

Polk County Florida

*Fiscal Year Ended
September 30, 2021*



Annual Comprehensive Financial Report



Prepared By:
STACY M. BUTTERFIELD, CPA,
Clerk of the Circuit Court & Comptroller

POLK COUNTY, FLORIDA

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED SEPTEMBER 30, 2021**

**PREPARED BY THE OFFICE OF
STACY M. BUTTERFIELD, CPA, CLERK OF CIRCUIT COURT
AND COUNTY COMPTROLLER**

This page left intentionally blank

**POLK COUNTY, FLORIDA
TABLE OF CONTENTS
YEAR ENDED SEPTEMBER 30, 2021**

INTRODUCTORY SECTION

Clerk and Accountants' Letter of Transmittal	A-1
Certificate of Achievement for Excellence in Financial Reporting	A-9
Principal Officials	A-10
Organizational Chart	A-11

FINANCIAL SECTION

AUDIT REPORTS

Independent Auditors' Report	B-1
------------------------------	-----

MANAGEMENT'S DISCUSSION AND ANALYSIS	C-1
---	-----

BASIC FINANCIAL STATEMENTS

Government-Wide Financial Statements:

Statement of Net Position	D-1
Statement of Activities	D-3

Fund Financial Statements:

Balance Sheet – Governmental Funds	D-5
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	D-6
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	D-7
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances to the Statement of Activities – Governmental Funds	D-8
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – General Fund	D-9
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Coronavirus Relief Fund	D-10
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – County Transportation Trust Fund	D-11
Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual – Impact Fees Fund	D-12
Statement of Fund Net Position – Proprietary Funds	D-13
Statement of Revenues, Expenses, and Changes in Fund Net Position – Proprietary Funds	D-15
Statement of Cash Flows – Proprietary Funds	D-16
Statement of Fiduciary Net Position – Custodial Funds	D-18
Statement of Changes in Fiduciary Net Position – Custodial Funds	D-19

Notes to Financial Statements	E-1
--------------------------------------	-----

**POLK COUNTY, FLORIDA
TABLE OF CONTENTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021**

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Changes in the County's Total OPEB Liability and Related Ratios	F-1
Schedule of County's Proportionate Share of the Net Pension Liability – Florida Retirement System Pension Plan	F-2
Schedule of County Contributions – Florida Retirement System Pension Plan	F-3
Schedule of County's Proportionate Share of the Net Pension Liability – Health Insurance Subsidy Pension Plan	F-4
Schedule of County Contributions – Health Insurance Subsidy Pension Plan	F-5

COMBINING AND INDIVIDUAL FUND SCHEDULES AND STATEMENTS

Nonmajor Governmental Funds:	G-1
Combining Balance Sheet – Nonmajor Governmental Funds	G-6
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	G-12
Schedules of Revenues, Expenditures, and Changes in Fund Balance – Budget (GAAP Basis) and Actual	G-18
Internal Service Funds:	G-48
Combining Statement of Fund Net Position – Internal Service Funds	G-49
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position – Internal Service Funds	G-50
Combining Statement of Cash Flows – Internal Service Funds	G-51
Custodial Funds:	G-52
Combining Statement of Fiduciary Net Position – All Custodial Funds	G-54
Combining Statement of Changes in Fiduciary Net Position – All Custodial Funds	G-56

STATISTICAL SECTION

Financial Trends:

Net Position by Component – Last Ten Years	H-1
Changes in Net Position – Last Ten Years	H-3
Fund Balances – Governmental Funds, Last Ten Years	H-7
Changes in Fund Balances – Governmental Funds, Last Ten Years	H-9

Revenue Capacity:

Just Value and Estimated Actual Value of Taxable Property, Last Ten Years	H-11
Direct and Overlapping Property Tax Rates, Last Ten Years	H-13
Principal Property Tax Payers, Current Year and Nine Years Ago	H-14
Property Tax Levies and Collections, Last Ten Years	H-15

**POLK COUNTY, FLORIDA
TABLE OF CONTENTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021**

STATISTICAL SECTION (CONTINUED)

Debt Capacity:

Ratios of Outstanding Debt by Type, Last Ten Years	H-16
Pledged Revenue Coverage, Sales Tax Revenue Bonds, Last Ten Years	H-20
Pledged Revenue Coverage, Revenue Promissory Notes, Series 2020A and 2020C, Last Ten Years	H-21
Pledged Revenue Coverage, Local Option Fuel Tax and Public Service Tax Bonds, Last Ten Years	H-22
Pledged Revenue Coverage, Public Service Tax and Revenue Sharing Monies, Last Ten Years	H-23
Pledged Revenue Coverage, Water and Sewer Bonds, Last Ten Years	H-24

Demographic and Economic:

Demographic and Economic Statistics, Last Ten Years	H-25
Principal Employers, Current Year and Nine Years Ago	H-26

Operating:

Operating Indicators by Function and Program, Last Ten Years	H-27
Full-Time Equivalent Government Employees by Function, Last Ten Years	H-31
Capital Asset Statistics by Function and Program, Last Ten Years	H-32

Other Supplemental Schedules:

Revenue Promissory Notes, Series 2020 A and 2020C

Continuing Disclosure	
Anti-Dilution Test	H-34
Maximum Annual Debt Service	H-35
Breakdown of Revenues	H-37

**Public Facilities Revenue Bonds, Series 2014,
Public Facilities Revenue Note, Series 2015**

Continuing Disclosure	
County Revenue Sharing Apportionment Factor Data	
Revenue Sharing Trust Fund for Counties Receipts	H-38
Pledged Revenue Share Monies	
Pro Forma Debt Coverage	H-39

**POLK COUNTY, FLORIDA
TABLE OF CONTENTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021**

STATISTICAL SECTION (CONTINUED)

Utility Systems Revenue Bonds, Series, 2012, 2013, 2014A, 2014C, and 2020

Continuing Disclosure

Historical Revenues and Expenses of Utility System and Debt	
Service Coverage	H-40
Residential Water, Wastewater and Reclaimed Water Rates	H-43
Commercial Water, Wastewater and Reclaimed Water Rates	H-44
Water and Wastewater Connection Charges	H-47
Utilities Service Charges	H-49
Water System Permitted Capacity, Actual Demand	H-51
Wastewater System Permitted Capacity and Actual Flows	H-52
Ten Largest Water/Sewer Consumers	H-53

COMPLIANCE SECTION

Independent Accountants' Report	I-1
Management Letter	I-2
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	I-5
Independent Auditors' Report on Compliance with Requirements for Each Major Federal Program and State Project, Report on Internal Control Over Compliance Required by the Uniform Guidance and 10.550, Rules of the Auditor General of the State of Florida	I-7
Schedule of Expenditures of Federal Awards and State Financial Assistance	I-10
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance	I-16
Schedule of Findings and Questioned Costs – Federal Programs and State Projects	I-19

INTRODUCTORY SECTION



Stacy M. Butterfield, CPA
Clerk of Courts & Comptroller
Polk County, Florida

330 West Church Street
Post Office Box 988
Bartow, FL 33831-0988

(863) 534-6508 Phone
(863) 534-5951 Fax

www.polkcountyclerk.net

May 31, 2022

Honorable Members of the Board of County Commissioners,
Constitutional Officers, and Citizens of Polk County, Florida

We are pleased to present the Annual Comprehensive Financial Report (ACFR) of Polk County, Florida for the fiscal year ended September 30, 2021. The financial activities of the Board of County Commissioners (Board) and the Constitutional Officers, as well as the Harden/Parkway and Eloise Community Redevelopment Agencies, which are blended component units, are included in the Annual Report.

The Clerk of the Circuit Court, by authority of the Constitution of the State of Florida, serves as the Chief Financial Officer of the County and is responsible for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures. We believe the data presented is accurate in all material aspects, is presented in a manner designed to fairly set forth the financial position and results of operations of the County and that all disclosures necessary to enable the reader to obtain a comprehensive understanding of the County have been included.

Internal accounting controls for the County have been designed to provide reasonable assurance regarding the safeguarding of assets against loss from unauthorized use or disposition and the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived and the evaluation of costs and benefits requires estimates and judgments by management.

Chapter 218.39 of the Florida Statutes requires an annual financial audit of counties in the state. In addition to meeting the requirements set forth in the state statutes, the County's audit was designed to meet the requirements of the Government Auditing Standards, 2 CFR 200 – Federal Uniform Grant Guidance (single audit), and the Rules of the Auditor General Chapter 10.550.

The County's financial statements were audited by CliftonLarsonAllen, LLP. The audit was performed to provide reasonable assurance that the financial statements for the fiscal year ended September 30, 2021, are free from material misstatement. The independent auditors concluded there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended September 30, 2021, are fairly presented in conformity with generally accepted accounting principles (GAAP). The Independent Auditors' Report is located at the front of the Financial Section of this report on page B-1. The independent auditors' reports related specifically to Government Auditing Standards and the single audit are included in the Compliance Section.

Management's Discussion & Analysis (MD&A) provides a narrative introduction, overview, and analysis of the basic financial statements and begins on page C-1. This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it.

A-1

The mission of the Clerk of Courts & Comptroller is to function as a team dedicated to our customers by preparing and maintaining accurate records, furnishing assistance in an understanding and compassionate manner, and providing services with competence, professionalism, and courtesy in compliance with laws, rules and regulations.

COUNTY PROFILE

Polk County, Florida, is a political subdivision of the State of Florida governed by the State Constitution and general laws of the State of Florida. The County was incorporated in 1861. On November 3, 1998, the citizens of Polk County adopted a Home Rule Charter in accordance with the Constitution and Statutes of the State of Florida. The Home Rule Charter assumed all powers and duties on the first day of January 1999. The Home Rule Charter sets forth a “commission” form of government under which a five-member Board of County Commissioners is elected to serve as the executive and legislative body for the County.

The Commissioners appoint a County Manager whose duties include the administration of directives and policies of the Commissioners, responsibility for the operation of all business centers, and the provision of services under the purview of the Commissioners. The citizens of the County also elect a Sheriff, a Clerk of the Circuit Court and County Comptroller, a Supervisor of Elections, a Tax Collector, and a Property Appraiser whose responsibilities and duties are not altered by this Home Rule Charter. The Constitutional Officers perform their executive and administrative functions as specified by law.

Formal budgetary integration is employed as a management control device during the year for all fund types. The Constitutional Officers submit, at various times, to the Board and to certain divisions within the Florida Department of Revenue, a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them as set forth in Chapter 129 of the Florida Statutes.

Constitutional Officers and all divisions of the Board of County Commissioners submit their proposed budgets to the Budget and Management Services Division for assistance, review, and compilation. The County Manager then reviews the budgets of all County divisions and Constitutional Officers and makes his budget recommendation to the Board in July of each year. The tentative budget includes proposed appropriations and the means of financing them.

During September, public hearings are held pursuant to Section 200.065, Florida Statutes, for the Board to receive public input on the tentative budget. At the end of the last public hearing, the Board adopts resolutions at the fund level to approve the budgets for all governmental fund types. The budgets legally adopted by the Board set forth the anticipated revenues by source and the appropriations by function. Computerized integrated budget reports are used for management control purposes throughout the year. Management is authorized to transfer budgeted amounts between cost centers and divisions in any fund as long as the total appropriations of a fund are not exceeded. The Board’s approval is required to appropriate reserves and to amend the budget when unanticipated revenues are received that management wishes to have appropriated, thereby increasing the total appropriations of a fund. The appropriations lapse at the close of the fiscal year.

Polk County is the geographical center of the State of Florida. With over 2,000 square miles of land and water, Polk County is the fourth largest county in the State and the ninth most populous county with an estimated population of 748,365 persons. In the 10 years between the 2010 and 2020 censuses, Polk County’s population increased by over 122,000. The County is comprised of seventeen municipalities, of which the cities of Lakeland, Winter Haven, Haines City, and Bartow are the largest. Polk County has numerous institutions of higher education including technical schools, community colleges, and public and private universities. Each of these institutions contribute to the development of a robust talent pipeline.

Polk County offers many services to its citizens including fire suppression, law enforcement, and emergency medical activities; construction and maintenance of street and traffic systems, highways, bridges, and other infrastructure; preservation and maintenance of lakes, parks, and environmentally-sensitive lands; recreational facilities, programs, and cultural activities; comprehensive planning and community development; community information and education programs; health and human services; water and wastewater utilities; solid waste collection and disposal facilities; and storm water utility facilities.

LOCAL ECONOMY

Recovery from COVID-19 continues throughout the nation and in Florida, Polk County is showing strong signs of recovery in terms of increases in revenue during FY 2021. County revenues that had significant decreases in FY 2020 due to the emergence of COVID-19, had major increases in FY 2021. Other taxes, which includes tourism taxes, increased by 46.3% in contrast to a decrease of 22.6% in FY 2020, and fuel taxes increased by 10.1% compared to a decrease of 7.4 % in FY 2020. State shared revenues also increased 17.9% compared to a 5.5% decrease in FY 2020. Property taxes increased by 4.9%, service taxes increased by 3.0% and sales taxes increased by 18.7% in FY 2021.

The largest employers in the County by industry are trade, transportation, and utilities (27.3%), education and health services (14.6%), professional and business services (12.8%), and government (12.3%). Polk County's unemployment rate at the end of FY 2021 was 4.9% compared to 7.9% in FY 2020 and was only slightly higher than the statewide average of 4.8%.

Polk County is less than an hour away from Florida's largest cargo tonnage port in Tampa and has more rail miles than any other community in the state. The County is the only southeast location with two major international airports (Tampa and Orlando) within an hour drive and is also home to its own international airport and three general aviation airports. In addition, the CSX Integrated Logistics Center in Winter Haven is a critical rail connection point throughout the state.

According to a report from the Florida Department of Economic Opportunity, Polk County's Lakeland - Winter Haven Metropolitan Statistical Area (MSA) leads all other counties in the state in the economic recovery from the pandemic in part due to its diversified employment base. This past year, there has been significant growth in the manufacturing industry such as Argo-Iron, LLC in Bartow and Citrines in Lakeland as well as major expansion of Coca-Cola Beverages Florida to a new location at the Central Florida Integrated Logistics Park in Winter Haven. Additionally, International Flavors and Fragrances, a world leader in the food and biosciences industry, announced a new partnership with Florida Polytechnic University to build a 33,000 square foot facility on the University's campus to be the company's global innovation hub for citrus research.

Major attractions, such as LEGOLAND Florida, Streamsong Resort, Bok Tower Gardens, Safari Wilderness, and the County's close proximity to other Central Florida attractions, such as Walt Disney World, have played a major role as well. Attracting leisure travelers is Polk County's number one priority, followed closely by driving demand from the state's number two industry, sports. Recruiting and hosting sporting events has proven to be a powerful recession-resistant economic engine for the area. Polk County is the headquarters for the Detroit Tigers Spring Training, the Lakeland Flying Tigers, the Orlando Magic's G-League affiliate – the Lakeland Magic, two professional soccer teams, the annual Sun 'n Fun International Fly-In and Expo, and the Miss Florida Pageant. Polk County also has the second-largest water area for a non-coastal county in Florida with 213 miles of lakes, rivers, and streams and is known worldwide as the "Water Ski Capital of the World." Additionally, the County's natural resources and abundant wildlife are second to none, particularly at locations such as the Circle B Bar Reserve and the delicate ecosystems on the Lake Wales Ridge.

LONG-TERM FINANCIAL PLANNING

Polk County is focused on strategic, long-term decision making, is committed to fiscal responsibility, and has developed a strategic business plan that will provide the framework to guide the County in this direction. This plan focuses on several key business units that required policy decisions on significant funding and service level issues that are anticipated to occur in the next five years. The work on this plan will help direct the budget process in future years. The County prepares a biennial budget and five-year projections to enhance long-term financial planning.

RELEVANT FINANCIAL POLICIES

Fund Balance Policy

The County's General Fund reserve budget includes 42 to 45 days (11% to 12%) of operating expense; adding the 5% of estimated receipts that are not budgeted, in accordance with Florida Statutes, there is 16% to 17%, or two months of operating expense in fund balance. The Enterprise Funds are budgeted to maintain a minimum of 30 days to 60 days of operating expenditures plus debt service requirements. During times of economic recession, it may not be practical to maintain these levels, but in those instances, the County's goal is to restore these levels as funds can be made available.

Community Investment Program Policy

Polk County has a Capital Improvement Program (CIP) that is a five-year plan for capital/infrastructure projects. The program identifies anticipated projects, schedules, costs, revenue sources, comprehensive plan information, and future operating impacts. The proposed projects are presented to the Board in August for discussion and input before requesting approval in September.

INITIATIVES

Several years ago, input received from citizens helped to establish seven result areas that captured what citizens expect from government. These result areas continue to help guide the budget process as the County focuses on providing the desired services for citizens. In addition, the Polk County Board of County Commissioners holds an annual retreat to discuss major issues and gives direction on key strategic items. The Board has maintained a consistent, long-standing conservative fiscal policy of maintaining millage rates and allowing recovering property values and new growth to gradually increase investments in public safety, infrastructure projects, and improved quality of life for citizens. For FY 2021, the adopted countywide operating millage rate was reduced from 7.1565 to 6.8990 mills.

Much of FY 2020 was focused on responding to the COVID-19 pandemic, but the economic uncertainty never substantially materialized. The FY 2021 budget cautiously planned for revenue reductions in most of the major revenue sources, but the actual collections remained robust. In March 2021, the American Rescue Plan Act (ARPA) was signed into law, and the County was awarded a total of \$140.8 million to be received in two equal annual payments that must be expended by December 31, 2026. The County received the first installment of \$70.4 million in May 2021 and expects to receive the second installment in June 2022. This \$1.9 trillion national economic stimulus package was designed to support response efforts, replace lost revenues, and address necessary infrastructure investments. The planning process began with the establishment of broad categories of expenditure plans including Government Infrastructure, General County Impacts and Mitigation, and Small Business Assistance/Community and Public Health. Board guidance focused heavily on infrastructure, with 88% of the entire allocation going towards eligible projects.

Each year, budget decisions are guided by Board policy with funding being directed towards the Board's highest priority goals. In recent years, these goals have been focused in the Safety Result Area and the Growth and Infrastructure Result Area. The following highlights the result areas and some of the accomplishments:

Basic Needs – All Polk County residents who are at-risk because of their health or economic status will have their basic needs met and become as self-sufficient as possible.

- In FY 2021, there was more flexibility than in the prior year to allow face-to-face contact with clients if so desired. Healthy Families Polk resumed normal in-person home visits, with virtual services as an available option.
- Currently Polk HealthCare Plan applicants can apply in person through face-to-face interviews, telephonically, as well as accessing the online application portal. Additionally, income limits were increased to 162% of the Federal Poverty Level, and a dedicated outreach team has been mobilized to increase awareness to the public on accessing program benefits.
- One of the Board's priorities is the improvement of behavioral health services for the indigent population. Polk County is a federally designated medical provider shortage area, which includes behavioral health. The Board has increased behavioral health funding for mental health and substance abuse. Strategies for collaboration continue in an effort to avoid duplication of services and create a system of care in the County that reduces the incidence of recidivism in jails and mental health facilities.
- Veteran Service officers assisted over 8,000 clients during FY 2021. In order to meet the Veteran community's needs, veterans and their families are now seen at four locations across the County.

Economic Development – Well-paying jobs and business opportunities will be available in Polk County, and people will be appropriately trained and educated to fill the workforce need.

- The County has focused on attracting businesses by offering specialized incentives to help companies with growth. This provides quality job opportunities and expands the tax base to support schools, public safety, and other important programs. To assist with this process and to aid in future economic prosperity for the County, three strategic initiatives have been identified. The first is to expand the local ecosystem for technology-enabled employment in Polk County including Health Sciences, Advanced Manufacturing, Autonomous Vehicles, and Aviation and Aerospace. The second is to elevate Polk County's competitiveness within the state and nation for innovation and research. The third is to advance Polk County's water, road, and high-speed rail infrastructure to meet the evolving needs of businesses and citizens.
- In FY 2021, Polk County's tourism industry witnessed the most significant and largest turnaround in history. Fueled by a three-pronged strategy, including massive amounts of research, a comprehensive visitor and facility safety plan, and a very aggressive COVID-19 Marketing Plan, Polk's tourism industry set monthly records from March through September. March and July set all-time records for any month and any year in Polk County's history. More than 270 sporting events led the way in helping the County recover from the pandemic faster than any of the surrounding counties and arguably faster than any other destination in the state. Additional supply-side investments currently in the works include the Northeast Regional Park Baseball Complex in Davenport, the Chain of Lakes Baseball Complex in Winter Haven, and a championship soccer/lacrosse stadium and competition ski lake, both at Lake Myrtle.

Recreation and Cultural Arts – Polk County offers safe, plentiful, and diverse recreation and cultural arts opportunities.

- Additional property tax revenue received from the Parks MSTU continues to provide funding needed to support the master plan ideas identified in the strategic plan such as replacing and repurposing existing park facilities.
- In response to COVID-19 and revised guidelines, the Recreation Activities and Resource Center Programs have evolved to include virtual and reworked in-person venues.

Good Government – Citizens can trust that government is well run and is a good steward of their tax dollars.

- The County continues to provide recurring funding for building asset management to ensure that County facilities can be maintained. The Board approved funding for \$2.8 million in FY 2021 to go towards a prioritized list of building asset management projects that will help prolong the useful life of the buildings. Continued funding of this program allows the County to complete large capital asset replacements while using the operating budget for planned repairs, preventative maintenance, and small projects. Successful projects for FY 2021 include the Frank B. Smith Roof Replacement project, the Neil Combee Administration Building Boardroom Renovation, and the Tax Collector of Polk County's Lakeland Office Roof Replacement project.
- While the pandemic continued to challenge governments with providing services while practicing social distancing, Procurement continued to leverage technology to seamlessly continue to solicit and receive solicitations as well as provide for teleconferencing selection committee and negotiation meetings.

Natural Resources and Environment – Polk County will have clean and plentiful natural resources for a healthy environment.

- The Board established a Stormwater Technical Advisory Committee to assist in managing the permit requirements of a National Pollutant Discharge Elimination System reissued in 2016. The revenue (\$2.3 million in FY 2021) generated each year, in conjunction with various partnerships across the County, will assist in addressing water quality in surface waterways.
- In response to revised COVID-19 guidelines, the Environmental Lands Education Program has evolved to include virtual and reworked in person venues.

Growth/Infrastructure – Polk County will grow in a manner and pace that County residents find desirable and allows them to move around the County safely and without excessive congestion.

- The County continues to fund pavement management, drainage/culverts, and sidewalks in the amount of \$22.75 million, which helps maintain the 2,715 miles of roads and right-of-way. The County also continues to execute several high priority capacity CIP projects on its work list including CR 557 widening (\$87.7 million), Pipkin Road widening (\$59.8 million), Marigold Avenue widening (\$32.0 million), Lake Wilson Road widening (\$39.0 million), and Cypress Parkway widening (\$24.0 million).
- Single family residences permitted totaled 4,968, representing a 52% increase over FY 2020.

- Utilities continues to add approximately 200 new services per month, producing roughly a 2.5% to 3.0% system growth rate. Growth is expected to continue at a rate between 2.0% and 5.0% in the coming years, which is fueled primarily by the Northeast Regional Utility Service Area.
- Polk County is a founding member of the Polk Regional Water Cooperative, an agency created with the Southwest Florida Water Management District and 15 of the municipalities within Polk County. The cooperative has identified three alternative water supply projects and will begin preliminary designs of two of these facilities.
- Utilities has evaluated water resources in the Northwest Regional Utility Service Area and determined that Direct Potable Reuse, using proven and reliable treatment technologies to recycle water, may be a viable option to meeting future demands. Partially funded by a grant from the Southwest Florida Water Management District, a \$2.5 million pilot project is in development to demonstrate the feasibility of innovative treatment methods to purify reclaimed water, which could increase the resilience and sustainability of the water supply in the service area.

Safety – People will feel safe from crime, fire, and the effects of natural disasters.

- Effective FY 2021, the Board approved a \$24 increase in the Fire Assessment rate. As a result of the additional funding, the division added three safety officer positions, continued additional officer development training, and stabilized the General Fund subsidy. Polk County Fire Rescue (PCFR) proudly opened the new Kathleen Station, which included cancer innovative safeguards for operational personnel. The division continued the replacement of outdated equipment such as self-contained breathing apparatuses (SCBAs) and bottles and added additional security to medications on both engines and rescues by purchasing med vault narcotic safes. The PCFR will continue the goals to better prepare employees to assist the residents of Polk County with a higher level of service and public safety.
- The Emergency Medical Millage of .2500 continues to provide critically needed investments for emergency medical services as the population and number of 9-1-1 medical calls continues to increase. This funding source continues to provide funding for a portion of the eight new stations throughout Polk County and continues to provide additional rescues and staff for heavy volume areas within the County.

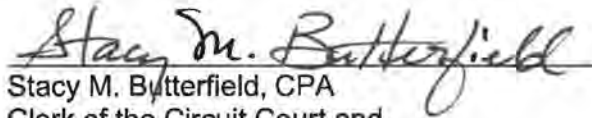
AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Polk County, Florida, for its ACFR for the fiscal year ended September 30, 2020. In order to be awarded a Certificate of Achievement, a government must go beyond the minimum requirements of GAAP and prepare an Annual Report that evidences the spirit of transparency and full disclosure.

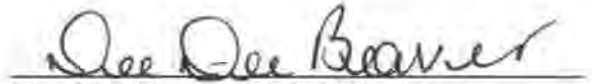
A Certificate of Achievement is valid for a period of one year only. We believe that our current ACFR continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate. We are very proud that Polk County has been the recipient of this award for the last 41 consecutive years.

An Annual Report of this nature could not have been prepared on a timely basis without the dedicated efforts of all staff members concerned. We would like to thank the entire staff of the Comptroller Division of the Clerk of the Circuit Court and County Comptroller of Polk County for their invaluable assistance in the preparation of this report. We would also like to thank the Board of County Commissioners and their staff, and the other Constitutional Officers for their personal interest and dedicated support in planning and conducting the financial operations of the County in a responsible and progressive manner. We would also like to recognize our auditors, CliftonLarsonAllen, LLP, for their continuing support in helping us achieve the Certificate of Achievement for Excellence in Financial Reporting.

Sincerely,



Stacy M. Butterfield, CPA
Clerk of the Circuit Court and
County Comptroller



Dee Dee Beaver, CPA, CGFO
Director, Comptroller Division



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Polk County
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2020

Christopher P. Morill

Executive Director/CEO

**POLK COUNTY, FLORIDA
PRINCIPAL OFFICIALS
SEPTEMBER 30, 2021**

BOARD OF COUNTY COMMISSIONERS

Rick Wilson, District 2
Martha Santiago, District 4
Bill Braswell, District 3
George M. Lindsey III, District 1
Neil Combee, District 5

Chairman
Vice Chair
Member
Member
Member

CLERK OF THE CIRCUIT COURT

Stacy M. Butterfield

PROPERTY APPRAISER

Marsha Faux

SHERIFF

Grady Judd

SUPERVISOR OF ELECTIONS

Lori Edwards

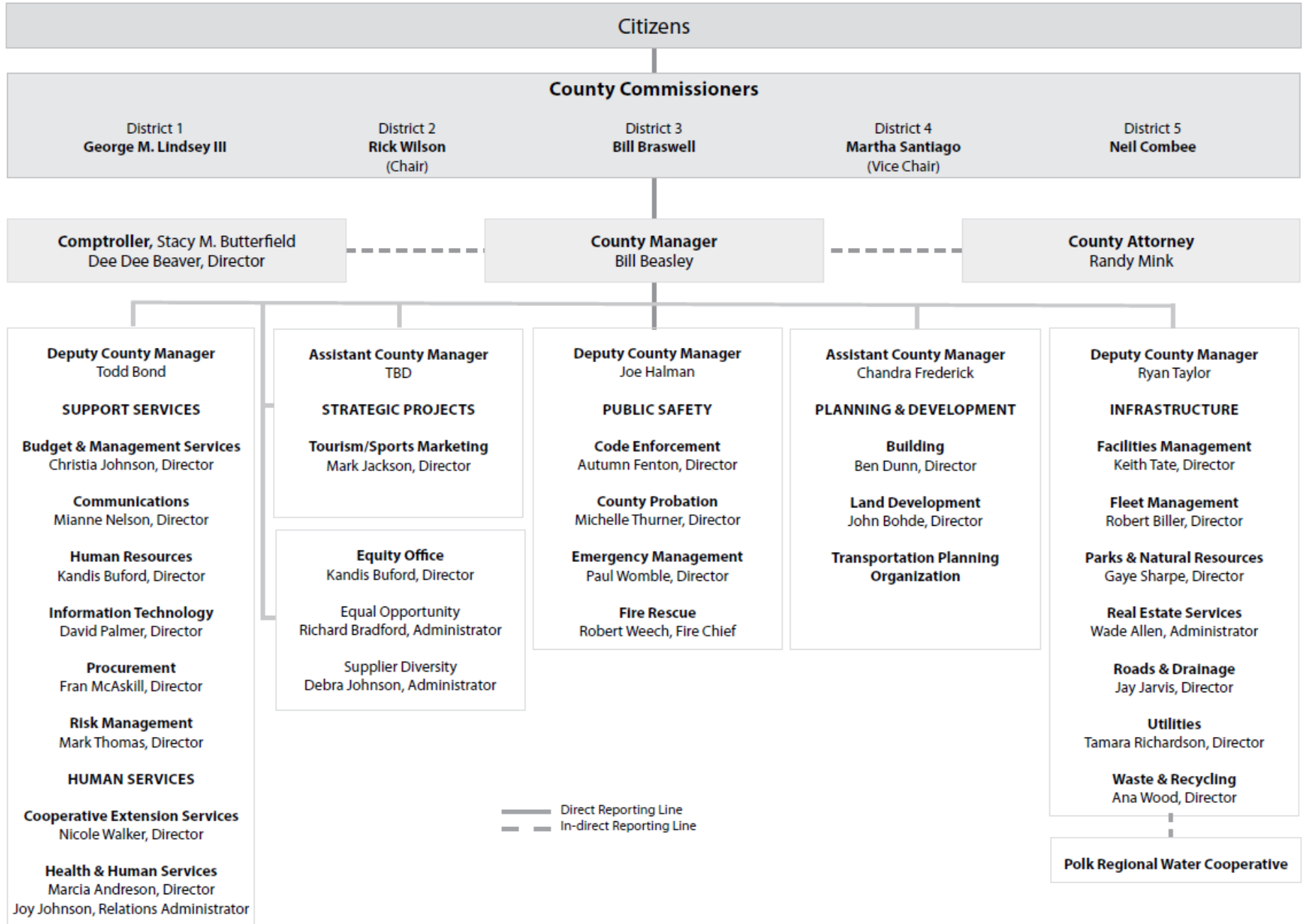
TAX COLLECTOR

Joe G. Tedder

COUNTY MANAGER

Bill Beasley

**POLK COUNTY, FLORIDA
ORGANIZATIONAL CHART
SEPTEMBER 30, 2021**



This page left intentionally blank

FINANCIAL SECTION



INDEPENDENT AUDITORS' REPORT

Board of County Commissioners
Polk County Board of County Commissioners Polk County, Florida
Bartow, 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 Polk County, Florida (the County), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the entity'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 did not audit the financial statements of the Tax Collector, Polk County, Florida, which represents 3.59% and 5.15%, respectively, of the assets and revenues of the general fund, and 0.97% and 2.56%, respectively, of assets and revenues of the governmental activities. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for the Tax Collector, Polk County, Florida, is based solely on the report of the other auditors. 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, based on our audit and the report of the other auditors, 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, the aggregate remaining fund information of the County, as of September 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison for the General, Coronavirus Relief, County Transportation Trust, and Impact Fees Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly in all material respects, the respective financial position of the Harden/Parkway Community Redevelopment Agency Fund, and the Eloise Community Redevelopment Fund of the County as of September 30, 2021, and the respective changes in financial position and budgetary comparison thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

During fiscal year ended September 30, 2021, the County adopted GASB Statement No. 84 *Fiduciary Activities*. As a result of the implementation of this standard, the County reported a restatement for the change in accounting principle (see Note 22). Our auditors' opinion was not modified with respect to the restatement.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, and the schedule of changes to the County's total OPEB liability, schedules of the County's proportionate share of the net pension liability and of its contributions – pension plans on pages C-1 to C-16 and F-1 to F-5 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 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 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.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 31, 2022, 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

Lakeland, Florida
May 31, 2022

This page left intentionally blank

Management's Discussion and Analysis

**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2021**

Polk County's discussion and analysis provides a narrative overview and easily readable analysis of the County's financial activities. The analysis provides a summary of financial information for the County and should be read in conjunction with the transmittal letter and the County's financial statements.

FINANCIAL HIGHLIGHTS

- Total net position at the end of the fiscal year was \$3,948.9 million compared to \$3,706.0 million in 2020, an increase of \$242.9 million with \$129.2 million related to governmental activities and \$113.7 million to business-type activities.
- Total assets were \$5,127.5 million, an increase of \$209.0 million, with increases of \$151.9 million in governmental activities and \$57.1 million in business-type activities.
- Total liabilities were \$990.8 million, a decrease of \$375.8 million with decreases of \$305.8 million in governmental activities and \$70.0 million in business-type activities.
- Polk County's combined ending fund balance for governmental funds was \$620.2 million, an increase of \$79.9 million over the prior year ending fund balance with \$344.8 million of the fund balance restricted and \$121.8 million unassigned in the various governmental fund types of the County.
- At the end of the current fiscal year, the fund balance for the general fund was \$139.6 million, an increase of \$19.8 million over the prior year fund balance. Of this amount, \$123.9 million was unassigned and \$4.1 million was restricted.

OVERVIEW OF THE FINANCIAL STATEMENTS

The County's basic financial statements comprise three components: 1) *government-wide financial statements*, 2) *fund financial statements*, and 3) *notes to the financial statements*. This report also contains the statistical section, single audit, and other supplementary information in addition to the basic financial statements themselves. The government-wide financial statements present an overall picture of the County's financial position and results of operations. The fund financial statements present financial information for the County's various funds. The notes to the financial statements provide additional information that is not disclosed in the government-wide or fund financial statements.

The government-wide financial statements are the statement of net position and the statement of activities. These statements use accounting methods similar to those used by private-sector companies. Emphasis is placed on the net position of governmental activities and business-type activities and the change in net position. Governmental activities are primarily supported by property taxes, charges for services, fuel taxes, sales taxes, services taxes, and grants. Business-type activities are supported by charges to the users of those activities, such as water and sewer service charges and landfill tipping fees.

The government-wide financial statements include not only Polk County itself (known as the primary government) but also the legally separate component units for which Polk County is financially accountable. These component units are detailed in the notes to the financial statements.

**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2021**

The statement of net position presents information on all assets, deferred outflows of resources, liabilities, and deferred inflows of resources of the County, with the difference between assets plus deferred outflows and liabilities plus deferred inflows reported as net position. Net position is reported in three categories: 1) investment in capital assets, net of related debt, 2) restricted, and 3) unrestricted. Assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position are reported for all governmental activities separate from the assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position of business-type activities. It is not uncommon, particularly in the governmental activities' column, to see an unrestricted net position deficit. For example, this may occur when governments have long-term liabilities that they fund on a pay-as-you-go basis, rather than accumulating resources in advance or issuing debt to build capital assets for another government.

The statement of activities reflects the expenses of a given function or program, which are offset by program revenues providing the net cost of all functions of the County. General revenues are presented following the total net expense of the functions or programs. To assist in understanding the County's operations, expenses have been reported as governmental activities or business-type activities. Governmental activities financed by the County include general government, public safety, physical environment, transportation, economic environment, human services, culture and recreation, and debt service. Business-type activities financed by user charges include water and sewer services, garbage collection/disposal, and a nursing home.

Fund financial statements present financial information for governmental funds, proprietary funds, and fiduciary funds. Governmental fund financial statements provide information on the current assets and liabilities of the funds, changes in current financial resources (revenues and expenditures), and current available resources. The proprietary funds financial statement provides information on all assets and liabilities of the funds, changes in the economic resources (revenues and expenses), and total economic resources. The fiduciary fund statement provides information concerning assets held in trust by the County on behalf of others.

Fund financial statements include a *balance sheet* and a *statement of revenues, expenditures, and changes in fund balances – budget and actual* for all governmental funds. For the proprietary funds, which include internal service funds in addition to business-type activities, a *statement of net position*, a *statement of revenues, expenses, and changes in fund net position* and a *statement of cash flows* are presented. A *statement of fiduciary net position* and a *statement of changes in fiduciary net position* are presented for the County's custodial funds. Fund financial statements provide more detailed information about the County's activities. Individual funds are established by the County to track revenues that are restricted to certain uses, comply with legal requirements, or account for the use of state and federal grants.

The government-wide financial statements and the fund financial statements provide different pictures of the County. The government-wide financial statements provide an overall picture of the County's financial standing, divided into governmental activities and business-type activities. These statements are comparable to private-sector companies and provide a good understanding of the County's overall financial status and how the County paid for the various activities, or functions, provided by the County. Assets of the County, including buildings, land, roads, bridges, and traffic signals are reported in the statement of net position. All liabilities, including principal outstanding on bonds and future employee benefits obligated but not paid by the County, are included. The statement of activities includes depreciation on all long-lived assets of the County, but transactions between the different functions of the County have been eliminated in order to avoid duplication of the revenues and expenses. The fund financial statements provide a picture of the major funds of the County and all nonmajor funds.

**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2021**

In the case of governmental activities, outlays for long-lived assets are reported as expenditures and long-term liabilities, such as general obligation bonds, are not included in the fund financial statements. A reconciliation has been included to provide a link from the fund financial statements to the government-wide financial statements.

Notes to the financial statements provide additional detail concerning the financial balances and financial activities of the County. Additional information regarding the accounting practices of the County, investments of the County, capital assets, and long-term debt are some of the items included in the notes to the financial statements.

The statistical section has been prepared in accordance with Governmental Accounting Standards Board Statement No. 44. This section contains selected data regarding financial trends, revenue capacity, debt capacity, demographic and economic conditions, and operating indicators of the County.

The single audit compliance section lists the expenditures of federal awards and state financial assistance during the fiscal year and presents grant compliance information and auditor reports.

**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2021**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following schedule provides a summary of assets, liabilities, deferred outflows and inflows of resources, and net position of the County for fiscal years 2021 and 2020:

**Net Position
September 30, 2021 and 2020
(In Millions)**

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Current and Other Assets	\$ 894.0	\$ 749.5	\$ 332.5	\$ 322.0	\$ 1,226.5	\$ 1,071.5
Capital Assets	3,217.4	3,210.0	683.6	637.0	3,901.0	3,847.0
Total Assets	4,111.4	3,959.5	1,016.1	959.0	5,127.5	4,918.5
Deferred outflows of resources	116.8	183.4	15.0	18.5	131.8	201.9
Other Liabilities	206.5	147.6	21.7	19.5	228.2	167.1
Noncurrent Liabilities	528.4	893.1	234.2	306.4	762.6	1,199.5
Total Liabilities	734.9	1,040.7	255.9	325.9	990.8	1,366.6
Deferred inflows of resources	306.2	44.3	13.4	3.5	319.6	47.8
Net Investment in Capital Assets	3,128.3	3,117.5	550.6	520.0	3,678.9	3,637.5
Restricted	343.3	248.1	1.0	1.0	344.3	249.1
Unrestricted	(284.5)	(307.7)	210.2	127.1	(74.3)	(180.6)
Total Net Position	\$ 3,187.1	\$ 3,057.9	761.8	\$ 648.1	\$ 3,948.9	\$ 3,706.0

Polk County's net investment in capital assets, such as land, roads, parks, buildings, machinery and equipment as a percentage of net position was 93.2 percent in 2021 and 98.2 percent in 2020. These asset values are presented less any outstanding debt related to the acquisition and including accumulated depreciation of those assets. The County uses capital assets to provide services to the citizens. Consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, the capital assets cannot be used to liquidate that liability and, therefore, other resources will be needed to repay any associated debt.

The County's unrestricted net position increased \$106.3 million and restricted net position increased by \$95.2 million in 2021. Unrestricted net position represents County resources that may be used for any purpose while restricted net position represents resources that are constrained for a particular purpose.

**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2021**

The schedule below provides a summary of the changes in net position for fiscal years 2021 and 2020.

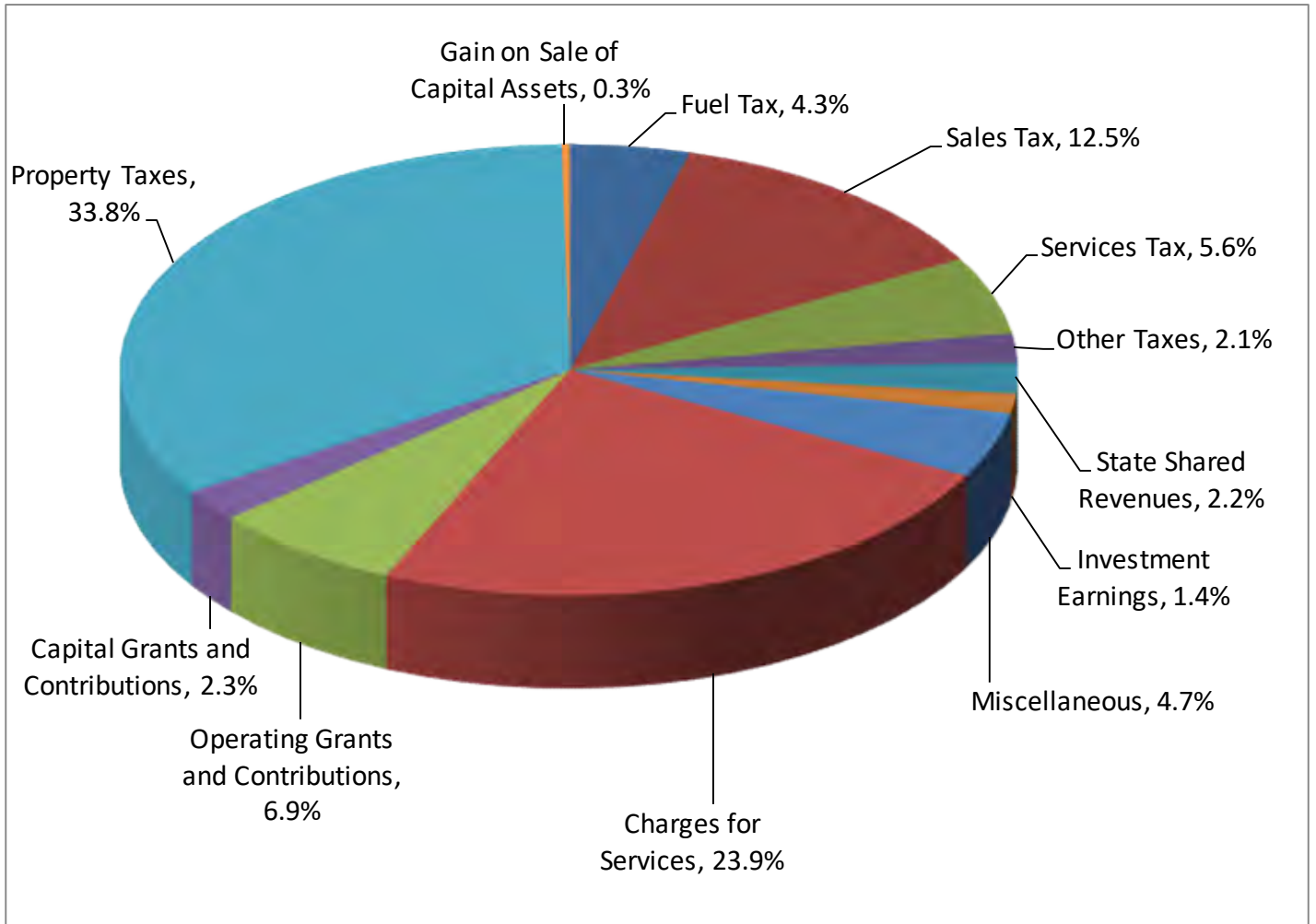
**Change in Net Position
Years Ended September 30, 2021 and 2020
(In Millions)**

	Governmental Activities		Business-Type Activities		Total Government	
	2021	2020	2021	2020	2021	2020
REVENUES						
Program Revenues:						
Charges for Services	\$ 203.5	\$ 175.3	\$ 153.2	\$ 141.5	\$ 356.7	\$ 316.8
Operating Grants and Contributions	59.0	104.4	-	-	59.0	104.4
Capital Grants and Contributions	19.7	18.4	19.6	14.5	39.3	32.9
General Revenues:						
Property Taxes	288.1	274.7	-	-	288.1	274.7
Fuel Tax	37.0	33.6	-	-	37.0	33.6
Sales Tax	106.4	89.6	-	-	106.4	89.6
Services Tax	47.4	46.0	-	-	47.4	46.0
Other Taxes	18.0	12.3	-	-	18.0	12.3
State Shared Revenues	18.4	15.6	-	-	18.4	15.6
Investment Earnings	11.9	15.6	4.6	7.2	16.5	22.8
Net Change in Fair Value of Investments	(8.8)	3.1	(3.7)	1.6	(12.5)	4.7
Gain on Sale of Capital Assets	2.6	1.6	-	-	2.6	1.6
Miscellaneous	40.1	14.0	2.6	3.3	42.7	17.3
Total Revenues	843.3	804.2	176.3	168.1	1,019.6	972.3
EXPENSES						
General Government	134.6	140.3	-	-	134.6	140.3
Public Safety	349.7	436.2	-	-	349.7	436.2
Physical Environment	9.1	7.9	-	-	9.1	7.9
Transportation	115.7	108.8	-	-	115.7	108.8
Economic Environment	27.7	17.7	-	-	27.7	17.7
Human Services	60.6	63.4	-	-	60.6	63.4
Culture/Recreation	18.8	17.7	-	-	18.8	17.7
Interest on Long-Term Debt	4.6	4.1	-	-	4.6	4.1
Water and Sewer	-	-	69.8	70.1	69.8	70.1
Garbage Collection/Disposal	-	-	(18.2)	79.9	(18.2)	79.9
Nursing Home	-	-	4.3	6.9	4.3	6.9
Total Expenses	720.8	796.1	55.9	156.9	776.7	953.0
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES						
	122.5	8.1	120.4	11.2	242.9	19.3
Transfers In/Transfers (Out)	6.7	6.4	(6.7)	(6.4)	-	-
CHANGE IN NET POSITION						
	129.2	14.5	113.7	4.8	242.9	19.3
Net Position - Beginning of Year	3,057.9	3,043.4	648.1	643.3	3,706.0	3,686.7
NET POSITION - END OF YEAR						
	\$ 3,187.1	\$ 3,057.9	\$ 761.8	\$ 648.1	\$ 3,948.9	\$ 3,706.0

**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2021**

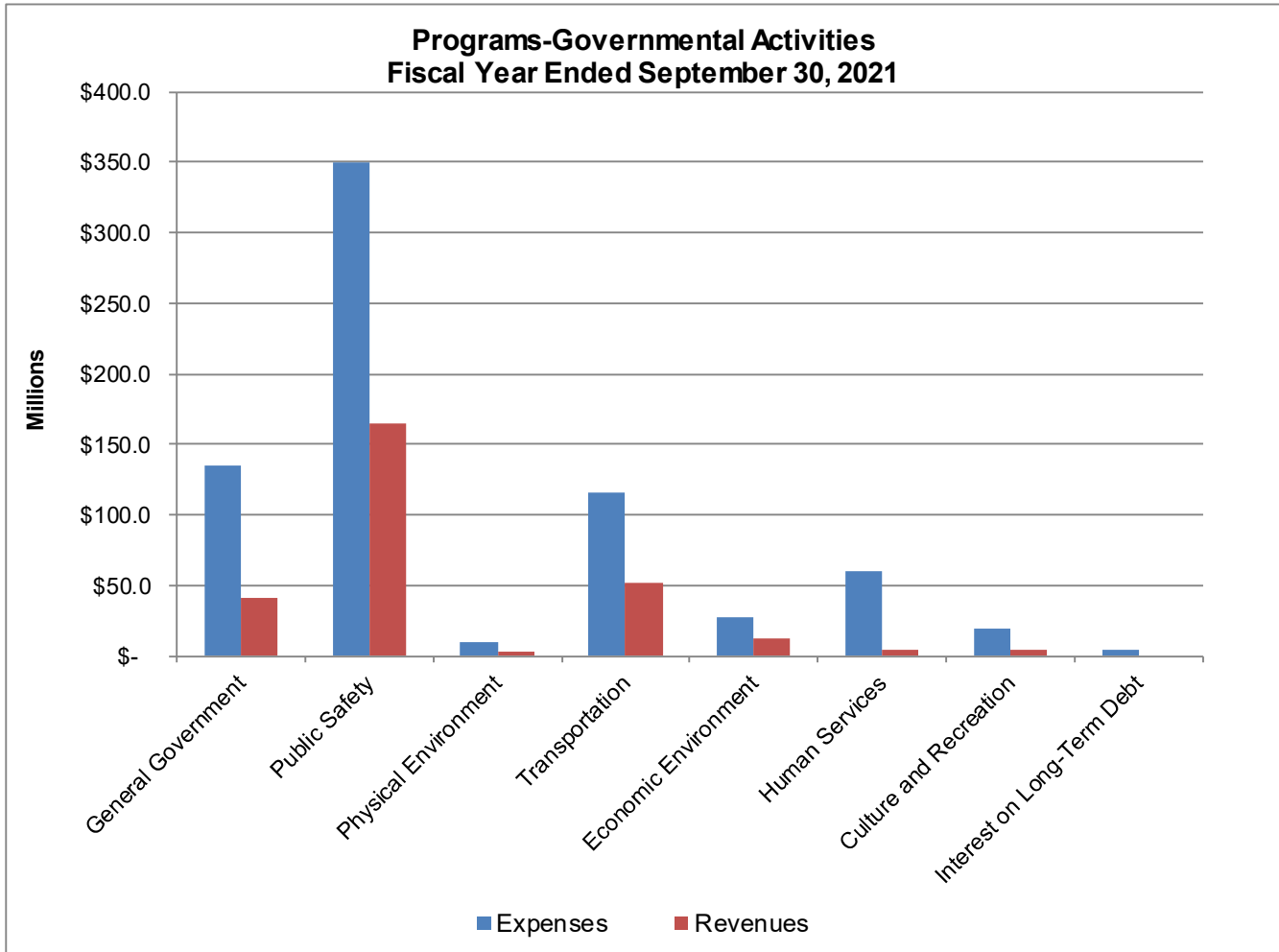
The following chart depicts revenues of the governmental activities for the fiscal year, excluding transfers and net change in fair market value of investments.

**Revenues-Governmental Activities
Fiscal Year Ended September 30, 2021**



**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2021**

The following chart depicts governmental activities expenses compared to the program revenues which funded those activities for the fiscal year. The amounts not funded by program revenues were funded by general revenues (e.g., property taxes, sales taxes, etc.).



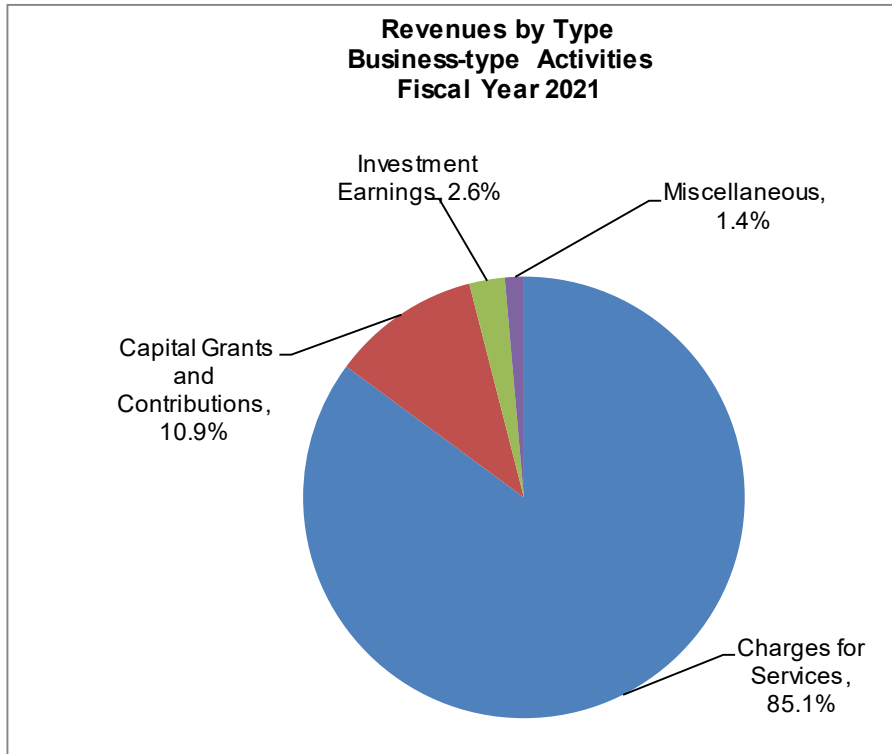
**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2021**

Governmental activities. Governmental activities resulted in a \$129.2 million increase in net position as the result of current fiscal year activities.

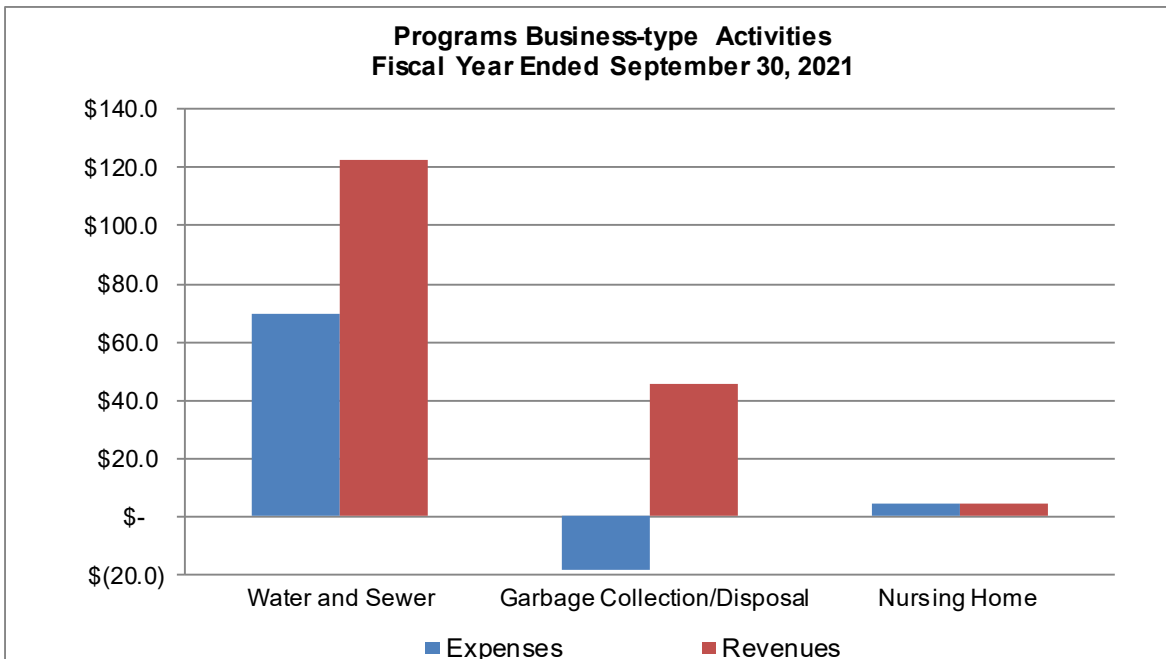
- Overall, revenues related to governmental activities increased by \$39.1 million or 4.9 percent.
- Charges for services increased by \$28.2 million or 16.1 percent with a significant increase of \$11 million in impact fees due to an increase in fees and new construction; a \$6.4 million increase in fire rescue special assessments are also related to an increase in fees and growth.
- Operating grants and contributions decreased by \$45.4 million or 43.5 percent from 2020 due to the \$126.1 million received in COVID-19 relief funds in 2020 of which \$85.2 million was spent in 2020 with the remaining \$40.9 spent in 2021. The County received an additional \$70.4 million in 2021 as part of funding under the American Rescue Plan Act of which only \$1.9 million was spent in the fiscal year.
- Property taxes increased \$13.4 million or 4.9 percent due to growth in local real estate market values and an average increase of approximately 8% in taxable property values.
- Sales tax revenues increased by \$16.8 million, or 18.8 percent compared to an increase of \$0.5 million in 2020. This significant increase is due to the resumption of economic activity following the large-scale COVID-19 shutdowns.
- Other taxes, which is mainly tourist development taxes, increased by \$5.7 million or 46.3 percent; \$5.5 million is attributable to an increase in tourism as the County continues to recover from COVID-19.
- The net change in the fair value of investments was a reduction of \$8.8 million compared to an increase of \$3.1 million in 2020 while investment earnings decreased by \$3.7 million or 23.7 percent primarily because of fluctuations in the value of marketable investments.
- Miscellaneous revenues increased significantly by \$26.1 million following a decline of \$19.7 million in the previous fiscal year. Contributed capital assets and donations and other capital-related items along with revenues related to employee health insurance and increases in the miscellaneous revenues of the Constitutional Offices were primary contributors to the increase.
- In total, expenses in governmental activities decreased by \$75.3 million or 9.5 percent.
- Public safety expenses decreased by \$86.5 million or 19.8 percent as a result of a reduction in COVID-19 relief expenditures in 2021.

**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2021**

The following chart depicts revenues of the business-type activities for the fiscal year, excluding transfers and net change in fair market value of investments.



The following chart depicts business-type activities expenses compared to revenues.



**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2021**

Business-type activities. Business-type activities resulted in a \$113.7 million increase in net position for the fiscal year.

- Overall, revenues for business-type activities increased by \$8.2 million or 4.9 percent.
- Charges for services increased \$11.7 million or 8.3 percent. There was an increase of \$10.8 million in Water and Sewer due to growth, adding over 8,900 more customers in 2021. Garbage Collection/Disposal increased by \$1.6 million or 3.6 percent due to an increase in activity with over 7,700 more tons of garbage collected in 2021, while the Rohr Nursing Home had a decrease of \$0.9 million.
- The net change in the fair value of investments was a reduction of \$3.7 million in 2021 compared to an increase of \$1.6 million in 2020 while investment earnings decreased by \$2.6 million or 36.1 percent primarily as a result of market conditions.
- In total, expenses for business-type activities decreased \$101 million or 64.4 percent in 2021. Of this amount, \$53.1 million was attributable to Garbage Collection/Disposal due to a decrease in the liability for landfill closure and long-term care. In 2020, the liability increased by \$44.6 million due to the County being required to collect and transport via truck all leachate from the North Central Landfill and hauling offsite. During 2021, a County project was permitted by Florida Department of Environmental Protection (FLDEP) for the installation of a leachate drainage system thereby lowering the overall liability.

**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2021**

FINANCIAL ANALYSIS OF FUNDS

Polk County uses fund accounting to demonstrate and ensure compliance with finance-related legal requirements.

Governmental Funds

Governmental funds provide information on near-term inflows, outflows, and balances of spendable resources. In assessing Polk County's financing requirements, unassigned fund balance is a particularly useful measure of net resources available for spending at the end of the fiscal year. The County's governmental fund types include the general, special revenue, debt service and capital project funds.

As of September 30, 2021, Polk County governmental funds reported combined fund balance of \$620.2 million compared to \$540.3 million in 2020. These fund balances reflect increases of \$79.9 million and \$70.7 million for 2021 and 2020, respectively. Approximately 19.6% of the 2021 fund balance (\$121.8 million) represents unassigned fund balance, which is available for spending at the County's discretion. The remainder of the fund balances are either not in a spendable form (\$4.2 million) or are restricted (\$344.8 million), committed (\$103.5 million), or assigned (\$45.9 million) for particular purposes, reflecting constraints that have placed upon those resources for future use.

**Major Fund Information
(In Millions)**

	General	County Transportation Trust	Impact Fees	Coronavirus Relief
<u>Fiscal Year 2021:</u>				
Revenues	\$ 406.4	\$ 37.5	\$ 39.3	\$ 43.3
Expenditures	(367.6)	(16.5)	(11.0)	(41.5)
Other Financing Sources (Uses)	(19.0)	(4.20)	(1.30)	(1.80)
Net Change in Fund Balances	<u>\$ 19.8</u>	<u>\$ 16.8</u>	<u>\$ 27.0</u>	<u>\$ -</u>
<u>Fiscal Year 2020:</u>				
Revenues	\$ 381.1	\$ 35.8	\$ 32.9	\$ 85.2
Expenditures	(359.4)	(19.2)	(12.9)	(85.2)
Other Financing Sources (Uses)	(6.7)	(3.0)	(1.0)	-
Net Change in Fund Balances	<u>\$ 15.0</u>	<u>\$ 13.6</u>	<u>\$ 19.0</u>	<u>\$ -</u>

The General Fund is the main operating fund of the County. The fund balance for the General Fund increased by \$19.8 million in 2021. Total revenues increased \$25.3 million or 6.6 percent. Taxes increased by \$13.6 million or 5.4 percent primarily due to an increase in ad valorem taxes of \$11.8 million resulting from increases in property values. Intergovernmental revenues increased by \$8.4 million or 17.4 percent with a \$7.2 million increase in sales taxes and a \$2.8 million or 17.9 percent increase in state shared revenue. Interest income decreased by \$0.5 million or 15.7 percent and the net change in fair value of investments was reduced by \$2.1 million in 2021 compared to an increase of \$0.7 million in 2020, mainly due to market conditions. Total expenditures increased \$8.2 million or 2.3 percent. Public safety increased by \$7.7 million or 3.3 percent as a result of an increase in emergency medical costs as well as increases in salaries and benefits needed to maintain competitive pay and appropriate staffing. When combined, these charges, along with total other financing uses of \$19.0

**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2021**

million in 2021, compared to total other financing uses of \$6.7 in 2020, resulted in fund balance increasing to \$139.6 million in 2021 compared to \$119.8 million in 2020.

Most County Transportation Trust Fund revenue is generated through gas taxes and state-shared revenues and is used for the construction and maintenance of roads and bridges. The fund balance for the County Transportation Trust Fund increased by \$16.8 million in 2021 due to increased revenue from higher gas taxes received due to increased travel offset by a decrease in total expenditures. The entire fund balance of the County Transportation Trust Fund is restricted for future use.

Impact fees are charged to new developments to offset the cost of infrastructure needed for additional facilities and services necessitated by growth. The County is currently on the second phase of its implementation of a new impact fee schedule which increased impact fees collected in 2021. The fund balance for the Impact Fees Fund increased by \$27.0 million, driven primarily by a significant increase in special assessments. The entire fund balance of the Impact Fees Fund is restricted for future use.

Polk County received funding from the U.S. Department of Treasury in 2020 under the Coronavirus Aid, Relief and Economic Security (CARES) Act and the Coronavirus Relief Fund was established to account for all activities related to money received for coronavirus relief. The majority of the revenues received in 2021 were spent on public safety expenditures.

Proprietary Funds

Proprietary fund statements provide the same information as in the business-type activities column of the government-wide statements, but in greater detail, and on a fund basis for enterprise funds and internal service funds.

Enterprise Funds

At September 30, 2021, total net position was \$761.8 million for enterprise funds compared to \$648.1 million in 2020.

The Utilities Fund had operating income of \$42.1 million in 2021 compared to \$30.2 million in 2020. Operating revenues increased by \$10.0 million due to growth in the customer base, with an increase in customers of over 8,900, while operating expenses decreased by \$2.0 million primarily due to a decrease in personnel services of \$4.6 million due to a large number of vacant positions and a reduction in other post-employment benefits. Operations and maintenance expenses increased by \$1.0 million largely as a result of an increase in other contractual services as some employee vacancies were filled by contracted electricians and mechanics.

The Waste and Recycling Fund had operating income of \$64.5 million in 2021 compared to an operating loss of \$35.4 million in 2020. Operating revenues increased by \$1.9 million while operating expenses decreased by \$98.0 million largely due to an increase in closure and long-term care expenses of \$44.6 million in 2020 followed by a decrease in closure and long-term care expenses of \$53.1 million in 2021 as a result of the County's leachate drainage solutions approved by FLDEP.

Significant decreases in personnel services expenditures along with a decrease in total operating revenues resulted in an operating income of \$0.05 million in 2021 for the Rohr Nursing Home Fund (nonmajor enterprise fund) compared to an operating loss of \$1.8 million in 2020.

**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2021**

Internal Service Funds

Internal service funds are designed to recover the costs of general services provided to the other fund groups.

The Fleet Fund operations resulted in an operating income in 2021 of \$3.8 million compared to \$1.4 million in 2020 due to an increase of \$1.0 million in charges for services and a decrease in personnel service expenses of \$1.2 million.

The Employee Health Insurance Fund operating loss for 2021 was \$2.6 million in contrast to an operating income of \$3.7 million in 2020. An increase in Healthcare Program expenses of \$11.6 million in 2021 are primarily due to a \$7.7 million increase to incurred claims which is a 20 percent increase over prior year. Charges for services and other revenues overall increased \$5.6 million due to premium increases implemented to cover projected increases in claims. The County continues to review insurance needs as well as cost containment.

The Information Technology Fund had an operating income of \$0.9 million in 2021 and an operating loss of \$2.9 million in 2020 which was largely a result of an increase of \$1.7 million in charges for services and a decrease of \$2.1 million in personnel service expenses in 2021.

**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2021**

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund budget to actual statement is presented in the Basic Financial Statements. Variances between original and final budget amounts are due to excess revenue and unspent appropriations. Revenues were budgeted at 95.0 percent of the anticipated amount as required by State Statute.

The actual net change in the fund balance of the General Fund compared to the final budget was a positive variance of \$56.8 million. General Fund revenues were \$26.6 million more than the final budget amounts. The most significant areas of revenue overages were in the areas of taxes, licenses, and intergovernmental. Furthermore, actual expenditures in the General Fund functional areas were \$34.6 million less than the final budget. Unspent appropriations represent 8.6 percent of the total expenditure budget.

CAPITAL ASSETS ACTIVITY

At year end, the County had \$3,901.0 million (net of accumulated depreciation) invested in a variety of capital assets as reflected in the following schedule. The net increase in capital assets in 2021 as a result of additions, deletions, and depreciation/amortization was \$54.0 million. For more detailed information regarding capital asset activity see Note 6 in the Notes to Financial Statements.

**Capital Assets, Net of Accumulated Depreciation/Amortization
(In Millions)**

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Land and Right-of-Way	\$ 955.2	\$ 937.1	\$ 19.4	\$ 19.6	\$ 974.6	\$ 956.7
Infrastructure	1,887.9	1,929.9	-	-	1,887.9	1,929.9
Building and Improvements	218.7	215.5	596.5	575.3	815.2	790.8
Equipment	81.0	79.2	5.5	5.9	86.5	85.1
Intangibles	5.2	5.5	2.7	2.7	7.9	8.2
Construction in Progress	69.4	42.8	59.5	33.5	128.9	76.3
Total	\$ 3,217.4	\$ 3,210.0	\$ 683.6	\$ 637.0	\$ 3,901.0	\$ 3,847.0

**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2021**

DEBT MANAGEMENT

At September 30, 2021, the County had \$421.1 million in long-term liabilities (bonds, notes, etc.) outstanding compared to \$481.7 million last year. For additional details see Note 9 in the Notes to Financial Statements.

**Long-Term Liabilities
(In Millions)**

	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Bonds Payable	\$ 62.5	\$ 65.5	\$ 169.7	\$ 175.2	\$ 232.2	\$ 240.7
Notes Payable	80.8	82.5	-	-	80.8	82.5
Interlocal Agreements	33.1	31.9	1.9	2.1	35.0	34.0
Closure and Long-Term Care	-	-	40.4	93.5	40.4	93.5
Compensated Absences	18.5	19.0	1.0	1.0	19.5	20.0
Self-Insurance Liability	12.8	10.6	-	-	12.8	10.6
Other Long-Term Liabilities	-	-	0.4	0.4	0.4	0.4
Total	<u>\$ 207.7</u>	<u>\$ 209.5</u>	<u>\$ 213.4</u>	<u>\$ 272.2</u>	<u>\$ 421.1</u>	<u>\$ 481.7</u>

The most significant change in long-term liabilities was a decrease of \$53.1 million in closure and long-term care. Bonds payable and notes payables overall decreased \$10.2 million due to principal payments. The \$1.2 million increase in Interlocal Agreements is due to an additional agreement with the City of Auburndale for \$3.5 million offset by principal payments on previous outstanding interlocal agreements. All of Polk County's bonded debt represents bonds secured solely by specified revenue sources.

**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2021**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- According to the U.S Bureau of Labor Statistics, the unemployment rate for Polk County in September 2021 was 4.9 percent compared to 7.9 percent in September 2020. In contrast, the statewide and national rates in September 2021 were 4.8 and 4.7 percent, respectively.
- Service demands are growing as the County continues to urbanize. Florida's Office of Economic and Demographic Research reported Polk County's 2021 estimated population as 748,365 with forecasts suggesting the County will be home to an estimated 877,761 by 2030 and 979,194 by 2040. Polk County provides many services for its citizens, including fire suppression and ambulance services; building and maintaining parks, roads, sidewalks and trails; garbage and recycling collection; and water/wastewater utilities.
- Countywide budgeted property values increased 9.03% in FY 2022 as compared to 8.93% in FY 2021. Polk County has experienced nine consecutive years of robust property value increases and remains cautiously optimistic that this can be sustained in the second year of the biennial budget. Projections for the FY 2023 budget slow this valuation growth down to 4% and are contingent upon continued economic recovery from the COVID-19 pandemic. Over the past few years, the County has developed a strategic business plan that provides the framework to guide a long-term plan and to help with making difficult decisions for the future.
- The adopted total countywide operating millage rate remained at 6.8990 mills in the FY 2022 adopted budget, with the General Fund operating millage remaining at 5.5490 mills. Revenue from millage in this budget includes the fourth year of levies for emergency medical services and millage for transportation. More information can be found by accessing the County's website at www.polk-county.net and selecting "Government," then "Budget and Management Services."

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Polk County's finances and was prepared by the Comptroller Division of the Clerk of the Circuit Court and County Comptroller. Requests for additional information should be addressed to the above department at P.O. Box 988, Bartow, Florida 33831, or by accessing the website at www.polkcountyclerk.net.

BASIC FINANCIAL STATEMENTS

**POLK COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021**

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Investments	\$ 830,552,658	\$ 239,695,635	\$ 1,070,248,293
Cash with Fiscal Agent	700,000	-	700,000
Restricted Cash and Investments	-	77,921,804	77,921,804
Accounts Receivable - Net	27,765,965	14,460,261	42,226,226
Interest Receivable	1,573,348	645,531	2,218,879
Due from Other Governments	23,158,363	657,890	23,816,253
Internal Balances	3,392,809	(3,392,809)	-
Inventory	1,203,852	2,363,227	3,567,079
Other Assets	5,649,900	187,355	5,837,255
Capital Assets Not Being Depreciated/Amortized	1,028,576,451	81,434,933	1,110,011,384
Capital Assets Net of Accumulated Depreciation/Amortization	2,188,810,203	602,142,278	2,790,952,481
Total Assets	<u>4,111,383,549</u>	<u>1,016,116,105</u>	<u>5,127,499,654</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Pension	90,268,749	3,724,790	93,993,539
Deferred Amounts on OPEB	24,123,384	1,821,784	25,945,168
Deferred Charges on Debt Refundings	2,368,943	9,438,833	11,807,776
Total Deferred Outflows of Resources	<u>\$ 116,761,076</u>	<u>\$ 14,985,407</u>	<u>\$ 131,746,483</u>

See accompanying Notes to Financial Statements.

POLK COUNTY, FLORIDA
STATEMENT OF NET POSITION (CONTINUED)
SEPTEMBER 30, 2021

	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Vouchers Payable	\$ 39,026,333	\$ 12,976,526	\$ 52,002,859
Accrued Liabilities	20,067,646	1,731,167	21,798,813
Accrued Interest Payable	1,427,739	-	1,427,739
Customer Deposits and Other Liabilities			
Payable from Restricted Assets	-	7,005,366	7,005,366
Other Deposits	6,681,993	-	6,681,993
Due to Other Governments	37,576,348	54,556	37,630,904
Unearned Revenue	95,704,636	-	95,704,636
Claims Payable	6,020,000	-	6,020,000
Noncurrent Liabilities Due w ithin One Year	39,663,631	6,774,487	46,438,118
Noncurrent Liabilities:			
Due in More than One Year	167,968,739	206,634,671	374,603,410
Net Pension Liability	147,438,479	7,658,001	155,096,480
Total OPEB Liability	173,300,105	13,087,510	186,387,615
Total Liabilities	734,875,649	255,922,284	990,797,933
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Pension	261,092,552	9,802,905	270,895,457
Deferred Amounts on OPEB	42,398,307	3,201,898	45,600,205
Taxes Received in Advance	2,695,212	383,909	3,079,121
Total Deferred Inflow s of Resources	306,186,071	13,388,712	319,574,783
NET POSITION			
Net Investment in Capital Assets	3,128,287,504	550,645,838	3,678,933,342
Restricted for:			
Court Fund and Records Modernization	8,139,216	-	8,139,216
Grants, Federal Elections	438,945	-	438,945
Public Safety	32,256,143	-	32,256,143
Physical Environment	7,779,093	-	7,779,093
Transportation	103,357,933	-	103,357,933
Economic Environment	14,009,740	-	14,009,740
Human Services	56,066,394	-	56,066,394
Culture and Recreation	18,578,029	-	18,578,029
Debt Service	9,329,680	-	9,329,680
Capital Projects	93,324,749	-	93,324,749
Renew al, Replacement, and Improvements	-	1,000,000	1,000,000
Restricted for Other Purposes	63,997	-	63,997
Unrestricted	(284,548,518)	210,144,678	(74,403,840)
Total Net Position	<u>\$3,187,082,905</u>	<u>\$ 761,790,516</u>	<u>\$3,948,873,421</u>

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2021**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$ 134,649,163	\$ 39,020,958	\$ 1,902,129	\$ 682,272
Public Safety	349,746,313	122,656,594	41,928,027	-
Physical Environment	9,075,217	1,371,577	744,873	168,544
Transportation	115,738,091	32,686,102	983,780	18,774,936
Economic Environment	27,677,491	1,503,920	10,498,077	-
Human Services	60,562,584	2,177,281	2,697,457	60,593
Culture and Recreation	18,765,150	4,065,775	284,348	38,364
Debt Service:				
Interest on Long-Term Debt	4,645,475	-	-	-
Total Governmental Activities	720,859,484	203,482,207	59,038,691	19,724,709
Business-Type Activities:				
Water and Sewer	69,848,512	102,906,183	-	19,659,222
Garbage Collection/Disposal	(18,211,417)	46,011,180	-	-
Nursing Home	4,253,588	4,244,876	-	-
Total Business-Type Activities	55,890,683	153,162,239	-	19,659,222
Total Primary Government	\$ 776,750,167	\$ 356,644,446	\$ 59,038,691	\$ 39,383,931

GENERAL REVENUES

Taxes:
Property Taxes
Fuel Taxes
Sales Tax
Services Taxes
Other Taxes
State Shared Revenues, Unrestricted
Investment Earnings
Net Change in Fair Value of Investments
Gain on Sale of Capital Assets
Miscellaneous

TRANSFERS

Total General Revenues and Transfers

CHANGE IN NET POSITION

Net Position - Beginning of Year

NET POSITION - END OF YEAR

See accompanying Notes to Financial Statements.

