013,572	\$ (1,981,531)	\$ 63,126
<b><u>Clerk's Intangible Taxes</u></b>				
<b>Assets</b>				
Cash	\$ 4,849	\$ 307,562	\$ (301,833)	\$ 10,578
<b>Liabilities</b>				
Due to Other Governments	\$ 4,849	\$ 307,562	\$ (301,833)	\$ 10,578
<b><u>Clerk's Cash Bond</u></b>				
<b>Assets</b>				
Cash	\$ 61,603	\$ 235,328	\$ (232,545)	\$ 64,386
<b>Liabilities</b>				
Due to Individuals	\$ 61,603	\$ 235,328	\$ (232,545)	\$ 64,386
<b><u>Clerk's Registry of the Court</u></b>				
<b>Assets</b>				
Cash	\$ 273,492	\$ 972,629	\$ (1,016,191)	\$ 229,930
<b>Liabilities</b>				
Due to Individuals	\$ 273,492	\$ 972,629	\$ (1,016,191)	\$ 229,930
<b><u>Clerk's Escrow</u></b>				
<b>Assets</b>				
Cash	\$ 319,722	\$ 228,004	\$ (450,252)	\$ 97,474
<b>Liabilities</b>				
Due to Individuals	\$ 319,722	\$ 228,004	\$ (450,252)	\$ 97,474

**OKEECHOBEE COUNTY, FLORIDA  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
ALL AGENCY FUNDS (CONTINUED)  
YEAR ENDED SEPTEMBER 30, 2020**

	Balance October 1, 2019	Increases	(Decreases)	Balance September 30, 2020
<b><u>Clerk's Child Support</u></b>				
<b>Assets</b>				
Cash	\$ 559	\$ 396,994	\$ (396,990)	\$ 563
Due from Others	3	-	-	3
	<u>\$ 562</u>	<u>\$ 396,994</u>	<u>\$ (396,990)</u>	<u>\$ 566</u>
<b>Liabilities</b>				
Due to Individuals	\$ 18	\$ 1	\$ -	\$ 19
Due to Other Governments	544	396,993	(396,990)	547
	<u>\$ 562</u>	<u>\$ 396,994</u>	<u>\$ (396,990)</u>	<u>\$ 566</u>
<b><u>Clerk's Fines and Costs</u></b>				
<b>Assets</b>				
Cash	<u>\$ 77,069</u>	<u>\$ 779,887</u>	<u>\$ (799,113)</u>	<u>\$ 57,843</u>
<b>Liabilities</b>				
Due to Other Governments	<u>\$ 77,069</u>	<u>\$ 779,887</u>	<u>\$ (799,113)</u>	<u>\$ 57,843</u>
<b><u>Clerk's Restitution</u></b>				
<b>Assets</b>				
Cash	<u>\$ 1,722</u>	<u>\$ 3,763</u>	<u>\$ (3,501)</u>	<u>\$ 1,984</u>
<b>Liabilities</b>				
Due to Individuals	<u>\$ 1,722</u>	<u>\$ 3,763</u>	<u>\$ (3,501)</u>	<u>\$ 1,984</u>
<b><u>Tax Collector's Tax Collector Fund</u></b>				
<b>Assets</b>				
Cash	<u>\$ 439,155</u>	<u>\$ 22,947,308</u>	<u>\$ (22,920,617)</u>	<u>\$ 465,846</u>
<b>Liabilities</b>				
Due to Other Governments	\$ 4,629	\$ 22,116,036	\$ (22,113,230)	\$ 7,435
Deposits	434,526	756,360	(732,475)	458,411
	<u>\$ 439,155</u>	<u>\$ 22,872,396</u>	<u>\$ (22,845,705)</u>	<u>\$ 465,846</u>
<b><u>Tax Collector's Tax Fund</u></b>				
<b>Assets</b>				
Cash	\$ 15,439	\$ 2,965,668	\$ (2,847,187)	\$ 133,920
Due from Others	-	1,315	-	1,315
	<u>\$ 15,439</u>	<u>\$ 2,966,983</u>	<u>\$ (2,847,187)</u>	<u>\$ 135,235</u>
<b>Liabilities</b>				
Due to Individuals	\$ -	\$ 2,825,502	\$ (2,706,914)	\$ 118,588
Due to Other Governments	219	172,014	(172,207)	26
Deposits	15,220	103,001	(101,600)	16,621
	<u>\$ 15,439</u>	<u>\$ 3,100,517</u>	<u>\$ (2,980,721)</u>	<u>\$ 135,235</u>

**OKEECHOBEE COUNTY, FLORIDA  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
ALL AGENCY FUNDS (CONTINUED)  
YEAR ENDED SEPTEMBER 30, 2020**

	Balance October 1, 2019	Increases	(Decreases)	Balance September 30, 2020
<b><u>Tax Collector's Tag Fund</u></b>				
<b>Assets</b>				
Cash	\$ 70,539	\$ 5,999,640	\$ (5,970,609)	\$ 99,570
Due from Others	56	1,225	(401)	880
	<u>\$ 70,595</u>	<u>\$ 6,000,865</u>	<u>\$ (5,971,010)</u>	<u>\$ 100,450</u>
<b>Liabilities</b>				
Due to Individuals	\$ -	\$ 22,152	\$ (21,330)	\$ 822
Due to Other Governments	70,595	6,949,921	(6,920,888)	99,628
	<u>\$ 70,595</u>	<u>\$ 6,972,073</u>	<u>\$ (6,942,218)</u>	<u>\$ 100,450</u>
<b><u>Sheriff's Individual Depositor</u></b>				
<b>Assets</b>				
Cash	<u>\$ 148,452</u>	<u>\$ 25,288</u>	<u>\$ (165,794)</u>	<u>\$ 7,946</u>
<b>Liabilities</b>				
Deposits	<u>\$ 148,452</u>	<u>\$ 25,288</u>	<u>\$ (165,794)</u>	<u>\$ 7,946</u>
<b><u>Sheriff's Cash Bond</u></b>				
<b>Assets</b>				
Cash	<u>\$ 3,000</u>	<u>\$ 220,577</u>	<u>\$ (223,577)</u>	<u>\$ -</u>
<b>Liabilities</b>				
Deposits	<u>\$ 3,000</u>	<u>\$ 220,577</u>	<u>\$ (223,577)</u>	<u>\$ -</u>
<b><u>Sheriff's Inmate Trust</u></b>				
<b>Assets</b>				
Cash	<u>\$ 25,217</u>	<u>\$ 451,931</u>	<u>\$ (452,025)</u>	<u>\$ 25,123</u>
<b>Liabilities</b>				
Deposits	<u>\$ 25,217</u>	<u>\$ 451,931</u>	<u>\$ (452,025)</u>	<u>\$ 25,123</u>
<b><u>Sheriff's Special Suspense</u></b>				
<b>Assets</b>				
Cash	<u>\$ -</u>	<u>\$ 156,034</u>	<u>\$ (156,034)</u>	<u>\$ -</u>
<b>Liabilities</b>				
Deposits	<u>\$ -</u>	<u>\$ 156,034</u>	<u>\$ (156,034)</u>	<u>\$ -</u>
<b><u>Sheriff's D.A.R.E. Fund</u></b>				
<b>Assets</b>				
Cash	<u>\$ 3,206</u>	<u>\$ 10,011</u>	<u>\$ (2,742)</u>	<u>\$ 10,475</u>
<b>Liabilities</b>				
Deposits	<u>\$ 3,206</u>	<u>\$ 10,011</u>	<u>\$ (2,742)</u>	<u>\$ 10,475</u>

**OKEECHOBEE COUNTY, FLORIDA  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
ALL AGENCY FUNDS (CONTINUED)  
YEAR ENDED SEPTEMBER 30, 2020**

	Balance October 1, 2019	Increases	(Decreases)	Balance September 30, 2020
<b><u>Sheriff's Search &amp; Rescue</u></b>				
<b>Assets</b>				
Cash	\$ 624	\$ 1	\$ -	\$ 625
<b>Liabilities</b>				
Deposits	\$ 624	\$ 1	\$ -	\$ 625
<b><u>Sheriff's Flower Fund</u></b>				
<b>Assets</b>				
Cash	\$ 688	\$ 1,458	\$ (1,177)	\$ 969
<b>Liabilities</b>				
Deposits	\$ 688	\$ 1,458	\$ (1,177)	\$ 969
<b><u>Sheriff's Neighborhood Watch</u></b>				
<b>Assets</b>				
Cash	\$ 230	\$ 5,005	\$ (230)	\$ 5,005
<b>Liabilities</b>				
Deposits	\$ 230	\$ 5,005	\$ (230)	\$ 5,005
<b><u>Sheriff's Special Duty Detail</u></b>				
<b>Assets</b>				
Cash	\$ 3,992	\$ 322,212	\$ (317,403)	\$ 8,801
<b>Liabilities</b>				
Deposits	\$ 3,992	\$ 322,212	\$ (317,403)	\$ 8,801
<b><u>Sheriff's Teen Driver</u></b>				
<b>Assets</b>				
Cash	\$ 1	\$ -	\$ -	\$ 1
<b>Liabilities</b>				
Deposits	\$ 1	\$ -	\$ -	\$ 1

**OKEECHOBEE COUNTY, FLORIDA  
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
ALL AGENCY FUNDS (CONTINUED)  
YEAR ENDED SEPTEMBER 30, 2020**

	Balance October 1, 2019	Increases	(Decreases)	Balance September 30, 2020
<b>Total - All Agency Funds</b>				
<b>Assets</b>				
Cash	\$ 1,489,981	\$ 38,340,637	\$ (38,530,068)	\$ 1,300,550
Due from Others	59	2,540	(401)	2,198
<b>Total Assets</b>	<u>\$ 1,490,040</u>	<u>\$ 38,343,177</u>	<u>\$ (38,530,469)</u>	<u>\$ 1,302,748</u>
<b>Liabilities</b>				
Due to Individuals	\$ 665,894	\$ 4,585,144	\$ (4,721,450)	\$ 529,588
Due to Other Governments	188,990	32,735,985	(32,685,792)	239,183
Deposits	635,156	2,051,878	(2,153,057)	533,977
<b>Total Liabilities</b>	<u>\$ 1,490,040</u>	<u>\$ 39,373,007</u>	<u>\$ (39,560,299)</u>	<u>\$ 1,302,748</u>

