

HARDEE COUNTY, FLORIDA
FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION
YEAR ENDED SEPTEMBER 30, 2024



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INDEPENDENT AUDITORS' REPORT

Honorable Board of County Commissioners
Hardee County, Florida

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, based on our audit and the report of 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County, as of September 30, 2024, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparisons for the General Fund, Transportation Trust Fund, Fire Control Fund, Grants Fund, and Economic Development Authority Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the Hardee County Industrial Development Authority (the Authority), which represent 100%, of the assets, net position, and revenues of the discretely presented component unit as of September 30, 2024. 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 Authority, is based solely on the report of the other auditors.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and schedules and 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 Government Entity Audits*, Rules of the Auditor General of the State of Florida, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS by us and other auditors. In our opinion, the combining and individual fund financial statements and schedules and schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Honorable Board of County Commissioners
Hardee County, Florida

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2025, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is 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 County's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

Sebring, Florida
June 30, 2025

**HARDEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024**

Hardee County Management hereby provides a narrative overview and analysis of Hardee County, Florida's (the County) financial activities for fiscal year ended September 30, 2024. This report provides comparative data for fiscal years 2024 and 2023.

Financial Highlights

Significant financial highlights for fiscal year 2024 are as follows:

- Total assets and deferred outflows of resources of the County exceeded total liabilities and deferred inflows of resources by \$80.68 million. Of this amount, \$75.61 million was invested in capital assets, net of related debt; \$15.93 million was restricted for various purposes; and unrestricted net deficit was \$10.86 million.
- The total net position was \$8.79 million more than the previous year's net position.
- The County's total liabilities increased by \$10.22 million or 21.77% from the previous year.
- As of September 30, 2024, the combined total governmental funds' fund balance reflected a balance of \$39.09 million, an increase of 16.12% from the previous year.
- The County's total unassigned fund balance was \$18.74 million.

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: government-wide financial statements; fund financial statements; and notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. The statements include the statement of net position and the statement of activities.

The statement of net position presents information on all of the County's assets, deferred outflows of resources, liabilities, and deferred inflows of resources, with the difference between the four reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both the statement of net position and the statement of activities distinguish between the functions that are supported by governmental activities and business-type activities. Governmental activities are primarily supported by property taxes, charges for services, fuel taxes, sales 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 governmental activities of the County include general government, public safety, transportation, human services, culture and recreation, physical environment, and economic environment. The business-type activities of the County include water, wastewater, and solid waste.

**HARDEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024**

The government-wide financial statements are listed in the table of contents.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County uses fund accounting to ensure compliance with finance-related legal requirements. Fund financial statements present financial information for governmental funds, proprietary funds, and fiduciary funds.

The **Governmental Fund Financial Statements** provide information on the current assets, deferred inflows of resources, and liabilities of the funds, changes in current financial resources (revenues and expenditures), and current available resources. Governmental funds are used to account for the same functions as reported in the governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Hardee County has 20 governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Transportation Trust Fund, Fire Control Fund, Grants Fund, Emergency Disaster Fund, and Economic Development Authority Fund. Data from the other governmental special revenue funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental special revenue funds is provided in the form of combining statements within the report. To demonstrate compliance with the Board of County Commissioners' adopted budget, a budgetary comparison statement has been provided for the General Fund and other major governmental special revenue funds.

The basic governmental fund financial statements are listed in the table of contents.

The **Proprietary Funds Financial Statements** provide information on all assets and liabilities of the funds, changes in the economic resources (revenues and expenses), and total economic resources. An enterprise fund is a type of proprietary fund. The County maintains three enterprise funds to account for its water, wastewater, and solid waste operations. Proprietary funds provide the same type of information as the government-wide financial statements for business-type activities, only in more detail.

The basic proprietary fund financial statements are listed in the table of contents.

The **Fiduciary Funds Financial Statements** are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statement because resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary funds financial statement are listed in the table of contents.

**HARDEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024**

Notes to the Financial Statements

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

Government-Wide Financial Analysis

As noted earlier, net position may serve as a useful indicator of a government's financial position. In our case, the County's total assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$80.68 million at the close of the most recent fiscal year. The following schedule provides a summary of assets, liabilities, and net position of the County.

Hardee County's Net Position

The largest portion of the County's net position (94.94%) reflects its investment in capital assets, (e.g., land, buildings and improvements, machinery and equipment, infrastructure, and right-to-use leased equipment) less any related debt used to acquire those assets that remain outstanding. These assets are used to provide services to citizens and are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Overall, the County's net position increased by \$8.79 million.