Net (Expense) Revenue and Changes in Net Position

<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
\$ (93,043,804)	\$ -	\$ (93,043,804)
(185,161,692)	-	(185,161,692)
(6,790,223)	-	(6,790,223)
(63,293,273)	-	(63,293,273)
(15,675,494)	-	(15,675,494)
(55,627,253)	-	(55,627,253)
(14,376,663)	-	(14,376,663)
<u>(4,645,475)</u>	<u>-</u>	<u>(4,645,475)</u>
<u>(438,613,877)</u>	<u>-</u>	<u>(438,613,877)</u>
-	52,716,893	52,716,893
-	64,222,597	64,222,597
-	(8,712)	(8,712)
<u>-</u>	<u>116,930,778</u>	<u>116,930,778</u>
(438,613,877)	116,930,778	(321,683,099)
288,136,760	-	288,136,760
37,019,381	-	37,019,381
106,416,346	-	106,416,346
47,365,436	-	47,365,436
17,960,767	-	17,960,767
18,357,148	-	18,357,148
11,949,172	4,641,628	16,590,800
(8,826,493)	(3,736,316)	(12,562,809)
2,581,111	-	2,581,111
40,075,684	2,615,865	42,691,549
<u>6,727,783</u>	<u>(6,727,783)</u>	<u>-</u>
<u>567,763,095</u>	<u>(3,206,606)</u>	<u>564,556,489</u>
129,149,218	113,724,172	242,873,390
<u>3,057,933,687</u>	<u>648,066,344</u>	<u>3,706,000,031</u>
<u>\$3,187,082,905</u>	<u>\$ 761,790,516</u>	<u>\$3,948,873,421</u>

**POLK COUNTY, FLORIDA
GOVERNMENTAL FUNDS
BALANCE SHEET
SEPTEMBER 30, 2021**

	General	Coronavirus Relief	County Transportation Trust	Impact Fees	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and Investments	\$ 196,399,622	\$ 69,792,828	\$ 100,350,514	\$ 91,671,378	\$ 325,257,128	\$ 783,471,470
Cash with Fiscal Agent	200,000	-	-	-	500,000	700,000
Accounts Receivable	24,319,551	-	469	295,283	2,562,590	27,177,893
Interest Receivable	362,357	141,915	200,601	180,348	594,159	1,479,380
Due from Other Governments	5,049,487	-	3,641,725	2,841,229	11,601,706	23,134,147
Due from Other Funds	42,144	-	-	-	2,600,291	2,642,435
Inventory, at Cost	795,731	-	-	-	-	795,731
Other Assets	1,324,928	-	-	-	2,123,716	3,448,644
Total Assets	\$ 228,493,820	\$ 69,934,743	\$ 104,193,309	\$ 94,988,238	\$ 345,239,590	\$ 842,849,700
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES						
LIABILITIES:						
Vouchers Payable	\$ 15,470,266	\$ 423,853	\$ 424,401	\$ 1,493,100	\$ 18,044,954	\$ 35,856,574
Accrued Liabilities	11,705,231	1,838	194,192	58,971	7,833,396	19,793,628
Customer Deposits	1,291,771	-	-	-	5,390,222	6,681,993
Due to Other Governments	35,571,382	43,147	92,849	-	1,868,970	37,576,348
Due to Other Funds	5,701,924	13,859	-	-	128,601	5,844,384
Unearned Revenue	226,513	69,452,046	123,934	111,418	26,935,973	96,849,884
Total Liabilities	69,967,087	69,934,743	835,376	1,663,489	60,202,116	202,602,811
DEFERRED INFLOWS OF RESOURCES:						
Taxes Received in Advance	1,505,563	-	-	-	1,189,649	2,695,212
Unavailable Revenue	17,396,922	-	-	-	-	17,396,922
Total Deferred Inflows of Resources	18,902,485	-	-	-	1,189,649	20,092,134
FUND BALANCES:						
Nonspendable	2,120,659	-	-	-	2,123,716	4,244,375
Restricted	4,050,909	-	103,357,933	93,324,749	144,038,067	344,771,658
Committed	1,634,012	-	-	-	101,838,418	103,472,430
Assigned	7,950,335	-	-	-	37,918,101	45,868,436
Unassigned	123,868,333	-	-	-	(2,070,477)	121,797,856
Total Fund Balances	139,624,248	-	103,357,933	93,324,749	283,847,825	620,154,755
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 228,493,820	\$ 69,934,743	\$ 104,193,309	\$ 94,988,238	\$ 345,239,590	\$ 842,849,700

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
GOVERNMENTAL FUNDS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2021**

Total Fund Balances - Total Governmental Funds		\$ 620,154,755
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Nondepreciable Capital Assets	\$ 1,028,576,451	
Depreciable Capital Assets	<u>2,188,810,203</u>	3,217,386,654
Ambulance receivables are not financial resources in the current period and, therefore, are reported as deferred inflows.		17,396,922
Other long-term assets are not available to pay for current period expenditures and, therefore, are expensed in future periods. This item includes unamortized bond insurance.		1,883,480
Deferred Charges on Debt Refundings		2,368,943
Long-term liabilities, including bonds payable, capital leases, and accrued compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds Payable, Net of Premiums (Amortized as Interest Expense)	(62,532,872)	
Note Payable	(80,752,000)	
Interlocal Agreements	(33,057,838)	
Self-Insurance Liability	(12,760,000)	
Compensated Absences	<u>(18,529,660)</u>	(207,632,370)
Net Pension Liability and Related Deferred Outflows and Inflows of Resources		(318,262,282)
Total OPEB Liability and Related Deferred Outflows and Inflows of Resources		(191,575,028)
Accrued general long-term debt interest expenses are not financial uses and, therefore, are not reported in the funds and other liabilities.		(1,427,739)
Internal service funds are used by management to charge the costs of certain activities, such as employee health insurance, information technology support and fleet management to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. Internal service fund net position, net of amounts for capital assets, net other post employment benefits obligation (OPEB), net pension liability and related amounts, and accrued compensated absences which are listed below.		
Internal Service Net Position	64,381,596	
Internal Service Capital Assets	(33,030,469)	
Internal Service Pension Liability and Related Deferred Outflows and Inflows	6,126,024	
Internal Service OPEB Liability and Related Deferred Outflows and Inflows	5,070,957	
Internal Service Accrued Compensated Absences	<u>462,352</u>	43,010,460
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.		<u>3,779,110</u>
Net Position of Governmental Activities		<u>\$ 3,187,082,905</u>

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED SEPTEMBER 30, 2021**

	General	Coronavirus Relief	County Transportation Trust	Impact Fees	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	\$ 263,641,537	\$ -	\$ 25,602,799	\$ -	\$ 150,255,255	\$ 439,499,591
Licenses and Permits	7,616,276	-	-	-	11,870,924	19,487,200
Intergovernmental	57,100,772	42,341,260	11,608,172	-	43,284,034	154,334,238
Charges for Services	64,527,666	-	-	-	15,604,555	80,132,221
Fines and Forfeitures	2,475,312	-	-	-	6,569,862	9,045,174
Special Assessments	665,359	-	-	39,175,340	53,837,957	93,678,656
Interest Income	2,988,464	1,435,105	1,407,071	1,156,289	4,788,143	11,775,072
Net Change in Fair Value of Investments	(2,097,320)	(547,684)	(1,161,081)	(1,043,844)	(3,432,678)	(8,282,607)
Miscellaneous Revenue	9,550,839	53,517	28,108	20	7,749,054	17,381,538
Total Revenues	406,468,905	43,282,198	37,485,069	39,287,805	290,527,106	817,051,083
EXPENDITURES						
Current:						
General Government	115,264,617	3,026,080	-	-	12,368,825	130,659,522
Public Safety	237,848,633	37,565,657	-	108,077	91,326,447	366,848,814
Physical Environment	5,780,586	907,174	-	-	3,144,067	9,831,827
Transportation	2,219,437	-	16,497,195	10,729,682	50,468,222	79,914,536
Economic Environment	1,632,751	-	-	-	24,220,019	25,852,770
Human Services	4,332,078	-	-	-	55,751,720	60,083,798
Culture and Recreation	566,919	-	-	123,698	17,898,483	18,589,100
Debt Service:						
Principal Retirement	-	-	-	-	6,880,305	6,880,305
Interest and Fiscal Charges	-	-	-	-	5,291,565	5,291,565
Capital Projects	-	-	-	-	37,251,220	37,251,220
Total Expenditures	367,645,021	41,498,911	16,497,195	10,961,457	304,600,873	741,203,457
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	38,823,884	1,783,287	20,987,874	28,326,348	(14,073,767)	75,847,626
OTHER FINANCING SOURCES (USES)						
Transfers In	14,187,952	366,713	2,963	6,037	41,795,766	56,359,431
Transfers Out	(33,536,295)	(2,150,000)	(4,250,000)	(1,266,810)	(11,454,320)	(52,657,425)
Proceeds from the Sale of Capital Assets	350,100	-	-	-	-	350,100
Total Other Financing Sources (Uses)	(18,998,243)	(1,783,287)	(4,247,037)	(1,260,773)	30,341,446	4,052,106
NET CHANGE IN FUND BALANCES	19,825,641	-	16,740,837	27,065,575	16,267,679	79,899,732
Fund Balances - Beginning of Year	119,798,607	-	86,617,096	66,259,174	267,580,146	540,255,023
FUND BALANCES - END OF YEAR	\$ 139,624,248	\$ -	\$ 103,357,933	\$ 93,324,749	\$ 283,847,825	\$ 620,154,755

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
GOVERNMENTAL FUNDS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2021**

Net Change in Fund Balances - Total Governmental Funds \$ 79,899,732

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/amortization expense. This is the amount by which depreciation expense is more than capital outlay in the current period.

Reduction in Capital Expenditures (excluding internal service)	\$ (77,396,092)	
Donated Capital Assets	(18,723,008)	
Net Book Value of Disposed Capital Assets (excluding internal service)	1,132,477	
Depreciation Expense (excluding internal service)	<u>101,991,845</u>	7,005,222

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 deferred and amortized in the statement of activities.

Addition of Interlocal Agreement	(3,500,000)	
Amortization of Bond Premium/Discount	256,634	
Principal Payments - Note Payable	1,730,000	
Principal Payments - Bonds Payable	2,720,000	
Principal Payments - Interlocal Agreements	<u>2,430,305</u>	3,636,939

Some expenses, such as expenses related to accrued compensated absences, accrued interest expense, self-insurance liabilities, postemployment benefits obligations (OPEB), and other accrued liabilities are reported in the statement of activities and do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Compensated Absences	425,714	
Self-Insurance Liability	(2,160,000)	
Interest Expense	(53,982)	
Pension Expense	32,385,350	
OPEB Expense	<u>1,607,369</u>	32,204,451

Governmental funds record unavailable ambulance receivables, other assets and unavailable accrued interest receivable as deferred inflows. However, on the government-wide financial statements these are recorded as revenue. (1,466,771)

Internal service funds are used by management to charge the costs of insurance, information technology support and fleet management to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities. 7,869,645

Change in Net Position of Governmental Activities \$ 129,149,218

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 254,303,849	\$ 254,303,849	\$ 263,641,537	\$ 9,337,688
Licenses and Permits	757,467	757,467	7,616,276	6,858,809
Intergovernmental	42,038,727	42,173,805	57,100,772	14,926,967
Charges for Services	50,915,810	64,149,941	64,527,666	377,725
Fines and Forfeitures	1,423,571	6,264,531	2,475,312	(3,789,219)
Special Assessments	3,486,316	386,316	665,359	279,043
Interest Income	3,197,086	3,122,086	2,988,464	(133,622)
Net Change in Fair Value of Investments	-	-	(2,097,320)	(2,097,320)
Miscellaneous Revenue	4,262,448	8,715,476	9,550,839	835,363
Total Revenues	<u>360,385,274</u>	<u>379,873,471</u>	<u>406,468,905</u>	<u>26,595,434</u>
EXPENDITURES				
Current:				
General Government	126,947,796	128,704,547	115,264,617	13,439,930
Public Safety	235,874,647	254,794,453	237,848,633	16,945,820
Physical Environment	7,009,020	7,009,020	5,780,586	1,228,434
Transportation	2,176,997	2,176,997	2,219,437	(42,440)
Economic Environment	1,618,039	1,795,934	1,632,751	163,183
Human Services	6,915,495	6,915,495	4,332,078	2,583,417
Culture and Recreation	868,203	868,203	566,919	301,284
Total Expenditures	<u>381,410,197</u>	<u>402,264,649</u>	<u>367,645,021</u>	<u>34,619,628</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(21,024,923)	(22,391,178)	38,823,884	61,215,062
OTHER FINANCING SOURCES (USES)				
Transfers In	13,887,530	18,669,223	14,187,952	(4,481,271)
Transfers Out	(25,427,676)	(33,227,676)	(33,536,295)	(308,619)
Proceeds from the Sale of Capital Assets	-	20,000	350,100	330,100
Total Other Financing Sources (Uses)	<u>(11,540,146)</u>	<u>(14,538,453)</u>	<u>(18,998,243)</u>	<u>(4,459,790)</u>
NET CHANGE IN FUND BALANCE	(32,565,069)	(36,929,631)	19,825,641	56,755,272
Fund Balance - Beginning of Year	<u>119,798,607</u>	<u>119,798,607</u>	<u>119,798,607</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 87,233,538</u>	<u>\$ 82,868,976</u>	<u>\$ 139,624,248</u>	<u>\$ 56,755,272</u>

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
CORONAVIRUS RELIEF FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ 70,389,718	\$ 42,341,260	\$ (28,048,458)
Interest Income	-	-	1,435,105	1,435,105
Net Change in Fair Value of Investments	-	-	(547,684)	(547,684)
Miscellaneous Revenue	-	-	53,517	53,517
Total Revenues	-	70,389,718	43,282,198	(27,107,520)
EXPENDITURES				
Current:				
General Government	2,500,000	3,008,355	3,026,080	(17,725)
Public Safety	39,200,000	104,465,311	37,565,657	66,899,654
Physical Environment	-	2,750,000	907,174	1,842,826
Culture and Recreation	-	1,866,052	-	1,866,052
Total Expenditures	41,700,000	112,089,718	41,498,911	70,590,807
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(41,700,000)	(41,700,000)	1,783,287	43,483,287
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	366,713	366,713
Transfers Out	-	-	(2,150,000)	(2,150,000)
Total Other Financing Sources (Uses)	-	-	(1,783,287)	(1,783,287)
NET CHANGE IN FUND BALANCE	(41,700,000)	(41,700,000)	-	41,700,000
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	\$ (41,700,000)	\$ (41,700,000)	\$ -	\$ 41,700,000

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
COUNTY TRANSPORTATION TRUST FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 23,045,476	\$ 23,045,476	\$ 25,602,799	\$ 2,557,323
Intergovernmental	10,442,251	10,442,251	11,608,172	1,165,921
Interest Income	538,968	538,968	1,407,071	868,103
Net Change in Fair Value of Investments	-	-	(1,161,081)	(1,161,081)
Miscellaneous Revenue	28,000	28,000	28,108	108
Total Revenues	<u>34,054,695</u>	<u>34,054,695</u>	<u>37,485,069</u>	<u>3,430,374</u>
EXPENDITURES				
Current:				
Transportation	51,155,932	51,987,117	16,497,195	35,489,922
Total Expenditures	<u>51,155,932</u>	<u>51,987,117</u>	<u>16,497,195</u>	<u>35,489,922</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(17,101,237)	(17,932,422)	20,987,874	38,920,296
OTHER FINANCING SOURCES (USES)				
Transfers In	12,000,000	12,000,000	2,963	(11,997,037)
Transfers Out	<u>(16,250,000)</u>	<u>(16,250,000)</u>	<u>(4,250,000)</u>	<u>12,000,000</u>
Total Other Financing Sources (Uses)	<u>(4,250,000)</u>	<u>(4,250,000)</u>	<u>(4,247,037)</u>	<u>2,963</u>
NET CHANGE IN FUND BALANCE	(21,351,237)	(22,182,422)	16,740,837	38,923,259
Fund Balance - Beginning of Year	<u>86,617,096</u>	<u>86,617,096</u>	<u>86,617,096</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 65,265,859</u>	<u>\$ 64,434,674</u>	<u>\$ 103,357,933</u>	<u>\$ 38,923,259</u>

See accompanying Notes to Financial Statements.

POLK COUNTY, FLORIDA
IMPACT FEES FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Special Assessments	\$ 13,091,572	\$ 13,091,572	\$ 39,175,340	\$ 26,083,768
Interest Income	444,601	444,601	1,156,289	711,688
Net Change in Fair Value of Investments	-	-	(1,043,844)	(1,043,844)
Miscellaneous Revenue	-	-	20	20
Total Revenues	<u>13,536,173</u>	<u>13,536,173</u>	<u>39,287,805</u>	<u>25,751,632</u>
EXPENDITURES				
Current:				
Public Safety	660,000	660,000	108,077	551,923
Transportation	21,176,536	22,286,034	10,729,682	11,556,352
Culture and Recreation	2,284,088	2,284,088	123,698	2,160,390
Total Expenditures	<u>24,120,624</u>	<u>25,230,122</u>	<u>10,961,457</u>	<u>14,268,665</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(10,584,451)	(11,693,949)	28,326,348	40,020,297
OTHER FINANCING SOURCES (USES)				
Transfers In	55,367	55,367	6,037	(49,330)
Transfers Out	(1,316,140)	(1,316,140)	(1,266,810)	49,330
Total Other Financing Sources (Uses)	<u>(1,260,773)</u>	<u>(1,260,773)</u>	<u>(1,260,773)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(11,845,224)	(12,954,722)	27,065,575	40,020,297
Fund Balance - Beginning of Year	<u>66,259,174</u>	<u>66,259,174</u>	<u>66,259,174</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 54,413,950</u>	<u>\$ 53,304,452</u>	<u>\$ 93,324,749</u>	<u>\$ 40,020,297</u>

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
PROPRIETARY FUNDS
STATEMENT OF FUND NET POSITION
SEPTEMBER 30, 2021**

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Utilities	Waste and Recycling	Rohr Nursing Home (Nonmajor Fund)	Total	
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
CURRENT ASSETS					
Cash and Investments	\$ 77,318,753	\$ 161,969,792	\$ 407,090	\$ 239,695,635	\$ 47,081,188
Restricted Cash and Investments	6,796,886	208,480	-	7,005,366	-
Accounts Receivable	18,794,494	2,585,908	67,806	21,448,208	588,072
Allowance for Uncollectible Accounts	(6,892,584)	-	(95,363)	(6,987,947)	-
Interest Receivable	238,081	406,922	528	645,531	93,968
Due from Other Funds	2,451	384,160	-	386,611	2,815,948
Due from Other Governments	230,492	-	427,398	657,890	24,216
Inventory	2,363,227	-	-	2,363,227	408,121
Other Assets	187,355	-	-	187,355	1,797,157
Total Current Assets	<u>99,039,155</u>	<u>165,555,262</u>	<u>807,459</u>	<u>265,401,876</u>	<u>52,808,670</u>
NONCURRENT ASSETS					
Restricted Cash and Investments	30,573,679	40,342,759	-	70,916,438	-
Capital Assets:					
Land and Easements	14,892,546	7,008,301	56,410	21,957,257	-
Buildings, Utility Plants and Improvements	781,371,590	82,561,363	4,081,170	868,014,123	8,629,482
Equipment, including Equipment under Capital Leases	5,106,991	12,248,270	253,856	17,609,117	95,012,581
Infrastructure	-	95,783	-	95,783	-
Intangible Assets	6,816,970	399,628	-	7,216,598	6,934,673
Construction in Progress	47,875,828	11,601,848	-	59,477,676	182,354
Less: Accumulated Depreciation/Amortization	<u>(210,549,733)</u>	<u>(77,929,920)</u>	<u>(2,313,690)</u>	<u>(290,793,343)</u>	<u>(77,728,621)</u>
Total Capital Assets (Net of Accumulated Depreciation/Amortization)	<u>645,514,192</u>	<u>35,985,273</u>	<u>2,077,746</u>	<u>683,577,211</u>	<u>33,030,469</u>
Total Noncurrent Assets	<u>676,087,871</u>	<u>76,328,032</u>	<u>2,077,746</u>	<u>754,493,649</u>	<u>33,030,469</u>
Total Assets	<u>775,127,026</u>	<u>241,883,294</u>	<u>2,885,205</u>	<u>1,019,895,525</u>	<u>85,839,139</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Amounts on Pension	2,706,118	534,280	484,392	3,724,790	1,659,235
Deferred Amounts on OPEB	1,332,409	212,746	276,629	1,821,784	638,543
Deferred Charges on Debt Refundings	9,438,833	-	-	9,438,833	-
Total Deferred Outflows of Resources	<u>13,477,360</u>	<u>747,026</u>	<u>761,021</u>	<u>14,985,407</u>	<u>2,297,778</u>

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
PROPRIETARY FUNDS
STATEMENT OF FUND NET POSITION (CONTINUED)
SEPTEMBER 30, 2021**

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Utilities	Waste and Recycling	Rohr Nursing Home (Nonmajor Fund)	Total	
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION					
CURRENT LIABILITIES					
Vouchers Payable	\$ 7,821,733	\$ 4,950,379	\$ 204,414	\$ 12,976,526	\$ 3,169,759
Accrued Liabilities	1,537,607	111,594	81,966	1,731,167	274,018
Due to Other Funds	256	54	-	310	300
Due to Other Governments	54,556	-	-	54,556	-
Unearned Revenue	-	-	-	-	334,133
Accrued Compensated Absences, Current Portion	785,883	117,787	99,740	1,003,410	462,352
Interlocal Agreement, Current Portion	201,217	-	-	201,217	-
Revenue Bonds Payable, Current Portion	5,569,860	-	-	5,569,860	-
Claims Payable	-	-	-	-	6,020,000
Total Current Liabilities	15,971,112	5,179,814	386,120	21,537,046	10,260,562
CURRENT LIABILITIES, Payable from Restricted Assets					
Customer Deposits	6,796,886	208,480	-	7,005,366	-
Total Current Liabilities, Payable from Restricted Assets	6,796,886	208,480	-	7,005,366	-
Total Current Liabilities	22,767,998	5,388,294	386,120	28,542,412	10,260,562
NONCURRENT LIABILITIES					
Closure and Long-Term Care, Payable from Restricted Assets	-	40,342,759	-	40,342,759	-
Contracts Payable	58,880	-	-	58,880	-
Interlocal Agreement, Net of Current Portion	1,696,255	-	-	1,696,255	-
Revenue Bonds Payable (Net of Unamortized Premiums)	164,158,792	-	-	164,158,792	-
Total OPEB Liability	9,571,910	1,528,344	1,987,256	13,087,510	4,587,224
Net Pension Liability	5,527,821	1,112,320	1,017,860	7,658,001	3,430,019
Other Noncurrent Liabilities	377,985	-	-	377,985	-
Total Noncurrent Liabilities	181,391,643	42,983,423	3,005,116	227,380,182	8,017,243
Total Liabilities	204,159,641	48,371,717	3,391,236	255,922,594	18,277,805
DEFERRED INFLOWS OF RESOURCES					
Deferred Amounts on Pension	7,144,059	1,397,568	1,261,278	9,802,905	4,355,240
Deferred Amounts on OPEB	2,341,792	373,912	486,194	3,201,898	1,122,276
Taxes Received In Advance	2,451	381,458	-	383,909	-
Total Deferred Inflows of Resources	9,488,302	2,152,938	1,747,472	13,388,712	5,477,516
NET POSITION					
Net Investment in Capital Assets	512,619,917	35,948,175	2,077,746	550,645,838	33,030,469
Restricted for:					
Renewal, Replacement and Improvements	1,000,000	-	-	1,000,000	-
Unrestricted (Deficit)	61,336,526	156,157,490	(3,570,228)	213,923,788	31,351,127
Total Net Position	\$ 574,956,443	\$ 192,105,665	\$ (1,492,482)	765,569,626	\$ 64,381,596
Adjustment to Reflect Consolidation of Internal Service Fund Activities Related to Enterprise Funds (Cumulative)				(3,779,110)	
Net Position of Business-Type Activities				\$ 761,790,516	

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
YEAR ENDED SEPTEMBER 30, 2021**

	Business-Type Activities - Enterprise Funds			Total	Governmental Activities - Internal Service Funds
	Utilities	Waste and Recycling	Rohr Nursing Home (Nonmajor Fund)		
OPERATING REVENUES					
Charges for Services	\$ 102,906,183	\$ 46,011,180	\$ 4,244,876	\$ 153,162,239	\$ 96,509,423
Other Revenue	2,275,425	341,274	-	2,616,699	5,069,608
Total Operating Revenues	<u>105,181,608</u>	<u>46,352,454</u>	<u>4,244,876</u>	<u>155,778,938</u>	<u>101,579,031</u>
OPERATING EXPENSES					
Personnel Services	15,271,272	2,160,493	2,243,960	19,675,725	8,671,467
Operations and Maintenance	27,506,610	29,626,821	1,709,532	58,842,963	13,234,959
Indirect	1,966,089	554,384	-	2,520,473	1,188,217
Depreciation/Amortization	18,285,561	2,631,459	233,688	21,150,708	8,177,654
Closure and Long-Term Care	-	(53,127,006)	-	(53,127,006)	-
Healthcare Program	-	-	-	-	68,202,860
Other	33,942	10,654	8,010	52,606	9,344
Total Operating Expenses	<u>63,063,474</u>	<u>(18,143,195)</u>	<u>4,195,190</u>	<u>49,115,469</u>	<u>99,484,501</u>
OPERATING INCOME (LOSS)	42,118,134	64,495,649	49,686	106,663,469	2,094,530
NONOPERATING REVENUES (EXPENSES)					
Interest Income	1,684,448	2,952,359	4,821	4,641,628	623,523
Net Change in Fair Value of Investments	(1,378,008)	(2,355,253)	(3,055)	(3,736,316)	(543,886)
Interest Expense	(6,208,289)	-	-	(6,208,289)	-
Gain (Loss) on Disposition of Equipment	(1,772,142)	72,750	-	(1,699,392)	1,203,469
Transfer of Capital Assets	796,777	91,794	-	888,571	1,709,294
Total Nonoperating Revenues (Expenses), Net	<u>(6,877,214)</u>	<u>761,650</u>	<u>1,766</u>	<u>(6,113,798)</u>	<u>2,992,400</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	35,240,920	65,257,299	51,452	100,549,671	5,086,930
CAPITAL CONTRIBUTIONS AND TRANSFERS					
Capital Contributions	19,659,222	-	-	19,659,222	-
Transfers In	44,236	-	-	44,236	3,025,777
Transfers Out	(2,082,036)	(4,689,983)	-	(6,772,019)	-
Total Capital Contributions and Transfers	<u>17,621,422</u>	<u>(4,689,983)</u>	<u>-</u>	<u>12,931,439</u>	<u>3,025,777</u>
CHANGE IN NET POSITION	52,862,342	60,567,316	51,452	113,481,110	8,112,707
Total Net Position - Beginning of Year	<u>522,094,101</u>	<u>131,538,349</u>	<u>(1,543,934)</u>		<u>56,268,889</u>
TOTAL NET POSITION - END OF YEAR	<u>\$ 574,956,443</u>	<u>\$ 192,105,665</u>	<u>\$ (1,492,482)</u>		<u>\$ 64,381,596</u>
Adjustments to Reflect Consolidation of Internal Service Fund Activities Related to Enterprise Funds:					
Current Year Adjustment				<u>243,062</u>	
Change in Net Position of Business-Type Activities				<u>\$ 113,724,172</u>	

See accompanying Notes to Financial Statements.

This page left intentionally blank

**POLK COUNTY, FLORIDA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2021**

	Business-type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Utilities	Waste and Recycling	Rohr Nursing Home (Nonmajor Fund)	Total	
CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES					
Cash Received from Customers	\$ 101,845,135	\$ 44,792,952	\$ 4,142,572	\$ 150,780,659	\$ 2,011,271
Cash Received from Internal Services	-	-	-	-	95,454,159
Cash Paid for Internal Services	(5,014,859)	(727,162)	(559,374)	(6,301,395)	-
Cash Paid to Suppliers for Goods and Services	(22,151,268)	(31,547,408)	(1,116,213)	(54,814,889)	(84,232,646)
Cash Paid to Employees for Services	(15,686,663)	(365,456)	(2,806,474)	(18,858,593)	(9,118,166)
Cash Received from Other Sources	2,321,872	341,274	-	2,663,146	5,069,608
Net Cash Provided (Used) by Operating Activities	<u>61,314,217</u>	<u>12,494,200</u>	<u>(339,489)</u>	<u>73,468,928</u>	<u>9,184,226</u>
CASH FLOWS PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES					
Transfers from Other Funds	44,236	-	-	44,236	2,889,131
Transfers to Other Funds	(2,082,036)	(4,598,189)	-	(6,680,225)	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(2,037,800)</u>	<u>(4,598,189)</u>	<u>-</u>	<u>(6,635,989)</u>	<u>2,889,131</u>
CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and Construction of Capital Assets	(47,063,642)	(2,139,113)	-	(49,202,755)	(7,840,313)
Principal Paid on Bonds, Capital Leases, and Contracts	(4,306,217)	-	-	(4,306,217)	-
Interest Paid on Bonds, Capital Leases, and Interlocal Loans	(6,522,849)	-	-	(6,522,849)	-
Proceeds on Sales of Capital Assets	183,400	-	-	183,400	2,231,412
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(57,709,308)</u>	<u>(2,139,113)</u>	<u>-</u>	<u>(59,848,421)</u>	<u>(5,608,901)</u>
CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES					
Interest and Dividends on Investments	430,705	809,497	3,400	1,243,602	121,302
Net Cash Provided (Used) by Investing Activities	<u>430,705</u>	<u>809,497</u>	<u>3,400</u>	<u>1,243,602</u>	<u>121,302</u>
NET CHANGE IN CASH AND INVESTMENTS	1,997,814	6,566,395	(336,089)	8,228,120	6,585,758
Cash and Investments - Beginning of Year	<u>112,691,504</u>	<u>195,954,636</u>	<u>743,179</u>	<u>309,389,319</u>	<u>40,495,430</u>
CASH AND INVESTMENTS - END OF YEAR	<u>\$ 114,689,318</u>	<u>\$ 202,521,031</u>	<u>\$ 407,090</u>	<u>\$ 317,617,439</u>	<u>\$ 47,081,188</u>
RECONCILIATION OF CASH AND INVESTMENTS TO COMBINING STATEMENT OF NET POSITION					
Cash and Investments	\$ 77,318,753	\$ 161,969,792	\$ 407,090	\$ 239,695,635	\$ 47,081,188
Restricted Cash and Investments - Current	6,796,886	208,480	-	7,005,366	-
Restricted Cash and Investments - Noncurrent	30,573,679	40,342,759	-	70,916,438	-
Total Cash and Investments	<u>\$ 114,689,318</u>	<u>\$ 202,521,031</u>	<u>\$ 407,090</u>	<u>\$ 317,617,439</u>	<u>\$ 47,081,188</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES					
Transfer of Capital Assets - Governmental Funds	\$ 796,777	\$ 91,794	\$ -	\$ 888,571	\$ 1,709,294
Contribution and Transfer of Capital Assets	<u>\$ 19,659,222</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,659,222</u>	<u>\$ 1,709,294</u>

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021**

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Utilities	Waste and Recycling	Rohr Nursing Home (Nonmajor Fund)	Total	
RECONCILIATION OF NET OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	\$ 42,118,134	\$ 64,495,649	\$ 49,686	\$ 106,663,469	\$ 2,094,530
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation/Amortization	18,285,561	2,631,459	233,688	21,150,708	8,177,654
Change in Long-Term Care Liability	-	(53,127,006)	-	(53,127,006)	-
(Increase) Decrease in Assets and Deferred Outflows:					
Accounts Receivable, Net of Allowance	(1,490,459)	(1,218,717)	40,381	(2,668,795)	506,441
Due from Other Governments	46,447	-	(142,685)	(96,238)	-
Due from Other Funds	500	9,018	-	9,518	453,653
Other Assets	(174,358)	20,000	-	(154,358)	(1,797,157)
Inventory	507,063	-	-	507,063	(137,441)
Deferred Outflow from Pension	1,503,949	396,818	378,873	2,279,640	1,053,999
Deferred Outflow from OPEB	16,134	102,837	50,014	168,985	51,509
Increase (Decrease) in Liabilities and Deferred Inflows:					
Vouchers Payable	453,460	567,098	41,955	1,062,513	(1,123,960)
Accrued Liabilities	743,136	26,113	11,428	780,677	38,232
Accrued Compensated Absences	15,331	22,250	(46,724)	(9,143)	(828)
Customer Deposits	429,912	11,568	-	441,480	-
Unearned Revenue	-	-	-	-	(4,087)
Self-Insurance Liability	-	-	-	-	1,460,000
Total OPEB Liability	52,989	(699,244)	(318,413)	(964,668)	(283,614)
Due to Other Governments	(128)	-	-	(128)	-
Due to Other Funds	(48)	39	-	(9)	(600)
Taxes Received In Advance	(501)	(11,079)	-	(11,580)	-
Net Pension Liability	(8,586,314)	(2,016,570)	(1,886,516)	(12,489,400)	(5,673,836)
Deferred Inflow from Pension	6,875,112	1,336,783	1,204,316	9,416,211	4,180,539
Deferred Inflow from OPEB	518,297	(52,816)	44,508	509,989	189,192
Total Adjustments	19,196,083	(52,001,449)	(389,175)	(33,194,541)	7,089,696
Net Cash Provided (Used) by Operating Activities	\$ 61,314,217	\$ 12,494,200	\$ (339,489)	\$ 73,468,928	\$ 9,184,226

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
CUSTODIAL FUNDS
STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2021**

ASSETS

Cash and Cash Equivalents	\$	22,830,480
Due from Individuals and Businesses		6,227
Due from Other Governments		9,406
		9,406
Total Assets	\$	22,846,113

LIABILITIES AND FIDUCIARY NET POSITION

LIABILITIES

Due to State of Florida	\$	1,515,012
Due to Municipalities		138,256
Due to Others		5,524,784
Due to Individuals and Businesses		437
Deposits, Registry of the Court		4,299,989
Deposits, Witness Fees		46,387
Deposits, Other		1,054,021
		1,054,021
Total Liabilities		12,578,886

FIDUCIARY NET POSITION

Restricted for individuals, organizations, and other governments		10,267,227
		10,267,227
Total Liabilities and Fiduciary Net Position	\$	22,846,113

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
CUSTODIAL FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED SEPTEMBER 30, 2021**

ADDITIONS

Fines, Taxes & Fees Collections	
Individuals and Businesses	\$ 133,632,079
Other Governments	48,358,401
Licenses and Fees Collected from State Agencies	134,005,935
Contributions from Individuals and Businesses	4,813,609
Total Additions	320,810,024

DEDUCTIONS

Payments of Fines & Fees	589,184
Payments of Property Tax	
Individuals and Businesses	3,721,224
Other Governments	174,961,471
Canteen Purchases	2,664,832
Inmate Spending	780,183
Payments to State Agencies	133,936,490
Miscellaneous Charges	1,331,212
Total Deductions	317,984,596

NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION 2,825,428

Net Position - Beginning of Year, as Previously Reported	-
Net Position - Beginning of Year, as Restated (See Note 22)	7,441,799

FIDUCIARY NET POSITION - END OF YEAR \$ 10,267,227

This page left intentionally blank

POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Polk County is a political subdivision of the state of Florida governed by the State Constitution and general laws of the state of Florida.

The legislative and governing body of the County is the five-member Board of County Commissioners (Board). Each County Commissioner is elected on a county-wide basis for a four-year term of office and each County Commissioner is a resident of their Commission District. Polk County became a Home Rule Charter County on January 1, 1999, with an appointed County Manager, and with separate legislative and executive functions. The County Manager is the head of the administrative branch of county government and is responsible to the Board of County Commissioners for the proper administration of all affairs of the County, except for those powers, duties and functions residing, as specified by law, with the elected constitutional officers.

There are six offices elected countywide which are as follows: Board of County Commissioners, Clerk of the Circuit Court, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector.

The Board of County Commissioners and all Constitutional Officers maintain their accounts in accordance with the uniform classification of accounts required by Section 218.33, *Florida Statutes*. Pursuant to Section 125.17, *Florida Statutes*, the Clerk of the Courts of the County is designated as clerk, auditor and accountant for the board.

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. 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. For the year ended September 30, 2021, the County had no discretely presented component units.

POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Blended Component Units

The Harden/Parkway and Eloise Community Redevelopment Agencies (CRAs), were created pursuant to Section 163.360 of the *Florida Statutes* and by County Ordinances 04-11, and 98-50, respectively. The CRAs provide for the rehabilitation and/or conservation of the communities in the interest of the public health, safety, morals or welfare of the residents in these unincorporated areas of Polk County. The financial information for these component units is included with the financial information of the primary government in the government-wide statements since the Board of County Commissioners serves as the governing body of these CRAs and approves the annual budgets. The Harden/Parkway and Eloise CRAs are reported as special revenue funds of Polk County.

The CRAs are presented separately as a blended units due to the CRA's governing body being substantively the same as the governing body of the Board of County Commissioners and the financial burden between the County and the CRAs.

Measurement Focus and Basis of Accounting

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

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

Government-Wide Financial Statements

The government-wide financial statements consist of a statement of net position and a statement of activities. These statements report all of the assets, deferred outflows of resources, liabilities, deferred inflows of resources, net position, revenues, expenses, gains and losses on all of the nonfiduciary activities of the County, providing a consolidated financial picture of the government as a whole. The effect of interfund activity has been removed from these statements.

Each statement distinguishes between activities that are supported primarily by taxes and intergovernmental revenues (governmental activities) and activities that are intended to recover all or most of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public safety, physical environment, transportation, economic environment, human services, and culture and recreation. The business-type activities of the County include the Utilities Fund, Waste and Recycling Fund, and the Rohr Nursing Home Fund.

POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government–Wide Financial Statements (Continued)

The statement of net position reports all financial and capital resources and obligations of the County as a whole. The effects of fiduciary funds are not included as a part of this statement. The difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as net position. The statement of activities presents information showing how the County’s net position changed during the fiscal year. Further, this statement demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues.

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

Program revenues are derived 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 an expenditure. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as other financing source. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

As a general rule, the effects of intrafund transfers among governmental funds and enterprise funds, respectively, have been eliminated from the government-wide financial statements. However, certain interfund services, accounted for in the internal service funds, have not been eliminated from the government-wide financial statements. The County eliminates 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 (Custodial). Since these assets are being held for the benefit of a third-party and cannot be used to address the activities or obligations of the government, these funds are not incorporated into the government-wide statements.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

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 balance, 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 Custodial fund of the County primarily represents assets held by the County in a custodial capacity for other individuals or governments.

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. 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. Property taxes, intergovernmental revenues and interest earned associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable only when cash is received by the County.

Under the current financial resources measurement focus, only current assets and current liabilities 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.

Noncurrent portions of long-term receivables due to governmental funds are reported on their balance sheets in spite of their spending measurement focus.

POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Funds (Continued)

Due to the spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by noncurrent liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

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 other financing sources 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

Proprietary funds focus on the determination of operating income, changes in net position (or cost recovery), financial position, and cash flows. The proprietary fund category includes enterprise and internal service funds. Enterprise funds may be used to account for any activity for which a fee is charged to external users for goods or services. Activities are required to be reported as enterprise funds if any one of the following criteria is met: (a) the activity is financed with debt that is secured solely by a pledge of the net revenues from fees and charges of the activity, (b) laws or regulations require that the activity's costs of providing services, including capital costs be recovered with fees and charges, rather than with taxes or similar revenues, or (c) the pricing policies of the activity establish fees and charges designated to recover its costs, including capital costs.

Proprietary funds distinguish *operating* revenues and expenses from *nonoperating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the County's enterprise and internal service funds are charges to customers for sales and services. Operating expenses for the County's enterprise and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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 County has used GASB Statement No. 34 minimum criteria for major fund determination. The nonmajor funds are combined in a column in the fund financial statements and detailed in the combining section.

Governmental Major Funds

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

Coronavirus Relief Fund – The Coronavirus Relief Fund accounts for all activities related to money received from the U.S. Department of Treasury for Coronavirus relief.

County Transportation Trust – The main sources of revenues are from the state-shared revenues and local option gas taxes. These revenues are used for roads and bridge maintenance and construction.

Impact Fee Fund – This fund accounts for impact fees used for the construction or improvement of the County's emergency medical system, roads, and correctional facilities.

Business-Type Major Funds

Utilities Fund – This fund accounts for all activities necessary to provide water and sewer services to residents in certain unincorporated areas of the County.

Waste and Recycling Fund – This fund accounts for all activities necessary to provide garbage collection and disposal services to the residents and businesses of the County.

Other Fund Types

Internal Service Funds – Internal Service Funds account for Fleet Management, Information Technology, and Employee Health Insurance services provided to other departments of the County on a cost reimbursement basis.

Custodial Fund – The Custodial Fund accounts for all assets held by Polk County in its capacity as custodian for individuals, other governmental units, and nonpublic organizations. The County's Custodial Funds are: County Court Fund, Registry of Court Fund, Jury and Witness Fund, Domestic Relations Fund, Tax Deed Fund, Intangible Tax and Documentary Stamp Fund, County Court / Civil Court Fund, Cash Bonds Fund, Other Custodial Funds, Fees and Suspense Fund, Fines and DRD Fund, and Inmate Fund. A description of each custodial fund can be found on pages G-52 and G-53.

POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Noncurrent Governmental Assets/Liabilities

GASB Statement No. 34 requires noncurrent governmental assets, such as land and buildings, and noncurrent governmental liabilities, such as general obligation bonds and capital leases, to be reported in the governmental activities column in the government-wide statement of net position.

Pooled Cash and Investments

All funds participate in the pooled cash and investments program for the purpose of maximizing investment yields. The earnings of the pool are allocated on a monthly basis to individual funds based upon their average monthly balance in the pool.

Each fund's equity in the County's pool is considered to be a cash equivalent since the funds can deposit or effectively withdraw cash at any time without prior notice or penalty.

Pooled cash of the County determined to be available in excess of immediate needs is placed in investments in accordance with the Polk County Investment Policy as amended December 17, 2019, under the guidelines of Section 218.415, *Florida Statutes*.

Allowance for Doubtful Accounts

The County provides an allowance for water and sewer accounts, Rohr nursing home and governmental funds receivables, which include ambulance and impact fee receivables, which may become uncollectible. At September 30, 2021, these allowances were \$6,892,584, \$95,363, and \$10,613,046, respectively. No other allowances for doubtful accounts are maintained since all other receivables are considered collectible as reported at September 30, 2021.

Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Inventory

Inventories are stated at cost using the first-in, first-out, (FIFO) method. Inventories consist of expendable supplies held for consumption (consumption method).

Restricted Assets

Certain funds of the County are classified as restricted assets on the statement of net position because the restriction is either imposed by law through constitutional provisions or enabling legislation or imposed externally by creditors, grantors, contributors, or laws or regulations of other governments. Therefore, their use is limited by applicable laws and regulations.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets, which include property, plant, equipment, infrastructure (e.g., roads, bridges, water and sewer distribution systems and similar items), and intangible assets (e.g., software and easements), are reported in the applicable governmental or business-type activities column in the government-wide financial statements.

Capital assets are valued at historical cost or estimated historical cost if actual is not available. Donated capital assets are recorded at estimated acquisition value at the date of donation.

Betterments and major improvements which significantly increase the values, change capacities, or extend the useful lives are capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are charged to expenditures/expenses as incurred and not capitalized.

Capital assets acquired by lease/purchase agreements or multiple year installment purchase contracts are recorded in the governmental funds in the year acquired as capital outlay expenditures and as other financing sources in the amount of the discounted present value of the total stipulated payments.

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

Property, plant, equipment, infrastructure, and intangibles related to software of the primary government are depreciated/amortized using the straight-line method over the following estimated useful lives. Assets with an initial, individual cost equal to or greater than the following thresholds, along with their estimated useful lives are as follows:

<u>Assets</u>	<u>Years</u>	<u>Capitalization Threshold</u>
Buildings and Improvements	10, 40 - 45	Capitalize All
Equipment	5 - 15	\$5,000
Infrastructure	10 - 75	Capitalize All
Intangibles - Software	3 - 10	\$100,000

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Ad Valorem Taxes

The property tax calendar for 2021 is as follows:

Lien Date	January 1
Levy Date	January 1
Due Dates	November 1 through March 31
Delinquent Date	April 1
Tax Certificate Sale	Not Later than June 1

No accrual for the property tax levy becoming due in November of 2021 is included in the accompanying financial statements since such taxes are collected to finance expenditures of the subsequent period.

Capitalized Lease Obligations

Assets acquired under capitalized lease obligations for governmental and enterprise fund types are accounted for as assets and liabilities in the government-wide statement of net position. In the individual fund statements, these lease obligations are included in the enterprise funds, but not in the governmental funds. The capitalized lease obligations are stated at the original fair market value of leased assets capitalized, less payments since the inception of the lease discounted at the implicit rate in the lease.

Pension

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.

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 the healthcare coverage purchased by retirees to continue participation in the County's health plan. OPEB expense is recognized for changes in the OPEB liability resulting from current year service cost, interest on the total OPEB liability, and changes of benefit terms or actuarial assumptions. Changes to liability are first put into deferred inflows of resources and deferred outflows of resources then amortized.

POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources which 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 amounts from pension, OPEB, and deferred amounts of refunding will be recognized as increases in expense in future years. In addition to liabilities, the statement of net position includes a separate section for the deferred inflows of resources. This represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue or decrease in expense) until that time. The amounts will be recognized as decreases in pension and OPEB expenses in future years. In addition, the County has deferred inflows as of September 30, 2021, resulting from prepayment of taxes collected by the Tax Collector. These prepaid taxes will be recorded as revenue in November 2021.

Compensated Absences

The unpaid vacation and sick leave accumulated by employees is accrued as an expense when incurred in the government-wide statement of activities and the proprietary funds. Therefore, the entire unpaid liability for compensated absences is recorded in the government-wide statement of net position. Compensated absences are reported in governmental funds only if they have matured (i.e., unused reimbursable leave still outstanding following an employee's resignation or retirement).

Unearned Revenue

Revenue related to federal and state financial assistance programs is recognized when funds are expended. Grant funds received in advance of meeting any eligibility requirements other than a time requirement are reported as unearned revenues.

Amortization

Bond premiums and discounts are presented as additions or reductions of the face amount of bonds payable.

Contributions

Contributions of cash or property received from other County funds, other governmental units and from contractors or developers are credited directly to the contribution accounts in the proprietary funds. Property and equipment contributed for general governmental purposes are recorded in the government-wide statement of net position.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance and Spending Policies

In accordance with GASB Statement No. 54 – *Fund Balance Reporting and Governmental Fund Type Definitions*, governments are required to classify fund balance in governmental funds as nonspendable, restricted, committed, assigned, and unassigned. The following are the definitions of the fund balance classifications:

Nonspendable – Amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – Amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – Amounts that can be used only for specific purposes determined by a formal action of the Board of County Commissioners, the County’s highest level of decision-making authority, by establishment of an Ordinance. Commitments may be modified or removed by the Board of County Commissioners by amending or repealing an Ordinance.

Assigned – Amounts that are intended by the board to be used for specific purposes, but are neither restricted nor committed. The board has not granted any specific individual the authority to assign amounts, thus assignments may be made only by the board.

Unassigned – All other spendable amounts. The general fund is the only fund that may report a positive unassigned fund balance amount.

The County has implemented fund balance and spending policies to clearly define the process for tracking the various classifications of fund balance. The policy states when a general fund expenditure is incurred and where restricted, committed, assigned, or unassigned amounts are available to be used, the County will first use restricted amounts, then committed amounts, then assigned amounts, and finally unassigned amounts. All other funds in which an expenditure is incurred and where restricted, committed, assigned, or unassigned amounts are available to be used, the County will first use unassigned amounts, then assigned amounts, then committed amounts, and finally restricted amounts.

The Unbudgeted Other Special Revenue Funds are comprised of the Clerk of Courts’ Records Modernization Trust, the Sheriff’s Other Special Revenue Funds (Grants Fund and Other Governmental Funds) and the Supervisor of Elections’ Special Revenue Grants Fund. These funds have distinct revenue sources and serve different purposes for the entities which administer them; therefore, their respective fund balances are classified separately before being combined together for financial reporting purposes.

POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance and Spending Policies (Continued)

When an expense is incurred for purposes for which both restricted and unrestricted net position is available, the County's policy is to first use restricted net position then unrestricted net position.

New GASB Pronouncements

The County fully implemented the following GASB statements during the fiscal year-ended September 30, 2021:

- 1) Statement No. 84, *Fiduciary Activities*, effective for the year ended September 30, 2021. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. The County has implemented this Statement for fiscal year 2021.
- 2) Statement No. 98, *The Annual Comprehensive Financial Report*, effective for the year ended September 30, 2021. The objective of this Statement is to establish the term *annual comprehensive financial report* and its acronym *ACFR*. That new term and acronym replace instances of *comprehensive annual financial report* and its acronym in generally accepted accounting principles for state and local governments.

NOTE 2 BUDGETS AND BUDGETARY ACCOUNTING

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

- 1) Prior to July 15, the County Manager, as County Budget Officer, submits to the Board of County Commissioners a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
- 2) Public hearings are conducted to obtain taxpayer comments.
- 3) Prior to October 1, the budget is legally enacted through passage of a resolution.
- 4) Formal budgetary integration is employed as a management control device during the year for the general fund, special revenue funds, debt service funds and capital projects funds.
- 5) Budgets for the general, certain special revenue, debt service and capital projects funds are adopted on a basis consistent with generally accepted accounting principles (GAAP).
- 6) The County Manager (or his designee) approves budget transfers at the department level within a fund. Budget amendments at the fund level are approved by the board.

POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 2 BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)

- 7) Section 129.07, *Florida Statutes*, provides that expenditures in excess of total fund budgets are unlawful. When supplemental appropriations are necessary, the budget is amended by the board in a legally permissible manner. The budgetary data presented herein reflects the original adopted budget and the final budget after all amendments were made.
- 8) Unused appropriations lapse at the end of each fiscal year. However, some amounts may be carried forward to the following fiscal year in the form of a new appropriation which must be approved by the County Commission.

Chapter 195, *Florida Statutes*, governs the preparation, adoption and administration of the Tax Collector and Property Appraiser's annual budgets. The annual budget of the Tax Collector and the Property Appraiser must be submitted to and approved by the Department of Revenue, state of Florida.

The budget for the Clerk of the Circuit Court's general fund is prepared, adopted and administered in accordance with Sections 129.03 and 218.35, *Florida Statutes*, which requires separation of the part pertaining to the court system from that pertaining to the Clerk and Comptroller to the Board of County Commissioners.

The budget for the Clerk of the Circuit Court's court fund is prepared, adopted and administered in accordance with Section 28.36, *Florida Statutes*.

The budget for the Sheriff's general fund is prepared, adopted and administered in accordance with Section 30.49, *Florida Statutes*.

The budget for the Supervisor of Election's general fund is prepared, adopted and administered in accordance with Sections 129.201 and 129.202, *Florida Statutes*.

NOTE 3 POOLED CASH AND INVESTMENTS

In order to minimize its cost basis and limit taxpayer liability in the provision of a full range of county services, the County manages a portfolio of cash and investments to maximize net investment earnings on invested surplus funds. The Board of County Commissioners and Constitutional Officers each maintain investment guidelines in compliance with Section 218.415, *Florida Statutes*. Investment policy objectives place an emphasis on enhancing yield while maintaining safety and liquidity by continually balancing risk and cash flow management.

POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 3 POOLED CASH AND INVESTMENTS (CONTINUED)

Investment risk is managed in the following forms:

- Custodial credit risk – risk that a government will not be able to recover deposits or the value of an investment that is in the possession of a failed institution or counterparty;
- Credit risk – risk of loss from an issuer’s failure to repay principal and/or interest on a debt obligation;
- Liquidity risk – risk that an investment cannot be bought or sold quickly enough to minimize a loss stemming from a lack of marketability;
- Concentration risk – increasing probability of loss arising from heavily lopsided exposure to an asset class, issuer, structure or maturity;
- Interest rate risk – risk that a security’s value will decrease with a rise in interest rates.

Custodial Credit Risk

To manage custodial credit risk for deposits, the County’s investment policy requires that all demand and time deposits, including money market accounts, are insured and fully collateralized. The County’s bank balances are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for each banking relationship. The remaining balances are insured and collateralized in accordance with Chapter 280, *Florida Statutes*, which established the Public Deposit Security Trust Fund, a multiple financial institution collateral pool. Section 280.08, *Florida Statutes*, provides for assessments against the members of the pool on a pro rata basis in the event that the collateral pool is insufficient to cover the losses of a member financial institution that fails. As such, all deposits covered by the collateral pool are considered to be fully insured. As of September 30, 2021, the County’s book balance of cash was \$67,200,929 and the bank balance was \$97,344,008.

The County may also enter into overnight repurchase agreements with a local banking institution. On any given banking day, the County may authorize the bank to “sweep” their account for the purpose of entering into repurchase agreements and other investments. The next day the same account is credited for the principal amount of the previous day’s sweep, plus interest earned. As such, the balance is included as part of the deposit total for purposes of financial statement presentation. The amounts are fully collateralized by U.S. Government Treasury and/or Agency Securities. There were no outstanding amounts on September 30, 2021.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 3 POOLED CASH AND INVESTMENTS (CONTINUED)

Custodial Credit Risk (Continued)

Investment in State Investment Pool

The County participates in the State of Florida Local Government Surplus Funds Trust Fund (LGIP), also known as Florida Prime administered by the State Board of Administration (SBA), under the regulatory oversight of the state of Florida. The purpose of this pool is to promote, through State assistance, the maximization of net interest earnings on invested surplus funds of local units of government. The LGIP is a 2a-7 like external investment pool and therefore uses amortized cost which is reported at a stable Net Asset Value (NAV), typically \$1.00 per share. Therefore, the account balance should be considered the fair value of the investment. As of September 30, 2021, the LGIP, now known as Florida Prime, is rated AAAM for Credit Quality by Standard & Poor's Rating Agency and had a weighted average maturity (WAM) of 49 days, and had a weighted average life (WAL) of 64 days.

A portfolio's WAM reflects the average maturity in days based on final maturity or reset date, in the case of floating rate instruments.

In accordance with GASB 79, as a participant in a qualifying external investment pool, the County should disclose the presence of any limitations or restrictions on withdrawals (such as redemption notice periods, maximum transaction amounts, and the qualifying external investment pool's authority) to impose liquidity fees or redemption gates in the notes to the financial statements.

With regard to redemption gates, Section 218.409(8)(a), *Florida Statutes*, states that "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the monies 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 monies entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government 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 moratorium may be extended by the executive director 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."

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 3 POOLED CASH AND INVESTMENTS (CONTINUED)

Custodial Credit Risk (Continued)

Investment in State Investment Pool (Continued)

With regard to liquidity fees, Section 218.409(4), *Florida Statutes*, 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, 2021, 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.

In addition, the County participates in the Florida Trust, formerly known as the Florida Local Government Investment Trust, which is administered by a board of trustees appointed by the Florida Association of Court Clerks and County Comptrollers, and the Florida Association of Counties, Inc. The Florida Trust was created in December 1991 to provide a means for public entities to pool surplus funds to maximize net earnings. As of September 30, 2021, all noncash investments held by the Florida Trust were money market, U.S. Treasury Notes, Commercial Paper, Collateralized Mortgage Obligations, Asset-Backed Securities, Agency ARM Pass-Throughs, Corporate Notes, Government Related securities, Agency Notes and Municipal Notes. The Florida Trust reports share all information at Net Asset Value and reflects share value, in accordance with GASB 31. As of September 30, 2021, the Florida Trust was rated AA+ for Credit Quality and S1 for Bond Fund Volatility by Fitch Ratings and had an effective duration of 1.70.

In relation to the FLGIT Day to Day Fund, at September 30, 2021, the average maturity in days was 48 days. The investments in the Day to Day Fund meet all of the necessary criteria to elect to measure all of the investments at amortized cost, as a cash equivalent.

To further manage custodial credit risk for investments, the County's investment policy specifies the County will execute a Third-Party Custodial Safekeeping Agreement with a commercial bank's trust department separately chartered by the U.S. Government or state of Florida. All securities purchased by the County are properly designated as an asset of the County and are held in safekeeping by the bank's trust department.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 3 POOLED CASH AND INVESTMENTS (CONTINUED)

Credit Risk

To manage credit risk, the County's investment policy identifies and limits investments to only top ratings issued by nationally recognized statistical rating organizations (NRSROs). The County's investments in Federal Home Loan Mortgage Corporation (FHLMC), Federal National Mortgage Association (FNMA) and Government National Mortgage Association (GNMA) were rated AAA by Moody's Investor Service and as of the reporting date, exceeded 5% of the portfolio. At time of purchase, Commercial Paper should be rated at least "Prime-2" by Moody's and "A-2" by Standard & Poor's. Municipal debt should be rated "A- or equivalent" or better by at least one NRSRO at the time of purchase. Corporate debt securities should be rated "BBB- or equivalent" or better by at least two NRSROs at time of purchase. Asset Backed Securities are limited to traditional receivables, such as auto, equipment, or credit card receivables provided that such instrument is rated "A-1/P-1" or equivalent if the maturity is 13 months or less and "AAA" or equivalent for longer maturities by at least two NRSROs at time of purchase. Supranational Securities of a multilateral organization of governments must be rated "AAA" or equivalent by at least two NRSROs. Generally Commercial Paper securities purchased with a rating of "A-2" or "Prime-2" should have maturities not exceeding 90 days and corporates with BBB ratings should have maturities not exceeding two years. The investment policy allows for the timely and appropriate disposal when an investment credit rating falls below a minimum threshold. The following table illustrates the credit quality distribution with credit exposure as a percentage of the County's investment securities.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 3 POOLED CASH AND INVESTMENTS (CONTINUED)

Rating Concentration Matrix

TYPE / RATING	AAAf ¹ AAA ^{m2}	AAA	AA	A	BBB	NR ³	Totals
U.S. Treasury Notes	-	-	8.61 %	-	-	-	8.61 %
Corporates							
Fixed	-	-	0.09	1.24	0.27	-	1.60
Adjustable Rates	-	-	0.45	7.75	0.45	-	8.65
CMOs							
Fixed	-	-	6.41	-	-	-	6.41
Adjustable Rates	-	-	0.08	-	-	-	0.08
GSEs							
Fixed	-	-	7.94	-	-	-	7.94
Adjustable Rates	-	-	1.29	-	-	-	1.29
MBS							
Fixed	-	-	11.23	-	-	-	11.23
Adjustable Rates	-	-	0.66	-	-	-	0.66
Municipal							
Fixed	-	4.57	12.73	3.59	-	-	20.89
Asset Backed							
Fixed	-	1.77	-	-	-	-	1.77
CMBS							
Fixed	-	-	1.40	-	-	-	1.40
Adjustable Rates	-	-	1.07	-	-	-	1.07
CDs							
Fixed	-	-	-	-	-	1.49	1.49
Adjustable Rates	-	-	-	-	-	-	-
Other							
FL Trust (FLGIT) ¹	3.92	-	-	-	-	-	3.92
Wells Fargo- GVIXX ²	2.04	-	-	-	-	-	2.04
FL Prime (SBA) ²	13.11	-	-	-	-	-	13.11
FL Trust Day to Day ⁴	2.17	-	-	-	-	-	2.17
Bank United (Money Market) ⁴	-	-	-	-	-	5.67	5.67
Total	<u>21.24 %</u>	<u>6.34 %</u>	<u>51.96 %</u>	<u>12.58 %</u>	<u>0.72 %</u>	<u>7.16 %</u>	<u>100.00 %</u>

³ Not Rated

⁴ Qualified Public Depository

Liquidity Risk

To manage liquidity risk, the County's investment policy identifies and limits investment to only top ratings issued by nationally recognized statistical rating organizations. In order to ensure deep liquid markets, the County's investment policy identifies and limits investment in various issuers. Position size is also taken into consideration with regard to liquidity risk.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 3 POOLED CASH AND INVESTMENTS (CONTINUED)

Concentration Risk

To manage concentration of investment risk, the County's investment policy stipulates maximum limitation guidelines for diversification by instrument. The following limits are established to serve as guidelines for diversification by instrument:

Local Government Surplus Funds Trust Fund	100 %
Certificates of Deposit	50
Federal Instrumentalities/ Government Sponsored Enterprises (GSEs)	50
SEC Registered Money Market Funds	50
United States Treasury Bills/Notes/Bonds/Strips	50
Repurchase Agreements	35
Asset Backed Securities (ABS)	35
Collateralized Mortgage Obligations	25
Commercial Paper	35
Corporate Bonds	35
Mortgage Backed Securities (MBS) Pass Through(s)	25
Municipal Bonds Gen.Oblig. (GO) and Water & Sewer (WS)	25
Supranationals	25
United States Federal Agencies Full Faith & Credit (FFC)	25
Banker's Acceptances	20
Florida Local Government Investment Trust	20
Israel Bonds	5

Interest Rate Risk

To manage interest rate risk, the County maintains a formal investment policy that limits investment maturities. The County manages interest rate risk by limiting how much of the portfolio is allocated to longer dated maturities. This coupled with a diversified portfolio of differing maturities and coupons that employ callable and structured securities limits exposure to fair value losses arising from interest rate risk.

In accordance with the County's investment policy, the County may invest in mortgage-backed securities, including collateralized mortgage-backed securities. It is management's opinion that the credit and legal risk associated with these investments would be comparable to other investments within the portfolio. The principal repayment portions may be sensitive to prepayment by mortgagors, which may be affected by interest rate changes.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 3 POOLED CASH AND INVESTMENTS (CONTINUED)

Interest Rate Risk (Continued)

The prepayments and anticipated interest rate changes can therefore affect the fair values of the respective investments. As of September 30, 2021, the County has the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)		
		< 1 Year	1 - 5 Years	> 5 Years
U.S. Treasury Notes				
Fixed	\$ 95,259,236	\$ -	\$ 74,970,449	\$ 20,288,787
Corporates				
Fixed	17,715,072	4,016,804	13,698,268	-
Adjustable Rates	95,560,442	7,719,955	82,894,952	4,945,535
CMOs				
Fixed	70,823,019	-	1,373,035	69,449,984
Adjustable Rates	889,329	-	-	889,329
GSEs				
Fixed	87,660,247	-	39,746,660	47,913,587
Adjustable Rates	14,209,132	-	14,209,132	-
MBS				
Fixed	124,059,323	-	5,692,252	118,367,071
Adjustable Rates	7,239,145	-	-	7,239,145
Municipal				
Fixed	230,780,093	7,878,166	115,455,565	107,446,362
Asset Backed				
Fixed	19,532,909	-	19,532,909	-
CMBS				
Fixed	15,496,036	-	2,209,596	13,286,440
Adjustable Rates	11,823,508	-	744,851	11,078,657
CDs				
Fixed	16,425,710	16,425,710	-	-
FL Trust	43,333,130	43,333,130	-	-
GVIXX	22,504,716	22,504,716	-	-
Florida Prime (SBA)	144,785,776	144,785,776	-	-
FL Trust Day to Day	23,913,151	23,913,151	-	-
Bank United (Money Market)	62,489,674	62,489,674	-	-
Total	<u>\$ 1,104,499,648</u>	<u>\$ 333,067,082</u>	<u>\$ 370,527,669</u>	<u>\$ 400,904,897</u>

POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 3 POOLED CASH AND INVESTMENTS (CONTINUED)

Fair Value Measurements

GASB Statement No. 72, *Fair Value Measurements and Application*, sets forth the framework for measuring fair value. The framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements). The three levels of the fair value hierarchy under GASB Statement No. 72 are described as follows:

Level 1 – Investments reflect prices quoted in active markets for identical assets or liabilities.

Level 2 – Investments reflect prices that are based on similar observable assets either directly or indirectly, which may include input in markets that are not considered to be active; or other inputs that are observable or can be corroborated by observable market data.

Level 3 – Investments reflect prices that are based on unobservable inputs that are supported by little or no market activity and are significant to the fair value of the assets or liabilities. This includes certain pricing models, discounted cash flow methodologies and similar techniques that use significant unobservable inputs.

Investments whose values are based on quoted market prices in active markets, and are therefore classified as Level 1, primarily include those assets that are traded daily in public markets in the United States. The fair value of these investments is based on the last reported sales price on the last day of the fiscal year.

Investments that trade in markets that are not considered to be actively traded on a daily basis, but are valued based on quoted market prices, dealer and broker quotations, bid prices, or alternative pricing sources using observable inputs, are classified within Level 2. Inputs used in fair value measurement should be consistent with the inputs that market participants would use in pricing the asset or liability. These include U.S. Government obligations, investment grade corporate bonds and bank loans, certain mortgage and asset backed securities, less liquid listed securities and certain government agency securities. For example, inputs other than quoted prices, which provide a reasonable basis for fair value determination may include interest rates and yield curves, volatilities, prepayment speeds, credit risks and default rates. The fair value of these investments is based upon the last reported observable input(s) on the last day of the fiscal year.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 3 POOLED CASH AND INVESTMENTS (CONTINUED)

Fair Value Measurements (Continued)

Investments classified Level 3 have significant unobservable inputs, as they trade infrequently or not at all. Level 3 investments include private equity funds, real estate investment, limited partnerships, certain mortgages and asset backed and common and collective trust funds that are primarily real estate. The fair value of these investments is determined by estimations provided by independent pricing sources in asset classes, nonbinding prices from industry vendors and managers, and the net asset value on the last day of the fiscal year.

The County has the following recurring fair value measurements as of September 30, 2021:

Investments by Fair Value Level	Fair Value Measurements			September 30, 2021
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Debt Securities				
U.S. Treasury Notes	\$ -	\$ 95,259,236	\$ -	\$ 95,259,236
Corporate - Fixed	-	17,715,072	-	17,715,072
Corporate - Adjustable	-	95,560,442	-	95,560,442
CMO - Fixed	-	70,823,019	-	70,823,019
CMO - Adjustable	-	889,329	-	889,329
GSE - Fixed	-	87,660,246	-	87,660,246
GSE - Adjustable	-	14,209,133	-	14,209,133
MBS - Fixed	-	124,059,323	-	124,059,323
MBS - Adjustable	-	7,239,145	-	7,239,145
Municipal - Fixed	-	230,780,093	-	230,780,093
Asset Backed - Fixed	-	19,532,909	-	19,532,909
CMBS -Fixed	-	15,496,036	-	15,496,036
CMBS - Adjustable	-	11,823,508	-	11,823,508
Total Investments by Fair Value Level	\$ -	\$ 791,047,491	\$ -	\$ 791,047,491
Investments Measured at the Net Asset Value (NAV)				
Florida Trust (FLGIT)				\$ 43,333,130
Total Investments Measured at the NAV				43,333,130
Investments Measured at \$1.00				
LGIP				
State Board of Administration - FL PRIME				144,785,776
FL Trust Day to Day				23,913,151
SEC Reg. Money Mkt Fund				
Wells Fargo-GVIXX				22,504,716
Qualified Public Deposits				
Money Market Deposits				62,489,674
Certificates of Deposit				16,425,710
Total Investments Measured at \$1.00				270,119,027
Total Investments				\$ 1,104,499,648

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 4 RESTRICTED ASSETS, LIABILITIES AND NET POSITION – ENTERPRISE FUNDS

Revenue bond ordinances and certain other agreements generally require the restriction of certain fund assets for specific purposes. Reserves, representing the excess of amounts provided for certain restricted asset accounts over the liabilities payable there from, are established by a reduction of unrestricted net position.

Restricted Assets, Liabilities, and Net Position as of September 30, 2021, consist of the following:

<u>Utilities Fund</u>	Capital Projects	Renewal Replacement and Improvements	Customer Deposits	Total
Cash and Investments	\$ 29,573,679	\$ 1,000,000	\$ 6,796,886	\$ 37,370,565
Liabilities, Payable from Restricted Assets	-	-	(6,796,886)	(6,796,886)
Unspent Bond Proceeds	(29,573,679)	-	-	(29,573,679)
Restricted Net Position	<u>\$ -</u>	<u>\$ 1,000,000</u>	<u>\$ -</u>	<u>\$ 1,000,000</u>
<u>Waste and Recycling Fund</u>	Landfill Closure	Customer Deposits	Other Liabilities	Total
Cash and Investments	\$ 40,342,759	\$ 208,480	\$ -	\$ 40,551,239
Liabilities, Payable from Restricted Assets	(40,342,759)	(208,480)	-	(40,551,239)
Restricted Net Position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Rule 62-701 of the Florida Administrative Code requires owners or operators of existing landfills to establish and maintain a landfill management escrow account or an alternative financial mechanism to show proof of financial responsibility for future landfill closure costs. The reserve for landfill closure includes funds restricted for this purpose.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 5 INTERFUND BALANCES

The outstanding balances between funds result mainly from a time lag between the dates that (1) interfund services are provided or reimbursement occurs, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. All amounts are expected to be collected in the subsequent year.

The composition of interfund balances as of September 30, 2021, was as follows:

Due to General Fund from:	
Coronavirus Relief Fund	\$ 13,859
Nonmajor Governmental Funds	27,675
Utilities Fund	256
Waste and Recycling Fund	54
Internal Service Funds	300
Total	<u>\$ 42,144</u>
Due to Nonmajor Governmental Funds from:	
General Fund	\$ 2,499,365
Nonmajor Governmental Funds	100,926
Total	<u>\$ 2,600,291</u>
Due to Utilities Fund from:	
General Fund	\$ 2,451
Total	<u>\$ 2,451</u>
Due to Waste and Recycling Fund from:	
General Fund	\$ 384,160
Total	<u>\$ 384,160</u>
Due to Internal Service Funds from:	
General Fund	\$ 2,815,948
Total	<u>\$ 2,815,948</u>

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 6 CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2021, was as follows:

	October 1, 2020	Additions	Deletions	September 30, 2021
Governmental Activities				
Capital Assets Not Being Depreciated/Amortized:				
Land and Right of Way	\$ 937,133,157	\$ 18,206,355	\$ (177,600)	\$ 955,161,912
Intangibles - Easements	3,820,339	181,621	-	4,001,960
Construction in Process	42,841,349	60,529,429	(33,958,199)	69,412,579
Total Capital Assets Not Being Depreciated/Amortized	983,794,845	78,917,405	(34,135,799)	1,028,576,451
Capital Assets Being Depreciated/Amortized:				
Buildings and Improvements	438,452,898	15,164,674	(921,238)	452,696,334
Equipment	227,724,050	22,863,313	(17,687,564)	232,899,799
Infrastructure	3,791,759,887	36,306,048	(8,000)	3,828,057,935
Intangibles - Software	22,052,339	-	-	22,052,339
Total Capital Assets Being Depreciated/Amortized	4,479,989,174	74,334,035	(18,616,802)	4,535,706,407
Less Accumulated Depreciation/Amortization for:				
Buildings and Improvements	(222,964,566)	(11,507,825)	436,933	(234,035,458)
Equipment	(148,535,538)	(19,898,106)	16,576,168	(151,857,476)
Infrastructure	(1,861,865,958)	(78,262,727)	-	(1,940,128,685)
Intangibles	(20,373,744)	(500,841)	-	(20,874,585)
Total Accumulated Depreciation/Amortization	(2,253,739,806)	(110,169,499)	17,013,101	(2,346,896,204)
Total Capital Assets Being Depreciated/Amortized, Net	2,226,249,368	(35,835,464)	(1,603,701)	2,188,810,203
Governmental Activities Capital Assets, Net	<u>\$ 3,210,044,213</u>	<u>\$ 43,081,941</u>	<u>\$ (35,739,500)</u>	<u>\$ 3,217,386,654</u>
Business-Type Activities:				
Capital Assets Not Being Depreciated/Amortized:				
Land	\$ 19,568,972	\$ -	\$ (181,150)	\$ 19,387,822
Intangibles - Easements	2,443,744	125,690	-	2,569,434
Construction in Progress	33,450,910	49,022,714	(22,995,948)	59,477,676
Total Capital Assets Not Being Depreciated/Amortized	55,463,626	49,148,404	(23,177,097)	81,434,933
Capital Assets Being Depreciated/Amortized:				
Buildings and Improvements	828,220,432	42,328,262	(2,534,571)	868,014,123
Equipment	17,442,130	1,463,529	(1,296,541)	17,609,118
Infrastructure	95,783	-	-	95,783
Intangibles - Software	7,216,598	-	-	7,216,598
Total Capital Assets Being Depreciated/Amortized	852,974,943	43,791,791	(3,831,112)	892,935,622
Less Accumulated Depreciation/Amortization for:				
Buildings, Distribution Systems, and Improvements	(252,883,428)	(19,632,387)	961,529	(271,554,286)
Equipment	(11,523,442)	(1,437,100)	882,449	(12,078,093)
Infrastructure	(82,940)	(1,295)	-	(84,235)
Intangibles	(6,996,804)	(79,926)	-	(7,076,730)
Total Accumulated Depreciation/Amortization	(271,486,614)	(21,150,708)	1,843,978	(290,793,344)
Total Capital Assets Being Depreciated/Amortized, Net	581,488,329	22,641,083	(1,987,134)	602,142,278
Business-Type Activities Capital Assets, Net	<u>\$ 636,951,955</u>	<u>\$ 71,789,487</u>	<u>\$ (25,164,231)</u>	<u>\$ 683,577,211</u>

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 6 CAPITAL ASSETS (CONTINUED)

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

Governmental Activities:	
General Government	\$ 4,086,233
Public Safety	17,503,860
Physical Environment	509,851
Transportation	73,945,450
Economic Environment	412,956
Human Services	1,596,105
Culture/Recreation	3,937,390
Capital Assets Held by Internal Service Funds	<u>8,177,654</u>
Total Additions to Accumulated Depreciation/Amortization	<u><u>\$ 110,169,499</u></u>
Business-Type Activities:	
Utilities	\$ 18,285,561
Waste and Recycling	2,631,459
Rohr Nursing Home	<u>233,688</u>
Total Additions to Accumulated Depreciation/Amortization	<u><u>\$ 21,150,708</u></u>

NOTE 7 RISK MANAGEMENT

The County is exposed to various risk of loss related to theft of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. A self-insurance program is effectively maintained by the County to administer insurance activities related to workers' compensation insurance, general and employment practices liability, auto liability and health. The County's self-insurance program covers operations of the Board of County Commissioners and the constitutional officers. Under the program, the County has retention limits for each type of claim, which is covered by commercial insurance purchased by the County. Additional information regarding the self-insured employee health plan can be found in Note 8. The County also maintains fully-insured policies with several different carriers for property insurance with the total insured value for all properties estimated at \$887,734,825.

There have been no significant reductions in insurance coverage in the last year. Settled claims have not exceeded the insurance provided by third-party carriers in any of the last three years.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 7 RISK MANAGEMENT (CONTINUED)

Litigation

Various suits and claims arising in the ordinary course of operations, some of which involve substantial amounts, are pending against the County. While the ultimate effect of such litigation cannot be ascertained at this time, in the opinion of counsel for the County, the liabilities which may arise from such action would not result in losses which would materially affect the financial position of the County or the results of its operations.