**OKEECHOBEE COUNTY, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND  
STATE FINANCIAL ASSISTANCE  
YEAR ENDED SEPTEMBER 30, 2020**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
<b>Federal Awards</b>				
<b>U.S. Department of Homeland Security</b>				
Federal Emergency Management Agency				
Pass-through from Florida Division of Emergency Management:				
Emergency Management Performance Grants - Base Grant	97.042	G0040	\$ 29,366	\$ -
Emergency Management Performance Grants - Base Grant	97.042	G0146	<u>17,848</u>	<u>-</u>
Total Emergency Management Performance Grants			<u>47,214</u>	<u>-</u>
Total U.S. Department of Homeland Security			47,214	-
<b>U.S. Department of Health and Human Services</b>				
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	154,914	-
Pass-through from Department of Economic Opportunity Division of Community Development:				
Community Services Block Grant	93.569	18SB-OD-12-00-01-123	31,498	-
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	IA019-9400	13,463	-
Title III, Part B	93.044	IA020-9400	<u>25,726</u>	<u>-</u>
Total Title III, Part B			<u>39,189</u>	<u>-</u>
Special Programs for the Aging Title III, Part C Nutrition:				
Title III, Part C (C1) Congregate Meals	93.045	IA019-9400	2,001	-
Title III, Part C (C1) Congregate Meals	93.045	IA020-9400	30,193	-
Title III, Part C (C2) Home Delivered Meals	93.045	IA019-9400	19,669	-
Title III, Part C (C2) Home Delivered Meals	93.045	IA020-9400	28,579	-
COVID-19 Title III, Part C (C2) Home Delivered Meals	93.045	IA020-9400	<u>94,936</u>	<u>-</u>
Total Title III Part C			<u>175,378</u>	<u>-</u>
Nutrition Services Incentive Program	93.053	IA019-9400	5,917	-
Nutrition Services Incentive Program	93.053	IA020-9400	<u>20,113</u>	<u>-</u>
Total Nutrition Services Incentive Program			<u>26,030</u>	<u>-</u>
Total Aging Cluster			240,597	-
National Family Caregiver Support, Title III, Part E:				
Title III, Part E	93.052	IA019-9400	5,469	-
Title III, Part E	93.052	IA020-9400	<u>7,628</u>	<u>-</u>
Total Title III, Part E			<u>13,097</u>	<u>-</u>
Low-Income Home Energy Assistance:				
Emergency Home Energy Assistance	93.568	IP019-9400	<u>27,787</u>	<u>-</u>
Total U.S. Department of Health and Human Services			467,893	-



**OKEECHOBEE COUNTY, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND  
STATE FINANCIAL ASSISTANCE (CONTINUED)  
YEAR ENDED SEPTEMBER 30, 2020**

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
<b>Federal Awards (Continued):</b>				
<b>U.S. Election Assistance Commission</b>				
Pass-through Florida Department of State, Division of Elections:				
Help America Vote Act Requirements Payments - Voting Systems	90.401	MOA 2015-2016-0006 E2508	13,939	-
Help America Vote Act Requirements Payments - Cybersecurity	90.401	MOA 2019-2020-0001-OKE	1,093	-
Total Help America Vote Act Requirements Payments			<u>15,032</u>	-
Total U.S. Election Assistance Commission			15,032	-
<b>U.S. Department of Justice</b>				
Direct programs:				
Bulletproof Vest Partnership Program	16.607	2018 Regular Fund	5,640	-
Bulletproof Vest Partnership Program	16.607	2019 Regular Fund	4,040	-
Total Bulletproof Vest Partnership Program			<u>9,680</u>	-
Total U.S. Department of Justice			9,680	-
<b>U.S. Department of Transportation</b>				
Federal Aviation Administration:				
Airport Improvement Program - Update Airport Master Plan Study	20.106	3-12-0056-019-2017	48,567	-
COVID-19 Airport Improvement Program	20.106	3-12-0056-021-2020	68,994	-
Total Airport Improvement Program			<u>117,561</u>	-
Total U.S. Department of Transportation			117,561	-
<b>U.S. Department of the Treasury</b>				
Pass-through Florida Department of Emergency Management				
COVID-19 Coronavirus Relief Fund	21.019	Y2296	661,117	-
Pass-through Florida Housing Finance Corporation				
COVID-19 Coronavirus Relief Fund	21.019	081-2020	41,646	-
Total COVID-19 Coronavirus Relief Fund			<u>702,763</u>	-
Total U.S. Department of the Treasury			702,763	-
<b>Total Expenditures of Federal Awards</b>			<u>\$ 1,360,143</u>	<u>\$ -</u>

State Grantor/Pass through Grantor/Program	State CSFA Number	Pass-Through Entity Identifying Number	State Expenditures	Passed Through to Subrecipients
<b>State Financial Assistance</b>				
<b>Florida Executive Office of the Governor</b>				
Division of Emergency Management				
Emergency Management Programs	31.063	A0062	\$ 83,079	\$ -
Total Florida Executive Office of the Governor			<u>83,079</u>	-
<b>Florida Department of Elder Affairs</b>				
Home Care for the Elderly				
Home Care for the Elderly	65.001	IH019-9400	1,736	-
Home Care for the Elderly	65.001	IH020-9400	472	-
Total Home Care for the Elderly			<u>2,208</u>	-
Alzheimer's Respite Services				
Alzheimer's Respite Services	65.004	IZ019-9400	14,495	-
Alzheimer's Respite Services	65.004	IZ020-9400	6,512	-
Total Alzheimer's Respite Services			<u>21,007</u>	-
Community Care for the Elderly				
Community Care for the Elderly	65.010	IC019-9400	108,876	-
Community Care for the Elderly	65.010	IC020-9400	36,134	-
Total Community Care for the Elderly			<u>145,010</u>	-
Total Florida Department of Elder Affairs			168,225	-

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, 2020**

<u>State Grantor/Pass through Grantor/Program</u>	<u>State CSFA Number</u>	<u>Pass-Through Entity Identifying Number</u>	<u>State Expenditures</u>	<u>Passed Through to Subrecipients</u>
<b>State Financial Assistance (Continued)</b>				
<b>Florida Department of Education</b>				
Coach Aaron Feis Guardian Program	48.140	96Q-90210-0D001	\$ 149,371	\$ -
Total Florida Department of Education			149,371	-
<b>Florida Department of Environmental Protection</b>				
Small County Consolidated (Solid Waste) Grant	37.012	SC026	69,331	-
Total Florida Department of Environmental Protection			69,331	-
<b>Florida Department of Financial Services</b>				
Local Government Fire Service Grants	43.009	FM456	58,119	-
Total Florida Department of Financial Services			58,119	-
<b>Florida Housing Finance Corporation</b>				
State Housing Initiative Partnership (SHIP)	40.901	N/A	816,673	-
Total Florida Housing Finance Corporation			816,673	-
<b>Florida Department of Management Services</b>				
Wireless 911 Emergency Telephone System Rural County Grant Program	72.001	19-04-26	53,192	-
Wireless 911 Emergency Telephone System Rural County Grant Program	72.001	20-04-26	71,204	-
Total Florida Department of Management Services			124,396	-
<b>Florida Department of State</b>				
State Aid to Libraries	45.030	20-ST-17	113,299	-
Total Florida Department of State			113,299	-
<b>Florida Department of Transportation</b>				
SCOP - NE 36th	55.009	436866-1-54-01, GON05	112,133	-
SCOP- CR68 (Micco Bluff)	55.009	436867-1-54-01	1,998,797	-
Total SCOP			2,110,930	-
Aviation Grant Programs - Obstruction Clearing	55.004	FM-441814-1-94-01	211,815	-
Aviation Grant Programs - Airport Masterplan	55.004	FM-441689-1-94-01	4,798	-
			216,613	-
Total Florida Department of Transportation			2,327,543	-
<b>Total Expenditures of State Financial Assistance</b>			<b>\$ 3,910,036</b>	<b>\$ -</b>

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 (CONTINUED)**  
**YEAR ENDED SEPTEMBER 30, 2020**

**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, 2020. 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 Uniform Guidance and Chapter 69I-5, Rules of the Florida Department of Financial Services wherein certain types of expenditures are not allowable or are limited as to reimbursement, with the exception of CFDA 21.019, which follows criteria determined by the Department of Treasury for allowability of costs. Under these principles, 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 March 26, 2021, there were no material questioned or disallowed costs as a result of grant audits in process or completed.



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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**

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, 2020, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 26, 2021.

**Internal Control Over Financial Reporting**

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

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying schedule of findings and questioned costs, we did identify certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items 2020-001 and 2020-002 to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs as items 2020-003 to be a significant deficiency.

### **Compliance and Other Matters**

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

### **Okeechobee County's Response to Findings**

The County's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### **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  
March 26, 2021



**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, 2020. 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 projects 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, the 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, 2020.

**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  
March 26, 2021



**OKEECHOBEE COUNTY, FLORIDA  
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS —  
 FEDERAL PROGRAMS AND STATE PROJECTS  
 YEAR ENDED SEPTEMBER 30, 2020**

***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?     X     yes            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)**

21.019

**Name of Federal Program or Cluster**

Coronavirus Relief Fund

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, 2020**

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**Section I – Summary of Auditors’ Results (Continued)**

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**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 10.557, Rules of the Auditor General?      \_\_\_\_\_ yes        X   no

**Identification of Major State Projects**

**CSFA Number(s)**

40.901

55.009

**Name of State Project**

State Housing Initiatives Partnership Program

Small County Outreach Program

Dollar threshold used to distinguish between Type A and Type B state projects:

\$ 750,000

**OKEECHOBEE COUNTY, FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FEDERAL PROGRAMS AND STATE PROJECTS (CONTINUED)  
YEAR ENDED SEPTEMBER 30, 2020**

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***Section II – Financial Statement Findings***

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**2020-001 – Capital Assets**

Type of Finding:

- Material Weakness in Internal Control over Financial Reporting

**Condition:** As part of the audit, we proposed an adjustment to correct capital assets and expenses of the governmental activities.

**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.

**Context:** Testing of capital assets detected the error.

**Effect:** Capital assets were understated and expenses were overstated in governmental activities.

**Cause:** Certain construction costs, which were capitalized as of September 30, 2019, were expensed in fiscal year 2020 due to incomplete assessments and review of the projects.

**Recommendation:** The County should develop a more comprehensive capitalization policy in order to provide guidance in capitalizing costs for financial reporting purposes. Also, the internal controls related to the capital assets balances, including supporting schedules, should be enhanced.

**Views of responsible officials and planned corrective actions:** We concur with your finding. The Finance Department is working with the Board to enhance the existing capitalization policy and establish additional capitalization types and procedures that would cover items not identified within our current policy. This would establish clear procedures without, or improve the existing policy, so different instances of capitalization are identified leaving no room for confusion or error in the future.

**OKEECHOBEE COUNTY, FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FEDERAL PROGRAMS AND STATE PROJECTS (CONTINUED)  
YEAR ENDED SEPTEMBER 30, 2020**

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***Section II – Financial Statement Findings (Continued)***

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**2020-002 – Receivables Recognition**

Type of Finding:

- Material Weakness in Internal Control over Financial Reporting

**Condition:** As part of the audit, we proposed an adjustment to correct amounts due from other governments and unavailable revenue in the Landfill Trust 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.