Hardee County's Net Position

	Governmental Activities		Business-Type Activities		Total	
	FY 2023	FY 2024	FY 2023	FY 2024	FY 2023	FY 2024
Assets:						
Current and Other Assets	\$ 37,957,820	\$ 50,427,214	\$ 5,732,646	\$ 4,988,886	\$ 43,690,466	\$ 55,416,100
Capital Assets	51,683,424	59,808,011	18,627,584	19,079,213	70,311,008	78,887,224
Total Assets	89,641,244	110,235,225	24,360,230	24,068,099	114,001,474	134,303,324
Deferred Outflows of Resources	7,872,485	8,528,130	208,759	245,268	8,081,244	8,773,398
Liabilities:						
Current Liabilities	2,733,811	9,490,805	447,915	585,080	3,181,726	10,075,885
Noncurrent Liabilities	34,755,383	38,892,033	9,007,962	8,195,650	43,763,345	47,087,683
Total Liabilities	37,489,194	48,382,838	9,455,877	8,780,730	46,945,071	57,163,568
Deferred Inflows of Resources	3,124,733	5,060,307	119,713	169,917	3,244,446	5,230,224
Net Position:						
Net Investment in						
Capital Assets	51,292,098	58,329,010	16,461,758	17,283,814	67,753,856	75,612,824
Restricted	16,732,828	15,934,473	-	-	16,732,828	15,934,473
Unrestricted	(11,125,124)	(8,943,273)	(1,468,359)	(1,921,094)	(12,593,483)	(10,864,367)
Total Net Position	\$ 56,899,802	\$ 65,320,210	\$ 14,993,399	\$ 15,362,720	\$ 71,893,201	\$ 80,682,930

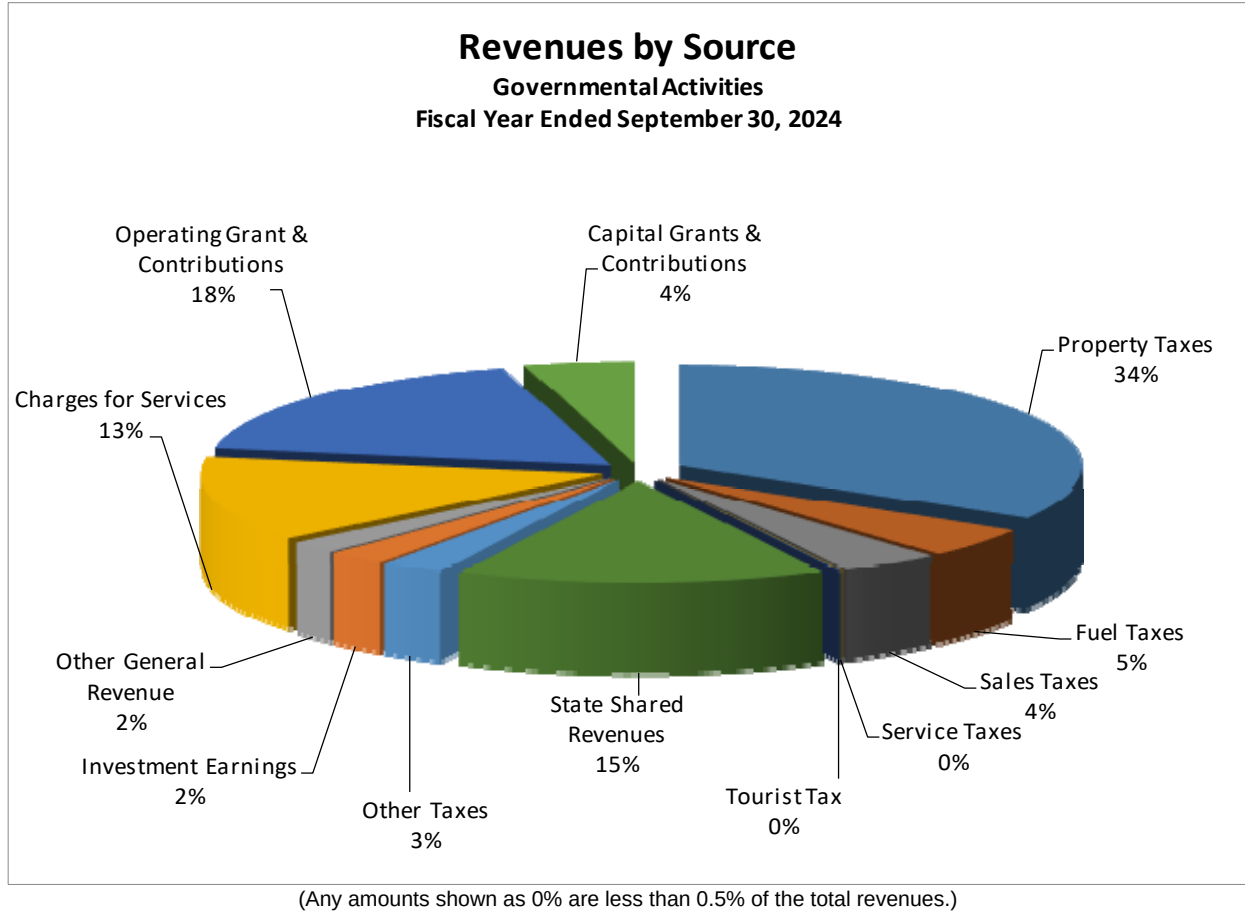
**HARDEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024**