Claim Type	County Coverage (Deductible / Self-insured Amount)	Excess Carrier's Coverage
Property	Deductible \$ 1,000,000 except for as below: Named Windstorm 3% of TIV with \$ 5,000,000 Maximum \$ 1,000,000 Builders Risk	\$ 60,000,000 Named Windstorm \$ 100,000,000 All Other Perils (AOP) \$ 50,000,000 Builder's Risk \$ 25,000,000 Earthquake Aggregate \$ 20,000,000 Flood Aggregate \$ 10,000,000 Flood Aggregate (zones A & V)
General and Employment Practices Liability	\$ 1,000,000 Self-insurance Retention Sovereign immunity limits: \$ 200,000 Any One Person \$ 300,000 Any One Claim	\$ 5,000,000 Per Occurrence \$ 10,000,000 Aggregate
Auto Liability	\$ 1,000,000 Self-insured Retention Sovereign immunity limits: \$ 200,000 Any One Person \$ 300,000 Any One Claim	\$ 5,000,000 Per Occurrence
Employee Health	\$ 1,000,000 Self-insurance Retention	Unlimited Stop Loss
Workers Compensation	\$ 1,500,000 Self-insured Retention \$ 1,000,000 Employers Liability	Workers Compensation Statutory Employers Liability - No Excess Coverage
Cyber Insurance	\$ 750,000 Self-insured Retention	\$ 3,000,000 Limit

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 8 SELF-INSURED EMPLOYEE HEALTH PLAN

The County provides a self-insured health plan for all eligible employees, retirees under the age of 65, and their dependents. Medical claims for the self-insured plan are paid from premium contributions made by participants and the County. The amount of the contribution toward the premium paid by the participant and the County are determined by projected claims based on historical and actuarial experience. Claim liabilities are recorded when it is probable to determine that a liability has been incurred and the amount can be reasonably estimated. This estimate is based on the County's actual claims incurred and payment patterns. The County incurred no claims against its stop loss policy in the current fiscal year.

The following table shows the changes in aggregate liabilities for claims for the past two fiscal years:

Fiscal Year	Beginning Balance	Incurred Claims	Payments	Ending Balance
2021	\$ 4,560,000	\$ 46,210,618	\$ 44,750,618	\$ 6,020,000
2020	4,178,000	38,490,658	38,108,658	4,560,000

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 9 LONG-TERM LIABILITIES

The following is a summary of the changes in long-term liabilities of the County for the year ended September 30, 2021:

	October 1, 2020	Additions	Deletions	September 30, 2021	Due Within One Year
Governmental Activities:					
Revenue Bonds Payable from					
Direct Borrowings	\$ 61,660,000	\$ -	\$ (2,720,000)	\$ 58,940,000	\$ 2,835,000
Plus Deferred Amounts:					
For Issuance Premium	3,849,506	-	(256,634)	3,592,872	256,634
Net Bonds Payable	<u>65,509,506</u>	<u>-</u>	<u>(2,976,634)</u>	<u>62,532,872</u>	<u>3,091,634</u>
Direct Borrowings					
Interlocal Agreements	31,988,143	3,500,000	(2,430,305)	33,057,838	2,520,241
Note Payable	82,482,000	-	(1,730,000)	80,752,000	8,432,096
Compensated Absences	18,956,202	21,383,320	(21,809,862)	18,529,660	18,529,660
Self-Insurance Liability	<u>10,600,000</u>	<u>6,660,853</u>	<u>(4,500,853)</u>	<u>12,760,000</u>	<u>7,090,000</u>
Governmental Activities Long-Term Liabilities	<u>\$ 209,535,851</u>	<u>\$ 31,544,173</u>	<u>\$ (33,447,654)</u>	<u>\$ 207,632,370</u>	<u>\$ 39,663,631</u>
Business-Type Activities:					
Revenue Bonds Payable from					
Direct Borrowings	\$ 151,130,000	\$ -	\$ (4,105,000)	\$ 147,025,000	\$ 4,230,000
Plus Deferred Amounts:					
For Issuance Premium	24,043,511	-	(1,339,859)	22,703,652	1,339,860
Net Bonds Payable	<u>175,173,511</u>	<u>-</u>	<u>(5,444,859)</u>	<u>169,728,652</u>	<u>5,569,860</u>
Direct Borrowings					
Interlocal Agreements	2,098,689	-	(201,217)	1,897,472	201,217
Contracts Payable	58,880	-	-	58,880	-
Closure and Long-Term Care	93,469,764	-	(53,127,005)	40,342,759	-
Compensated Absences	1,012,553	1,670,549	(1,679,692)	1,003,410	1,003,410
Other Long-Term Liabilities	<u>377,985</u>	<u>-</u>	<u>-</u>	<u>377,985</u>	<u>-</u>
Business-Type Activities Long-Term Liabilities	<u>\$ 272,191,382</u>	<u>\$ 1,670,549</u>	<u>\$ (60,452,773)</u>	<u>\$ 213,409,158</u>	<u>\$ 6,774,487</u>

Long-term liabilities are typically liquidated by the individual fund to which the liability is directly associated. Claims and judgments are typically liquidated by the General Fund and charged to the funds to which a portion of the liabilities directly relates.

The self-insurance claims liability consists of \$12,760,000 for worker's compensation, general liability and employment practices, and automobile liability.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Revenue Bonds, Notes, and Interlocal Agreements

Revenue bonds payable and interlocal agreements at September 30, 2021, are comprised of the following individual issues:

<u>Business-Type Activities - Revenue Bonds Payable</u>	<u>Amount</u>
<p>\$43,815,000 in Utility System Revenue Refunding Bonds, Series 2012; due in annual installments of \$1,568,038 to \$4,818,000, including interest, through October 1, 2029, with principal payments beginning October 1, 2018; interest rate ranging from 3% to 5%; collateralized by an irrevocable senior lien on gross revenues derived from the operation of the system and certain connection charges.</p>	\$ 23,025,000
<p>\$53,630,000 in Utility System Revenue and Refunding Bonds, Series 2013; due in annual installments of \$1,954,715 to \$12,596,000, including interest through October 1, 2043; interest ranging from 1.75% to 5.0%; collateralized by an irrevocable senior lien on gross revenues derived from the operation of the system and certain connection charges.</p>	6,730,000
<p>\$41,740,000 in Utility System Revenue Refunding Bonds, Series 2014A, Utility System Revenue Refunding Bonds, Series 2014B and Utility System Revenue Refunding Bonds, Series 2014C (not being reoffered pursuant to a Tender and Purchase Agreement with Citibank); due in annual installments of \$904,058 to \$7,708,313, including interest through October 1, 2034; interest ranging from 0.58% to 5.0%; collateralized by an irrevocable senior lien on gross revenues derived from the operation of the system and certain connection charges.</p>	29,720,000
<p>\$87,550,000 in Utility System Revenue and Refunding Bonds, Series 2020; due in annual installments of \$3,108,750 to \$11,886,600, including interest through October 1, 2043; interest ranging from 1.75% to 5.0%; collateralized by an irrevocable senior lien on gross revenues derived from the operation of the system and certain connection charges.</p>	<u>87,550,000</u>
<p>Total Business-Type Activities - Revenue Bonds Payable</p>	<u>147,025,000</u>
<u>Business Type Activities - Interlocal Agreements</u>	
<p>\$4,050,046 interlocal agreement with the City of Bartow due in annual installments of \$201,217 through August 15, 2031, collateralized by a portion of operating revenue.</p>	<u>1,897,472</u>
<p>Total Business-Type Activities - Interlocal Agreements</p>	<u>1,897,472</u>
<p>Total Business-Type Activities - Revenue Bonds Payable and Interlocal Agreement Payable</p>	<u><u>\$ 148,922,472</u></u>

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Revenue Bonds, Notes, and Interlocal Agreements (Continued)

<u>Governmental Activities - Revenue Bonds Payable</u>	Amount
<p>\$71,510,000 in Public Facilities Revenue Refunding Bonds, Series 2014, due in annual installments of \$1,787,556 to \$5,453,600, including interest through December 1, 2035; interest ranging from 3.0% to 5.0%; collateralized by a pledge of revenues from the State Revenue Sharing Trust Funds, and 8.0% of the 10.0% public service tax accruing to the County under provisions of Chapter 210, <i>Florida Statutes</i>, Section 212.20 and Chapter 125, <i>Florida Statutes</i>; Chapter 218, Part II, <i>Florida Statutes</i>; Section 166.231, <i>Florida Statutes</i>.</p>	\$ 58,940,000
Total Governmental Activities - Revenue Bonds Payable	58,940,000
<u>Governmental Activities - Revenue Notes Payable</u>	
<p>\$18,157,000 in Public Facilities Revenue Refunding Note, Series 2015, due in annual installments of \$592,356 to \$2,151,780; including interest through December 1, 2026; interest of 2.14%; collateralized by a pledge of State Revenue Sharing Trust Funds and 8.0% of the 10.0% public service tax accruing to the County under provisions of Section 210, <i>Florida Statutes</i>, Section 212.20 and Chapter 125, <i>Florida Statutes</i>; Chapter 128, Part II, <i>Florida Statutes</i>; Section 166.231, <i>Florida Statutes</i>.</p>	11,735,000
<p>\$27,062,000 in Promissory Note, Series 2020A, due in annual installments of \$648,285 to \$2,249,066; including interest through April 1, 2035; interest of 2.20%; collateralized by a non-ad valorem revenue.</p>	27,062,000
<p>\$41,955,000 in Promissory Note, Series 2020C, due in annual installments of \$611,319 to \$5,741,775; including interest through December 1, 2029; interest of 1.95%; collateralized by non-ad valorem revenue.</p>	41,955,000
Total Governmental Activities - Revenue Notes Payable	\$ 80,752,000

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Revenue Bonds, Notes, and Interlocal Agreements (Continued)

<u>Governmental Activities - Interlocal Agreements</u>	<u>Amount</u>
\$8,730,000 interlocal agreement with the City of Auburndale due in annual installments not to exceed \$937,631, through September 2022; collateralized by a portion of the local 5th cent tourism tax accruing to the County under provisions of Chapter 125, <i>Florida Statutes</i> .	\$ 915,000
\$5,500,000 interlocal agreement with the City of Auburndale due in annual installments not to exceed \$303,672, through October 2035; collateralized by a portion of the local 4% and 5% of the Tourist Development Tax.	3,635,000
\$13,616,000 interlocal agreement with the City of Lakeland (Joker Marchant Stadium) due in annual installments not to exceed \$1,044,561, through September 2036; collateralized by a portion of the Tourist Development Tax.	11,079,918
\$6,718,697 interlocal agreement with the City of Lakeland due in annual installments not to exceed \$537,016, through October 2032; collateralized by a portion of the local 4% and 5% of the Tourist Development Tax.	5,152,920
\$10,000,000 interlocal agreement with the City of Winter Haven (Chain of Lakes) due in annual installments not to exceed \$786,375, through September 2037.	8,775,000
\$3,500,000 interlocal agreement with the City of Auburndale due in annual installments not to exceed \$381,325, through December 2030; collateralized by a portion of the local 4% and 5% of the Tourist Development Tax.	3,500,000
Total Governmental Activities - Interlocal Agreements	33,057,838
Total Governmental Activities - Revenue Bonds Payable, Revenue Notes Payable, and Interlocal Agreements Payable	\$ 172,749,838

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Revenue Bonds, Notes, and Interlocal Agreements (Continued)

Annual debt service requirements to maturity for bonds, notes, and interlocal agreements are as follows:

<u>Year Ending September 30,</u>	Governmental Activities			
	Bonds		Notes from Direct Borrowings	
	Principal	Interest	Principal	Interest
2022	\$ 2,835,000	\$ 2,576,075	\$ 10,952,337	\$ 2,620,548
2023	2,915,000	2,475,250	10,610,724	2,394,032
2024	3,030,000	2,341,200	10,871,437	2,158,006
2025	3,180,000	2,185,950	11,134,109	1,915,976
2026	3,340,000	2,022,950	11,413,797	1,667,742
2027-2031	19,385,000	7,368,375	39,753,019	5,146,721
2032-2036	24,255,000	2,501,700	18,394,415	1,756,282
2037-2041	-	-	680,000	20,842
Total	<u>\$ 58,940,000</u>	<u>\$ 21,471,500</u>	<u>\$ 113,809,838</u>	<u>\$ 17,680,149</u>

<u>Year Ending September 30,</u>	Business Type Activities			
	Bonds		Notes from Direct Borrowings	
	Principal	Interest	Principal	Interest
2022	\$ 4,230,000	\$ 6,390,406	\$ 201,217	\$ -
2023	4,425,000	6,192,556	201,217	-
2024	4,635,000	5,986,500	201,217	-
2025	4,865,000	5,754,750	201,217	-
2026	5,160,000	5,511,500	201,217	-
2027-2031	29,105,000	23,858,036	891,387	-
2032-2036	32,935,000	17,088,787	-	-
2037-2041	39,255,000	9,536,600	-	-
2042-2046	22,415,000	1,353,600	-	-
Total	<u>\$ 147,025,000</u>	<u>\$ 81,672,735</u>	<u>\$ 1,897,472</u>	<u>\$ -</u>

There are a number of limitations and restrictions contained in the various bond indentures. As of September 30, 2021, all funds are being maintained in accordance with the ordinances and resolutions.

The County's revenue bonds and notes payable include provisions that in the event of default, all outstanding interest and principal will be due on demand. Events of default include nonpayment of interest and principal, incurring new debt above amounts allowed by the lender and other administrative requirements. The County is not in default on any long-term liabilities.

POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Revenue Bonds – Pledged Future Revenues

Polk County Board of County Commissioners has pledged future water and sewer customer revenues, net of specified operating expenses, to repay \$147,025,000 in revenue bonds issued in, 2012, 2013, 2014, and 2020. Proceeds from the bonds were used to finance the cost of the acquisition and construction of additions, extensions and improvements to the System. Principal and interest on the bonds are payable through 2043, from the water and sewer gross revenues and connection charges. Annual principal and interest on the bonds are expected to require approximately 9% of such gross revenues and connection charges. Principal and interest paid for the year ended September 30, 2021, was \$10,618,556.

Revenue Bonds Refunding

Bonds are refunded to retire all or a portion of an outstanding bond issue. Most typically, refunding is done to refinance at a lower interest rate to reduce overall debt service. Certain issues of bonds may be refunded prior to the call date, known as an advance refunding.

Future principal and interest payments on refunded bonds have been provided through advance refunding bond issues whereby refunding bonds are issued and the net proceeds, plus any additional resources that may be required, are used to purchase securities issued and guaranteed by the United States government. The County then deposits these securities in an irrevocable trust under an escrow agreement which states that all proceeds from the trust will be used to fund the principal and interest payments of the previously issued debt being refunded. The trust deposits have been computed so that the securities in the trust, along with future cash flows generated by the securities, will be sufficient to service the previously issued bonds.

Closure and Long-Term Care Costs

State and federal laws and regulations require that a final cover be placed on all landfill sites when they are no longer accepting waste and that certain maintenance and monitoring functions are performed at the respective sites for thirty years after closure. Although closure and long-term care costs will be paid only near or after the date that the landfill stops accepting waste, a portion of these closure and long-term care costs are reported as an operating expense in each period based on the landfill capacity used as of each balance sheet date. The \$40,342,759 payable from restricted assets reported as landfill closure and long-term care liability at September 30, 2021, represents the cumulative amount reported to date based on the use of 83.27% of the estimated capacity for all landfill sites. These amounts are estimated based on what it would cost to perform all closure and long-term care as of September 30, 2021. County landfills are permitted to remain open through 2038. One phase of the County's current landfill is not open yet and one phase is expected to close within the next 24 months. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Closure and Long-Term Care Costs (Continued)

State and federal laws and regulations require that annual contributions be made to a trust to finance closure and long-term care. At September 30, 2021, cash, investments and receivables of \$40,342,759 are held for these purposes; therefore, the County is in compliance with financial assurance requirements. These assets are reported as Restricted Assets on the statement of net position. Future inflation costs are expected to be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional long-term care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by charges to future landfill users or from future tax revenue.

Each year the Florida Department of Environmental Protection (FLDEP) requires the County to assess the estimate of post-closure costs for each landfill owned by the County. During the year ended September 30, 2020, the post closure liability increased by \$44,614,016 because of a requirement by FLDEP for the County to remove excess leachate from the North Central landfill. FLDEP required the County to install new leachate drainage system. Until the leachate drainage system was installed, the County was required to collect and transport via truck all leachate from the North Central landfill. As a result of having to transport the leachate to an offsite location, the FLDEP liability increased significantly in the landfill post closure liability estimate during 2020. During the year ended September 30, 2021, FLDEP post closure liability reflected the County's ongoing leachate drainage enhancements. As a result of the County's leachate drainage solutions, the post closure liability decreased by \$53,127,006, for an ending balance of \$40,342,759. As a result of this significant decrease in the liability, the Waste and Recycling shows a negative expense because of this change in the liability.

Compensated Absences

The liability for compensated absences is liquidated in the fund in which an employee's payroll expense is normally recorded. The significant funds that have been used in prior years to liquidate this liability have been the General, Utilities, and Fire Rescue Funds. Total available vacation and sick leave hours are multiplied by the current pay rate to determine the accrued liability. The County uses the last-in, first-out (LIFO) method of recognizing the use of vacation and sick leave hours. Employees are charged for the last day of vacation or sick leave earned when the leave is used. Thus, unless it is anticipated that vacation or sick leave will be used in excess of a normal year's accumulation, no additional expenditures are accrued.

Self-Insurance

In an effort to combat the rising cost of insurance premiums and the unavailability of coverage, the County has initiated self-insured worker's compensation, general liability, employment practices and automobile liability programs. The programs effectively interrelate between an independent risk manager, a loss control consultant, an excess reinsurer, and County management.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Self-Insurance (Continued)

The changes in aggregate liability for claims and judgments for the past two fiscal years are:

<u>Year Ended September 30,</u>	<u>Beginning Balance</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Current Year Claims Payments</u>	<u>Ending Balance</u>
2021:				
Worker's Compensation General and Employment Practices Liability	\$ 6,620,000	\$ 5,811,616	\$ 3,191,616	\$ 9,240,000
Automobile Liability	3,190,000	(166,449)	513,551	2,510,000
	790,000	1,015,686	795,686	1,010,000
Total Self-Insurance Liability	<u>\$ 10,600,000</u>	<u>\$ 6,660,853</u>	<u>\$ 4,500,853</u>	<u>\$ 12,760,000</u>
2020:				
Worker's Compensation General and Employment Practices Liability	\$ 7,000,000	\$ 2,131,507	\$ 2,511,507	\$ 6,620,000
Automobile Liability	3,630,000	(138,576)	301,424	3,190,000
	1,000,000	371,787	581,787	790,000
Total Self-Insurance Liability	<u>\$ 11,630,000</u>	<u>\$ 2,364,718</u>	<u>\$ 3,394,718</u>	<u>\$ 10,600,000</u>

Interlocal Agreements

The County has entered into Interlocal agreements, in accordance with *Florida Statute* 163.01, with various municipalities within Polk County, Florida. The County and the various municipalities have joint powers to develop projects that contribute to economic development of Polk County, Florida. The County's participation in these projects include providing financing for a portion of the projects. The amounts contributed to these projects are disclosed in this footnote including the term and annual payments. These ventures are funded primarily through the tourism development tax. In addition to providing financing, the County provides other services to the developments including marketing, construction development oversight, and economic development services. These ventures allow for a method for equitably providing for and allocating and financing the capital and operating costs, including payments to reserve funds authorized by law and payments of principal and interest on obligations. The method is established by the participating parties to the interlocal agreement on a ratio of full valuation of real property, on the basis of the amount of services rendered or to be rendered or benefits received or conferred or to be received or conferred, or on any other equitable basis, subject to such limitations as may be contained in the constitution and statutes of this state.

POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 9 LONG-TERM LIABILITIES (CONTINUED)

Pension and Other Postemployment Benefits (OPEB)

The liabilities for pension and OPEB are liquidated in the fund in which an employee's payroll expense is normally recorded. The significant funds that have been used in prior years to liquidate these liabilities have been the General, Utilities, and Fire Rescue Funds. Additional disclosure for Pension and OPEB can be found in Note 10 and Note 11, respectively of the financial statements.

NOTE 10 RETIREMENT 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 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. An annual comprehensive 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' website (www.dms.myflorida.com).

The County's aggregate pension liability, deferred outflows of resources related to pensions, deferred inflows of resources related to pensions, and pension expense for all plans total \$155,096,480, \$93,993,539, \$270,895,457, and \$7,151,039, respectively.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 10 RETIREMENT 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.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 10 RETIREMENT 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 member's five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the member's 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.

The following chart shows the percentage value for each year of service credit earned:

<u>Class, Initial Enrollment, and Retirement Age/Years of Service</u>	<u>Percent Value</u>
Regular Class Members Initially Enrolled Before July 1, 2011	
Retirement Up to Age 62 or Up to 30 Years of Service	1.60 %
Retirement Up to Age 63 or Up to 31 Years of Service	1.63
Retirement Up to Age 64 or Up to 32 Years of Service	1.65
Retirement Up to Age 65 or Up to 33 Years of Service	1.68
Regular Class Members Initially Enrolled On or After July 1, 2011	
Retirement Up to Age 65 or Up to 33 Years of Service	1.60
Retirement Up to Age 66 or Up to 34 Years of Service	1.63
Retirement Up to Age 67 or Up to 35 Years of Service	1.65
Retirement Up to Age 68 or Up to 36 Years of Service	1.68
Elected County Officers	3.00
Senior Management Service Class	2.00
Special Risk Regular	
Service from December 1, 1970 through September 30, 1974	2.00
Service On and After October 1, 1974	3.00

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 10 RETIREMENT PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Benefits Provided (Continued)

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.

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 employer contribution rates by job class for the periods from October 1, 2020, through June 30, 2021, and from July 1, 2021, through September 30, 2021, respectively, were as follows: Regular employees 10.00% and 10.82%; Special Risk employees 25.45% and 25.89%; County Elected Officials 49.18% and 51.42%; Senior Management Services 27.29% and 29.01%; and DROP participants 16.98% and 18.34%. The County's contributions to the FRS Plan were \$36,676,127 for the year ended September 30, 2021.

Pension Costs

At September 30, 2021, the County reported a liability of \$70,536,352 for its proportionate share of the FRS Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2021. 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, 2020, through June 30, 2021, relative to the total employer contributions received from all of FRS's participating employers. At June 30, 2021, the County's proportion was 0.933778505%, which was a decrease of 0.073007003% from its proportion measured as of June 30, 2020.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 10 RETIREMENT PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Pension Costs (Continued)

For the year ended September 30, 2021, the County recognized pension expense of \$28,550 for its proportionate share of the FRS Pension Plan's pension expense. In addition, the County reported its proportionate share of FRS Pension's deferred outflows of resources and deferred inflows of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual		
Economic Experience	\$ 12,090,044	\$ -
Changes in Actuarial Assumptions	48,264,470	-
Net Difference Between Projected and Actual		
Earnings on Pension Plan Investments	-	246,083,606
Changes in Proportion and Differences Between the County's Contributions and Proportionate Share of Contributions	8,797,240	20,601,116
County's Contributions Subsequent to the Measurement Date	10,391,146	-
Total	<u>\$ 79,542,900</u>	<u>\$ 266,684,722</u>

An amount of \$10,391,146 reported as deferred outflows of resources related to pensions resulting from County contributions to the FRS Pension Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2022. 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>
2022	\$ (33,851,796)
2023	(40,268,980)
2024	(53,181,211)
2025	(67,829,756)
2026	(2,401,225)
Thereafter	-
Total	<u>\$ (197,532,968)</u>

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 10 RETIREMENT PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Actuarial Assumptions

The total pension liability in the July 1, 2021, 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%, Net of Pension Plan Expense

Mortality rates were based on the PUB-2010 base table which varies by member category and sex, projected generationally with Scale MP-2018. The actuarial assumptions used in the July 1, 2021 valuation for the June 30, 2021 measurement date 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 Pension 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:

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0 %	2.1 %	2.1 %	1.1 %
Fixed Income	20.0	3.8	3.7	3.3
Global Equity	54.2	8.2	6.7	17.8
Real Estate (Property)	10.3	7.1	6.2	13.8
Private Equity	10.8	11.7	8.5	26.4
Strategic Investments	3.7	5.7	5.4	8.4
Totals	<u>100.0 %</u>			
Assumed Inflation - Mean			2.4	1.2

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 10 RETIREMENT PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.80% for the FRS Pension Plan, which was no change from the rate as of June 30, 2020. 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:

Description	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
FRS Plan Discount Rate	5.80%	6.80%	7.80%
County's Proportionate Share of the FRS Plan Net Pension Liability	\$ 315,443,297	\$ 70,536,352	\$ (134,178,392)

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 Annual Comprehensive Financial Report. That report may be obtained through the Florida Department of Management Services website (www.dms.myflorida.com).

Retiree Health Insurance Subsidy Program

Plan Description

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

POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 10 RETIREMENT PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Benefits Provided

For the fiscal year ended June 30, 2021, 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 June 30, 2021, 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 \$4,093,103 for the year ended September 30, 2021.

Pension Costs

At September 30, 2021, the County reported a liability of \$84,560,128 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2021, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2020, and update procedures were used to determine liabilities as of July 1, 2021. The County's proportion of the net pension liability was based on the County's contributions received during the measurement period for employer payroll paid dates from July 1, 2020, through June 30, 2021, relative to the total employer contributions received from all participating employers. At June 30, 2021, the County's proportion was 0.689358050%, which is an increase of 0.007234432% from its proportion measured as of June 30, 2020.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 10 RETIREMENT PLANS (CONTINUED)

Retiree Health Insurance Subsidy Program

Pension Costs (Continued)

For the year ended September 30, 2021, the County recognized pension expense of \$7,122,489 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:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual		
Economic Experience	\$ 2,829,595	\$ 35,417
Changes in Actuarial Assumptions	6,644,533	3,484,093
Net Difference Between Projected and Actual		
Earnings on HIS Program Investments	88,152	-
Changes in Proportion and Differences Between the County's Contributions and Proportionate Share of Contributions	3,796,354	691,225
County's Contributions Subsequent to the Measurement Date	1,092,005	-
Total	<u>\$ 14,450,639</u>	<u>\$ 4,210,735</u>

An amount of \$1,092,005 reported as deferred outflows of resources related to pensions resulting from County contributions to the HIS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2022. 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>
2022	\$ 2,622,472
2023	1,283,306
2024	1,730,515
2025	1,832,076
2026	1,380,796
Thereafter	298,734
Total	<u>\$ 9,147,899</u>

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 10 RETIREMENT PLANS (CONTINUED)

Retiree Health Insurance Subsidy Program (Continued)

Actuarial Assumptions

The total pension liability in the July 1, 2020 actuarial valuation for the June 30, 2021 measurement date was determined using the following actuarial assumptions, applied to all periods included in the measurement:

HIS Actuarial Assumptions

Inflation	2.40% Per Year
Salary Increases	3.25%, Average, Including Inflation
Municipal Bond Rate	2.16%

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2018. The actuarial assumptions used in the July 1, 2020 valuation for the June 30, 2021 measurement date were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

Discount Rate

The discount rate used to measure the total pension liability was 2.16% for the HIS Plan, which was a 0.05% decrease from the 2.21% rate as of June 30, 2020. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Pension Liability Sensitivity

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

Description	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
HIS Plan Discount Rate	1.16%	2.16%	3.16%
County's Proportionate Share of the HIS Plan Net Pension Liability	\$ 97,759,700	\$ 84,560,128	\$ 73,746,032

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 10 RETIREMENT PLANS (CONTINUED)

Retiree Health Insurance Subsidy Program (Continued)

Pension Plan Fiduciary Net Position

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

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 Annual Comprehensive Financial Report.

As provided in Section 121.4501, *Florida Statutes*, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. District 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 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 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, 2021, 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.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 10 RETIREMENT PLANS (CONTINUED)

FRS Investment Plan (Continued)

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 contributions to the Investment Plan totaled \$5,861,664 for the year ended September 30, 2021.

Employee contributions to the Investment Plan totaled \$1,229,479 for the year ended September 30, 2021.

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The postemployment benefits plan is a single-employer defined benefit plan administered by the County. In accordance with Section 112.0801, *Florida Statutes*, and as authorized by County Ordinance 2018-073 effective November 20, 2018, and County Ordinance 2020-044 effective January 1, 2021, the County offers retiring employees enrolled in the County's plans at the time of retirement and their covered dependents the opportunity to continue to participate in health and/or life insurance plans through the County's Retiree Benefits Program. The postemployment benefits plan does not issue a separate financial statement.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Plan Description (Continued)

If an employee wishes to immediately continue group health insurance through the County, the appropriate paperwork must be submitted within 30 days of their employment termination date. A retired employee, who retired on or after November 20, 2018, has a one-time option to elect to cease participation in the group health insurance plan upon retirement, enter into inactive status, and enroll at a later date. A surviving spouse may also elect this one-time option. An employee who retires under a state retirement system or a state optional annuity or retirement program or is placed on disability retirement must immediately begin receiving retirement benefits after leaving County employment to qualify for this benefit. Any employee who retires under the FRS Investment plan must meet the age and service requirements set forth in Section 121.021(29), *Florida Statutes*, or attained the retirement age specified by Section 72(t)(2)AA(i) of the *Internal Revenue Code* and have the years of service required for vesting as set forth in Section 121.021(45), *Florida Statutes*. However, an exception to this qualification is that some employees who did not retire, were employed with County government a minimum of 15 years and terminated their employment prior to January 1, 2012, qualified for participation in the Retiree Benefits Program based solely upon their years of service. Retirees age 65 and older and/or their Medicare eligible dependents participate in the fully-insured Medicare Advantage plan and must enroll in the Federal Medicare program (Part A & Part B) to be eligible for enrollment in this plan option. Retirees under the age of 65 may remain on the County's self-insured medical plan.

The premiums for the retirees and dependents participating in the County's health plans are the same as that of active employees. If a retiree was employed before January 1, 2009, elects to continue group health insurance, and was employed by County government for a minimum of ten years, or eight years for elected officials and senior management, the County contributes toward the payment of the premium for the employee only coverage. If an employee retired or entered DROP before January 1, 2012, the County contributes 3% of the retiree's premium for each full year of employment that the employee had with a Polk County agency affiliated with the County's health plan. The maximum contribution that the County will provide to a retiree at 3% per year is 75% of the premium. If an employee retires after January 1, 2012, the County contributes the lesser of \$16 per year of service, up to a maximum of \$400 or 3% per year of service up to a maximum of 75%. The County does not make a contribution toward premiums for any employee hired after December 31, 2008. The County also subsidizes the premium rates paid by non-Medicare eligible retirees and their dependents by allowing them to participate in the self-insured plans at the blended group (implicitly subsidized) premium rates for both active and non-Medicare eligible retired employees. These rates provide an implicit subsidy 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.

Employees may also retain the amount of basic life coverage in effect on the group life insurance plan at the time they become a retiree; however, they are fully responsible for the premium.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Funding Policy

The County has not advance-funded or established a funding methodology for the annual Other Postemployment Benefit (OPEB) or the net OPEB obligation. 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 fund has been established for the plan. The plan does not issue a separate financial report.

Employees Covered by Benefit Terms

At September 30, 2021, the following employees were covered by the benefit terms:

Plan Participants	
Inactive employees or beneficiaries currently receiving benefits	1,483
Active plan members	<u>4,222</u>
Total Participants	<u><u>5,705</u></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 September 30, 2020. The following table shows the County's total OPEB liability for the year ended September 30, 2021.

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balance - October 1, 2020	\$ 198,094,593	\$ -	\$ 198,094,593
Changes for the Year:			
Service Cost	5,010,354	-	5,010,354
Interest	5,482,702	-	5,482,702
Changes in Assumptions	(11,669,908)	-	(11,669,908)
Differences Between Expected and Actual Experience	(3,062,160)	-	(3,062,160)
Benefit Payments	<u>(7,467,966)</u>	-	<u>(7,467,966)</u>
Net Changes	<u>(11,706,978)</u>	-	<u>(11,706,978)</u>
Balance - September 30, 2021	<u><u>\$ 186,387,615</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 186,387,615</u></u>

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:

Description	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
OPEB Plan Discount Rate	1.41 %	2.41 %	3.41 %
Total OPEB Liability	\$ 208,485,190	\$ 186,387,615	\$ 167,465,570

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

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:

Description	1% Decrease in Healthcare Cost Trend Rate	Healthcare Cost Trend Rate	1% Increase in Healthcare Cost Trend Rate
OPEB Plan Healthcare Cost Rate	5.25 %	6.25 %	7.25 %
Total OPEB Liability	\$ 175,708,981	\$ 186,387,615	\$ 200,293,102

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

For the year ended September 30, 2021, the County recognized OPEB expense of \$5,988,437. In addition, the County reported deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 24,769	\$ 2,732,895
Changes of assumptions	17,996,016	42,867,310
County's Contributions Subsequent to the Measurement Date	7,924,383	-
Total	<u>\$ 25,945,168</u>	<u>\$ 45,600,205</u>

An amount of \$7,924,383 reported as deferred outflows of resources related to OPEB resulting from County Contributions subsequent to measurement date will be recognized as reduction of the total OPEB liability in the year ended September 30, 2022. Amounts reported as deferred inflows and outflows of resources related to OPEB will be amortized over five years and will be recognized as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2022	\$ (4,504,651)
2023	(4,504,651)
2024	(4,504,651)
2025	(4,504,651)
2026	(4,504,651)
Thereafter	(5,056,165)
Total	<u>\$ (27,579,420)</u>

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 11 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Actuarial Assumptions

The total OPEB liability in the September 30, 2021, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	2.41 %
Inflation	2.25 %
Healthcare Cost Trend Rates	6.25 %

The actuarial cost method used was the Entry Age Normal method.

Mortality tables used for Regular Class and Special Risk Class members in the July 1, 2020 actuarial valuation of the Florida Retirement System. They are based on the results of a statewide experience study covering the period 2013 through 2018.

For plans that do not have formal assets, the discount rate should equal the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. For the purpose of this actuarial valuation, the municipal bond rate is 2.41% (based on the daily rate of Fidelity's "20-Year Municipal GO AA Index" closest to but not later than the measurement date). The discount rate was 2.75% as of the previous measurement date.

NOTE 12 OPERATING LEASES

The following is a schedule by years of future minimum rental payments required under operating leases for certain land, buildings and equipment used in governmental operations that have initial or remaining noncancelable lease terms as of September 30, 2021:

<u>Year Ending September 30,</u>	<u>Amount</u>
2022	\$ 1,968,216
2023	1,481,345
2024	846,116
2025	811,149
2026	603,850
Thereafter	3,054,547
Total Minimum Payments Required	<u><u>\$ 8,765,223</u></u>

Rent expenditures under cancelable and noncancelable lease arrangements for the year ended September 30, 2021, were \$2,059,705. The leases generally provide for automatic termination in any year in which the County fails to appropriate funds for rental payments.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 13 GOVERNMENTAL FUND BALANCE CLASSIFICATIONS

The County's governmental fund balances as of September 30, 2021, were classified as follows:

	General Fund	County Transportation Trust Fund	Impact Fees Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:					
Prepays	\$ 1,324,928	\$ -	\$ -	\$ 2,123,716	\$ 3,448,644
Inventories	795,731	-	-	-	795,731
Total Nonspendable	<u>2,120,659</u>	<u>-</u>	<u>-</u>	<u>2,123,716</u>	<u>4,244,375</u>
Restricted:					
Economic Development	1,428,689	-	-	-	1,428,689
General County Admin Events	63,997	-	-	-	63,997
Human Services Multi-Purpose Centers and Healthy Families Program	11,219	-	-	-	11,219
Roadway Maintenance, Operations, and Capital	-	103,357,933	-	7,779,093	111,137,026
Community Redevelopment Areas	-	-	-	762,719	762,719
Emergency Services	-	-	-	13,768,075	13,768,075
Libraries, Museums and Parks, Maintenance Operations and Capital	-	-	-	18,578,029	18,578,029
Law Enforcement	851,629	-	-	5,018,051	5,869,680
Court Related Operation/Technology	1,695,375	-	-	6,443,841	8,139,216
Debt Service	-	-	-	10,757,419	10,757,419
Tourism Development	-	-	-	11,818,332	11,818,332
Indigent Healthcare	-	-	-	55,725,724	55,725,724
Impact Fees	-	-	93,324,749	-	93,324,749
Building Code Enforcement	-	-	-	12,618,389	12,618,389
Election Activities	-	-	-	438,945	438,945
Grant Housing Program	-	-	-	329,450	329,450
Total Restricted	<u>4,050,909</u>	<u>103,357,933</u>	<u>93,324,749</u>	<u>144,038,067</u>	<u>344,771,658</u>
Committed:					
Roadway Maintenance, Operations, and Capital	658,979	-	-	38,511,525	39,170,504
Environmental Lands Acquisition and Maintenance	975,033	-	-	41,315,558	42,290,591
Emergency Medical Services	-	-	-	22,011,335	22,011,335
Total Committed	<u>1,634,012</u>	<u>-</u>	<u>-</u>	<u>101,838,418</u>	<u>103,472,430</u>
Assigned:					
Project Excess of Expected Expenditures Over Expected Revenues	7,950,335	-	-	-	7,950,335
Roadway Maintenance, Operations, and Capital	-	-	-	10,436,893	10,436,893
Debt Service	-	-	-	2,235,622	2,235,622
General Capital Improvement Projects	-	-	-	25,245,586	25,245,586
Total Assigned	<u>7,950,335</u>	<u>-</u>	<u>-</u>	<u>37,918,101</u>	<u>45,868,436</u>
Unassigned	<u>123,868,333</u>	<u>-</u>	<u>-</u>	<u>(2,070,477)</u>	<u>121,797,856</u>
Total Fund Balances	<u>\$ 139,624,248</u>	<u>\$ 103,357,933</u>	<u>\$ 93,324,749</u>	<u>\$ 283,847,825</u>	<u>\$ 620,154,755</u>

POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021

NOTE 14 PROPERTY TAX REVENUES

Taxable values for all property are established as of January 1, which is the date of lien, for the fiscal year starting October 1. Property tax revenues recognized for the year ended September 30, 2021, were levied in January 2020. All taxes are payable on November 1 and due by March 31, or as soon as the assessments roll is certified and delivered to the Tax Collector. Discounts are allowed for early payment at the rate of 4% in November, 3% in December, 2% in January, and 1% in February. Taxes paid in March are without discount. All unpaid taxes become delinquent as of April 1. Virtually all unpaid taxes are collected via the sale of tax certificates on or prior to June 1; therefore, there were no material taxes receivable at fiscal year-end. Any prepaid taxes paid in June through September are accrued as deferred inflows at the fiscal year-end.

NOTE 15 REHABILITATION AND HOMEOWNERSHIP LOAN PROGRAMS

The County has multi and single-family home rehabilitation and homeownership loan programs funded under the Community Development Block Grant (CDBG), HOME Investment Partnership Loan Program (HOME), and the State Housing Initiative Partnership Program (SHIP). If the homeowners remain in their homes for the full term of the deferred loan, the loan is forgiven. If the property is transferred or sold before the end of the loan period, the proceeds from the repayment including interest, if any, are then repaid and returned to the appropriate grant program. If the net proceeds from a voluntary (sale) or involuntary (foreclosure) sale are insufficient to repay the amount of the assistance, the County shall recapture the balance due on the loan or 100% of net proceeds from the sale, whichever is less. If there are no net proceeds from the sale, no repayment is required. A lien is placed against the property to ensure the repayment of the loan and interest, if any. As collection is uncertain on these loans, they are not recognized in the financial statements.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

**NOTE 16 PROPERTY TAX REVENUES AFFORDABLE HOUSING ASSISTANCE TRUST FUND
STATE HOUSING INITIATIVE PARTNERSHIP PROGRAM (SHIP)**

The Affordable Housing Assistance Trust Fund – State Housing Initiative Partnership Program (SHIP) is included in the Nonmajor Governmental Funds. Separate financial information for this fund is reported below:

ASSETS

Cash and Investments	\$ 2,927,083
Interest Receivable	6,029
	<u>2,933,112</u>
Total Assets	<u>\$ 2,933,112</u>

LIABILITIES AND FUND BALANCE

Liabilities:	
Vouchers Payable	\$ 179,887
Accrued Liabilities	5,258
Unearned Revenue	2,747,967
	<u>2,933,112</u>
Total Liabilities	
Fund Balance	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ 2,933,112</u>

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 8,019,299	\$ 8,019,299	\$ 3,718,311	\$ (4,300,988)
Interest Income	45,000	45,000	55,323	10,323
Pooled Investment Earnings	25,000	25,000	-	(25,000)
Net Increase (Decrease) in Fair Value of Investments	-	-	(28,581)	(28,581)
Miscellaneous Revenues	205,000	205,000	956,101	751,101
Total Revenues	<u>8,294,299</u>	<u>8,294,299</u>	<u>4,701,154</u>	<u>(3,593,145)</u>
EXPENDITURES				
Economic Environment	8,294,299	8,294,299	4,701,154	3,593,145
Total Expenditures	<u>8,294,299</u>	<u>8,294,299</u>	<u>4,701,154</u>	<u>3,593,145</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 17 COMMITMENTS AND CONTINGENCIES

Federal Grant Programs

The County participates in a number of federal programs. Grant programs are subject to financial and compliance audits by the grantors or their representatives. The grantor audits of all programs for or including the year ended September 30, 2021, have not been completed. Accordingly, the County's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

Litigation

Various suits and claims involving disputed ad valorem real property taxes are pending against Polk County. Portions of these taxes have been voluntarily paid, others have been paid under protest, and in certain instances, there are unpaid balances.

Various other suits and claims arising in the ordinary course of County operations, some of which may involve substantial amounts, are pending against the County. While the ultimate effect of such litigation cannot be ascertained at this time, in the opinion of counsel for the County, the liabilities which may arise from such action would not result in losses which would materially affect the financial position of Polk County or the results of its operations.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 17 COMMITMENTS AND CONTINGENCIES (CONTINUED)

Large Contractual Commitments

The County has contractual commitments at September 30, 2021 for the following:

Project	Estimated Amount
West Pipkin Road Widening Construction Project	\$ 42,176,882
Building Construction Services at the Northeast Polk County Government Center	14,548,672
North Central Landfill Phase VI Expansion	13,597,307
Construction of NE Regional Park Baseball Complex	6,859,746
Gibson Oaks Water Productions Facility Construction	6,611,017
Oracle Saas ERP Services and Implementation Services	4,763,000
Construction of a new Wastewater Clarifier and Related Improvements at PCNRWTF	4,648,367
Interlocal Agreement for Tourist Development Tax for Development/Construction of the Lake Myrtle Sports Park Multipurpose Stadium	3,500,000
Loughman Fire Station	3,393,218
Motorola Solutions-Radio Purchases (over 5 years)	3,155,669
Engineering and Inspection Services in Connection with the Road Widening Project for West Pipkin RD from Medulla RD to SR 37	3,076,701
Marigold Ave & CR 580 (Cypress Parkway) Widening	2,704,319
CR 557 Widening (Buena Vista Drive)	2,642,987
Utilities Customer Information System	2,556,513
Subscription Service Agreement	2,102,085
Gibson Oaks Offsite Pipeline Improvements	1,932,905
Cherry Hill WPF Construction	1,900,830
Bridgers Avenue Drainage Improvement	1,628,688
Construction-Polk NE Gov't Center	1,607,205
Primary Care Services for Qualified Polk County Residents at or below 200% of the Federal Poverty Level	1,533,092
Christina Blvd WM Pipe Bursting	1,502,164
Consultant Services to Implement a new Computerized Maintenance Management System	1,472,662
Lift Station No. 253 Upgrade (Providence)	1,250,092
Galloway Fire Station	1,194,059
Standby Power System Improvements Phase 2 - NE 2 & NW	1,117,513
Walk in Water Road Bridge Replacement	1,022,432
Lift station Upgrades 2021 (17 sites)	1,011,070
Primary Care Services for Qualified Polk Residents at or below 200% of Federal Poverty Level	954,494
Northwest Regional Utility Service Area (NWRUSA) Cherry Hill Water Production Facility	934,576
Professional Services to North Central Landfill	878,880
Inwood Multi-use Path	849,406
Ariana Street Sidewalk Project	794,644
Nerwwtf Vac Truck Dump Pad Improvements	635,528
17-0508m Pavement Management Implementation - Phase 2	615,624
CIS Phase III	612,330
Behavioral Health Services to Qualified Residents of Polk County	590,861
Primary Care Services for Qualified Polk County Residents at or below 200% of the Federal Poverty Level	573,875
Dental Care Services to Qualified Residents of Polk County	534,706
Total	\$ 141,484,119

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 18 TRANSFERS

Transfers for the year ended September 30, 2021, consisted of the following:

Transfers to General Fund from:	
Impact Fees	\$ 105,346
Nonmajor Governmental Funds	7,337,612
Utilities Fund	2,055,011
Waste and Recycling Fund	4,689,983
Total	<u>\$ 14,187,952</u>
Transfer to Coronavirus Relief Fund from:	
General Fund	\$ 366,713
Total	<u>\$ 366,713</u>
Transfers to County Transportation Trust Fund from:	
Nonmajor Governmental Funds	\$ 2,963
Total	<u>\$ 2,963</u>
Transfer to Impact Fees Fund from:	
Nonmajor Governmental Funds	\$ 6,037
Total	<u>\$ 6,037</u>
Transfers to Nonmajor Governmental Funds from:	
General Fund	\$ 32,669,582
County Transportation Trust Fund	4,250,000
Impact Fees	1,161,464
Nonmajor Governmental Funds	3,687,695
Utilities Fund	27,025
Total	<u>\$ 41,795,766</u>
Transfer to Utilities Fund from:	
Nonmajor Governmental Funds	\$ 44,236
Total	<u>\$ 44,236</u>
Transfers to Internal Service from:	
General Fund	\$ 500,000
Coronavirus Relief Fund	2,150,000
Nonmajor Governmental Funds	375,777
Total	<u>\$ 3,025,777</u>

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

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 19 DEFICIT FUND BALANCES

At September 30, 2021, the Information Technology Fund had a net position deficit of \$2,506,628. The deficit in the Information Technology Fund will be eliminated through future charges to other funds.

NOTE 20 POLK COUNTY ECONOMIC DEVELOPMENT AD VALOREM TAX EXEMPTION PROGRAM

On November 6, 2012, the electorate of Polk County, Florida, passed a referendum authorizing the County to grant ad valorem tax exemptions to qualifying businesses. The Polk County Board of County Commissioners adopted Ordinance 2013-017 on May 7, 2013, to establish such a program. This ordinance authorized the County to grant economic development ad valorem tax exemptions to new businesses and expansions of existing businesses as defined in Section 196.012, of the *Florida Statutes* as authorized by Article VII, Section 3 of the Florida Constitution and section 196.195, *Florida Statutes*.

The ad valorem tax exemption program currently recognizes three categories of businesses for eligibility: new businesses in qualified target industries (QTI), existing businesses in QTI seeking to expand, and manufacturing expansion. Qualified applicants are eligible to receive ad valorem tax exemptions for up to 100% of the assessed value of the property for a maximum of 10 years. There were 23 businesses participating in the ad valorem tax exemption program for year ended September 30, 2021. The mutual agreement provides financial incentives to the companies and economic job growth for the County. The County assesses compliance with these agreements on an annual basis. The exemptions offered by the County do not apply to taxes levied by the Polk County School Board, Southwest Florida Water Management District, or any other taxing authorities not governed by the County. The following is a schedule of tax assessments and exemptions by exemption type for year ended September 30, 2021:

Taxable Value Summary - New Business QTI	
Assessed Taxes Without Abatements	\$ 4,102,963
Tax Revenue Abated	<u>3,578,150</u>
Tax Revenue to County	<u><u>\$ 524,814</u></u>
Tax Revenue Summary - New Business NonQTI	
Assessed Taxes Without Abatements	\$ 288,811
Tax Revenue Abated	<u>216,608</u>
Tax Revenue to County	<u><u>\$ 72,203</u></u>
Taxable Value Summary - Existing Business QTI	
Assessed Taxes Without Abatements	\$ 1,614,008
Tax Revenue Abated	<u>1,084,588</u>
Tax Revenue to County	<u><u>\$ 529,420</u></u>
Taxable Value Summary - Manufacturing Expansion	
Assessed Taxes Without Abatements	\$ 78,551
Tax Revenue Abated	<u>39,275</u>
Tax Revenue to County	<u><u>\$ 39,276</u></u>

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 21 SUBSEQUENT EVENTS

Changes in OPEB Liability Valuation

Effective January 1, 2021, for retirements and DROP enrollments on or after January 1, 2012, employees will receive the lesser of \$20/ month per year of service up to a maximum of \$500/ month or 3% per year of service, up to a maximum of 75% of the total premium from employee only coverage. This change is not reflected as of the September 30, 2020 measurement date. The Total OPEB Liability would have increased by approximately 8.0% (or \$15 million) if the change had been reflected as of the measurement date. The impact of the plan change will be reflected in the Fiscal Year Ending September 30, 2022.

NOTE 22 CHANGE IN ACCOUNTING PRINCIPLE

During the year ended September 30, 2021, the Board adopted GASB Statement No. 84 *Fiduciary Activities*. This change requires the restatement of the September 30, 2020 Custodial Net Position as follows:

	Custodial Funds
Net Position, September 30, 2020, as Previously Reported	\$ -
Cumulative Effect of Application of GASB Statement No. 84	7,441,799
Net Position, September 30, 2020, as Restated	\$ 7,441,799

REQUIRED SUPPLEMENTARY INFORMATION

**POLK COUNTY, FLORIDA
SCHEDULE OF CHANGES IN THE COUNTY'S
TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST TEN FISCAL YEARS**

	2021	2020	2019	2018
Total OPEB Liability				
Service Cost	\$ 5,010,354	\$ 4,515,181	\$ 5,016,274	\$ 5,521,352
Interest	5,482,702	6,618,093	6,957,959	6,311,071
Changes of Benefit Terms	-	-	-	-
Difference Between Expected and Actual Experience	(3,062,160)	-	-	42,401
Changes of Assumptions	(11,669,908)	23,137,736	(37,082,312)	(13,232,965)
Benefit Payments	(7,467,966)	(8,914,773)	(9,675,173)	(7,893,882)
Net Change in Total OPEB Liability	(11,706,978)	25,356,237	(34,783,252)	(9,252,023)
Total OPEB Liability - Beginning	198,094,593	172,738,356	207,521,608	216,773,631
Total OPEB Liability - Ending	<u>\$ 186,387,615</u>	<u>\$ 198,094,593</u>	<u>\$ 172,738,356</u>	<u>\$ 207,521,608</u>
County's Covered-Employee Payroll	\$ 209,227,016	\$ 278,386,886	\$ 268,972,837	\$ 201,726,831
County's Total OPEB Liability as a Percentage of Covered-Employee Payroll	89.08 %	71.16 %	64.22 %	102.87 %
OPEB Plan's Fiduciary Net Position	\$ -	\$ -	\$ -	\$ -
OPEB Plan's Fiduciary Net Position as a Percentage of Total OPEB Liability	N/A	N/A	N/A	N/A

Notes to Schedule:

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. There are no assets accumulated in a trust to pay for OPEB.

Benefit Changes: See page E-60 for substantive plan provision changes since the last full valuation.

Changes in Assumptions: The following assumptions have been updated in accordance with GASB Statement No. 75.

- The assumed rate of long-term inflation was lowered from 2.50% to 2.25%. As a result, long term trend rates of healthcare cost increases were lowered from 4.24% to 3.99%. This change decreases the Total OPEB Liability.
- The medical claims cost and premiums were updated based on actual claims experience and premium information provided for this valuation. This change increased the Total OPEB Valuation.
- The discount rate was changed from 2.75% as of the previous measurement date to 2.41% as of September 30, 2021. This change is reflected in the Schedule of Changes in Total OPEB Liability.
- Demographic assumptions were changed to align with updated assumptions adopted by the Florida Retirement System for its July 1, 2020 actuarial valuation.

POLK COUNTY, FLORIDA
SCHEDULE OF COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY –
FLORIDA RETIREMENT SYSTEM PENSION PLAN
LAST TEN MEASUREMENT PERIODS¹

	2021	2020	2019	2018	2017	2016	2015
County's Proportion of the Net Pension Liability	0.933778505%	1.006785508%	0.984599641%	0.979972181%	0.957941800%	0.941256310%	0.857017154%
County's Proportionate Share of the Net Pension Liability	\$ 70,536,352	\$ 436,355,676	\$ 339,082,409	\$ 295,172,700	\$ 283,352,754	\$ 237,667,957	\$ 110,695,258
County's Covered Payroll ²	\$ 196,292,168	\$ 195,548,909	\$ 187,983,897	\$ 187,511,944	\$ 172,448,583	\$ 175,979,949	\$ 162,213,496
County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	35.93%	223.14%	180.38%	157.42%	164.31%	135.05%	68.24%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	96.40%	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.

¹ 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.

² Covered payroll consists of pensionable wages calculated as of the respective measurement date.

**POLK COUNTY, FLORIDA
SCHEDULE OF COUNTY CONTRIBUTIONS –
FLORIDA RETIREMENT SYSTEM PENSION PLAN
LAST TEN FISCAL YEARS¹**

	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually Required Contribution	\$ 36,676,127	\$ 34,117,293	\$ 31,176,804	\$ 28,567,372	\$ 25,519,776	\$ 24,584,511	\$ 21,103,282
Contributions in Relation to the Contractually Required Contribution	<u>(36,676,127)</u>	<u>(34,117,293)</u>	<u>(31,176,804)</u>	<u>(28,567,372)</u>	<u>(25,519,776)</u>	<u>(24,584,511)</u>	<u>(21,103,282)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's Covered Payroll	\$ 197,335,827	\$ 195,101,781	\$ 189,658,115	\$ 189,552,917	\$ 176,635,169	\$ 180,312,824	\$ 171,452,221
Contributions as a Percentage of Covered Payroll	18.59%	17.49%	16.44%	15.07%	14.45%	13.63%	12.31%

* The amounts presented for each fiscal year were determined as of September 30.

¹ 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.

POLK COUNTY, FLORIDA
SCHEDULE OF COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY –
HEALTH INSURANCE SUBSIDY PENSION PLAN
LAST TEN MEASUREMENT PERIODS¹

	2021	2020	2019	2018	2017	2016	2015
County's Proportion of the Net Pension Liability	0.689358050%	0.682123618%	0.671150490%	0.668910157%	0.647821000%	0.640800865%	0.625554561%
County's Proportionate Share of the Net Pension Liability	\$ 84,560,128	\$ 83,286,183	\$ 75,095,024	\$ 70,798,201	\$ 69,268,011	\$ 74,682,686	\$ 63,796,725
County's Covered Payroll ²	\$ 236,133,101	\$ 231,129,920	\$ 219,181,243	\$ 218,394,455	\$ 194,438,570	\$ 197,293,241	\$ 190,065,812
County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	35.81%	36.03%	34.26%	32.42%	35.62%	37.85%	33.57%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	3.56%	3.00%	2.63%	21.50%	1.64%	0.97%	0.50%

* The amounts presented for each fiscal year were determined as of June 30.

¹ 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.

² Covered payroll consists of pensionable wages calculated as of the respective measurement date.

**POLK COUNTY, FLORIDA
SCHEDULE OF COUNTY CONTRIBUTIONS –
HEALTH INSURANCE SUBSIDY PENSION PLAN
LAST TEN FISCAL YEARS¹**

	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 4,093,103	\$ 3,973,874	\$ 3,767,613	\$ 3,643,123	\$ 3,492,346	\$ 3,424,007	\$ 2,391,259
Contributions in Relation to the Contractually Required Contribution	<u>(4,093,103)</u>	<u>(3,973,874)</u>	<u>(3,767,613)</u>	<u>(3,643,123)</u>	<u>(3,492,346)</u>	<u>(3,424,007)</u>	<u>(2,391,259)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's Covered Payroll	\$ 238,317,179	\$ 231,767,620	\$ 221,501,919	\$ 219,482,843	\$ 203,529,598	\$ 202,834,766	\$ 189,492,682
Contributions as a Percentage of Covered Payroll	1.72%	1.71%	1.70%	1.66%	1.72%	1.69%	1.26%

* The amounts presented for each fiscal year were determined as of September 30.

¹ 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.

This page left intentionally blank

COMBINING AND INDIVIDUAL FUND SCHEDULES

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

SPECIAL REVENUE FUNDS

Special revenue funds are used to account for the proceeds of specific revenue sources requiring separate accounting because of legal or regulatory provisions or administrative action.

Special Revenue Grants Fund

This fund accounts for the various federal and state grants obtained by the County.

Tourist Development Tax Fund

The County's portion of the four and five cent tourism tax revenue is recorded in this fund. These revenues are to be used to promote tourism for the County.

Lake and River Enhancement Fund

The annual County vessel registration fee revenues are recorded in this fund. These revenues are used for the maintenance and enhancement of the lakes, rivers, and waters, and for other boating related activities.

Lighting Districts Fund

This fund accounts for the costs of providing street lighting to residents living within the boundaries of the lighting districts. The primary revenue source is from non-ad valorem special assessments restricted for the purpose of street lighting in special districts.

Stormwater MSTU Fund

This fund accounts for MSTU revenue and cost of operating and maintaining the stormwater management system and complying with mandates of the National Pollutant Discharge Elimination System Stormwater (NPDES) permitting program.

Fire Rescue Fund

This fund accounts for the costs of providing fire protection services to the residents living within the unincorporated areas of the County. The primary revenue source is from various special assessments to citizens to be used for fire rescue and emergency medical services.

Emergency 911 Fund

This fund accounts for fees provided by the Florida emergency telephone act and by ordinance No. 86-23. These revenues are to be used for the acquisition, implementation, and maintenance of public safety answering point equipment and "911" service features.

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
SEPTEMBER 30, 2021**

SPECIAL REVENUE FUNDS (CONTINUED)

Hazardous Waste Fund

This fund accounts for costs of regulations and inspections of hazardous waste facilities. The primary revenue source is from a 3% tax on gross receipts on commercial hazardous waste facilities pursuant to Section 403.7215, *Florida Statutes*. According to Florida Statutes, these funds are restricted to be spent on the regulation and inspection of hazardous waste facilities.

Radio Communications Fund

This fund accounts for the cost of constructing and maintaining the County-wide 800-megahertz radio communications system. Primary revenue sources are court fines and radio communication user fees.

Law Enforcement Trust Fund

This fund accounts for the monies obtained from cash forfeitures and the sale of property and equipment confiscated by the Sheriff as provided for in Chapter 932, *Florida Statutes*. The amounts in the fund are to be expended only for certain law enforcement purposes.

Land Management Trust Fund

This fund accounts for monies obtained from ad valorem taxes, which may only be expended for the purchase and management of environmentally sensitive lands.

Building Fund

This fund accounts for building permit fees. Revenues are used solely to defer the costs of inspections and to enforce the building code, as permitted by Section 125.56 and 553.80, *Florida Statutes*.

Indigent Healthcare Fund

This fund accounts for receipts and disbursements of monies received from the discretionary half-cent sales tax approved by Polk County voters. Monies may be expended only for healthcare services for qualified residents, including but not limited to, the indigent and medically poor.

Harden/Parkway CRA Fund

This fund was established in 2004 and has a 40-year sunset date. This fund accounts for monies obtained from ad valorem taxes, which may only be expended to fund the design, construction, and payment for all components of the transportation improvements to the Harden/Parkway area.

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
SEPTEMBER 30, 2021**

SPECIAL REVENUE FUNDS (CONTINUED)

Leisure Services MSTU Fund

The Leisure Services MSTU was established in 2005 to provide and maintain expanded public access to parks and recreation areas and activities, by improving, acquiring, and operating parks, recreation areas and facilities, historical venues and trails within unincorporated areas of the County. Revenues are provided by ad valorem taxes.

Libraries MSTU Fund

The Libraries MSTU fund was established in 2005 to provide and maintain expanded public access to library facilities and programs by improving, acquiring, constructing, and operating library facilities within the unincorporated areas of the County. Revenues are provided by ad valorem taxes.

Rancho Bonito MSTU Fund

The Rancho Bonito MSTU fund was established in 2013 to fund County and law enforcement services, facilities, operations, maintenance and programs properly located within Rancho Bonito. Revenues are provided by ad valorem taxes.

Transportation Millage Fund

This fund accounts for 1.1 mill of ad valorem revenue levied county-wide. In addition, the Board of Commissioners has assigned a portion of the Public Service Tax, assessed on the purchase of utilities such as electricity, water, natural gas, and petroleum gas, to the fund. The primary purpose of the fund is for pavement management, roadway drainage, road capacity, road safety, and general roadway improvements.

Eloise CRA Fund

This fund accounts for monies obtained from ad valorem taxes, which may only be expended for the rehabilitation, conservation, or redevelopment of the Eloise area.

Emergency Medical Millage Fund

This fund was established based on a proposed millage increase of 0.25 mills. The fund is to support Emergency Medical Services (EMS) throughout the County, covering operating and capital costs associated with Emergency Medical Services.

Clerk of the Circuit Courts – Court Fund

This fund accounts for court-related financial resources. The primary revenue source is revenue sharing from Florida Clerks of Court Operations Corporation and is restricted for court-related operations.

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
SEPTEMBER 30, 2021**

SPECIAL REVENUE FUNDS (CONTINUED)

Unbudgeted Other Special Revenue Funds

The Clerk of Courts' Records Modernization Trust accounts for the proceeds of specified revenue sources that are legally restricted to expenditures for specified purposes. The Sheriff's Other Special Revenue Funds (Grants Fund and Other Governmental Funds) account for the proceeds of specific revenue sources related to law enforcement education, law enforcement equipment, and other governmental activities that are legally restricted or committed to expenditures for these specified purposes. The Supervisor of Elections' Special Revenue Grants Fund accounts for the proceeds and expenditures of grants that are contractually restricted for election related expenditures. Funds are unbudgeted and will not have a budget to actual fund statement.

DEBT SERVICE FUNDS

Debt service funds are used to account for the accumulation of resources for and payment of the County's long-term debt other than those payable from the operations of enterprise funds.

Public Facilities Revenue Refunding Bonds, Series 2014 Fund

This fund accumulates monies for the payment of the \$71,510,000 Public Facilities Revenue Refunding Bond, Series 2014, which are serial bonds, due in annual installments of \$1,787,556 to \$5,453,600 through December 2035. Principal and interest are paid by a pledge of revenues from the State Revenue Sharing Trust Funds and 8% of the 10% public service tax accruing to the County under provisions of Chapter 210, *Florida Statutes*, Section 212.20 and Chapter 125, *Florida Statutes*; Chapter 218, Part II, *Florida Statutes*; Section 166.231, *Florida Statutes*.

Public Facilities Revenue Refunding Note, Series 2015 Fund

This fund accumulates monies for the payment of the \$18,157,000 in Public Facilities Revenue Refunding Note, Series 2015, due in annual installments of \$592,356 to \$2,151,780; including interest through December 1, 2026; interest of 2.14%; collateralized by a pledge of State Revenue Sharing Trust Funds and 8% of the 10% public service tax accruing to the County under provisions of Chapter 210, *Florida Statutes*, Section 212.20 and Chapter 125, *Florida Statutes*; Chapter 218, Part II, *Florida Statutes*; Section 166.231, *Florida Statutes*.

Promissory Note, Series 2020A Fund

This fund accumulates monies for the payment of the \$27,062,000 in Promissory Note, Series 2020A, due in annual installments of \$648,285 to \$2,249,066; including interest through April 1, 2035; interest of 2.20%; collateralized by a non-ad valorem revenue.

Promissory Note, Series 2020C Fund

This fund accumulates monies for the payment of the \$41,955,000 in Promissory Note, Series 2020C, due in annual installments of \$611,319 to \$5,741,775; including interest through December 1, 2029; interest of 1.95%; collateralized by non-ad valorem revenue.

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
SEPTEMBER 30, 2021**

CAPITAL PROJECT FUNDS

Capital project funds account for funds used for the acquisition or construction of major capital facilities.

General Capital Improvements Fund

This fund is used to account for the acquisition, construction, modification, improvement and renovation of major capital facilities such as buildings and parks.

Capital Improvements Projects Fund

This fund is used to account for the capital improvement projects throughout the County.

Northeast Polk Roadway Fund

This fund was established to spend down the remaining balance on projects in Northeast Polk County transferred from the North Ridge CRA Fund that was sunset in 2015.

Environmental Lands Acquisition Fund

This fund is used to account for the purchase of environmentally sensitive lands which are funded by a 0.2 mill ad valorem tax levy.

Drainage and Water Quality Fund

This fund was established to account for drainage and water quality activities.