**Context:** Testing of grant receivables, unavailable revenue, and revenue detected the error.

**Effect:** Due from other governments and unavailable revenue in the Landfill Trust Fund were overstated.

**Cause:** A grant receivable was recorded as of September 30, 2020 for expenditures which were not allowable under the grant terms. The grant period had ended in the previous fiscal year.

**Recommendation:** For all significant grants the County should prepare reconciliations that incorporate the grant term, grant award, any unobligated funding, draw requests, receipts, and expenditures. This will help to ensure accuracy and completeness of grant related balances.

**Views of responsible officials and planned corrective actions:** The Finance Department will restart the use of the grant tracking schedule that will be kept up to date throughout the fiscal year. The schedule will be updated to include the grant awards and track the cumulative grant expenditures. This will ensure the clear understanding of the grant completion terms, receipt of reimbursements, or any unearned grant revenue paid in advance and provide for no errors in the receivable recognition.

**OKEECHOBEE COUNTY, FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FEDERAL PROGRAMS AND STATE PROJECTS (CONTINUED)  
YEAR ENDED SEPTEMBER 30, 2020**

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***Section II – Financial Statement Findings (Continued)***

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**2020–003 – Schedule of Expenditures of Federal Awards and State Financial Assistance**

Type of Finding:

- Significant Deficiency in Internal Control over Financial Reporting

**Condition:** Our audit procedures identified one omitted state grant from the Schedule of Expenditures of Federal Awards and State Financial Assistance (Schedule).

**Criteria or specific requirement:** The County’s management is responsible for establishing and maintaining internal controls to ensure that Schedule is properly reported. 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, require auditees to prepare a Schedule.

**Context:** Testing of amounts reported in the Schedule identified the misstatements.

**Effect:** The Schedule is used by grantor agencies and auditors to monitor compliance with federal and state requirements. Errors in reporting expenditures on the Schedule may lead to improper testing and therefore, noncompliance with Uniform Guidance and Chapter 69I-5, Rules of the Florida Department of Financial Services.

**Cause:** The process for preparing the Schedule did not identify all County grant expenditures. One grant administered and accounted for by a constitutional officer was not included in the Schedule.

**Recommendation:** We recommend developing additional preparation and review procedures related to grant reporting to ensure that federal program and state project expenditures are completely and accurately reported in accordance with Uniform Guidance and Chapter 69I-5, Rules of the Florida Department of Financial Services.

**Views of responsible officials and planned corrective actions:** We concur with your finding. The Finance Department will communicate with all the constitutional officers to ensure all grants that are not handled by the County have been reported for the purposes of the completeness of the Schedule of Expenditures of Federal Awards and State Financial Assistance.

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***Section III – Findings and Questioned Costs – Major Federal Programs***

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

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***Section IV – Findings and Questioned Costs – Major State Projects***

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Our audit did not disclose any matters required to be reported in accordance with Chapter 10.557, Rules of the Auditor General.



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## 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, 2020, and have issued our report thereon dated March 26, 2021.

### 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 March 26, 2021, 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. In connection with our audit, we did not have any such recommendations.

### **Special District Component Units**

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

### **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.

### **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**

Sebring, Florida  
March 26, 2021



**OKEECHOBEE COUNTY, FLORIDA  
MANAGEMENT LETTER  
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)  
YEAR ENDED SEPTEMBER 30, 2020**

**Prior Year**

Prior Year Findings		Current Year Status			Current Year Finding #	2018-2019 Year Finding #	2017-2018 Year Finding #
		Cleared	Partially Cleared	Not Cleared			
Audit Adjustments - Emergency Medical Services Accounts Receivable and Revenue	Material Weakness in Internal Control over Financial Reporting	X			Not Reported	2019-001	2018-001
Florida Permit Surcharge	Improvements to Financial Management	X			Not Reported	2019-002	2018-006

**Current Year**

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



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## INDEPENDENT ACCOUNTANTS' REPORT

Honorable Board of County Commissioners  
Okeechobee County, Florida

We have examined Okeechobee County, Florida's (the County) 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, 2020. 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, 2020.

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  
March 26, 2021



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**OKEECHOBEE COUNTY CLERK OF  
THE CIRCUIT COURT**

**FINANCIAL STATEMENTS  
AND SUPPLEMENTAL REPORTS**

**YEAR ENDED SEPTEMBER 30, 2020**



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CONSULTING**

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT  
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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, 2020, 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, 2020, 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, 2020, 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 December 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  
December 21, 2020

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2020**

	General	PRMT	Court Related	Total Governmental Funds
<b>ASSETS</b>				
Cash	\$ 153,639	\$ 738,217	\$ 316,576	\$ 1,208,432
Accounts Receivable	129	-	-	129
Due from Other Governments	1,255	-	35,100	36,355
Prepaid Items	40,219	-	8,673	48,892
	<b>\$ 195,242</b>	<b>\$ 738,217</b>	<b>\$ 360,349</b>	<b>\$ 1,293,808</b>
 <b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts Payable and Accrued Liabilities	\$ 41,085	\$ -	\$ 56,427	\$ 97,512
Due to Board of County Commissioners	148,210	-	-	148,210
Due to Other Governmental Units	-	-	107,421	107,421
Deposits	5,947	-	196,501	202,448
Total Liabilities	195,242	-	360,349	555,591
 <b>FUND BALANCES</b>				
Nonspendable	40,219	-	8,673	48,892
Restricted	-	738,217	-	738,217
Unassigned	(40,219)	-	(8,673)	(48,892)
Total Fund Balances	-	738,217	-	738,217
Total Liabilities and Fund Balances	\$ 195,242	\$ 738,217	\$ 360,349	\$ 1,293,808

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, 2020**

	General	PRMT	Court Related	Total Governmental Funds
<b>REVENUES</b>				
Appropriations from Board of County Commissioners	\$ 1,854,195	\$ -	\$ -	\$ 1,854,195
Intergovernmental	-	-	363,439	363,439
Charges for Services	202,061	77,006	415,814	694,881
Fines and Forfeitures	-	-	438,667	438,667
Interest	9,933	8,784	5,780	24,497
Miscellaneous	24	-	-	24
Total Revenues	<u>2,066,213</u>	<u>85,790</u>	<u>1,223,700</u>	<u>3,375,703</u>
<b>EXPENDITURES</b>				
Current:				
General Government:				
Salaries and Benefits	1,519,308	-	1,223,585	2,742,893
Operating Expenditures	254,024	-	47,558	301,582
Capital Outlay	37,613	-	-	37,613
Total Expenditures	<u>1,810,945</u>	<u>-</u>	<u>1,271,143</u>	<u>3,082,088</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	255,268	85,790	(47,443)	293,615
<b>OTHER FINANCING SOURCES (USES)</b>				
Distribution of Excess Revenues:				
Board of County Commissioners	(148,210)	-	-	(148,210)
State of Florida	-	-	(59,615)	(59,615)
Transfer In	-	-	107,058	107,058
Transfer Out	(107,058)	-	-	(107,058)
Total Other Financing Sources (Uses)	<u>(255,268)</u>	<u>-</u>	<u>47,443</u>	<u>(207,825)</u>
<b>NET CHANGE IN FUND BALANCES</b>	-	85,790	-	85,790
Fund Balances - Beginning of Year	<u>-</u>	<u>652,427</u>	<u>-</u>	<u>652,427</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ -</u>	<u>\$ 738,217</u>	<u>\$ -</u>	<u>\$ 738,217</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, 2020**

	Budget		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Appropriations from Board of County				
Commissioners	\$ 1,854,195	\$ 1,854,195	\$ 1,854,195	\$ -
Charges for Services	234,511	234,511	202,061	(32,450)
Interest	15,489	15,489	9,933	(5,556)
Miscellaneous	-	-	24	24
Total Revenues	<u>2,104,195</u>	<u>2,104,195</u>	<u>2,066,213</u>	<u>(37,982)</u>
<b>EXPENDITURES</b>				
Current:				
General Government:				
Salaries and Benefits	1,586,255	1,590,340	1,519,308	71,032
Operating Expenditures	335,882	331,797	254,024	77,773
Capital Outlay	75,000	75,000	37,613	37,387
Total Expenditures	<u>1,997,137</u>	<u>1,997,137</u>	<u>1,810,945</u>	<u>186,192</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	107,058	107,058	255,268	148,210
<b>OTHER FINANCING USES</b>				
Distribution of Excess Revenues:				
Board of County Commissioners	-	-	(148,210)	(148,210)
Transfers Out	(107,058)	(107,058)	(107,058)	-
Total Other Financing Uses	<u>(107,058)</u>	<u>(107,058)</u>	<u>(255,268)</u>	<u>(148,210)</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
<b>FUND BALANCE - END OF YEAR</b>	<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, 2020**

	Budget		Actual	Variance With Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental	\$ 620,116	\$ 532,768	\$ 363,439	\$ (169,329)
Charges for Services	408,054	408,054	415,814	7,760
Fines and Forfeitures	367,985	367,985	438,667	70,682
Interest	9,674	9,674	5,780	(3,894)
Total Revenues	<u>1,405,829</u>	<u>1,318,481</u>	<u>1,223,700</u>	<u>(94,781)</u>
<b>EXPENDITURES</b>				
Current:				
General Government:				
Salaries and Benefits	1,301,002	1,351,936	1,223,585	128,351
Operating Expenditures	104,827	70,543	47,558	22,985
Total Expenditures	<u>1,405,829</u>	<u>1,422,479</u>	<u>1,271,143</u>	<u>151,336</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	-	(103,998)	(47,443)	56,555
<b>OTHER FINANCING SOURCES (USES)</b>				
Distribution of Excess Revenues:				
State of Florida	-	(3,060)	(59,615)	(56,555)
Transfers In	-	107,058	107,058	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>103,998</u>	<u>47,443</u>	<u>(56,555)</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	-
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<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, 2020**

**ASSETS**

Cash	\$ 542,275
Due from Others	3
Total Assets	<u>\$ 542,278</u>

**LIABILITIES**

Due to Individuals	\$ 410,178
Due to Board of County Commissioners	6
Due to Other Governments	132,094
Total Liabilities	<u>\$ 542,278</u>

*See accompanying Notes to Financial Statements.*

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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 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, 2020**

**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, 2020**

**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.

**Interfund Transactions**

Transfers are reported in the "Other Financing Sources (Uses)" section in the statement of revenues, expenditures, and changes in fund balances. Transfers are used to move unrestricted fund revenues to finance activities which are accounted for in another fund.