Hardee County's Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	FY 2023	FY 2024	FY 2023	FY 2024	FY 2023	FY 2024
Revenues:						
Program Revenues:						
Charges for Services	\$ 7,455,620	\$ 8,167,202	\$ 3,758,981	\$ 3,562,288	\$ 11,214,601	\$ 11,729,490
Operating Grants and Contributions	7,037,857	10,885,720	109,624	109,820	7,147,481	10,995,540
Capital Grants and Contributions	3,324,844	2,641,522	316,181	871,724	3,641,025	3,513,246
General Revenues:						
Property Taxes	17,680,730	20,366,707	-	-	17,680,730	20,366,707
Other Taxes	7,039,916	6,908,348	-	-	7,039,916	6,908,348
State Shared Revenue	7,948,113	9,018,004	-	-	7,948,113	9,018,004
Other	2,527,052	7,933,364	110,552	197,741	2,637,604	8,131,105
Total Revenues	<u>53,014,132</u>	<u>65,920,867</u>	<u>4,295,338</u>	<u>4,741,573</u>	<u>57,309,470</u>	<u>70,662,440</u>
Expenses:						
General Government	12,658,906	18,686,292	-	-	12,658,906	18,686,292
Public Safety	31,022,298	23,934,828	-	-	31,022,298	23,934,828
Physical Environment	645,810	441,060	-	-	645,810	441,060
Transportation	7,312,633	6,618,996	-	-	7,312,633	6,618,996
Economic Environment	2,157,737	4,563,142	-	-	2,157,737	4,563,142
Human Services	887,830	976,288	-	-	887,830	976,288
Culture and Recreation	2,469,094	2,442,786	-	-	2,469,094	2,442,786
Debt Service:						
Interest on Long-Term Debt	18,197	13,238	-	-	18,197	13,238
Solid Waste	-	-	3,105,805	2,303,073	3,105,805	2,303,073
Wauchula Hills Wastewater	-	-	1,855,434	1,768,655	1,855,434	1,768,655
Vandolah Wastewater	-	-	154,070	124,353	154,070	124,353
Total Expenses	<u>57,172,505</u>	<u>57,676,630</u>	<u>5,115,309</u>	<u>4,196,081</u>	<u>62,287,814</u>	<u>61,872,711</u>
Change in Net Position Before Transfers	(4,158,373)	8,244,237	(819,971)	545,492	(4,978,344)	8,789,729
Transfers	<u>60,688</u>	<u>176,171</u>	<u>(60,688)</u>	<u>(176,171)</u>	<u>-</u>	<u>-</u>
Change in Net Position	(4,097,685)	8,420,408	(880,659)	369,321	(4,978,344)	8,789,729
Net Position - Beginning of Year, as Previously Reported	60,963,320	56,899,802	15,874,058	14,993,399	76,837,378	71,893,201
Restatement	<u>34,167</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>34,167</u>	<u>-</u>
Net Position - Beginning of Year, as Restated	<u>60,997,487</u>	<u>56,899,802</u>	<u>15,874,058</u>	<u>14,993,399</u>	<u>76,871,545</u>	<u>71,893,201</u>
Net Position - End of Year	<u>\$ 56,899,802</u>	<u>\$ 65,320,210</u>	<u>\$ 14,993,399</u>	<u>\$ 15,362,720</u>	<u>\$ 71,893,201</u>	<u>\$ 80,682,930</u>

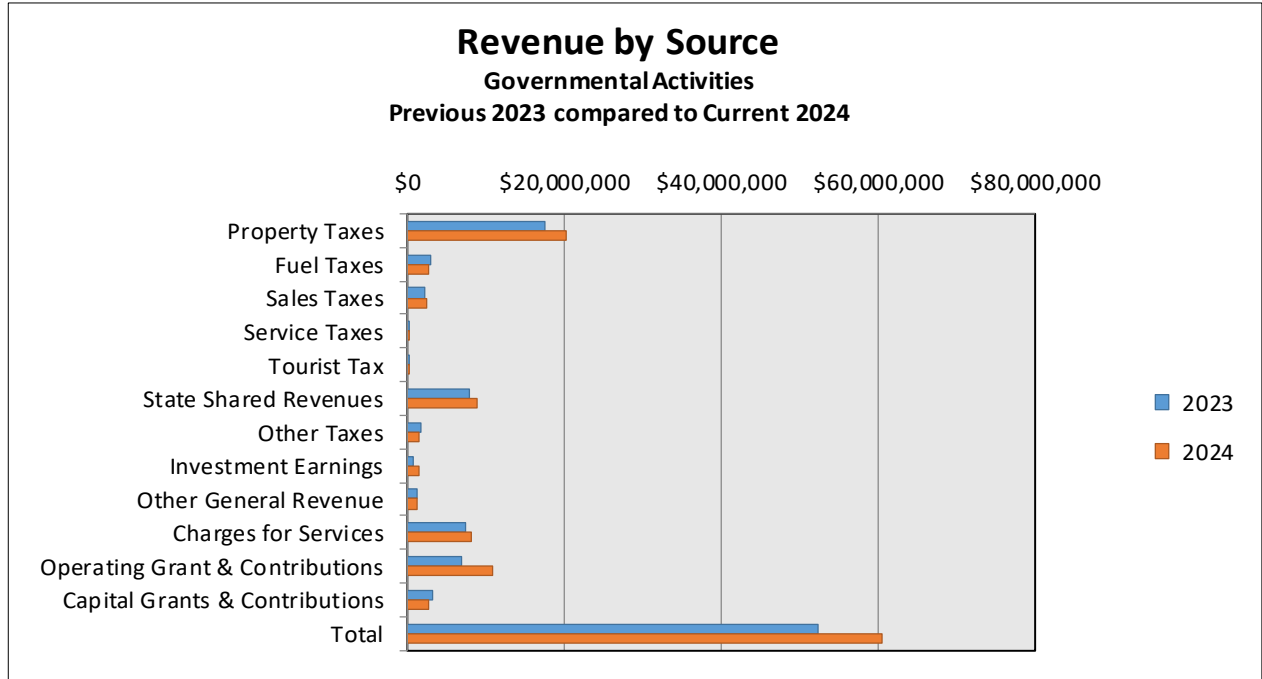
**HARDEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024**

The following chart depicts revenues of the governmental activities for the year.