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2021**

	<u>Special Revenue</u>			
	Special Revenue Grants	Tourist Development Tax	Lake and River Enhancement	Lighting Districts
ASSETS				
Cash and Investments	\$ 16,908,246	\$ 11,671,185	\$ 3,066,227	\$ 572,091
Cash and Investments with Fiscal Agent	-	-	-	-
Accounts Receivable	4,673	2,764	4,500	-
Interest Receivable	6,030	24,176	6,107	1,365
Due from Other Governments	4,038,195	-	-	-
Due from Other Funds	-	947,074	37,216	566
Other Assets	2,056,806	-	-	-
Total Assets	\$ 23,013,950	\$ 12,645,199	\$ 3,114,050	\$ 574,022
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Vouchers Payable	\$ 2,314,225	\$ 752,024	\$ 9,640	\$ 208,718
Accrued Liabilities	119,335	59,907	-	-
Customer Deposits	-	-	-	-
Due to Other Governments	99,480	-	-	-
Due to Other Funds	-	-	-	-
Unearned Revenue	20,151,460	14,936	3,773	843
Total Liabilities	22,684,500	826,867	13,413	209,561
DEFERRED INFLOWS OF RESOURCES				
Taxes Received in Advance	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
FUND BALANCES				
Nonspendable	2,056,806	-	-	-
Restricted	329,450	11,818,332	3,100,637	364,461
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	(2,056,806)	-	-	-
Total Fund Balances	329,450	11,818,332	3,100,637	364,461
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 23,013,950	\$ 12,645,199	\$ 3,114,050	\$ 574,022

Special Revenue

Stormwater MSTU	Fire Rescue	Emergency 911	Hazardous Waste	Radio Communications	Law Enforcement Trust	Land Management Trust
\$ 7,629,775	\$ 9,589,237	\$ 3,885,950	\$ 95,495	\$ 2,137,398	\$ 1,187,944	\$ 39,392,068
-	-	-	-	-	-	-
-	2,333	-	-	36,200	-	-
15,401	19,687	7,382	178	1,354	2,378	79,072
-	66,626	282,792	-	12,480	-	-
16,526	661,184	-	-	29,189	284,062	6
-	-	-	-	-	-	-
<u>\$ 7,661,702</u>	<u>\$ 10,339,067</u>	<u>\$ 4,176,124</u>	<u>\$ 95,673</u>	<u>\$ 2,216,621</u>	<u>\$ 1,474,384</u>	<u>\$ 39,471,146</u>
\$ 215,146	\$ 622,550	\$ 149,033	\$ 61,947	\$ 233,804	\$ -	\$ -
6,449	1,243,998	21,942	-	24,210	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
12	27,294	-	-	-	-	-
9,515	12,163	4,561	110	837	1,470	48,851
231,122	1,906,005	175,536	62,057	258,851	1,470	48,851
15,948	656,961	-	-	-	-	-
15,948	656,961	-	-	-	-	-
-	-	-	-	-	-	-
7,414,632	7,776,101	4,000,588	33,616	1,957,770	1,472,914	-
-	-	-	-	-	-	39,422,295
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>7,414,632</u>	<u>7,776,101</u>	<u>4,000,588</u>	<u>33,616</u>	<u>1,957,770</u>	<u>1,472,914</u>	<u>39,422,295</u>
<u>\$ 7,661,702</u>	<u>\$ 10,339,067</u>	<u>\$ 4,176,124</u>	<u>\$ 95,673</u>	<u>\$ 2,216,621</u>	<u>\$ 1,474,384</u>	<u>\$ 39,471,146</u>

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
SEPTEMBER 30, 2021**

	<u>Special Revenue</u>			
				Leisure Services
	Building	Indigent Healthcare	Harden / Parkway CRA	MSTU
ASSETS				
Cash and Investments	\$ 12,519,350	\$ 53,468,276	\$ 35,916	\$ 14,210,168
Cash and Investments with Fiscal Agent	-	500,000	-	-
Accounts Receivable	2,123,240	362,532	-	13,569
Interest Receivable	27,182	106,784	423	29,327
Due from Other Governments	-	6,937,959	-	22
Due from Other Funds	-	-	-	92,804
Other Assets	-	-	-	-
	<hr/>			
Total Assets	<u>\$ 14,669,772</u>	<u>\$ 61,375,551</u>	<u>\$ 36,339</u>	<u>\$ 14,345,890</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Vouchers Payable	\$ 228,987	\$ 3,021,172	\$ -	\$ 259,401
Accrued Liabilities	1,805,603	2,562,683	-	138,266
Customer Deposits	-	-	-	-
Due to Other Governments	-	-	-	-
Due to Other Funds	-	-	-	64
Unearned Revenue	16,793	65,972	262	18,118
Total Liabilities	<u>2,051,383</u>	<u>5,649,827</u>	<u>262</u>	<u>415,849</u>
DEFERRED INFLOWS OF RESOURCES				
Taxes Received in Advance	-	-	-	89,614
Total Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>89,614</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	12,618,389	55,725,724	36,077	13,840,427
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>12,618,389</u>	<u>55,725,724</u>	<u>36,077</u>	<u>13,840,427</u>
	<hr/>			
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 14,669,772</u>	<u>\$ 61,375,551</u>	<u>\$ 36,339</u>	<u>\$ 14,345,890</u>

Special Revenue

Libraries MSTU	Rancho Bonito MSTU	Transportation Millage	Eloise CRA	Emergency Medical Millage	Clerk of the Circuit Courts Court Fund	Unbudgeted Other Special Revenue Funds
\$ 1,735,625	\$ 43,858	\$ 47,962,146	\$ 726,085	\$ 22,981,548	\$ 7,067,436	\$ 10,523,263
-	-	-	-	-	-	-
-	-	11,061	-	-	-	1,718
3,512	88	94,415	1,457	43,922	-	-
-	-	142,985	-	-	120,647	-
34,855	-	335,680	-	69,557	-	91,349
-	-	-	-	-	-	66,910
<u>\$ 1,773,992</u>	<u>\$ 43,946</u>	<u>\$ 48,546,287</u>	<u>\$ 727,542</u>	<u>\$ 23,095,027</u>	<u>\$ 7,188,083</u>	<u>\$ 10,683,240</u>
\$ 101,199	\$ -	\$ 5,110,787	\$ -	\$ 545,439	\$ 15,160	\$ 107,537
-	-	237,503	-	443,241	152,814	29,902
-	-	139,499	-	-	5,250,723	-
-	-	-	-	-	1,769,386	104
24	52	192	-	34	-	100,926
2,169	54	6,479,393	900	27,135	-	101
103,392	106	11,967,374	900	1,015,849	7,188,083	238,570
33,635	-	325,648	-	67,843	-	-
33,635	-	325,648	-	67,843	-	-
-	-	-	-	-	-	66,910
1,636,965	43,840	-	726,642	-	-	10,384,083
-	-	36,253,265	-	22,011,335	-	-
-	-	-	-	-	-	7,348
-	-	-	-	-	-	(13,671)
<u>1,636,965</u>	<u>43,840</u>	<u>36,253,265</u>	<u>726,642</u>	<u>22,011,335</u>	<u>-</u>	<u>10,444,670</u>
<u>\$ 1,773,992</u>	<u>\$ 43,946</u>	<u>\$ 48,546,287</u>	<u>\$ 727,542</u>	<u>\$ 23,095,027</u>	<u>\$ 7,188,083</u>	<u>\$ 10,683,240</u>

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
SEPTEMBER 30, 2021**

	Debt Service			
	Public Facilities Revenue Refunding Bonds Series 2014	Public Facilities Revenue Refunding Note Series 2015	Promissory Note Series 2020A	Promissory Note Series 2020C
ASSETS				
Cash and Investments	\$ 4,171,909	\$ 1,862,211	\$ 1,932,931	\$ 5,016,822
Cash and Investments with Fiscal Agent	-	-	-	-
Accounts Receivable	-	-	-	-
Interest Receivable	8,111	3,249	3,486	9,142
Due from Other Governments	-	-	-	-
Due from Other Funds	-	-	-	-
Other Assets	-	-	-	-
Total Assets	\$ 4,180,020	\$ 1,865,460	\$ 1,936,417	\$ 5,025,964
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Vouchers Payable	\$ -	\$ -	\$ -	\$ -
Accrued Liabilities	-	-	-	-
Customer Deposits	-	-	-	-
Due to Other Governments	-	-	-	-
Due to Other Funds	-	-	-	-
Unearned Revenue	5,011	2,007	2,154	5,648
Total Liabilities	5,011	2,007	2,154	5,648
DEFERRED INFLOWS OF RESOURCES				
Taxes Received in Advance	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	3,175,800	1,575,376	1,591,869	4,414,374
Committed	-	-	-	-
Assigned	999,209	288,077	342,394	605,942
Unassigned	-	-	-	-
Total Fund Balances	4,175,009	1,863,453	1,934,263	5,020,316
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 4,180,020	\$ 1,865,460	\$ 1,936,417	\$ 5,025,964

Capital Projects

General Capital Improvements	Capital Improvement Projects	Northeast Polk Roadw ay	Environmental Lands Acquisition	Drainage and Water Quality	Total Nonmajor Governmental Funds
\$ 27,234,638	\$ 7,749,613	\$ 2,275,304	\$ 1,893,808	\$ 5,710,605	\$ 325,257,128
-	-	-	-	-	500,000
-	-	-	-	-	2,562,590
54,582	26,159	4,592	3,834	10,764	594,159
-	-	-	-	-	11,601,706
139	-	-	84	-	2,600,291
-	-	-	-	-	2,123,716
<u>\$ 27,289,359</u>	<u>\$ 7,775,772</u>	<u>\$ 2,279,896</u>	<u>\$ 1,897,726</u>	<u>\$ 5,721,369</u>	<u>\$ 345,239,590</u>
\$ 1,715,134	\$ 1,372,887	\$ 18,799	\$ 2,095	\$ 979,270	\$ 18,044,954
294,915	609,459	-	-	83,169	7,833,396
-	-	-	-	-	5,390,222
-	-	-	-	-	1,868,970
3	-	-	-	-	128,601
33,721	16,161	2,837	2,368	6,650	26,935,973
2,043,773	1,998,507	21,636	4,463	1,069,089	60,202,116
-	-	-	-	-	1,189,649
-	-	-	-	-	1,189,649
-	-	-	-	-	2,123,716
-	-	-	-	-	144,038,067
-	-	2,258,260	1,893,263	-	101,838,418
25,245,586	5,777,265	-	-	4,652,280	37,918,101
-	-	-	-	-	(2,070,477)
<u>25,245,586</u>	<u>5,777,265</u>	<u>2,258,260</u>	<u>1,893,263</u>	<u>4,652,280</u>	<u>283,847,825</u>
<u>\$ 27,289,359</u>	<u>\$ 7,775,772</u>	<u>\$ 2,279,896</u>	<u>\$ 1,897,726</u>	<u>\$ 5,721,369</u>	<u>\$ 345,239,590</u>

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
YEAR ENDED SEPTEMBER 30, 2021**

	<u>Special Revenue</u>			
	Special Revenue Grants	Tourist Development Tax	Lake and River Enhancement	Lighting Districts
REVENUES				
Taxes	\$ -	\$ 15,952,749	\$ -	\$ -
Licenses and Permits	-	-	149,604	-
Intergovernmental	33,123,745	-	-	-
Charges for Services	-	-	379,955	-
Fines and Forfeitures	-	-	-	-
Special Assessments	-	-	-	2,504,032
Interest Income	55,542	141,132	43,611	19,599
Net Change in Fair Value of Investments	(28,581)	(139,931)	(35,347)	(7,901)
Miscellaneous Revenue	3,524,506	94,633	2	-
Total Revenues	<u>36,675,212</u>	<u>16,048,583</u>	<u>537,825</u>	<u>2,515,730</u>
EXPENDITURES				
Current:				
General Government	17,679	-	-	-
Public Safety	16,642,082	-	-	-
Physical Environment	809,031	-	188,780	-
Transportation	1,591,091	-	-	2,629,442
Economic Environment	15,171,215	9,038,352	-	-
Human Services	3,068,935	-	-	-
Culture and Recreation	380,313	-	15,971	-
Debt Service:				
Principal Retirements	-	2,430,305	-	-
Interest and Fiscal Charges	-	1,088,571	-	-
Capital Projects	12,000	-	-	-
Total Expenditures	<u>37,692,346</u>	<u>12,557,228</u>	<u>204,751</u>	<u>2,629,442</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,017,134)	3,491,355	333,074	(113,712)
OTHER FINANCING SOURCES (USES)				
Transfers In	2,552,201	-	-	-
Transfers Out	(1,206,991)	(1,297,000)	-	-
Total Other Financing Sources (Uses)	<u>1,345,210</u>	<u>(1,297,000)</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	328,076	2,194,355	333,074	(113,712)
Fund Balances - Beginning of Year	<u>1,374</u>	<u>9,623,977</u>	<u>2,767,563</u>	<u>478,173</u>
FUND BALANCES - END OF YEAR	<u>\$ 329,450</u>	<u>\$ 11,818,332</u>	<u>\$ 3,100,637</u>	<u>\$ 364,461</u>

Special Revenue

Stormwater MSTU	Fire Rescue	Emergency 911	Hazardous Waste	Radio Communications	Law Enforcement Trust	Land Management Trust
\$ 2,306,010	\$ -	\$ -	\$ 49,315	\$ -	\$ -	\$ 1,620
-	-	-	-	-	-	-
-	108,041	-	-	-	-	-
-	676,915	3,214,469	-	3,381,964	-	-
-	-	-	-	412,164	243,495	-
-	48,829,174	-	-	-	-	-
115,877	250,415	51,041	1,114	11,183	18,446	593,769
(89,143)	(113,949)	(42,726)	(1,032)	(7,838)	(13,767)	(457,668)
49,060	-	159,694	-	147,363	119,777	-
<u>2,381,804</u>	<u>49,750,596</u>	<u>3,382,478</u>	<u>49,397</u>	<u>3,944,836</u>	<u>367,951</u>	<u>137,721</u>
-	-	-	-	-	-	-
-	48,411,882	2,538,627	-	4,533,669	170,371	-
1,751,068	-	-	101,125	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>1,751,068</u>	<u>48,411,882</u>	<u>2,538,627</u>	<u>101,125</u>	<u>4,533,669</u>	<u>170,371</u>	<u>-</u>
630,736	1,338,714	843,851	(51,728)	(588,833)	197,580	137,721
7,500	2,583,581	-	-	80,000	-	-
(198,142)	(1,340,758)	-	-	-	-	(1,510,000)
<u>(190,642)</u>	<u>1,242,823</u>	<u>-</u>	<u>-</u>	<u>80,000</u>	<u>-</u>	<u>(1,510,000)</u>
440,094	2,581,537	843,851	(51,728)	(508,833)	197,580	(1,372,279)
6,974,538	5,194,564	3,156,737	85,344	2,466,603	1,275,334	40,794,574
<u>\$ 7,414,632</u>	<u>\$ 7,776,101</u>	<u>\$ 4,000,588</u>	<u>\$ 33,616</u>	<u>\$ 1,957,770</u>	<u>\$ 1,472,914</u>	<u>\$ 39,422,295</u>

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021**

	<u>Special Revenue</u>			
	Building	Indigent Healthcare	Harden / Parkway CRA	Leisure Services MSTU
REVENUES				
Taxes	\$ -	\$ 61,228,306	\$ 563,313	\$ 12,957,786
Licenses and Permits	11,679,620	-	-	-
Intergovernmental	-	-	-	-
Charges for Services	130,006	1,275,027	-	860,353
Fines and Forfeitures	5,358	-	-	-
Special Assessments	-	-	-	-
Interest Income	202,480	711,645	8,842	257,034
Net Change in Fair Value of Investments	(157,329)	(618,064)	(2,450)	(169,747)
Miscellaneous Revenue	35,346	795,877	-	29,566
Total Revenues	<u>11,895,481</u>	<u>63,392,791</u>	<u>569,705</u>	<u>13,934,992</u>
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	9,538,328	74,330	-	-
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Human Services	-	52,682,240	-	-
Culture and Recreation	-	-	-	12,954,737
Debt Service:				
Principal Retirements	-	-	-	-
Interest and Fiscal Charges	-	-	-	-
Capital Projects	-	-	-	-
Total Expenditures	<u>9,538,328</u>	<u>52,756,570</u>	<u>-</u>	<u>12,954,737</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	2,357,153	10,636,221	569,705	980,255
OTHER FINANCING SOURCES (USES)				
Transfers In	142,434	-	748,538	1,325,674
Transfers Out	-	(80,000)	(1,400,000)	(1,109,614)
Total Other Financing Sources (Uses)	<u>142,434</u>	<u>(80,000)</u>	<u>(651,462)</u>	<u>216,060</u>
NET CHANGE IN FUND BALANCES	2,499,587	10,556,221	(81,757)	1,196,315
Fund Balances - Beginning of Year	10,118,802	45,169,503	117,834	12,644,112
FUND BALANCES - END OF YEAR	<u>\$ 12,618,389</u>	<u>\$ 55,725,724</u>	<u>\$ 36,077</u>	<u>\$ 13,840,427</u>

Special Revenue

Libraries MSTU	Rancho Bonito MSTU	Transportation Millage	Eloise CRA	Emergency Medical Millage	Clerk of the Circuit Courts Court Fund	Unbudgeted Other Special Revenue Funds
\$ 4,863,947	\$ 8,469	\$ 42,637,929	\$ -	\$ 9,682,638	\$ -	\$ -
-	-	41,700	-	-	-	-
-	-	-	-	-	338,918	112,218
-	-	-	-	-	4,929,499	756,367
-	-	-	-	-	5,824,088	84,757
-	-	-	-	-	-	2,504,751
41,378	655	857,310	10,754	313,722	51,527	14,206
(20,325)	(510)	(546,471)	(8,436)	(254,220)	-	-
-	-	1,047,585	-	-	68,713	1,155,611
<u>4,885,000</u>	<u>8,614</u>	<u>44,038,053</u>	<u>2,318</u>	<u>9,742,140</u>	<u>11,212,745</u>	<u>4,627,910</u>
-	-	-	-	-	11,212,745	1,138,401
-	3,906	-	-	7,913,430	-	1,499,822
-	-	294,063	-	-	-	-
-	-	46,247,689	-	-	-	-
-	-	-	10,452	-	-	-
-	-	-	545	-	-	-
4,547,462	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>4,547,462</u>	<u>3,906</u>	<u>46,541,752</u>	<u>10,997</u>	<u>7,913,430</u>	<u>11,212,745</u>	<u>2,638,223</u>
337,538	4,708	(2,503,699)	(8,679)	1,828,710	-	1,989,687
-	-	44,113	96,736	7,800,000	-	263,988
(270,265)	(498)	(2,471,199)	(5,500)	(561,481)	-	(2,820)
(270,265)	(498)	(2,427,086)	91,236	7,238,519	-	261,168
67,273	4,210	(4,930,785)	82,557	9,067,229	-	2,250,855
1,569,692	39,630	41,184,050	644,085	12,944,106	-	8,193,815
<u>\$ 1,636,965</u>	<u>\$ 43,840</u>	<u>\$ 36,253,265</u>	<u>\$ 726,642</u>	<u>\$ 22,011,335</u>	<u>\$ -</u>	<u>\$ 10,444,670</u>

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021**

	Debt Service			
	Public Facilities Revenue Refunding Bonds Series 2014	Public Facilities Revenue Refunding Note Series 2015	Promissory Note Series 2020A	Promissory Note Series 2020C
REVENUES				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental	4,775,615	-	-	1,666,667
Charges for Services	-	-	-	-
Fines and Forfeitures	-	-	-	-
Special Assessments	-	-	-	-
Interest Income	42,136	16,470	14,556	35,268
Net Change in Fair Value of Investments	(46,946)	(18,805)	(20,182)	(52,913)
Miscellaneous Revenue	-	-	-	10,101
Total Revenues	<u>4,770,805</u>	<u>(2,335)</u>	<u>(5,626)</u>	<u>1,659,123</u>
EXPENDITURES				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal Retirements	2,720,000	1,730,000	-	-
Interest and Fiscal Charges	2,673,750	269,640	648,285	611,319
Capital Projects	-	-	-	-
Total Expenditures	<u>5,393,750</u>	<u>1,999,640</u>	<u>648,285</u>	<u>611,319</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(622,945)	(2,001,975)	(653,911)	1,047,804
OTHER FINANCING SOURCES (USES)				
Transfers In	1,050,000	1,950,000	2,351,001	3,700,000
Transfers Out	-	-	-	-
Total Other Financing Sources (Uses)	<u>1,050,000</u>	<u>1,950,000</u>	<u>2,351,001</u>	<u>3,700,000</u>
NET CHANGE IN FUND BALANCES	427,055	(51,975)	1,697,090	4,747,804
Fund Balances - Beginning of Year	<u>3,747,954</u>	<u>1,915,428</u>	<u>237,173</u>	<u>272,512</u>
FUND BALANCES - END OF YEAR	<u>\$ 4,175,009</u>	<u>\$ 1,863,453</u>	<u>\$ 1,934,263</u>	<u>\$ 5,020,316</u>

Capital Projects

General Capital Improvements	Capital Improvement Projects	Northeast Polk Roadway	Environmental Lands Acquisition	Drainage and Water Quality	Total All Nonmajor Governmental Funds
\$ 1,445	\$ -	\$ -	\$ 1,728	\$ -	\$ 150,255,255
-	-	-	-	-	11,870,924
3,158,830	-	-	-	-	43,284,034
-	-	-	-	-	15,604,555
-	-	-	-	-	6,569,862
-	-	-	-	-	53,837,957
388,687	307,792	71,281	31,828	108,843	4,788,143
(315,922)	(151,407)	(26,579)	(22,189)	(62,300)	(3,432,678)
2	-	12,239	10	498,969	7,749,054
3,233,042	156,385	56,941	11,377	545,512	290,527,106
-	-	-	-	-	12,368,825
-	-	-	-	-	91,326,447
-	-	-	-	-	3,144,067
-	-	-	-	-	50,468,222
-	-	-	-	-	24,220,019
-	-	-	-	-	55,751,720
-	-	-	-	-	17,898,483
-	-	-	-	-	6,880,305
-	-	-	-	-	5,291,565
8,724,207	17,849,180	5,991,329	472,330	4,202,174	37,251,220
8,724,207	17,849,180	5,991,329	472,330	4,202,174	304,600,873
(5,491,165)	(17,692,795)	(5,934,388)	(460,953)	(3,656,662)	(14,073,767)
17,050,000	-	-	-	50,000	41,795,766
(52)	-	-	-	-	(11,454,320)
17,049,948	-	-	-	50,000	30,341,446
11,558,783	(17,692,795)	(5,934,388)	(460,953)	(3,606,662)	16,267,679
13,686,803	23,470,060	8,192,648	2,354,216	8,258,942	267,580,146
<u>\$ 25,245,586</u>	<u>\$ 5,777,265</u>	<u>\$ 2,258,260</u>	<u>\$ 1,893,263</u>	<u>\$ 4,652,280</u>	<u>\$ 283,847,825</u>

**POLK COUNTY, FLORIDA
SPECIAL REVENUE GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 48,235,173	\$ 74,311,074	\$ 33,123,745	\$(41,187,329)
Interest Income	70,000	179,000	55,542	(123,458)
Net Change in Fair Value of Investments	-	-	(28,581)	(28,581)
Miscellaneous Revenue	729,955	1,204,183	3,524,506	2,320,323
Total Revenues	<u>49,035,128</u>	<u>75,694,257</u>	<u>36,675,212</u>	<u>(39,019,045)</u>
EXPENDITURES				
Current:				
General Government	1,189,162	1,750,854	17,679	1,733,175
Public Safety	6,790,419	28,357,967	16,642,082	11,715,885
Physical Environment	152,845	774,112	809,031	(34,919)
Transportation	12,765,695	12,998,350	1,591,091	11,407,259
Economic Environment	23,967,159	28,081,257	15,171,215	12,910,042
Human Services	3,209,916	3,356,716	3,068,935	287,781
Culture and Recreation	2,981,625	2,435,558	380,313	2,055,245
Capital Projects	-	-	12,000	(12,000)
Total Expenditures	<u>51,056,821</u>	<u>77,754,814</u>	<u>37,692,346</u>	<u>40,062,468</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,021,693)	(2,060,557)	(1,017,134)	1,043,423
OTHER FINANCING SOURCES (USES)				
Transfers In	2,438,236	2,438,236	2,552,201	113,965
Transfers Out	-	-	(1,206,991)	(1,206,991)
Total Other Financing Sources (Uses)	<u>2,438,236</u>	<u>2,438,236</u>	<u>1,345,210</u>	<u>(1,093,026)</u>
NET CHANGE IN FUND BALANCE	416,543	377,679	328,076	(49,603)
Fund Balance - Beginning of Year	<u>1,374</u>	<u>1,374</u>	<u>1,374</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 417,917</u>	<u>\$ 379,053</u>	<u>\$ 329,450</u>	<u>\$ (49,603)</u>

**POLK COUNTY, FLORIDA
TOURIST DEVELOPMENT TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 10,993,399	\$ 10,993,399	\$ 15,952,749	\$ 4,959,350
Interest Income	65,624	65,624	141,132	75,508
Net Change in Fair Value of Investments	-	-	(139,931)	(139,931)
Miscellaneous Revenue	240,750	240,750	94,633	(146,117)
Total Revenues	<u>11,299,773</u>	<u>11,299,773</u>	<u>16,048,583</u>	<u>4,748,810</u>
EXPENDITURES				
Current:				
Economic Environment	10,774,959	10,774,959	9,038,352	1,736,607
Debt Service:				
Principal Retirement	2,430,310	2,430,310	2,430,305	5
Interest and Fiscal Charges	1,088,773	1,088,773	1,088,571	202
Total Expenditures	<u>14,294,042</u>	<u>14,294,042</u>	<u>12,557,228</u>	<u>1,736,814</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,994,269)	(2,994,269)	3,491,355	6,485,624
OTHER FINANCING SOURCES (USES)				
Transfers Out	(1,297,000)	(1,297,000)	(1,297,000)	-
Total Other Financing Sources (Uses)	<u>(1,297,000)</u>	<u>(1,297,000)</u>	<u>(1,297,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(4,291,269)	(4,291,269)	2,194,355	6,485,624
Fund Balance - Beginning of Year	<u>9,623,977</u>	<u>9,623,977</u>	<u>9,623,977</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 5,332,708</u>	<u>\$ 5,332,708</u>	<u>\$ 11,818,332</u>	<u>\$ 6,485,624</u>

**POLK COUNTY, FLORIDA
LAKE AND RIVER ENHANCEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Licenses and Permits	\$ 154,546	\$ 154,546	\$ 149,604	\$ (4,942)
Charges for Services	305,961	305,961	379,955	73,994
Interest Income	19,756	19,756	43,611	23,855
Net Change in Fair Value of Investments	-	-	(35,347)	(35,347)
Miscellaneous Revenue	-	-	2	2
Total Revenues	<u>480,263</u>	<u>480,263</u>	<u>537,825</u>	<u>57,562</u>
EXPENDITURES				
Current:				
Physical Environment	310,845	310,845	188,780	122,065
Culture and Recreation	<u>1,789,000</u>	<u>1,789,000</u>	<u>15,971</u>	<u>1,773,029</u>
Total Expenditures	<u>2,099,845</u>	<u>2,099,845</u>	<u>204,751</u>	<u>1,895,094</u>
NET CHANGE IN FUND BALANCE	(1,619,582)	(1,619,582)	333,074	1,952,656
Fund Balance - Beginning of Year	<u>2,767,563</u>	<u>2,767,563</u>	<u>2,767,563</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,147,981</u>	<u>\$ 1,147,981</u>	<u>\$ 3,100,637</u>	<u>\$ 1,952,656</u>

**POLK COUNTY, FLORIDA
LIGHTING DISTRICTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Special Assessments	\$ 2,790,185	\$ 2,790,185	\$ 2,504,032	\$ (286,153)
Interest Income	15,000	15,000	19,599	4,599
Net Change in Fair Value of Investments	-	-	(7,901)	(7,901)
Total Revenues	<u>2,805,185</u>	<u>2,805,185</u>	<u>2,515,730</u>	<u>(289,455)</u>
EXPENDITURES				
Current:				
Transportation	<u>2,855,185</u>	<u>2,855,185</u>	<u>2,629,442</u>	<u>225,743</u>
Total Expenditures	<u>2,855,185</u>	<u>2,855,185</u>	<u>2,629,442</u>	<u>225,743</u>
NET CHANGE IN FUND BALANCE	(50,000)	(50,000)	(113,712)	(63,712)
Fund Balance - Beginning of Year	<u>478,173</u>	<u>478,173</u>	<u>478,173</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 428,173</u>	<u>\$ 428,173</u>	<u>\$ 364,461</u>	<u>\$ (63,712)</u>

**POLK COUNTY, FLORIDA
STORMWATER MSTU FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 2,260,328	\$ 2,260,328	\$ 2,306,010	\$ 45,682
Interest Income	53,115	53,115	115,877	62,762
Net Change in Fair Value of Investments	-	-	(89,143)	(89,143)
Miscellaneous Revenue	540,635	540,635	49,060	(491,575)
Total Revenues	<u>2,854,078</u>	<u>2,854,078</u>	<u>2,381,804</u>	<u>(472,274)</u>
EXPENDITURES				
Current:				
Physical Environment	<u>5,507,220</u>	<u>5,507,202</u>	<u>1,751,068</u>	<u>3,756,134</u>
Total Expenditures	<u>5,507,220</u>	<u>5,507,202</u>	<u>1,751,068</u>	<u>3,756,134</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,653,142)	(2,653,124)	630,736	3,283,860
OTHER FINANCING SOURCES (USES)				
Transfers In	17,500	17,500	7,500	(10,000)
Transfers Out	<u>(209,009)</u>	<u>(209,027)</u>	<u>(198,142)</u>	<u>10,885</u>
Total Other Financing Sources (Uses)	<u>(191,509)</u>	<u>(191,527)</u>	<u>(190,642)</u>	<u>885</u>
NET CHANGE IN FUND BALANCE	(2,844,651)	(2,844,651)	440,094	3,284,745
Fund Balance - Beginning of Year	<u>6,974,538</u>	<u>6,974,538</u>	<u>6,974,538</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 4,129,887</u>	<u>\$ 4,129,887</u>	<u>\$ 7,414,632</u>	<u>\$ 3,284,745</u>

**POLK COUNTY, FLORIDA
FIRE RESCUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 59,000	\$ 59,000	\$ 108,041	\$ 49,041
Charges for Services	292,910	292,910	676,915	384,005
Special Assessments	47,041,297	47,041,297	48,829,174	1,787,877
Interest Income	18,087	18,087	250,415	232,328
Net Change in Fair Value of Investments	-	-	(113,949)	(113,949)
Total Revenues	<u>47,411,294</u>	<u>47,411,294</u>	<u>49,750,596</u>	<u>2,339,302</u>
EXPENDITURES				
Current:				
Public Safety	<u>50,533,662</u>	<u>50,525,517</u>	<u>48,411,882</u>	<u>2,113,635</u>
Total Expenditures	<u>50,533,662</u>	<u>50,525,517</u>	<u>48,411,882</u>	<u>2,113,635</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,122,368)	(3,114,223)	1,338,714	4,452,937
OTHER FINANCING SOURCES (USES)				
Transfers In	2,583,581	2,583,581	2,583,581	-
Transfers Out	<u>(1,332,613)</u>	<u>(1,340,758)</u>	<u>(1,340,758)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>1,250,968</u>	<u>1,242,823</u>	<u>1,242,823</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(1,871,400)	(1,871,400)	2,581,537	4,452,937
Fund Balance - Beginning of Year	<u>5,194,564</u>	<u>5,194,564</u>	<u>5,194,564</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 3,323,164</u>	<u>\$ 3,323,164</u>	<u>\$ 7,776,101</u>	<u>\$ 4,452,937</u>

**POLK COUNTY, FLORIDA
EMERGENCY 911 FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$ 2,458,974	\$ 2,458,974	\$ 3,214,469	\$ 755,495
Interest Income	34,508	34,508	51,041	16,533
Net Change in Fair Value of Investments	-	-	(42,726)	(42,726)
Miscellaneous Revenue	-	-	159,694	159,694
Total Revenues	<u>2,493,482</u>	<u>2,493,482</u>	<u>3,382,478</u>	<u>888,996</u>
EXPENDITURES				
Current:				
Public Safety	<u>2,691,722</u>	<u>2,691,722</u>	<u>2,538,627</u>	<u>153,095</u>
Total Expenditures	<u>2,691,722</u>	<u>2,691,722</u>	<u>2,538,627</u>	<u>153,095</u>
NET CHANGE IN FUND BALANCE	(198,240)	(198,240)	843,851	1,042,091
Fund Balance - Beginning of Year	<u>3,156,737</u>	<u>3,156,737</u>	<u>3,156,737</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 2,958,497</u>	<u>\$ 2,958,497</u>	<u>\$ 4,000,588</u>	<u>\$ 1,042,091</u>

**POLK COUNTY, FLORIDA
HAZARDOUS WASTE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 114,000	\$ 114,000	\$ 49,315	\$ (64,685)
Interest Income	511	511	1,114	603
Net Change in Fair Value of Investments	-	-	(1,032)	(1,032)
Total Revenues	<u>114,511</u>	<u>114,511</u>	<u>49,397</u>	<u>(65,114)</u>
EXPENDITURES				
Current:				
Physical Environment	<u>101,212</u>	<u>101,212</u>	<u>101,125</u>	<u>87</u>
Total Expenditures	<u>101,212</u>	<u>101,212</u>	<u>101,125</u>	<u>87</u>
NET CHANGE IN FUND BALANCE	13,299	13,299	(51,728)	(65,027)
Fund Balance - Beginning of Year	<u>85,344</u>	<u>85,344</u>	<u>85,344</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 98,643</u>	<u>\$ 98,643</u>	<u>\$ 33,616</u>	<u>\$ (65,027)</u>

**POLK COUNTY, FLORIDA
RADIO COMMUNICATIONS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$ 3,412,176	\$ 3,412,176	\$ 3,381,964	\$ (30,212)
Fines and Forfeitures	530,450	530,450	412,164	(118,286)
Interest Income	8,538	8,538	11,183	2,645
Net Change in Fair Value of Investments	-	-	(7,838)	(7,838)
Miscellaneous Revenue	180,400	180,400	147,363	(33,037)
Total Revenues	<u>4,131,564</u>	<u>4,131,564</u>	<u>3,944,836</u>	<u>(186,728)</u>
EXPENDITURES				
Current:				
Public Safety	<u>4,691,224</u>	<u>4,691,224</u>	<u>4,533,669</u>	<u>157,555</u>
Total Expenditures	<u>4,691,224</u>	<u>4,691,224</u>	<u>4,533,669</u>	<u>157,555</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(559,660)	(559,660)	(588,833)	(29,173)
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>80,000</u>	<u>80,000</u>	<u>80,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(479,660)	(479,660)	(508,833)	(29,173)
Fund Balance - Beginning of Year	<u>2,466,603</u>	<u>2,466,603</u>	<u>2,466,603</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,986,943</u>	<u>\$ 1,986,943</u>	<u>\$ 1,957,770</u>	<u>\$ (29,173)</u>

**POLK COUNTY, FLORIDA
LAW ENFORCEMENT TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Fines and Forfeitures	\$ 58,425	\$ 58,425	\$ 243,495	\$ 185,070
Interest Income	27,292	27,292	18,446	(8,846)
Net Change in Fair Value of Investments	-	-	(13,767)	(13,767)
Miscellaneous Revenue	-	-	119,777	119,777
Total Revenues	<u>85,717</u>	<u>85,717</u>	<u>367,951</u>	<u>282,234</u>
EXPENDITURES				
Current:				
Public Safety	<u>1,128,007</u>	<u>1,128,007</u>	<u>170,371</u>	<u>957,636</u>
Total Expenditures	<u>1,128,007</u>	<u>1,128,007</u>	<u>170,371</u>	<u>957,636</u>
NET CHANGE IN FUND BALANCE	(1,042,290)	(1,042,290)	197,580	1,239,870
Fund Balance - Beginning of Year	<u>1,275,334</u>	<u>1,275,334</u>	<u>1,275,334</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 233,044</u>	<u>\$ 233,044</u>	<u>\$ 1,472,914</u>	<u>\$ 1,239,870</u>

**POLK COUNTY, FLORIDA
LAND MANAGEMENT TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Taxes	\$ -	\$ -	\$ 1,620	\$ 1,620
Interest Income	294,996	294,996	593,769	298,773
Net Change in Fair Value of Investments	-	-	(457,668)	(457,668)
Total Revenues	<u>294,996</u>	<u>294,996</u>	<u>137,721</u>	<u>(157,275)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	294,996	294,996	137,721	(157,275)
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	-	(1,510,000)	(1,510,000)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>(1,510,000)</u>	<u>(1,510,000)</u>
NET CHANGE IN FUND BALANCE	294,996	294,996	(1,372,279)	(1,667,275)
Fund Balance - Beginning of Year	<u>40,794,574</u>	<u>40,794,574</u>	<u>40,794,574</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 41,089,570</u>	<u>\$ 41,089,570</u>	<u>\$ 39,422,295</u>	<u>\$ (1,667,275)</u>

**POLK COUNTY, FLORIDA
BUILDING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Licenses and Permits	\$ 7,242,447	\$ 7,242,447	\$ 11,679,620	\$ 4,437,173
Charges for Services	149,287	149,287	130,006	(19,281)
Fines and Forfeitures	-	-	5,358	5,358
Interest Income	51,470	51,470	202,480	151,010
Net Change in Fair Value of Investments	-	-	(157,329)	(157,329)
Miscellaneous Revenue	6,743	6,743	35,346	28,603
Total Revenues	<u>7,449,947</u>	<u>7,449,947</u>	<u>11,895,481</u>	<u>4,445,534</u>
EXPENDITURES				
Current:				
Public Safety	<u>10,155,590</u>	<u>10,155,590</u>	<u>9,538,328</u>	<u>617,262</u>
Total Expenditures	<u>10,155,590</u>	<u>10,155,590</u>	<u>9,538,328</u>	<u>617,262</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(2,705,643)</u>	<u>(2,705,643)</u>	<u>2,357,153</u>	<u>5,062,796</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>-</u>	<u>-</u>	<u>142,434</u>	<u>142,434</u>
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>142,434</u>	<u>142,434</u>
NET CHANGE IN FUND BALANCE	<u>(2,705,643)</u>	<u>(2,705,643)</u>	<u>2,499,587</u>	<u>5,205,230</u>
Fund Balance - Beginning of Year	<u>10,118,802</u>	<u>10,118,802</u>	<u>10,118,802</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 7,413,159</u>	<u>\$ 7,413,159</u>	<u>\$ 12,618,389</u>	<u>\$ 5,205,230</u>

**POLK COUNTY, FLORIDA
INDIGENT HEALTHCARE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 50,549,245	\$ 50,549,245	\$ 61,228,306	\$ 10,679,061
Charges for Services	568,353	568,353	1,275,027	706,674
Interest Income	234,278	234,278	711,645	477,367
Net Change in Fair Value of Investments	-	-	(618,064)	(618,064)
Miscellaneous Revenue	704,435	704,435	795,877	91,442
Total Revenues	<u>52,056,311</u>	<u>52,056,311</u>	<u>63,392,791</u>	<u>11,336,480</u>
EXPENDITURES				
Current:				
Public Safety	84,737	84,737	74,330	10,407
Human Services	63,798,310	63,798,310	52,682,240	11,116,070
Total Expenditures	<u>63,883,047</u>	<u>63,883,047</u>	<u>52,756,570</u>	<u>11,126,477</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(11,826,736)	(11,826,736)	10,636,221	22,462,957
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	(80,000)	(80,000)	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>(80,000)</u>	<u>(80,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(11,826,736)	(11,906,736)	10,556,221	22,462,957
Fund Balance - Beginning of Year	<u>45,169,503</u>	<u>45,169,503</u>	<u>45,169,503</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 33,342,767</u>	<u>\$ 33,262,767</u>	<u>\$ 55,725,724</u>	<u>\$ 22,462,957</u>

**POLK COUNTY, FLORIDA
HARDEN / PARKWAY CRA FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 573,622	\$ 573,622	\$ 563,313	\$ (10,309)
Interest Income	2,311	2,311	8,842	6,531
Net Change in Fair Value of Investments	-	-	(2,450)	(2,450)
Total Revenues	<u>575,933</u>	<u>575,933</u>	<u>569,705</u>	<u>(6,228)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	575,933	575,933	569,705	(6,228)
OTHER FINANCING SOURCES (USES)				
Transfers In	748,538	748,538	748,538	-
Transfers Out	<u>(1,400,000)</u>	<u>(1,400,000)</u>	<u>(1,400,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(651,462)</u>	<u>(651,462)</u>	<u>(651,462)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(75,529)	(75,529)	(81,757)	(6,228)
Fund Balance - Beginning of Year	<u>117,834</u>	<u>117,834</u>	<u>117,834</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 42,305</u>	<u>\$ 42,305</u>	<u>\$ 36,077</u>	<u>\$ (6,228)</u>

**POLK COUNTY, FLORIDA
LEISURE SERVICES MSTU FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 12,700,783	\$ 12,700,783	\$ 12,957,786	\$ 257,003
Charges for Services	543,510	543,510	860,353	316,843
Interest Income	125,882	125,882	257,034	131,152
Net Change in Fair Value of Investments	-	-	(169,747)	(169,747)
Miscellaneous Revenue	24,297	24,297	29,566	5,269
Total Revenues	<u>13,394,472</u>	<u>13,394,472</u>	<u>13,934,992</u>	<u>540,520</u>
EXPENDITURES				
Current:				
Culture and Recreation	17,294,335	17,294,236	12,954,737	4,339,499
Total Expenditures	<u>17,294,335</u>	<u>17,294,236</u>	<u>12,954,737</u>	<u>4,339,499</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,899,863)	(3,899,764)	980,255	4,880,019
OTHER FINANCING SOURCES (USES)				
Transfers In	1,303,123	1,303,123	1,325,674	22,551
Transfers Out	(1,615,381)	(1,615,480)	(1,109,614)	505,866
Total Other Financing Sources (Uses)	<u>(312,258)</u>	<u>(312,357)</u>	<u>216,060</u>	<u>528,417</u>
NET CHANGE IN FUND BALANCE	(4,212,121)	(4,212,121)	1,196,315	5,408,436
Fund Balance - Beginning of Year	<u>12,644,112</u>	<u>12,644,112</u>	<u>12,644,112</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 8,431,991</u>	<u>\$ 8,431,991</u>	<u>\$ 13,840,427</u>	<u>\$ 5,408,436</u>

**POLK COUNTY, FLORIDA
LIBRARIES MSTU FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 4,767,032	\$ 4,767,032	\$ 4,863,947	\$ 96,915
Interest Income	18,513	18,513	41,378	22,865
Net Change in Fair Value of Investments	-	-	(20,325)	(20,325)
Total Revenues	<u>4,785,545</u>	<u>4,785,545</u>	<u>4,885,000</u>	<u>99,455</u>
EXPENDITURES				
Current:				
Culture and Recreation	<u>4,722,884</u>	<u>4,722,847</u>	<u>4,547,462</u>	<u>175,385</u>
Total Expenditures	<u>4,722,884</u>	<u>4,722,847</u>	<u>4,547,462</u>	<u>175,385</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	62,661	62,698	337,538	274,840
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(270,957)</u>	<u>(270,994)</u>	<u>(270,265)</u>	<u>729</u>
Total Other Financing Sources (Uses)	<u>(270,957)</u>	<u>(270,994)</u>	<u>(270,265)</u>	<u>729</u>
NET CHANGE IN FUND BALANCE	(208,296)	(208,296)	67,273	275,569
Fund Balance - Beginning of Year	<u>1,569,692</u>	<u>1,569,692</u>	<u>1,569,692</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,361,396</u>	<u>\$ 1,361,396</u>	<u>\$ 1,636,965</u>	<u>\$ 275,569</u>

**POLK COUNTY, FLORIDA
RANCHO BONITO MSTU FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 8,320	\$ 8,320	\$ 8,469	\$ 149
Interest Income	588	588	655	67
Net Change in Fair Value of Investments	-	-	(510)	(510)
Total Revenues	<u>8,908</u>	<u>8,908</u>	<u>8,614</u>	<u>(294)</u>
EXPENDITURES				
Current:				
Public Safety	<u>36,547</u>	<u>36,547</u>	<u>3,906</u>	<u>32,641</u>
Total Expenditures	<u>36,547</u>	<u>36,547</u>	<u>3,906</u>	<u>32,641</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(27,639)	(27,639)	4,708	32,347
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(517)</u>	<u>(517)</u>	<u>(498)</u>	<u>19</u>
Total Other Financing Sources (Uses)	<u>(517)</u>	<u>(517)</u>	<u>(498)</u>	<u>19</u>
NET CHANGE IN FUND BALANCE	(28,156)	(28,156)	4,210	32,366
Fund Balance - Beginning of Year	<u>39,630</u>	<u>39,630</u>	<u>39,630</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 11,474</u>	<u>\$ 11,474</u>	<u>\$ 43,840</u>	<u>\$ 32,366</u>

**POLK COUNTY, FLORIDA
TRANSPORTATION MILLAGE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 41,829,484	\$ 41,829,484	\$ 42,637,929	\$ 808,445
Licenses and Permits	-	-	41,700	41,700
Interest Income	268,500	268,500	857,310	588,810
Net Change in Fair Value of Investments	-	-	(546,471)	(546,471)
Miscellaneous Revenue	5,646,125	5,646,125	1,047,585	(4,598,540)
Total Revenues	<u>47,744,109</u>	<u>47,744,109</u>	<u>44,038,053</u>	<u>(3,706,056)</u>
EXPENDITURES				
Current:				
Physical Environment	302,322	302,322	294,063	8,259
Transportation	61,791,923	67,143,988	46,247,689	20,896,299
Total Expenditures	<u>62,094,245</u>	<u>67,446,310</u>	<u>46,541,752</u>	<u>20,904,558</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(14,350,136)	(19,702,201)	(2,503,699)	17,198,502
OTHER FINANCING SOURCES (USES)				
Transfers In	44,113	44,113	44,113	-
Transfers Out	(2,474,047)	(2,474,376)	(2,471,199)	3,177
Total Other Financing Sources (Uses)	<u>(2,429,934)</u>	<u>(2,430,263)</u>	<u>(2,427,086)</u>	<u>3,177</u>
NET CHANGE IN FUND BALANCE	(16,780,070)	(22,132,464)	(4,930,785)	17,201,679
Fund Balance - Beginning of Year	<u>41,184,050</u>	<u>41,184,050</u>	<u>41,184,050</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 24,403,980</u>	<u>\$ 19,051,586</u>	<u>\$ 36,253,265</u>	<u>\$ 17,201,679</u>

**POLK COUNTY, FLORIDA
ELOISE CRA FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest Income	\$ 2,718	\$ 2,718	\$ 10,754	\$ 8,036
Net Change in Fair Value of Investments	-	-	(8,436)	(8,436)
Total Revenues	<u>2,718</u>	<u>2,718</u>	<u>2,318</u>	<u>(400)</u>
EXPENDITURES				
Current:				
Economic Environment	25,959	25,959	10,452	15,507
Human Services	195,000	195,000	545	194,455
Total Expenditures	<u>220,959</u>	<u>220,959</u>	<u>10,997</u>	<u>209,962</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(218,241)	(218,241)	(8,679)	209,562
OTHER FINANCING SOURCES (USES)				
Transfers In	97,039	97,039	96,736	(303)
Transfers Out	(5,500)	(5,500)	(5,500)	-
Total Other Financing Sources (Uses)	<u>91,539</u>	<u>91,539</u>	<u>91,236</u>	<u>(303)</u>
NET CHANGE IN FUND BALANCE	(126,702)	(126,702)	82,557	209,259
Fund Balance - Beginning of Year	<u>644,085</u>	<u>644,085</u>	<u>644,085</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 517,383</u>	<u>\$ 517,383</u>	<u>\$ 726,642</u>	<u>\$ 209,259</u>

**POLK COUNTY, FLORIDA
EMERGENCY MEDICAL MILLAGE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 9,506,701	\$ 9,506,701	\$ 9,682,638	\$ 175,937
Interest Income	113,696	113,696	313,722	200,026
Net Change in Fair Value of Investments	-	-	(254,220)	(254,220)
Total Revenues	<u>9,620,397</u>	<u>9,620,397</u>	<u>9,742,140</u>	<u>121,743</u>
EXPENDITURES				
Current:				
Public Safety	<u>14,067,085</u>	<u>21,867,011</u>	<u>7,913,430</u>	<u>13,953,581</u>
Total Expenditures	<u>14,067,085</u>	<u>21,867,011</u>	<u>7,913,430</u>	<u>13,953,581</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(4,446,688)	(12,246,614)	1,828,710	14,075,324
OTHER FINANCING SOURCES (USES)				
Transfers In	-	7,800,000	7,800,000	-
Transfers Out	<u>(562,738)</u>	<u>(562,812)</u>	<u>(561,481)</u>	<u>1,331</u>
Total Other Financing Sources (Uses)	<u>(562,738)</u>	<u>7,237,188</u>	<u>7,238,519</u>	<u>1,331</u>
NET CHANGE IN FUND BALANCE	(5,009,426)	(5,009,426)	9,067,229	14,076,655
Fund Balance - Beginning of Year	<u>12,944,106</u>	<u>12,944,106</u>	<u>12,944,106</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 7,934,680</u>	<u>\$ 7,934,680</u>	<u>\$ 22,011,335</u>	<u>\$ 14,076,655</u>

**POLK COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURTS – COURT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 350,062	\$ 225,062	\$ 338,918	\$ 113,856
Charges for Services	4,875,059	5,265,059	4,929,499	(335,560)
Fines and Forfeitures	6,202,250	6,202,250	5,824,088	(378,162)
Interest Income	355,213	60,213	51,527	(8,686)
Miscellaneous Revenue	40,137	70,137	68,713	(1,424)
Total Revenues	<u>11,822,721</u>	<u>11,822,721</u>	<u>11,212,745</u>	<u>(609,976)</u>
EXPENDITURES				
Current:				
General Government	<u>11,822,721</u>	<u>11,822,721</u>	<u>11,212,745</u>	<u>609,976</u>
Total Expenditures	<u>11,822,721</u>	<u>11,822,721</u>	<u>11,212,745</u>	<u>609,976</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

POLK COUNTY, FLORIDA
PUBLIC FACILITIES REVENUE REFUNDING BONDS, SERIES 2014 FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 4,395,000	\$ 4,395,000	\$ 4,775,615	\$ 380,615
Interest Income	5,000	5,000	42,136	37,136
Net Change in Fair Value of Investments	-	-	(46,946)	(46,946)
Total Revenues	<u>4,400,000</u>	<u>4,400,000</u>	<u>4,770,805</u>	<u>370,805</u>
EXPENDITURES				
Debt Service:				
Principal Retirement	2,720,000	2,720,000	2,720,000	-
Interest and Fiscal Charges	2,676,000	2,676,000	2,673,750	2,250
Total Expenditures	<u>5,396,000</u>	<u>5,396,000</u>	<u>5,393,750</u>	<u>2,250</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(996,000)	(996,000)	(622,945)	373,055
OTHER FINANCING SOURCES (USES)				
Transfers In	1,050,000	1,050,000	1,050,000	-
Total Other Financing Sources (Uses)	<u>1,050,000</u>	<u>1,050,000</u>	<u>1,050,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	54,000	54,000	427,055	373,055
Fund Balance - Beginning of Year	<u>3,747,954</u>	<u>3,747,954</u>	<u>3,747,954</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 3,801,954</u>	<u>\$ 3,801,954</u>	<u>\$ 4,175,009</u>	<u>\$ 373,055</u>

POLK COUNTY, FLORIDA
PUBLIC FACILITIES REVENUE REFUNDING NOTE, SERIES 2015 FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest Income	\$ 4,706	\$ 4,706	\$ 16,470	\$ 11,764
Net Change in Fair Value of Investments	-	-	(18,805)	(18,805)
Total Revenues	4,706	4,706	(2,335)	(7,041)
EXPENDITURES				
Debt Service:				
Principal Retirement	1,730,000	1,730,000	1,730,000	-
Interest and Fiscal Charges	271,140	271,140	269,640	1,500
Total Expenditures	2,001,140	2,001,140	1,999,640	1,500
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,996,434)	(1,996,434)	(2,001,975)	(5,541)
OTHER FINANCING SOURCES (USES)				
Transfers In	1,950,000	1,950,000	1,950,000	-
Total Other Financing Sources (Uses)	1,950,000	1,950,000	1,950,000	-
NET CHANGE IN FUND BALANCE	(46,434)	(46,434)	(51,975)	(5,541)
Fund Balance - Beginning of Year	1,915,428	1,915,428	1,915,428	-
FUND BALANCE - END OF YEAR	<u>\$ 1,868,994</u>	<u>\$ 1,868,994</u>	<u>\$ 1,863,453</u>	<u>\$ (5,541)</u>

**POLK COUNTY, FLORIDA
PROMISSORY NOTE, SERIES 2020A FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest Income	\$ -	\$ -	\$ 14,556	\$ 14,556
Net Change in Fair Value of Investments	-	-	(20,182)	(20,182)
Total Revenues	-	-	(5,626)	(5,626)
EXPENDITURES				
Debt Service:				
Interest and Fiscal Charges	650,285	650,285	648,285	2,000
Total Expenditures	650,285	650,285	648,285	2,000
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(650,285)	(650,285)	(653,911)	(3,626)
OTHER FINANCING SOURCES (USES)				
Transfers In	2,351,001	2,351,001	2,351,001	-
Total Other Financing Sources (Uses)	2,351,001	2,351,001	2,351,001	-
NET CHANGE IN FUND BALANCE	1,700,716	1,700,716	1,697,090	(3,626)
Fund Balance - Beginning of Year	237,173	237,173	237,173	-
FUND BALANCE - END OF YEAR	<u>\$ 1,937,889</u>	<u>\$ 1,937,889</u>	<u>\$ 1,934,263</u>	<u>\$ (3,626)</u>

**POLK COUNTY, FLORIDA
PROMISSORY NOTE, SERIES 2020C FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 1,666,667	\$ 1,666,667
Interest Income	-	-	35,268	35,268
Net Change in Fair Value of Investments	-	-	(52,913)	(52,913)
Miscellaneous Revenue	-	-	10,101	10,101
Total Revenues	-	-	1,659,123	1,659,123
EXPENDITURES				
Debt Service:				
Interest and Fiscal Charges	613,320	613,320	611,319	2,001
Total Expenditures	613,320	613,320	611,319	2,001
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(613,320)	(613,320)	1,047,804	1,661,124
OTHER FINANCING SOURCES (USES)				
Transfers In	3,700,000	3,700,000	3,700,000	-
Total Other Financing Sources (Uses)	3,700,000	3,700,000	3,700,000	-
NET CHANGE IN FUND BALANCE	3,086,680	3,086,680	4,747,804	1,661,124
Fund Balance - Beginning of Year	272,512	272,512	272,512	-
FUND BALANCE - END OF YEAR	<u>\$ 3,359,192</u>	<u>\$ 3,359,192</u>	<u>\$ 5,020,316</u>	<u>\$ 1,661,124</u>

**POLK COUNTY, FLORIDA
GENERAL CAPITAL IMPROVEMENTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ -	\$ -	\$ 1,445	\$ 1,445
Intergovernmental	2,700,000	2,700,000	3,158,830	458,830
Interest Income	104,056	104,056	388,687	284,631
Net Change in Fair Value of Investments	-	-	(315,922)	(315,922)
Miscellaneous Revenue	534,800	534,800	2	(534,798)
Total Revenues	<u>3,338,856</u>	<u>3,338,856</u>	<u>3,233,042</u>	<u>(105,814)</u>
EXPENDITURES				
Capital Projects	<u>20,469,869</u>	<u>20,469,817</u>	<u>8,724,207</u>	<u>11,745,610</u>
Total Expenditures	<u>20,469,869</u>	<u>20,469,817</u>	<u>8,724,207</u>	<u>11,745,610</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(17,131,013)	(17,130,961)	(5,491,165)	11,639,796
OTHER FINANCING SOURCES (USES)				
Transfers In	17,050,000	17,050,000	17,050,000	-
Transfers Out	-	(52)	(52)	-
Total Other Financing Sources (Uses)	<u>17,050,000</u>	<u>17,049,948</u>	<u>17,049,948</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(81,013)	(81,013)	11,558,783	11,639,796
Fund Balance - Beginning of Year	<u>13,686,803</u>	<u>13,686,803</u>	<u>13,686,803</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 13,605,790</u>	<u>\$ 13,605,790</u>	<u>\$ 25,245,586</u>	<u>\$ 11,639,796</u>

**POLK COUNTY, FLORIDA
CAPITAL IMPROVEMENTS PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest Income	\$ 285,796	\$ 285,796	\$ 307,792	\$ 21,996
Net Change in Fair Value of Investments	-	-	(151,407)	(151,407)
Total Revenues	285,796	285,796	156,385	(129,411)
EXPENDITURES				
Capital Projects	23,149,415	23,149,415	17,849,180	5,300,235
Total Expenditures	23,149,415	23,149,415	17,849,180	5,300,235
NET CHANGE IN FUND BALANCE	(22,863,619)	(22,863,619)	(17,692,795)	5,170,824
Fund Balance - Beginning of Year	23,470,060	23,470,060	23,470,060	-
FUND BALANCE - END OF YEAR	<u>\$ 606,441</u>	<u>\$ 606,441</u>	<u>\$ 5,777,265</u>	<u>\$ 5,170,824</u>

**POLK COUNTY, FLORIDA
NORTHEAST POLK ROADWAY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest Income	\$ 21,278	\$ 21,278	\$ 71,281	\$ 50,003
Net Change in Fair Value of Investments	-	-	(26,579)	(26,579)
Miscellaneous Revenue	-	-	12,239	12,239
Total Revenues	<u>21,278</u>	<u>21,278</u>	<u>56,941</u>	<u>35,663</u>
EXPENDITURES				
Capital Projects	<u>5,991,329</u>	<u>5,991,329</u>	<u>5,991,329</u>	-
Total Expenditures	<u>5,991,329</u>	<u>5,991,329</u>	<u>5,991,329</u>	-
NET CHANGE IN FUND BALANCE	(5,970,051)	(5,970,051)	(5,934,388)	35,663
Fund Balance - Beginning of Year	<u>8,192,648</u>	<u>8,192,648</u>	<u>8,192,648</u>	-
FUND BALANCE - END OF YEAR	<u>\$ 2,222,597</u>	<u>\$ 2,222,597</u>	<u>\$ 2,258,260</u>	<u>\$ 35,663</u>

**POLK COUNTY, FLORIDA
ENVIRONMENTAL LANDS ACQUISITION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ -	\$ -	\$ 1,728	\$ 1,728
Interest Income	15,977	15,977	31,828	15,851
Net Change in Fair Value of Investments	-	-	(22,189)	(22,189)
Miscellaneous Revenue	-	-	10	10
Total Revenues	<u>15,977</u>	<u>15,977</u>	<u>11,377</u>	<u>(4,600)</u>
EXPENDITURES				
Capital Projects	<u>999,650</u>	<u>999,650</u>	<u>472,330</u>	<u>527,320</u>
Total Expenditures	<u>999,650</u>	<u>999,650</u>	<u>472,330</u>	<u>527,320</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(983,673)</u>	<u>(983,673)</u>	<u>(460,953)</u>	<u>522,720</u>
NET CHANGE IN FUND BALANCE	(983,673)	(983,673)	(460,953)	522,720
Fund Balance - Beginning of Year	<u>2,354,216</u>	<u>2,354,216</u>	<u>2,354,216</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,370,543</u>	<u>\$ 1,370,543</u>	<u>\$ 1,893,263</u>	<u>\$ 522,720</u>

**POLK COUNTY, FLORIDA
DRAINAGE AND WATER QUALITY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest Income	\$ 57,598	\$ 57,598	\$ 108,843	\$ 51,245
Net Change in Fair Value of Investments	-	-	(62,300)	(62,300)
Miscellaneous Revenue	-	-	498,969	498,969
Total Revenues	<u>57,598</u>	<u>57,598</u>	<u>545,512</u>	<u>487,914</u>
EXPENDITURES				
Capital Projects	<u>8,308,829</u>	<u>8,610,122</u>	<u>4,202,174</u>	<u>4,407,948</u>
Total Expenditures	<u>8,308,829</u>	<u>8,610,122</u>	<u>4,202,174</u>	<u>4,407,948</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(8,251,231)	(8,552,524)	(3,656,662)	4,895,862
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(8,201,231)	(8,502,524)	(3,606,662)	4,895,862
Fund Balance - Beginning of Year	<u>8,258,942</u>	<u>8,258,942</u>	<u>8,258,942</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 57,711</u>	<u>\$ (243,582)</u>	<u>\$ 4,652,280</u>	<u>\$ 4,895,862</u>

This page left intentionally blank

**POLK COUNTY, FLORIDA
INTERNAL SERVICE FUNDS
YEAR ENDED SEPTEMBER 30, 2021**

Internal service funds are used to account for the financing of goods and services provided by one department or agency to other departments or agencies, and to other governments on a cost reimbursement basis.

FLEET MANAGEMENT FUND

This fund accounts for all activities necessary to provide for the maintenance, replacement, and management of the County's fleet of vehicles.

EMPLOYEE HEALTH INSURANCE FUND

This fund accounts for the provision of health benefits to County employees, retirees, and their dependents.

INFORMATION TECHNOLOGY FUND

This fund accounts for the operations of the computer replacement and information technology enhancement and maintenance programs.

**POLK COUNTY, FLORIDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF FUND NET POSITION
SEPTEMBER 30, 2021**

	Fleet Management	Employee Health Insurance	Information Technology	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
CURRENT ASSETS				
Cash and Investments	\$ 22,151,273	\$ 22,058,366	\$ 2,871,549	\$ 47,081,188
Accounts Receivable	437,200	150,327	545	588,072
Interest Receivable	46,431	41,011	6,526	93,968
Due from Other Governments	24,216	-	-	24,216
Due from Other Funds	157,789	2,658,159	-	2,815,948
Inventory	408,121	-	-	408,121
Other Assets	1,797,157	-	-	1,797,157
Total Current Assets	<u>25,022,187</u>	<u>24,907,863</u>	<u>2,878,620</u>	<u>52,808,670</u>
NONCURRENT ASSETS				
Capital Assets:				
Buildings and Improvements	2,217,306	-	6,412,176	8,629,482
Equipment	89,916,739	3,757	5,092,085	95,012,581
Intangibles	-	-	6,934,673	6,934,673
Construction in Progress	182,354	-	-	182,354
Less: Accumulated Depreciation	(61,505,221)	(1,981)	(16,221,419)	(77,728,621)
Total Capital Assets, Net of Accumulated Depreciation	<u>30,811,178</u>	<u>1,776</u>	<u>2,217,515</u>	<u>33,030,469</u>
Total Assets	55,833,365	24,909,639	5,096,135	85,839,139
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Amounts on Pension	568,987	83,865	1,006,383	1,659,235
Deferred Amounts on OPEB	244,535	40,043	353,965	638,543
Total Deferred Outflows of Resources	<u>813,522</u>	<u>123,908</u>	<u>1,360,348</u>	<u>2,297,778</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES				
CURRENT LIABILITIES				
Vouchers Payable	1,641,980	894,322	633,457	3,169,759
Accrued Liabilities	93,063	14,648	166,307	274,018
Due to Other Funds	-	300	-	300
Unearned Revenue	-	334,133	-	334,133
Accrued Compensated Absences	177,012	15,626	269,714	462,352
Claims Payable	-	6,020,000	-	6,020,000
Total Current Liabilities	<u>1,912,055</u>	<u>7,279,029</u>	<u>1,069,478</u>	<u>10,260,562</u>
NONCURRENT LIABILITIES				
Total OPEB Liability	1,756,715	287,662	2,542,847	4,587,224
Net Pension Liability	1,157,447	174,813	2,097,759	3,430,019
Total Noncurrent Liabilities	<u>2,914,162</u>	<u>462,475</u>	<u>4,640,606</u>	<u>8,017,243</u>
Total Liabilities	4,826,217	7,741,504	5,710,084	18,277,805
DEFERRED INFLOWS OF RESOURCES				
Deferred Amounts on Pension	1,505,084	219,243	2,630,913	4,355,240
Deferred Amounts on OPEB	429,785	70,377	622,114	1,122,276
Total Deferred Inflows of Resources	<u>1,934,869</u>	<u>289,620</u>	<u>3,253,027</u>	<u>5,477,516</u>
NET POSITION				
Net Investment in Capital Assets	30,811,178	1,776	2,217,515	33,030,469
Unrestricted (Deficit)	<u>19,074,623</u>	<u>17,000,647</u>	<u>(4,724,143)</u>	<u>31,351,127</u>
Total Net Position	<u>\$ 49,885,801</u>	<u>\$ 17,002,423</u>	<u>\$ (2,506,628)</u>	<u>\$ 64,381,596</u>

**POLK COUNTY, FLORIDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
YEAR ENDED SEPTEMBER 30, 2021**

	Fleet Management	Employee Health Insurance	Information Technology	Total
OPERATING REVENUES				
Charges for Services	\$ 18,732,194	\$ 65,482,236	\$ 12,294,993	\$ 96,509,423
Other Revenue	4,043	5,060,572	4,993	5,069,608
Total Operating Revenues	<u>18,736,237</u>	<u>70,542,808</u>	<u>12,299,986</u>	<u>101,579,031</u>
OPERATING EXPENSES				
Personnel Services	3,019,839	401,649	5,249,979	8,671,467
Operations and Maintenance	4,535,738	4,259,507	4,439,714	13,234,959
Indirect	350,892	232,815	604,510	1,188,217
Depreciation/Amortization	7,041,981	615	1,135,058	8,177,654
Healthcare Program	-	68,202,860	-	68,202,860
Other Expense	890	2,671	5,783	9,344
Total Operating Expenses	<u>14,949,340</u>	<u>73,100,117</u>	<u>11,435,044</u>	<u>99,484,501</u>
OPERATING INCOME (LOSS)	3,786,897	(2,557,309)	864,942	2,094,530
NONOPERATING REVENUES (EXPENSES)				
Interest Income	300,962	293,800	28,761	623,523
Net Change in Fair Value of Investments	(268,743)	(237,371)	(37,772)	(543,886)
Gain (Loss) on Disposal of Equipment	1,231,563	-	(28,094)	1,203,469
Transfer of Capital Assets	1,558,644	-	150,650	1,709,294
Total Nonoperating Revenues	<u>2,822,426</u>	<u>56,429</u>	<u>113,545</u>	<u>2,992,400</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	6,609,323	(2,500,880)	978,487	5,086,930
CAPITAL CONTRIBUTIONS AND TRANSFERS				
Transfers In	375,000	2,650,777	-	3,025,777
Total Capital Contributions and Transfers	<u>375,000</u>	<u>2,650,777</u>	<u>-</u>	<u>3,025,777</u>
CHANGE IN NET POSITION	6,984,323	149,897	978,487	8,112,707
Net Position - Beginning of Year	42,901,478	16,852,526	(3,485,115)	56,268,889
NET POSITION - END OF YEAR	<u>\$ 49,885,801</u>	<u>\$ 17,002,423</u>	<u>\$ (2,506,628)</u>	<u>\$ 64,381,596</u>

**POLK COUNTY, FLORIDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2021**

	Fleet Management	Employee Health Insurance	Information Technology	Total
CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES				
Cash Received from Customers	\$ 2,011,271	\$ -	\$ -	\$ 2,011,271
Cash Received from Internal Services	16,738,752	66,420,959	12,294,448	95,454,159
Cash Paid to Suppliers for Goods and Services	(6,471,395)	(72,041,026)	(5,720,225)	(84,232,646)
Cash Paid to Employees for Services	(3,162,809)	(467,543)	(5,487,814)	(9,118,166)
Cash Received from Other Sources	4,043	5,060,572	4,993	5,069,608
Net Cash Provided (Used) by Operating Activities	<u>9,119,862</u>	<u>(1,027,038)</u>	<u>1,091,402</u>	<u>9,184,226</u>
RELATED CASH FLOWS PROVIDED (USED) BY NONCAPITAL AND FINANCING ACTIVITIES				
Transfers from Other Funds	238,354	2,650,777	-	2,889,131
Net Cash Provided (Used) by Noncapital and Related Financing Activities	<u>238,354</u>	<u>2,650,777</u>	<u>-</u>	<u>2,889,131</u>
CASH FLOWS PROVIDED (USED) BY CAPITAL AND FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	(7,448,389)	-	(391,924)	(7,840,313)
Proceeds from Sale of Capital Assets	2,231,412	-	-	2,231,412
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(5,216,977)</u>	<u>-</u>	<u>(391,924)</u>	<u>(5,608,901)</u>
CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES				
Interest and Dividends on Investments	41,959	79,343	-	121,302
Net Cash Provided (Used) by Investing Activities	<u>41,959</u>	<u>79,343</u>	<u>-</u>	<u>121,302</u>
NET CHANGE IN CASH AND INVESTMENTS				
	4,183,198	1,703,082	699,478	6,585,758
Cash and Investments - Beginning of Year	<u>17,968,075</u>	<u>20,355,284</u>	<u>2,172,071</u>	<u>40,495,430</u>
CASH AND INVESTMENTS - END OF YEAR	<u>\$ 22,151,273</u>	<u>\$ 22,058,366</u>	<u>\$ 2,871,549</u>	<u>\$ 47,081,188</u>
RECONCILIATION OF NET OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES				
Net Income (Loss) from Operations	\$ 3,786,897	\$ (2,557,309)	\$ 864,942	\$ 2,094,530
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation/Amortization	7,041,981	615	1,135,058	8,177,654
(Increase) Decrease in Assets and Deferred Outflows:				
Accounts Receivable, Net of Allowance	17,829	489,157	(545)	506,441
Due from Other Funds	-	453,653	-	453,653
Inventory	(137,441)	-	-	(137,441)
Other Assets	(1,797,157)	-	-	(1,797,157)
Deferred Outflows of Pension	339,040	71,378	643,581	1,053,999
Deferred Outflows of OPEB	22,246	2,577	26,686	51,509
Increase (Decrease) in Liabilities and Deferred Outflows:				
Vouchers Payable	350,723	(804,465)	(670,218)	(1,123,960)
Accrued Liabilities	11,636	1,892	24,704	38,232
Due to Other Funds	-	(600)	-	(600)
Unearned Revenue	-	(4,087)	-	(4,087)
Claims Payable	-	1,460,000	-	1,460,000
Accrued Compensated Absences	(19,543)	(6,403)	25,118	(828)
Total OPEB Liability	(126,399)	(13,177)	(144,038)	(283,614)
Net Pension Liability	(1,886,165)	(342,836)	(3,444,835)	(5,673,836)
Deferred Inflows of Pension	1,447,170	209,820	2,523,549	4,180,539
Deferred Inflows of OPEB	69,045	12,747	107,400	189,192
Total Adjustments	<u>5,332,965</u>	<u>1,530,271</u>	<u>226,460</u>	<u>7,089,696</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 9,119,862</u>	<u>\$ (1,027,038)</u>	<u>\$ 1,091,402</u>	<u>\$ 9,184,226</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES				
Contribution and Transfers of Capital Assets	<u>\$ 1,558,644</u>	<u>\$ -</u>	<u>\$ 150,650</u>	<u>\$ 1,709,294</u>

**POLK COUNTY, FLORIDA
CUSTODIAL FUNDS
YEAR ENDED SEPTEMBER 30, 2021**

Custodial funds account for all assets held as custodian for individuals, governmental entities and nonpublic organizations.

COUNTY COURT FUND

This fund accounts for the fine and forfeiture collections generated from criminal cases which is then disbursed to state or local agencies.

REGISTRY OF COURT FUND

This fund accounts for deposits from civil cases at the direction of the court, the funds are held until the court directs the fund to be disbursed.

JURY AND WITNESS FUND

This fund accounts for money used by the state attorney, public defender, and regional counsel to pay their witnesses when called for trial.

DOMESTIC RELATIONS FUND

This fund accounts for the money collected for court order child support payments.

TAX DEED FUND

This fund accounts for the proceeds from sales of property held due to delinquent property taxes.

INTANGIBLE TAX AND DOCUMENTARY STAMP FUND

This fund accounts for the documentary stamps and intangible taxes collected on items recorded in the Official Records to be remitted to the state.

COUNTY COURT/CIVIL COURT FUND

This fund accounts for the money collected on civil cases for funds collected for sheriff services.

CASH BONDS FUND

This fund accounts for cash bonds received on criminal cases as well as civil bonds deposited by parties in civil cases.

OTHER CUSTODIAL FUND

This fund accounts for all the other funds collected by the Clerk to be disbursed out to other agencies. These funds mainly come from civil cases and Official Records filings.

FEES AND SUSPENSE FUND

This fund accounts for fees and related sales taxes collected for other governmental units, judgement levies, charity fundraisers, forfeitures and F.S. Chapter 705 property awaiting award or distribution.

**POLK COUNTY, FLORIDA
CUSTODIAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021**

FINES AND DRD FUND

This fund accounts for the fines and child support payments collected for other governments.

INMATE FUND

This fund accounts 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 page left intentionally blank

**POLK COUNTY, FLORIDA
CUSTODIAL FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
ALL CUSTODIAL FUNDS
SEPTEMBER 30, 2021**

ASSETS	<u>County Court</u>	<u>Registry of Court</u>	<u>Jury and Witness</u>	<u>Domestic Relations</u>	<u>Tax Deed</u>
ASSETS					
Cash and Cash Equivalents	\$ 1,700,148	\$ 11,877,601	\$ 46,387	\$ 328,254	\$ 4,029,658
Due from Individuals and Businesses	-	-	-	-	-
Due from Other Governments	-	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Assets	<u>\$ 1,700,148</u>	<u>\$ 11,877,601</u>	<u>\$ 46,387</u>	<u>\$ 328,254</u>	<u>\$ 4,029,658</u>
LIABILITIES AND FIDUCIARY NET POSITION					
LIABILITIES					
Due to State of Florida	\$ 831,687	\$ -	\$ -	\$ -	\$ -
Due to Municipalities	138,256	-	-	-	-
Due to Others	730,205	-	-	328,254	4,029,658
Due to Individuals and Businesses	-	-	-	-	-
Deposits, Registry of the Court	-	4,299,989	-	-	-
Deposits, Witness Fees	-	-	46,387	-	-
Deposits, Other	-	-	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities	1,700,148	4,299,989	46,387	328,254	4,029,658
FIDUCIARY NET POSITION					
Restricted for individuals, organizations, and other governments	-	7,577,612	-	-	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total Liabilities and Fiduciary Net Position	<u>\$ 1,700,148</u>	<u>\$ 11,877,601</u>	<u>\$ 46,387</u>	<u>\$ 328,254</u>	<u>\$ 4,029,658</u>

Intangible Tax and Documentary Stamp	County Court/ Civil Court	Cash Bonds	Other Custodial Funds	Fees and Suspense	Fines and DRDs	Inmate	Total Custodial Funds
\$ 446,572	\$ 12,879	\$ 2,440,139	\$ 670,956	\$ 1,135,755	\$ -	\$ 142,131	\$ 22,830,480
-	-	-	-	798	-	5,429	6,227
-	-	-	-	9,406	-	-	9,406
<u>\$ 446,572</u>	<u>\$ 12,879</u>	<u>\$ 2,440,139</u>	<u>\$ 670,956</u>	<u>\$ 1,145,959</u>	<u>\$ -</u>	<u>\$ 147,560</u>	<u>\$ 22,846,113</u>
\$ 446,572	\$ -	\$ -	\$ 236,753	\$ -	\$ -	\$ -	\$ 1,515,012
-	-	-	-	-	-	-	138,256
-	-	-	434,203	1,263	-	1,201	5,524,784
-	-	-	-	-	-	437	437
-	-	-	-	-	-	-	4,299,989
-	-	-	-	-	-	-	46,387
-	-	-	-	1,054,021	-	-	1,054,021
<u>446,572</u>	<u>-</u>	<u>-</u>	<u>670,956</u>	<u>1,055,284</u>	<u>-</u>	<u>1,638</u>	<u>12,578,886</u>
-	12,879	2,440,139	-	90,675	-	145,922	10,267,227
<u>\$ 446,572</u>	<u>\$ 12,879</u>	<u>\$ 2,440,139</u>	<u>\$ 670,956</u>	<u>\$ 1,145,959</u>	<u>\$ -</u>	<u>\$ 147,560</u>	<u>\$ 22,846,113</u>

**POLK COUNTY, FLORIDA
CUSTODIAL FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
ALL CUSTODIAL FUNDS
YEAR ENDED SEPTEMBER 30, 2021**

	County Court	Registry of Court	Jury and Witness	Domestic Relations	Tax Deed
ADDITIONS					
Fines, Taxes and Fees Collections					
Individuals and Businesses	\$ 838,256	\$ -	\$ 45,000	\$1,914,785	\$6,044,673
Other Governments	2,416,345	45,786,324	-	-	-
Licenses and Fees Collected from State Agencies	8,653,311	-	-	-	-
Contributions					
Individuals and Businesses	-	-	-	-	-
Total Additions	11,907,912	45,786,324	45,000	1,914,785	6,044,673
DEDUCTIONS					
Payments of Fines and Fees	-	-	-	-	-
Payments of Property Tax					
Individuals and Businesses	-	1,761,439	45,000	1,914,785	-
Other Governments	3,245,228	40,688,440	-	-	6,044,673
Canteen Purchases	-	-	-	-	-
Inmate Spending	-	-	-	-	-
Payments to State Agencies	8,662,684	-	-	-	-
Miscellaneous Charges	-	-	-	-	-
Total Deductions	11,907,912	42,449,879	45,000	1,914,785	6,044,673
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	-	3,336,445	-	-	-
Net Position- Beginning of Year, as Previously Reported	-	-	-	-	-
Net Position - Beginning of Year, as Restated (See Note 22)	-	4,241,167	-	-	-
FIDUCIARY NET POSITION - END OF YEAR	<u>\$ -</u>	<u>\$7,577,612</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Intangible Tax and Documentary Stamp	County Court/ Civil Court	Cash Bonds	Other Custodial Funds	Fees and Suspense	Fines and DRDs	Inmate	Total Custodial Funds
\$ 122,616,954	\$ -	\$ 1,391,547	\$ 423,912	\$ 333,234	\$ 23,718	\$ -	\$ 133,632,079
-	-	27,792	12	127,928	-	-	48,358,401
122,679,647	-	-	2,672,977	-	-	-	134,005,935
-	-	-	-	-	-	4,813,609	4,813,609
245,296,601	-	1,419,339	3,096,901	461,162	23,718	4,813,609	320,810,024
-	-	-	-	565,466	23,718	-	589,184
-	-	-	-	-	-	-	3,721,224
122,681,880	-	1,863,434	437,816	-	-	-	174,961,471
-	-	-	-	-	-	2,664,832	2,664,832
-	-	-	-	-	-	780,183	780,183
122,614,721	-	-	2,659,085	-	-	-	133,936,490
-	-	-	-	-	-	1,331,212	1,331,212
245,296,601	-	1,863,434	3,096,901	565,466	23,718	4,776,227	317,984,596
-	-	(444,095)	-	(104,304)	-	37,382	2,825,428
-	-	-	-	-	-	-	-
-	12,879	2,884,234	-	194,979	-	108,540	7,441,799
<u>\$ -</u>	<u>\$ 12,879</u>	<u>\$ 2,440,139</u>	<u>\$ -</u>	<u>\$ 90,675</u>	<u>\$ -</u>	<u>\$ 145,922</u>	<u>\$ 10,267,227</u>

This page left intentionally blank

STATISTICAL SECTION

STATISTICAL SECTION (UNAUDITED)

The statistical data presents physical, economic, social, and political characteristics of Polk County. It is intended to provide users with a more broad and complete understanding of the County and its financial affairs than is possible from the financial statements and supporting schedules included in the financial section.

Contents

Financial Trends

These schedules contain trend information designed to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the County's most significant local revenue source, property taxes.

Debt Capacity

These schedules present information to help the reader assess the factors of affordability of the County's current levels of outstanding debt and the County's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators designed to help the reader understand the environment within which the County's financial activities take place and to help make comparisons over time and with other governments.