**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, 2020**

**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, 2020, the Clerk's total bank balance was \$1,934,433. 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, 2020**

**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	\$ 1,748,657
Petty Cash and Change Funds	2,050
Total	<u>\$ 1,750,707</u>
Balance Sheet:	
Cash	\$ 1,208,432
Statement of Fiduciary Net Position:	
Cash	542,275
Total Cash	<u>\$ 1,750,707</u>

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT**  
**NOTES TO FINANCIAL STATEMENTS**  
**SEPTEMBER 30, 2020**

**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, 2020:

<u>Governmental Activities</u>	Balance October 1, 2019	Increases	(Decreases)	Balance September 30, 2020
Capital Assets, Not Being Depreciated/Amortized:				
Software in Progress	\$ 80,811	\$ 5,250	\$ -	\$ 86,061
Capital Assets, Being Depreciated/Amortized:				
Machinery and Equipment	849,876	52,256	(59,497)	842,635
Computer Software	429,182	-	-	429,182
Total Capital Assets Being Depreciated/Amortized	1,279,058	52,256	(59,497)	1,271,817
Less: Accumulated Depreciation/ Amortization for:				
Machinery and Equipment	(676,116)	(76,746)	59,419	(693,443)
Computer Software	(412,814)	(7,857)	-	(420,671)
Total Accumulated Depreciation/Amortization	(1,088,930)	(84,603)	59,419	(1,114,114)
Total Capital Assets, Being Depreciated/Amortized, net	190,128	(32,347)	(78)	157,703
Total Capital Assets, Net	\$ 270,939	\$ (27,097)	\$ (78)	\$ 243,764

**NOTE 4 FUND BALANCES – GOVERNMENTAL FUNDS**

As of September 30, 2020, 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, 2020**

**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, 2020 is as follows:

	General Fund	PRMT	Court Related	Total Governmental Funds
Nonspendable:				
Prepaid Items	\$ 40,219	\$ -	\$ 8,673	\$ 48,892
Restricted for:				
Records Modernization/ Court-Related Technology	-	738,217	-	738,217
Unassigned Fund Balance	(40,219)	-	(8,673)	(48,892)
Total Fund Balances	<u>\$ -</u>	<u>\$ 738,217</u>	<u>\$ -</u>	<u>\$ 738,217</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, 2020:

	Balance October 1, 2019	Additions	Deductions	Balance September 30, 2020
Compensated Absences	<u>\$ 200,615</u>	<u>\$ 290,267</u>	<u>\$ (245,635)</u>	<u>\$ 245,247</u>

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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](http://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, 2020**

**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, 2020**

**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, 2020, 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, 2020**

**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, 2020, 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, 2020, 2019, and 2018 were \$175,235, 159,013, and \$146,006, 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, 2020**

**NOTE 8 RELATED PARTY TRANSACTIONS**

Transactions with the Okeechobee County Board of County Commissioners for the year ended September 30, 2020 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 \$1,854,195. Excess revenues and other amounts payable to the Board at September 30, 2020 were \$148,210. Distribution of excess revenues to the Board was \$148,210 for the year ended September 30, 2020.

**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, 2020**

	Tax Deed	Documentary Stamps	Intangible Taxes	Cash Bond	Registry of the Court	Escrow	Child Support	Fines and Costs	Restitution	Total
<b>ASSETS</b>										
Cash	\$ 16,385	\$ 63,126	\$ 10,578	\$ 64,386	\$ 229,930	\$ 97,474	\$ 563	\$ 57,849	\$ 1,984	\$ 542,275
Due from Others	-	-	-	-	-	-	3	-	-	3
Total Assets	\$ 16,385	\$ 63,126	\$ 10,578	\$ 64,386	\$ 229,930	\$ 97,474	\$ 566	\$ 57,849	\$ 1,984	\$ 542,278
<b>LIABILITIES</b>										
Due to Individuals	\$ 16,385	-	\$ -	\$ 64,386	\$ 229,930	\$ 97,474	\$ 19	\$ -	\$ 1,984	\$ 410,178
Due to Board of County Commissioners	-	-	-	-	-	-	-	6	-	6
Due to Other Governments	-	63,126	10,578	-	-	-	547	57,843	-	132,094
Total Liabilities	\$ 16,385	\$ 63,126	\$ 10,578	\$ 64,386	\$ 229,930	\$ 97,474	\$ 566	\$ 57,849	\$ 1,984	\$ 542,278

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT  
 COMBINING STATEMENT OF CHANGES IN  
 ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 YEAR ENDED SEPTEMBER 30, 2020**

	Balance October 1, 2019	Increases	(Decreases)	Balance September 30, 2020
<b>TAX DEED</b>				
<b>Assets</b>				
Cash	<u>\$ 9,337</u>	<u>\$ 297,765</u>	<u>\$ (290,717)</u>	<u>\$ 16,385</u>
<b>Liabilities</b>				
Due to Individuals	<u>\$ 9,337</u>	<u>\$ 297,765</u>	<u>\$ (290,717)</u>	<u>\$ 16,385</u>
 <b>DOCUMENTARY STAMPS</b>				
<b>Assets</b>				
Cash	<u>\$ 31,085</u>	<u>\$ 2,013,572</u>	<u>\$ (1,981,531)</u>	<u>\$ 63,126</u>
<b>Liabilities</b>				
Due to Other Governments	<u>\$ 31,085</u>	<u>\$ 2,013,572</u>	<u>\$ (1,981,531)</u>	<u>\$ 63,126</u>
 <b>INTANGIBLE TAXES</b>				
<b>Assets</b>				
Cash	<u>\$ 4,849</u>	<u>\$ 307,562</u>	<u>\$ (301,833)</u>	<u>\$ 10,578</u>
<b>Liabilities</b>				
Due to Other Governments	<u>\$ 4,849</u>	<u>\$ 307,562</u>	<u>\$ (301,833)</u>	<u>\$ 10,578</u>
 <b>CASH BOND</b>				
<b>Assets</b>				
Cash	<u>\$ 61,603</u>	<u>\$ 235,328</u>	<u>\$ (232,545)</u>	<u>\$ 64,386</u>
<b>Liabilities</b>				
Due to Individuals	<u>\$ 61,603</u>	<u>\$ 235,328</u>	<u>\$ (232,545)</u>	<u>\$ 64,386</u>

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT  
 COMBINING STATEMENT OF CHANGES IN  
 ASSETS AND LIABILITIES (CONTINUED)  
 ALL AGENCY FUNDS  
 YEAR ENDED SEPTEMBER 30, 2020**

	Balance October 1, 2019	Increases	(Decreases)	Balance September 30, 2020
<b>REGISTRY OF THE COURT</b>				
<b>Assets</b>				
Cash	<u>\$ 273,492</u>	<u>\$ 972,629</u>	<u>\$ (1,016,191)</u>	<u>\$ 229,930</u>
<b>Liabilities</b>				
Due to Individuals	<u>\$ 273,492</u>	<u>\$ 972,629</u>	<u>\$ (1,016,191)</u>	<u>\$ 229,930</u>
 <b>ESCROW</b>				
<b>Assets</b>				
Cash	<u>\$ 319,722</u>	<u>\$ 228,004</u>	<u>\$ (450,252)</u>	<u>\$ 97,474</u>
<b>Liabilities</b>				
Due to Individuals	<u>\$ 319,722</u>	<u>\$ 228,004</u>	<u>\$ (450,252)</u>	<u>\$ 97,474</u>
 <b>CHILD SUPPORT</b>				
<b>Assets</b>				
Cash	\$ 559	\$ 396,994	\$ (396,990)	\$ 563
Due from Others	3	-	-	3
Total Assets	<u>\$ 562</u>	<u>\$ 396,994</u>	<u>\$ (396,990)</u>	<u>\$ 566</u>
<b>Liabilities</b>				
Due to Individuals	\$ 18	\$ 1	\$ -	\$ 19
Due to Other Governments	544	396,993	(396,990)	547
Total Liabilities	<u>\$ 562</u>	<u>\$ 396,994</u>	<u>\$ (396,990)</u>	<u>\$ 566</u>

**OKEECHOBEE COUNTY CLERK OF THE CIRCUIT COURT  
COMBINING STATEMENT OF CHANGES IN  
ASSETS AND LIABILITIES (CONTINUED)  
ALL AGENCY FUNDS  
YEAR ENDED SEPTEMBER 30, 2020**

	Balance October 1, 2019	Increases	(Decreases)	Balance September 30, 2020
<b>FINES AND COSTS</b>				
<b>Assets</b>				
Cash	\$ 77,111	\$ 779,887	\$ (799,149)	\$ 57,849
<b>Liabilities</b>				
Due to Board of County Commissioners	\$ 42	\$ 60,144	\$ (60,180)	\$ 6
Due to Other Governments	77,069	886,770	(905,996)	57,843
Total Liabilities	<u>\$ 77,111</u>	<u>\$ 946,914</u>	<u>\$ (966,176)</u>	<u>\$ 57,849</u>
<b>RESTITUTION</b>				
<b>Assets</b>				
Cash	\$ 1,722	\$ 3,763	\$ (3,501)	\$ 1,984
<b>Liabilities</b>				
Due to Individuals	\$ 1,722	\$ 3,763	\$ (3,501)	\$ 1,984
<b>TOTAL ALL AGENCY FUNDS</b>				
<b>Assets</b>				
Cash	\$ 779,480	\$ 5,235,504	\$ (5,472,709)	\$ 542,275
Due from Others	3	-	-	3
Total Assets	<u>\$ 779,483</u>	<u>\$ 5,235,504</u>	<u>\$ (5,472,709)</u>	<u>\$ 542,278</u>
<b>Liabilities</b>				
Due to Individuals	\$ 665,894	\$ 1,737,490	\$ (1,993,206)	\$ 410,178
Due to Board of County Commissioners	42	60,144	(60,180)	6
Due to Other Governments	113,547	3,604,897	(3,586,350)	132,094
Total Liabilities	<u>\$ 779,483</u>	<u>\$ 5,402,531</u>	<u>\$ (5,639,736)</u>	<u>\$ 542,278</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 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, 2020, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements, and have issued our report thereon dated December 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.



**CliftonLarsonAllen LLP**

Sebring, Florida  
December 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, 2020, and have issued our report thereon dated December 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 December 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*

**CliftonLarsonAllen LLP**

Sebring, Florida  
December 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, 2020. 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, 2020.

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  
December 21, 2020



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**OKEECHOBEE COUNTY PROPERTY APPRAISER**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTAL REPORTS**

**YEAR ENDED SEPTEMBER 30, 2020**



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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, 2020, 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.