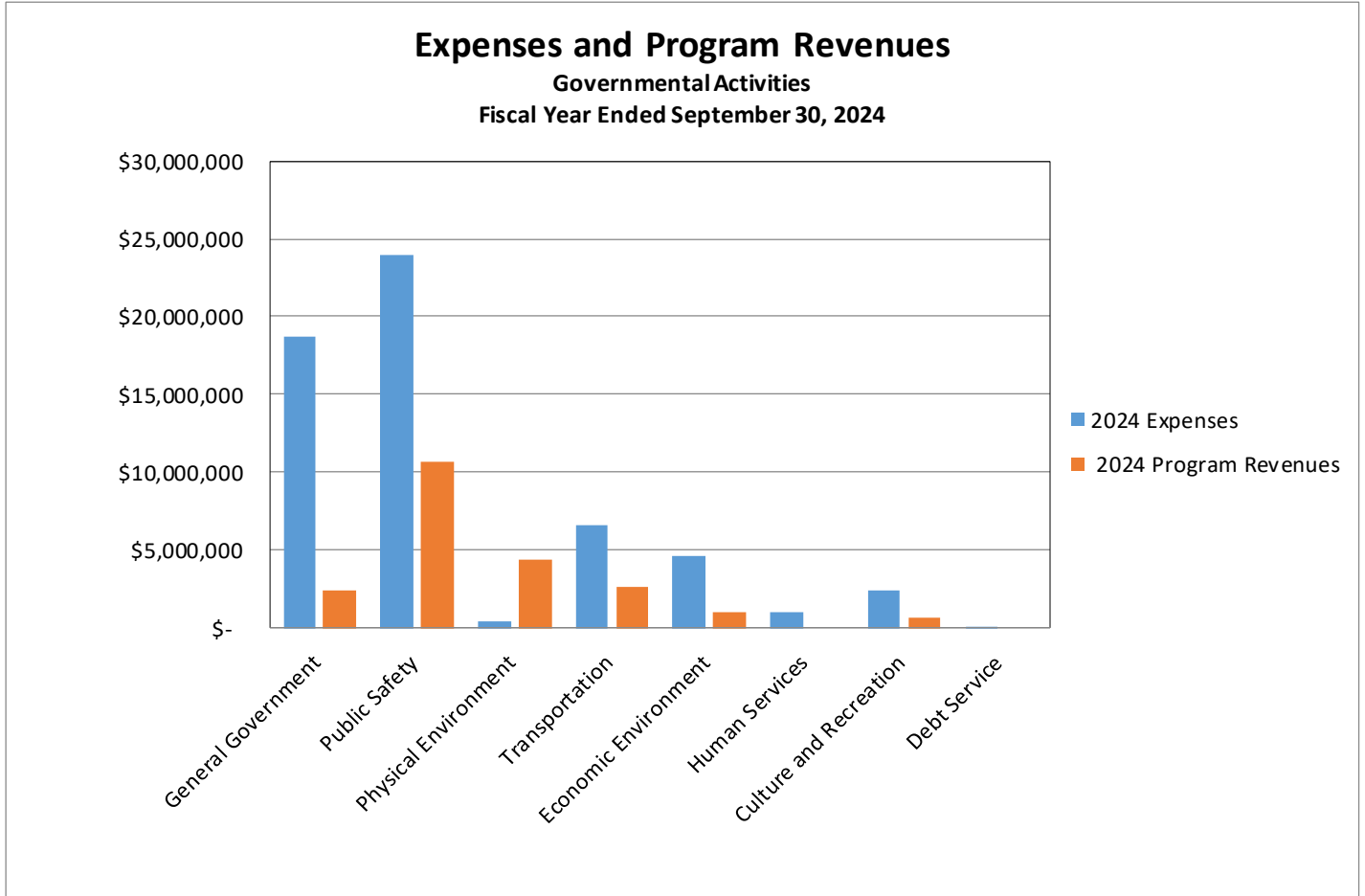
The following chart depicts the major revenue sources as a comparison of fiscal year revenues.

**HARDEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024**



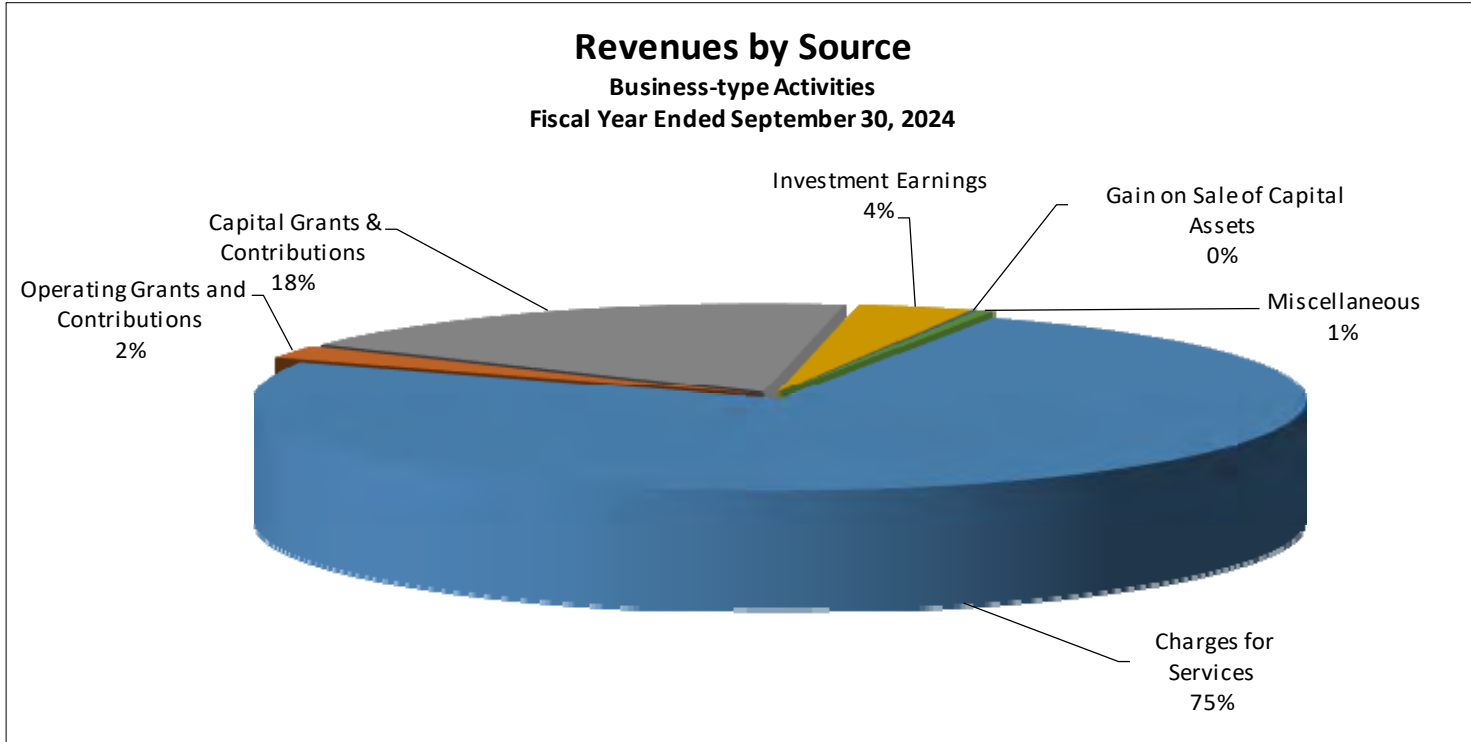
**HARDEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024**

The following chart depicts governmental activity expenses compared to program revenue (e.g., charges for services, operating grants, and contributions), which funded those activities for the fiscal year; the amounts not funded by program revenues were funded by general revenues (e.g., property taxes, state shared revenue, etc.).



**HARDEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024**

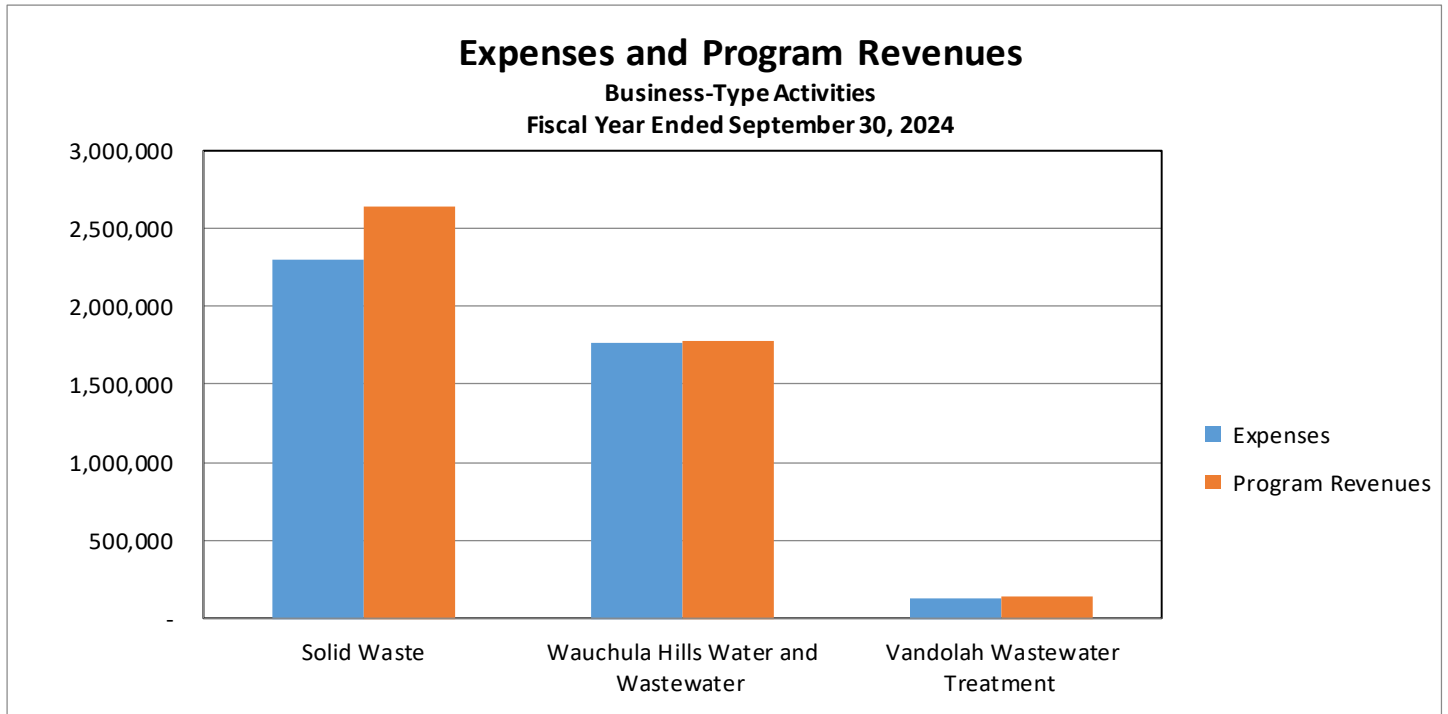
The following chart depicts revenues of the business-type activities for the year:



(Any amounts shown as 0% are less than 0.5% of the total revenues.)

The following chart depicts business-type activities expenses compared to program revenue (e.g., charges for services, operating grants and contributions, capital grants and contributions, etc.), which funded those activities for the fiscal year.

**HARDEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024**



**HARDEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024**

An analysis of the County's "Changes in Net Position" reflects that the overall revenues have increased by \$13.35 million. Further analysis shows that the overall increase is attributed to a \$446 thousand increase in business-type activities and a \$12.90 million increase in governmental type activities. Major factors contributing to the increased revenues in the governmental type activities are as follows:

- A \$3.85 million increase in operating grants and contributions related to public safety and physical environment funded projects.
- A \$2.69 million increase in property taxes related to the increase in property valuations.
- A \$5.2 million increase in mining contributions related to the increase in funds received from Mosaic that is passed through to the Industrial Development Authority (IDA).

The changes in revenues in the business-type activities are as follows:

- A \$556 thousand increase in capital grants and contributions primarily related to water and wastewater funded projects.

County expenses illustrate an overall decrease of \$415 thousand. The overall decrease was due to an increase in governmental activities of \$504 thousand and an offsetting decrease in the business-type activities of \$919 thousand. The increase of the government type activities expenses is due to the following activities below:

- A \$7.09 million decrease in public safety due to a decrease to Hurricane Ian debris and repair expenditures, and \$2.34 million net effect of pension related changes.
- A \$6.03 million increase general government due to an increase in awarded grants resulting in an increase in related expenditures.
- A \$964 thousand decrease in transportation due to a reduction in hurricane recovery activity.
- A \$2.41 million increase in economic environment primarily due to the EDA's increase in grant awards for economic development projects.

The decrease in expenses of the business-type activities was reflective of the following:

- A \$803 thousand decrease in Solid Waste due to decrease in closure and post-closure recognized costs.

Financial Analysis of the Government's Funds

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

**HARDEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024**

Governmental Funds

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

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$39.09 million. Approximately \$4.85 million of the fund balance is restricted within the General Fund, \$4.63 million within the Transportation Fund, \$1.05 million within the Grants Fund, \$5.93 million within the Economic Development Authority Fund, and \$2.13 million is restricted within the nonmajor governmental funds. Committed fund balances were \$520 thousand within the Fire Control Fund and \$621 thousand within the nonmajor governmental funds. At the end of the current fiscal year, the unassigned fund balance of the General Fund was \$17.48 million, which represents 45% of the total fund balance for all governmental funds. Unassigned fund balances are those dollars which are available for spending at the government's discretion. As a measure of the General Fund's liquidity, General Fund unassigned balance represents 42% of the total general fund expenditures.

Proprietary Funds

Hardee County's proprietary funds provide the same type of information found in the government-wide business-type activities financial statements, but in more detail. Net position of the Solid Waste Fund increased by \$427 thousand and Wauchula Hills Water/Wastewater Treatment Fund increased by \$57 thousand.

Budgetary Highlights

Budget and actual comparison schedules are provided in the Basic Financial Statements for the General fund and all major special revenue funds. Budget and actual comparison schedules are also provided in the combining and individual fund statements and schedules for all nonmajor funds with annually appropriated budgets. The budget and actual comparison schedules show the original adopted budgets, the final revised budget, actual results, and variance between the final budget and actual results for the general and major special revenue funds. After the original budget is approved, it may be revised for a variety of reasons such as unforeseen circumstances, new bond or loan proceeds, new grant awards, or other unanticipated revenues.

The difference between the original and final amended budget for the General Fund was a \$8.57 million increase and included the following:

- The most significant impact to the changes in the budget was an increase in general government of \$5.56 million primarily due to Hurricane Ian disaster relief and recovery activities.
- Capital outlay also increased by \$1.12 million due to additional capital asset projects approved during the fiscal year.