Operating Information

These schedules contain information about the County's operations and resources to help the reader understand how the County's financial information relates to the services the County provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

**POLK COUNTY, FLORIDA
NET POSITION BY COMPONENT
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year			
	2012	2013	2014	2015
Governmental Activities				
Net Invested in Capital Assets	\$ 3,380,518,836	\$ 3,343,123,129	\$ 3,295,884,984	\$ 3,254,563,988
Restricted	166,188,534	152,319,970	153,476,375	118,288,655
Unrestricted	9,030,450	3,093,083	(15,116,546)	(163,365,832)
Total Governmental Activities Net Position	<u>\$ 3,555,737,820</u>	<u>\$ 3,498,536,182</u>	<u>\$ 3,434,244,813</u>	<u>\$ 3,209,486,811</u>
Business-Type Activities				
Net Invested in Capital Assets	\$ 320,067,713	\$ 330,488,480	\$ 320,023,881	\$ 322,060,952
Restricted	45,784,109	19,551,752	18,664,740	16,734,479
Unrestricted	87,768,675	103,119,602	134,980,905	154,786,344
Total Business-Type Activities Net Position	<u>\$ 453,620,497</u>	<u>\$ 453,159,834</u>	<u>\$ 473,669,526</u>	<u>\$ 493,581,775</u>
Primary Government				
Net Invested in Capital Assets	\$ 3,700,586,549	\$ 3,673,611,609	\$ 3,615,908,865	\$ 3,576,624,940
Restricted	211,972,643	171,871,722	172,141,115	135,023,134
Unrestricted	96,799,125	106,212,685	119,864,359	(8,579,488)
Total Primary Government Net Position	<u>\$ 4,009,358,317</u>	<u>\$ 3,951,696,016</u>	<u>\$ 3,907,914,339</u>	<u>\$ 3,703,068,586</u>

Fiscal Year

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 3,222,781,761	\$ 3,177,524,066	\$ 3,114,700,553	\$ 3,076,238,733	\$ 3,117,488,139	\$ 3,128,287,504
133,940,651	155,163,331	191,429,236	241,349,528	248,098,983	343,343,919
(199,386,710)	(244,108,343)	(279,518,937)	(274,232,722)	(307,653,435)	(284,548,518)
<u>\$ 3,157,335,702</u>	<u>\$ 3,088,579,054</u>	<u>\$ 3,026,610,852</u>	<u>\$ 3,043,355,539</u>	<u>\$ 3,057,933,687</u>	<u>\$ 3,187,082,905</u>
\$ 342,297,477	\$ 352,745,164	\$ 377,253,771	\$ 429,136,625	\$ 520,040,556	\$ 550,645,838
18,524,034	30,141,818	36,663,476	30,634,059	1,000,000	1,000,000
162,680,642	184,654,457	156,431,318	183,604,397	127,025,788	210,144,678
<u>\$ 523,502,153</u>	<u>\$ 567,541,439</u>	<u>\$ 570,348,565</u>	<u>\$ 643,375,081</u>	<u>\$ 648,066,344</u>	<u>\$ 761,790,516</u>
\$ 3,565,079,238	\$ 3,530,269,230	\$ 3,491,954,324	\$ 3,505,375,358	\$ 3,637,528,695	\$ 3,678,933,342
152,464,685	185,305,149	228,092,712	271,983,587	249,098,983	344,343,919
(36,706,068)	(59,453,886)	(123,087,619)	(90,628,325)	(180,627,647)	(74,403,840)
<u>\$ 3,680,837,855</u>	<u>\$ 3,656,120,493</u>	<u>\$ 3,596,959,417</u>	<u>\$ 3,686,730,620</u>	<u>\$ 3,706,000,031</u>	<u>\$ 3,948,873,421</u>

**POLK COUNTY, FLORIDA
CHANGES IN NET POSITION
LAST TEN YEARS
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year			
	2012	2013	2014	2015
Expenses				
Governmental Activities:				
General Government	\$ 110,078,971	\$ 103,605,266	\$ 103,142,641	\$ 106,269,143
Public Safety	210,566,850	214,611,466	225,028,502	219,642,284
Physical Environment	7,834,716	7,225,524	7,192,813	8,849,680
Transportation	127,506,085	131,794,835	134,520,164	120,607,902
Economic Environment	17,255,226	19,017,660	16,486,708	20,970,749
Human Services	52,336,517	45,313,412	44,615,646	43,438,103
Culture and Recreation	13,993,492	13,541,668	16,037,738	15,891,522
Debt Service:				
Interest on Long-Term Debt	9,108,671	9,563,343	11,389,933	7,512,970
Other Debt Service	-	-	260,000	-
Total Governmental Activities	<u>548,680,528</u>	<u>544,673,174</u>	<u>558,674,145</u>	<u>543,182,353</u>
Business-Type Activities:				
Water and Sewer	50,714,388	50,774,356	53,800,262	53,461,214
Garbage Collection/Disposal	27,972,738	31,204,164	29,549,650	30,053,873
Rohr Home	5,573,542	5,345,517	5,651,668	5,591,712
Total Business-Type Activities Expenses	<u>84,260,668</u>	<u>87,324,037</u>	<u>89,001,580</u>	<u>89,106,799</u>
Total Primary Government Expenses	<u>\$ 632,941,196</u>	<u>\$ 631,997,211</u>	<u>\$ 647,675,725</u>	<u>\$ 632,289,152</u>
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$ 40,239,900	\$ 33,631,443	\$ 30,626,565	\$ 36,236,245
Public Safety	69,383,644	68,330,068	69,117,893	73,064,996
Physical Environment	1,709,568	2,504,693	1,477,612	1,864,546
Transportation	4,677,442	4,415,322	5,296,043	4,401,814
Economic Environment	412,052	280,575	363,684	317,089
Human Services	2,980,932	2,325,203	1,937,828	1,843,022
Culture and Recreation	626,228	613,564	585,083	624,396
Operating Grants and Contributions	30,002,057	32,333,945	28,545,720	23,844,332
Capital Grants and Contributions	12,280,841	8,179,826	9,913,802	5,719,753
Total Governmental Activities Program Revenues	<u>162,312,664</u>	<u>152,614,639</u>	<u>147,864,230</u>	<u>147,916,193</u>
Business-Type Activities:				
Charges for Services:				
Water and Sewer	51,252,821	54,360,685	59,018,202	65,041,048
Garbage Collection/Disposal	33,818,946	37,195,482	34,308,297	36,590,939
Rohr Home	5,487,428	5,458,664	5,194,508	5,428,674
Operating Grants and Contributions	1,305,974	192,892	1,400,308	635,427
Capital Grants and Contributions	237,414	1,046,001	751,712	4,311,391
Total Business-Type Activities Program Revenues	<u>92,102,583</u>	<u>98,253,724</u>	<u>100,673,027</u>	<u>112,007,479</u>
Total Primary Government Program Revenues	<u>\$ 254,415,247</u>	<u>\$ 250,868,363</u>	<u>\$ 248,537,257</u>	<u>\$ 259,923,672</u>
Net (Expense) / Revenue				
Governmental Activities	\$ (386,367,864)	\$ (392,058,535)	\$ (410,809,915)	\$ (395,266,160)
Business-Type Activities	7,841,915	10,929,687	11,671,447	22,900,680
Total Primary Government Net Expense	<u>\$ (378,525,949)</u>	<u>\$ (381,128,848)</u>	<u>\$ (399,138,468)</u>	<u>\$ (372,365,480)</u>

Fiscal Year

	2016	2017	2018	2019	2020	2021
\$	112,588,018	\$ 122,095,397	\$ 128,375,707	\$ 135,675,718	\$ 140,265,715	\$ 134,649,163
	255,382,758	280,780,239	284,730,743	335,481,293	436,191,212	349,746,313
	7,404,169	7,274,077	7,237,187	7,816,153	7,911,423	9,075,217
	124,866,353	114,415,680	123,289,846	116,998,337	108,772,258	115,738,091
	28,564,232	33,536,843	14,107,210	16,759,484	17,734,331	27,677,491
	47,792,049	53,221,121	57,083,269	64,839,994	63,368,523	60,562,584
	15,324,797	15,858,425	16,559,029	17,896,996	17,674,837	18,765,150
	6,859,878	6,970,445	6,843,112	6,717,274	4,080,074	4,645,475
	-	-	-	-	-	-
	<u>598,782,254</u>	<u>634,152,227</u>	<u>638,226,103</u>	<u>702,185,249</u>	<u>795,998,373</u>	<u>720,859,484</u>
	54,859,927	56,680,180	62,274,176	63,590,688	70,087,866	69,848,512
	26,138,255	17,791,119	58,080,819	32,976,015	79,928,258	(18,211,417)
	5,405,268	5,759,243	5,979,361	4,597,940	6,888,565	4,253,588
	<u>86,403,450</u>	<u>80,230,542</u>	<u>126,334,356</u>	<u>101,164,643</u>	<u>156,904,689</u>	<u>55,890,683</u>
\$	<u>685,185,704</u>	<u>714,382,769</u>	<u>764,560,459</u>	<u>803,349,892</u>	<u>952,903,062</u>	<u>776,750,167</u>
\$	34,560,775	\$ 37,585,325	\$ 38,882,736	\$ 37,638,881	\$ 34,490,169	\$ 39,020,958
	82,858,025	84,436,135	92,282,419	97,192,071	106,854,138	122,656,594
	948,514	934,766	863,975	948,197	879,178	1,371,577
	7,182,673	11,477,984	17,145,175	20,082,007	28,036,302	32,686,102
	727,661	1,799,119	867,523	462,696	760,666	1,503,920
	3,305,504	2,328,155	2,237,569	2,721,805	1,887,371	2,177,281
	598,052	894,608	1,480,703	1,729,061	2,373,720	4,065,775
	19,573,115	14,941,900	14,538,931	53,550,395	104,462,284	59,038,691
	15,009,142	5,792,061	2,017,716	3,097,922	18,365,891	19,724,709
	<u>164,763,461</u>	<u>160,190,053</u>	<u>170,316,747</u>	<u>217,423,035</u>	<u>298,109,719</u>	<u>282,245,607</u>
	68,436,965	77,895,390	80,010,629	87,165,566	92,061,354	102,906,183
	35,638,509	35,898,865	43,612,417	42,727,872	44,373,805	46,011,180
	5,122,598	5,938,925	5,742,733	5,435,686	5,070,388	4,244,876
	1,906	57,874	-	-	-	-
	7,046,400	6,157,649	3,032,456	12,150,138	14,514,812	19,659,222
	<u>116,246,378</u>	<u>125,948,703</u>	<u>132,398,235</u>	<u>147,479,262</u>	<u>156,020,359</u>	<u>172,821,461</u>
\$	<u>281,009,839</u>	<u>286,138,756</u>	<u>302,714,982</u>	<u>364,902,297</u>	<u>454,130,078</u>	<u>455,067,068</u>
\$	(434,018,793)	\$ (473,962,174)	\$ (467,909,356)	\$ (484,762,214)	\$ (497,888,654)	\$ (438,613,877)
	29,842,928	45,718,161	6,063,879	46,314,619	(884,330)	116,930,778
\$	<u>(404,175,865)</u>	<u>(428,244,013)</u>	<u>(461,845,477)</u>	<u>(438,447,595)</u>	<u>(498,772,984)</u>	<u>(321,683,099)</u>

**POLK COUNTY, FLORIDA
CHANGES IN NET POSITION
LAST TEN YEARS (CONTINUED)
(ACCRUAL BASIS OF ACCOUNTING)**

	Fiscal Year			
	2012	2013	2014	2015
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes:				
Property Taxes	\$ 173,286,436	\$ 164,522,102	\$ 171,248,724	\$ 181,626,076
Fuel Taxes	28,072,504	28,024,723	29,600,822	30,557,569
Sales Tax	58,660,893	61,694,047	65,293,550	69,160,414
Services Taxes	39,553,256	39,737,835	40,607,851	41,060,278
Other Taxes	9,094,402	9,756,263	10,123,215	11,182,147
State Shared Revenues	10,947,298	11,599,248	12,422,530	13,554,377
Investment Earnings	6,375,893	2,254,483	5,341,795	5,352,754
Net Change in Fair Value of Investments (1)	-	(5,775,806)	2,685,845	(858,747)
Gain/(Loss) on Sale of Capital Assets	369,658	937,258	804,830	1,290,814
Miscellaneous	5,499,571	6,678,881	7,817,205	5,970,833
Transfers	(57,264)	15,427,863	572,179	625,593
Total Governmental Activities	<u>\$ 331,802,647</u>	<u>\$ 334,856,897</u>	<u>\$ 346,518,546</u>	<u>\$ 359,522,108</u>
Business-Type Activities:				
Investment Earnings	\$ 3,308,516	\$ 1,479,586	\$ 3,203,378	\$ 3,821,568
Net Change in Fair Value of Investments (1)	-	(4,052,963)	2,295,784	(759,805)
Gain on Sale of Capital Assets	-	-	22,267	-
Miscellaneous	3,477,744	6,610,890	3,888,995	3,425,590
Transfers	57,264	(15,427,863)	(572,179)	(625,593)
Total Business-Type Activities	<u>\$ 6,843,524</u>	<u>\$ (11,390,350)</u>	<u>\$ 8,838,245</u>	<u>\$ 5,861,760</u>
Total Primary Government	<u>\$ 338,646,171</u>	<u>\$ 323,466,547</u>	<u>\$ 355,356,791</u>	<u>\$ 365,383,868</u>
Change in Net Position				
Governmental Activities	\$ (54,565,217)	\$ (57,201,638)	\$ (64,291,369)	\$ (35,744,052)
Business-Type Activities	14,685,439	(460,663)	20,509,692	28,762,440
Total Primary Government	<u>\$ (39,879,778)</u>	<u>\$ (57,662,301)</u>	<u>\$ (43,781,677)</u>	<u>\$ (6,981,612)</u>

Note:

(1) Net Change in Fair Value of Investments was included in the Investments earnings amount for fiscal year 2012.

Fiscal Year

	2016	2017	2018	2019	2020	2021
\$	190,279,026	\$ 202,427,517	\$ 222,886,089	\$ 255,492,946	\$ 274,652,227	\$ 288,136,760
	32,198,727	33,100,879	34,443,610	36,253,973	33,636,639	37,019,381
	74,798,881	77,192,196	82,123,979	89,132,246	89,644,741	106,416,346
	41,409,750	42,214,128	42,546,116	44,555,971	45,984,840	47,365,436
	12,204,723	12,992,572	15,392,857	15,908,728	12,276,880	17,960,767
	13,999,363	14,712,512	15,571,560	16,524,279	15,573,361	18,357,148
	6,767,080	9,157,906	11,814,141	17,408,065	15,592,580	11,949,172
	(1,242,549)	(4,034,397)	(5,918,987)	3,878,545	3,066,138	(8,826,493)
	-	1,993,156	911,451	1,075,990	1,582,402	2,581,111
	4,448,071	7,111,146	10,582,958	33,766,841	14,068,297	40,075,684
	7,004,612	8,337,911	8,233,201	(12,490,683)	6,388,697	6,727,783
\$	<u>381,867,684</u>	<u>\$ 405,205,526</u>	<u>\$ 438,586,975</u>	<u>\$ 501,506,901</u>	<u>\$ 512,466,802</u>	<u>\$ 567,763,095</u>
\$	4,635,458	\$ 6,583,564	\$ 7,871,778	\$ 8,373,962	\$ 7,183,878	\$ 4,641,628
	(989,160)	(3,270,174)	(4,199,272)	2,223,317	1,555,988	(3,736,316)
	-	-	-	-	-	-
	3,435,764	3,345,646	3,644,542	3,623,935	3,224,424	2,615,865
	(7,004,612)	(8,337,911)	(8,233,201)	12,490,683	(6,388,697)	(6,727,783)
\$	<u>77,450</u>	<u>\$ (1,678,875)</u>	<u>\$ (916,153)</u>	<u>\$ 26,711,897</u>	<u>\$ 5,575,593</u>	<u>\$ (3,206,606)</u>
\$	<u>381,945,134</u>	<u>\$ 403,526,651</u>	<u>\$ 437,670,822</u>	<u>\$ 528,218,798</u>	<u>\$ 518,042,395</u>	<u>\$ 564,556,489</u>
\$	(52,151,109)	\$ (68,756,648)	\$ (29,322,381)	\$ 16,744,687	\$ 14,578,148	\$ 129,149,218
	29,920,378	44,039,286	5,147,726	73,026,516	4,691,263	113,724,172
\$	<u>(22,230,731)</u>	<u>\$ (24,717,362)</u>	<u>\$ (24,174,655)</u>	<u>\$ 89,771,203</u>	<u>\$ 19,269,411</u>	<u>\$ 242,873,390</u>

POLK COUNTY, FLORIDA
FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2012	2013	2014	2015
General Fund				
Nonspendable	\$ 2,166,961	\$ 1,973,966	\$ 2,422,318	\$ 2,529,876
Restricted	253,984	3,855,045	3,834,633	3,927,059
Committed	387,648	1,573,131	859,383	5,140,246
Assigned	16,076,877	23,075,160	12,650,559	19,542,951
Unassigned	44,483,532	37,330,730	41,990,434	40,379,474
Total General Fund	<u>\$ 63,369,002</u>	<u>\$ 67,808,032</u>	<u>\$ 61,757,327</u>	<u>\$ 71,519,606</u>
All Other Governmental Funds				
Unreserved, reported in:				
Nonspendable	\$ 23,653	\$ -	\$ 1,950	\$ 92,697
Restricted	167,139,807	154,060,530	149,641,742	114,361,596
Committed	59,652,613	56,047,382	62,420,804	91,236,101
Assigned	27,880,817	21,241,820	17,312,112	15,324,433
Unassigned	(1,549,015)	(1,278,101)	(1,368,997)	(1,494,427)
Total all Other Governmental Funds	<u>\$ 253,147,875</u>	<u>\$ 230,071,631</u>	<u>\$ 228,007,611</u>	<u>\$ 219,520,400</u>

Fiscal Year

<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
\$ 2,375,422	\$ 5,009,020	\$ 2,749,680	\$ 1,901,571	\$ 2,630,495	\$ 2,120,659
3,632,172	3,599,854	4,143,272	4,778,557	4,511,609	4,050,909
3,699,649	3,167,473	2,164,342	1,002,823	2,553,751	1,634,012
21,609,306	21,507,052	20,076,216	22,544,776	14,234,587	7,950,335
42,922,323	31,152,780	40,198,772	74,544,016	95,868,165	123,868,333
<u>\$ 74,238,872</u>	<u>\$ 64,436,179</u>	<u>\$ 69,332,282</u>	<u>\$ 104,771,743</u>	<u>\$ 119,798,607</u>	<u>\$ 139,624,248</u>
\$ 77,390	\$ 75,376	\$ 81,744	\$ 70,724	\$ 84,624	\$ 2,123,716
130,308,479	151,563,477	187,285,964	236,570,971	268,432,191	340,720,749
88,860,554	84,457,383	90,099,475	100,439,327	105,469,594	101,838,418
13,405,998	19,608,186	21,303,773	27,817,695	46,510,873	37,918,101
(1,555,075)	(1,479,663)	(1,057,420)	(104,125)	(40,866)	(2,070,477)
<u>\$ 231,097,346</u>	<u>\$ 254,224,759</u>	<u>\$ 297,713,536</u>	<u>\$ 364,794,592</u>	<u>\$ 420,456,416</u>	<u>\$ 480,530,507</u>

POLK COUNTY, FLORIDA
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)

	Fiscal Year			
	2012	2013	2014	2015
Revenues				
Taxes	\$ 271,088,886	\$ 264,332,941	\$ 275,706,614	\$ 291,087,882
Licenses and Permits	5,331,550	5,763,182	6,174,865	6,978,955
Intergovernmental	92,854,299	100,151,316	97,581,268	93,179,130
Charges for Services	52,805,417	55,722,198	56,220,978	58,401,444
Fines and Forfeitures	3,099,750	3,324,339	3,257,819	4,189,585
Special Assessments	32,919,271	32,986,754	33,104,295	33,796,129
Interest Income	5,728,447	2,809,376	4,261,157	4,855,159
Net Change in Fair Market Value of Investments	718,935	(5,775,806)	2,685,845	(858,747)
Miscellaneous Revenues	19,771,754	18,427,058	19,103,451	16,543,834
Total Revenues	\$ 484,318,309	\$ 477,741,358	\$ 498,096,292	\$ 508,173,371
Expenditures				
General Government	\$ 96,648,169	\$ 101,361,491	\$ 107,534,693	\$ 104,451,127
Public Safety	206,018,477	209,489,887	213,962,474	219,647,997
Physical Environment	7,261,795	7,599,038	6,618,272	8,812,990
Transportation	81,034,665	76,568,333	78,258,427	74,876,102
Economic Environment	17,868,768	19,012,090	16,933,435	15,490,020
Human Services	54,899,600	45,721,572	44,615,033	43,962,121
Culture and Recreation	20,017,311	16,953,340	17,022,284	15,195,820
Debt Service				
Principal Retirement	19,110,000	15,890,773	9,183,411	9,597,734
Interest and Fiscal Charges	9,639,819	8,949,526	8,765,533	8,023,335
Capital Projects	10,369,492	10,424,900	5,552,909	7,698,275
Total Expenditures	\$ 522,868,096	\$ 511,970,950	\$ 508,446,471	\$ 507,755,521
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (38,549,787)	\$ (34,229,592)	\$ (10,350,179)	\$ 417,850
Other Financing Sources (Uses)				
Payments to Escrow Agent	\$ -	\$ -	\$ -	\$ -
Proceeds from Issuance of Debt	-	-	-	-
Transfers In	15,698,498	33,240,244	22,165,824	63,404,033
Transfers Out	(15,755,762)	(17,812,381)	(20,608,881)	(62,778,440)
Distribution of Excess Fees to State of Florida	-	-	-	-
Proceeds from the Sale of Capital Assets	141,201	164,515	152,739	231,625
Proceeds from Issuance of Bonds (Refunding)	-	-	525,772	-
Total Other Financing Sources (Uses)	\$ 83,937	\$ 15,592,378	\$ 2,235,454	\$ 857,218
Net Change in Fund Balance	\$ (38,465,850)	\$ (18,637,214)	\$ (8,114,725)	\$ 1,275,068
Debt service as a Percentage of Noncapital Expenditures	6.2%	4.5%	3.2%	3.2%

Fiscal Year

	2016	2017	2018	2019	2020	2021
\$	306,847,583	\$ 322,833,252	\$ 349,858,666	\$ 390,916,577	\$ 407,578,456	\$ 439,499,591
	8,358,141	12,959,957	15,674,897	15,779,022	15,583,451	19,487,200
	81,248,105	81,963,799	79,300,969	122,827,934	168,725,922	154,334,238
	70,253,115	66,257,353	72,482,432	75,188,117	73,848,556	80,132,221
	8,028,945	8,502,029	9,646,150	9,443,719	7,466,270	9,045,174
	42,087,216	48,017,524	56,998,654	63,016,004	75,556,362	93,678,656
	5,841,347	8,366,192	10,840,720	16,181,405	13,262,025	11,775,072
	(1,103,804)	(3,684,893)	(5,539,447)	3,878,545	2,770,526	(8,282,607)
	23,798,542	14,398,334	13,428,182	17,511,034	18,510,302	17,381,538
\$	<u>545,359,190</u>	<u>\$ 559,613,547</u>	<u>\$ 602,691,223</u>	<u>\$ 714,742,357</u>	<u>\$ 783,301,870</u>	<u>\$ 817,051,083</u>
\$	107,648,727	\$ 116,151,355	\$ 119,154,121	\$ 124,216,179	\$ 129,770,926	\$ 130,659,522
	233,135,166	258,082,607	266,563,228	288,697,783	384,566,278	366,848,814
	5,726,659	6,636,846	6,194,328	8,505,454	8,266,198	9,831,827
	72,143,469	52,239,447	54,177,825	56,832,511	76,879,253	79,914,536
	15,722,753	17,720,365	15,580,153	18,027,947	20,280,745	25,852,770
	45,894,042	52,139,093	56,004,142	63,035,349	61,597,939	60,083,798
	15,105,961	18,358,446	14,323,400	16,014,337	17,295,220	18,589,100
	10,152,382	11,214,379	9,878,081	10,755,256	21,675,383	6,880,305
	7,366,054	7,381,218	7,050,973	6,944,149	5,760,654	5,291,565
	24,971,025	13,286,713	9,321,424	6,794,693	18,086,514	37,251,220
\$	<u>537,866,238</u>	<u>\$ 553,210,469</u>	<u>\$ 558,247,675</u>	<u>\$ 599,823,658</u>	<u>\$ 744,179,110</u>	<u>\$ 741,203,457</u>
\$	<u>7,492,952</u>	<u>\$ 6,403,078</u>	<u>\$ 44,443,548</u>	<u>\$ 114,918,699</u>	<u>\$ 39,122,760</u>	<u>\$ 75,847,626</u>
\$	(17,375,000.00)	\$ -	\$ -	\$ -	\$ (41,955,000.00)	\$ -
	17,375,000	-	-	-	69,017,000	-
	29,345,881	32,608,319	30,831,263	45,991,151	40,350,259	56,359,431
	(22,716,269)	(25,686,677)	(23,844,969)	(58,860,536)	(36,316,030)	(52,657,425)
	-	-	(3,098,522)	-	-	-
	173,648	-	53,560	471,203	469,699	350,100
	-	-	-	-	-	-
\$	<u>6,803,260</u>	<u>\$ 6,921,642</u>	<u>\$ 3,941,332</u>	<u>\$ (12,398,182)</u>	<u>\$ 31,565,928</u>	<u>\$ 4,052,106</u>
\$	<u>14,296,212</u>	<u>\$ 13,324,720</u>	<u>\$ 48,384,880</u>	<u>\$ 102,520,517</u>	<u>\$ 70,688,688</u>	<u>\$ 79,899,732</u>
	2.9%	3.1%	2.9%	3.9%	4.2%	1.8%

POLK COUNTY, FLORIDA
JUST VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN YEARS
(RATE PER \$1,000 OF ASSESSED VALUE)

Real Property - Just Value (1)					
Fiscal Year	Residential Property	Commercial Property	Industrial Property	Agriculture Property	Other Property
2012	\$ 19,297,238,891	\$ 3,739,548,099	\$ 1,528,104,333	\$ 1,790,740,413	\$ 3,073,752,672
2013	17,793,857,357	3,904,127,611	1,527,153,862	1,701,901,000	3,093,822,099
2014	19,419,985,594	3,966,947,491	1,562,887,796	1,710,090,900	3,141,635,466
2015	21,763,758,795	4,043,574,880	1,618,218,236	1,837,078,764	3,194,730,439
2016	23,766,289,395	4,232,146,151	1,763,558,817	1,957,205,668	3,347,415,960
2017	25,609,401,296	4,544,498,571	2,010,226,111	2,072,680,851	3,539,046,146
2018	28,142,177,270	4,932,218,735	2,660,960,875	2,037,710,078	3,782,515,217
2019	31,491,549,535	5,224,662,742	2,895,915,541	2,174,082,401	3,885,576,723
2020	34,679,011,304	5,453,958,695	3,126,546,938	2,202,656,452	4,109,445,636
2021	38,819,346,348	5,671,072,305	3,406,250,226	2,189,637,444	4,463,218,388

Source: Polk County Property Appraiser

Note:

(1) Just Values are determined by the Polk County Property Appraiser on January 1 of each year at 100% of fair market value as is required by *Florida Statutes*, Section 192.042. Taxable values are based on just value after deducting allowable exemptions.

Total Just Value	Personal Property	Total Real and Personal Property	Less: Tax-exempt Property	Total Taxable Value	Total Direct Tax Rate
\$ 29,429,384,408	\$ 5,797,920,118	\$ 35,227,304,526	\$ 10,850,286,520	\$ 24,377,018,006	6.8665
28,020,861,929	5,686,296,368	33,707,158,297	10,530,065,413	23,177,092,884	6.8665
29,801,547,247	5,853,800,018	35,655,347,265	11,619,884,272	24,035,462,993	6.8665
32,457,361,114	5,856,412,000	38,313,773,114	13,016,657,541	25,297,115,573	6.8665
35,066,615,991	6,162,668,197	41,229,284,188	14,461,786,021	26,767,498,167	6.7815
37,775,852,975	6,065,867,091	43,841,720,066	15,413,687,057	28,428,033,009	6.7815
41,555,582,175	6,585,670,352	48,141,252,527	16,830,858,281	31,310,394,246	6.7815
45,671,786,942	7,241,147,914	52,912,934,856	18,737,212,914	34,175,721,942	7.1565
49,571,619,025	7,385,098,440	56,956,717,465	20,151,089,547	36,805,627,918	7.1565
54,549,524,711	6,028,228,580	60,577,753,291	20,551,011,112	40,026,742,179	6.8990

**POLK COUNTY, FLORIDA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN YEARS**

	Year Taxes Are Payable									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
County Direct Rates										
General Fund	6.8065	6.8665	6.8665	6.8665	6.7815	6.7815	6.7815	7.1565	7.1565	6.8990
Debt Service	0.0600	-	-	-	-	-	-	-	-	-
Total direct rate	6.8665	6.8665	6.8665	6.8665	6.7815	6.7815	6.7815	7.1565	7.1565	6.8990
City Rates										
Auburndale	3.8393	4.2657	4.2657	4.2657	4.2657	4.2657	4.2657	4.2515	4.2515	4.2515
Bartow	3.9962	3.9962	3.9960	3.9075	3.8387	3.8044	3.6541	3.5378	3.2768	3.0862
Davenport	6.9900	7.7500	7.7500	7.5000	7.5000	7.5000	7.5000	7.5000	7.5000	7.5000
Dundee	7.6495	7.6495	7.9495	7.9495	7.9000	7.9000	7.9000	7.9000	7.9000	7.9000
Eagle Lake	7.6516	7.6516	7.6516	7.6516	7.6516	7.6516	7.6516	7.6516	7.6516	7.6516
Ft Meade	3.3509	5.6484	5.6484	5.6484	5.6484	6.2458	6.8704	6.8704	7.8899	7.8899
Frostproof	7.8209	7.8209	8.0587	8.0587	8.0587	7.7716	7.4978	7.3045	6.9705	6.5530
Haines City	6.9900	7.9900	7.7900	7.7900	7.7900	7.5895	7.5895	7.5895	7.5895	7.5895
Highland Park	9.9759	9.9759	9.9759	9.9759	9.9759	9.9759	9.9759	9.9759	9.9759	9.9759
Hillcrest Heights	0.3100	0.3075	1.5000	1.4131	1.3788	1.2726	1.1932	1.1050	0.9807	0.9129
Lake Alfred	6.9990	7.5890	7.5890	7.5890	7.4890	7.2390	7.2390	7.2390	7.2390	7.2390
Lake Hamilton	7.5930	8.2117	8.4276	8.4276	8.4276	8.4276	8.4276	8.4276	8.4276	8.4276
Lake Wales	7.9998	8.5119	8.5866	8.3638	7.3638	7.3273	7.0438	7.0438	6.9339	6.7974
Lakeland	4.1644	4.6644	4.6644	4.6644	5.5644	5.5644	5.5644	5.4644	5.4644	5.4644
Mulberry	8.9000	8.9000	8.4000	7.6500	7.2900	6.7900	6.5900	6.4400	6.4400	6.4400
Polk City	8.6547	8.6547	8.6547	8.6000	8.2500	8.0000	7.4877	7.2500	6.0000	6.0000
Winter Haven	5.7900	5.7900	5.7900	5.7900	5.7900	5.7900	5.7900	6.7900	6.7900	6.7900
County School District										
Local	2.2480	1.5000	2.2480	2.2480	2.2480	2.2480	2.2480	2.2480	2.2480	2.2480
State	5.4220	5.9920	5.2990	4.9600	4.9010	4.5490	4.2660	4.0030	3.8380	3.6870
Capital Improvements	-	-	-	-	-	-	-	-	-	-
Unincorporated County MSTU										
Parks	0.4219	0.4219	0.4219	0.4219	0.5619	0.5619	0.5619	0.5619	0.5619	0.5619
Library	0.2109	0.2109	0.2109	0.2109	0.2109	0.2109	0.2109	0.2109	0.2109	0.2109
Storm	-	-	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000
Rancho Bonito Area MSTU										
	-	-	-	9.2672	9.1272	9.1272	9.1272	9.1272	9.1272	9.1272
Special Districts:										
Everglades Construction	0.0624	0.0613	0.0587	0.0548	0.0506	0.0471	0.0441	0.0417	0.0397	0.0380
Hillsborough River Basin	-	-	-	-	-	-	-	-	-	-
Lake Region LMD	0.4829	0.4996	0.4924	0.4924	0.4715	0.4512	0.4214	0.4214	0.4214	0.4100
Lakeland Mass/Transit	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
South FL WMD	0.1785	0.1757	0.1685	0.1577	0.1459	0.1359	0.1275	0.1209	0.1152	0.2669
SW FLA WMD	0.3928	0.3928	0.3818	0.3658	0.3488	0.3317	0.3131	0.2955	0.2801	0.2801

Source: Polk County Tax Collector's Office

**POLK COUNTY, FLORIDA
PRINCIPAL PROPERTY TAX PAYERS
CURRENT YEAR AND NINE YEARS AGO**

Taxpayer	2021			2012		
	Taxable Value	Rank	Percentage of Total County Taxable Value	Taxable Value	Rank	Percentage of Total County Taxable Value
Duke Energy/Florida Power	\$ 1,313,143,009	1	3.28%	\$ 309,010,460	3	1.27%
Tampa Electric	988,989,745	2	2.47%	402,284,600	1	1.65%
Mosaic /Streamsong/Stillwaters	737,442,854	3	1.84%	277,402,640	5	1.14%
Publix Supermarkets	475,940,467	4	1.19%	255,726,587	7	1.05%
Amazon	297,189,711	5	0.74%			
Invitation Homes	252,569,943	6	0.63%			
Walmart	226,928,202	7	0.57%	107,784,689	9	0.44%
Coca Cola	204,351,946	8	0.51%			
Frontier	203,878,030	9	0.51%			
Florida Southeast Connection LLC	139,832,589	10	0.35%			
CSX Transportation				318,299,770	2	1.31%
Verizon Florida				287,671,514	4	1.18%
Cargill Fertilizer Inc				272,291,461	6	1.12%
Gulfstream Natural Gas				144,504,281	8	0.42%
Auburndale Power				103,506,390	10	0.59%
Total	<u>\$ 4,840,266,496</u>		<u>12.09%</u>	<u>\$ 2,478,482,392</u>		<u>10.17%</u>
Total Taxable Value:	\$ 40,026,742,179			\$ 24,377,018,006		

Source: Polk County Property Appraiser

**POLK COUNTY, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN YEARS**

Fiscal Year	Total Tax Levy (1)	Current Tax Collections (2)	Current Tax Collections as a percent(%) of Total Levy	Collections in Subsequent Years (2)	Total Tax Collections	Total Tax Collections as a percent(%) of Total Levy
2012	\$ 168,385,828	\$ 161,578,807	95.96%	\$ 941,596	\$ 162,520,403	96.52%
2013	159,938,591	153,389,026	95.90%	945,826	154,334,852	96.50%
2014	165,896,955	159,591,391	96.20%	813,947	160,405,338	96.69%
2015	174,474,047	167,845,853	96.20%	1,016,823	168,862,676	96.78%
2016	182,495,617	175,460,063	96.14%	820,373	176,280,436	96.59%
2017	193,788,188	186,687,885	96.34%	814,715	187,502,600	96.76%
2018	213,109,132	205,408,483	96.39%	731,151	206,139,634	96.73%
2019	245,433,478	236,523,625	96.37%	669,318	237,192,943	96.64%
2020	264,558,943	254,714,582	96.28%	872,911	255,587,493	96.61%
2021	277,318,756	266,789,705	96.20%	712,402	267,502,107	96.46%

Source: Polk County Tax Collector's Office

Notes:

- (1) Property taxes become due and payable on November 1 of each year. A four percent discount is allowed if the taxes are paid in November with the discount declining by one percent each month thereafter. Accordingly, taxes collected will never be 100% of the tax levy. Taxes become delinquent on April 1 of each year and tax certificates for the full amount of any unpaid tax assessments must be sold not later than June 1 of each year.
- (2) Current and delinquent collections include penalties.

This page left intentionally blank

**POLK COUNTY, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN YEARS**

Fiscal Year	Governmental Activities				
	Sales Tax Increment Bonds	Constitutional Fuel Tax Bonds (1)	Local Option Fuel Tax / Public Service Tax Bonds	Public Service Tax Bonds/Revenue Sharing Monies Tax Bonds	Deferred Amounts: Premium/Discount
2012	\$ 30,830,000	\$ 30,575,000	\$ 51,290,000	\$ 79,150,000	\$ 4,596,264
2013	29,260,000	28,380,000	49,335,000	77,285,000	6,658,261
2014	27,640,000	25,990,000	47,320,000	75,610,000	9,849,122
2015	25,975,000	23,385,000	45,245,000	73,600,000	9,210,852
2016	24,260,000	3,200,000	43,090,000	71,405,000	7,828,387
2017	22,490,000	225,000	40,850,000	69,125,000	7,203,635
2018	20,645,000	-	38,495,000	66,750,000	6,709,928
2019	18,720,000	-	36,025,000	64,255,000	6,216,221
2020	-	-	-	61,660,000	3,849,502
2021	-	-	-	58,940,000	3,592,872

Notes:

Details regarding the County's outstanding debt can be found in the notes to the financial statements.

- (1) Constitutional Fuel Tax Revenue Refunding Bond, Series 2006 matured on December 1, 2017.
- (2) In FY 2016, Public Facilities Revenue Note, Series 2015 refunded a portion of the Constitutional Fuel Tax Revenue Bonds, Series 2006. It is collateralized by a pledge of 8.0% of the 10.0% Public Service Tax and 50% of the previous fiscal year's Revenue Sharing Monies received.
- (3) In FY 2020, Promissory Note, Series 2020 C refunded the Capital Improvement Refunding Revenue Bonds, Series 2010 and the Transportation Improvement Refunding Revenue Bonds, Series 2010. Also, in FY 20, new monies were received from Promissory Note, Series 2020A. Promissory Note, Series 2020A and 2020C are payable from pledged Non-Ad Valorem Revenues.

Governmental Activities

Net Bonds Payable	Notes Payable	Interlocal Agreements	Commercial Paper	Total Governmental Debt
\$ 196,441,264	\$ -	\$ 8,985,113	\$ 7,189,000	\$ 212,615,377
190,918,261	-	9,136,538	-	200,054,799
186,409,122	-	7,913,127	-	194,322,249
177,415,852	-	12,170,393	-	189,586,245
149,783,387	18,157,000 (2)	23,503,334	-	191,443,721
139,893,635	17,951,000	38,478,800	-	196,323,435
132,599,928	16,709,000	36,642,719	-	185,951,647
125,216,221	15,137,000	34,349,463	-	174,702,684
65,509,502	82,482,000 (3)	31,988,143	-	179,979,645
62,532,872	80,752,000	33,057,838	-	176,342,710

**POLK COUNTY, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE (CONTINUED)
LAST TEN YEARS**

Business-Type Activities						
Fiscal Year	Water and Sewer Bonds (1)	Deferred Amounts: Premium/Discount	Net Bonds Payable	Contracts Payable	Interlocal Agreements	
2012	\$ 148,600,000	\$ 1,409,676	\$ 150,009,676	\$ 71,842	\$ -	
2013	139,985,000	8,897,515	148,882,515	71,842	-	
2014	188,175,000	8,179,037	196,354,037	71,842	3,305,990	
2015	185,000,000	7,560,715	192,560,715	71,842	3,104,773	
2016	181,485,000	7,045,425	188,530,425	58,880	2,903,556	
2017	177,950,000	6,524,534	184,474,534	58,880	2,702,339	
2018	174,320,000	6,003,643	180,323,643	58,880	2,501,122	
2019	170,530,000	5,482,752	176,012,752	58,880	2,299,905	
2020	151,130,000	24,043,511	175,173,511	58,880	2,098,688	
2021	147,025,000	22,703,652	169,728,652	58,880	1,897,472	

Notes:

Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) Total consists of more than one issuance.

Business-Type Activities

Other Long-Term Liability	Total Business-Type Debt	Total Primary Government	Percentage of Personal Income	Per Capita
\$ 3,641,723	\$ 153,723,241	\$ 366,338,618	1.69%	604
2,660,209	151,614,566	351,669,365	1.67%	573
1,300,455	201,032,324	395,354,573	1.94%	634
1,300,455	197,037,785	386,624,030	1.81%	611
377,985	191,870,846	383,314,567	1.73%	592
377,985	187,613,738	383,937,173	1.70%	580
377,985	183,261,630	369,213,277	1.60%	549
377,985	178,749,522	353,452,206	1.40%	512
377,985	177,709,064	357,688,709	1.24%	493
377,985	172,062,989	348,405,699	1.17%	466

**POLK COUNTY, FLORIDA
 PLEDGED REVENUE COVERAGE
 SALES TAX REVENUE BONDS
 LAST TEN YEARS**

Fiscal Year	Sales Taxes	Debt Service			Coverage
		Principal	Interest	Total	
2012	\$ 25,873,338	\$ 7,540,000	\$ 1,393,313	\$ 8,933,313	2.90
2013	27,423,241	1,570,000	1,186,750	2,756,750	9.95
2014	28,968,235	1,620,000	1,138,900	2,758,900	10.50
2015	30,519,501	1,665,000	1,089,625	2,754,625	11.08
2016	33,321,558	1,715,000	1,038,925	2,753,925	12.10
2017	34,091,310	1,770,000	974,950	2,744,950	12.42
2018	36,094,105	1,845,000	896,075	2,741,075	13.17
2019	38,560,203	1,925,000	807,325	2,732,325	14.11
2020	38,190,238 (1)	2,025,000	379,600	2,404,600	15.88
2021	-	-	-	-	-

Note:

Details regarding the County's outstanding debt can be found in the notes to the financial statements.

- (1) The Capital Improvement Revenue Bonds, Series 2010 were refunded by the Promissory Revenue Note, Series 2020 C which are payable from pledged Non-Ad Valorem revenues.

**POLK COUNTY, FLORIDA
 PLEDGED REVENUE COVERAGE
 PROMISSORY NOTES, SERIES 2020A AND 2020C
 LAST TEN YEARS**

<u>Fiscal Year</u>	<u>Non-Ad Valorem Revenues</u>	<u>Maximum Annual Debt Service for All Governmental Activities Debt</u>	<u>Coverage</u>
2020	\$ 273,276,737	\$ 15,501,148	17.63
2021	257,451,457	15,501,148	16.61

Note:

Details regarding the County's outstanding debt can be found in the notes to the financial statements.

- (1) Promissory Note, Series 2020A and Promissory Note, Series 2020C were signed in FY 2020 and are non-general obligation debt pledged by Non-Ad Valorem Revenues.

**POLK COUNTY, FLORIDA
 PLEDGED REVENUE COVERAGE
 LOCAL OPTION FUEL TAX AND PUBLIC SERVICE TAX BONDS
 LAST TEN YEARS**

<u>Fiscal Year</u>	<u>Local Option Fuel Taxes(1)</u>	<u>Public Service Tax (1)</u>	<u>Debt Service</u>		<u>Total</u>	<u>Coverage</u>
			<u>Principal</u>	<u>Interest</u>		
2012	\$ 6,586,611	\$ 5,664,761	\$ 1,745,000	\$ 2,239,738	\$ 3,984,738	3.07
2013	6,523,909	5,801,829	1,955,000	2,188,600	4,143,600	2.97
2014	6,953,052	5,996,762	2,015,000	2,129,050	4,144,050	3.12
2015	7,236,822	6,188,069	2,075,000	2,059,450	4,134,450	3.25
2016	7,653,503	6,330,937	2,155,000	1,976,975	4,131,975	3.38
2017	7,898,728	6,523,435	2,240,000	1,877,875	4,117,875	3.50
2018	8,141,473	6,582,019	2,355,000	1,763,000	4,118,000	3.58
2019	8,669,540	7,070,593	2,470,000	1,647,800	4,117,800	3.82
2020	8,247,849 (2)	7,347,384	2,585,000	795,738	3,380,738	4.61
2021	-	-	-	-	-	-

Notes:

Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(1) The Transportation Improvement Revenue Bonds are collateralized by a pledge of revenues from the 5-cents per gallon local option fuel tax and 2.0% of the 10.0% Public Service Tax.

(2) The Transportation Improvement Revenue Bonds, Series 2010 were refunded by the Promissory Revenue Note, Series 2020 C, which are payable from pledged Non-Ad Valorem revenues.

**POLK COUNTY, FLORIDA
 PLEDGED REVENUE COVERAGE
 PUBLIC SERVICE TAX AND REVENUE SHARING MONIES
 LAST TEN YEARS**

Fiscal Year	Public Service Tax (1)	Revenue Sharing Monies (2)	Debt Service Requirements			Coverage
			Principal	Interest	Total	
2012	\$ 22,658,565	\$ 5,175,000	\$ 1,800,000	\$ 3,894,010	\$ 5,694,010	4.89
2013	23,206,800	5,473,649	1,865,000	3,826,416	5,691,416	5.04
2014	23,986,521	5,799,624	1,935,000	3,458,053	5,393,053	5.52
2015	24,751,615	6,211,265	2,010,000	3,497,194	5,507,194	5.62
2016	25,323,175	6,777,189	105,000	3,378,945	3,483,945	9.21
2017	26,093,209	6,999,682	2,486,000	3,507,656	5,993,656	5.52
2018	26,327,452	7,356,256	3,617,000	3,387,187	7,004,187	4.81
2019	28,281,821	7,785,780	4,067,000	3,247,802	7,314,802	4.93
2020	29,389,485	8,262,140	4,267,000	3,247,802	7,514,802	5.01
2021	30,854,174	7,786,681	4,450,000	2,942,640	7,392,640	5.23

Notes:

Details regarding the County's outstanding debt can be found in the notes to the financial statements.

- (1) The Public Facilities Revenue Bonds and Public Facilities Revenue Note are collateralized by a pledge of 8.0% of the 10.0% Public Service Tax.
- (2) The Public Facilities Revenue Bonds and Note are also collateralized by a pledge of 50% of the previous fiscal year's Revenue Sharing Monies received.

**POLK COUNTY, FLORIDA
 PLEDGED REVENUE COVERAGE
 WATER AND SEWER BONDS
 LAST TEN YEARS**

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenues Available for Debt Service	Debt Service			Coverage
				Principal	Interest	Total	
2012	\$ 48,190,199	\$ 33,754,650	\$ 14,435,549	\$ 2,535,000	\$ 7,969,564	\$ 10,504,564	1.37
2013	49,727,954	32,312,821	17,415,133	2,660,000	7,334,165	9,994,165	1.74
2014	53,604,980	32,339,999	21,264,981	2,790,000	8,798,252	11,588,252	1.84
2015	58,422,466	32,968,618	25,453,848	3,175,000	8,967,711	12,142,711	2.10
2016	60,133,329	30,439,008	29,694,321	3,515,000	8,819,861	12,334,861	2.41
2017	65,320,604	33,247,543	32,073,061	3,535,000	8,792,805	12,327,805	2.60
2018	67,868,397	37,334,208	30,534,189	3,630,000	8,739,147	12,369,147	2.47
2019	72,156,630	36,266,287	35,890,343	3,790,000	8,582,097	12,372,097	2.90
2020	76,377,766	48,589,167	27,788,599	3,955,000	4,954,594	8,909,594	3.12
2021	82,323,949	44,777,913	37,546,036	4,105,000	6,513,556	10,618,556	3.54

Notes:

- (1) Gross revenues exclude connection fees associated with the implementation of Governmental Accounting Standards Board Statement No. 33 - *Accounting and Financial Reporting for Nonexchange Transactions*. It also does not include miscellaneous revenues and interest income.
- (2) Expenses are exclusive of depreciation.

**POLK COUNTY, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN YEARS**

Year	Population (1)	Personal Income (in thousands)	Per Capita Personal Income	Public School Enrollment (2)	Unemployment Rate
2012	606,888	\$ 21,693,818	\$ 35,746	94,920	9.7%
2013	613,950	21,115,582	34,393	95,333	8.0%
2014	623,174	20,347,877	32,652	99,728	7.3%
2015	633,052	21,348,413	33,723	97,953	6.2%
2016	646,989	22,126,377	34,199	99,247	5.9%
2017	661,645	22,636,860	34,213	101,050	4.1%
2018	673,028	23,867,592	35,463	104,136	3.5%
2019	690,606	25,310,019	36,649	108,330	3.5%
2020	725,046 (4)	28,827,829	39,760 (3)	107,696	7.9%
2021	748,365	29,754,992	39,760 (3)	105,368	4.9%

Notes:

- (1) Data provided by the Office of Economic and Demographic Research
- (2) Florida Department of Education
- (3) Data provided by U.S. Bureau of Economic Analysis. Per capita personal income was not available for 2021. The 2020 per capita income information was used, along with 2021 population data to determine the personal income data.
- (4) 2020 Census data.

**POLK COUNTY, FLORIDA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND NINE YEARS AGO**

Employer	2021			2012		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Publix Super Markets	13,701	1	4.34%	13,800	1	5.03%
Polk County School Board	13,363	2	4.24%	9,800	2	3.57%
Lakeland Regional Health	5,888	3	1.87%	4,500	5	1.64%
Walmart	5,523	4	1.75%	5,100	3	1.86%
Amazon	5,000	5	1.59%			
Polk County Government	4,667	6	1.48%	4,500	4	1.64%
Geico	3,700	7	1.17%			
City of Lakeland	2,800	8	0.89%	2,600	7	0.95%
BayCare	2,614	9	0.83%			
Advent Health	2,466	10	0.78%			
State of Florida				4,300	6	1.57%
Winter Haven Hospital				2,500	8	0.91%
State Farm Insurance				2,000	9	0.73%
Mosaic				2,000	10	0.73%
Total	59,722		18.94%	51,100		18.63%
Average Annual Labor Force :	315,340			274,290		

Sources:
Central Florida Development Council
Florida Department of Economic Opportunity, Labor Market Statistics Center

The page intentionally left blank

**POLK COUNTY, FLORIDA
OPERATING INDICATORS BY FUNCTION AND PROGRAM
LAST TEN YEARS**

	Fiscal Year			
	2012	2013	2014	2015
General Government				
Business Licenses	33,998	33,479	34,037	34,737
County Attorney				
Request for legal service	1,352	1,047	1,137	1,153
Land Development				
Residential plans reviewed	880	1,166	1,393	1,766
Non-Residential plans reviewed	307	254	310	367
Subdivision final platted lots	162	703	774	1,073
Non-Residential plats processed	73	103	95	113
Conditional uses/planned developments	33	27	40	51
Land Use Hearing Cases	*	*	*	*
Planning Commission Cases	*	*	*	*
Public Safety				
Fire Rescue				
Responses per year	74,880	75,034	79,385	81,429
Average response time (minutes)	7.2	7.1	6.9	7.2
Sheriff				
Average Inmate Population	2,407	2,463	2,463	2,423
% Crime Rate per Capita	2.5%	2.3%	2.1%	2.0%
Calls for Service	344,121	310,906	305,660	315,097
911 Calls	355,374	397,011	422,009	430,472
Building Permits				
Single-residential	822	1,105	1,317	1,524
Commercial	223	301	242	233
Physical Environment				
Utilities - Number of customers				
Water	58,321	59,291	60,147	61,086
Sewer	41,519	42,466	43,318	44,177
Re-use	4,113	4,402	4,832	5,252
Waste and Recycling				
Tons Collected	558,493	595,289	602,564	622,322
Tons Recycled	27,336	14,841	15,271	17,886
Environmental Lands				
Acres acquired	1	-	117	70
Transportation				
Transportation				
Lane miles of roads resurfaced	116	180	166	171
Roadway Maintenance				
Mowing (Acres)	25,584	31,120	37,484	49,320
Chemical Mowing (Acres)	6,713	7,904	9,236	6,750
Shoulders Maintained (Feet)	668,012	596,589	834,208	925,294
Drainage Ditches Cleaned (Feet)	331,748	381,890	966,070	468,376

Source: Polk County Board of County Commissioner's applicable divisions and Constitutional Officers

Notes:

- * Information not available
- Operating indicator was not performed during fiscal year.

Fiscal Year						
2016	2017	2018	2019	2020	2021	
35,008	33,728	35,290	35,693	35,838	34,595	
1,506	1,355	1,405	1,621	2,141	684	
1,405	2,666	*	*	7,895	*	
326	433	*	*	*	218	
1,771	1,798	*	*	3,000	*	
124	42	*	*	13	*	
50	49	*	*	55	37	
*	*	*	*	148	119	
*	*	*	*	118	141	
87,441	92,536	94,699	97,697	102,781	116,895	
7.4	7.4	7.3	7.6	7.6	8.1	
2,520	2,592	2,612	2,556	2,363	2,790	
1.87%	1.64%	1.52%	1.40%	1.26%	1.18%	
150,629	151,055	153,680	151,847	152,917	164,035	
394,362	332,025	320,684	281,585	289,038	318,685	
1,722	2,162	2,574	2,856	2,875	4,338	
315	257	249	202	263	294	
62,941	65,306	66,920	68,482	70,413	74,213	
46,074	48,329	49,673	51,083	52,776	56,138	
7,594	9,314	10,230	11,138	12,026	13,803	
613,289	606,424	655,779	644,231	633,579	641,266	
17,517	17,170	11,717	11,545	20,277	22,165	
1	8.66	24.15	70.52	63.34	251.29	
188	248	271	104	132	96	
35,036	34,796	30,120	41,965	50,866	50,577	
4,695	3,908	1,026	2,371	3,292	5,984	
995,313	556,908	386,575	422,035	464,653	263,453	
408,756	269,517	242,472	413,591	373,303	289,606	

**POLK COUNTY, FLORIDA
OPERATING INDICATORS BY FUNCTION AND PROGRAM (CONTINUED)
LAST TEN YEARS**

	Fiscal Year			
	2012	2013	2014	2015
Economic Environment				
Business Development				
Businesses Recruited	11	5	11	8
Jobs Created	597	454	1,308	1,614
Sports Marketing				
Number of events assisted or managed	225	216	216	229
Human Services				
Veterans Services				
Veterans Assisted	2,588	2,419	2,535	2,618
Outreach services	18	45	26	19
Elderly Services				
In-home Nutrition Meals (1)	143,811	123,082	111,030	118,030
Congregate meals served (1)	100,454	93,853	106,340	88,839
In-Home Service (clients) (1)	529	404	471	151
Medicaid Waiver Programs (clients) (2)	248	221	-	-
Elderly Day Care Participants (3)	*	*	*	*
Number of hours of direct service	*	*	*	*
Culture and Recreation				
Parks and Recreation				
Special Events patrons	58,447	63,043	64,012	57,903
Summer Camp attendees (4)	492	510	520	477
Campground rentals	8,282	9,117	9,415	9,873
Homeland Heritage Park patrons	2,031	5,344	5,263	5,916
Historical Museum				
Total patrons	33,818	33,070	40,107	39,581
Historical Library				
Total patrons (walk-in and online viewers)	123,114	91,354	102,439	79,721

Source: Polk County Board of County Commissioner's applicable divisions and Constitutional Officers

Notes:

* Information not available

- Operating indicator was not performed during fiscal year.

(1) Beginning in 2018, the In-home Services and Nutrition programs were transitioned to a non-profit organization. Data reported is no longer available.

(2) Beginning in 2014, this program transitioned to Medicaid Reform. No longer serving Medicaid clients.

(3) Adult Day Care services were closed due to Covid-19 on March 18, 2020. On July 17, 2020, the Polk County Board of County Commissioners decided to close the Adult Day Care services permanently.

(4) Due to Covid-19, there was no summer camp programs in FY 2020.

Fiscal Year						
2016	2017	2018	2019	2020	2021	
10	6	8	6	7	7	
605	942	1,386	1,581	1,650	598	
225	246	261	276	220	270	
3,472	3,458	10,729	11,377	7,280	7,253	
28	13	12	*	*	*	
79,093	66,659	-	-	-	-	
86,053	65,536	-	-	-	-	
131	1,316	-	-	-	-	
-	-	-	-	-	-	
*	*	94	104	55	-	
*	*	60,049	53,208	20,285	-	
64,735	60,513	58,727	59,216	4,340	6,100	
346	324	336	328	-	63	
11,300	10,225	10,539	11,214	7,270	11,232	
5,717	6,847	5,235	6,124	4,985	9,363	
37,883	38,331	34,439	36,637	25,210	21,342	
81,415	56,236	40,660	44,716	40,987	57,495	

**POLK COUNTY, FLORIDA
FULL-TIME EQUIVALENT GOVERNMENT EMPLOYEES BY FUNCTION
LAST TEN YEARS**

Function	Full-time Equivalent Employees									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Government	1,047	1,042	1,060	1,085	1,138	1,108	1,139	1,099	1,102	1,118
Public Safety	2,389	2,388	2,419	2,384	2,439	2,457	2,430	2,539	2,591	2,611
Physical Environment	55	59	59	59	50	50	43	45	45	47
Transportation	258	255	255	254	265	265	264	263	263	264
Economic Environment	34	33	31	31	23	23	23	23	26	26
Human Services	340	342	331	314	235	237	214	211	212	188
Culture and Recreation	82	82	82	82	81	82	93	94	97	100
Utilities	207	209	214	216	218	223	228	237	246	257
Waste and Recycling	51	51	46	47	44	48	50	56	56	56
Total	4,463	4,461	4,497	4,472	4,493	4,493	4,484	4,567	4,638	4,667

Sources:
Polk County Office of Budget and Management Services
Constitutional Officers

This page left intentionally blank

**POLK COUNTY, FLORIDA
CAPITAL ASSET STATISTICS BY FUNCTION AND PROGRAM
LAST TEN YEARS**

	Fiscal Year			
	2012	2013	2014	2015
General Government				
Square footage of Building Space	3,889,086	4,035,156	4,086,513	4,086,513
Public Safety				
Fire Rescue				
Stations	45	45	45	45
Vehicles	272	259	241	241
Physical Environment				
Utilities				
Miles of Sewer and Water Lines				
Water	915	903	928	931
Sewer	562	553	583	560
Re-use	187	191	195	194
Utility Plants				
Water	57	55	54	54
Sewer	8	8	7	7
Lift Stations	292	297	299	303
Potable Hydrants	3,416	3,495	3,538	3,622
Environmental Lands				
Number of purchased acres owned	18,335	18,335	18,453	18,523
Transportation				
Miles of Roads				
Paved	2,429	2,439	2,381	2,385
Unpaved	261	260	296	292
Economic Environment				
	-	-	-	-
Human Services				
Fixed-Route/WHAT Buses (1)	23	20	15	15
Paratransit Vans (1)	32	40	39	40
Culture and Recreation				
Recreational Parks	54	56	56	56
Boat Ramps/Launch Lanes	51	52	52	41
Historical Library	1	1	1	1
Historical Museum	1	1	1	1

Source: Polk County Board of County Commissioner's applicable divisions

Notes:

- No assets to report.

(1) In FY 2018, all vehicles were turned over to the Lakeland Area Mass Transit District (LAMTD).

Fiscal Year						
2016	2017	2018	2019	2020	2021	
4,109,757	4,502,521	4,510,633	4,582,721	4,556,445	4,631,630	
50	47	44	46	46	45	
243	237	248	248	248	248	
973	1,000	986	858	875	886	
594	613	610	582	602	615	
207	221	225	216	236	246	
39	37	35	36	31	27	
7	7	7	7	7	8	
310	317	321	332	345	355	
3,668	3,720	3,893	3,923	4,052	4,211	
18,524	18,533	18,557	18,593	18,640	18,891	
2,385	2,273	2,280	2,341	2,356	2,355	
292	414	415	413	414	412	
-	-	-	-	-	-	
10	10	-	-	-	-	
31	31	-	-	-	-	
69	69	69	69	69	69	
46	46	46	46	46	46	
1	1	1	1	1	1	
1	1	1	1	1	1	

This page left intentionally blank

OTHER SUPPLEMENTARY INFORMATION

**OTHER SUPPLEMENTAL SCHEDULES
(UNAUDITED)**

Promissory Notes, Series 2020A and 2020C

Continuing Disclosure

- Anti-Dilution Test
- Maximum Annual Debt Service
- Breakdown of Revenues

**Public Facilities Revenue Bonds, Series 2014,
Public Facilities Revenue Refunding Note, Series 2015**

Continuing Disclosure

- County Revenue Sharing Apportionment Factor Data
- Revenue Sharing Trust Fund for Counties Receipts
- Pledged Revenue Share Monies
- Pro Forma Debt Coverage

Utility Systems Revenue Bonds, Series 2012, 2013, 2014A, 2014C, and 2020

Continuing Disclosure

- Historical Revenues and Expenses and Debt Service Coverage
- Residential Water, Wastewater and Reclaimed Water Rates
- Commercial/Multi-Family Water, Wastewater and Reclaimed Water Rates
- Water and Wastewater Connection Charges
- Utilities Service Charges
- Water System Permitted Capacity and Actual Demand
- Wastewater System Permitted Capacity and Actual Flows
- Ten Largest Water/Sewer Consumers

**POLK COUNTY, FLORIDA
PROMISSORY NOTES, SERIES 2020A AND 2020C
CONTINUING DISCLOSURE
ANTI-DILUTION TEST**

	<u>FY 19</u>	<u>FY 20</u>	<u>FY 21</u>
Revenues			
Total Governmental Funds			
Taxes	\$ 714,742,357	\$ 783,301,870	\$ 817,051,083
Less: Ad Valorem Revenues - Property Taxes	<u>(255,492,946)</u>	<u>(274,652,227)</u>	<u>(288,136,760)</u>
Total Non-Ad Valorem Revenues	<u>\$ 459,249,411</u>	<u>\$ 508,649,643</u>	<u>\$ 528,914,323</u>
Less: Restricted Non-Ad Valorem Revenues in Special Revenue Funds (Cannot Be Used to Pay Debt Service or Essential Expenditures)			
(Excluded SR Funds with Ad Valorem Funding)			
Special Revenue Grants	\$ (54,136,609)	\$ (15,769,077)	\$ (36,675,212)
Tourist Development Tax	(14,777,646)	(11,013,383)	(16,048,583)
Lake and River Enhancement	(600,840)	(553,981)	(537,825)
Lighting District	(2,765,668)	(2,511,732)	(2,515,730)
Hazardous Waste	(153,946)	(123,091)	(49,397)
Law Enforcement Trust	(226,343)	(353,750)	(367,951)
Indigent Healthcare	(53,544,652)	(53,937,053)	(63,392,791)
Clerk of Circuit Courts Court Fund	<u>(15,028,690)</u>	<u>(10,669,441)</u>	<u>(11,212,745)</u>
Total Restricted Non-Ad Valorem Revenues in Special Revenue Funds	<u>\$ (141,234,394)</u>	<u>\$ (94,931,508)</u>	<u>\$ (130,800,234)</u>
Adjusted Non-Ad Valorem Revenues	<u>\$ 318,015,017</u>	<u>\$ 413,718,135</u>	<u>\$ 398,114,089</u>
Essential Expenditures			
General Government	\$ 124,216,179	\$ 128,079,150	\$ 127,633,442
Public Safety	288,697,783	301,105,968	329,283,157
Total Essential Expenditures	<u>\$ 412,913,962</u>	<u>\$ 429,185,118</u>	<u>\$ 456,916,599</u>
Less Essential Expenditures Paid by Special Revenue Funds Not Included In Revenues			
General Government	(15,056,665)	(10,669,564)	(11,230,424)
Public Safety	<u>(5,644,690)</u>	<u>(3,421,929.00)</u>	<u>(16,886,783.00)</u>
Total Essential Expenditures Paid by Special Revenue Funds Not Included in Revenues	<u>(20,701,355)</u>	<u>(14,091,493)</u>	<u>(28,117,207)</u>
Less Ad Valorem Revenues	<u>(255,492,946)</u>	<u>(274,652,227)</u>	<u>(288,136,760)</u>
Adjusted Essential Expenditures	<u>\$ 136,719,661</u>	<u>\$ 140,441,398</u>	<u>\$ 140,662,632</u>
Adjusted Net Non-Ad Valorem Revenues available for Debt Service	<u>\$ 181,295,356</u>	<u>\$ 273,276,737</u>	<u>\$ 257,451,457</u>
Average Amount of Non-Ad Valorem Revenues Avail for Debt Past 3 FYs	<u>\$ 159,361,695</u>	<u>\$ 227,286,047</u>	<u>\$ 265,364,097</u>
Maximum Annual Debt Service for All Debt Secured by Non-Ad Valorem Revenues	\$ 14,346,093	\$ 15,501,148	\$ 15,501,148
Coverage of Maximum Annual Debt Service (Minimum 1.50x)	11.11	14.66	17.12

**POLK COUNTY, FLORIDA
PROMISSORY NOTES, SERIES 2020A AND 2020C
CONTINUING DISCLOSURE
ANTI-DILUTION TEST (CONTINUED)**

Fiscal Year 2019

	2010	2010	2014	2015	
FYE	Capital Imp	Transport	Pub Facs	Pub Facs	Total
9/30/2020	\$ 2,739,125	\$ 4,122,100	\$ 5,387,275	\$ 1,978,041	\$ 14,226,541
9/30/2021	2,726,800	4,105,475	5,393,000	1,999,640	14,224,915
9/30/2022	2,743,556	4,102,600	5,411,075	2,021,976	14,279,207
9/30/2023	2,742,488	4,102,725	5,390,250	2,047,975	14,283,437
9/30/2024	2,739,456	4,095,600	5,371,200	2,073,571	14,279,828
9/30/2025	2,720,125	4,090,975	5,365,950	2,097,756	14,274,806
9/30/2026	2,735,375	4,109,819	5,362,950	2,120,528	14,328,671
9/30/2027	2,728,500	4,104,113	5,361,700	2,151,780	14,346,093
9/30/2028		4,098,713	5,356,825		9,455,538
9/30/2029		4,097,513	5,348,075		9,445,588
9/30/2030		4,092,706	5,344,950		9,437,656
9/30/2031			5,341,825		5,341,825
9/30/2032			5,355,700		5,355,700
9/30/2033			5,358,000		5,358,000
9/30/2034			5,352,900		5,352,900
9/30/2035			5,345,300		5,345,300
9/30/2036			5,344,800		5,344,800
	\$ 21,875,425	\$ 45,122,338	\$ 91,191,775	\$ 16,491,267	\$ 174,680,804

Maximum Annual Debt Service: \$ 14,346,093

**POLK COUNTY, FLORIDA
PROMISSORY NOTES, SERIES 2020A AND 2020C
CONTINUING DISCLOSURE
ANTI-DILUTION TEST (CONTINUED)**

Fiscal Years 2020 and 2021

FYE	2014	2015	2020	2020	Total
	Pub Facs	Pub Facs	Prom. Note A	Prom. Note C	
9/30/2020	\$ 5,387,275	\$ 1,978,041	\$ -	\$ -	\$ 7,365,316
9/30/2021	5,393,000	1,999,640	648,285	611,319	8,652,244
9/30/2022	5,411,075	2,021,976	2,249,068	5,739,665	15,421,784
9/30/2023	5,390,250	2,047,975	2,248,663	5,741,775	15,428,663
9/30/2024	5,371,200	2,073,571	2,248,249	5,736,984	15,430,004
9/30/2025	5,365,950	2,097,756	2,247,827	5,735,291	15,446,824
9/30/2026	5,362,950	2,120,528	2,247,395	5,741,551	15,472,424
9/30/2027	5,361,700	2,151,780	2,246,953	5,740,715	15,501,148
9/30/2028	5,356,825		2,246,502	3,648,404	11,251,731
9/30/2029	5,348,075		2,246,041	3,649,959	11,244,075
9/30/2030	5,344,950		2,245,570	3,645,198	11,235,718
9/30/2031	5,341,825		2,245,088		7,586,913
9/30/2032	5,355,700		2,244,596		7,600,296
9/30/2033	5,358,000		2,244,093		7,602,093
9/30/2034	5,352,900		2,243,579		7,596,479
9/30/2035	5,345,300		2,243,143		7,588,443
9/30/2036	5,344,800				5,344,800
	\$ 91,191,775	\$ 16,491,267	\$ 32,095,052	\$ 45,990,861	\$ 185,768,954

Maximum Annual Debt Service: \$ 15,501,148

**POLK COUNTY, FLORIDA
PROMISSORY NOTES, SERIES 2020A AND 2020C
CONTINUING DISCLOSURE
ANTI-DILUTION TEST (CONTINUED)**

Breakdown of Revenues Total Governmental Funds	FY 19	FY 20	FY 21
Taxes			
Tourism	\$ 14,082,593	\$ 10,495,726	\$ 15,952,748
Fuel Taxes	24,884,002	23,629,437	25,602,799
Half-cent Sales Tax Surtax	50,572,043	51,535,503	61,228,306
Public Service Tax	35,352,414	36,736,922	38,567,983
Comm Srv Tax	9,203,558	9,247,919	8,797,454
Other Taxes	1,329,021	1,365,368	1,213,541
Total Taxes	\$ 135,423,631	\$ 133,010,874	\$ 151,362,831
Licenses and Permits			
Building	\$ 8,489,803	\$ 8,650,236	\$ 11,679,620
Other Licenses and Permits	7,289,219	6,933,215	7,807,580
Total Licenses and Permits	\$ 15,779,022	\$ 15,583,451	\$ 19,487,200
Intergovernmental			
State Revenue Sharing	\$ 16,524,279	\$ 15,573,362	\$ 18,357,148
Sales Tax	38,560,203	38,109,238	43,521,373
Constitutional Fuel Tax	7,605,958	6,925,244	7,426,856
County Gas Tax	3,292,432	3,016,219	3,290,625
Other Public Safety Grants (includes Covid Relief Revenues)	37,439,651	88,304,986	42,205,129
Other State Grants (Transp, Econ Envir, Human Serv, Culture/Rec)	5,711,398	4,490,138	3,166,661
Other Federal Grants (Transp, Econ Envir, Human Serv, Culture/Rec)	5,478,626	7,180,439	30,286,881
Other Intergovernmental	8,215,386	5,126,295	6,079,565
Total Intergovernmental	\$ 122,827,934	\$ 168,725,922	\$ 154,334,238
Charges for Services			
Ambulance Fees	\$ 22,103,711	\$ 24,810,989	\$ 25,846,018
911 Fees	2,897,867	3,111,321	3,214,470
BoCC Emergency Radio Fees	2,398,548	2,698,542	3,039,836
Sheriff	13,515,258	13,482,634	13,968,652
Clerk of Courts	9,056,837	7,586,066	9,161,904
Other Charges for Services	25,215,895	22,159,004	24,901,341
Total Charges for Services	\$ 75,188,117	\$ 73,848,556	\$ 80,132,221
Fines & Forfeitures	\$ 9,443,719	\$ 7,466,270	\$ 9,045,174
Special Assessments			
Fire Assessments	\$ 38,613,724	\$ 42,409,804	\$ 46,357,246
Impact Fees - Municipality/School	1,221,009	1,602,072	1,258,752
Impact Fees - Transportation	16,750,417	21,596,992	29,142,809
Impact Fees - Public Safety	2,806,455	3,919,007	6,275,147
Impact Fees - Cultural & Recreation	889,932	1,660,150	3,144,041
Other Special Assessments	2,734,466	4,368,338	7,500,661
Total Special Assessments	\$ 63,016,004	\$ 75,556,362	\$ 93,678,656
Interest Income	\$ 16,181,405	\$ 13,262,025	\$ 11,775,072
Net Change in Fair Value of Investments	\$ 3,878,545	\$ 2,770,526	\$ (8,282,607)
Miscellaneous Revenue	\$ 17,511,034	\$ 18,510,302	\$ 17,381,538
Total Non-Ad Valorem Revenues	\$ 459,249,411	\$ 508,734,288	\$ 528,914,323

**POLK COUNTY, FLORIDA
PUBLIC FACILITIES REVENUE BONDS, SERIES 2014,
PUBLIC FACILITIES REVENUE REFUNDING NOTE, SERIES 2015
CONTINUING DISCLOSURE**

County Revenue Sharing Apportionment Factor Data

State Fiscal Year Ended June 30,	County Population (1)	Total Eligible Counties Population (1)	County Unincorporated Population (1)	State Unincorporated Population (1)	Annual Polk County Sales Tax Collections	Annual Statewide Sales Tax Collections
2017	630,019	19,691,538	388,503	9,691,882	\$ 548,037,644	\$ 22,670,541,032
2018	643,966	20,026,564	396,417	9,840,592	583,356,556	23,708,810,228
2019	658,517	20,363,867	404,995	10,005,605	612,581,427	24,795,239,840
2020	669,873	20,721,532	410,044	10,180,934	615,094,812	23,526,144,245
2021	687,343	21,091,609	420,233	10,369,520	705,228,351	25,632,924,121

**Revenue Sharing Trust Fund For Counties Receipts
State Fiscal Year Ended June 30**

	2017	2018	2019	2020	2021
Cigarette Tax	\$ 7,292,510	\$ 6,995,264	\$ 6,947,582	\$ 6,382,015	\$ 5,565,262
Sales Tax	465,492,673	487,747,794	516,134,986	487,488,999	551,304,721
Total Receipts	<u>\$ 472,785,183</u>	<u>\$ 494,743,058</u>	<u>\$ 523,082,568</u>	<u>\$ 493,871,014</u>	<u>\$ 556,869,983</u>
Guaranteed Entitlement for Florida Counties	\$ 30,329,957	\$ 30,329,957	\$ 30,329,957	\$ 30,329,957	\$ 30,329,957
Second Guaranteed Entitlement for Florida Counties	\$ 64,756,373	\$ 64,756,373	\$ 64,756,373	\$ 64,756,373	\$ 64,756,373

Source: Department of Revenue of the State of Florida

Note:

- (1) The adjusted population estimates exclude the estimated number of inmates and patients in institutions operated by the federal government, the Florida Department of Corrections, Department of Health, and Department of Children and Family Services. Pursuant to Section 186.901, *Florida Statutes*, such inmates and patients are not considered residents for the purpose of determining revenue-sharing allocations.

**POLK COUNTY, FLORIDA
PUBLIC FACILITIES REVENUE BONDS, SERIES 2014,
PUBLIC FACILITIES REVENUE REFUNDING NOTE, SERIES 2015 (CONTINUED)
CONTINUING DISCLOSURE**

Pledged Revenue Share Monies

Fiscal Year Ended September 30,	Revenue Sharing Money (1)	Pledged Revenue Sharing Monies (Equals 50 % of Previous Fiscal Year's Revenue Sharing Monies) (2)
2017	\$ 14,712,512	\$ 6,999,682
2018	15,571,560	7,356,256
2019	16,524,279	7,785,780
2020	15,573,362	8,262,140
2021	18,357,148	7,786,681

Public Service Tax Revenue (3)

Fiscal Year Ended September 30,	Metered/ Bottled Gas	Electricity	Water	Total Amount
2017	\$ 470,778	\$ 21,725,776	\$ 3,896,656	\$ 26,093,209
2018	505,398	21,916,377	3,905,677	26,327,452
2019	520,272	23,645,416	4,116,133	28,281,821
2020	497,008	24,442,528	4,449,949	29,389,485
2021	619,419	25,523,459	4,711,296	30,854,174

Pro Forma Debt Service Coverage

Fiscal Year Ended September 30,	Pledged Public Service Tax Revenues	Pledged Revenue Sharing Monies	Total Pledged Funds	Maximum Annual Debt Service	Debt Service Coverage
2017	\$ 26,093,209	\$ 6,999,682	\$ 33,092,891	\$ 5,507,194	6.01x
2018	26,327,452	7,356,256	33,683,708	5,507,194	6.12x
2019	28,281,821	7,785,780	36,067,601	5,507,194	6.55x
2020	29,389,485	8,262,140	37,651,625	5,507,194	6.84x
2021	30,854,174	7,786,681	38,640,855	5,507,194	7.02x

Notes:

- (1) Not pledged as a source of security for the Series 2014 Bonds and Series 2015 Note.
- (2) Pledged as a source of security for the Series 2014 Bonds and Series 2015 Note.
- (3) 8.0% of the 10.0 % Public Service Tax is pledged as a source of security for the Series 2014 Bonds and Series 2015 Note.

Source: Polk County, Florida, Clerk of Circuit Court- County Comptroller Department

**POLK COUNTY, FLORIDA
UTILITY SYSTEMS REVENUE BONDS, SERIES 2012, 2013, 2014A, 2014C, AND 2020
CONTINUING DISCLOSURE**

	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Gross Revenues (1)					
Charges for Services (2)	\$ 65,320,604	\$ 67,868,397	\$ 72,156,630	\$ 76,377,766	\$ 82,323,949
Miscellaneous Revenue (3)(4)	1,487,226	2,346,791	2,472,124	3,123,728	2,275,425
Sub-total Charges for Service & Miscellaneous Income	\$ 67,704,395	\$ 71,114,642	\$ 74,628,754	\$ 79,501,494	\$ 84,599,374
Interest Income (5)	2,564,171	3,135,327	3,514,561	2,605,212	1,684,448
Sub-total Operating and Non-operating Income	\$ 70,268,566	\$ 74,249,969	\$ 78,143,315	\$ 82,106,706	\$ 86,283,822
Less income from Connection Charges (6)	634,799	848,193	986,666	901,397	626,653
Total Gross Revenues	<u>\$ 69,633,767</u>	<u>\$ 73,401,776</u>	<u>\$ 77,156,649</u>	<u>\$ 81,205,309</u>	<u>\$ 85,657,169</u>
Cost of Operation and Maintenance (7)					
Personal Services	\$ 11,858,078	\$ 13,849,692	\$ 11,531,800	\$ 19,946,803	\$ 15,271,272
Operations, Maintenance & Other Expenses (8)	19,643,605	22,043,425	25,087,197	27,789,528	29,312,694
Indirect (9)	1,796,228	1,856,242	2,056,711	1,959,910	1,966,089
Total Cost of Operation and Maintenance	<u>\$ 33,297,911</u>	<u>\$ 37,749,359</u>	<u>\$ 38,675,708</u>	<u>\$ 49,696,241</u>	<u>\$ 46,550,055</u>
Net Revenues Available for Debt Service(A)	\$ 36,335,856	\$ 35,652,417	\$ 38,480,941	\$ 31,509,068	\$ 39,107,114
Plus Available Connection Charges (B)(10)(11)					
Available Connection Charges	\$ 10,283,855	\$ 10,318,343	\$ 10,320,804	\$ 9,065,487	\$ 9,359,196
Interest Income - Connection Charges (6)	634,799	848,193	986,666	901,397	626,653
Total Available Connection Charges (B)	<u>\$ 10,918,654</u>	<u>\$ 11,166,536</u>	<u>\$ 11,307,470</u>	<u>\$ 9,966,884</u>	<u>\$ 9,985,848</u>
Net Revenues Plus Available Connection Charges Available for Debt Service (C)	\$ 47,254,510	\$ 46,818,953	\$ 49,788,411	\$ 41,475,952	\$ 49,092,963
Annual Bond Service Requirement (D) (12)	\$ 11,431,240	\$ 11,469,693	\$ 11,468,791	\$ 8,507,322	\$ 10,618,556
Test A					
Debt Service Coverage Ratio (A/D)	3.18	3.11	3.36	3.70	3.68
Excluding Available Connection Charges (1.10x Required)					
Or					
Test B					
Debt Service Coverage Ratio (A/D)	3.18	3.11	3.36	3.70	3.68
Excluding Available Connection Charges (1.00x Required)					
And					
Debt Service Coverage Ratio (C/D)	4.13	4.08	4.34	4.88	4.62
Including Expansion Projects Connection Charges (1.25x Required)					

Notes:

- (1) Gross Revenues and Cost of Operation and Maintenance for the fiscal years ended September 30, 2017 through and including 2021 are audited.
- (2) Charges for services increased from \$65.3 million in the fiscal year ended September 30, 2017 to \$82.3 million in the fiscal year ended September 30, 2021, or 26% based on a combination of growth in water, sewer, and reclaimed water customers. New rates were approved beginning October 1, 2016, implementing a 2.5 % annual rate increase beginning October 1, 2017 through October 1, 2019. Connection Charges of \$12,574,786, \$12,142,232, \$15,008,936, \$15,683,589 and \$20,582,234 for fiscal years-ended September 30, 2017 through 2021, respectively, are excluded from Charges for Services.

POLK COUNTY, FLORIDA
UTILITY SYSTEMS REVENUE BONDS, SERIES 2012, 2013, 2014A, 2014C, AND 2020
(CONTINUED)
CONTINUING DISCLOSURE

Notes (continued):

- (3) Pursuant to the Sequestration Transparency Act of 2012, as a consequence of the Joint Select Committee on Deficit Reduction's failure to propose, and Congress' failure to enact, a plan to reduce the federal deficit by \$1.2 trillion (as required by the Budget Control Act of 2011 by January 2, 2013), the President of the United States, in his report to Congress of sequestration for fiscal year 2013, included in such sequestration the payments authorized for direct-pay bonds, such as the Series 2010 Bonds, issued under the Recovery and Reinvestment Act of 2009. The sequestration cut for direct-pay bonds was initially scheduled to last through fiscal year 2021. However, the Bipartisan Budget Act of 2013, extended the sequestration cut through fiscal year 2023. Congress recently approved a bill which would further extend sequestration through fiscal year 2024.