The Honorable Mickey L. Bandi  
Okeechobee County Property Appraiser

**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, 2020, 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, 2020, 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 November 12, 2020, 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  
November 12, 2020



**OKEECHOBEE COUNTY PROPERTY APPRAISER  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2020**

<b>ASSETS</b>	General	Coquina	Total
Cash	\$ 75,470	\$ 47,133	\$ 122,603
Accounts Receivable	20,473	-	20,473
Total Assets	\$ 95,943	\$ 47,133	\$ 143,076
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ 482	\$ 1,255	\$ 1,737
Due to Board of County Commissioners	91,509	-	91,509
Due to Other Governments	3,952	-	3,952
Total Liabilities	95,943	1,255	97,198
<b>FUND BALANCES</b>			
Committed	-	45,878	45,878
Total Liabilities and Fund Balances	\$ 95,943	\$ 47,133	\$ 143,076

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, 2020**

	<u>General</u>	<u>Coquina</u>	<u>Total</u>
<b>REVENUES</b>			
Intergovernmental:			
Appropriations from Board of County Commissioners	\$ 1,458,155	\$ -	\$ 1,458,155
South Florida Water Management District	24,642	-	24,642
St. Johns River Water Management District	1,825	-	1,825
Children's Services Council	36,507	-	36,507
Coquina Water Control District	-	9,681	9,681
Interest	264	56	320
Miscellaneous	1,317	-	1,317
Total Revenues	<u>1,522,710</u>	<u>9,737</u>	<u>1,532,447</u>
<b>EXPENDITURES</b>			
Current:			
General Government:			
Salaries and Benefits	933,947	-	933,947
Operating Expenditures	309,158	5,244	314,402
Capital Outlay	184,144	9,454	193,598
Total Expenditures	<u>1,427,249</u>	<u>14,698</u>	<u>1,441,947</u>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	95,461	(4,961)	90,500
<b>OTHER FINANCING USES</b>			
Distribution of Excess Revenues:			
Board of County Commissioners	(91,509)	-	(91,509)
Other Governments	(3,952)	-	(3,952)
Total Other Financing Uses	<u>(95,461)</u>	<u>-</u>	<u>(95,461)</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	(4,961)	(4,961)
Fund Balances - Beginning of Year	<u>-</u>	<u>50,839</u>	<u>50,839</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ -</u>	<u>\$ 45,878</u>	<u>\$ 45,878</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, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Intergovernmental:				
Appropriations from Board of County Commissioners	\$ 1,458,155	\$ 1,458,155	\$ 1,458,155	\$ -
South Florida Water Management District	24,642	24,642	24,642	-
St. Johns River Water Management District	1,825	1,825	1,825	-
Children's Services Council	36,507	36,507	36,507	-
Interest	-	-	264	264
Miscellaneous	-	-	1,317	1,317
Total Revenues	<u>1,521,129</u>	<u>1,521,129</u>	<u>1,522,710</u>	<u>1,581</u>
<b>EXPENDITURES</b>				
Current:				
General Government:				
Salaries and Benefits	907,053	953,323	933,947	19,376
Operating Expenditures	571,806	382,754	309,158	73,596
Capital Outlay	42,270	185,052	184,144	908
Total Expenditures	<u>1,521,129</u>	<u>1,521,129</u>	<u>1,427,249</u>	<u>93,880</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	-	-	95,461	95,461
<b>OTHER FINANCING USES</b>				
Distribution of Excess Revenues:				
Board of County Commissioners	-	-	(91,509)	(91,509)
Other Governments	-	-	(3,952)	(3,952)
Total Other Financing Uses	<u>-</u>	<u>-</u>	<u>(95,461)</u>	<u>(95,461)</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	-
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCES - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY PROPERTY APPRAISER  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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, 2020**

**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, 2020**

**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 \$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.

**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, 2020**

**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, 2020, the carrying amount of the Property Appraiser's deposits was \$122,603 and bank balance was \$216,369, 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, 2020**

**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, 2020:

	Balance October 1, 2019	Increases	Decreases	Balance September 30, 2020
Government Activities:				
Capital Assets, Not Being Depreciated:				
Software in Progress	\$ 50,000	\$ 131,513	\$ -	\$ 181,513
Capital Assets, Being Depreciated:				
Machinery and Equipment	378,936	48,964	(107,957)	319,943
Less: Accumulated Depreciation:				
Machinery and Equipment	(273,045)	(23,454)	90,693	(205,806)
Total Capital Assets, Being Depreciated, Net	105,891	25,510	(17,264)	114,137
Governmental Activities				
Capital Assets, Net	\$ 155,891	\$ 157,023	\$ (17,264)	\$ 295,650

**NOTE 4 FUND BALANCES – GOVERNMENT FUNDS**

As of September 30, 2020, 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.



**OKEECHOBEE COUNTY PROPERTY APPRAISER  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**NOTE 4 FUND BALANCES – GOVERNMENT FUNDS (CONTINUED)**

**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 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, 2020, fund balances of the Coquina Fund are composed of committed amounts for personal services in the form of salary, FICA, and retirement as related to the Coquina District; operating expenses in the form of travel and office supplies; and capital outlay for office equipment and vehicles.

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, 2020:

	Balance October 1, 2019	Additions	Deductions	Balance September 30, 2020
Compensated Absences	\$ 59,008	\$ 47,451	\$ (40,448)	\$ 66,011

**OKEECHOBEE COUNTY PROPERTY APPRAISER  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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](http://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, 2020**

**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, 2020**

**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, 2020, 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, 2020**

**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, 2020, 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, 2020, 2019, and 2018 were \$104,606, \$96,697, and \$88,915, 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, 2020**

**NOTE 7 RELATED PARTY TRANSACTIONS**

Transactions with the Board for the year ended September 30, 2020 were as follows:

**Appropriations** – The General Fund of the Property Appraiser received revenue from the Board in the amount of \$1,458,155 for the year ended September 30, 2020. Amounts due to the Board were \$91,509 at September 30, 2020.

**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. As of September 30, 2020, \$181,513 has been incurred and paid related to this project. The payment schedule for the total amount due is as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2021	<u>\$ 81,511</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, 2020. The outcome of these matters turns upon disputed questions of property classifications and tax values. As of September 30, 2020, 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, 2020, 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 November 12, 2020.

**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  
November 12, 2020





## 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, 2020 and have issued our report thereon dated November 12, 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 November 12, 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 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  
November 12, 2020



## 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, 2020. 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, 2020.

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  
November 12, 2020



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**OKEECHOBEE COUNTY SHERIFF**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTAL REPORTS**

**YEAR ENDED SEPTEMBER 30, 2020**



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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 (Sheriff), as of and for the year ended September 30, 2020, 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, 2020, and the respective changes in financial position and budgetary comparison for the General 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, 2020, 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, 2020, 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.

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Sebring, Florida  
December 18, 2020

**OKEECHOBEE COUNTY SHERIFF  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2020**

	General Fund	Special Suspense Forfeiture	Inmate Welfare	Nonmajor Community Donations	Total Governmental Funds
<b>ASSETS</b>					
Cash	\$ 832,365	\$ 197	\$ 354,933	\$ 63,548	\$ 1,251,043
Accounts Receivable	13,045	-	17,362	-	30,407
Due from Other Funds	-	-	-	20,000	20,000
Prepaid Items	11,792	-	-	-	11,792
	<u>857,202</u>	<u>197</u>	<u>372,295</u>	<u>83,548</u>	<u>1,313,242</u>
Total Assets	<u>\$ 857,202</u>	<u>\$ 197</u>	<u>\$ 372,295</u>	<u>\$ 83,548</u>	<u>\$ 1,313,242</u>
<b>LIABILITIES AND FUND BALANCES</b>					
<b>LIABILITIES</b>					
Accounts Payable and Accrued Liabilities	\$ 684,482	\$ -	\$ 2,364	\$ -	\$ 686,846
Due to Board of County Commissioners	172,720	197	-	-	172,917
Due to Other Funds	-	-	20,000	-	20,000
Total Liabilities	<u>857,202</u>	<u>197</u>	<u>22,364</u>	<u>-</u>	<u>879,763</u>
<b>FUND BALANCES</b>					
Nonspendable	11,792	-	-	-	11,792
Restricted	-	-	349,931	83,548	433,479
Unassigned	(11,792)	-	-	-	(11,792)
Total Fund Balances	<u>-</u>	<u>-</u>	<u>349,931</u>	<u>83,548</u>	<u>433,479</u>
Total Liabilities and Fund Balances	<u>\$ 857,202</u>	<u>\$ 197</u>	<u>\$ 372,295</u>	<u>\$ 83,548</u>	<u>\$ 1,313,242</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, 2020**

	General Fund	Special Suspense Forfeiture	Inmate Welfare	Nonmajor Community Donations	Total Governmental Funds
<b>REVENUES</b>					
Appropriations from Board of County Commissioners	\$ 19,250,000	\$ -	\$ -	\$ -	\$ 19,250,000
Intergovernmental	176,222	-	-	-	176,222
Charges for Services - Senior Meals	102,280	-	-	-	102,280
Charges for Services	64,934	-	297,436	-	362,370
Net Change in Fair Value of Investments	23,369	197	3,722	239	27,527
Miscellaneous	57,292	-	220	66,263	123,775
<b>Total Revenues</b>	<b>19,674,097</b>	<b>197</b>	<b>301,378</b>	<b>66,502</b>	<b>20,042,174</b>
<b>EXPENDITURES</b>					
Current:					
Public Safety:					
Salaries and Benefits	14,891,947	-	93,090	-	14,985,037
Operating Expenditures	3,870,545	-	100,451	6,050	3,977,046
Capital Outlay	625,402	-	353,368	9,000	987,770
Debt Service:					
Principal Retirement	398,756	-	-	-	398,756
Interest and Fiscal Charges	33,442	-	-	-	33,442
<b>Total Expenditures</b>	<b>19,820,092</b>	<b>-</b>	<b>546,909</b>	<b>15,050</b>	<b>20,382,051</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>(145,995)</b>	<b>197</b>	<b>(245,531)</b>	<b>51,452</b>	<b>(339,877)</b>
<b>OTHER FINANCING SOURCES AND (USES)</b>					
Insurance Recoveries	69,135	-	-	-	69,135
Issuance of Debt	287,580	-	-	-	287,580
Distribution of Excess Revenues:					
Board of County Commissioners	(210,720)	(197)	-	-	(210,917)
<b>Total Other Financing Sources (Uses)</b>	<b>145,995</b>	<b>(197)</b>	<b>-</b>	<b>-</b>	<b>145,798</b>
<b>NET CHANGE IN FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>(245,531)</b>	<b>51,452</b>	<b>(194,079)</b>
Fund Balances - Beginning of Year	-	-	595,462	32,096	627,558
<b>FUND BALANCES - END OF YEAR</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 349,931</b>	<b>\$ 83,548</b>	<b>\$ 433,479</b>