Total revenues were \$1.80 million under budget. This was primarily due to federal and state grant revenues that were budgeted by not able to be recognized during the year.

**HARDEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024**

Total expenditures were \$5.97 million under budget. This was primarily due to Public Safety and Capital Outlay expenditures being under budget for disaster recovery and capital projects, respectively, not completed during the fiscal year.

Capital Assets

The County's investments in capital assets for its governmental and business-type activities as of September 30, 2024 were \$78.89 million (net of accumulated depreciation).

**Hardee County's Capital Assets
(Net of Depreciation)**

	Governmental Activities		Business-Type Activities		Total	
	FY 2023	FY 2024	FY 2023	FY 2024	FY 2023	FY 2024
Land	\$ 3,691,552	\$ 3,691,552	\$ 962,625	\$ 962,625	\$ 4,654,177	\$ 4,654,177
Construction in Progress	1,775,398	6,848,073	413,577	1,234,890	2,188,975	8,082,963
Buildings and Improvements	11,809,824	14,234,915	7,229,142	7,736,853	19,038,966	21,971,768
Machinery and Equipment	7,356,516	7,716,180	1,731,696	1,711,884	9,088,212	9,428,064
Infrastructure	26,941,816	26,639,557	8,289,997	7,424,201	35,231,813	34,063,758
Right-to-Use Leased Equipment	44,662	74,345	547	8,760	45,209	83,105
Subscription-Based Information Technology Arrangements	63,656	603,389	-	-	63,656	603,389
Total Capital Assets	<u>\$ 51,683,424</u>	<u>\$ 59,808,011</u>	<u>\$ 18,627,584</u>	<u>\$ 19,079,213</u>	<u>\$ 70,311,008</u>	<u>\$ 78,887,224</u>

Additional information on the County's capital assets can be found in Note 6 to the financial statements.

Debt Management

As of September 30, 2024, the County had total long-term liabilities outstanding of \$47.09 million. Of this amount, \$6.58 million is notes payable, \$97 thousand is financed purchases, \$83 thousand is leases, \$316 thousand is SBITAs, \$2.06 million is compensated absences, \$5.57 million is landfill closure and post closure obligations, \$29.38 million is net pension liability, and other postemployment benefits (OPEB) obligations consisted of \$3.01 million.

Hardee County's Long-Term Liabilities

	Governmental Activities		Business-Type Activities		Total	
	FY 2023	FY 2024	FY 2023	FY 2024	FY 2023	FY 2024
Notes Payable	\$ -	\$ 4,846,343	\$ 2,080,000	\$ 1,730,000	\$ 2,080,000	\$ 6,576,343
Finance Purchases	253,803	97,418	-	-	253,803	97,418
Leases	46,481	74,523	566	8,284	47,047	82,807
SBITAs	60,957	315,581	-	-	60,957	315,581
Compensated Absences	1,176,382	2,054,924	5,287	5,287	1,181,669	2,060,211
Landfill Closure/Post Closure	-	-	5,972,215	5,565,670	5,972,215	5,565,670
Net Pension Liability	31,149,525	28,628,041	836,447	752,818	31,985,972	29,380,859
OPEB Obligations	2,068,235	2,875,203	113,447	133,591	2,181,682	3,008,794
Total	<u>\$ 34,755,383</u>	<u>\$ 38,892,033</u>	<u>\$ 9,007,962</u>	<u>\$ 8,195,650</u>	<u>\$ 43,763,345</u>	<u>\$ 47,087,683</u>

Additional information on Hardee County's long-term debt can be found in Notes 7,10, 11, 12 and 14 of this report.

**HARDEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024**

Economic Factors and Next Year's Budgets and Rates

Local, national, and international economic factors influence the County's revenues in a variety of ways. Positive economic growth correlates with increased revenues from property taxes, sales taxes, fuel taxes, charges for services, and state revenue sharing, as well as state and federal grants. Economic growth may be measured by a variety of indicators such as employment growth, employment diversity, unemployment rate, new construction and assessed values, diversity of the property tax base, and Enterprise Fund revenue and net position growth.

The following factors were considered when the fiscal year 25 budget was prepared:

- Taxable property values in Hardee County increased from fiscal year 2024 at \$2,387,051,778 to \$2,654,202,401 for fiscal year 2025. This was an increase in taxable assessed values of over 11 percent, resulting in an estimated \$2 million in additional revenue.
- The property tax millage rate was reduced to 8.3950 mills in 2025.
- Hardee County had a 5.2 percent unemployment rate in September 2024, as reported by the Florida Department of Commerce, Bureau of Workforce Statistics and Economic Research and CareerSource Heartland.
- Increased costs in employee benefits as well as correcting compression issues, COLA and potential for merit increases, resulted in an 18 percent personnel increase in the County's fiscal year 2024-2025 budget.
- Hurricane Ian, a strong category 4 hurricane, impacted Hardee County on September 28, 2022. Additionally, while still recovering from the storm of 2022, Hardee County was affected by Hurricane Milton on October 9, 2024. In FY24, the County received FEMA reimbursements and was able to reimburse general fund over \$3 million leaving a balance of \$2.9 million still awaiting reimbursement. The County will continue hurricane mitigation expenses in the 2025 budget.
- Utility rate study revealed that the rates for Vandolah and Wauchula Hills were insufficient to cover the operating costs. After the necessary notifications, the utility fees were increased in an effort to cover the deficiency.
- Hardee County has identified the need for capital improvements and was awarded several capital improvement grants that will be reflected in FY25 budget; including the Emergency Operations Center, Hardee County Sheriff Office Construction Project, First Station 1, two Communications Towers, WIFI for the County Parks, and Infrastructure improvements at Pioneer Park.