Payments received for April 1, 2015 and October 1, 2015 were each \$446,356.57 which represented a 7.3 % reduction. Payments received for April 1, 2016 and October 1, 2016 were each \$448,764.10 which represented a 6.8 % reduction. Payments received for April 1, 2017 and October 1, 2017 were each \$448,282.60 which represented a 6.9 % reduction. Payments received for April 1, 2018 and October 1, 2018 were each \$449,727.12 which represented a 6.6 % reduction. Payments received for April 1, 2019 and October 1, 2019 were each \$451,653.14 which represented a 6.2 % reduction. Payment received for April 1, 2020 in the amount of \$453,097.66 which represented a 5.9% reduction.

No assurance can be given that legislative proposals may be introduced or enacted by Congress that would or might apply to, or have an adverse effect upon, the County's receipt of Subsidy Payments. Payment of debt service is not contingent upon receipt by the County of Subsidy Payments and the County does not expect that any such reduction in Subsidy Payments will affect its ability to pay debt service. Due to the implementation of amendments to the Resolution effective as of October 1, 2015, Subsidy Payments are excluded from Gross Revenues in fiscal years ended September 30, 2016 through and including 2020 and instead are netted against the amount of interest payable on Subsidy Bonds. Payment of \$453,097.66 was received for April 1, 2020. Due to the refunding of the Series 2010 bonds on March 12, 2020 with the Utility Revenue Refunding Bonds, Series 2020, Polk County will no longer receive Subsidy Payments.

- (4) Miscellaneous revenues for fiscal year ended September 30, 2018, increased from fiscal year 2017 due to proceeds received from insurance claims. Miscellaneous revenue decreased in fiscal year ended September 30, 2021 due to the County no longer receiving Subsidy Payments as a result of the refunding of the Utility Systems Revenue Bonds, Series 2010 in FY 2020.
- (5) Amounts reflect interest and investment earnings on all accounts created by the Resolution, including investment income derived from Connection Charges on deposit, as reported by County staff. These amounts do not include any adjustments for the market value of the investments.
- (6) Gross Revenue exclude income derived from Connection Charges, including investment income; however, such amount is includable in Test B of the rate covenant whereby Available Connection Charges and investment income derived from Available Connection Charges are added to Net Revenues.
- (7) Amounts exclude depreciation and amortization expenses, payments in lieu of taxes (PILOT) of \$1,599,979, \$1,628,437, \$1,810,597, \$1,953,665 and \$2,055,011 for the Fiscal Years ended 2017 through and including 2021, respectively, and capitalized labor. Beginning in the Fiscal Year ended September 30, 2017, the PILOT expenses have been recorded as transfers out and no longer are included in Cost of Operation and Maintenance. In the Fiscal Year ended September 30, 2018, personnel services increased due to a 3.5% salary increase and 5 new positions. In Fiscal Year ended September 30, 2019 the decrease to personnel services is due to OPEB and pension adjustments which have resulted in an overall decrease of \$2 million in personnel services. In Fiscal Year ended September 30, 2020 personnel services increased by \$8.4 million due to OPEB and pension adjustments which resulted in an overall increase of \$7.8 million. In Fiscal Year ended in September 30, 2021, the decrease in personnel services is attributable to reduced adjustments to OPEB and vacant positions. Includes payments to Polk Regional Water Cooperative in the amount of \$40,021.79, \$174,766.89, \$96,189.14 and \$119,410.35 for the fiscal years ended September 30, 2018, 2019, 2020 and 2021 respectively, and Water Cooperative of Central Florida in the amounts of \$25,000, \$25,000, \$22,000, \$26,000 and \$10,000 for the fiscal years ended September 30, 2017 through and including 2021, respectively.
- (8) Includes all operating expenses and losses on disposition of equipment. Increase in Fiscal Year ending September 30, 2019, is due to a loss on disposition of equipment in the amount of \$2.4 million. Increase in Fiscal Year ending September 30, 2021, is due largely due to increase in other contractual services as some employee vacancies were filled by contracted electricians and mechanics.

POLK COUNTY, FLORIDA
UTILITY SYSTEMS REVENUE BONDS, SERIES 2012, 2013, 2014A, 2014C, AND 2020
(CONTINUED)
CONTINUING DISCLOSURE

- (9) Amount reflects an operating transfer from the Water and Sewer Fund to the General Fund to account for allocated operating and administrative expenses associated with utility services.
- (10) The Water Expansion Project Percentage and Sewer Expansion Project Percentage prior to issuance of the Series 2020 Bonds equal to 31.17% and 52.25%, respectively and following issuance of the Series 2020 Bonds is expected to equal approximately 39.59% and 48.55%, respectively.
- (11) Connection Charges have steadily increased over the last five years due to the increase in new development. Generally, under Florida law, fees such as the Connection Charges may be validly imposed against new construction or development in order to fund capital improvements or capacity which are necessitated by such new construction or development or to satisfy debt service for the bonds or other obligations issued for such purposes. Proceeds of such Connection Charges may generally be used only for the capital improvements or capacity attributable to the new construction or development or to pay debt service on indebtedness incurred to finance or refinance such capital improvements or capacity.
- (12) Subsidy payments received in FY 17 through FY 20 have been netted against interest payable and are excluded from the Annual Bond Service Requirement Amount.

**POLK COUNTY, FLORIDA
RESIDENTIAL WATER, WASTEWATER AND RECLAIMED WATER RATES
CONTINUING DISCLOSURE**

Residential Water Rates

Effective Date	10/01/2016	10/01/2017	10/01/2018	10/01/2019
Indexing Rate	0%	2.5 %	2.5 %	2.5 %
Base Charge	\$ 9.69	\$ 9.93	\$ 10.18	\$ 10.43
Usage Block Ranges (in thousands of gallons)				
0 - 3	\$ 1.84	\$ 1.89	\$ 1.94	\$ 1.99
4 - 10	2.45	2.51	2.57	2.63
11 - 20	4.86	4.98	5.10	5.23
21 - 30	7.31	7.49	7.68	7.87
31 - 40	9.73	9.97	10.22	10.48
Over 40	17.05	17.48	17.92	18.37

Residential Wastewater Rates

Effective Date	10/01/2016	10/01/2017	10/01/2018	10/01/2019
Indexing Rate	0%	0%	0%	0%
Base Charge	\$ 36.14	\$ 36.14	\$ 36.14	\$ 36.14
Usage per thousand gallons up to 7,000 gallons	\$ 6.48	\$ 6.48	\$ 6.48	\$ 6.48

Residential Reclaimed Water Rates

Effective Date	10/01/2016	10/01/2017	10/01/2018	10/01/2019
Indexing Rate	0%	0%	0%	0%
Reclaimed Water Base Charge	N/A	N/A	N/A	N/A
Usage Block Ranges (in thousands of gallons)				
0 - 20	\$ 1.41	\$ 1.41	\$ 1.41	\$ 1.41
21 - 30	4.22	4.22	4.22	4.22
31 - 40	5.63	5.63	5.63	5.63
Over 40	8.45	8.45	8.45	8.45

Residential/ Commercial and Multi-Family PWRI/AWS Surcharge

Effective Date	10/01/2016	10/01/2017	10/01/2018	10/01/2019
Indexing Rate	N/A	0%	0%	0%
Usage Charge per 1,000 gallons on all usage	\$ 0.30	\$ 0.30	\$ 0.30	\$ 0.30

No rate increases have been implemented since October 1, 2019.

**POLK COUNTY, FLORIDA
COMMERCIAL/MULTI-FAMILY WATER, WASTEWATER AND
RECLAIMED WATER RATES
CONTINUING DISCLOSURE**

Commercial/Multi-Family Water Rates

Effective Date	10/01/2016	10/01/2017	10/01/2018	10/01/2019
Indexing Rate	0 %	2.5 %	2.5 %	2.5 %
5/8" & 3/4" Base Charge	\$ 14.54	\$ 14.90	\$ 15.27	\$ 15.65
5/8" & 3/4" Usage Block Ranges (in thousands of gallons)				
0 - 15	\$ 2.45	\$ 2.51	\$ 2.57	\$ 2.63
16 - 30	4.86	4.98	5.10	5.23
31 - 60	9.73	9.97	10.22	10.48
over 60	17.05	17.48	17.92	18.37
1" Base Charge	\$ 24.22	\$ 24.83	\$ 25.45	\$ 26.09
1" Usage Block Ranges (in thousands of gallons)				
0 - 25	\$ 2.45	\$ 2.51	\$ 2.57	\$ 2.63
26 - 50	4.86	4.98	5.10	5.23
51 - 100	9.73	9.97	10.22	10.48
over 100	17.05	17.48	17.92	18.37
1-1/2" Base Charge	\$ 48.45	\$ 49.66	\$ 50.90	\$ 52.17
1- 1/2" Usage Block Ranges (in thousands of gallons)				
0 - 50	\$ 2.45	\$ 2.51	\$ 2.57	\$ 2.63
51 - 100	4.86	4.98	5.10	5.23
101 - 200	9.73	9.97	10.22	10.48
over 200	17.05	17.48	17.92	18.37
2" Base Charge	\$ 77.51	\$ 79.45	\$ 81.44	\$ 83.48
2" Usage Block Ranges (in thousands of gallons)				
0 - 80	\$ 2.45	\$ 2.51	\$ 2.57	\$ 2.63
81 - 160	4.86	4.98	5.10	5.23
161 - 320	9.73	9.97	10.22	10.48
over 320	17.05	17.48	17.92	18.37
3" Base Charge	\$ 145.32	\$ 148.95	\$ 152.67	\$ 156.49
3" Usage Block Ranges (in thousands of gallons)				
0 - 150	\$ 2.45	\$ 2.51	\$ 2.57	\$ 2.63
151 - 300	4.86	4.98	5.10	5.23
301 - 600	9.73	9.97	10.22	10.48
over 600	17.05	17.48	17.92	18.37
4" Base Charge	\$ 242.22	\$ 248.28	\$ 254.49	\$ 260.85
4" Usage Block Ranges (in thousands of gallons)				
0 - 250	\$ 2.45	\$ 2.51	\$ 2.57	\$ 2.63
251 - 500	4.86	4.98	5.10	5.23
501 - 1,000	9.73	9.97	10.22	10.48
over 1,000	17.05	17.48	17.92	18.37
6" Base Charge	\$ 484.43	\$ 496.54	\$ 508.95	\$ 521.67
6" Usage Block Ranges (in thousands of gallons)				
0 - 500	\$ 2.45	\$ 2.51	\$ 2.57	\$ 2.63
501 - 1,000	4.86	4.98	5.10	5.23
1,001 - 2,000	9.73	9.97	10.22	10.48
over 2,000	17.05	17.48	17.92	18.37

**POLK COUNTY, FLORIDA
COMMERCIAL/MULTI-FAMILY WATER, WASTEWATER AND
RECLAIMED WATER RATES (CONTINUED)
CONTINUING DISCLOSURE**

Commercial/Multi-Family Water Rates (continued)

Effective Date	10/01/2016	10/01/2017	10/01/2018	10/01/2019
Indexing Rate	0 %	2.5 %	2.5 %	2.5 %
8" Base Charge	\$ 775.10	\$ 794.48	\$ 814.34	\$ 834.70
8" Usage Block Ranges (in thousands of gallons)				
0 - 800	\$ 2.45	\$ 2.51	\$ 2.57	\$ 2.63
801 - 1,600	4.86	4.98	5.10	5.23
1,601 - 3,200	9.73	9.97	10.22	10.48
over 3,200	17.05	17.48	17.92	18.37
10" Base Charge	\$ 1,114.20	\$ 1,142.06	\$ 1,170.61	\$ 1,199.88
10" Usage Block Ranges (in thousands of gallons)				
0 - 1,150	\$ 2.45	\$ 2.51	\$ 2.57	\$ 2.63
1,151 - 2,300	4.86	4.98	5.10	5.23
2,301 - 4,600	9.73	9.97	10.22	10.48
over 4,600	17.05	17.48	17.92	18.37
12" Base Charge	\$ 2,084.41	\$ 2,136.52	\$ 2,189.93	\$ 2,244.68
12" Usage Block Ranges (in thousands of gallons)				
0 - 2,150	\$ 2.45	\$ 2.51	\$ 2.57	\$ 2.63
2,151 - 4,300	4.86	4.98	5.10	5.23
4,301 - 8,600	9.73	9.97	10.22	10.48
over 8,600	17.05	17.48	17.92	18.37

Commercial Wastewater Rates

Effective Date	10/01/2016	10/01/2017	10/01/2018	10/01/2019
Indexing Rate	0 %	0 %	0 %	0 %
Base Charge 5/8" & 3/4" Meter	\$ 54.20	\$ 54.20	\$ 54.20	\$ 54.20
Base Charge 1" Meter	90.34	90.34	90.34	90.34
Base Charge 1 - 1/2" Meter	180.66	180.66	180.66	180.66
Base Charge 2" Meter	289.08	289.08	289.08	289.08
Base Charge 3" Meter	542.03	542.03	542.03	542.03
Base Charge 4" Meter	903.38	903.38	903.38	903.38
Base Charge 6" Meter	1,806.76	1,806.76	1,806.76	1,806.76
Base Charge 8" Meter	2,890.80	2,890.80	2,890.80	2,890.80
Base Charge 10" Meter	4,155.53	4,155.53	4,155.53	4,155.53
Base Charge 12" Meter	7,768.89	7,768.89	7,768.89	7,768.89
Usage Charge Per 1,000 Gallons	\$ 6.48	\$ 6.48	\$ 6.48	\$ 6.48

**POLK COUNTY, FLORIDA
COMMERCIAL/MULTI-FAMILY WATER, WASTEWATER AND
RECLAIMED WATER RATES (CONTINUED)
CONTINUING DISCLOSURE**

Commercial/Multi-Family Reclaimed Water Rates

5/8 Inch & 3/4 Inch Rates				
Effective Date	10/01/2016	10/01/2017	10/01/2018	10/01/2019
Indexing Rate	0 %	0 %	0 %	0 %
Reclaimed Water Base Charge	N/A	N/A	N/A	N/A
Usage Block Ranges (in thousands of gallons)				
0 - 30	\$ 1.41	\$ 1.41	\$ 1.41	\$ 1.41
31 - 45	4.22	4.22	4.22	4.22
45 - 60	5.63	5.63	5.63	5.63
Over 60	8.45	8.45	8.45	8.45
 1 Inch Rates				
Effective Date	10/01/2016	10/01/2017	10/01/2018	10/01/2019
Indexing Rate	0 %	0 %	0 %	0 %
Reclaimed Water Base Charge	N/A	N/A	N/A	N/A
Usage Block Ranges (in thousands of gallons)				
0 - 50	\$ 1.41	\$ 1.41	\$ 1.41	\$ 1.41
51 - 75	4.22	4.22	4.22	4.22
76 - 100	5.63	5.63	5.63	5.63
Over 100	8.45	8.45	8.45	8.45
 1.5 Inch Rates				
Effective Date	10/01/2016	10/01/2017	10/01/2018	10/01/2019
Indexing Rate	0 %	0 %	0 %	0 %
Reclaimed Water Base Charge	N/A	N/A	N/A	N/A
Usage Block Ranges (in thousands of gallons)				
0 - 50	\$ 1.41	\$ 1.41	\$ 1.41	\$ 1.41
51 - 75	4.22	4.22	4.22	4.22
76 - 100	5.63	5.63	5.63	5.63
Over 100	8.45	8.45	8.45	8.45
 2 Inch Rates				
Effective Date	10/01/2016	10/01/2017	10/01/2018	10/01/2019
Indexing Rate	0 %	0 %	0 %	0 %
Reclaimed Water Base Charge	N/A	N/A	N/A	N/A
Usage Block Ranges (in thousands of gallons)				
0 - 160	\$ 1.41	\$ 1.41	\$ 1.41	\$ 1.41
161 - 240	4.22	4.22	4.22	4.22
241 - 320	5.63	5.63	5.63	5.63
Over 320	8.45	8.45	8.45	8.45
Bulk Priority	\$ 1.05	\$ 1.05	\$ 1.05	\$ 1.05
Bulk Interruptible	0.45	0.45	0.45	0.45

Source: Polk County, Florida Utilities Department

**POLK COUNTY, FLORIDA
WATER AND WASTEWATER CONNECTION CHARGES
CONTINUING DISCLOSURE**

Residential Connection Fees

Effective Date	10/01/16- 10/01/19
Indexing Rate	0%
Type of Residence	
Single Family Detached Units on Lots of 1.0 Acres or Less	\$ 2,844.00
Single Family Detached Units on Lots of More than 1.0 Usable Acre	\$ 4,268.00
Multi-family Units Including Apartments, Condos, Duplexes, Triplexes, etc.	\$ 1,564.00
Mobile Homes of Lots of Less Than 6000 Square Feet	\$ 1,707.00
Mobile Homes on Lots of 6000 Square Feet or More	\$ 2,844.00
Park Model RVs	\$ 1,564.00
Destination RVs (1)	\$ 1,564.00
All other RVs Including Transient RVs	\$ 1,564.00

Wastewater Connections Fees

Effective Date	10/01/16- 10/01/19
Indexing Rate	0%
Type of Residence	
Single Family Detached Units on Lots of 1.0 Acres or Less	\$ 4,195.00
Single Family Detached Units on Lots of More than 1.0 Usable Acre	\$ 4,195.00
Multi-family Units Including Apartments, Condos, Duplexes, Triplexes, etc.	\$ 2,810.00
Mobile Homes of Lots of Less Than 6000 Square Feet	\$ 2,810.00
Mobile Homes on Lots of 6000 Square Feet or More	\$ 4,195.00
Park Model RVs	\$ 2,307.00
Destination RVs (1)	\$ 2,810.00
All other RVs Including Transient RVs	\$ 4,195.00

Source: Polk County, Florida Utilities Department

Note:

- (1) A Destination RV must be: (a) Sited on a lot owned in fee simple by the user; (b) Sited in a park that is platted subdivision; (c) Sited on a lot 3,000 square feet or larger; and (d) Sited in a park that does not have a dump station or undivided interest lot sales or time share lot sales. This category of user is subject to inspection by Polk County Utilities to ensure that Destination RV's are not Transient RV's. Destination RV lots used by Transient RVs will be subject to a 1.0 ERC sewer connection charge.

**POLK COUNTY, FLORIDA
WATER AND WASTEWATER CONNECTION CHARGES (CONTINUED)
CONTINUING DISCLOSURE**

COMMERCIAL

Water Connection Fees

Commercial Water Connection Charges will be assessed as per Resolution No. 10-182 based upon fixture unit values as contained within the Florida Plumbing Code and in accordance with the Polk County Utilities Code. Estimated usage based on fixture unit values are divided by 360 gallons to calculate the Equivalent Residential Connection ("ERC"). The ERC will be multiplied by the current Connection Charge for a Single Family Detached Unit on lots one acre or less.

Wastewater Connection Fees

Commercial Sewer Connection Charges will be assessed as per Resolution No. 10-182 based upon fixture unit values as contained within the Florida Plumbing Code and in accordance with the Polk County Utilities Code. Estimated sewer flows based on fixture unit values are divided by 270 gallons to calculate the ERC. The ERC will be multiplied by the current Connection Charge for a Single Family Detached Unit on lots one acre or less.

Source: Polk County, Florida Utilities Department

**POLK COUNTY, FLORIDA
UTILITIES SERVICE CHARGES
CONTINUING DISCLOSURE**

Fees Description	Current Charge
New Account Charge	
3/4" - 2" meter	\$ 55.00
Larger than 2" meter	70.00
Deposit	
Residential	
Water	\$ 75.00
Sewer	110.00
Combined	185.00
Commercial	
Water	2.5 X Est. Monthly Bill
Sewer	2.5 X Est. Monthly Bill
Combined	2.5 X Est. Monthly Bill
Same Day Service (During Business Hours)	\$ 60.00
Same Day Service (After Business Hours)	80.00
Premise Visit	60.00
Return Check or Draft (1)	
Checks \$50 or less	\$ 25.00
Checks \$51 - \$300	\$ 30.00
Checks \$301 - \$800	\$ 40.00
Checks Greater than \$800	5% of the Face Value of the Check
Disconnect for Nonpayment	
Less than 2" meter	\$ 60.00
2" Meter and above	105.00
3/4" Temporary Absence Disconnect	60.00
3/4" Temporary Absence Reconnect	60.00
Service Restoration/Reconnection Charge	
Less than 2" meter	\$ 60.00
2" Meter and above	105.00
Water Audit or Disputed Meter Reading	\$75 (Not charged if meter is found to be in error)
Meter Installation/Reinstallation Charge	
3/4" Meter	\$ 450.00
1" Meter	550.00
1-1/2" Meter	900.00
2" Meter	1,415.00
Larger than 2" meter	Actual cost
Temporary Meter Installation	
2" Meter On Hydrant	\$ 105.00
Installation requiring Line Tap	195.00

Source: Polk County, Florida Utilities Department

Note:

(1) Return check fees are established by the Polk County Clerk of Courts Office and are adjusted from time to time.

**POLK COUNTY, FLORIDA
UTILITIES SERVICE CHARGES (CONTINUED)
CONTINUING DISCLOSURE**

Fees Description	Current Charge
Meter Test Charge (Field Test) (1)	
Less than 2" meter	\$ 90.00
2" Meter and above	Actual cost
Penalty for Meter Tampering/Theft of Service	
1st Infraction	\$ 100.00
2nd Infraction	500.00
3rd Infraction	1,000.00
Penalty for Obscured Meter	60.00
Penalty for Connection to Other Systems	500.00
Penalty for Cross Connection	500.00
Relocate Meter	
Less than 2" meter	\$ 175.00
2" Meter and above	Actual cost
Reclaimed Water Follow-up Inspection	60.00
Late Payment	\$6.00 or 5% of payment due, whichever is greater on balances over \$14.99
Backflow test (Municipal Charge)	
3/4" to 2" Meter	\$ 90.00
Larger than 2" Meter	Actual cost

Source: Polk County, Florida Utilities Department

Notes:

Surcharge for High Strength Industrial Wastes shall be calculated and applied pursuant to Section 30 (E), "Sewer Constituent Limitations", contained in Polk County Utilities Code Ordinance 10-081 as amended.

(1) This fee is waived if meter is not registering within AWWA standards.

**POLK COUNTY, FLORIDA
WATER SYSTEM PERMITTED CAPACITY AND ACTUAL DEMAND
CONTINUING DISCLOSURE**

Name	Permitted Capacity (1, 2) (MGD)	Actual Demand (1,3) (MGD)
Central Regional Utility Service Area (CRUSA)		
Central Regional Utility Service Area	1.919	1.160
Lake Garfield Water System	0.084	0.033
Regional Totals	2.003	1.193
Northeast Regional Service Area (4)		
SWFWMD Permit Subtotal	10.9185	-
SFWMD Permit Subtotal	5.0000	-
Ovation Utility System Area	0.2566	-
Jordans Grove Utility Service Area	0.1581	-
Regional Totals	14.3647 (4)	9.232
Northwest Regional Service Area (5)	5.700	2.938
Southwest Regional Service Area	7.000	3.758
East Regional Service Area	1.373	0.499
Southeast Regional Service Area	1.367	0.607
Walk-In-Water System (Isolated Permit and System)	0.094	0.046

Source: Polk County, Florida Utilities Department

Notes:

- (1) MGD is Million Gallons per Day
- (2) From Water Management District Permits for entire Regional Utility Service Areas (Includes all water systems in region, by permit and interconnected systems.)
- (3) As reported on operating reports to FDEP
- (4) The NERUSA service area is physically interconnected as one system. There is a 13.95 MGD cap between two of the permits (SWFWMD and SFWMD). Additional permits for Jordan's Grove and Ovation are shown.
- (5) The NWRUSA Consumption data includes consecutive systems with the City of Lakeland. Imported quantities from Lakeland are not shown in permitted capacity.

**POLK COUNTY, FLORIDA
WASTEWATER SYSTEM PERMITTED CAPACITY AND ACTUAL FLOWS
CONTINUING DISCLOSURE**

Wastewater Treatment Facility Name	Permitted Capacity (MGD) (1,2)	Actual Flows (MGD) (1,3)
Central Regional Utility Service Area		
Central Regional Wastewater Collection System (4)	N/A	0.799
Heritage Place Wastewater Treatment Facility	0.060	0.018
Combeewood Wastewater Treatment Facility	0.056	0.036
Regional Totals	0.116	0.853
Northeast Regional Utility Service Area (5, 6)		
Northeast Regional Wastewater Treatment Facility	4.750	3.967
Northwest Regional Utility Service Area (5,6)		
Northwest Regional Wastewater Treatment Facility	3.000	1.206
Southwest Regional Utility Service Area (5)		
Southwest Regional Wastewater Treatment Facility	4.000	1.967
East Regional Utility Service Area		
Waverly Wastewater Treatment Facility (5)	0.130	0.030
Sun Air/Poincianna (7)	0.053	0.064
Regional Totals	0.183	0.094
Southeast Regional Utility Service Area		
Sun Ray Wastewater Treatment Facility (5)	1.000	0.408

Source: Polk County, Florida Utilities Department

Notes:

- (1) MGD is Million Gallons per Day (Total MG divided by 365 days)
- (2) From FDEP Operating permits for Annual Average Daily Flow (AADF)
- (3) As reported on monthly operating reports or annual reuse report to FDEP or for Central Regional and Sun Air/Poincianna by flow meter records or billing information, respectively.
- (4) Central Regional Wastewater Treatment Facility was removed from service on January 10, 2014. Flows have been diverted to the City of Bartow. Capacity per Agreement is 1.00 MGD.
- (5) Northeast Regional, Northwest Regional, Southwest Regional, Sun Ray, and Waverly WWTFs Annual Total and Average values are based on Total Effluent flows.
- (6) Total Public Access Reuse Flows are based on R002 (FLW-06, Calculated) for Northeast Regional, R001 (FLW-03) for Northwest Regional, and R001 (Calculated) for Southwest Regional.
- (7) Sun Air/North Lake Pierce Wastewater Treatment Facility was removed from service in 2001. Flows have been diverted to Toho Water Authority/Poincianna. Capacity per Agreement is 0.053 MGD

**POLK COUNTY, FLORIDA
TEN LARGEST WATER/SEWER CONSUMERS
CONTINUING DISCLOSURE**

Customer	Volume of Water Sold		Annual Revenue	
	Thousand Gallons	Percent of Total System (1)	Revenues	Percent of Total System (2)
Polk Co. Correctional FRPRF	100,001	1.69%	1,962,982	2.72%
Carlton Arms of Lakeland	40,232	0.68%	577,889	0.80%
Bahama Bay Resort	31,448	0.53%	476,879	0.66%
Deer Creek RV G & C Club, Inc	22,648	0.38%	310,570	0.43%
Highland Village MHP	23,105	0.39%	281,890	0.39%
Int. Bass Lake Homeowners	26,090	0.44%	267,475	0.37%
TPAF VI Huntington LLC	19,162	0.32%	257,472	0.36%
Tropicana Resort Condo Assoc.	14,140	0.24%	237,379	0.33%
GCI Residential	17,322	0.29%	236,422	0.33%
Victoria Park Apartments	15,980	0.27%	213,225	0.30%

Source: Polk County, Florida Utilities Department
County staff for the Fiscal Year ended September 30, 2021

Notes:

- (1) Amounts based on actual water sales for Fiscal Year ended September 30, 2021 approximately 5.9 billion gallons of water.
- (2) Amounts based on actual charges for service for Fiscal Year ended September 30, 2021 of approximately \$72.2 million.

This page left intentionally blank

COMPLIANCE SECTION



INDEPENDENT ACCOUNTANTS' REPORT

Board of County Commissioners and the Florida Auditor General
Polk County, Florida

We have examined Polk County, Florida's (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, 2021. 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, 2021.

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

Lakeland, Florida
May 31, 2022





MANAGEMENT LETTER

Honorable Chairman and Members
Board of County Commissioners
Polk County, Florida

Report on the Financial Statements

We have audited the financial statements of Polk County, Florida (County), as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated May 31, 2022.

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 of 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 the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's 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 May 31, 2022, 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. There were no findings or recommendations made in the preceding financial audit report.

POLK COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The County was established by Constitution of the State of Florida; Article VIII, Section 1 (c). Polk County, Florida has two blended component units, Harden/Parkway and Eloise Community Redevelopment Agencies (CRAs), were created pursuant to Section 163.360 of the Florida Statutes and by County Ordinances 04-11 and 98-50, respectively.

Financial Condition and Management

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

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

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

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.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Harden Parkway Community Redevelopment Agency (CRA) reported the required information in its audit report and the Eloise Community Redevelopment Agency reported (We do not express an opinion or provide any assurance on the following information):

- a. The total number of district employees compensated in the last pay period of the district's fiscal year was \$0.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year was \$0.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency was \$10,454.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid

POLK COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021

or accrued, regardless of contingency was \$0.

- e. Each construction project with total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditure for such project was \$0.
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, was \$82,555.

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

CliftonLarsonAllen LLP

Lakeland, Florida
May 31, 2022

This page left intentionally blank

This page left intentionally blank



**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
Polk 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 Polk County, Florida (the County), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated May 31, 2022. Our report includes a reference to other auditors who audited the financial statements of the Tax Collector, Polk County, Florida, as described in our report on the County's financial statements. This report includes our consideration of the results of the other auditors' testing of internal control over financial reporting and compliance and other matters that are reported on separately by those other auditors. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of the other auditors.

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.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2021-001 that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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*.

The County’s Response to Findings

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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

Lakeland, Florida
May 31, 2022



**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
Polk County, Florida

Report on Compliance for Each Major Federal and State Project

We have audited Polk 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, 2021. The County's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

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

Auditors' Responsibility

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

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

Opinion on Each Major Federal Program and State Project

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2021.

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs as item 2021-002. Our opinion on each major federal program and state project is not modified with respect to this matter.

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

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 or 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, 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.

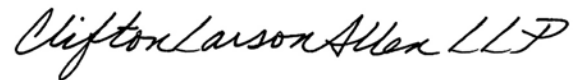
A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement 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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, we did identify a certain deficiency in internal control over compliance, described in the accompanying schedule of findings and questioned costs as item 2021-002, that we consider to be a significant deficiency.

Board of County Commissioners
Polk County Board of County Commissioners

The County's response to the internal control over compliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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

Lakeland, Florida
May 31, 2022

This page left intentionally blank

**POLK COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
YEAR ENDED SEPTEMBER 30, 2021**

Agency/Program	Assistance Listing Number	Pass-Through Identifying Number	Grant Identification	Expenditures	Transfers to Subrecipients
Federal Awards					
<u>Corporation for National and Community Service</u>					
Direct Programs:					
Retired and Senior Volunteer Program	94.002	N/A	19SRSFL007	\$ 108,443	\$ -
<u>Department of Health and Human Services</u>					
Direct Programs:					
Covid-19-Provider Relief Fund-ROHR Home	93.498	N/A	CARES Act (P.L. 116-136)	439,417	-
Covid-19-Provider Relief Fund-EMS	93.498	N/A	CARES Act (P.L. 116-136)	4,756	-
Total Program				444,173	-
Passed through the Ounce of Prevention Fund of Florida and Healthy Families:					
Promoting Safe and Stable Families	93.556	59-6000809	#20-21-05	45,757	-
Promoting Safe and Stable Families	93.556	59-6000809	#20-22-05	42,517	-
Total Program				88,274	-
TANF Cluster:					
Passed through the Ounce of Prevention Fund of Florida and Healthy Families:					
Temporary Assistance for Needy Families	93.558	59-6000809	#20-21-05	294,442	-
Temporary Assistance for Needy Families	93.558	59-6000809	#20-22-05	77,835	-
Total TANF Cluster				372,277	-
Passed through the Department of Revenue:					
Child Support Enforcement	93.563	15-279-2115	COC53	331,665	-
Block Grants for Prevention and Treatment of Substance Abuse	93.959	59-6000809	QG038	85,714	-
Total Department of Health and Human Services				1,322,103	-

See accompanying Notes to the Schedule of Federal Awards and State Projects.

POLK COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021

Agency/Program	Assistance Listing Number	Pass-Through Identifying Number	Grant Identification	Expenditures	Transfers to Subrecipients
Department of Homeland Security					
Passed through Florida Division of Emergency Management:					
Disaster Grants - Public Assistance FEMA-4337-DR-FL	97.036	1779000917	Z0542	\$ 77,264	\$ -
Passed through Florida Division of Emergency Management:					
Hazard Mitigation Grant	97.039	59-6000809	H0164	(7,577)	-
Hazard Mitigation Grant	97.039	59-6000809	H0165	(2,717)	-
Hazard Mitigation Grant	97.039	59-6000809	H0245	30,732	-
Hazard Mitigation Grant	97.039	59-6000809	H0341	369	-
Hazard Mitigation Grant	97.039	59-6000809	H0373	16,555	-
Hazard Mitigation Grant	97.039	59-6000809	H0370	2,906	-
Total Program				40,268	-
Passed through Florida Division of Emergency Management:					
Emergency Management Performance Grant	97.042	07-831-5959	G0150	112,142	-
Emergency Management Performance Grant	97.042	07-831-5959	G0290	8,099	-
Covid-19-Emergency Management Performance Grant	97.042	07-831-5959	G0099	11,975	-
Total Program				132,216	-
Direct Programs:					
Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	N/A	EMW-2016-FH-00630	946,787	-
Total Department of Homeland Security				1,196,535	-
Department of Housing and Urban Development					
CDBG - Entitlement Grants Cluster					
Direct Programs:					
Community Development Block Grant	14.218	N/A	B-17-UC-12-0007	66,667	66,667
Community Development Block Grant	14.218	N/A	B-18-UC-12-0007	54,399	54,399
Community Development Block Grant	14.218	N/A	B-19-UC-12-0007	310,923	303,213
Community Development Block Grant	14.218	N/A	B-20-UC-12-0007	1,485,316	1,451,846
Community Development Block Grant	14.218	N/A	B-21-UC-12-0007	2,739,253	1,597,291
COVID-19 - Community Development Block Grant	14.218	N/A	B-20-UW-12-0007	3,249,543	416,358
Total CDBG - Entitlement Grants Cluster				7,906,101	3,889,774

See accompanying Notes to the Schedule of Federal Awards and State Projects.

POLK COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021

Agency/Program	Assistance Listing Number	Pass-Through Identifying Number	Grant Identification	Expenditures	Transfers to Subrecipients
<u>Department of Housing and Urban Development</u>					
Direct Programs:					
Emergency Solutions Grant Program	14.231	N/A	E-19-UC-12-0007	\$ 62,172	\$ 62,172
Emergency Solutions Grant Program	14.231	N/A	E-20-UC-12-0007	220,759	200,753
COVID-19 - Emergency Solutions Grant Program	14.231	N/A	E-19-UW-12-0007	303,435	289,168
COVID-19 - Emergency Solutions Grant Program	14.231	N/A	E-20-UW-12-0007	518,020	500,672
Total Program				1,104,386	1,052,765
Direct Programs:					
Home Investment Partnerships Program	14.239	N/A	M-17-UC-12-0218	23,903	-
Home Investment Partnerships Program	14.239	N/A	M-18-UC-12-0218	637,385	-
Home Investment Partnerships Program	14.239	N/A	M-19-UC-12-0218	631,191	-
Home Investment Partnerships Program	14.239	N/A	M-20-UC-12-0218	146,881	-
Total Program				1,439,360	-
Total Department of Housing and Urban Development				10,449,847	4,942,539
<u>Department of the Interior</u>					
Passed through Florida Fish and Wildlife Conservation Commission:					
State Wildlife Grants	15.634	59-6000809	18001	50,000	-
Total Department of the Interior				50,000	-
<u>Department of Justice</u>					
Direct Programs:					
Covid-19-Coronavirus Emergency Supplemental Funding Program	16.034	N/A	2020-VD-BX-1720	299,848	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	2017-DJ-BX-0802	93,421	-
Total Department of Justice				393,269	-
<u>Department of Transportation</u>					
Highway Planning and Construction Cluster					
Passed through Florida Department of Transportation:					
Highway Planning and Construction-Metropolitan Planning Organization	20.205	07-8315959	G1M24	619,979	-
Highway Planning and Construction-Local Agency Program	20.205	80-9397102	G0H92	321,395	-
Highway Planning and Construction-Local Agency Program	20.205	80-9397102	G0V40	557,408	-
Highway Planning and Construction-Local Agency Program	20.205	80-9397102	G1984	68,903	-
Highway Planning and Construction-Local Agency Program	20.205	80-9397102	G1986	68,214	-
Highway Planning and Construction-Local Agency Program	20.205	80-9397102	G1985	310,663	-
Total Program				1,946,562	-
Passed through Florida Department of Environmental Protection:					
Recreational Trails Program-Bone Valley ATV Trail Crossing	20.219	59-6000809	T1920	12,000	-
Total Highway Planning and Construction Cluster				1,958,562	-

See accompanying Notes to the Schedule of Federal Awards and State Projects.

POLK COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021

Agency/Program	Assistance Listing Number	Pass-Through Identifying Number	Grant Identification	Expenditures	Transfers to Subrecipients
Department of Transportation (Continued)					
Passed through Florida Department of Transportation:					
FTA Section 5305(d), Metropolitan Planning Program	20.505	07-8315959	G1625	\$ 25,429	\$ -
FTA Section 5305(d), Metropolitan Planning Program	20.505	07-8315959	G1J86	164,788	-
FTA Section 5305(d), Metropolitan Planning Program	20.505	07-8315959	G1W77	45,806	-
Total Program				236,023	-
Total Department of Transportation				2,194,585	-
Department of Treasury					
Direct Programs:					
COVID-19 Coronavirus Relief Fund	21.019	N/A	CARES Act (P.L. 116-136)	39,549,877	-
Passed through Florida Housing Finance Corporation:					
COVID-19 Coronavirus Relief Fund	21.019	59-6000809	#87-2020	2,918,805	-
Total Program				42,468,682	-
Direct Programs:					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	Z1890	1,582,322	-
COVID-19 Emergency Rental Assistance	21.023	N/A	1505-0266	12,666,602	-
Total Department of Treasury				56,717,606	-
Elections Assistance Commission					
Passed through Florida Department of State:					
Help America Vote Act Requirements Payments	90.401	59-6000809	Specific Approp. 3164, 2010-2011	12,647	-
Help America Vote Act Requirements Payments	90.401	59-6000809	Specific Approp. 2941, 2011-2012	35,614	-
Help America Vote Act Requirements Payments	90.401	59-6000809	Specific Approp. 3134, 2012-2013	49,872	-
Total Program				98,133	-
Passed through Florida Department of State:					
HAVA Election Security Grants	90.404	59-6000809	#2021-001-POL	17,679	-
COVID-19 - HAVA Election Security Grants	90.404	59-6000809	#2020-001-POL	90,958	-
Total Program				108,637	-
Total Elections Assistance Commission				206,770	-
National Endowment for the Humanities					
Passed through Florida Department of State					
Grants to States	45.310	56-6000809	20-LSTA-B-20	4,714	-
Covid-19-DLIS FL Cares Act	45.310	56-6000809	20-CARES-19	105,987	-
Total Program				110,701	-
Total National Endowment for the Humanities				110,701	-
Total Expenditures of Federal Awards				72,749,859	4,942,539

See accompanying Notes to the Schedule of Federal Awards and State Projects.

POLK COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021

Agency/Program	Assistance Listing Number	Pass-Through Identifying Number	Grant Identification	Expenditures	Transfers to Subrecipients
State Financial Assistance					
Department of Agriculture and Consumer Services					
Mosquito Control	42.003	N/A	027301	\$ 50,689	\$ -
Total Department of Agriculture and Consumer Services				50,689	-
Department of Children and Families					
Criminal Justice, Mental Health, and Substance Abuse					
Reinvestment Grant Program	60.115	N/A	LHZ77	423,590	-
Total Department of Children and Families				423,590	-
Department of Economic Opportunity					
Passed through Enterprise Florida, Inc.:					
Economic Development Partnerships	40.040	N/A	National Softball Youth Tour. 2020	7,044	-
Economic Development Partnerships	40.040	N/A	FL Half Century 60s Tour. 2020	1,970	-
Economic Development Partnerships	40.040	N/A	Senior Softball Tournament	6,379	-
Economic Development Partnerships	40.040	N/A	Perfect Youth Game Showcase 302	7,121	-
Economic Development Partnerships	40.040	N/A	FL State Soccer Classic 2021	4,821	-
Economic Development Partnerships	40.040	N/A	Homeschool World Series 2021	6,000	-
Economic Development Partnerships	40.040	N/A	Ironman FL 70.3 2021	10,883	-
Economic Development Partnerships	40.040	N/A	NSA Youth Summer States 2021	6,000	-
Total Program				50,218	-
Passed through Enterprise Florida, Inc.:					
Military Base Protection	40.014	N/A	CON 19-101	650	-
Total Department of Economic Opportunity				50,868	-
Department of Education					
Coach Aaron Feis Guardian Program	48.140	N/A	96T-90210-0D001	6,673	-
Total Department of Education				6,673	-
Department of Environmental Protection					
Passed through Southwest Florida Water Management District:					
DOT Mitigation Projects	37.020	N/A	Lake Lowery Project	269	-
Passed through Southwest Florida Water Management District:					
Water Management District - Lands Acquisition	37.022	N/A	Marshall Hampton Reserve	16,471	-
Total Department of Environmental Protection				16,740	-
Department of Financial Services					
Fire Contamination Equipment Grant	43.013	N/A	#FM596	9,135	-
Total Department of Financial Services				9,135	-

See accompanying Notes to the Schedule of Federal Awards and State Projects.

**POLK COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021**

Agency/Program	Assistance Listing Number	Pass-Through Identifying Number	Grant Identification	Expenditures	Transfers to Subrecipients
Department of Health					
Emergency Medical Services County Grant Awards	64.005	N/A	C9053	\$ 4,699	\$ -
Total Department of Health				4,699	-
Department of Juvenile Justice					
Passed through University Area Community Development Corporation:					
Delinquency Prevention	80.029	N/A	10524-400	46,324	-
Total Department of Juvenile Justice				46,324	-
Department of State					
State Aid to Libraries	45.030	N/A	20-ST-71	228,002	-
Total Department of State				228,002	-
Department of Transportation					
Direct Programs:					
Commission for the Transportation Disadvantaged Planning	55.002	N/A	G1Y65	5,194	-
Commission for the Transportation Disadvantaged Planning	55.002	N/A	G1N80	25,662	-
Total Program				30,856	-
Total Department of Transportation				30,856	-
Executive Office of the Governor					
Emergency Management Programs	31.063	N/A	A0179	21,119	-
Emergency Management Programs	31.063	N/A	A0155	64,042	-
Total Program				85,161	-
Emergency Management Projects	31.067	N/A	T0036	5,098	-
Emergency Management Projects	31.067	N/A	T0085	9,212	-
Total Program				14,310	-
Total Executive Office of the Governor				99,471	-
Florida Housing Finance Corporation					
State Housing Initiative Partnership Program (SHIP)	40.901	N/A	FY 18/19	459,864	44,643
State Housing Initiative Partnership Program (SHIP)	40.901	N/A	FY 19/20	708,138	388,529
State Housing Initiative Partnership Program (SHIP)	40.901	N/A	FY 20/21	552,065	361,381
State Housing Initiative Partnership Program (SHIP)	40.901	N/A	FY 21/22	62,282	13,338
Total Program				1,782,349	807,891
Total Florida Housing Finance Corporation				1,782,349	807,891
Total Expenditures of State Financial Assistance				2,749,396	807,891
Total Expenditures of Federal Awards and State Financial Assistance				\$ 75,499,255	\$ 5,750,430

See accompanying Notes to the Schedule of Federal Awards and State Projects.

POLK COUNTY, FLORIDA
NOTES SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
YEAR ENDED SEPTEMBER 30, 2021

NOTE 1 GENERAL

The accompanying schedule of expenditures of federal awards and state financial assistance (the Schedule) presents the activity of all federal awards and state financial assistance of Polk County, Florida (the County). The County reporting entity is defined in Note 1 to the County's basic financial statements for the year ended September 30, 2021. 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 691-5, Rules of the Florida Department of Financial Services. The Schedule presents only a selected portion of the operations of the County and is not intended to and does not present the financial position, changes in net position, or cash flows of the County. Therefore, some amounts presented in the Schedule may differ from amounts presented or used in the preparation of the basic financial statements for the fiscal year ended September 30, 2021.

NOTE 2 BASIS OF ACCOUNTING

The accompanying Schedule is presented using the modified accrual basis of accounting, which is described in Note 1 to the County's basic financial statements for the year ended September 30, 2021. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and Chapter 691-5, Rules of the Florida Department of Financial Services for all awards with the exception of Assistance Listing Number (formally 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. Any negative amounts shown in the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 INDIRECT COST RATE

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

**POLK COUNTY, FLORIDA
NOTES SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
YEAR ENDED SEPTEMBER 30, 2021**

NOTE 4 OUNCE OF PREVENTION MATCH

In addition to the amounts listed on the Schedule, the County received additional funding from the state of Florida as a match for certain Federal programs. The amounts listed below represent the funding provided by the state of Florida as a match to the specified federal programs.

<u>Agency/Program</u>	<u>CFDA Number</u>	<u>Grant Identification</u>	<u>Expenditures</u>
<u>State Matching Monies</u>			
Passed through the Ounce of Prevention Fund of Florida and Healthy Families:			
Promoting Safe and Stable Families	93.556	#20-21-05	\$ 15,237
Promoting Safe and Stable Families	93.556	#20-22-05	5,232
Passed through the Ounce of Prevention Fund of Florida and Healthy Families:			
Temporary Assistance for Needy Families	93.558	#20-21-05	517,033
Temporary Assistance for Needy Families	93.558	#20-22-05	<u>136,034</u>
Total State Matching Monies			<u>\$ 673,536</u>

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**POLK COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2021**

Section I – Summary of Auditors’ Results

Financial Statements

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

Federal Awards

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

Identification of Major Federal Programs

Assistance Listing Number	Name of Federal Program or Cluster
21.019	Coronavirus Relief Fund
14.218	CDBG - Entitlement Grants Cluster
21.023	Emergency Rental Assistance

Dollar threshold used to distinguish between Type A and Type B programs: \$ 2,182,496

Auditee qualified as low-risk auditee? X yes no

**POLK COUNTY, FLORIDA
 SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
 YEAR ENDED SEPTEMBER 30, 2021**

State Financial Assistance

1. Internal control over state projects:

- Material weakness identified? _____ yes X no
- Significant deficiency identified? _____ yes X none reported

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

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

Identification of Major State Projects

Catalog of State Financial Assistance	Name of State Project
40.901	State Housing Initiative Partnership

Dollar threshold used to distinguish between Type A and Type B state projects: \$ 750,000

POLK COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021

Part II – Financial Statement Findings

2021 – 001 Material Audit Adjustments

Type of Finding: Material Weakness in Internal Control over Financial Reporting

Condition: Certain audit adjustments were necessary for the financial statements to be reported in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Criteria or specific requirement: County management is responsible for establishing and maintaining internal controls to ensure that transactions are properly reported in the financial statements in accordance with U.S. GAAP.

Context: There were three journal entries made during the audit period totaling approximately sixty-one million dollars that were necessary for the financial statements to be properly reported in accordance with U.S. GAAP. The most notable financial areas affected by these entries are as follows:

- Landfill post closure liability and expense
- Unearned revenue related to advance deposits from a local governmental agency
- Other liability related to advance deposits from customers

Effect: Without the aforementioned journal entries, the financial statements would have been materially misstated.

Cause:

- The Comptroller's Office had turnover in a key experienced Accounting Manager position during the year-end close process and was closing for the first time in a new financial software application.
- An advance deposit from a local governmental agency was not recorded properly by the division nor brought to the attention of the Comptroller's Office to facilitate the proper recording.
- A substantial Building deposit to escrow on September 30 was allowed to be used for permits prior to submitting checks to Comptroller Cashier for deposit.

Repeat Finding: No.

Recommendation: County Management should implement additional year-end close internal controls. Those controls should include reconciling every account and ensure each reconciliation is reviewed for accuracy.

Views of responsible officials and planned corrective actions: There is no disagreement with the audit finding.

**POLK COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021**

Part III – Findings and Questioned Costs – Major Federal Programs and State Projects

2021 – 002-Reporting

Federal agency: U.S. Department of Housing and Urban Development

Federal program title: Community Development Block Grant

Assistance Listing Number: 14.218

Award Period: October 2020 through September 2028

Type of Finding:

- Significant Deficiency in Internal Control over Compliance
- Other Matters

Criteria or specific requirement: The reporting requirements under the CDBG Entitlement Cluster include financial reporting, performance reporting, and special reporting for Federal Funding Accountability and Transparency Act (FFATA). Reports are to be completed and submitted within the prescribed period noted in each contract agreement term. The requirements of the Federal Funding Accountability and Transparency Act (Pub. L. No. 109-282) are referred as the “Transparency Act” that are codified in 2 CFR Part 170, recipients (i.e., direct recipients) of grants or cooperative agreements are required to report first-tier subawards of \$30,000 or more to the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS).

Condition: There are 33 subrecipient agreements over the FFATA reporting threshold of \$30,000 under the CDBG program. As no FFATA reporting had been done during the audit period, our selection of 8 transactions resulted in 8 exceptions.

Questioned costs: None

Context: In a statistically valid sample of 8 subrecipient contracts, the chart below illustrates the results.

	Transactions Tested	Subaward not Reported	Report not Timely	Subaward Amount Incorrect	Subaward Missing Key Elements
Count	8	8	8	8	8
Dollar Value	\$427,977	\$427,977	\$427,977	\$427,977	\$427,977

Cause: Management was unaware of the FFATA reporting requirements under this grant.

**POLK COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2021**

***Part III – Findings and Questioned Costs – Major Federal Programs and State Projects
(Continued)***

2021 – 002-Reporting (Continued)

Effect: The intent of FFATA subaward reporting is to provide a single searchable website that contains information on all Federal awards. The reports are submitted through the Federal Funding Accountability and Transparency Act Subaward Reporting System (FSRS). A failure to report the subawards can cause inaccurate information to be reported on and used by decision makers. In addition, the grantor could hold back payment near the close out if compliance is not satisfied.

Repeat Finding: No

Recommendation: We recommend the County review all subaward agreements and identify any agreements with a value of \$30,000 or greater and then ensure the proper reporting is performed in FSRS.

Views of responsible officials: There is no disagreement with the audit finding.

William D. Beasley
County Manager

Deputy County Managers:

Todd J. Bond

Joe N. Halman, Jr.

Ryan J. Taylor



Board of County Commissioners

330 West Church Street
PO Box 9005 • Drawer CA01
Bartow, Florida 33831-9005

PHONE: 863-534-6444

FAX: 863-534-7069

www.polk-county.net

**POLK COUNTY BOARD OF COUNTY COMMISSIONERS
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
YEAR ENDED SEPTEMBER 30, 2021**

Department of Treasury

Polk County Board of County Commissioners respectfully submits the following summary schedule of prior audit findings for the year ended September 30, 2021.

Audit period: October 1, 2020, through September 30, 2021

The finding from the prior audit's schedule of findings and questioned costs is discussed below. The finding is numbered consistently with the numbers assigned in the prior year.

FINDINGS—FINANCIAL STATEMENT AUDIT

There were no financial statement findings in the prior year.

FINDINGS— FEDERAL AWARD PROGRAMS AUDITS

2020 – 001 Allowable Costs and Activities

Condition: One disbursement for the Coronavirus Relief Fund funding was made more than the approved amount. The applicant's application was approved for \$2,000 of assistance but the check issued to the applicant was for \$2,500.

Status: Corrective action was taken, corrected in FY2021.

If the Department of Treasury has questions regarding this schedule, please call Todd J. Bond, Deputy County Manager at 863-534-6031.

William D. Beasley
County Manager

Deputy County Managers:

Todd J. Bond

Joe N. Halman, Jr.

Ryan J. Taylor



Board of County Commissioners

330 West Church Street
PO Box 9005 • Drawer CA01
Bartow, Florida 33831-9005

PHONE: 863-534-6444

FAX: 863-534-7069

www.polk-county.net

May 31, 2022

CLA (Clifton Larson Allen, LLP)
402 South Kentucky Avenue
Suite 600
Lakeland, FL 33801

CORRECTIVE ACTION PLAN

Polk County, Florida respectfully submits the following corrective action plan for the year ended September 30, 2021.

Audit period: October 1, 2020 – September 30, 2021

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FINANCIAL STATEMENT AUDIT

MATERIAL WEAKNESS

2021-001 Material Audit Adjustments

Recommendation: We recommend the County implement additional year-end close internal controls. These controls should include reconciling every account and ensure each reconciliation is reviewed for accuracy.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The Accounting Manager position has been filled with a Certified Public Accountant. Additional training has been provided to staff and will continue to be provided to accounting staff across the County.

The process for accepting escrow deposits will be modified so that revenue is deposited timelier and the escrow account will be properly reconciled.

Name(s) of the contact person(s) responsible for corrective action: Dee Dee Beaver, CPA, CGFO
Comptroller Division Director

Planned completion date for corrective action plan: Accounting Manager position has been filled, additional training has been provided to comptroller division staff, the escrow account is currently being reconciled monthly. The remaining items will be completed by 8/30/2022.

FINDINGS—FEDERAL AWARD PROGRAMS AUDITS

U.S Department of Housing and Urban Development

2021 - 002 Reporting

Community Development Block Grant – Assistance Listing No. 14.218

Recommendation: We recommend the County review all subaward agreements and identify any agreements with a value of \$30,000 or greater and then ensure the proper reporting is performed in the Federal Funding Accountability and Transparency Act (FFATA) Subaward Reporting System (FSRS).

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The County has brought the required reporting current.

Name(s) of the contact person(s) responsible for corrective action: Nancy Hurley, Housing Compliance Program Manager

Planned completion date for corrective action plan: The County has completed the reporting for Fiscal year 2020-2021 and is current in fiscal year 2021-2022.

Sincerely,



William D. Beasley,
County Manager



Stacy M. Butterfield, CPA
Clerk of Courts & Comptroller
Polk County, Florida

330 W. Church St
Drawer FA01
Post Office Box 988
Bartow, FL 33831-0988
(863) 534-6508 Phone
(863) 534-5951 Fax

www.polkcountyclerk.net

CLERK AND COMPTROLLER TO THE BOARD

Auditor General's Office
Local Government Audits/342
Claude Pepper Building, Room 401
111 West Madison Street
Tallahassee, FL 32399-1450

I, Stacy M. Butterfield, Chief Financial Officer of the Polk County Board of County Commissioners, hereby certify that:

Polk County has complied with the requirements of Florida Statute 163.31801, the "Florida Impact Fee Act" for the fiscal year ending September 30, 2021.

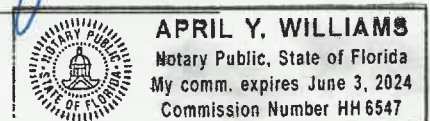
In witness whereof, I have set my hand and seal this 2nd day of March, 2022.

Sincerely,

Stacy M. Butterfield, CPA
Clerk of Courts and County Comptroller

Personally appeared before me this 2nd day of March, 2022.

NOTARY



The mission of the Clerk of Courts & Comptroller is to function as a team dedicated to our customers by preparing and maintaining accurate records, furnishing assistance in an understanding and compassionate manner, and providing services with competence, professionalism, and courtesy in compliance with laws, rules and regulations.

**POLK COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT**

**FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

YEAR ENDED SEPTEMBER 30, 2021



WEALTH ADVISORY | OUTSOURCING
AUDIT, TAX, AND CONSULTING

CLAconnect.com

This page left intentionally blank

**POLK COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
TABLE OF CONTENTS
YEAR ENDED SEPTEMBER 30, 2021**

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUNDS	4
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	5
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND	6
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – COURT FUND	7
STATEMENT OF FIDUCIARY NET POSITION	8
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION	9
NOTES TO FINANCIAL STATEMENTS	10
SUPPLEMENTARY INFORMATION - COMBINING SCHEDULES	
COMBINING STATEMENT OF FIDUCIARY NET POSITION – ALL CUSTODIAL FUNDS	26
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – ALL CUSTODIAL FUNDS	27
OTHER REPORTS	
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	28
MANAGEMENT LETTER	30
INDEPENDENT ACCOUNTANTS' REPORT	32

This page left intentionally blank



INDEPENDENT AUDITORS' REPORT

Honorable Stacy M. Butterfield
Clerk of the Circuit Court
Polk 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 Polk County, Florida, Clerk of the Circuit Court (the Clerk), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Clerk's 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, 2021, and the respective changes in financial position and the budgetary comparison for the General Fund and the Court 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 Polk County, Florida that is attributable to the transactions of the Clerk. They do not purport to, and do not, present fairly the financial position of Polk County, Florida as of September 30, 2021, and the changes in its financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

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.

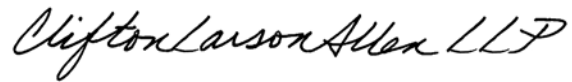
Supplementary Information

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

Honorable Stacy M. Butterfield
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 April 3, 2022 on our consideration of the 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 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 Clerk's internal control over financial reporting and compliance.

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

CliftonLarsonAllen LLP

Lakeland, Florida
April 3, 2022

This page left intentionally blank

**POLK COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
BALANCE SHEET – GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

	General	Court	Records Modernization	Total Governmental Funds
ASSETS				
Cash and Cash Equivalents	\$ 4,539,234	\$ 7,067,436	\$ 6,460,672	\$ 18,067,342
Due from Polk County, Florida				
Board of County Commissioners	173,170	-	-	173,170
Due from Other Governments	70,242	120,647	-	190,889
Accounts Receivables	3,744	-	-	3,744
	<u>4,786,390</u>	<u>7,188,083</u>	<u>6,460,672</u>	<u>18,435,145</u>
Total Assets	<u>\$ 4,786,390</u>	<u>\$ 7,188,083</u>	<u>\$ 6,460,672</u>	<u>\$ 18,435,145</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Vouchers Payable	\$ 351,607	\$ 15,160	\$ 2,480	\$ 369,247
Accrued Liabilities	77,908	152,814	14,351	245,073
Due to Polk County, Florida				
Board of County Commissioners	4,356,687	3,214	-	4,359,901
Due to Other Governments	188	1,766,172	-	1,766,360
Unearned Revenue	-	-	-	-
Deposits	-	5,250,723	-	5,250,723
	<u>4,786,390</u>	<u>7,188,083</u>	<u>16,831</u>	<u>11,991,304</u>
Total Liabilities	4,786,390	7,188,083	16,831	11,991,304
FUND BALANCES				
Restricted Court-Related Technology	-	-	2,982,035	2,982,035
Restricted Records Modernization	-	-	3,461,806	3,461,806
Total Fund Balances	<u>-</u>	<u>-</u>	<u>6,443,841</u>	<u>6,443,841</u>
	<u>\$ 4,786,390</u>	<u>\$ 7,188,083</u>	<u>\$ 6,460,672</u>	<u>\$ 18,435,145</u>
Total Liabilities and Fund Balances	<u>\$ 4,786,390</u>	<u>\$ 7,188,083</u>	<u>\$ 6,460,672</u>	<u>\$ 18,435,145</u>

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2021**

	General	Court	Records Modernization	Total Governmental Funds
REVENUES				
Intergovernmental	\$ 355,376	\$ 338,918	\$ -	\$ 694,294
Charges for Services	1,470,746	7,669,312	21,846	9,161,904
Fines and Forfeitures	-	5,824,088	-	5,824,088
Recording Fees	4,277,534	-	2,504,751	6,782,285
Interest	19,267	51,527	8,909	79,703
Miscellaneous	15,406	68,713	-	84,119
Total Revenues	<u>6,138,329</u>	<u>13,952,558</u>	<u>2,535,506</u>	<u>22,626,393</u>
EXPENDITURES				
General Government:				
Personnel Services	5,457,676	10,369,648	862,461	16,689,785
Operating	2,572,694	843,097	30,989	3,446,780
Capital Outlay	625,340	-	-	625,340
Total Expenditures	<u>8,655,710</u>	<u>11,212,745</u>	<u>893,450</u>	<u>20,761,905</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,517,381)	2,739,813	1,642,056	1,864,488
OTHER FINANCING SOURCES (USES)				
Transfer In:				
Polk County, Florida Board of County Commissioners Appropriations	6,127,052	-	-	6,127,052
Transfers Out:				
Distribution of Excess Fees to the State of Florida	-	(2,739,813)	-	(2,739,813)
Distribution of Excess Fees to Polk County, Florida Board of County Commissioners	(3,609,671)	-	-	(3,609,671)
Total Other Financing Sources (Uses)	<u>2,517,381</u>	<u>(2,739,813)</u>	<u>-</u>	<u>(222,432)</u>
NET CHANGE IN FUND BALANCES	-	-	1,642,056	1,642,056
Fund Balances - Beginning of Year	-	-	4,801,785	4,801,785
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,443,841</u>	<u>\$ 6,443,841</u>

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 350,000	\$ 350,000	\$ 355,376	\$ 5,376
Charges for Services	1,186,150	1,186,150	1,470,746	284,596
Recording Fees	3,100,000	4,075,000	4,277,534	202,534
Interest	97,000	22,000	19,267	(2,733)
Miscellaneous	12,000	12,000	15,406	3,406
Total Revenues	<u>4,745,150</u>	<u>5,645,150</u>	<u>6,138,329</u>	<u>493,179</u>
EXPENDITURES				
General Government:				
Personnel Services	5,910,341	5,910,341	5,457,676	452,665
Operating	1,826,155	2,526,155	2,572,694	(46,539)
Capital Outlay	500,000	700,000	625,340	74,660
Total Expenditures	<u>8,236,496</u>	<u>9,136,496</u>	<u>8,655,710</u>	<u>480,786</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,491,346)	(3,491,346)	(2,517,381)	973,965
OTHER FINANCING SOURCES (USES)				
Transfer In:				
Polk County, Florida Board of County Commissioners Appropriations	5,447,052	5,447,052	6,127,052	680,000
Transfers Out:				
Distribution of Excess Fees to Polk County, Florida Board of County Commissioners	(1,955,706)	(1,955,706)	(3,609,671)	(1,653,965)
Total Other Financing Sources (Uses)	<u>3,491,346</u>	<u>3,491,346</u>	<u>2,517,381</u>	<u>(973,965)</u>
NET CHANGE IN FUND BALANCES	-	-	-	-
Fund Balances - Beginning of Year	-	-	-	-
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – COURT FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 350,062	\$ 225,062	\$ 338,918	\$ 113,856
Charges for Services	7,488,747	7,878,747	7,669,312	(209,435)
Fines and Forfeitures	6,202,250	6,202,250	5,824,088	(378,162)
Interest	355,213	60,213	51,527	(8,686)
Miscellaneous	40,137	70,137	68,713	(1,424)
Total Revenues	<u>14,436,409</u>	<u>14,436,409</u>	<u>13,952,558</u>	<u>(483,851)</u>
EXPENDITURES				
General Government:				
Personnel Services	10,942,150	10,942,150	10,369,648	572,502
Operating	880,571	880,571	843,097	37,474
Capital Outlay	-	-	-	-
Total Expenditures	<u>11,822,721</u>	<u>11,822,721</u>	<u>11,212,745</u>	<u>609,976</u>
EXCESS OF REVENUES OVER EXPENDITURES	2,613,688	2,613,688	2,739,813	(1,093,827)
OTHER FINANCING (USES)				
Transfers Out:				
Distribution of Excess Fees to the State of Florida	<u>(2,613,688)</u>	<u>(2,613,688)</u>	<u>(2,739,813)</u>	<u>(126,125)</u>
Total Other (Uses)	<u>(2,613,688)</u>	<u>(2,613,688)</u>	<u>(2,739,813)</u>	<u>(126,125)</u>
NET CHANGE IN FUND BALANCES	-	-	-	(1,219,952)
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2021**

	<u>Custodial Funds</u>
ASSETS	
Cash and Cash Equivalents	<u>\$ 21,552,594</u>
LIABILITIES AND FUND BALANCE	
LIABILITIES	
Due to State of Florida	\$ 1,515,012
Due to Municipalities	138,256
Due to Others	5,522,320
Deposits, Registry of the Court	4,299,989
Deposits, Witness Fees	46,387
Deposits, Other	-
Total Liabilities	<u>11,521,964</u>
FUND BALANCE	
Total Liabilities and Fund Balance	<u>\$ 21,552,594</u>

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
SEPTEMBER 30, 2021**

	Custodial Funds
ADDITIONS	
Tax and Fees Collections	
Individuals and Businesses	\$ 133,275,127
Other Governments	48,230,473
License and Fees Collected for State Agencies	134,005,935
Total Additions	315,511,535
DEDUCTIONS	
Payments of Property Tax	
Individuals and Businesses	3,721,224
Other Governments	174,961,471
Payments to State Agencies	133,936,490
Total Deductions	312,619,185
NET CHANGE IN FUND BALANCE	2,892,350
Fund Balance - Beginning of Year, as Previously Reported	-
Fund Balance - Beginning of Year (See Note 10)	7,138,280
FUND BALANCE - END OF YEAR	\$ 10,030,630

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Polk County is a political subdivision of the state of Florida governed by the state constitution and general laws of the state of Florida.

The Clerk of the Circuit Court (the Clerk) is a County Agency and a local governmental entity pursuant to Article 8, Section 1(d), of the Constitution of the State of Florida. For financial statement and reporting purposes, the Clerk does not meet the definition of a legally separate organization and is not considered to be a component unit. The Clerk is considered to be a part of the primary government of Polk County, Florida. The financial statements contained herein represent the financial transactions of the Clerk only.

The Clerk's 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 requires the Clerk to only present fund financial statements. Accordingly, due to the omission of government-wide financial statements and related disclosures, including management's discussion and analysis, these financial statements do not constitute a complete presentation of financial position of the Clerk as of September 30, 2021 and the changes in its financial position for the year ended, in conformity with Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, but otherwise constitute financial statements prepared in conformity with accounting principles generally accepted in the United States of America.

The legislative and governing body of the County is the five-member board of county commissioners. Each county commissioner is elected on a county-wide basis for a four-year term of office and each county commissioner is a resident of their Commission District. Polk County became a Home Rule Charter County on January 1, 1999, with an appointed county manager, and with separate legislative and executive functions. The county manager is the head of the administrative branch of county government and is responsible to the board of county commissioners for the proper administration of all affairs of the County, except for those powers, duties and functions residing, as specified by law, with the elected constitutional officers.

The Clerk is an elected public official serving both the Circuit and County Court in an administrative capacity. The Clerk's functions are to keep the courts' records and seal, serve as county recorder, issue and process, enter judgments and orders, give certified copies from the records, record and maintain custody of records, summon and process juries, serve as accountant, auditor and clerk to the board of county commissioners and perform other designated duties.

The general operations of the Clerk are funded through the fees charged to third parties and budget appropriations from the Polk County, Florida, Board of County Commissioners. The court operations of the Clerk are funded through fees and fines charged to third parties and funding from the Florida Clerk of Court Operations Corporation. The record modernization operations of the Clerk are funded through recording fees.

**POLK COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Basis of Presentation

These fund financial statements are prepared in conformity with the reporting guidelines established by the GASB and accounting practices prescribed by the Auditor General of the State of Florida. These financial statements present only the portion of the funds of Polk County, Florida that are attributable to the Clerk. They are not intended to present fairly the financial position and results of operations of Polk County, Florida in conformity with accounting principles generally accepted in the United States of America.

The Clerk reports the following major funds:

General Fund – The General Fund is used to account for all revenue and expenditures applicable to the general operations of the Clerk, which are not accounted for in another fund. All operating revenue not specifically restricted or designated as to use, is recorded in the general fund.

Court Fund – The Court Fund is used to account for all court-related financial resources. Based on the legal opinion provided by Clerks of Court Operations Corporation (CCOC) general counsel of the provisions of Section 28.35 and Section 28.37(3), *Florida Statutes*, which were adopted as policy by the CCOC Finance and Budget Committee, a portion of excess court-related funds have been included in a fund liability, Due to Other Governments.

Records Modernization Fund – To account for the additional service charges on recorded instruments for modernizing the official record keeping systems in the Clerk's office per Section 28.24(12)(d), *Florida Statutes* and funding court-related technology needs of the clerk as defined in s. 29.008(1)(f)2. and (h) per 28.24(12)(e), *Florida Statutes*.

Additionally, the Clerk reports the following fund type:

Fiduciary Fund Type

Custodial Funds – Custodial Funds are used to account for assets held by a government in a fiduciary capacity for individuals, private organizations, or other governments.

**POLK COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

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.

Governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become 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. 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, if measurable, except accrued compensated absences which are recorded only when payment has matured and will be payable shortly after year-end.

All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus only current assets and current liabilities generally are included on the balance sheet. Statement of revenues, expenditures, and changes in fund balances of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

In governmental funds, intergovernmental revenues are considered susceptible to accrual when they are both measurable and available.

Charges for services, recording fees, fines and forfeitures and miscellaneous revenues are generally recorded as revenues when received in cash because they are usually not measurable until actually received.

Use of Estimates

The preparation of the financial statements requires management of the Clerk to make a number of estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the period. Actual results could differ from estimates.

**POLK COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets and Budgetary Accounting

The following are the procedures followed by the Clerk in establishing the budget:

The General Fund and Court Fund legally adopt budgets which are prepared on the modified accrual basis of accounting. Formal budgetary integration is employed as a management control device during the year for the General Fund and Court Fund. There is no legal requirement to adopt a budget for the Records Modernization Fund.

General Fund

The budget for the General Fund is prepared, adopted and administered in accordance with Sections 129.03 and 218.35, *Florida Statutes*. Section 28.36 also requires separation of the part pertaining to the court system from that pertaining to the Clerk and the Auditor of the board of county commissioners.

On or before May 1, of each year the Clerk submits to the board of county commissioners a tentative budget for expenditures to be paid by the board of county commissioners on behalf of the Clerk of the Circuit Court for the ensuing fiscal year.

Prior to September 1 of each year, the Clerk submits a budget to the board of county commissioners for filing which includes proposed expenditures for the operations of the Clerk's Office and the means of financing operations.

Section 129.07, *Florida Statutes*, provides that only excesses of total fund budgets are unlawful. Unused appropriations expire at the end of each state fiscal year.

Court Fund

The budget for the Court Fund shall further conform to the following requirements:

1. On or before June 1 of each year beginning in 2014, the proposed budget shall be prepared, summarized, and submitted to the Florida Clerks of Court Operations Corporation (CCOC) in the manner and form prescribed by the CCOC. The proposed budget must provide detailed information on the anticipated revenues available and expenditures necessary for the performance of the court-related functions of the Clerk's office for the county fiscal year beginning October 1.
2. The proposed budget must be balanced such that the total of the estimated revenues available equals or exceeds the total of the anticipated expenditures. Such revenues include revenue projected to be received from fees, service charges, costs, and fines for court-related functions during the fiscal period covered by the budget. The anticipated expenditures must be itemized as required by the CCOC.
3. If the Clerk estimates that available funds plus projected revenues from fines, fees, service charges, and costs for court-related services are insufficient to meet the anticipated expenditures for the standard list of court-related functions performed by the Clerk's office, the Clerk must report the revenue deficit to the CCOC.

**POLK COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets and Budgetary Accounting (Continued)

The CCOC shall verify that the proposed budget is limited to the standard list of court-related functions. If the CCOC verifies that a revenue deficit is projected, the CCOC shall certify a revenue deficit and notify the department of revenue that the Clerk is authorized to retain revenues, in an amount necessary to fully fund the projected revenue deficit, which he or she would otherwise be required to remit to the department of revenue for deposit into the department's Clerks of the Court Trust Fund pursuant. If a revenue deficit is projected for that clerk after retaining all of the projected collections from the court-related fines, fees, service charges, and costs, the corporation shall certify the amount of the revenue deficit to the Executive Office of the Governor and request release authority for funds from the department's Clerks of the Court Trust Fund.

Accrued Compensated Absences

Full-time employees earn annual leave at varying rates depending upon length of service as follows:

<u>Length of Service</u>	<u>Annual Leave Earned</u>
0 to 5 Years	22 Days
6 to 10 Years	25 Days
11 to 15 Years	28 Days
16 to 20 Years	31 Days
21 Years Plus	35 Days

The maximum permissible accumulation of annual leave is 35 days as of January 1 of each year. At termination, employees are paid for any accumulated annual leave up to 35 days.

Sick leave accumulates for employees hired prior to December 28, 2004 at the rate of two days per calendar year and is cumulative. At termination, employees are paid for any accumulated sick leave, based upon the following schedule provided they have 160 hours, up to a maximum of 800 hours for those employees hired prior to December 1, 1990, and a maximum of 400 hours for those employees hired after December 1, 1990.

At termination, employees hired prior to October 1, 1996 are paid for any accumulated sick leave based on the following schedule:

<u>Length of Service</u>	<u>Percentage of Sick Leave</u>
0 to 2 Years	0%
3 to 5 Years	25%
6 to 10 Years	30%
11 to 15 Years	35%
16 to 20 Years	40%
21 Years Plus	50%

**POLK COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accrued Compensated Absences (Continued)

The Clerk uses the last-in, first-out (LIFO) method of recognizing the use of compensated absences. Under this method, compensated absences are recorded as an expenditure when the liability is liquidated with expendable available financial resources. Thus, unless it is anticipated that compensated absences will be used in excess of a normal year's accumulation, no additional expenditures are accrued by the Clerk. These liabilities are recorded in the Comprehensive Annual Financial Report of Polk County, Florida for the entire county and are not reflected in these statements.

Other Postemployment Benefit Obligations

The County provides certain health care benefits for retired employees. In accordance with Section 112.0801, *Florida Statutes*, and as authorized by the County Ordinance 2011-023, effective October 3, 2011, and County Ordinance 2017-037 effective July 25, 2017, the County offers retiring employees enrolled in the County's plans at the time of retirement and their covered dependents the opportunity to continue to participate in health and/or life insurance plans through the County's Retiree Benefits Program. The Clerk participates with Polk County in offering retiring employees the opportunity to continue to participate in the County's health insurance plan. The liability and expense for other postemployment benefits, calculated in accordance with Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, are reported in the financial statements of the County.

Excess Fees

Chapter 218, *Florida Statutes*, requires that any excess of revenues over expenditures in the General Fund which are not court related (excess fees) held by the Clerk at the end of each fiscal year shall be remitted to the board of county commissioners. For the year ended September 30, 2021, the Clerk remitted \$3,609,671 to the board of county commissioners, Polk County, Florida.

Capital Assets

Capital assets purchased by the Clerk are recorded as capital outlay expenditures. Ownership of all capital assets is vested in the Polk County, Florida Board of County Commissioners as provided by Chapter 274, *Florida Statutes*. The Clerk's policy is to capitalize expenditures for assets with a life of more than one year and cost of greater than \$1,000. Donated assets are recorded at their acquisition value at the date of donation.

**POLK COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Cash and Cash Equivalents

All funds participate in the pooled cash program for the purpose of maximizing interest income. The earnings of the pool are allocated on a monthly basis to individual funds based upon their average monthly balance in the pool.

Fund Balance and Spending Policies

In accordance with GASB Statement No. 54 – *Fund Balance Reporting and Governmental Fund Type Definitions*, governments are required to classify fund balance in governmental funds as nonspendable, restricted, committed, assigned, and unassigned. The following are the definitions of the fund balance classifications:

Nonspendable — amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted — amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed — amounts that can be used only for specific purposes determined by a formal action of the Clerk. As the Clerk is an elected official responsible for the activities of the Clerk's office, she is the highest level of decision-making authority and any official order from the Clerk would be required to authorize commitment of fund balance.

Assigned — amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used or specific purposes.

Unassigned — all other spendable amounts.