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, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Appropriation from Board of County Commissioners	\$ 19,250,000	\$ 19,250,000	\$ 19,250,000	\$ -
Intergovernmental	-	299,237	176,222	(123,015)
Charges for Services - Senior Meals	-	54,366	102,280	47,914
Charges for Services	-	49,579	64,934	15,355
Net Change in Fair Value of Investments	-	20,544	23,369	2,825
Miscellaneous	-	56,179	57,292	1,113
Total Revenues	<u>19,250,000</u>	<u>19,729,905</u>	<u>19,674,097</u>	<u>(55,808)</u>
<b>EXPENDITURES</b>				
Current:				
Public Safety:				
Salaries and Benefits	14,793,932	14,782,932	14,891,947	(109,015)
Operating Expenditures	3,901,590	4,208,043	3,870,545	337,498
Capital Outlay	77,180	606,262	625,402	(19,140)
Debt Service:				
Principal Retirement	441,471	441,471	398,756	42,715
Interest and Fiscal Charges	35,827	35,827	33,442	2,385
Total Expenditures	<u>19,250,000</u>	<u>20,074,535</u>	<u>19,820,092</u>	<u>254,443</u>
<b>DEFICIENCY OF REVENUES UNDER EXPENDITURES</b>	-	(344,630)	(145,995)	198,635
<b>OTHER FINANCING SOURCES AND (USES)</b>				
Insurance Recoveries	-	57,050	69,135	12,085
Issuance of Debt	-	287,580	287,580	-
Distribution of Excess Revenues:				
Board of County Commissioners	-	-	(210,720)	(210,720)
Total Other Financing Sources (Uses)	<u>-</u>	<u>344,630</u>	<u>145,995</u>	<u>(198,635)</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	-
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<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  
INMATE WELFARE FUND  
YEAR ENDED SEPTEMBER 30, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Charges for Services	\$ 258,144	\$ 269,494	\$ 297,436	\$ 27,942
Net Change in Fair Value of Investments	11,604	11,604	3,722	(7,882)
Miscellaneous	-	-	220	220
Total Revenues	<u>269,748</u>	<u>281,098</u>	<u>301,378</u>	<u>20,280</u>
<b>EXPENDITURES</b>				
Current:				
Public Safety:				
Salaries and Benefits	107,598	118,155	93,090	25,065
Operating Expenditures	127,150	143,343	100,451	42,892
Capital Outlay	35,000	398,737	353,368	45,369
Total Expenditures	<u>269,748</u>	<u>660,235</u>	<u>546,909</u>	<u>113,326</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	(379,137)	(245,531)	133,606
Fund Balance - Beginning of Year	-	379,137	595,462	216,325
<b>FUND BALANCE - END OF YEAR</b>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 349,931</u>	<u>\$ 349,931</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY SHERIFF  
STATEMENT OF FIDUCIARY NET POSITION  
AGENCY FUND  
SEPTEMBER 30, 2020**

**ASSETS**

Cash	\$ 173,751
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**LIABILITIES**

Due to Board of County Commissioners	\$ 114,806
Due to Others	58,945
Total Liabilities	<u>\$ 173,751</u>

*See accompanying Notes to Financial Statements.*

**OKEECHOBEE COUNTY SHERIFF  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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, Okeechobee County, Florida (Sheriff).

**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 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 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, 2020**

**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, K-9 unit, and other restricted donations.

**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, 2020**

**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 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, 2020 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 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 SHERIFF  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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. 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, 2020, the Sheriff's total bank balance was \$1,537,700. 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, 2020**

**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	<u>\$</u>	<u>1,424,794</u>
Balance Sheet:		
Cash	\$	1,251,043
Statement of Fiduciary Net Position:		
Cash		<u>173,751</u>
Total Cash	<u>\$</u>	<u>1,424,794</u>

**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, 2020:

	Balance October 1, 2019	Increases	Decreases	Balance September 30, 2020
<u>Government Activities</u>				
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 7,728,366	\$ 953,596	\$ (922,126)	\$ 7,759,836
Computer Software	808,890	-	-	808,890
Total Capital Assets Being Depreciated/Amortized	8,537,256	953,596	(922,126)	8,568,726
Less Accumulated Depreciation:				
Machinery and Equipment	(5,694,112)	(595,585)	835,763	(5,453,934)
Computer Software	(675,754)	(39,762)	-	(715,516)
Total Accumulated Depreciation/Amortization	(6,369,866)	(635,347)	835,763	(6,169,450)
Total Capital Assets, Net	<u>\$ 2,167,390</u>	<u>\$ 318,249</u>	<u>\$ (86,363)</u>	<u>\$ 2,399,276</u>

**OKEECHOBEE COUNTY SHERIFF  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**NOTE 4 FUND BALANCES – GOVERNMENTAL FUNDS**

As of September 30, 2020, 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, 2020, 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.

**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, 2020:

<u>Government Activities</u>	Balance October 1, 2019	Increases	Decreases	Balance September 30, 2020
Compensated Absences	\$ 1,342,064	\$ 856,241	\$ (799,302)	\$ 1,399,003

**OKEECHOBEE COUNTY SHERIFF  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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](http://www.dms.myflorida.com)).

**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.

**OKEECHOBEE COUNTY SHERIFF  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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 SHERIFF  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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 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, 2020, 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. 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.

**OKEECHOBEE COUNTY SHERIFF  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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, 2020, 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.

**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, 2020, 2019, and 2018 were \$1,895,361, \$1,771,907, and \$1,597,237, 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.



**OKEECHOBEE COUNTY SHERIFF  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**NOTE 8 RELATED PARTY TRANSACTIONS**

Transactions with the Board for the year ended September 30, 2020 were as follows:

Board Appropriation – The General Fund of the Sheriff received revenues from the Board in the amount of \$19,250,000 for the fiscal year ended September 30, 2020. Excess revenues payable to the Board for the General Fund and Special Suspense Forfeiture Fund were \$172,720 and \$197, respectively, at September 30, 2020.

Charges for Services – The General Fund of the Sheriff received revenue from the Board for preparation of the meals for Okeechobee Senior Services totaling \$102,280 for the fiscal year ended September 30, 2020.

**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.

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.

**OKEECHOBEE COUNTY SHERIFF  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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 annually in installments of \$152,765 including interest at 3.1% through October 2021 for the GM Vehicle 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.
- Principal and interest is payable annually in installments of \$62,056 including interest at 4.0% through October 2023 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:

	Balance October 1, 2019	Increases	Decreases	Balance September 30, 2020
<u>Government Activities</u>				
Capital Leases	\$ 856,455	\$ 287,580	\$ (398,756)	\$ 745,279

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2020 are as follows:

<u>Year Ending September 30,</u>	
2021	\$ 325,028
2022	282,701
2023	129,934
2024	62,056
Total Minimum Lease Payment	799,719
Less: Amount Representing Interest	(54,440)
Present Value of Minimum Lease Payment	\$ 745,279

**OKEECHOBEE COUNTY SHERIFF  
COMBINING STATEMENT OF FIDUCIARY NET POSITION  
ALL AGENCY FUNDS  
SEPTEMBER 30, 2020**

	Individual Depositor	Cash Bond	Inmate Trust	Special Suspense	D.A.R.E.	Search and Rescue	Flower	Special Duty Detail	Neighborhood Watch	Teen Driver	Total
<b>ASSETS</b>											
Cash	\$ 7,946	\$ -	\$ 57,383	\$ 82,546	\$ 10,475	\$ 625	\$ 969	\$ 8,801	\$ 5,005	\$ 1	\$ 173,751
<b>LIABILITIES</b>											
Due to Board of County Commissioners	\$ -	\$ -	\$ 32,260	\$ 82,546	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 114,806
Due to Others	7,946	-	25,123	-	10,475	625	969	8,801	5,005	1	58,945
Total Liabilities	\$ 7,946	\$ -	\$ 57,383	\$ 82,546	\$ 10,475	\$ 625	\$ 969	\$ 8,801	\$ 5,005	\$ 1	\$ 173,751

**OKEECHOBEE COUNTY SHERIFF  
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
ALL AGENCY FUNDS  
YEAR ENDED SEPTEMBER 30, 2020**

	Balance October 1, 2019	Increases	Decreases	Balance September 30, 2020
<b><u>INDIVIDUAL DEPOSITOR</u></b>				
<b>Assets</b>				
Cash	\$ 148,452	\$ 25,288	\$ (165,794)	\$ 7,946
<b>Liabilities</b>				
Due to Others	\$ 148,452	\$ 25,288	\$ (165,794)	\$ 7,946
<b><u>CASH BOND</u></b>				
<b>Assets</b>				
Cash	\$ 3,000	\$ 220,577	\$ (223,577)	\$ -
<b>Liabilities</b>				
Due to Others	\$ 3,000	\$ 220,577	\$ (223,577)	\$ -
<b><u>INMATE TRUST</u></b>				
<b>Assets</b>				
Cash	\$ 58,029	\$ 484,191	\$ (484,837)	\$ 57,383
<b>Liabilities</b>				
Due to Board of County Commissioners	\$ 32,812	\$ 32,260	\$ (32,812)	\$ 32,260
Due to Others	25,217	451,931	(452,025)	25,123
Total Liabilities	\$ 58,029	\$ 484,191	\$ (484,837)	\$ 57,383
<b><u>SPECIAL SUSPENSE</u></b>				
<b>Assets</b>				
Cash	\$ 44,460	\$ 156,034	\$ (117,948)	\$ 82,546
<b>Liabilities</b>				
Due to Board of County Commissioners	\$ 44,460	\$ 156,034	\$ (117,948)	\$ 82,546

**OKEECHOBEE COUNTY SHERIFF  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS (CONTINUED)  
 YEAR ENDED SEPTEMBER 30, 2020**

	Balance October 1, 2019	Increases	(Decreases)	Balance September 30, 2020
<b><u>D.A.R.E.</u></b>				
<b>Assets</b>				
Cash	\$ 3,206	\$ 10,011	\$ (2,742)	\$ 10,475
<b>Liabilities</b>				
Due to Others	\$ 3,206	\$ 10,011	\$ (2,742)	\$ 10,475
<b><u>SEARCH &amp; RESCUE</u></b>				
<b>Assets</b>				
Cash	\$ 624	\$ 1	\$ -	\$ 625
<b>Liabilities</b>				
Due to Others	\$ 624	\$ 1	\$ -	\$ 625
<b><u>FLOWER</u></b>				
<b>Assets</b>				
Cash	\$ 688	\$ 1,458	\$ (1,177)	\$ 969
<b>Liabilities</b>				
Due to Others	\$ 688	\$ 1,458	\$ (1,177)	\$ 969
<b><u>SPECIAL DUTY DETAIL</u></b>				
<b>Assets</b>				
Cash	\$ 3,992	\$ 322,212	\$ (317,403)	\$ 8,801
<b>Liabilities</b>				
Due to Others	\$ 3,992	\$ 322,212	\$ (317,403)	\$ 8,801

**OKEECHOBEE COUNTY SHERIFF  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS (CONTINUED)  
 YEAR ENDED SEPTEMBER 30, 2020**

	Balance October 1, 2019	Increases	Decreases	Balance September 30, 2020
<b><u>NEIGHBORHOOD WATCH</u></b>				
<b>Assets</b>				
Cash	\$ 230	\$ 5,005	\$ (230)	\$ 5,005
<b>Liabilities</b>				
Due to Others	\$ 230	\$ 5,005	\$ (230)	\$ 5,005
<b><u>TEEN DRIVER</u></b>				
<b>Assets</b>				
Cash	\$ 1	\$ -	\$ -	\$ 1
<b>Liabilities</b>				
Due to Others	\$ 1	\$ -	\$ -	\$ 1
<b><u>TOTAL ALL AGENCY FUNDS</u></b>				
<b>Assets</b>				
Cash	\$ 262,682	\$ 1,224,777	\$ (1,313,708)	\$ 173,751
<b>Liabilities</b>				
Due to Board of County Commissioners	\$ 77,272	\$ 188,294	\$ (150,760)	\$ 114,806
Due to Others	185,410	1,036,483	(1,162,948)	58,945
Total Liabilities	<u>\$ 262,682</u>	<u>\$ 1,224,777</u>	<u>\$ (1,313,708)</u>	<u>\$ 173,751</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 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 (Sheriff), as of and for the year ended September 30, 2020, 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, 2020.

**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 certain deficiencies in internal control, described in the accompanying schedule of findings and responses as items 2020-001, 2020-002, and 2020-003, that we consider to be material weaknesses.

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 Responses to Findings**

The Sheriff's response to the findings identified in our audit is described in the accompanying schedule of findings and responses. The Sheriff's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### **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, 2020





## 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, 2020 and have issued our report thereon dated December 18, 2020.

### 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, 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. See the accompanying schedule of findings and responses for the current status of prior year findings and recommendations.

### Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. 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. In connection with our audit, we did not have any such recommendations.

**Additional Matters**

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

**Purpose of this Letter**

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

*CliftonLarsonAllen LLP*

**CliftonLarsonAllen LLP**

Sebring, Florida  
December 18, 2020

**OKEECHOBEE COUNTY SHERIFF  
SCHEDULE OF FINDINGS AND RESPONSES  
YEAR ENDED SEPTEMBER 30, 2020**

**Prior Year**

Prior Year Findings		Current Year Status			Current Year Finding #	2018-2019 Year Finding #	2017-2018 Year Finding #
		Cleared	Partially Cleared	Not Cleared			
Inmate Welfare Accounts Receivable and Revenue	Material Weakness in Internal Control Over Financial Reporting	X			Not Reported	2019-001	Not Reported
Security for Public Deposits	State Compliance	X			Not Reported	2019-002	Not Reported
Expenditures Cutoff	Deficiency in Internal Control over Financial Reporting	X			Not Reported	2019-003	Not Reported
Recording Revenue	Deficiency in Internal Control over Financial Reporting			X	2020-001	2019-004	Not Reported

**Current Year**

**2020-001: Recording Revenue (Previously Identified as 2019-004)**

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 liabilities and expenditures were understated because a donation received was recorded in an expenditure account in the Inmate Welfare Fund. Also, the Community Donations Fund assets and revenue were understated because the amount should have been recorded as revenue in the Community Donations Fund.

**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 capital outlay expenditures detected the misstatement.

**Effect:** Liabilities and expenditures were understated in the Inmate Welfare Fund while assets and revenue were understated in the Community Donations Fund.

**Cause:** The donation was mistakenly recorded in the Inmate Welfare Fund in an expenditure account.

**Recommendation:** The Sheriff should report revenues at gross rather than netting against expenditures.

**Views of Responsible Officials:** Revenue will be monitored and recorded appropriately.

**OKEECHOBEE COUNTY SHERIFF  
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)  
YEAR ENDED SEPTEMBER 30, 2020**

**CURRENT YEAR FINDINGS AND RECOMMENDATIONS (CONTINUED)**

**2020-002: Capital Assets**

Type of Finding

- Material Weakness in Internal Control over Financial Reporting

**Condition:** As part of the audit, we proposed adjustments to correct capital asset balances in the Sheriff's financial statements. This included additions and disposals that were not included in the capital asset listing.

**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 capital assets identified the misstatements.

**Effect:** Capital assets were understated in total.

**Cause:** Certain acquired equipment was not recorded in the capital assets subsidiary ledger, and other disposed equipment was not removed from the capital assets subsidiary ledger.

**Recommendation:** The Sheriff should prepare a detailed reconciliation comparing capital outlay expenditures to capital asset additions. Furthermore, the reconciliation should be prepared by one individual and reviewed by another to help identify errors and omissions.

**Views of Responsible Officials:** Capital assets will be monitored and recorded in both ledgers accordingly, with a two person process review.

**OKEECHOBEE COUNTY SHERIFF  
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)  
YEAR ENDED SEPTEMBER 30, 2020**

**CURRENT YEAR FINDINGS AND RECOMMENDATIONS (CONTINUED)**

**2020-003: Expenditure Classification**

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 errors in the Sheriff's financial statements.

- General Fund operating expenditures were overstated while personal services, capital outlay, and debt service expenditures were understated because journal entries were made to adjust expenditure general ledger accounts to be within budget.

**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 identified the misstatements.

**Effect:** Financial statement line amounts for expenditures were misstated. Total expenditures in the General Fund were not affected.

**Cause:** Expenditures were adjusted to be within budget for each general ledger account.

**Recommendation:** The Sheriff should adjust the final budgetary amounts rather than adjusting actual balances.

**Views of Responsible Officials:** As adjustments need to be made to the budget it will be done as a budget adjustment and not a journal entry so that actual balance are not affected.



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## 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, 2020. 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, 2020.

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, 2020



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**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTAL REPORTS**

**YEAR ENDED SEPTEMBER 30, 2020**



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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, 2020, 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, 2020, 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, 2020, 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 16, 2020, 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 16, 2020

**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS  
BALANCE SHEET  
GENERAL FUND  
SEPTEMBER 30, 2020**

**ASSETS**

Prepaid Items	\$ 16,373
Due from Board of County Commissioners	<u>16,451</u>
Total Assets	<u><u>\$ 32,824</u></u>

**LIABILITIES AND FUND BALANCE**

**LIABILITIES**

Accounts Payable and Accrued Liabilities	\$ 32,824
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**FUND BALANCE**

Nonspendable	16,373
Unassigned	<u>(16,373)</u>
Total Fund Balance	<u>-</u>
Total Liabilities and Fund Balance	<u><u>\$ 32,824</u></u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL  
GENERAL FUND  
YEAR ENDED SEPTEMBER 30, 2020**

	Budget Amounts		Actual	Variance with Budget Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Appropriation from Board of County Commissioners	\$ 515,728	\$ 516,239	\$ 489,880	\$ (26,359)
Intergovernmental	-	29,433	1,093	(28,340)
<b>Total Revenues</b>	<u>515,728</u>	<u>545,672</u>	<u>490,973</u>	<u>(54,699)</u>
<b>EXPENDITURES</b>				
Current:				
General Government:				
Salaries and Benefits	340,380	322,412	313,396	9,016
Operating Expenditures	160,348	192,427	176,337	16,090
Capital Outlay	15,000	30,833	1,240	29,593
<b>Total Expenditures</b>	<u>515,728</u>	<u>545,672</u>	<u>490,973</u>	<u>54,699</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	-
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>FUND BALANCE - END OF YEAR</b>	<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, 2020**

**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, 2020**

**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, 2020**

**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 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, 2020**

**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, 2020:

<u>Governmental Activities</u>	Balance October 1, 2019	Increases	(Decreases)	Balance September 30, 2020
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 216,834	\$ -	\$ (15,957)	\$ 200,877
Less: Accumulated Depreciation for:				
Machinery and Equipment	(139,572)	(19,846)	15,957	(143,461)
Total Capital Assets, Net	<u>\$ 77,262</u>	<u>\$ (19,846)</u>	<u>\$ -</u>	<u>\$ 57,416</u>

**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**NOTE 4 FUND BALANCE – GOVERNMENT FUNDS**

As of September 30, 2020, 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, 2020, 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, 2020:

	Balance October 1, 2019	Increases	(Decreases)	Balance September 30, 2020
<u>Governmental Activities</u>				
Compensated Absences	\$ 3,532	\$ 4,884	\$ (3,158)	\$ 5,258

**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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](http://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, 2020**

**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, 2020**

**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, 2020, 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, 2020**

**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, 2020, 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, 2020, 2019, and 2018 were \$24,587, \$22,646, and \$21,205, 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 \$489,880 for the fiscal year ended September 30, 2020. Amounts receivable from the Board at September 30, 2020 was \$16,451.

**OKEECHOBEE COUNTY SUPERVISOR OF ELECTIONS  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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, 2020, 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 16, 2020.

**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.



**CliftonLarsonAllen LLP**

Sebring, Florida  
December 16, 2020



## 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, 2020, and have issued our report thereon dated December 16, 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 December 16, 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 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 16, 2020



## 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, 2020. 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, 2020.

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 16, 2020



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**OKEECHOBEE COUNTY TAX COLLECTOR**

**FINANCIAL STATEMENTS AND  
SUPPLEMENTAL REPORTS**

**YEAR ENDED SEPTEMBER 30, 2020**



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CONSULTING**

**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, 2020, 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, 2020, 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, 2020, 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.