The Clerk has implemented fund balance and spending policies to clearly define the process for tracking the various classifications of fund balance. The policy states when an expenditure is incurred in the General Fund, the Clerk will first use restricted amounts, then committed amounts, then assigned amounts, and finally unassigned amounts. All other funds in which a fund expenditure is incurred, the Clerk will first use assigned amounts, then committed amounts, then restricted amounts, and finally unassigned amounts.

**POLK COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Chapter 218, Florida Statutes

Chapter 218, *Florida Statutes*, requires that the Clerk make an annual report to the Board of County Commissioners, within 31 days of the close of his fiscal year, reflecting the excess of revenues over expenditures or the unexpended budget balance as of the close of the fiscal year. In order to comply with the state statute, it is the policy of the Clerk that the accounting records be held open several days after the close of the fiscal year in order that all revenue and expenditures applicable to the fiscal year can be recorded in the records. The financial statements prepared on an accounting principles generally accepted in the United States of America basis reflect any revenue or expenditures made after the close of the fiscal year as receivables or payables, as applicable.

Legislature Revisions

Effective July 1, 2004, Senate Bill 2962 implemented modifications to Article V, Revision 7 of the Constitution of the State of Florida (Article V). Article V modifications altered the funding for the county and circuit courts in the state of Florida. From July 1, 2004 and forward, Article V transferred the cost of county and circuit court operations from a board of county commissioners funded operation to a State funded operation. Effective July 1, 2013 with Senate Bill 1500, the Clerks are allotted a statewide budget that is allocated across the 67 Clerks by the Clerk of Courts Operations Corporation. Clerk's whose budgeted revenue is less than this budget allocation receive the expected shortfall in a 1/12th appropriation monthly. If a Clerk collects revenue in excess of 1/12th of their allocation in any month they must remit the excess by the 10th of the following month. Unspent revenue must be remitted at the end of the fiscal year.

NOTE 2 CASH AND CASH EQUIVALENTS

Deposits

At September 30, 2021, the Clerk's book balance of pooled cash was \$39,619,937. The bank balances in qualified depositories totaled \$50,495,149. The Clerk's bank balances are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for each banking relationship. The remaining balances in such accounts are collateralized with the state treasurer pursuant to Chapter 280, *Florida Statutes*. Under this Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss.

Custodial Credit Risk and Interest Rate Risk

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. At year-end, the Clerk's deposits were entirely covered by federal depository insurance or guaranteed by qualified public depositories in Florida pursuant to Chapter 280.07, *Florida Statutes*. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

**POLK COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 3 LONG-TERM LIABILITIES

The following is a summary of the changes in long-term liabilities which are reported in the basic financial statements of Polk County, Florida.

	October 1, 2020	Additions	Deletions	September 30, 2021
Accrued Compensated Absences	\$ 1,185,832	\$ 1,440,274	\$ (1,421,705)	\$ 1,204,401

Of these liabilities, \$1,007,779 is expected to be paid during the fiscal year ending September 30, 2022. These long-term liabilities are not reported in the financial statements of the Clerk since they have not matured.

NOTE 4 CAPITAL ASSETS

Capital assets used by the Polk County, Florida Clerk of Circuit Court in operations is reported in the basic financial statements of the County. The Clerk maintains custodial responsibility for capital assets used by the office.

The following is a summary of changes in capital assets:

	October 1, 2020	Additions	Disposals	September 30, 2021
Capital Assets Not Being Depreciated:				
Construction in Progress	\$ -	\$ 306,630	\$ -	\$ 306,630
Capital Assets Being Depreciated:				
Buildings and Improvements	10,130	-	-	10,130
Equipment	391,231	47,620	(79,834)	359,017
Furniture	539,191	2,570	(1,700)	540,061
IT Equipment	976,247	336,104	(192,113)	1,120,238
Software	7,242,826	-	-	7,242,826
Total Capital Assets Being Depreciated	9,159,625	386,294	(273,647)	9,272,272
Less Accumulated Depreciation:				
Buildings and Improvements	10,130	-	-	10,130
Equipment	205,245	41,139	(12,250)	234,134
Furniture	517,799	8,618	(1,700)	524,717
IT Equipment	772,054	117,184	(218,324)	670,914
Software	7,097,636	65,707	-	7,163,343
Total Accumulated Depreciation	8,602,864	232,648	(232,274)	8,603,238
Total Capital Assets, Net	\$ 556,761	\$ 460,276	\$ (41,373)	\$ 975,664

**POLK COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 5 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 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 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, 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' website (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.

**POLK COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 5 PENSION PLAN (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.

**POLK COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 5 PENSION PLAN (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Benefits Provided (Continued)

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

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

Retiree Health Insurance Subsidy Program

Plan Description

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

Benefits Provided

For the fiscal year ended June 30, 2021, 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.

**POLK COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 5 PENSION PLAN (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. 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. Costs of administering plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04% 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, 2021, 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.

**POLK COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 5 PENSION PLAN (CONTINUED)

Contributions

Participating employer contributions are based upon statewide rates established by the state of Florida. The Clerk contributions made to the plans during the years ended September 30, 2021, 2020, and 2019 were \$1,345,880, \$1,183,386, and \$1,106,731, respectively, equal to the actuarially determined contribution requirements for each year.

Additional information about pension plans can be found in Polk County’s comprehensive annual financial report.

NOTE 6 OPERATING LEASES

As of September 30, 2021, the Clerk has several cancelable and noncancelable operating leases. The operating leases generally provide for automatic termination in any year in which the Clerk fails to appropriate funds for lease payments. Lease and rental expenditures under cancelable and noncancelable lease arrangements as well as various month to month rental agreements for the year ended September 30, 2021, were \$47,579. The following is a schedule of future minimum lease payments required under noncancelable leases:

<u>Year Ending September 30,</u>	<u>Amount</u>
2022	\$ 95,651
2023	40,239
2024	16,322
2025	5,407
2026	-
Thereafter	-
Total	<u><u>\$ 157,619</u></u>

NOTE 7 RELATED-PARTY TRANSACTIONS

Transactions with the Polk County Board of County Commissioners for the year ended September 30, 2021 were as follows:

Budget Appropriation – The General Fund of the Clerk received revenues in the amount of \$6,127,052 for the year ended September 30, 2021, from the Polk County, Florida Board of County Commissioners. The Clerk also has receivables from the Polk County, Florida Board of County Commissioners in the amount of \$173,170 as of September 30, 2021.

**POLK COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 7 RELATED-PARTY TRANSACTIONS (CONTINUED)

As of September 30, 2021, the Clerk has additional payables to the Polk County, Florida Board of County Commissioners and the Polk County, Florida Sheriff in the amount of \$4,366,022 as follows:

General Fund - Excess Fees Due to BOCC	\$ 3,763,445
General Fund - Other Amounts Due to BOCC	2,331
Court Fund - Due to BOCC	3,214
Custodial Funds - Due to BOCC	590,911
Custodial Funds - Due to Other (Sheriff)	159,893
Total	<u>\$ 4,519,794</u>

NOTE 8 COMMITMENTS AND CONTINGENCIES

Litigation

Various suits and claims arising in the ordinary course of operations, some of which may involve substantial amounts, are pending against the Clerk. While the ultimate effect of such litigation cannot be ascertained at this time, in the opinion of counsel for the Clerk, the liabilities which may arise from such action would not result in losses which would materially affect the financial position of the Clerk or the results of its operations.

Grant Programs

The Clerk participates in a number of federal and state grant programs are subject to financial and compliance audits by the grantors or their representatives. The grantor audits of all programs for or including the year ended September 30, 2021 have not been completed.

Accordingly, the Clerk's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies, cannot be determined at this time although the Clerk expects such amounts, if any, to be immaterial.

NOTE 9 RISK MANAGEMENT

The Clerk participates in the risk management program through the Polk County, Florida Board of County Commissioners under a local government risk management pool. There were no losses reported for the years ended September 30, 2021, 2020, nor 2019.

There have been no significant reductions in insurance coverage in the last year. Settled claims have not exceeded the insurance provided by third-party carriers in any of the last three years.

**POLK COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 9 RISK MANAGEMENT (CONTINUED)

The County is exposed to various risk of loss related to theft of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. A self-insurance program is effectively maintained by the County to administer insurance activities related to workers' compensation insurance, general and employment practices liability, auto liability and health. The County's self-insurance program covers operations of the board of county commissioners and the constitutional officers. Under the program, the County has retention limits for each type of claim, which is covered by commercial insurance purchased by the County.

<u>Claim Type</u>	<u>County Coverage (Deductible/Self-insured Amount)</u>	<u>Excess Carrier's Coverage</u>
Property	Deductible \$1,000,000 except for as below: Named Windstorm 3% of TIV with \$5,000,000 Maximum \$1,000,000 Builders Risk	\$ 60,000,000 Named Windstorm \$ 100,000,000 All Other Perils (AOP) \$ 50,000,000 Builder's Risk \$ 25,000,000 Earthquake Aggregate \$ 20,000,000 Flood Aggregate \$ 10,000,000 Flood Aggregate (zones A & V)
General and Employment Practices Liability	\$1,000,000 Self-insurance Retention Sovereign immunity limits: \$200,000 Any One Person \$300,000 Any One Claim	\$ 5,000,000 Per Occurrence \$ 10,000,000 Aggregate
Auto Liability	\$1,000,000 Self-insured Retention Sovereign immunity limits: \$200,000 Any One Person \$300,000 Any One Claim	\$ 5,000,000 Per Occurrence
Employee Health	\$1,000,000 Self-insurance Retention	Unlimited Stop Loss
Workers Compensation	\$1,500,000 Self-insured Retention \$1,000,000 Employers Liability	Workers Compensation Statutory Employers Liability - No Excess Coverage
Cyber Liability	\$750,000 Self Insured Retention	\$ 3,000,000 Limit

NOTE 10 CHANGE IN ACCOUNTING PRINCIPLE

During the year ended September 30, 2021, the Clerk adopted GASB No. 84, *Fiduciary Activities*. This change requires the restatement of the September 30, 2020 Custodial Fund Balance as follows:

Fund Balance, September 30, 2020 as Previously Reported	Custodial Funds
Cumulative Effect of Application of GASB Statement No. 84	\$ -
Fund Balance, September 30, 2020 as Restated	7,138,280
	\$ 7,138,280

SUPPLEMENTARY INFORMATION - COMBINING SCHEDULES

This page left intentionally blank

**POLK COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
COMBINING STATEMENT OF FIDUCIARY
NET POSITION – ALL CUSTODIAL FUNDS
SEPTEMBER 30, 2021**

	County Court	Registry of Court	Jury and Witness	Domestic Relations	Tax Deed	Intangible Tax and Documentary	County Court/ Civil Court	Cash Bonds	Other Custodial Funds	Total Custodial Funds
ASSETS										
Cash and Cash Equivalents	\$ 1,700,148	\$ 11,877,601	\$ 46,387	\$ 328,254	\$ 4,029,658	\$ 446,572	\$ 12,879	\$ 2,440,139	\$ 670,956	\$ 21,552,594
LIABILITIES										
Due to State of Florida	\$ 831,687	\$ -	\$ -	\$ -	\$ -	\$ 446,572	\$ -	\$ -	\$ 236,753	\$ 1,515,012
Due to Municipalities	138,256	-	-	-	-	-	-	-	-	138,256
Due to Others	730,205	-	-	328,254	4,029,658	-	-	-	434,203	5,522,320
Deposits, Registry of the Court	-	4,299,989	-	-	-	-	-	-	-	4,299,989
Deposits, Witness Fees	-	-	46,387	-	-	-	-	-	-	46,387
Deposits, Other	-	-	-	-	-	-	-	-	-	-
Total Liabilities	1,700,148	4,299,989	46,387	328,254	4,029,658	446,572	-	-	670,956	11,521,964
FUND BALANCE	-	7,577,612	-	-	-	-	12,879	2,440,139	-	10,030,630
Total Liabilities and Fund Balance	\$ 1,700,148	\$ 11,877,601	\$ 46,387	\$ 328,254	\$ 4,029,658	\$ 446,572	\$ 12,879	\$ 2,440,139	\$ 670,956	\$ 21,552,594

**POLK COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
COMBINING STATEMENT OF CHANGES IN FIDUCIARY
NET POSITION – ALL CUSTODIAL FUNDS
YEAR ENDED SEPTEMBER 30, 2021**

	County Court	Registry of Court	Jury and Witness	Domestic Relations	Tax Deed	Intangible Tax and Documentary	County Court/ Civil Court	Cash Bonds	Other Custodial Funds	Total Custodial Funds
ADDITIONS										
Tax and Fees Collections										
Individuals and Businesses	\$ 838,256	\$ -	\$ 45,000	\$ 1,914,785	\$ 6,044,673	\$ 122,616,954	\$ -	\$ 1,391,547	\$ 423,912	\$ 133,275,127
Other Governments	2,416,345	45,786,324	-	-	-	-	-	27,792	12	48,230,473
License and Fees Collected from State Agencies	8,653,311	-	-	-	-	122,679,647	-	-	2,672,977	134,005,935
Total Additions	<u>11,907,912</u>	<u>45,786,324</u>	<u>45,000</u>	<u>1,914,785</u>	<u>6,044,673</u>	<u>245,296,601</u>	<u>-</u>	<u>1,419,339</u>	<u>3,096,901</u>	<u>315,511,535</u>
DEDUCTIONS										
Payments of Property Tax										
Individuals and Businesses	-	1,761,439	45,000	1,914,785	-	-	-	-	-	3,721,224
Other Governments	3,245,228	40,688,440	-	-	6,044,673	122,681,880	-	1,863,434	437,816	174,961,471
Payments to State Agencies	8,662,684	-	-	-	-	122,614,721	-	-	2,659,085	133,936,490
Total Deductions	<u>11,907,912</u>	<u>42,449,879</u>	<u>45,000</u>	<u>1,914,785</u>	<u>6,044,673</u>	<u>245,296,601</u>	<u>-</u>	<u>1,863,434</u>	<u>3,096,901</u>	<u>312,619,185</u>
NET CHANGE IN FUND BALANCE	-	3,336,445	-	-	-	-	-	(444,095)	-	2,892,350
Fund Balance- Beginning of Year, as Previously Reported	-	-	-	-	-	-	-	-	-	-
Fund Balance - Beginning of Year (See Note 10)	-	4,241,167	-	-	-	-	12,879	2,884,234	-	7,138,280
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ 7,577,612</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,879</u>	<u>\$ 2,440,139</u>	<u>\$ -</u>	<u>\$ 10,030,630</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**

Honorable Stacy M. Butterfield
Clerk of the Circuit Courts
Polk 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 aggregate remaining information of the Polk County, Florida Clerk of the Circuit Court (the Clerk), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements, and have issued our report thereon dated April 3, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Clerk's internal control over financial reporting (internal control) as a basis for designing 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.

Honorable Stacy M. Butterfield
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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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



CliftonLarsonAllen LLP

Lakeland, Florida
April 3, 2022



MANAGEMENT LETTER

Honorable Stacy M. Butterfield
Polk County Clerk of the Circuit Court
Polk County, Florida

We have audited the financial statements of the Polk County, Florida, Clerk of the Circuit Court (the Clerk) as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated April 3, 2022.

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 Reports and Schedule

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the 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 April 3, 2022, 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.

Honorable Stacy M. Butterfield
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

Lakeland, Florida
April 3, 2022



INDEPENDENT ACCOUNTANTS' REPORT

Honorable Stacy M. Butterfield and the Florida Auditor General
Clerk of Circuit Courts
Polk County, Florida

We have examined Polk County, Florida Clerk of the Circuit Court's (the Clerk's) 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, 2021. 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 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 clerk of courts alimony and child support payments; and Sections 28.35 and 28.36, *Florida Statutes*, regarding clerks of court performance standards and budgets, during the year ended September 30, 2021.

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.

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

CliftonLarsonAllen LLP

Lakeland, Florida
April 3, 2022



This page left intentionally blank

**POLK COUNTY, FLORIDA
PROPERTY APPRAISER**

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL REPORTS**

YEAR ENDED SEPTEMBER 30, 2021



WEALTH ADVISORY | OUTSOURCING
AUDIT, TAX, AND CONSULTING

CLAconnect.com

This page left intentionally blank

**POLK COUNTY, FLORIDA
PROPERTY APPRAISER
TABLE OF CONTENTS
YEAR ENDED SEPTEMBER 30, 2021**

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
BALANCE SHEET – GENERAL FUND	3
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES – BUDGET TO ACTUAL – GENERAL FUND	4
NOTES TO FINANCIAL STATEMENTS	5
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	19
MANAGEMENT LETTER	21
INDEPENDENT ACCOUNTANTS' REPORT	23

This page left intentionally blank



INDEPENDENT AUDITORS' REPORT

Honorable Marsha M. Faux
Property Appraiser
Polk County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the general fund of the Polk County, Florida Property Appraiser (Property Appraiser), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Property Appraiser's 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.

Honorable Marsha M. Faux
Property Appraiser

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 Property Appraiser as of September 30, 2021, and the changes in financial position and budgetary comparison of its 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 (the Rules). 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 Polk County, Florida that is attributable to the Property Appraiser. They do not purport to, and do not, present fairly the financial position of Polk County, Florida as of September 30, 2021, 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 these matters.

Other Matters

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 a report dated December 1, 2021 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 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 Property Appraiser’s internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Lakeland, Florida
December 1, 2021

**POLK COUNTY, FLORIDA
PROPERTY APPRAISER
BALANCE SHEET – GENERAL FUND
SEPTEMBER 30, 2021**

ASSETS

Cash	\$ 1,110,527
Accounts Receivable	15,041
Prepaid Items	<u>72,205</u>
 Total Assets	 <u><u>\$ 1,197,773</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts Payable	\$ 10,719
Due to Polk County, Florida Board of County Commissioners	757,345
Due to Other Special Taxing Districts	21,076
Accrued Liabilities	<u>408,633</u>
 Total Liabilities	 1,197,773

FUND BALANCE

Nonspendable	72,205
Unassigned	<u>(72,205)</u>
 Total Fund Balance	 <u>-</u>
 Total Liabilities and Fund Balance	 <u><u>\$ 1,197,773</u></u>

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
PROPERTY APPRAISER
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget - Favorable (Unfavorable)
	Original	Final		
REVENUES				
Board of County Commissioners	\$ 10,010,592	\$ 10,020,806	\$ 10,020,806	\$ -
Special Taxing Districts	278,572	278,857	278,857	-
Interest	-	-	4,463	4,463
Miscellaneous	-	-	399,483	399,483
Total Revenues	<u>10,289,164</u>	<u>10,299,663</u>	<u>10,703,609</u>	<u>403,946</u>
EXPENDITURES				
General Government:				
Personal Services	8,919,511	8,930,010	8,730,499	199,511
General Operating	1,257,240	1,257,240	1,092,898	164,342
Capital Outlay	112,413	112,413	101,791	10,622
Total Expenditures	<u>10,289,164</u>	<u>10,299,663</u>	<u>9,925,188</u>	<u>374,475</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	-	778,421	778,421
OTHER FINANCING (USES)				
Distribution of Excess Fees to Polk County, Florida Board of County Commissioners	-	-	(757,345)	(757,345)
Distribution of Excess Fees to Special Taxing Districts	-	-	(21,076)	(21,076)
Total Other Financing (Uses)	<u>-</u>	<u>-</u>	<u>(778,421)</u>	<u>(778,421)</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Polk County, Florida Property Appraiser (Property Appraiser) conform to accounting principles, as applicable to governmental units generally accepted in the United States of America. The accompanying summary of significant accounting policies is presented to assist the reader in interpreting the financial statements and footnotes in this report. These policies, as presented, should be viewed as an integral part of the accompanying financial statements.

Reporting Entity

Polk County, Florida is a political subdivision of the State of Florida governed by the State Constitution and general laws of the State of Florida.

The legislative and governing body of the County is the five-member Board of County Commissioners. Each County Commissioner is elected on a countywide basis for a four-year term of office and each County Commissioner is a resident of their Commission District. Polk County became a Home Rule Charter County on January 1, 1999, with an appointed County Manager, and with separate legislative and executive functions. The County Manager is the head of the administrative branch of county government and is responsible to the Board of County Commissioners for the proper administration of all affairs of the County, except for those powers, duties and functions residing, as specified by law, with the elected constitutional officers.

There are six (6) offices elected countywide which are as follows: Board of County Commissioners composed of five (5) members, Clerk of the Circuit Court, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector.

The Property Appraiser is an elected official of the County pursuant to Article 8, Section 1(d), of the Constitution of the State of Florida. For financial statement and reporting purposes, the Property Appraiser does not meet the definition of a legally separate organization and is not considered to be a component unit. The Property Appraiser is considered to be a part of the primary government of Polk County, Florida (the County).

The financial activities of the Property Appraiser, as a constitutional officer are included in the Polk County, Florida Comprehensive Annual Financial Report.

Measurement Focus, Basis of Accounting, and 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 Polk County, Florida that are attributable to the Property Appraiser. They are not intended to present fairly the financial position and results of operations of Polk County, Florida in conformity with accounting principles generally accepted in the United States of America.

**POLK COUNTY, FLORIDA
PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Description of Fund

The accounting records are organized for reporting purposes on the basis of a governmental fund. The Property Appraiser's only governmental fund is the general fund. The general fund is used to account for the general operations of the Property Appraiser.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The accounts of the governmental funds use the current financial resources measurement focus and are maintained on the modified accrual basis. Under the modified accrual basis, expenditures are recorded at the time liabilities are incurred and revenues are recorded when received in cash or when they are considered both measurable and available and, as such, are susceptible to accrual. For this purpose, the Property Appraiser considers revenues to be available if they are collected within 60 days after year-end.

Fund Balance and Spending Policies

In accordance with GASB Statement No. 54 – *Fund Balance Reporting and Governmental Fund Type Definitions*, governments are required to classify fund balance in governmental funds as nonspendable, restricted, committed, assigned, and unassigned.

As the Property Appraiser is an elected official responsible for the activities of the Property Appraiser's office, she is the highest level of decision making authority and any official order from the Property Appraiser would be required to authorize commitment of fund balance. Also, the finance director has been given the authority to assign fund balance for a specific purpose.

The Property Appraiser has implemented fund balance and spending policies to clearly define the process for tracking the various classifications of fund balance. The policy states that when an expenditure is incurred and where restricted, committed, assigned, or unassigned amounts are available to be used, the Property Appraiser will first use restricted amounts, then committed amounts, then assigned amounts, and finally unassigned amounts.

**POLK COUNTY, FLORIDA
PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets and Budgetary Accounting

Chapter 195, Florida Statutes, governs the preparation, adoption and administration of the Property Appraiser's annual budget. The General Fund budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America. Section 129.07, Florida Statutes, provides that only excesses of total fund budgets are unlawful.

The following are procedures followed in establishing the budget for the Property Appraiser's office:

1. On or before June 1 of each year, the Property Appraiser submits an annual budget for the operation of the office to the State of Florida, Department of Revenue, Ad Valorem Tax Division (the Department). A copy of the budget is also furnished to the Board of County Commissioners. After the budget has been reviewed and approved by the Department, it becomes the operating budget for the ensuing fiscal year.
2. The Property Appraiser's operating budget can only be amended after written approval has been received from the Department.
3. The Department approves all transfers between appropriation categories requested by the Property Appraiser, and this becomes the level of budgetary control for the Property Appraiser's office.
4. The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized changes applicable to the fiscal year, whenever legally authorized.
5. Formal budgetary integration is employed as a management control device during the year for the General Fund.

Accounts Receivable

All receivables are expected to be collected. As such, no allowance has been recorded.

Use of Estimates

The preparation of the fund financial statements is in conformity with GAAP, as applicable to government entities, requires management to make use of estimates that affect the reported amounts in the financial statement. Actual results could differ from estimates.

**POLK COUNTY, FLORIDA
PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Return of “Excess Fees”

Florida Statutes further provide that the excess of revenues over expenditures held by the Property Appraiser be distributed to each governmental agency or the Board in the same proportion as the fees paid by each governmental agency bear to total fee revenues. The amount of this distribution is recorded as a liability and as an other financing use-transfer out in the accompanying financial statements.

Capital Assets

Capital assets purchased by the Property Appraiser are recorded as capital outlay expenditures. Capital assets are not included in the financial statements of the Property Appraiser because ownership is vested in the Polk County, Florida Board of County Commissioners as provided by Chapter 274, Florida Statutes.

Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated acquisition value on the date received. No depreciation expense has been provided on capital assets in these financial statements. However, depreciation expense on these assets is recorded in the basic financial statements of Polk County, Florida.

Accumulated Unpaid Vacation and Sick Pay

Effective January 1, 2014, the Property Appraiser adopted a Paid-Time-Off (PTO) for its vacation and sick leave. The purpose of this change is providing deputies with flexible paid time off from work that can be used for any purpose (illness or vacation). All unused annual leave will carry over and will convert into PTO credits. All unused sick time on, January 1, 2014 converted into “banked sick leave”. The banked sick leave may be used if desired until it is exhausted. Deputies may not take leave without pay in lieu of PTO or banked sick leave. Deputies may not use or be paid for time accrued during the first six (6) months of employment.

Each full time deputy will accrue PTO bi-weekly, except for the last check in a three paycheck month, in hourly increments based on the deputies length of service as follows:

<u>Years of Service</u>	<u>Leave Accrued per Month</u>	<u>Days Per Year</u>
0-4 Years	6.87 Hours	22
5-9 Years	7.81 Hours	25
10-14 Years	8.75 Hours	28
15-19 Years	9.68 Hours	31
20 or More Years	10.93 Hours	35

The maximum accumulation for PTO will be 450 hours in any given payroll year.

**POLK COUNTY, FLORIDA
PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accumulated Unpaid Vacation and Sick Pay (Continued)

Deputies may sell back PTO once a year provided funds are available, if all criteria are met:

1. A minimum of 37.5 hours of scheduled PTO has been taken prior to annual sell back date. This time frame is based on the fiscal year of October through September.
2. No more than 75 hours of unscheduled PTO has been taken prior to annual sell back date. This time frame is based on the fiscal year of October through September.
3. There must be a PTO balance of a minimum of 150 hours after the sell back.

If Polk County Property Appraiser Deputies hired prior to October 1, 1996 and classified as full-time shall receive compensation for banked sick leave upon resignation and/or retirement. Any deputy terminated will not be paid sick leave. Those appointed after October 1, 1996 will not receive compensation for banked sick leave upon resignation or retirement.

A deputy shall not be eligible for compensation according to the schedule unless they have accrued a minimum of twenty (20) days or one hundred fifty (150) hours.

Maximum of eight hundred (800) hours payable to deputies hired prior to January 1, 1987. Maximum of four hundred (400) hours payable to deputies hired after January 1, 1987. No sick leave hours payable to deputies hired after October 1, 1996.

Compensation shall be based on the deputy's computed hourly rate at the time of resignation or retirement based on hours on the books the day of resignation. Length of service and percentage payable shall be calculated on continuous service with the Property Appraiser's Office only.

<u>Years of Service</u>	<u>Percentage of Leave Accrued</u>
2-5 Years	25%
6-10 Years	30%
11-15 Years	35%
16-20 Years	40%
20 or More Years	50%

The Property Appraiser does not, nor is legally required to, accumulate financial resources for these unmatured obligations. Accordingly, the liability for compensated absences is not reported in the general fund of the Property Appraiser, but rather reported in the basic financial statements of Polk County, Florida.

**POLK COUNTY, FLORIDA
PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other Significant Accounting Policies

Chapter 218, Florida Statutes, requires that the Constitutional Officers make an annual report to the Board of County Commissioners, within 31 days of the close of their fiscal year, reflecting the excess of revenues over expenditures or the unexpended budget balance as of the close of the fiscal year. In order to comply with the state statute, it is the policy of the Constitutional Officers that the accounting records be held open several days after the close of their fiscal year in order that all receipts and expenditures applicable to the fiscal year can be recorded in the records. The financial statements prepared on a GAAP basis reflect any receipts or disbursements made after the close of the fiscal year as receivables or payables, as applicable.

Other Postemployment Benefit Obligations

The County provides certain health care benefits for retired employees. In accordance with Section 112.0801, Florida Statutes, and as authorized by the County Ordinance 2011-023, effective October 3, 2011, and County Ordinance 2017-037 effective July 25, 2017, the County offers retiring employees enrolled in the County's plans at the time of retirement and their covered dependents the opportunity to continue to participate in health and/or life insurance plans through the County's Retiree Benefits Program. The Property Appraiser participates with Polk County in offering retiring employees the opportunity to continue to participate in the County's health insurance plan. Other postemployment benefits, calculated in accordance with Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, are reported in the financial statements of the County.

NOTE 2 CUSTODIAL CREDIT RISK

Custodial credit risk is defined as the risk that, in the event of failure of the counterparty, the Property Appraiser will not be able to recover the value of its securities that are in the possession of an outside party.

At September 30, 2021, the Property Appraiser's book balance of cash was \$1,110,527 and the bank balance was \$1,167,913. The Federal Deposit Insurance Corporation (FDIC) insures the Property Appraiser's bank balances for \$250,000 for each banking relationship through December 31, 2021. The remaining balances are collateralized pursuant to Chapter 280, Florida Statutes. Pursuant to Chapter 280, Florida Statutes, the Property deposits are required to be entirely covered by federal depository insurance or by collateral pledged with the State Treasurer. Under this Chapter, in the event of default by a participating financial institution, (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss.

**POLK COUNTY, FLORIDA
PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 3 OPERATING LEASES

At September 30, 2021, the Property Appraiser has entered into long-term operating leases. Each operating lease has a funding clause that allows the Property Appraiser to terminate the lease if funding is not available to make lease payments. The following schedule of future minimum lease payments is required under these leases.

September 30,	Amount
2022	\$ 78,049
2023	28,801
Total	\$ 106,850

The operating lease expenses for the year ended September 30, 2021 were \$102,572.

NOTE 4 CAPITAL ASSETS

The following is a summary of changes in capital assets for the year ended September 30, 2021:

	October 1, 2020	Additions	Deletions	September 30, 2021
Capital Assets:				
Building Improvements	\$ 68,373	\$ -	\$ -	\$ 68,373
Equipment	1,841,771	101,791	(116,100)	1,827,462
Intangibles	1,530,000	-	-	1,530,000
Total Capital Assets	3,440,144	101,791	(116,100)	3,425,835
Less: Accumulated Depreciation:				
Building Improvements	68,373	-	-	68,373
Equipment	1,448,895	133,157	(116,100)	1,465,952
Intangibles	1,530,000	-	-	1,530,000
Total Accumulated Depreciation	3,047,268	133,157	(116,100)	3,064,325
Total Capital Assets, Net	\$ 392,876	\$ (31,366)	\$ -	\$ 361,510

**POLK COUNTY, FLORIDA
PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 5 LONG-TERM LIABILITIES

The following is a summary of the changes in long-term liabilities which are reported in the basic financial statements of Polk County, Florida.

	October 1, 2020	Additions	Deletions	September 30, 2021	Due Within One Year
Accrued Compensated Absences	\$ 215,425	\$ 745,329	\$ (724,195)	\$ 236,559	\$ 236,559

The long-term liabilities are not reported in the financial statements of the Property Appraiser since they are not payable from available spendable resources, and they have not matured. They are reported in the financial statements of the County.

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).

**POLK COUNTY, FLORIDA
PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

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.

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 eight (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 four (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.

**POLK COUNTY, FLORIDA
PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 6 PENSION PLANS (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 (5) highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight (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.

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, 2021, 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.

**POLK COUNTY, FLORIDA
PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 6 PENSION PLANS (CONTINUED)

RETIREE HEALTH INSURANCE SUBSIDY PROGRAM (CONTINUED)

Benefits Provided (Continued)

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. 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 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 five 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, 2021, 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.

**POLK COUNTY, FLORIDA
PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 6 PENSION PLANS (CONTINUED)

FRS INVESTMENT PLAN (CONTINUED)

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, 2021, 2020, and 2019 were \$897,014, \$757,238, and \$684,855, respectively, equal to the actuarially determined contribution requirements for each year.

Additional information about pension plans can be found in the County's comprehensive financial report or County-wide financial statements.

NOTE 7 RELATED PARTY TRANSACTIONS

Transactions with the Polk County, Florida Board of County Commissioners for the year ended September 30, 2021, were as follows:

Budget Appropriation – The Polk County, Florida Board of County Commissioners paid fees to the Property Appraiser for the year ended September 30, 2021 in the amount of \$10,020,806. Revenues from the Polk County, Florida Board of County Commissioners accounted for 94% of total General Fund revenues. The amount representing excess fees to the Polk County, Florida Board of County Commissioners at September 30, 2021 was \$757,345.

Health Insurance – The Board of County Commissioners provides health insurance benefits to the Property Appraiser for employees, their dependents, and retirees. The charges for the services for the year ended September 30, 2021 amounted to \$1,464,176.

Other – The Board of County Commissioners and the Clerk of Circuit Court provides other supplies and services to the Property Appraiser. The charges for these supplies and services for the year ended September 30, 2021 amounted to \$37,889 and \$300, respectively.

**POLK COUNTY, FLORIDA
PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 8 RISK MANAGEMENT

The Property Appraiser participates in the risk management program through the Polk County, Florida Board of County Commissioners under a local government risk management pool. There were no losses reported for the years ended September 30, 2021, 2020, nor 2019.

There have been no significant reductions in insurance coverage in the last year. Settled claims have not exceeded the insurance provided by third party carriers in any of the last three years.

The County is exposed to various risk of loss related to theft of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. A self-insurance program is effectively maintained by the County to administer insurance activities related to workers' compensation insurance, general and employment practices liability, auto liability and health. The County's self-insurance program covers operations of the Board of County Commissioners and the constitutional officers. Under the program, the County has retention limits for each type of claim, which is covered by commercial insurance purchased by the County.

Claim Type	County Coverage (Deductible/Self-insured Amount)	Excess Carrier's Coverage
Property	Deductible \$1,000,000 except for as below: Named Windstorm 3% of TIV with \$5,000,000 Maximum \$1,000,000 Builders Risk	\$ 60,000,000 Named Windstorm \$ 100,000,000 All Other Perils (AOP) \$ 50,000,000 Builder's Risk \$ 25,000,000 Earthquake Aggregate \$ 20,000,000 Flood Aggregate \$ 10,000,000 Flood Aggregate (zones A & V)
Employment Practices Liability	\$ 1,000,000 Self-insurance Retention Sovereign immunity limits: \$ 200,000 Any One Person \$ 300,000 Any One Claim	\$ 5,000,000 Per Occurrence \$ 10,000,000 Aggregate
Auto Liability	\$1,000,000 Self-insured Retention Sovereign immunity limits: \$ 200,000 Any One Person \$ 300,000 Any One Claim	\$ 5,000,000 Per Occurrence
Employee Health	\$ 1,000,000 Self-insurance Retention	Unlimited Stop Loss
Workers Compensation	\$ 1,500,000 Self-insured Retention \$ 1,000,000 Employers Liability	Workers Compensation Statutory Employers Liability - No Excess Coverage
Cyber Liability	\$ 750,000 Self Insured Retention	\$ 3,000,000 Limit

**POLK COUNTY, FLORIDA
PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 9 LITIGATION

Various suits and claims arising in the ordinary course of the Property Appraiser's operations, some of which involve substantial amounts, are pending against the Property Appraiser. While the ultimate effect of such litigation cannot be ascertained at this time, in the opinion of counsel for the Property Appraiser, the liabilities which may arise from such action would not result in losses which would materially affect the financial position of the Property Appraiser or the results of its operations.



**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**

Honorable Marsha M. Faux
Property Appraiser
Polk 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 Polk County, Florida Property Appraiser (Property Appraiser), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise Property Appraiser's financial statements, and have issued our report thereon dated December 1, 2021.

Internal Control Over Financial Reporting

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


Honorable Marsha M. Faux
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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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



CliftonLarsonAllen LLP

Lakeland, Florida
December 1, 2021



MANAGEMENT LETTER

Honorable Marsha M. Faux
Polk County Property Appraiser
Polk County, Florida

Report on the Financial Statements

We have audited the financial statements of the general fund of the Polk County, Florida Property Appraiser (Property Appraiser), Florida, as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated December 1, 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 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 the 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 and schedule, which are dated December 1, 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 annual financial audit report. In connection with our audit, we did not have any such 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 in notes to the financial statements.

Honorable Marsha M. Faux
Property Appraiser

Financial Management

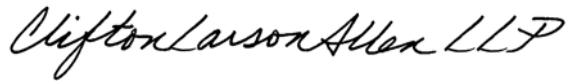
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

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 finding.

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 and 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

Lakeland, Florida
December 1, 2021



INDEPENDENT ACCOUNTANTS' REPORT

Honorable Marsha M. Faux and the Florida Auditor General
Polk County Property Appraiser
Polk County, Florida

We have examined Polk County, Florida Property Appraiser's (the Property Appraiser) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2021. 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, 2021.

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

Lakeland, Florida
December 1, 2021

This page left intentionally blank

**POLK COUNTY, FLORIDA
SHERIFF**

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL REPORTS**

YEAR ENDED SEPTEMBER 30, 2021



WEALTH ADVISORY | OUTSOURCING
AUDIT, TAX, AND CONSULTING

CLAconnect.com

This page left intentionally blank

**POLK COUNTY SHERIFF
TABLE OF CONTENTS
YEAR ENDED SEPTEMBER 30, 2021**

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUNDS	4
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	5
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL – GENERAL FUND	6
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET TO ACTUAL – INMATE WELFARE FUND	7
STATEMENT OF FIDUCIARY NET POSITION – CUSTODIAL FUNDS	8
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – CUSTODIAL FUNDS	9
NOTES TO FINANCIAL STATEMENTS	10
COMBINING SCHEDULES	
COMBINING SCHEDULE OF FIDUCIARY NET POSITION – CUSTODIAL FUNDS	30
COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION – CUSTODIAL FUNDS	31
COMBINING BALANCE SHEET– NONMAJOR FUNDS	32
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – NONMAJOR FUNDS	33
SUPPLEMENTAL REPORTS	
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	34
MANAGEMENT LETTER	36
INDEPENDENT ACCOUNTANTS' REPORT	38

This page left intentionally blank



INDEPENDENT AUDITORS' REPORT

Honorable Grady C. Judd
Sheriff
Polk 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 Polk County, Florida Sheriff (Sheriff), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Sheriff's 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, 2021, 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 the major fund and the aggregate remaining fund information, only for that portion of the major fund and the aggregate remaining fund information, of Polk County, Florida that is attributable to the transactions of the Sheriff. They do not purport to, and do not, present fairly the financial position of Polk County as of September 30, 2021, and the changes in its financial position for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to these matters.

Other Matters

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 the missing information.

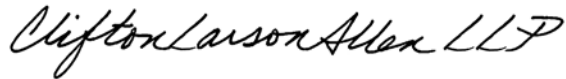
Supplementary Information

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

Honorable Grady C. Judd
Polk County Sheriff

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 23, 2022, on our consideration of the 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 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 Sheriff's internal control over financial reporting and compliance.

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

CliftonLarsonAllen LLP

Lakeland, Florida
March 23, 2022

This page left intentionally blank

**POLK COUNTY SHERIFF
BALANCE SHEET – GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

	General Fund	Inmate Welfare	Nonmajor Governmental Fund	Total
ASSETS				
Cash and Investments	\$ 19,133,191	\$ 2,788,435	\$ 834,670	\$ 22,756,296
Due from Polk County, Florida				
Board of County Commissioners	41,678	-	91,349	133,027
Due from Clerk of Courts	159,351	-	541	159,892
Due from Other Governments	367,342	-	-	367,342
Due from Other Funds	96,700	-	-	96,700
Receivables, Net	298,529	588	1,130	300,247
Prepaid Items and Other Assets	680,340	-	67,255	747,595
	<u>20,777,131</u>	<u>2,789,023</u>	<u>994,945</u>	<u>24,561,099</u>
Total Assets	<u>\$ 20,777,131</u>	<u>\$ 2,789,023</u>	<u>\$ 994,945</u>	<u>\$ 24,561,099</u>
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts Payable	\$ 1,827,628	\$ 105,327	\$ 75	\$ 1,933,030
Accrued Liabilities	7,514,552	7,081	8,470	7,530,103
Due to Polk County, Florida				
Board of County Commissioners	11,387,022	-	4,226	11,391,248
Due to Clerk of Courts	11,762	-	-	11,762
Due to Other Funds	-	-	96,700	96,700
Due to Other Governments	33,522	-	104	33,626
Unearned Revenue	2,645	101	-	2,746
	<u>20,777,131</u>	<u>112,509</u>	<u>109,575</u>	<u>20,999,215</u>
Total Liabilities	<u>20,777,131</u>	<u>112,509</u>	<u>109,575</u>	<u>20,999,215</u>
FUND BALANCES				
Nonspendable	680,340	-	67,255	747,595
Restricted	-	2,676,514	824,783	3,501,297
Assigned	-	-	7,348	7,348
Unassigned	(680,340)	-	(14,016)	(694,356)
Total Fund Balances	<u>-</u>	<u>2,676,514</u>	<u>885,370</u>	<u>3,561,884</u>
Total Liabilities and Fund Balances	<u>\$ 20,777,131</u>	<u>\$ 2,789,023</u>	<u>\$ 994,945</u>	<u>\$ 24,561,099</u>

See accompanying Notes to Financial Statements.

**POLK COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2021**

	General Fund	Inmate Welfare	Nonmajor Governmental Fund	Total Governmental Funds
REVENUES				
Polk County, Florida Board of County Commissioners	\$ 180,852,640	-	\$ -	\$ 180,852,640
Charges for Services	13,234,131	-	734,521	13,968,652
Intergovernmental	134,793	-	761	135,554
Miscellaneous	4,523,376	1,004,999	150,612	5,678,987
Fines and Forfeitures	765,960	-	84,757	850,717
Interest	51,720	3,292	1,261	56,273
Sale of Capital Assets	261,550	-	-	261,550
Total Revenues	<u>199,824,170</u>	<u>1,008,291</u>	<u>971,912</u>	<u>201,804,373</u>
EXPENDITURES				
Public Safety:				
Personnel Services	151,398,796	251,932	510,189	152,160,917
Operating	32,594,988	72,767	326,433	32,994,188
Capital Outlay	6,966,943	-	112,694	7,079,637
Total Expenditures	<u>190,960,727</u>	<u>324,699</u>	<u>949,316</u>	<u>192,234,742</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	8,863,443	683,592	22,596	9,569,631
OTHER FINANCING USES				
Distribution of Excess Fees to Polk County, Florida Board of County Commissioners	(8,863,443)	-	-	(8,863,443)
Total Other Financing Uses	<u>(8,863,443)</u>	<u>-</u>	<u>-</u>	<u>(8,863,443)</u>
NET CHANGE IN FUND BALANCES	-	683,592	22,596	706,188
Fund Balances - Beginning of Year	-	1,992,922	862,774	2,855,696
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ 2,676,514</u>	<u>\$ 885,370</u>	<u>\$ 3,561,884</u>

See accompanying Notes to Financial Statements.

**POLK COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Polk County, Florida Board of County Commissioners	\$ 179,174,594	\$ 180,852,640	\$ 180,852,640	\$ -
Charges for Services	-	13,234,131	13,234,131	-
Intergovernmental	-	134,793	134,793	-
Miscellaneous	-	4,453,028	4,523,376	70,348
Fines and Forfeitures	-	765,960	765,960	-
Interest	-	-	51,720	51,720
Sale of Capital Assets	-	331,894	261,550	(70,344)
Total Revenues	<u>179,174,594</u>	<u>199,772,446</u>	<u>199,824,170</u>	<u>51,724</u>
EXPENDITURES				
Public Safety:				
Personnel Services	144,878,503	156,091,869	151,398,796	4,693,073
Operating	31,649,032	33,297,834	32,594,988	702,846
Capital Outlay	2,647,059	10,382,743	6,966,943	3,415,800
Total Expenditures	<u>179,174,594</u>	<u>199,772,446</u>	<u>190,960,727</u>	<u>8,811,719</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	8,863,443	8,863,443
OTHER FINANCING USES				
Distribution of Excess Fees				
Polk County, Florida Board of County Commissioners	-	-	(8,863,443)	(8,863,443)
Total Other Financing Uses	<u>-</u>	<u>-</u>	<u>(8,863,443)</u>	<u>(8,863,443)</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balances - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**POLK COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – INMATE WELFARE FUND
SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Miscellaneous	\$ -	\$ -	\$ 1,004,999	\$ 1,004,999
Interest	-	-	3,292	3,292
Total Revenues	-	-	1,008,291	1,008,291
EXPENDITURES				
Public Safety:				
Personnel Services	320,095	330,095	251,932	78,163
Operating	-	-	72,767	(72,767)
Total Expenditures	320,095	330,095	324,699	5,396
NET CHANGE IN FUND BALANCE	(320,095)	(330,095)	683,592	1,002,895
Fund Balances - Beginning of Year	-	-	1,992,922	-
FUND BALANCE - END OF YEAR	<u>\$ (320,095)</u>	<u>\$ (330,095)</u>	<u>\$ 2,676,514</u>	<u>\$ 1,002,895</u>

See accompanying Notes to Financial Statements.

**POLK COUNTY SHERIFF
STATEMENT OF FIDUCIARY NET POSITION – CUSTODIAL FUNDS
SEPTEMBER 30, 2021**

	<u>Custodial Funds</u>
ASSETS	
Cash and Investments	\$ 1,277,886
Due from Individuals and Businesses	6,227
Due from Other Governments	<u>9,406</u>
Total Assets	<u><u>\$ 1,293,519</u></u>
LIABILITIES AND FUND BALANCE	
LIABILITIES	
Due to Other Governments	\$ 2,464
Due to Individuals and Businesses	437
Deposits	<u>1,054,021</u>
Total Liabilities	1,056,922
FUND BALANCE	<u>236,597</u>
Total Liabilities and Fund Balance	<u><u>\$ 1,293,519</u></u>

See accompanying Notes to Financial Statements.

**POLK COUNTY SHERIFF
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – CUSTODIAL FUNDS
YEAR ENDED SEPTEMBER 30, 2021**

	Custodial Funds
ADDITIONS	
Fines and Fees Collections	
Individuals and Businesses	\$ 356,952
Other Governments	127,928
Contributions	
Individuals and Businesses	4,813,609
Total Additions	5,298,489
DEDUCTIONS	
Payments of Fines and Fees	589,184
Canteen Purchases	2,664,832
Inmate Spending	780,183
Miscellaneous Charges	1,331,212
Total Deductions	5,365,411
NET CHANGE IN FUND BALANCES	(66,922)
Fund Balance - Beginning of Year, as Previously Reported	-
Fund Balance - Beginning of Year, as Restated (See Note 15)	303,519
FUND BALANCE - END OF YEAR	\$ 236,597

See accompanying Notes to Financial Statements.

**POLK COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Sheriff is a political subdivision of the state of Florida governed by the state constitution and general laws of the state of Florida.

The Sheriff is a county agency and a local governmental entity pursuant to Article 8, Section 1(d), of the Constitution of the State of Florida. For financial statement and reporting purposes, the Sheriff does not meet the definition of a legally separate organization and is not considered to be a component unit. The Sheriff is considered to be a part of the primary government of Polk County, Florida. The financial statements contained herein represent the financial transactions of the Sheriff only.

The accompanying 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 Polk County, Florida that are attributable to the Sheriff. They are not intended to present fairly the financial position and results of operations of Polk County, Florida in conformity with accounting principles generally accepted in the United States of America. There are no separate legal entities (component units) for which the Sheriff is financially accountable.

The legislative and governing body of the county is the five-member board of county commissioners. Each county commissioner is elected on a county-wide basis for a four-year term of office and each county commissioner is a resident of their commission district. Polk County became a Home Rule Charter County on January 1, 1999, with an appointed county manager, and with separate legislative and executive functions. The county manager is the head of the administrative branch of county government and is responsible to the board of county commissioners for the proper administration of all affairs of the County, except for those powers, duties and functions residing, as specified by law, with the elected constitutional officers.

The Sheriff is the chief law enforcement officer of Polk County. He is a conservator of the peace; expressly empowered to suppress disturbances and to command the assistance of others in the furtherance of his duties. Additionally, he executes all process, both civil and criminal, within the County and is responsible for the management of the County detention facilities.

These financial statements are fund financial statements that have been prepared in conformity with the reporting guidelines established by the Governmental Accounting Standards Board (GASB) and accounting practices prescribed by the Auditor General, State of Florida. The basic financial statements for the County as a whole, which includes the funds of the Sheriff, are prepared in conformity with accounting principles generally accepted in the United States of America (GAAP).

**POLK COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Measurement Focus, Basis of Accounting, and Basis of Presentation

The accounts of the governmental funds are maintained on the modified accrual basis. Under the modified accrual basis, expenditures are recorded at the time liabilities are incurred, and revenues are recorded when received in cash or when they are considered both measurable and available and as such, are susceptible to accrual. For this purpose, the Sheriff considers revenues to be available if they are collected within 60 days after year-end with the exception of grants, which have a period of availability of one year. Grants are recognized as revenue as soon as all eligibility requirements have been met. Expenditures are recorded when the related fund liability is incurred, except for compensated absences, which are recognized as expenditures to the extent they have matured.

The custodial funds use the economic resources measurement focus and the accrual basis of accounting.

Description of Funds

The accounting records are organized for reporting purposes on the basis of governmental funds and a fiduciary funds.

Governmental Funds

Major Fund

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.

Inmate Welfare Fund – This fund accounts for the monies collected from commissary and canteen sales commissions, and is governed by the provisions of Section 951.23, *Florida Statute*.

Nonmajor Funds

Special Revenue Funds – The Special Revenue Funds account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes. These funds include expenditures for special revenue grants.

Law Enforcement Education Fund – These funds account for revenues from \$2.50 and \$2.00 court costs assessments pursuant to Section 938.15, *Florida Statutes* as outlined in Section 318.18, *Florida Statute*, and the \$5.00 animal control fee assessment pursuant to Polk County Ordinance 10-001, section 6. These revenues are used for the purpose of education and training of Law Enforcement, Detention and Support personnel.

Law Enforcement Trust Fund – These funds account for revenues from local forfeiture proceedings pursuant to Section 932.7055, *Florida Statute*, and federal civil assets forfeitures and sharing programs of Department of Justice and Department of Treasury per the U.S. Department of Justice Guide to Equitable Sharing.

**POLK COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Funds (Continued)

Fiduciary Funds

Custodial Funds – The Custodial Funds are used to account for assets held by the Sheriff as an agent for individuals, private organizations, and other governments. The Sheriff's Custodial Funds are: Fees and Suspense Fund, Inmate Fund, and Fines and DRDs Fund.

Budgets and Budgetary Accounting

The following are the procedures followed by the Sheriff in establishing the budget:

- a) On or before May 1 of each year, the Sheriff submits an annual budget for the operations of his office to the board of county commissioners. After the budget has been reviewed and approved by the board of county commissioners, it becomes the operating budget for the ensuing fiscal year.
- b) The General Fund budget is prepared on the modified accrual basis of accounting.
- c) The budget for the Sheriff is prepared, adopted and administered in accordance with Sections 30.49 and 129.03, *Florida Statutes*.
- d) Any subsequent amendments to the budget must be approved by the board of county commissioners. The annual budget serves as the legal authorization for expenditures.
- e) Section 129.07, *Florida Statutes*, provides that only expenditures in excess of total fund budgets are unlawful.
- f) Unused appropriations lapse at the end of each fiscal year.
- g) Formal budgetary integration is employed as a management control device for the General Fund. Budgetary Control is maintained by fund at the departmental expenditure level. Budgetary changes are made at the discretion of the Sheriff. Management uses a monthly budget variance report that analyzes year-to-date expenditures by category and fund and projects the year-end budget surplus or deficit.
- h) Budgets for the Special Revenue Funds and Other Governmental Funds are not required legally and are, therefore, not prepared.
- i) The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized changes applicable to the fiscal year, whenever legally authorized.

**POLK COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets

Capital assets purchased by the Sheriff are recorded as capital outlay expenditures. Ownership of all capital assets is vested in the Polk County, Florida Board of County Commissioners as provided by Chapter 274, *Florida Statutes*. The Sheriff maintains custodial responsibility for the capital assets used by his office. Capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated acquisition value on the date received. The Sheriff's policy is to capitalize expenditures for equipment with a life of more than one year and cost of greater than \$5,000. However, certain items that are usually purchased in large quantities such as computers, firearms and radios, are considered capital assets even when their individual acquisition cost is under the \$5,000 threshold. The Sheriff's expenditures for building renovations shall only be considered capital if the renovation project exceeds \$5,000. No depreciation expense has been provided on capital assets in these financial statements. However, depreciation expense on these assets is recorded in the basic financial statements of Polk County, Florida.

Excess Fees

Chapter 30, *Florida Statutes*, requires that any excess of revenues over expenditures in the General Fund (excess fees) held by the Sheriff at the end of each fiscal year shall be refunded to Polk County, Florida Board of County Commissioners. Therefore, the excess of revenues over expenditures in the General Fund at the end of each fiscal year is reflected as a transfer of excess fees on the statement of revenues, expenditures and changes in fund balances, and the related liability is recorded as due to Polk County, Florida Board of County Commissioners.

Cash and Investments

All funds participate in the pooled cash and investments program for the purpose of maximizing investment yields. The earnings of the pool are allocated on a monthly basis to individual funds based upon their average monthly balance in the pool.

Due to/from Other Funds

Amounts receivable from or payable to other funds are reflected in the accounts of the fund until liquidated by payment or authorized interfund transactions.

Receivables, Net

Receivables include amounts due from services provided under various agreements. All receivables are current. Based on estimated collectability, the allowance for uncollectible amounts related to stipends paid to persons in the training academy is \$437,530, which is equal to the receivable of \$437,530. All other receivables are considered to be collectible and, therefore, no other allowance for doubtful accounts is considered necessary by management.

**POLK COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

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 in the financial statements. Prepaid items are generally accounted for using the consumption method. These are not available expendable resources.

Fund Balance and Spending Policies

In accordance with GASB Statement No. 54 – *Fund Balance Reporting and Governmental Fund Type Definitions*, governments are required to classify fund balance in governmental funds as nonspendable, restricted, committed, assigned, and unassigned. The following are the definitions of the fund balance classifications:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of the Sheriff. As the Sheriff is an elected official responsible for the activities of the Sheriff's office, he is the highest level of decision making authority and any official order from the Sheriff would be required to authorize commitment of fund balance.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Sheriff's general orders, only the executive director has been given the authority to assign fund balance for a specific purpose.

Unassigned – all other spendable amounts.

The Sheriff has implemented fund balance and spending policies to clearly define the process for tracking the various classifications of fund balance. The policy states when a general fund expenditure is incurred and where restricted, committed, assigned, or unassigned amounts are available to be used, the Sheriff will first use restricted amounts, then committed amounts, then assigned amounts, and finally unassigned amounts. All other funds in which fund expenditure is incurred and where restricted, committed, assigned, or unassigned amounts are available to be used, the Sheriff will first use unassigned amounts, then assigned amounts, then committed amounts, and finally restricted amounts.

**POLK COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accrued Compensated Absences

Vacation and Sick Leave Plan

Full-time employees earn annual leave at varying rates depending upon length of service as follows:

<u>Rank</u>	<u>Length of Service</u>	<u>Annual Leave Earned</u>
Major and Above	0 and Above	240 hours
Below Major	1 to 4 Years	96 hours
	5 to 9 Years	120 hours
	10 to 14 Years	160 hours
	15 to 19 Years	180 hours
	20 to 24 Years	200 hours
	25 and Above Years	240 hours

For employees hired prior to January 1, 1997, the maximum permissible accumulation of vacation leave is 36 times the monthly accrual rate. If hired after January 1, 1997, employees may accumulate vacation leave not to exceed 240 hours. At termination, employees in good standing are paid for any accumulated vacation leave.

Sick leave accumulates for full time employees at the rate of one day per calendar month and is cumulative. Employees hired after January 1, 1997 shall not be paid for accrued sick leave. However, if a full-time employee hired prior to January 1, 1997 leaves the Sheriff in good standing or retires, the employee shall be paid for accrued sick leave based on the following schedule:

<u>Length of Service</u>	<u>Percentage of Sick Leave</u>
15 to 19 Years	40 - 48%
20 to 24 Years	50 - 54%
25 to 29 Years	55 - 59%
30 and Above Years	60%

Total payable vacation and sick leave hours are multiplied by the current pay rate to determine the accrued liability. Employees are charged for the last day of vacation or sick leave when the leave is used. Thus, unless it is anticipated that vacation or sick will be used in excess of a normal year's accumulation, no additional expenditures are accrued.

The Sheriff does not, nor is the sheriff legally required to, accumulate expendable financial resources for these unmatured obligations. Accordingly, the liability for compensated absences is not reported in the governmental funds of the Sheriff, but rather reported in the basic financial statements for the Polk County, Florida.

**POLK COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Paid Time Off (PTO) Leave Plan

Full-time employees earn annual leave at varying rates, depending upon length of service. All members in the PTO plan accrue leave according to the following schedule:

<u>Rank</u>	<u>Length of Service</u>	<u>PTO Leave Earned After January 1, 1997</u>
Major and Above	0 and Above	288 hours
Below Major	0 to 4 Years	144 hours
	5 to 9 Years	168 hours
	10 to 14 Years	192 hours
	15 to 19 Years	216 hours
	20 and Above Years	248.4 hours

There is no maximum amount of paid time off leave hours a member may accumulate. Upon termination, the maximum that shall be paid out is based on the following schedule:

<u>Length of Service</u>	<u>Members Hired January 1, 1997 to December 31, 2013</u>	<u>Members Hired January 1, 2014 and After</u>
0 to 3 Years	Up to 240 hours	None
4 to 5 Years	Up to 240 hours	Up to 100 hours
6 Years	Up to 240 hours	Up to 200 hours
7 to 9 Years	Up to 250 hours	Up to 250 hours
10 to 14 Years	Up to 300 hours	Up to 300 hours
15 to 19 Years	Up to 350 hours	Up to 350 hours
20 to 24 Years	Up to 400 hours	Up to 400 hours
25 and Above Years	Up to 480 hours	Up to 480 hours

Total payable PTO leave hours are multiplied by the current pay rate to determine the accrued liability. Employees are charged for the last day of PTO leave when the leave is used. Thus, unless it is anticipated that PTO will be used in excess of a normal year's accumulation, no additional expenditures are accrued.

**POLK COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other Postemployment Benefit Obligations

The County provides certain health care benefits for retired employees. In accordance with Section 112.0801, *Florida Statutes*, and as authorized by the County Ordinance 2011-023, effective October 3, 2011, and County Ordinance 2017-037 effective July 25, 2017, the County offers retiring employees enrolled in the County's plans at the time of retirement and their covered dependents the opportunity to continue to participate in health and/or life insurance plans through the County's Retiree Benefits Program. The Sheriff participates with Polk County in offering retiring employees the opportunity to continue to participate in the County's health insurance plan. Other postemployment benefits, calculated in accordance with Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, are reported in the financial statements of the County.

Use of Estimates

The preparation of the financial statements requires management of the Sheriff to make a number of estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the period. Actual results could differ from those estimates.

Other Significant Accounting Policies

Chapter 218, *Florida Statutes*, requires that the Sheriff make an annual report to Polk County, Florida Board of County Commissioners, within 31 days of the close of his fiscal year, reflecting the excess of revenues over expenditures or the unexpended budget as of the close of the fiscal year. In order to comply with the Florida statute, it is the policy of the Sheriff that the accounting records be held open several days after the close of the fiscal year in order that all receipts and expenditures applicable to the fiscal year can be recorded in the records. The financial statements prepared on a GAAP basis reflect any receipts or disbursements made after the close of the fiscal year as receivables or payables, as applicable.

NOTE 2 CASH AND INVESTMENTS

Custodial Credit Risk

Custodial credit risk is the risk that in the event of a bank failure, the government's deposits may not be returned to it. At year-end, the Sheriff's deposits were entirely covered by federal depository insurance or guaranteed by qualified public depositories in Florida pursuant to Chapter 280.07, *Florida Statutes*. Under the Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the government entity for the loss.

**POLK COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Deposits

At September 30, 2021, the Sheriff's book balance of cash was \$24,034,182, which includes \$4,576 of cash on hand, and the bank balance was \$24,774,495. The Sheriff's interest bearing bank balance is collateralized pursuant to Chapter 280, *Florida Statutes*. The remaining balances in such accounts are collateralized with the State Treasurer pursuant to Chapter 280, *Florida Statutes*.

Investments

The Sheriff is authorized to invest surplus funds in accordance with Chapter 218.415, *Florida Statutes*. This investment policy formally established guidelines and authorized the Sheriff to invest in the following:

- a) the Local Government Surplus Funds Trust Fund, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969, in s. 163.01;
- b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
- c) interest bearing time deposits or savings accounts in qualified public depositories, as defined in s. 280.02, and
- d) direct obligations of the U.S. Treasury.

There were no violations of legal or contractual provisions for deposits and investments during the year.

The Sheriff invests funds throughout the year with the Local Government Surplus Funds Trust Fund, "Florida PRIME" pool, an investment pool administered by the Florida 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*. Florida PRIME is considered a qualifying external investment pool that meets all of the necessary criteria to elect to measure all of the investments at amortized cost. Therefore, the fair value of the Sheriff's position in the pool is the same as the value of the pool shares. At September 30, 2021, the balance in Florida PRIME totaled \$5,367,209.

The Sheriff's investment in the State Pool exposes it to custodial credit risk. Custodial credit risk is the risk that in the event of a failure of the counterparty to a transaction, the Sheriff will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment.

The Florida PRIME has adopted operating procedures consistent with the requirements for a SEC 2a7-like fund (as defined in GASB 31); therefore, the account balance should be considered the fair value of the investment. The Florida PRIME is rated by Standard and Poor's. The current rating is AAAM. The weighted average days to maturity (WAM) of the Florida PRIME at September 30, 2021 was 49 days. The weighted average life (WAL) of the Florida PRIME at September 30, 2021 was 64 days.

**POLK COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 2 CASH AND INVESTMENTS (CONTINUED)

Investments (Continued)

A portfolio's WAM reflects the average maturity in days based on final maturity or reset date, in the case of floating rate instruments. WAM measures the sensitivity of the local government investment pool to interest rate changes.

In accordance with GASB 79, as a participant in a qualifying external investment pool, the Sheriff should disclose the presence of any limitations or restrictions on withdrawals (such as redemption notice periods, maximum transaction amounts, and the qualifying external investment pool's authority) to impose liquidity fees or redemption gates in the notes to the financial statements.

With regard to redemption gates, Chapter 218.409(8)(a), *Florida Statutes*, states that "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the monies 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 moratorium may be extended by the Executive Director 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, 2021, 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.

**POLK COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 3 LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the Sheriff for the year ended September 30, 2021 which are reported in the basic financial statements of Polk County, Florida:

	October 1, 2020	Additions	Deletions	September 30, 2021
Compensated Absences	\$ 10,506,691	\$ 9,007,305	\$ (9,404,450)	\$ 10,109,546

Of these liabilities, approximately \$685,964 is expected to be paid during the fiscal year ending September 30, 2021.

NOTE 4 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 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 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).

**POLK COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 4 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 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 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.

**POLK COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 4 PENSION PLANS (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 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.

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, 2021, 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.

**POLK COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 4 PENSION PLANS (CONTINUED)

FRS Investment Plan

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

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

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2021, 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, 2021, 2020, and 2019 were \$20,893,530, \$19,920,312, and \$18,844,105, respectively, equal to the actuarially determined contribution requirements for each year.

**POLK COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 4 PENSION PLANS (CONTINUED)

Contributions (Continued)

Additional information about pension plans can be found in Polk County's comprehensive annual financial report.

NOTE 5 OPERATING LEASES

As of September 30, 2021, the Sheriff has several cancelable and noncancelable operating leases. The operating leases generally provide for automatic termination in any year in which the Sheriff fails to appropriate funds for lease payments. Lease and rental expenditures under cancelable and noncancelable lease arrangements as well as various month to month rental agreements for the year ended September 30, 2021, were \$577,723. The following is a schedule of future minimum lease payments required under noncancelable leases:

<u>Year Ending September 30,</u>	<u>Amount</u>
2022	\$ 523,370
2023	329,500
2024	272,176
2025	268,426
2026	78,426
Thereafter	54,735
Total	<u>\$ 1,526,633</u>

NOTE 6 FUND BALANCE CLASSIFICATIONS

As of September 30, 2021, fund balances are composed of the following:

	<u>General</u>	<u>Inmate Welfare</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Nonspendable:				
Prepaid Items	\$ 680,340	\$ -	\$ 67,255	\$ 747,595
Restricted:				
Inmate Welfare	-	2,676,514	-	2,676,514
Law Enforcement Education	-	-	518,815	518,815
Law Enforcement Trust Fund Purposes	-	-	103,537	103,537
Restricted for Purpose of Grants	-	-	202,431	202,431
Total Restricted	-	2,676,514	824,783	3,501,297
Assigned Funds				
Subsequent Year Expenditures	-	-	7,348	7,348
Unassigned Funds	(680,340)	-	(14,016)	(694,356)
Total Fund Balances	<u>\$ -</u>	<u>\$ 2,676,514</u>	<u>\$ 885,370</u>	<u>\$ 3,561,884</u>

**POLK COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 7 CAPITAL ASSETS

Tangible personal property used by the Sheriff in operations is reported in the basic financial statements of Polk County, Florida.

State law requires the Sheriff to account for all tangible property used by the Sheriff. A summary of changes in capital assets for the year ended September 30, 2021:

	October 1, 2020	Additions	Disposals	Transfers	September 30, 2021
Capital Assets Not Depreciated:					
Construction-in-Progress	\$ 224,422	\$ 411,425	\$ (4,500)	\$ (219,922)	\$ 411,425
Total Assets Not Depreciated	<u>224,422</u>	<u>411,425</u>	<u>(4,500)</u>	<u>(219,922)</u>	<u>411,425</u>
Capital Assets Depreciated:					
Autos and Aircraft	39,147,813	4,485,383	(2,696,593)	24,975	40,961,578
Radios and Equipment	1,784,449	113,016	(440,453)	-	1,457,012
Jail Fixtures and Equipment	2,196,017	226,056	(181,242)	-	2,240,831
Office Furniture and Equipment	16,954,693	1,021,959	(2,989,436)	59,956	15,047,172
Other Criminal and Investigative	14,936,763	1,377,034	(787,460)	134,991	15,661,328
Total Assets Depreciated	<u>75,019,735</u>	<u>7,223,448</u>	<u>(7,095,184)</u>	<u>219,922</u>	<u>75,367,921</u>
Less Accumulated Depreciation:					
Autos and Aircraft	26,265,424	4,452,080	(2,580,035)	-	28,137,469
Radios and Equipment	1,415,433	55,047	(331,232)	-	1,139,248
Jail Fixtures and Equipment	1,648,054	132,271	(124,402)	-	1,655,923
Office Furniture and Equipment	13,774,371	1,171,776	(2,924,165)	-	12,021,982
Other Criminal and Investigative	7,958,377	1,061,030	(631,403)	-	8,388,004
Total Accumulated Depreciation:	<u>51,061,659</u>	<u>6,872,204</u>	<u>(6,591,237)</u>	<u>-</u>	<u>51,342,626</u>
Total Assets Depreciated, Net	<u>23,958,076</u>	<u>351,244</u>	<u>(503,947)</u>	<u>219,922</u>	<u>24,025,295</u>
Total Capital Assets, Net	<u>\$ 24,182,498</u>	<u>\$ 762,669</u>	<u>\$ (508,447)</u>	<u>\$ -</u>	<u>\$ 24,436,720</u>

**POLK COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 8 DUE TO/FROM POLK COUNTY, FLORIDA

The amounts due from (to) the board of county commissioners and the clerk as of September 30, 2021 are as follows:

<u>Due from Board of County Commissioners</u>	
General Fund	\$ 41,678
Nonmajor Governmental Funds	91,349
Total	<u>\$ 133,027</u>
 <u>Due to Board of County Commissioners</u>	
General Fund	\$ 11,387,022
Nonmajor Governmental Funds	4,226
Total	<u>\$ 11,391,248</u>
 <u>Due from Clerk of Courts</u>	
General Fund	\$ 159,351
Nonmajor Governmental Funds	541
Total	<u>\$ 159,892</u>
 <u>Due to Clerk of Courts</u>	
General Fund	\$ 11,762
Total	<u>\$ 11,762</u>

NOTE 9 COMMITMENTS AND CONTINGENCIES

Litigation

Various suits and claims arising in the ordinary course of operations, some of which involve substantial amounts, are pending against the Sheriff. While the ultimate effect of such litigation cannot be ascertained at this time, in the opinion of counsel for the Sheriff, the liabilities which may arise from such action would not result in losses which would materially affect the financial position of the Sheriff or the results of its operations.

Contingencies

No accrual has been made in the financial statements for contingencies related to claims not yet asserted, because the amount cannot be reasonably estimated. In management's opinion, any such claims, if asserted, would not have a material adverse effect on the operations or financial position of the Sheriff.

**POLK COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 9 COMMITMENTS AND CONTINGENCIES (CONTINUED)

Federal and State Grant Programs

The Sheriff participates in a number of federal and state programs. Grant programs are subject to financial and compliance audits by the grantors or their representatives. Accordingly, the Sheriff's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies, cannot be determined at this time although the Sheriff expects such amounts, if any, to be immaterial.

NOTE 10 RELATED-PARTY TRANSACTIONS

Transactions with the Polk County Board of County Commissioners for the year ended September 30, 2021 were as follows:

Budget Appropriations – The General Fund of the Sheriff received appropriations in the amount of \$179,174,594.

E911 – The General Fund of the Sheriff received E911 revenues in the amount of \$200,000.

Aviation Restoration – The General Fund of the Sheriff received Aviation Restoration Revenues in the amount of \$1,678,046.

Other Revenue – The General Fund of the Sheriff received revenues in the amounts of \$89,153 for charges for services, for the year ended September 30, 2021, from the board of county commissioners.

The Nonmajor Funds of the Sheriff received revenues in the amounts of \$481,778 and \$390,129 for fines and forfeitures and other charges for services, respectively, for the year ended September 30, 2021, from the Board of County Commissioners.

Fuel Expense – The General Fund of the Sheriff purchased fuel in the amount of \$731,747.

NOTE 11 INTERLOCAL AGREEMENTS

The Sheriff has entered into interlocal agreements with local governmental entities. The interlocal agreements were formed to provide law enforcement services, law enforcement related telecommunications services and related information technology services within the related municipalities within Polk County, Florida. The Sheriff shall assign personnel to provide these services consistent with each interlocal agreement. The activity for these interlocal agreements is accounted for in the General Fund in Charges and Fees for Services.

**POLK COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 12 RISK MANAGEMENT

The Sheriff participates in the risk management program through the Polk County, Florida Board of County Commissioners under a local government risk management pool. The County is exposed to various risk of loss related to theft of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. A self-insurance program is effectively maintained by the County to administer insurance activities related to workers' compensation insurance, general and employment practices liability, auto liability and health. The County's self-insurance program covers operations of the Board of County Commissioners and the constitutional officers. Under the program, the County has retention limits for each type of claim, which is covered by commercial insurance purchased by the County.

Claim Type	County Coverage (Deductible/Self-insured Amount)	Excess Carrier's Coverage
Property	Deductible \$1,000,000 except for as below: Named Windstorm 3% of TIV with \$5,000,000 Maximum \$1,000,000 Builders Risk	\$ 60,000,000 Named Windstorm \$ 100,000,000 All Other Perils (AOP) \$ 50,000,000 Builder's Risk \$ 25,000,000 Earthquake Aggregate \$ 20,000,000 Flood Aggregate \$ 10,000,000 Flood Aggregate (zones A & V)
General and Employment Practices Liability	\$1,000,000 Self-insurance Retention Sovereign immunity limits: \$200,000 Any One Person \$300,000 Any One Claim	\$ 5,000,000 Per Occurrence \$ 10,000,000 Aggregate
Auto Liability	\$1,000,000 Self-insured Retention Sovereign immunity limits: \$200,000 Any One Person \$300,000 Any One Claim	\$ 5,000,000 Per Occurrence
Employee Health	\$1,000,000 Self-insurance Retention	Unlimited Stop Loss
Workers Compensation	\$1,500,000 Self-insured Retention \$1,000,000 Employers Liability	Workers Compensation Statutory Employers Liability - No Excess Coverage
Cyber Liability	\$750,000 Self Insured Retention	\$ 3,000,000 Limit

NOTE 13 SHERIFF'S SALARY

The Sheriff's salary is in accordance with Chapter 145 of the *Florida Statutes* for the year ended September 30, 2021. Per *Florida Statutes*, the Sheriff's allowed base salary was \$172,829 with Qualification and Education Incentive pay of \$2,000 and \$1,560 respectively.

NOTE 14 SUBSEQUENT EVENTS

The Sheriff entered into a purchase agreement on October 13, 2021 related to the sale of one of their used helicopters for \$1,000,000 with a title transfer date of October 14, 2021.

**POLK COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 15 CHANGE IN ACCOUNTING PRINCIPLE

During the year ended September 30, 2021, the Sheriff adopted GASB Statement No. 84, *Fiduciary Activities*. This change requires the restatement of the September 30, 2020 Custodial Fund Balance as follows:

	Custodial Funds
Fund Balance, September 30, 2020, as Previously Reported	\$ -
Cumulative Effect of Application of GASB Statement No. 84	<u>303,519</u>
Fund Balance, September 30, 2020, as Restated	<u><u>\$ 303,519</u></u>

COMBINING SCHEDULES

This page left intentionally blank

**POLK COUNTY SHERIFF
COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION – CUSTODIAL FUNDS
YEAR ENDED SEPTEMBER 30, 2021**

	Custodial Funds			Total Custodial Funds
	Fees and Suspense	Fines and DRDs	Inmate	
ASSETS				
Cash and Investments	\$ 1,135,755	\$ -	\$ 142,131	\$ 1,277,886
Due from Individuals and Businesses	798	-	5,429	6,227
Due from Other Governments	9,406	-	-	9,406
	<u>9,406</u>	<u>-</u>	<u>-</u>	<u>9,406</u>
Total Assets	<u>\$ 1,145,959</u>	<u>\$ -</u>	<u>\$ 147,560</u>	<u>\$ 1,293,519</u>
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Due to Other Governments	\$ 1,263	\$ -	\$ 1,201	\$ 2,464
Due to Individuals and Businesses		-	437	437
Deposits	1,054,021	-	-	1,054,021
	<u>1,054,021</u>	<u>-</u>	<u>-</u>	<u>1,054,021</u>
Total Liabilities	1,055,284	-	1,638	1,056,922
FUND BALANCE	<u>90,675</u>	<u>-</u>	<u>145,922</u>	<u>236,597</u>
Total Liabilities and Fund Balance	<u>\$ 1,145,959</u>	<u>\$ -</u>	<u>\$ 147,560</u>	<u>\$ 1,293,519</u>

**POLK COUNTY SHERIFF
COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION – CUSTODIAL FUNDS
YEAR ENDED SEPTEMBER 30, 2021**

	Custodial Funds			Total Custodial Funds
	Fees and Suspense	Fines and DRDs	Inmate	
ADDITIONS				
Fines and Fees Collections				
Individuals and Businesses	\$ 333,234	\$ 23,718	\$ -	\$ 356,952
Other Governments	127,928	-	-	127,928
Contributions				-
Individuals and Businesses	-	-	4,813,609	4,813,609
Total Additions	<u>461,162</u>	<u>23,718</u>	<u>4,813,609</u>	<u>5,298,489</u>
DEDUCTIONS				
Payments of Fines and Fees	565,466	23,718	-	589,184
Canteen Purchases	-	-	2,664,832	2,664,832
Inmate Spending	-	-	780,183	780,183
Miscellaneous Charges	-	-	1,331,212	1,331,212
Total Deductions	<u>565,466</u>	<u>23,718</u>	<u>4,776,227</u>	<u>5,365,411</u>
NET CHANGE IN FUND BALANCES	(104,304)	-	37,382	(66,922)
Fund Balance - Beginning of Year, as Previously Reported	-	-	-	-
Fund Balance - Beginning of Year, as Restated (See Note 15)	<u>194,979</u>	<u>-</u>	<u>108,540</u>	<u>303,519</u>
FUND BALANCE - END OF YEAR	<u>\$ 90,675</u>	<u>\$ -</u>	<u>\$ 145,922</u>	<u>\$ 236,597</u>

**POLK COUNTY SHERIFF
COMBINING BALANCE SHEET – NONMAJOR FUNDS
SEPTEMBER 30, 2021**

	Special Revenue Funds	Law Enforcement Education	Law Enforcement Trust	Total Nonmajor Governmental Funds
ASSETS				
Cash and Investments	\$ 219,149	\$ 511,994	\$ 103,527	\$ 834,670
Due from Polk County, Florida				
Board of County Commissioners	84,126	7,223	-	91,349
Due from Clerk of Courts	-	541	-	541
Due from Other Governments	-	-	-	-
Receivables, Net	1,079	41	10	1,130
Prepaid Items and Other Assets	7,851	49,641	9,763	67,255
	<u>312,205</u>	<u>569,440</u>	<u>113,300</u>	<u>994,945</u>
Total Assets	<u>\$ 312,205</u>	<u>\$ 569,440</u>	<u>\$ 113,300</u>	<u>\$ 994,945</u>
LIABILITIES AND FUND BALANCE				
LIABILITIES				
Accounts Payable	\$ 75	\$ -	\$ -	\$ 75
Accrued Liabilities	8,470	-	-	8,470
Due to Polk County, Florida				
Board of County Commissioners	4,226	-	-	4,226
Due to Other Funds	81,700	15,000	-	96,700
Due to Other Governments	104	-	-	104
Unearned Revenue	-	-	-	-
	<u>94,575</u>	<u>15,000</u>	<u>-</u>	<u>109,575</u>
Total Liabilities	<u>94,575</u>	<u>15,000</u>	<u>-</u>	<u>109,575</u>
FUND BALANCES				
Nonspendable	7,851	49,641	9,763	67,255
Restricted	202,431	518,815	103,537	824,783
Assigned	7,348	-	-	7,348
Unassigned	-	(14,016)	-	(14,016)
	<u>217,630</u>	<u>554,440</u>	<u>113,300</u>	<u>885,370</u>
Total Fund Balances	<u>217,630</u>	<u>554,440</u>	<u>113,300</u>	<u>885,370</u>
Total Liabilities and Fund Balances	<u>\$ 312,205</u>	<u>\$ 569,440</u>	<u>\$ 113,300</u>	<u>\$ 994,945</u>

**POLK COUNTY SHERIFF
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – NONMAJOR FUNDS
YEAR ENDED SEPTEMBER 30, 2021**

	Special Revenue Funds	Law Enforcement Education	Law Enforcement Trust	Total Nonmajor Governmental Funds
REVENUES				
Board of County Commissioners	\$ -	\$ -	\$ -	\$ -
Charges for Services	511,442	223,079	-	734,521
Intergovernmental	-	761	-	761
Miscellaneous	56,118	-	94,494	150,612
Fines and Forfeitures	8,880	-	75,877	84,757
Interest	312	755	194	1,261
Total Revenues	<u>576,752</u>	<u>224,595</u>	<u>170,565</u>	<u>971,912</u>
EXPENDITURES				
Public Safety:				
Personnel Services	510,189	-	-	510,189
Operating	27,067	226,850	72,516	326,433
Capital Outlay	19,300	-	93,394	112,694
Total Expenditures	<u>556,556</u>	<u>226,850</u>	<u>165,910</u>	<u>949,316</u>
NET CHANGE IN FUND BALANCES	20,196	(2,255)	4,655	22,596
Fund Balances - Beginning of Year	<u>197,434</u>	<u>556,695</u>	<u>108,645</u>	<u>862,774</u>
FUND BALANCES - END OF YEAR	<u><u>\$ 217,630</u></u>	<u><u>\$ 554,440</u></u>	<u><u>\$ 113,300</u></u>	<u><u>\$ 885,370</u></u>

SUPPLEMENTAL REPORTS

This page left intentionally blank



**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**

Honorable Grady C. Judd
Sheriff
Polk 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 aggregate remaining information of the Polk County, Florida Sheriff (Sheriff), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Sheriff's financial statements, and have issued our report thereon dated March 23, 2022.

Internal Control Over Financial Reporting

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

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

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

Honorable Grady C. Judd
Polk 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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



CliftonLarsonAllen LLP

Lakeland, Florida
March 23, 2022



MANAGEMENT LETTER

Honorable Grady C. Judd
Sheriff
Polk County, Florida

We have audited the financial statements of each major fund and the aggregate remaining fund information of the Polk County, Florida Sheriff (Sheriff), as of and for the year ended September 30, 2021 and have issued our report thereon dated March 23, 2022.

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 Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with AICPA *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 23, 2022, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. In connection with our audit, we did not have any such 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 in notes to the financial statements.

Honorable Grady C. Judd
Polk County Sheriff

Financial Management

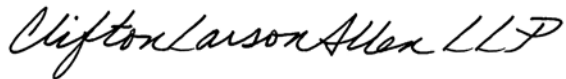
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

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

Lakeland, Florida
March 23, 2022



INDEPENDENT ACCOUNTANTS' REPORT

Honorable Grady C. Judd
Sheriff
Polk County, Florida

We have examined the Polk County, Florida Sheriff's (the Sheriff) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2021. 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, 2021.

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

Lakeland, Florida
March 23, 2022

This page left intentionally blank

**POLK COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS**

**FINANCIAL STATEMENTS
AND SUPPLEMENTAL REPORTS**

YEAR ENDED SEPTEMBER 30, 2021



WEALTH ADVISORY | OUTSOURCING
AUDIT, TAX, AND CONSULTING

CLAconnect.com

This page left intentionally blank

**POLK COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
TABLE OF CONTENTS
YEAR ENDED SEPTEMBER 30, 2021**

INDEPENDENT AUDITORS' REPORT	1
FINANCIAL STATEMENTS	
BALANCE SHEET – GOVERNMENTAL FUNDS	3
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS	4
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND	5
NOTES TO FINANCIAL STATEMENTS	6
SUPPLEMENTAL REPORTS	
INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH <i>GOVERNMENT AUDITING STANDARDS</i>	18
MANAGEMENT LETTER	20
INDEPENDENT ACCOUNTANTS' REPORT	22

This page left intentionally blank



INDEPENDENT AUDITORS' REPORT

Honorable Lori Edwards
Supervisor of Elections
Polk County, Florida

Report on the Financial Statement

We have audited the accompanying financial statements of each major fund of the Polk County, Florida, Supervisor of Elections (Supervisor), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Supervisor's 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.

Honorable Lori Edwards
Polk County Supervisor of Elections

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 Supervisor as of September 30, 2021, and the respective changes in financial position and the budgetary comparison of its 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 Florida 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 Polk County, Florida that is attributable to the transactions of the Supervisor. They do not purport to, and do not, present fairly the financial position of Polk County, Florida as of September 30, 2021, and the changes in its financial position for the fiscal year then ended in accordance 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated May 15, 2022 on our consideration of the Supervisor’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 Supervisor’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 Supervisor’s internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Lakeland, Florida
May 15, 2022

**POLK COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
BALANCE SHEET – GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

	General	Special Revenue Grants	Total
ASSETS			
Cash and Cash Equivalents	\$ 1,306	\$ 438,945	\$ 440,251
Prepaid Items	209,253	-	209,253
Total Assets	\$ 210,559	\$ 438,945	\$ 649,504
 LIABILITIES AND FUND BALANCES			
LIABILITIES			
Vouchers Payable	\$ 151,729	\$ -	\$ 151,729
Accrued Liabilities	58,830	-	58,830
Total Liabilities	210,559	-	210,559
 FUND BALANCES			
Nonspendable	209,253	-	209,253
Restricted	-	438,945	438,945
Unassigned	(209,253)	-	(209,253)
Total Fund Balances	-	438,945	438,945
Total Liabilities and Fund Balances	\$ 210,559	\$ 438,945	\$ 649,504

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2021**

	General	Special Revenue Grants	Total
REVENUES			
Intergovernmental	\$ -	\$ 111,457	\$ 111,457
Charges for Services	3,123	-	3,123
Interest	-	744	744
Total Revenues	<u>3,123</u>	<u>112,201</u>	<u>115,324</u>
EXPENDITURES			
General Government:			
Personnel Services	2,555,416	57,350	2,612,766
Operating	1,957,715	187,601	2,145,316
Capital Outlay	19,259	-	19,259
Total Expenditures	<u>4,532,390</u>	<u>244,951</u>	<u>4,777,341</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(4,529,267)	(132,750)	(4,662,017)
Other Financing Sources (Uses):			
Interfund Transfers In	2,820	38,181	41,001
Interfund Transfers Out	(38,181)	(2,820)	(41,001)
Transfer In from Polk County, Florida Board of County Commissioners	<u>4,564,628</u>	<u>-</u>	<u>4,564,628</u>
Total Other Financing Sources	<u>4,529,267</u>	<u>35,361</u>	<u>4,564,628</u>
NET CHANGE IN FUND BALANCES	-	(97,389)	(97,389)
Fund Balances - Beginning of Year	<u>-</u>	<u>536,334</u>	<u>536,334</u>
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ 438,945</u>	<u>\$ 438,945</u>

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL – GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2021**

	Budget		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$ -	\$ -	\$ 3,123	\$ 3,123
EXPENDITURES				
General Government:				
Personnel Services	2,734,955	2,734,955	2,555,416	179,539
Operating	1,971,447	1,971,447	1,957,715	13,732
Capital Outlay	35,700	35,700	19,259	16,441
Total Expenditures	<u>4,742,102</u>	<u>4,742,102</u>	<u>4,532,390</u>	<u>209,712</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(4,742,102)	(4,742,102)	(4,529,267)	212,835
OTHER FINANCING SOURCES				
Interfund Transfers In	-	-	2,820	2,820
Interfund Transfers Out	-	-	(38,181)	(38,181)
Transfer In from Polk County, Florida Board of County Commissioners	<u>4,742,102</u>	<u>4,742,102</u>	<u>4,564,628</u>	<u>(177,474)</u>
Total Other Financing Sources	<u>4,742,102</u>	<u>4,742,102</u>	<u>4,529,267</u>	<u>(212,835)</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Polk County, Florida is a political subdivision of the State of Florida governed by the State Constitution and general laws of the State of Florida.

The legislative and governing body of the County is the five-member Board of County Commissioners. Each County Commissioner is elected on a countywide basis for a four-year term of office and each County Commissioner is a resident of their Commission District. Polk County became a Home Rule Charter County on January 1, 1999, with an appointed County Manager, and with separate legislative and executive functions. The County Manager is the head of the administrative branch of county government and is responsible to the Board of County Commissioners for the proper administration of all affairs of the County, except for those powers, duties and functions residing, as specified by law, with the elected constitutional officers.

There are six offices elected countywide which are as follows: Board of County Commissioners composed of five (5) members, Supervisor of Elections, Clerk of the Circuit Court, Property Appraiser, Sheriff, and Tax Collector.

Reporting Entity

The Supervisor of Elections (Supervisor) is a County Agency and a local governmental entity pursuant to Article 8, Section 1(d), of the Constitution of the State of Florida. For financial statement and reporting purposes, the Supervisor does not meet the definition of a legally separate organization and is not considered to be a component unit. The Supervisor is considered to be a part of the primary government of Polk County, Florida (the County).

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

The Supervisor is the official custodian of the registration books and has the exclusive control of matters pertaining to registration of electors and the administration of elections. These financial statements present all fund types of the Supervisor, and are not meant to represent Polk County, Florida as a whole.

**POLK COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Reporting Entity (Continued)

The accounting policies of the Supervisor conform to accounting principles, as applicable to governmental units generally accepted in the United States of America. The accompanying summary of significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report. These policies, as presented, should be viewed as an integral part of the accompanying financial statements.

Measurement Focus, Basis of Accounting, and Basis of Presentation

The accounts of the governmental funds are maintained on the modified accrual basis. Under the modified accrual basis, expenditures are recorded at the time liabilities are incurred, and revenues are recorded when received in cash or when they are considered measurable and available and as such, are susceptible to accrual. For this purpose, the Supervisor considers revenues to be available if they are collected within 60 days after year-end with the exception of grants, which have a period of availability of one year. Grants are recognized as revenue as soon as all eligibility requirements have been met. Expenditures are recorded when the related fund liability is incurred, except for compensated absences, which are recognized as expenditures to the extent they have matured.

Description of Funds

The accounting records are organized for reporting purposes on the basis of governmental funds.

General Fund – the general fund is the primary operating fund of the Supervisor. It is used to account for all revenues and expenditures not required to be accounted for in another fund.

Special Revenue Grants Fund – the grants fund accounts for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Capital Assets

Capital assets purchased by the Supervisor are recorded as capital outlay expenditures and are capitalized in the basic financial statements of Polk County, Florida rather than in the governmental funds of the Supervisor. Ownership of all capital assets is vested in the Polk County Board of County Commissioners as provided by Chapter 274, *Florida Statutes*. The Supervisor's policy is to capitalize expenditures for assets with a life of more than one year and cost of greater than \$5,000.

**POLK COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance and Spending Policies

In accordance with GASB Statement No. 54 – *Fund Balance Reporting and Governmental Fund Type Definitions*, governments are required to classify fund balance in governmental funds as nonspendable, restricted, committed, assigned, and unassigned. The following are the definitions of the fund balance classifications:

Nonspendable – amounts that cannot be spent either because they are in nonspendable form or because they are legally or contractually required to be maintained intact.

Restricted – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

Committed – amounts that can be used only for specific purposes determined by a formal action of the Supervisor. As the Supervisor is an elected official responsible for the activities of the Supervisor’s office, she is the highest level of decision making authority and an official order from the Supervisor would be required to authorize commitment of fund balance.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used or specific purposes.

Unassigned – all other spendable amounts.

The Supervisor has implemented fund balance and spending policies to clearly define the process for tracking the various classifications of fund balance. The policy states when general fund expenditure is incurred, the Supervisor will first use restricted amounts, then committed amounts, then assigned amounts, and finally unassigned amounts. All other funds in which fund expenditures are incurred, the Supervisor will first use unassigned amounts, then assigned amounts, then committed amounts, and finally restricted amounts.

Accrued Compensated Absences

The amounts of unpaid vacation and sick leave accumulated by employees are accrued as current year expenditures for amounts that would normally be liquidated with expendable available financial resources. Total available vacation and sick leave hours are multiplied by the current pay rate to determine the accrued liability. The Supervisor uses the last-in, first-out (LIFO) method of recognizing the use of vacation and sick hours. Employees are charged for the last day of vacation or sick leave earned when the leave is used. Thus, unless it is anticipated that vacation or sick leave will be used in excess of a normal year’s accumulation, no additional expenditures are accrued.

The Supervisor does not, nor is legally required to accumulate financial resources for these unmatured obligations. Accordingly, the liability for compensated absences is not reported in the general fund of the Supervisor, but rather is reported in the basic financial statements of Polk County, Florida.

**POLK COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other Postemployment Benefit Obligations

The County provides certain health care benefits for retired employees. In accordance with Section 112.0801, *Florida Statutes*, and as authorized by the County Ordinance 2011-023, effective October 3, 2011, and County Ordinance 2017-037 effective July 25, 2017, the County offers retiring employees enrolled in the County's plans at the time of retirement and their covered dependents the opportunity to continue to participate in health and/or life insurance plans through the County's Retiree Benefits Program. The Supervisor participates with Polk County in offering retiring employees the opportunity to continue to participate in the County's health insurance plan. Other postemployment benefits, calculated in accordance with Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, are reported in the financial statements of the County.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements. Prepaid items are generally accounted for using the consumption method. These are not available expendable resources.

Budgets and Budgetary Accounting

The following are the procedures followed in establishing the budget for the Supervisor's office:

1. On or before June 1 of each year, the Supervisor submits to the Board of County Commissioners a tentative budget for expenditures to be paid by the Board of County Commissioners on behalf of the Supervisor for the ensuing fiscal year.
2. Prior to September 1 of each year, the Supervisor submits a budget to the Board of County Commissioners for filing which includes proposed expenditures for the operations of the Supervisor and the means of financing operations. All appropriations are provided by the Board of County Commissioners.
3. Formal budgetary integration is employed as a management control device during the year for the General Fund.
4. Section 129.07, *Florida Statutes*, provides that only excesses of total fund budgets are unlawful.
5. Unused appropriations expire at the end of each fiscal year.
6. A budget for the Special Revenue Grants Fund is not legally required to be prepared by the Supervisor and is therefore not presented in the financial statements.
7. The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental allocations and legally authorized changes applicable to the fiscal year, whenever legally authorized.

**POLK COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of the financial statements requires management of the Supervisor to make a number of estimates and assumptions relating to the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the period. Actual results could differ from those estimates.

Unexpended Budget Balance Reverting to Board of County Commissioners

Section 218.36(2), Florida Statutes, requires that any excess of revenues over expenditures in the General Fund held by the Supervisor of Elections at the end of each fiscal year shall be remitted to the Board of County Commissioners. Therefore, the excess of revenues over expenditures in the General Fund at the end of each fiscal year is reflected as unexpended budget balance reverting to the Board of County Commissioners on the statement of revenues, expenditures and changes in the fund balance, and the related liability is included in due to constitutional officers. At September 30, 2021 there was no such excess.

NOTE 2 CASH AND CASH EQUIVALENTS

The Supervisor participates in the pooled cash and investments program of the Polk County, Florida, Board of County Commissioners for the purpose of maximizing investment yields. The earnings of the pool are allocated on a monthly basis to the individual funds of the Board of County Commissioners and the Supervisor based upon their average monthly balance in the pool.

Pooled cash and investments of the Board of County Commissioners determined to be available in excess of immediate needs is placed in investments in accordance with the Polk County Board of County Commissioners Investment Policy as amended October 4, 2016, under the guidelines of *Florida Statute* 218.415. Investments, which are primarily comprised of treasury notes and other U.S. obligations, certificates of deposit, and amounts invested in the State Board of Administration, are recorded at fair value.

**POLK COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 3 CAPITAL ASSETS

Capital assets used by the Supervisor in operations is reported in the financial statements of Polk County, Florida. The Supervisor maintains custodial responsibility for the capital assets used by the office. The following is a summary of changes in capital assets, which are reported in the basic financial statements of Polk County, Florida:

	October 1, 2020	Additions	Disposals	September 30, 2021
Capital Assets being Depreciated:				
Equipment	\$ 863,215	\$ -	\$ (1,584)	\$ 861,631
Furniture	37,835	-	-	37,835
IT Equipment	292,392	19,259	-	311,651
Total Assets being Depreciated	<u>1,193,442</u>	<u>19,259</u>	<u>(1,584)</u>	<u>1,211,117</u>
Less: Accumulated Depreciation				
Equipment	312,966	79,142	(1,082)	391,026
Furniture	34,458	595	-	35,053
IT Equipment	262,109	20,499	-	282,608
Total Accumulated Depreciation	<u>609,533</u>	<u>100,236</u>	<u>(1,082)</u>	<u>708,687</u>
Total Assets being Depreciated, Net	<u>\$ 583,909</u>	<u>\$ (80,977)</u>	<u>\$ (502)</u>	<u>\$ 502,430</u>

NOTE 4 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 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).

**POLK COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 4 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.

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.

**POLK COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 4 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, 2021, 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.

**POLK COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 4 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. Supervisor 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, 2021, 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.

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.

**POLK COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 4 PENSION PLANS (CONTINUED)

Contributions

Participating employer contributions are based upon statewide rates established by the State of Florida. The Supervisor's contributions made to the plans during the years ended September 30, 2021, 2020, and 2019 were \$282,829, \$260,720 and \$234,364, respectively, equal to the actuarially determined contribution requirements for each year.

Additional information about pension plans can be found in the County's comprehensive annual financial report.

NOTE 5 LONG-TERM LIABILITIES

The following is a summary of the changes in long-term liabilities which are reported in the basic financial statements of Polk County, Florida.

	October 1, 2020	Additions	Deletions	September 30, 2021
Compensated Absences	\$ 112,316	\$ 132,256	\$ (163,460)	\$ 81,112

Of these liabilities, approximately \$81,112 is expected to be paid during fiscal year ending September 30, 2022, which will be included in the operating costs of the general fund when expended. These long-term liabilities are not reported within the financial statements of the Supervisor since they have not matured.

NOTE 6 FUND BALANCE CLASSIFICATIONS

As of September 30, 2021, fund balances are composed of the following:

	General	Special Revenue Grants	Total
Nonspendable:			
Prepaid Items	\$ 209,253	\$ -	\$ 209,253
Restricted:			
Restricted for Helping America Vote Act	-	438,945	438,945
Unassigned Funds	(209,253)	-	(209,253)
Total Fund Balances	\$ -	\$ 438,945	\$ 438,945

**POLK COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 7 RELATED PARTY

Transactions with the Polk County, Florida, Board of County Commissioners for the year ended September 30, 2021 were as follows:

Budget Appropriations – The Board of County Commissioners provided appropriations to the Supervisor in the amount of \$4,564,628 for personnel services, operating expenses, and capital outlay.

Fleet Expense – The General Fund of the Supervisor utilized the fleet services including fuel and repairs in the amount of \$3,244 for the year ended September 30, 2021, from the Board of County Commissioners.

Information Technology Service Expense – The General Fund of the Supervisor utilized the IT services in the amount of \$33,904 for the year ended September 30, 2021, from the Board of County Commissioners.

NOTE 8 COMMITMENTS AND CONTINGENCIES

Litigation

Various suits and claims arising in the ordinary course of operations, some of which may involve substantial amounts, are pending against the Supervisor. While the ultimate effect of such litigation cannot be ascertained at this time, in the opinion of counsel for the Supervisor, the liabilities which may arise from such action would not result in losses which would materially affect the financial position of the Supervisor or the results of its operations.

Contingencies

No accrual has been made in the financial statements for contingencies related to claims not yet asserted, because the amount cannot be reasonably estimated. In management's opinion, any such claims, if asserted, would not have a material adverse effect on the operations or financial position of the Supervisor.

State Grant Programs

The Supervisor participates in a number of State programs. Grant programs are subject to financial and compliance audits by the grantors or their representatives. Accordingly, the Supervisor's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies, cannot be determined at this time, although the Supervisor expects such amounts, if any, to be immaterial.

**POLK COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2021**

NOTE 9 RISK MANAGEMENT

The Supervisor of Elections participates in the risk management program through the Polk County, Florida Board of County Commissioners under a local government risk management pool. There were no losses reported for the years ended September 30, 2021, 2020, nor 2019.

There have been no significant reductions in insurance coverage in the last year. Settled claims have not exceeded the insurance provided by third-party carriers in any of the last three years.

The County is exposed to various risk of loss related to theft of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. A self-insurance program is effectively maintained by the County to administer insurance activities related to workers' compensation insurance, general and employment practices liability, auto liability and health. The County's self-insurance program covers operations of the Board of County Commissioners and the constitutional officers. Under the program, the County has retention limits for each type of claim, which is covered by commercial insurance purchased by the County. The insurance coverages are summarized below.

<u>Claim Type</u>	<u>County Coverage (Deductible/Self-Insured Amount)</u>	<u>Excess Carrier's Coverage</u>
	Deductible \$1,000,000 except for as below:	\$60,000,000 Named Windstorm
Property	Named Windstorm 3% of TIV with \$5,000,000 Maximum \$1,000,000 Builders Risk	\$100,000,000 All Other Perils (AOP) \$50,000,000 Builder's Risk \$ 25,000,000 Earthquake Aggregate \$ 20,000,000 Flood Aggregate \$ 10,000,000 Flood Aggregate (zones A & V)
General & Employment Practices Liability	\$1,000,000 Self-insurance Retention Sovereign immunity limits: \$200,000 Any One Person \$300,000 Any One Claim	\$5,000,000 Per Occurrence \$10,000,000 Aggregate
Auto Liability	\$1,000,000 Self-Insured Retention Sovereign Immunity Limits: \$200,000 any one person \$300,000 any one claim	\$5,000,000 per Occurrence
Employee Health	\$1,00,000 Self-insurance Retention	Unlimited Stop Loss
Workers Compensation	\$1,500,000 Self-Insured Retention \$1,000,000 Employers Liability	Workers Compensation – Statutory Employers Liability – No Excess Coverage
Cyber Liability	\$750,000 Self insured Retention	\$3,000,000 Limit

This page left intentionally blank

SUPPLEMENTAL REPORTS

This page left intentionally blank



**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**

Honorable Lori Edwards
Supervisor of Elections
Polk 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 Polk County, Florida, Supervisor of Elections (Supervisor), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise the Supervisor's basic financial statements, and have issued our report thereon dated May 15, 2022.

Internal Control over Financial Reporting

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

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

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

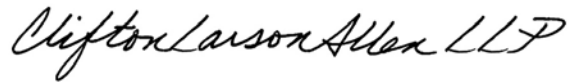
Honorable Lori Edwards
Supervisor of Elections

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Supervisor'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*.

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

Lakeland, Florida
May 15, 2022



MANAGEMENT LETTER

Honorable Lori Edwards
Supervisor of Elections
Polk County, Florida

Report on the Financial Statements

We have audited the financial statements of Polk County, Florida, Supervisor of Elections (Supervisor), as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated May 15, 2022.

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 the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated May 15, 2022, 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 and recommendations reported 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. There were no component units to be reported in the financial statements.

Honorable Lori Edwards
Supervisor of Elections

Financial Management

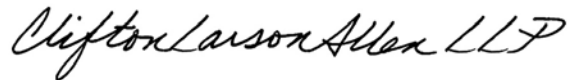
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

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



CliftonLarsonAllen LLP

Lakeland, Florida
May 15, 2022



INDEPENDENT ACCOUNTANTS' REPORT

Honorable Lori Edwards
Supervisor of Elections
Bartow, Florida

We have examined the Polk County, Florida Supervisor of Elections' (Supervisor), compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2021. Management of the Supervisor is responsible for the Supervisor's compliance with the specified requirements. Our responsibility is to express an opinion on the Supervisor's compliance with the specific 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 complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Supervisor 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's compliance with specified requirements.

In our opinion, the Supervisor complied, in all material respects, with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2021.

This report is intended solely for the information and use of the Supervisor 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

Lakeland, Florida
May 15, 2022

This page left intentionally blank

OFFICE OF JOE G. TEDDER, CFC Tax Collector for Polk County, Florida

ANNUAL REPORT Year Ended September 30, 2021



OUR MISSION

"We are working to earn the public's trust and confidence."

OUR VISION

"To treat our customers with such professionalism and concern that we change their perception of government."

This page left intentionally blank

TABLE OF CONTENTS

	<u>Page</u>
Letter to the Taxpayers of Polk County.....	1-11
Independent Auditors' Report.....	12-14
FINANCIAL STATEMENTS	
Balance Sheet - General Fund.....	15
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual – General Fund.....	16
Statement of Fiduciary Net Position	17
Statement of Changes in Fiduciary Net Position.....	18
Notes to Financial Statements.....	19-26
SUPPLEMENTAL REPORTS	
Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	27-28
Independent Accountants' Report on Compliance Requirements with Section 218.415, <i>Florida Statutes</i>	29
Independent Auditors' Report to Management.....	30-31

This page left intentionally blank



Joe G. Tedder, cfc, Tax Collector
Imperial Polk County & The State of Florida

May 6, 2022

To the Citizens and Taxpayers of Polk County:

Florida's Constitution authorizes the position of Tax Collector as an independent unit of its political subdivisions, which are otherwise known as counties.

The Tax Collector's responsibilities involve the collection of revenue and public funding for a variety of state, regional, and local governmental agencies and taxing authorities; the enforcement against delinquency in payment of such revenues and funds; the distribution of such revenues and funds in a timely manner to various state and local agencies and taxing authorities involved; the investment of public funds pending distribution; the vigilant adherence to procedures designed to promote fairness to the taxpayer and governmental efficiency and accountability in the collection, enforcement, distribution, and investment of funds; and, serve as the most likely contact on a daily basis with and between citizens and taxpayers and the various state, regional, and local governmental agencies and taxing authorities.

As a position established by Florida's Constitution to complete a system of checks and balances, the Tax Collector for Polk County (TCPC) serves the people of Polk County. Therefore, the Tax Collector does not serve as an employee of the state, a state agency, a regional governmental agency, or local government.

The Tax Collector serves the people of Polk County and is elected by its voters to serve a four-year term.

The TCPC is responsible for providing a wide range of services to the citizens and taxpayers of Polk County on behalf of other governmental units. These services consist primarily of the collection and administration of Ad Valorem taxes, Non-Ad Valorem assessments, driver license fees and identification card issuance, motor vehicle taxes and registration/title/plate/decal issuance, county local business taxes and receipt issuance, tourist development taxes, hunting and fishing fees and license issuance, concealed weapon licenses and mail-in payment processing for various governmental agencies. These services are performed on behalf of numerous local governments and agencies of the State of Florida.

Services are provided at the TCPC Service Centers, which are located in Bartow, Lakeland, Davenport (North Ridge), and Lake Wales. Motor vehicle registration and title transactions are also authorized to be conducted in Winter Haven by the American Legion Post No. 8.

P.O. Box 1189 • 430 E. Main Street • Bartow, Florida 33831-1189 • Tel. 863-534-4700 • Fax: 863-534-4720
Email: Mail@PolkTaxes.com • Web: www.PolkTaxes.com

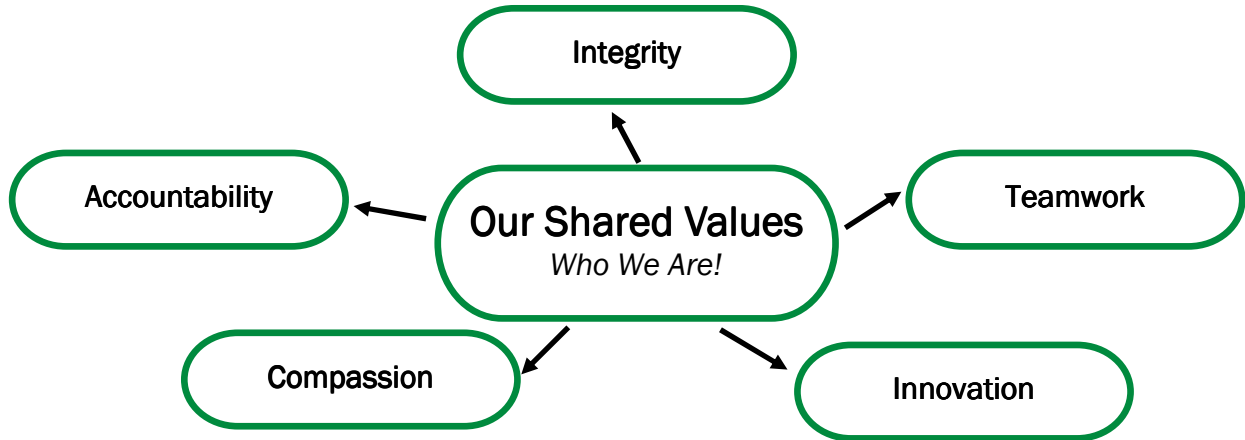
Our Mission, Vision, Shared Values and Focus Points

Our Mission
What We Do!

We are working to earn the public's trust and confidence

Our Vision
What We Want To Be!

To treat our customers with such professionalism and concern that we change their perception of government



Our Focus Points
How We Do It!

Customer Service
We strive to exceed customers' expectations.

Efficiency
We provide timely services while conserving resources.

Accountability
We hold ourselves to transparency in all we do as stewards of the public's trust.

Employee Well-Being
We drive professional excellence by empowering our staff and meeting their needs.

Leadership
We use the highest ethical standards in both actions and appearance enabling us to perform with the utmost honor and integrity.



Ad Valorem Taxes and Non-Ad Valorem Assessments

Ad Valorem Taxes and Non-Ad Valorem Assessments

The TCPC is responsible for collecting and remitting the taxes and assessments provided on the annual tax roll provided by the Property Appraiser's Office and independent taxing authorities.

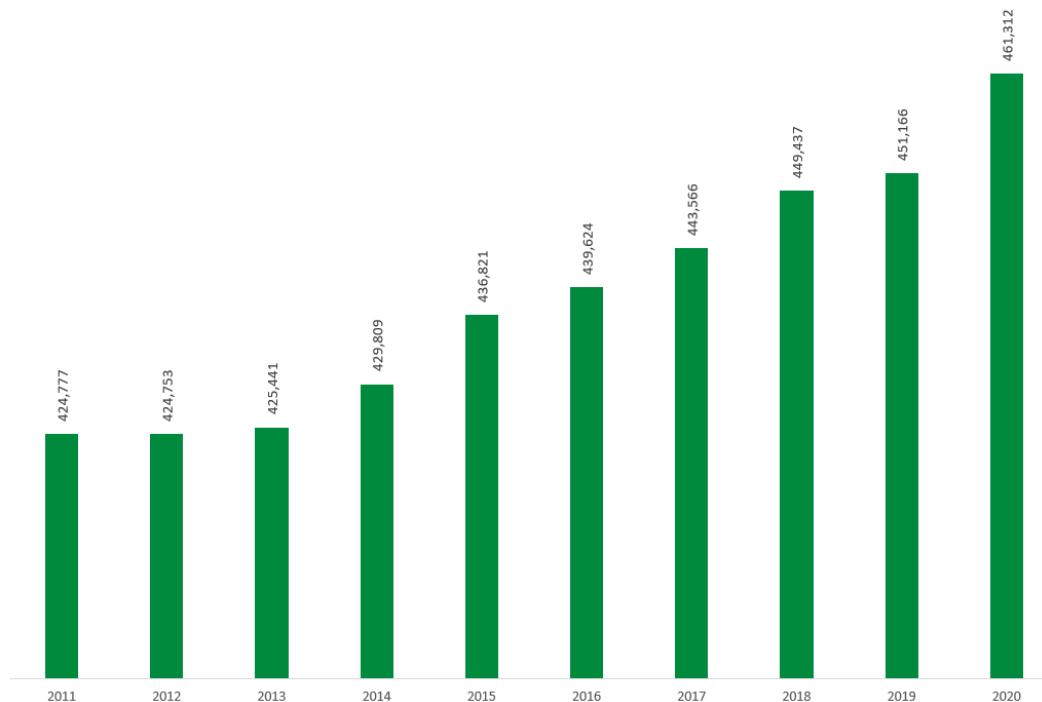
The TCPC is not responsible for determining assessed values, exemptions, taxable values or the tax rates. The tax roll includes real estate taxes, tangible taxes and Non-Ad Valorem assessments. Non-Ad Valorem assessments consist primarily of assessments for fire services, solid waste, and lighting districts.

The collections of these taxes and assessments are administered in accordance with Florida Statutes and the rules and regulations of the Florida Department of Revenue. These services are provided on behalf of taxpayers, the Polk County Board of County Commissioners, the Polk County School Board, as well as, municipalities and special taxing and assessment districts located within Polk County.

The 2020 tax roll was provided to the TCPC in October of 2020 and the tax bills were mailed in time to start collections on November 1, 2020. Unpaid taxes became delinquent on April 1, 2021. Tax certificates were offered for sale in June 2021 on delinquent real estate taxes and warrants were ratified by the court in July 2021 for delinquent tangible taxes. The TCPC is required by the state to report to the Board of County Commissioners the status of the current tax roll within sixty days of the tax certificate sale.

Tax roll accounts for the last ten years:

TAX ROLL ACCOUNTS (2011 - 2020)





A summary of the Status of the Current Tax Roll Report, which was provided in July 2021.

SUMMARY OF 2020 TAX ROLL REPORT	AMOUNT	PERCENT
Taxes collected including discounts taken	\$ 791,939,504	99.60%
Tax certificates not purchased at sale	596,534	0.08%
Delinquent tangible taxes	982,995	0.12%
Taxes in bankruptcy or litigation	180,418	0.02%
Miscellaneous	1,445,817	0.18%
Total 2020 Tax Roll	\$ 795,145,268	100.00%

The last ten tax rolls have consisted of the following amounts and accounts:

TAX ROLLS	AMOUNT	ACCOUNTS
2020	\$ 795,145,268	461,312
2019	\$ 739,856,518	451,166
2018	\$ 692,573,379	449,437
2017	\$ 634,627,621	443,566
2016	\$ 585,870,443	439,624
2015	\$ 562,706,280	436,821
2014	\$ 527,360,758	429,809
2013	\$ 509,700,423	425,441
2012	\$ 491,329,439	424,753
2011	\$ 512,982,607	424,777

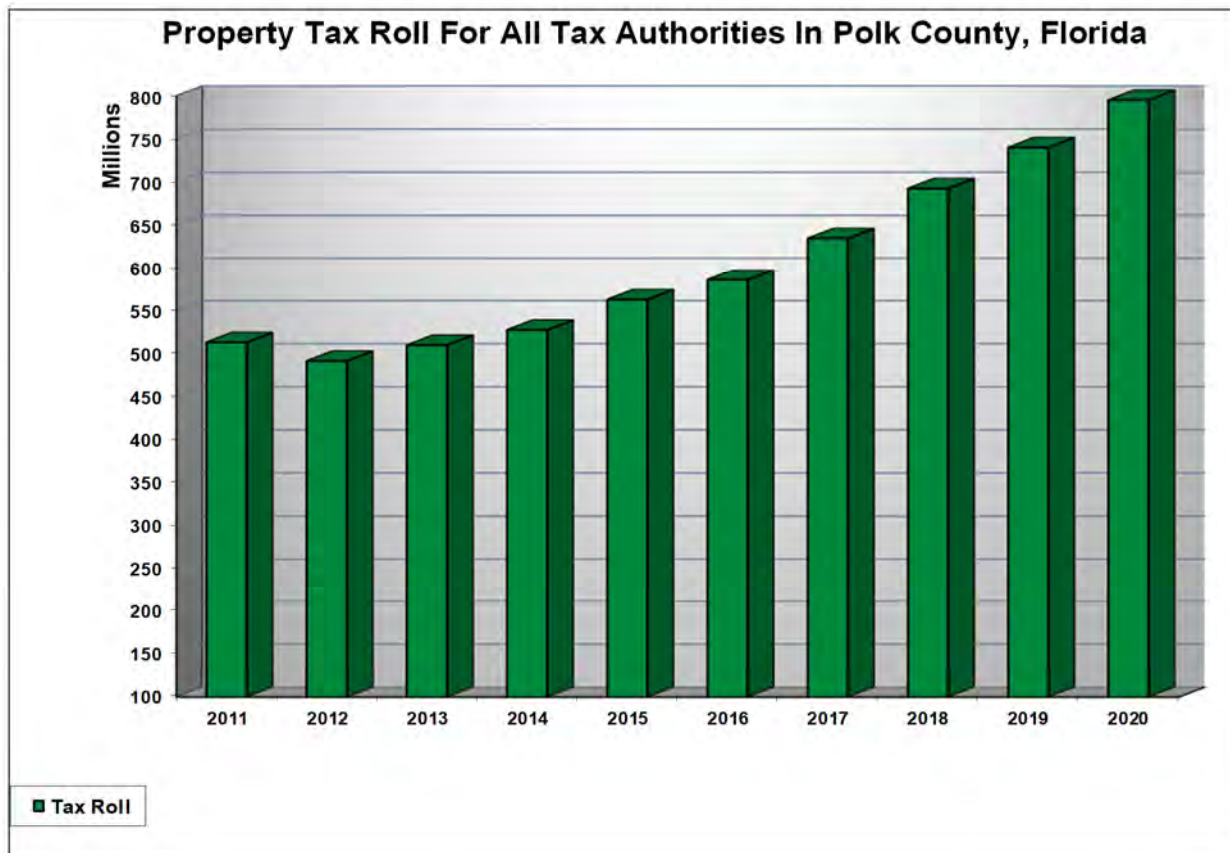
Tax Certificate Redemptions

On or before June 1 of each year, the TCPC offers for sale tax certificates on properties with unpaid real estate taxes. A tax certificate represents a lien on the property. The purpose of the sale is to collect unpaid real estate taxes on behalf of the numerous taxing authorities.

There were 19,758 certificates offered for sale representing taxes of \$19,259,877. As a result of the sale and subsequent sales 12,860 certificates were sold accounting for \$18,480,108 in taxes. Unsold certificates are referred to as “County held” certificates and earn interest at 18% per year.

After the sale of tax certificates this office is responsible for handling the subsequent collections from the property owner and remitting the funds to the certificate holder. During the fiscal year 2020/21, 20,378 certificates were redeemed by property owners totaling \$24,606,443.

A Graphic Representation of Property Tax Roll All Tax Authorities in Polk County (2011-2020)



Motor Vehicle Transactions - The TCPC processes motor vehicle and vessel transactions, involving titles and registration, as well as various other transactions on behalf of the Florida Department of Highway Safety and Motor Vehicles. The TCPC also collect sales taxes on sales of motor vehicles and vessels not involving licensed dealers on behalf of the Florida Department of Revenue.

During the 2020/21 fiscal year 157,683 title transactions and 698,129 registration transactions were processed. Registration, sales taxes and title and other fees totaling more than \$66 million were collected in our Service Centers.

Driver Licenses – During the 2020/21 fiscal year, the TCPC issued 103,977 driver licenses and permits, as well as 16,134 identification cards, while collecting \$7,537,333 The TCPC provides full driver license services in Lakeland, Lake Wales and North Ridge (Davenport) service centers and in the Bartow service center by appointment only.

Local Business Taxes - The TCPC collects the local business tax imposed by the Board of County Commissioners. This tax is required of various individuals and enterprises doing business in Polk County. During 2020/21 taxes were collected on 34,595 receipts for a total of \$1,731,261 including a 15% commission retained by this office. Collections are remitted monthly to the BOCC and municipalities in the county, which share these taxes.

Tourist Development Taxes - The TCPC collects the tourist development tax imposed by the Board of County Commissioners. This is a 5% tax on transient or short-term rentals of accommodations. During 2020/21 this office administered 5,551 accounts from which \$16,445,584 was remitted, including a 3% commission retained by this office.

Hunting and Fishing Licenses - The TCPC issues hunting and fishing licenses on behalf of the Florida Fish and Wildlife Conservation Commission (FWC). These licenses are issued at our Bartow, Lakeland, Lake Wales and Davenport Service Centers. During 2020/21, 1,601 licenses were issued totaling \$110,785 including the fees retained by this office.

Concealed Weapon Licenses – The TCPC issues concealed weapon licenses on behalf of the Florida Department of Agriculture and Human Services. During the 2020/21 fiscal year 10,321 licenses were issued totaling \$1,133,737, including the fees retained by this office.

Payment Processing Services – The TCPC services include payment processing for local government entities. The Cities of Bartow and Lakeland as well as the Polk County Board of County Commissioners have contracted with the TCPC for processing of their mail-in utility payments. During 2020/21, approximately 513,636 payments totaling \$196,199,134 were processed in our Technical Processing Department for these entities generating \$132,203 in revenues for the TCPC.

Call Center Operations – The TCPC also provides information services via telephone calls and emails. Phone calls answered during 2020/21 totaled 364,841.



Total Cash Receipts

Total cash receipts collected by Tax Collector on behalf of other governmental agencies and tax certificate holders, during year ended September 30, 2021, were:

TOTAL RECEIPTS PROCESSED BY SOURCE	AMOUNT
Ad Valorem Taxes and Non-Ad Valorem Assessments	767,562,849
Vehicle and Vessel Taxes	66,559,758
Tax Certificate Redemptions	24,606,443
Tourist Development Taxes	16,445,584
Driver Licenses	7,537,333
Local Business Taxes	1,731,261
Concealed Weapon Licenses	1,133,737
Hunting and Fishing License Taxes	110,785
Interest	55,779
*Payment Processing Payments	196,199,134
TOTAL	1,081,942,663

**Payment processing payments are transactions completed by the TCPC, but directly deposited into the business process unit's account.*

Total cash receipts distributed by Tax Collector to other governmental agencies and tax certificate holders, during year ended September 30, 2021, were:

CASH RECEIPTS FOR TAXING AUTHORITIES	AMOUNT
Polk County Board of County Commissioners (BoCC)	383,721,942
Polk County Public Schools (PCPS)	257,377,077
Municipalities in Polk County	101,617,729
State of Florida	69,876,158
Special Taxing Districts	41,894,175
Tax Certificate Holders	24,863,623
TOTAL	879,350,704



Operating Revenues and Expenditures - The TCPC operates as a “fee office.” This means the TCPC earns fees and commissions for the services rendered. The fees and commissions are established primarily by the Florida Legislature and are contained in the Florida Statutes.

The annual budget of the TCPC is approved by the Department of Revenue. Any subsequent increases in the budget must also be approved by the Department of Revenue.

The excess of revenues over expenditures are remitted to each governmental unit that paid fees to our office in the same proportion as the fees paid bear to the total revenues of the office.

REVENUES AND EXPENDITURES

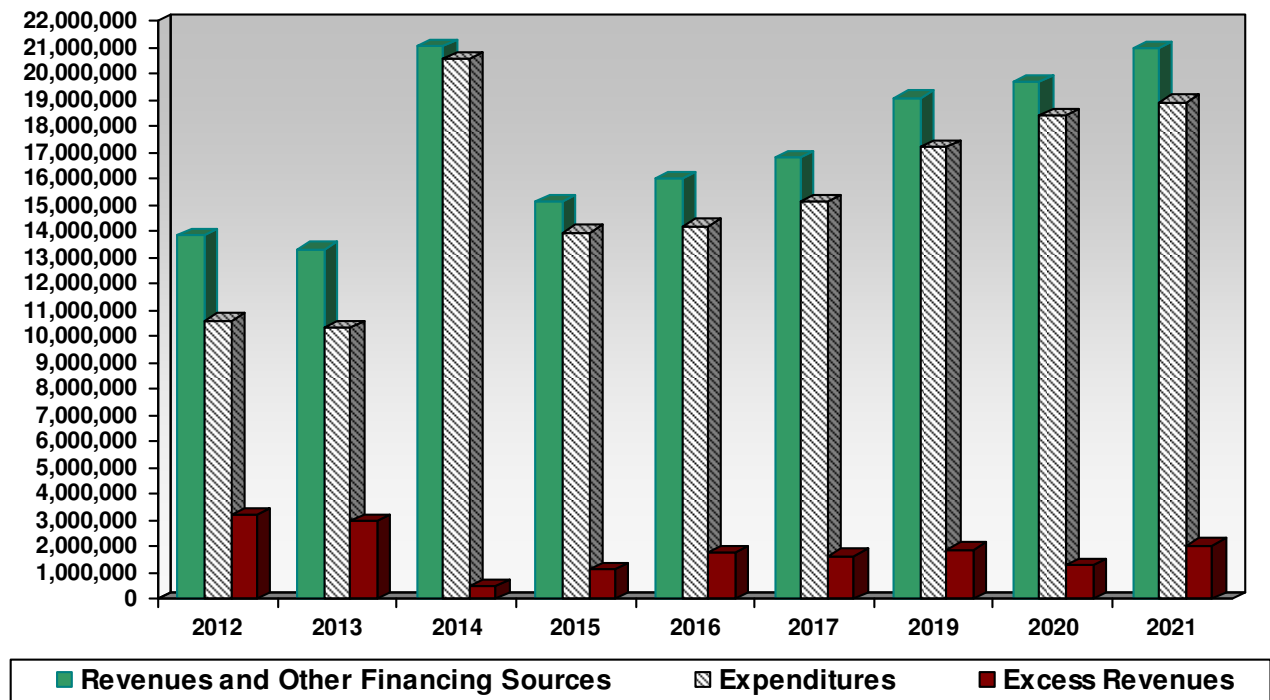
Revenues (including other financing sources) and expenditures (including other financing uses) for the past ten years were:

FISCAL YEAR	REVENUES	EXPENDITURES	EXCESS REVENUES
2020/2021	\$20,947,824	\$18,907,308	\$2,040,516
2019/2020	\$19,657,884	\$18,371,993	\$1,285,891
2018/2019	\$19,078,565	\$17,184,787	\$1,893,778
2017/2018	\$18,100,923	\$16,429,417	\$1,671,506
2016/2017	\$16,785,536	\$15,138,161	\$1,647,375
2015/2016	\$15,973,701	\$14,207,904	\$1,765,797
2014/2015	\$15,088,931	\$13,959,072	\$1,129,859
2013/2014*	\$21,019,117	\$20,543,313	\$ 475,804
2012/2013	\$13,309,212	\$10,338,272	\$2,970,940
2011/2012	\$13,814,779	\$10,605,868	\$3,208,911

**The increase in revenue and expenditures in 2013/2014 was due to construction of the Lakeland and North Ridge Service Centers. These offices were built in order for the TCPC to perform driver license services as these duties were transitioning from the State of Florida DHSMV to the TCPC. The TCPC received additional funding from the Polk County BOCC and the Lakeland Community Redevelopment Agency to assist with these projects.*

A graphic representation of revenues (including other financing sources) and expenditures (2012-2021).

Tax Collector’s Office Revenues And Expenditures



Accountability - The Tax Collector and his office are first and foremost accountable to the citizens and taxpayers of Polk County. To ensure the Tax Collector remains primarily accountable to the people, the TCPC has undertaken a mission, whereby it is “working to earn the public’s trust and confidence by providing the best in customer services through assured quality and the efficient use of public funds.”

To succeed in its mission, the TCPC has adopted an “Outline For Success” (OFS), that seeks to measure operational performance, including meaningful public evaluations, so that administrative measures can be taken to improve and maintain efficiencies and/or address opportunities for improvement.

TGPC Outline for Success Performance Scorecard

FOCUS POINT	TAX COLLECTOR		EXPECTATION	FY 2021	FY 2020	FY 2019
	EXPECTATION MEASUREMENT					
Customer Service	Overall Customer Experience <i>(Comment Card Satisfaction: % 4s & 5s)</i>		97%	96.7%	97.2%	98.1%
	Overall Customer Experience <i>(Comment Card Engagement: % 4s & 5s)</i>		90%	89.2%	90.2%	91.5%
	Driver License Appointments met Customer Needs		90%	87.0%	95.8%	92.4%
	Customer service wait time met expectation*		85%	73.6%	78.0%	86.0%
	Customer service telephone calls answered within 2 minutes		70%	41.3%	55.2%	53.0%
Employee Well-Being	Employee Satisfaction with Professional Development		82%	82.2%	81.6%	88.8%
	Employee Satisfaction		90%	87.7%	85.4%	93.9%
	Employee Turnover Rate		≤15%	22.4%	17.2%	16.8%
Efficiency	Personnel Budget per Capita		≤\$26	\$23.29	\$22.84	\$22.55
Accountability	Remit tax dollars to appropriate taxing authority by deadlines		100%	100%	100%	100%
	Service Center Transaction Accuracy		99%	99.59%	99.59%	99.59%
	Payment Processing Business Unit Transaction Accuracy		99.97%	100%	100%	99.999%
Leadership	Customer Trust <i>(annual customer survey)</i>		80%	87.0%	86.2%	85.1%
	Employee Trust <i>(annual employee survey)</i>		90%	87.6%	87.6%	95.7%

*Wait time expectation is less than 10 minutes for appointments, 20 minutes for other transactions, and 60 minutes for Guest Service Tickets and Drive License Walk-Ins



Closing Statement for Tax Collector for Polk County

I trust that these actions, including the performance of the Tax Collector's Office, as well as the accompanying document meet with your approval. However, if you have any questions or concerns regarding this correspondence or the accompanying information, please do not hesitate to contact us. Your inquiries and comments are welcomed.

Sincerely,

Joe G. Tedder, CFC
Tax Collector

This page left intentionally blank

INDEPENDENT AUDITORS' REPORT

Honorable Joe G. Tedder, CFC
Tax Collector for Polk County, Florida
Polk County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the General Fund and the aggregate remaining fund information of the Tax Collector for Polk County, Florida ("Tax Collector"), as of and for the year ended September 30, 2021, and the related notes to the financial statements, which collectively comprise of the Tax Collector's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Tax Collector's 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 opinion.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the General Fund and aggregate remaining fund information of the Tax Collector, as of September 30, 2021, and the respective changes in financial position and the budgetary comparisons of the General Fund and aggregate remaining fund information 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 A 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 (“Rules”). In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the General Fund, and aggregate remaining fund information only for that portion of the General Fund, and aggregate remaining fund information of Polk County, Florida that is attributable to the Tax Collector. They do not purport to, and do not, present fairly the financial position of Polk County, Florida as of September 30, 2021, 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 Government 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.

Honorable Joe G. Tedder, CFC
Tax Collector for Polk County, Florida
Polk County, Florida

Other Reporting Required by Governmental Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated May 12, 2022, on our consideration of the Tax Collector's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is 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.



CPS Group CPAs PA

Lakeland, Florida
May 12, 2022

This page left intentionally blank

**TAX COLLECTOR
FOR POLK COUNTY, FLORIDA
BALANCE SHEET
GENERAL FUND
September 30, 2021**

ASSETS

Cash and cash equivalents	\$	7,662,006
Due from Board of County Commissioners		2,682
Other Receivables		207,878
Prepaid assets		333,288
		333,288
Total assets	\$	8,205,854
		8,205,854

LIABILITIES AND FUND BALANCE

Liabilities:

Vouchers payable and accrued liabilities	\$	1,246,951
Due to Board of County Commissioners		6,851,317
Due to other governmental agencies		107,586
		107,586
Total liabilities		8,205,854

Fund balance

		-
		-
Total liabilities and fund balance	\$	8,205,854
		8,205,854

See accompanying notes to financial statements

**TAX COLLECTOR
FOR POLK COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
Year Ended September 30, 2021**

	Budgeted Amounts		Actual	Variance with Final Budget - Favorable (Unfavorable)
	Original	Final		
REVENUES				
Commissions and Fees:				
Board of County Commissioners	\$ 12,235,200	\$ 12,235,200	\$ 12,430,463	\$ 195,263
Special taxing districts	893,905	893,905	1,003,774	109,869
Vehicle/Vessels	3,205,500	3,205,500	3,462,163	256,663
Driver licenses	1,475,000	1,475,000	1,586,288	111,288
Business taxes	236,000	236,000	244,047	8,047
Tax certificate sales	880,000	880,000	885,545	5,545
Tax redemptions	280,000	280,000	302,418	22,418
Payment processing	130,000	130,000	132,203	2,203
Concealed weapon licenses	130,000	130,000	213,252	83,252
Hunting and fishing licenses	16,000	16,000	10,677	(5,323)
Tourist development	283,104	283,104	493,384	210,280
Interest	80,000	80,000	9,773	(70,227)
Collection costs and miscellaneous	154,000	154,000	173,837	19,837
Total revenues	<u>19,998,709</u>	<u>19,998,709</u>	<u>20,947,824</u>	<u>949,115</u>
EXPENDITURES				
General Government:				
Salaries and benefits	16,329,603	16,369,194	15,671,588	697,606
General expenditures	3,257,504	3,237,504	3,062,413	175,091
Capital outlay	164,000	184,000	173,307	10,693
Total expenditures	<u>19,751,107</u>	<u>19,790,698</u>	<u>18,907,308</u>	<u>883,390</u>
Excess of revenues over expenditures	<u>247,602</u>	<u>208,011</u>	<u>2,040,516</u>	<u>1,832,505</u>
OTHER FINANCING USES				
Transfer of excess fees	247,602	208,011	2,040,516	(1,832,505)
Total other financing uses	<u>247,602</u>	<u>208,011</u>	<u>2,040,516</u>	<u>(1,832,505)</u>
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to the financial statements

**TAX COLLECTOR
FOR POLK COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
September 30, 2021**

ASSETS

Cash and cash equivalents	\$ 6,870,730
---------------------------	--------------

Total assets	<u>\$ 6,870,730</u>
---------------------	---------------------

LIABILITIES

Due to other governmental agencies	\$ 5,771,310
------------------------------------	--------------

Tax certificates payable	713,114
--------------------------	---------

Refunds and other payables	<u>386,306</u>
----------------------------	----------------

Total liabilities	<u>\$ 6,870,730</u>
--------------------------	---------------------

See accompanying notes to financial statements

**TAX COLLECTOR
FOR POLK COUNTY, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
September 30, 2021**

ADDITIONS

Tax, License, and Fee Collections	\$ 499,927,757
-----------------------------------	----------------

Total Additions	499,927,757
------------------------	-------------

DEDUCTIONS

Payments to other governments	470,339,834
-------------------------------	-------------

Payments to tax certificate holders	25,633,062
-------------------------------------	------------

Payments to others	3,954,861
--------------------	-----------

Total Deletions	499,927,757
------------------------	-------------

CHANGE IN NET POSITION

-

Net Position - Beginning of Year

-

NET POSITION - END OF YEAR

\$ -

**TAX COLLECTOR
FOR POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2021**

A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Polk County is a political subdivision of the State of Florida governed by the State Constitution and general laws of the State of Florida. Polk County government consists of the following six offices elected countywide: Board of County Commissioners, Clerk of the Circuit Court, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector. The Tax Collector, Polk County, Florida (Tax Collector) is a local government entity pursuant to Article 8, Section 1(d), of the constitution of the State of Florida.

These financial statements are fund financial statements that have been prepared in conformity with the reporting guidelines established by the Governmental Accounting Standards Board (GASB) and accounting practices prescribed by the Auditor General, State of Florida. The basic financial statements for Polk County as a whole, which includes the funds of the Tax Collector, were prepared in conformity with accounting principles generally accepted in the United States of America (GAAP).

The Tax Collector is an elected public official responsible for the collection and distribution of the following taxes and fees: ad valorem taxes on real and tangible property and non-ad valorem assessments on property within Polk County, tourist development taxes, hunting and fishing licenses, motor vehicle and mobile home titles and registrations, driver license fees, business tax receipts, vessel titles and registrations and sales tax on motor vehicle and vessel sales with non-dealers. These services are provided on behalf of the Polk County Board of County Commissioners (Board), Polk County School Board, the State of Florida, as well as, municipalities and special taxing districts located within Polk County.

The accounting policies of the Tax Collector conform to GAAP as applicable to governmental entities. The accompanying summary of significant accounting policies is presented to assist the reader in interpreting the financial statements and other data in this report. These policies, as presented, should be viewed as an integral part of the financial statements.

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 in separate self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, or expenses, 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 various funds of the Tax Collector are grouped into two generic fund types and two broad fund categories as follows:

Governmental Fund Type

General Fund - The General Fund is the general operating fund of the Tax Collector and accounts for all financial resources not required to be accounted for in another fund.

Fiduciary Fund Type

Fiduciary Fund - The Fiduciary fund accounts for all assets held by the Tax Collector in his capacity as custodian or agent for individuals and other governmental units. The Fiduciary fund is custodial in nature (assets equal liabilities) and does not involve measurement of results of operations.

**TAX COLLECTOR
FOR POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2021**

A - 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.

Governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available. For this purpose, the Tax Collector considers revenues to be available if they are collected within 31 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, if measurable, except for the long term portion of unpaid sick and vacation pay.

All governmental funds are accounted for using a current financial resources measurement focus. With this measurement focus only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in the fund balance.

In governmental funds, material revenues in the following categories are considered susceptible to accrual when they are both measurable and available:

Property taxes	Intergovernmental revenues	Interest earned
----------------	----------------------------	-----------------

Licenses and permits, charges for services, fines and forfeitures and miscellaneous revenues are generally recorded as revenues when received in cash because they are usually not measurable until actually received.

Fiduciary funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. Fiduciary funds are accounted for using the modified accrual basis of accounting.

Capital Assets

Capital assets are assets with a useful life of more than one year and a cost of \$1,000 or greater. Capital assets purchased by the Tax Collector are recorded as expenditures. Capital assets, except for real property, are not included in the financial statements because ownership is vested in the Board of County Commissioners as provided by Chapter 274, Florida Statutes. Section 197.332, Florida Statutes, provides for county tax collectors to own real property. Tax Collector owned real property is reported in Footnote C. Buildings are being depreciated over a 40-year useful life using the straight line method. Donated capital assets are recorded at cost or fair value at the date of donation.

Excess Fees

Chapter 218, Florida Statutes, requires that any excess of revenues over expenditures (excess fees) held by a tax collector at the end of each fiscal year shall be distributed to each governmental unit utilizing the Tax Collector's services in the same proportion as the fees paid by the governmental unit bear to the total fee income of the Tax Collector's office. Therefore, the excess of revenues over expenditures at the end of each fiscal year is reflected as a transfer of excess fees on the statement of revenues and expenditures and change in fund balance and the related liability is recorded on the balance sheet as due to the Board or other governmental agencies, as applicable, leaving a net fund balance of zero dollars.

**TAX COLLECTOR
FOR POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2021**

A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Budgets and Budgetary Accounting

The following are the procedures followed in establishing the budget for the Tax Collector's office:

- (1) On or before August 1 of each year, the Tax Collector submits an annual budget for the operations of their office to the Florida Department of Revenue, Property Tax Oversight Division, (Department). A copy of the budget is also furnished to the Board. After the budget has been reviewed and approved by the Department, it becomes the operating budget for the ensuing fiscal year.
- (2) The Tax Collector's operating budget can only be amended after written approval has been received from the Department.
- (3) The Department approves all transfers between appropriation categories requested by the Tax Collector, and this becomes the level of budgetary control for the office.
- (4) Formal budgetary integration is employed as a management control device during the year for all governmental fund types.
- (5) The General Fund budget is adopted on a modified accrual basis of accounting.

Ad Valorem Taxes

The property tax calendar for 2021 is as follows:

Lien date	January 1, 2021
Levy date	January 1, 2021
Due dates	November 1, 2021 - March 31, 2022
Delinquent date	April 1, 2022
Tax certificate sale	No later than June 1, 2022

No accrual for the property tax levy becoming due in November of 2021 is included in the accompanying financial statements since such taxes are collected to finance expenditures of the subsequent period.

Investments

The Tax Collector has elected to adopt an Internal Investment Policy in accordance with Chapter 218, Florida Statutes. This policy authorizes the Tax Collector to invest surplus public funds in:

- (1) The Local Government Surplus Funds Trust Funds, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act as provided in Chapter 163, Florida Statutes.
- (2) Securities and Exchange Commission registered money market funds with the highest quality rating from a nationally recognized rating agency.

**TAX COLLECTOR
FOR POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2021**

A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- (3) Accounts in state qualified public depositories as defined in Chapter 280, Florida Statutes.
- (4) Certificates of Deposit in state qualified public depositories, as defined in Chapter 280, Florida Statutes.
- (5) Direct obligations of the U.S. Treasury.
- (6) Federal agency and instrumentalities.
- (7) Repurchase Agreements collateralized by securities otherwise authorized above.

Accumulated Unpaid Leave

Effective January 1, 1992, employees began earning annual leave at varying rates depending upon length of service as follows:

<u>Length of Service</u>	<u>Annual Leave Earned</u>
01-05 years	20 days
06-10 years	25 days
11-15 years	28 days
16-20 years	30 days
21-25 years	32 days
26 and over	35 days

Employees are paid at fiscal year end for accumulated paid leave in excess of 240 hours for full time employees and 120 hours for part time employees.

The Tax Collector uses the last-in, first-out (LIFO) method of recognizing the use of compensated absences. Under this method, compensated absences are recorded as an expenditure when the liability is normally liquidated with expendable available financial resources. Thus, unless it is anticipated that compensated absences will be used in excess of a normal year's accumulation, no additional expenditures are accrued.

Since the Tax Collector remits the excess of revenues over expenditures to the Board and other governmental agencies on an annual basis, the entire unpaid liability for sick and annual leave is the responsibility of the Board and other governmental agencies and is therefore recorded in the General Long Term Debt Account Group of the Board and the respective governmental agencies.

Other significant accounting policies are set forth in the financial statements and the notes thereto.

Use of Estimates

The preparation of the fund financial statements is in conformity with accounting practices prescribed by the GASB and the Auditor General, State of Florida, and requires management to make use of estimates that affect the reported amounts in the financial statements. Actual results could differ from estimates.

**TAX COLLECTOR
FOR POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2021**

A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Other Postemployment Benefit Obligations

Based on GASB Statement 45 – *Accounting and Financial Reporting by Employers for Postretirement Benefits Other Than Pensions*, which was implemented by Polk County for the year ended September 30, 2008, certain governmental entities are required to record actuarial accrued liabilities related to Other Postemployment Benefit Plans. The Tax Collector’s employees are included as part of the Postemployment Health Benefits Plan (OPEB Plan) administered by the Board. The OPEB Plan currently covers certain eligible retirees of the Board and the Constitutional Officers of Polk County. The OPEB Plan currently pays certain portions of healthcare insurance premiums of retirees based on years of service and other factors. The liabilities and expenses associated with the OPEB Plan are not included in the financial statements of the Tax Collector. Such liabilities and expenses are included in the Annual Comprehensive Financial Report of Polk County.

B - CASH AND CASH EQUIVALENTS

The carrying amount of the Tax Collector’s deposits were \$14,532,736 and the bank balances were \$13,566,816 at September 30, 2021. Cash and cash equivalents, which include assets easily and quickly convertible to cash.

Cash and cash equivalents at September 30, 2021, were as follows

Amount insured by federal depository insurance or guaranteed by the banks as qualified public depositories in Florida pursuant to Section 280.07, Florida Statutes	\$ 6,328,149
Amount on deposit with State of Florida, State Board of Administration in the Tax Collector's name	5,234,151
Amount on deposit with Florida Local Government Investment Trust in the Tax Collector's name	2,004,516
	\$ 13,566,816

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 State of Florida requires that deposits by governmental units in a financial institution be collateralized. The State of Florida maintains collateral requirements and authorizes certain financial institutions to act as depositories for governmental unit funds. The Tax Collector maintains all of his accounts in financial institutions approved by the State of Florida.

C - CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2021 was as follows:

	Beginning Balance	Additions	Deletions	Ending Balance
Capital Assets Not Being Depreciated:				
Land	\$ 2,279,723	\$ -	\$ -	\$ 2,279,723
Capital Assets Being Depreciated:				
Building and Improvements	6,880,641	-	-	6,880,641
Less Accumulated Depreciation	(1,082,539)	(173,366)	-	(1,255,905)
Capital Assets Being Depreciated, Net	5,798,102	(173,366)	-	5,624,736
Capital Assets, Net	\$ 8,077,825	\$ (173,366)	\$ -	\$ 7,904,459

**TAX COLLECTOR
FOR POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2021**

D - COMPENSATED ABSENCES

At September 30, 2021 the commitment for accrued leave was valued at \$585,450. This liability is recorded in the combined Polk County Annual Comprehensive Financial Report.

E - OPERATING LEASES

The following is a schedule by years of future minimum payments required under operating leases used in governmental operations that have initial or remaining non-cancelable lease terms in excess of one year as of September 30, 2021. In August 2021, the Tax Collector extended a lease for office space for an additional 20 years.

Year Ending September 30, 2022	\$ 194,143
2023	157,718
2024	150,964
2025	151,149
2026	143,244
2027-2031	769,606
2032-2036	868,808
2037-2041	984,489
Thereafter	87,137
	<u>\$3,507,258</u>

Total rent expense on all operating leases, both cancelable and non-cancelable, for the year ended September 30, 2021 was \$218,157.

F - RISK MANAGEMENT

The Tax Collector purchases commercial insurance coverage and surety bonds related to various risks of loss related to theft of and errors and omissions related to cash. For all other risk such as property, automobile, and worker's compensation the Tax Collector is under Polk County's plan. In an effort to combat the rising cost of insurance premiums and the unavailability of coverage, Polk County has initiated self-insured worker's compensation, general liability, employment practices and automobile liability programs. There have been no decreases in coverage nor have there been any settlements in excess of coverage in any of the prior three years.

**TAX COLLECTOR
FOR POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2021**

G - RETIREMENT PLANS

All employees are participants in the Florida Retirement System (FRS), a multiple employer, cost-sharing public retirement system. FRS, which is controlled by the State Legislature and administered by the State of Florida, Division of Retirement, is available to governmental units within the State of Florida. Participants can choose from two options: FRS Pension Plan or FRS Investment Plan.

For employees hired on or before June 30, 2011, FRS Pension Plan provides for vesting of benefits after six years of creditable service. Normal retirement benefits are available to employees who retire at or after age 62 with six or more years of service or at completion of 30 years of service. Early retirement is available after six years of service with a 5% reduction of benefits for each year prior to the normal retirement age. Retirement benefits are based upon age, average compensation, and years of service credit where average compensation is computed as the average of an individual's five highest years of earnings.

For employees hired on or after July 1, 2011, FRS Pension Plan provides for vesting of benefits after eight years of creditable service. Normal retirement benefits are available to employees who retire at or after age 65 with eight or more years of service or at completion of 33 years of service. Early retirement is available after eight years of service with a 5% reduction of benefits for each year prior to the normal retirement age. Retirement benefits are based upon age, average compensation, and years of service credit where average compensation is computed as the average of an individual's eight highest years of earnings. FRS Investment Plan provides for vesting after one year of creditable service. Normal retirement benefits are available to employees after termination from all FRS-covered employment for 3 calendar months. Retirement benefits are based on the employee's account balance.

Effective July 1, 2011, all employees are required to contribute 3% of their salary to the plan they have elected. The Tax Collector has no responsibility to FRS other than to make the periodic payments required by the state statutes. The Florida Division of Retirement issues a publicly available financial report that includes financial statements and required supplementary information for FRS. The report may be obtained by writing to Florida Division of Retirement, PO BOX 9000 Tallahassee, FL 32315. Participating employer contributions are based upon state-wide rates established by the State of Florida. These rates, effective July 1, 2021, which include the health insurance subsidy contributions of 1.66%, and the 0.06% administration/education fee, are applied to employee salaries as follows: regular employees – 10.82%; senior management – 29.01%; elected officials – 51.42%; and DROP from FRS – 18.34%. The Tax Collector recognizes pension expenditures when the payments are made to FRS. Payments made during the years ended September 30, 2021, 2020 and 2019 were \$1,378,811, \$1,178,727, and \$1,064,911, respectively. Payments made after June 30, 2021, the measurement date used to determine the net pension liability associated with FRS Pension Plan, amounted to \$419,471. The Tax Collector is not legally required to and does not accumulate expendable available resources to liquidate the retirement obligation related to its employees. Accordingly, the net pension liability and associated deferred outflows and deferred inflows are presented on the government-wide financial statements of the County, following the requirements of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No.27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement No. 68*, effective October 1, 2014.

**TAX COLLECTOR
FOR POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2021**

H - OTHER POST-EMPLOYMENT BENEFIT OBLIGATIONS

Polk County provides certain health care benefits for retired employees. In accordance with Section 112.0801, Florida Statutes, and as authorized by the County Ordinance 2011-023, effective October 3, 2011, and County Ordinance 2017-037 effective July 25, 2017, the County offers retiring employees enrolled in the County's plans at the time of retirement and their covered dependents the opportunity to continue to participate in health and/or life insurance plans through the County's Retiree Benefits Program. The Tax Collector participates with Polk County in offering retiring employees the opportunity to continue to participate in the County's health insurance plan. The liability and expense for the postemployment benefits, calculated in accordance with Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pensions*, are reported in the Annual Comprehensive Financial Statements of the County.

I - RELATED PARTY

Transactions with the Board of County Commissioners include commissions earned from the collection of property taxes and other financing uses from the transfer of excess fees. For the year ended September 30, 2021, commissions earned were \$12,430,463 and the transfer of excess fees was \$1,932,930. At September 30, 2021, amounts payable to the Board was \$6,851,317.

J - CONTINGENCY

Effective November 5, 2013 the Tax Collector has a contingent liability to the Lakeland Community Redevelopment Agency (LCRA) in the amount of \$600,000. The LCRA provided \$600,000 to the Tax Collector to assist with the relocation of the Lakeland Service Center. The agreement provides for the Tax Collector to repay the \$600,000 to the LCRA if the Tax Collector ceases to use the building within the next twenty five years. If the Tax Collector ceases to use the building between years twenty six and fifty the Tax Collector must repay \$300,000 of this amount. There is no amount due if the Tax Collector is using the building at the end of fifty years.

K - CHANGE IN ACCOUNTING PRINCIPLE

During the year ended September 30, 2021, the Tax Collector adopted new accounting guidance by implementing the provisions of GASB Statement No. 84, *Fiduciary Activities*, which establishes criteria for identifying and reporting fiduciary activities. The implementation of this statement has resulted in changing the presentation of the financial statements and establishing requirements for reporting net position in custodial funds.

L - SUBSEQUENT EVENTS

Management has evaluated subsequent events through May 12, 2022, the date which the financial statements were available for issue, and has determined there are no additional adjustments and/or disclosures required.

**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**

Honorable Joe G. Tedder, CFC
Tax Collector for Polk County, Florida
Polk 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 and the aggregate remaining fund information of the Tax Collector for Polk County, Florida (the "Tax Collector"), as of and for the year ended September 30, 2021, 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 May 12, 2022.

Internal Control Over Financial Reporting

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

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

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

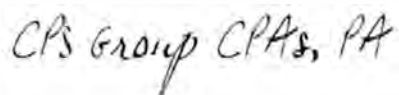
Honorable Joe G. Tedder, CFC
Tax Collector for Polk County, Florida
Polk County, Florida

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 financial statement. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result 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.



CPS Group CPAs, PA

Lakeland, Florida
May 12, 2022



**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE
WITH SECTION 218.415, FLORIDA STATUTES**

Honorable Joe G. Tedder, CFC
Tax Collector for Polk County, Florida
Polk County, Florida

We have examined the Tax Collector for Polk County, Florida's (the "Tax Collector") compliance with Section 218.415, *Florida Statutes*, Local Government Investment Policies during the year ended September 30, 2021. 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 required 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 involved 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*, Local Government Investment Policies during the year ended September 30, 2021.

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

A handwritten signature in black ink that reads "CPS Group CPAs, PA". The signature is written in a cursive, slightly slanted style.

CPS Group CPAs, PA

Lakeland, Florida
May 12, 2022

This page left intentionally blank

INDEPENDENT AUDITORS' REPORT TO MANAGEMENT

Honorable Joe G. Tedder, CFC
Tax Collector for Polk County, Florida
Polk County, Florida

Report on the Financial Statements

We have audited the financial statements of the Tax Collector for Polk County, Florida (the "Tax Collector") as of and for the fiscal year ended September 30, 2021, and have issued our report thereon dated May 12, 2022.

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 the 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 May 12, 2022, 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.

Honorable Joe G. Tedder, CFC
Tax Collector of Polk County, Florida
Polk County, Florida

Office 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 A in the notes to the financial statements. There are no component units related to the Tax Collector.

Financial Management

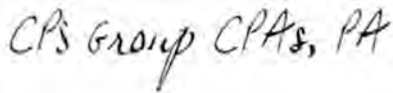
Section 10.554(1)(i)(2)., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

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

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, Polk County, Florida, CliftonLarsonAllen LLP, the Tax Collector and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.



CPS Group CPAs, PA

Lakeland, Florida
May 12, 2022