The 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 November 12, 2020, 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  
November 12, 2020

**OKEECHOBEE COUNTY TAX COLLECTOR  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2020**

	General	Coquina	Total
<b>ASSETS</b>			
Cash	\$ 43,680	\$ 107,346	\$ 151,026
Due from Other Funds	-	5,250	5,250
Prepaid Items	5,250	-	5,250
	<b>\$ 48,930</b>	<b>\$ 112,596</b>	<b>\$ 161,526</b>
<b>LIABILITIES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Accounts Payable	\$ 61	\$ -	\$ 61
Due to Board of County Commissioners	37,952	-	37,952
Due to Other Governments	5,667	-	5,667
Due to Other Funds	5,250	-	5,250
Total Liabilities	48,930	-	48,930
<b>FUND BALANCES</b>			
Nonspendable	5,250	-	5,250
Committed	-	112,596	112,596
Unassigned	(5,250)	-	(5,250)
Total Fund Balances	-	112,596	112,596
Total Liabilities and Fund Balances	<b>\$ 48,930</b>	<b>\$ 112,596</b>	<b>\$ 161,526</b>

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, 2020**

	General	Coquina	Total
<b>REVENUES</b>			
Charges for Services - Board of County Commissioners	\$ 762,512	\$ -	\$ 762,512
Charges for Services	633,791	9,410	643,201
Interest	2,890	653	3,543
Miscellaneous	29,239	439	29,678
Total Revenues	1,428,432	10,502	1,438,934
<b>EXPENDITURES</b>			
Current:			
General Government:			
Salaries and Benefits	932,823	248	933,071
Operating Expenditures	179,198	2,668	181,866
Capital Outlay	60,281	-	60,281
Total Expenditures	1,172,302	2,916	1,175,218
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	256,130	7,586	263,716
<b>OTHER FINANCING USES</b>			
Distribution of Excess Revenues:			
Board of County Commissioners	(250,464)	-	(250,464)
Other Governments	(5,666)	-	(5,666)
Total Other Financing Uses	(256,130)	-	(256,130)
<b>NET CHANGE IN FUND BALANCES</b>	-	7,586	7,586
Fund Balances - Beginning of Year	-	105,010	105,010
<b>FUND BALANCES - END OF YEAR</b>	\$ -	\$ 112,596	\$ 112,596

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, 2020**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Charges for Services -				
Board of County Commissioners	\$ 550,000	\$ 550,000	\$ 762,512	\$ 212,512
Charges for Services	607,360	635,578	633,791	(1,787)
Interest	6,000	6,000	2,890	(3,110)
Miscellaneous	28,200	28,200	29,239	1,039
Total Revenues	<u>1,191,560</u>	<u>1,219,778</u>	<u>1,428,432</u>	<u>208,654</u>
<b>EXPENDITURES</b>				
Current:				
General Government:				
Salaries and Benefits	1,000,053	953,103	932,823	20,280
Operating Expenditures	171,727	190,841	179,198	11,643
Capital Outlay	-	60,281	60,281	-
Total Expenditures	<u>1,171,780</u>	<u>1,204,225</u>	<u>1,172,302</u>	<u>31,923</u>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	19,780	15,553	256,130	240,577
<b>OTHER FINANCING USES</b>				
Distribution of Excess Revenues:				
Board of County Commissioners	(19,780)	(15,553)	(250,464)	(234,911)
Other Governments	-	-	(5,666)	(5,666)
Total Other Financing Uses	<u>(19,780)</u>	<u>(15,553)</u>	<u>(256,130)</u>	<u>(240,577)</u>
<b>NET CHANGE IN FUND BALANCE</b>	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
<b>FUND BALANCE - END OF YEAR</b>	<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, 2020**

**ASSETS**

Cash	\$ 712,476
Due from Others	2,195
Total Assets	<u>\$ 714,671</u>

**LIABILITIES**

Due to Individuals	\$ 119,410
Due to Board of County Commissioners	13,140
Due to Other Governments	107,089
Deposits	475,032
Total Liabilities	<u>\$ 714,671</u>

See accompanying Notes to Financial Statements.

**OKEECHOBEE COUNTY TAX COLLECTOR  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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 (U.S. GAAP).



**OKEECHOBEE COUNTY TAX COLLECTOR  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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, 2020**

**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, 2020 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 \$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 TAX COLLECTOR  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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 U.S. GAAP, 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 Governmental Accounting Standards Board (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, 2020, the Tax Collector's bank balance was \$894,384, 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 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.

**OKEECHOBEE COUNTY TAX COLLECTOR  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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	\$	861,519
Petty Cash and Change Funds		1,983
Total		<u>\$ 863,502</u>
Balance Sheet:		
Cash	\$	151,026
Statement of Fiduciary Net Position:		
Cash		712,476
Total Cash		<u>\$ 863,502</u>

**OKEECHOBEE COUNTY TAX COLLECTOR  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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, 2020:

<u>Government Activities</u>	Balance October 1, 2019	Increases	Decreases	Balance September 30, 2020
Capital Assets, Being Depreciated				
Machinery and Equipment	\$ 151,835	\$ 7,378	\$ (70,450)	\$ 88,763
Less: Accumulated Depreciation				
Machinery and Equipment	(98,193)	(24,147)	57,955	(64,385)
Total Capital Assets, Net	<u>\$ 53,642</u>	<u>\$ (16,769)</u>	<u>\$ (12,495)</u>	<u>\$ 24,378</u>

**NOTE 4 FUND BALANCES – GOVERNMENTAL FUNDS**

As of September 30, 2020, 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, 2020, fund balances of the Coquina Fund are composed of committed amounts for personnel expenses associated with Coquina related duties, professional, other contractual, and office supplies.

**OKEECHOBEE COUNTY TAX COLLECTOR  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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, 2020:

	Balance October 1, 2019	Additions	Deductions	Balance September 30, 2020
Compensated Absences	\$ 79,785	\$ 52,983	\$ (47,312)	\$ 85,456

**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](http://www.dms.myflorida.com)).

**OKEECHOBEE COUNTY TAX COLLECTOR  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2020**

**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, 2020**

**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, 2020, 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, 2020**

**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, 2020, 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, 2020**

**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, 2020, 2019, and 2018 were \$79,473, \$63,792, and \$60,659, 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, 2020 were as follows:

Charges for Services – The General Fund of the Tax Collector received revenue from the Board in the amount of \$762,512 for the year ended September 30, 2020. Excess fees payable to the Board at September 30, 2020 was \$37,952.

**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, 2020. The outcome of these matters turns upon disputed questions of property classifications and tax values. As of September 30, 2020, 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, 2020**

	Tax Collector Fund	Tax Fund	Tag Fund	Total
<b>ASSETS</b>				
Cash	\$ 477,394	\$ 133,959	\$ 101,123	\$ 712,476
Due from Others	-	1,315	880	2,195
Total Assets	<u>\$ 477,394</u>	<u>\$ 135,274</u>	<u>\$ 102,003</u>	<u>\$ 714,671</u>
<b>LIABILITIES</b>				
Due to Individuals	\$ -	\$ 118,588	\$ 822	\$ 119,410
Due to Board of County Commissioners	11,548	39	1,553	13,140
Due to Other Governments	7,435	26	99,628	107,089
Deposits	458,411	16,621	-	475,032
Total Liabilities	<u>\$ 477,394</u>	<u>\$ 135,274</u>	<u>\$ 102,003</u>	<u>\$ 714,671</u>

**OKEECHOBEE COUNTY TAX COLLECTOR  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 ALL AGENCY FUNDS  
 YEAR ENDED SEPTEMBER 30, 2020**

	Balance October 1, 2019	Increases	Decreases	Balance September 30, 2020
<b><u>TAX COLLECTOR FUND</u></b>				
<b>Assets</b>				
Cash	\$ 449,605	\$ 51,161,549	\$ (51,133,760)	\$ 477,394
<b>Liabilities</b>				
Due to Board of County Commissioners	\$ 10,450	\$ 28,214,241	\$ (28,213,143)	\$ 11,548
Due to Other Governments	4,629	22,116,036	(22,113,230)	7,435
Deposits	434,526	756,360	(732,475)	458,411
Total Liabilities	<u>\$ 449,605</u>	<u>\$ 51,086,637</u>	<u>\$ (51,058,848)</u>	<u>\$ 477,394</u>
<b><u>TAX FUND</u></b>				
<b>Assets</b>				
Cash	\$ 15,705	\$ 3,207,880	\$ (3,089,626)	\$ 133,959
Due from Others	-	1,315	-	1,315
Total Assets	<u>\$ 15,705</u>	<u>\$ 3,209,195</u>	<u>\$ (3,089,626)</u>	<u>\$ 135,274</u>
<b>Liabilities</b>				
Due to Individuals	\$ -	\$ 2,825,502	\$ (2,706,914)	\$ 118,588
Due to Board of County Commissioners	266	242,212	(242,439)	39
Due to Other Governments	219	172,014	(172,207)	26
Deposits	15,220	103,001	(101,600)	16,621
Total Liabilities	<u>\$ 15,705</u>	<u>\$ 3,342,729</u>	<u>\$ (3,223,160)</u>	<u>\$ 135,274</u>

**OKEECHOBEE COUNTY TAX COLLECTOR  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (CONTINUED)  
 ALL AGENCY FUNDS  
 YEAR ENDED SEPTEMBER 30, 2020**

	Balance October 1, 2019	Increases	Decreases	Balance September 30, 2020
<b><u>TAG FUND</u></b>				
<b>Assets</b>				
Cash	\$ 71,783	\$ 6,019,231	\$ (5,989,891)	\$ 101,123
Due from Others	56	1,225	(401)	880
Total Assets	<u>\$ 71,839</u>	<u>\$ 6,020,456</u>	<u>\$ (5,990,292)</u>	<u>\$ 102,003</u>
<b>Liabilities</b>				
Due to Individuals	\$ -	\$ 22,152	\$ (21,330)	\$ 822
Due to Board of County Commissioners	1,244	19,591	(19,282)	1,553
Due to Other Governments	70,595	6,949,921	(6,920,888)	99,628
Total Liabilities	<u>\$ 71,839</u>	<u>\$ 6,991,664</u>	<u>\$ (6,961,500)</u>	<u>\$ 102,003</u>
<b><u>TOTAL - ALL AGENCY FUNDS</u></b>				
<b>Assets</b>				
Cash	\$ 537,093	\$ 60,388,660	\$ (60,213,277)	\$ 712,476
Due from Others	56	2,540	(401)	2,195
Total Assets	<u>\$ 537,149</u>	<u>\$ 60,391,200</u>	<u>\$ (60,213,678)</u>	<u>\$ 714,671</u>
<b>Liabilities</b>				
Due to Individuals	\$ -	\$ 2,847,654	\$ (2,728,244)	\$ 119,410
Due to Board of County Commissioners	11,960	28,476,044	(28,474,864)	13,140
Due to Other Governments	75,443	29,237,971	(29,206,325)	107,089
Deposits	449,746	859,361	(834,075)	475,032
Total Liabilities	<u>\$ 537,149</u>	<u>\$ 61,421,030</u>	<u>\$ (61,243,508)</u>	<u>\$ 714,671</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 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, 2020, 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 November 12, 2020.

**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.

The 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  
November 12, 2020





## 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, 2020 and have issued our report thereon dated November 12, 2020.

### 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 November 12, 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 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 Celeste Watford  
Okeechobee County Tax Collector

**Financial Management**

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

**Additional Matters**

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

**Purpose of this Letter**

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



**CliftonLarsonAllen LLP**

Sebring, Florida  
November 12, 2020



## 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, 2020. 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, 2020.

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  
November 12, 2020