With the previous factors considered, Hardee County's budgeted revenue and expenditures for fiscal year ending September 30, 2025 are \$146,496,152. The total budget for the prior fiscal year was \$112,163,064.

**HARDEE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
SEPTEMBER 30, 2024**

Requests for Information

This financial report is designed to provide a general overview of Hardee County's finances. Questions concerning budgets, long-term financial planning, future debt issuances, or questions related to the management of the County operations should be addressed to the County Manager at:

County Commissioners Office
412 West Orange St., Rm. 103
Wauchula, FL 33873

If you have questions concerning the Basic Financial Statements or other accounting information in this report, please contact the Clerk of Courts at:

Clerk of Courts
P. O. Drawer 1749
Wauchula, FL 33873

HARDEE COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

	Primary Government			Component Unit
	Governmental Activities	Business-Type Activities	Total	Industrial Development Authority
ASSETS				
Cash and Cash Equivalents	\$ 36,530,609	\$ 3,346,349	\$ 39,876,958	\$ 15,983,166
Investments	-	-	-	9,670,075
Deposits Held by Others	10,068	3,596	13,664	-
Accounts Receivable, Net	1,088,640	261,737	1,350,377	11,596,541
Note Receivable	-	-	-	77,732
Lease Receivable	12,145	-	12,145	-
Internal Balances	(1,023)	1,023	-	-
Due from Other Governmental Agencies	7,495,827	100,977	7,596,804	127,070
Prepaid Items	70,225	19,031	89,256	178,201
Inventory - Supplies	320,105	-	320,105	-
Inventory - Property Held for Resale	-	-	-	1,288,358
Restricted Assets:				
Cash and Cash Equivalents	4,900,618	1,256,173	6,156,791	-
Capital Assets, Not Being Depreciated/Amortized	10,539,625	2,197,515	12,737,140	15,419,811
Capital Assets, Net of Accumulated Depreciation/Amortization	49,268,386	16,881,698	66,150,084	14,947,745
Total Assets	110,235,225	24,068,099	134,303,324	69,288,699
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related Items	7,748,270	209,033	7,957,303	-
Other Postemployment Benefits Related Items	779,860	36,235	816,095	-
Total Deferred Outflows of Resources	8,528,130	245,268	8,773,398	-
LIABILITIES				
Accounts Payable and Accrued Liabilities	4,156,642	381,177	4,537,819	1,372,076
Due to Other Governmental Agencies	1,629,164	2,547	1,631,711	-
Deposits	-	62,595	62,595	-
Unearned Revenue	3,704,999	138,761	3,843,760	1,250
Noncurrent Liabilities:				
Due Within One Year	1,185,852	461,095	1,646,947	-
Due in More Than One Year	6,202,937	6,848,146	13,051,083	-
Net Pension Liability	28,628,041	752,818	29,380,859	-
Total Other Postemployment Benefits Liability	2,875,203	133,591	3,008,794	-
Total Liabilities	48,382,838	8,780,730	57,163,568	1,373,326
DEFERRED INFLOWS OF RESOURCES				
Lease Related Items	11,548	-	11,548	10,502,804
Pension Related Items	4,574,115	147,863	4,721,978	-
Other Postemployment Benefits Related Items	474,644	22,054	496,698	-
Total Deferred Inflows of Resources	5,060,307	169,917	5,230,224	10,502,804
NET POSITION				
Net Investment in Capital Assets	58,329,010	17,283,814	75,612,824	30,367,556
Restricted for:				
Court Innovations	531,357	-	531,357	-
Court Technology	11,104	-	11,104	-
E-911	683,191	-	683,191	-
Economic Development	5,933,611	-	5,933,611	25,030,481
Grants	2,532,745	-	2,532,745	-
Inmate Welfare	148,583	-	148,583	-
Public Safety	434,679	-	434,679	-
Official Records	189,837	-	189,837	-
Tourist Development	400,970	-	400,970	-
Transportation	5,068,396	-	5,068,396	-
Total Restricted	15,934,473	-	15,934,473	25,030,481
Unrestricted (Deficit)	(8,943,273)	(1,921,094)	(10,864,367)	2,014,532
Total Net Position	\$ 65,320,210	\$ 15,362,720	\$ 80,682,930	\$ 57,412,569

See accompanying Notes to Financial Statements.

**HARDEE COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2024**

Functions/Programs	Expenses	Program Revenues			Net Revenue (Expense) and Changes in Net Position			
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Unit
					Governmental Activities	Business-Type Activities	Total	Industrial Development Authority
PRIMARY GOVERNMENT								
Governmental Activities:								
General Government	\$ 18,686,292	\$ 1,802,867	\$ 569,594	\$ -	\$ (16,313,831)	\$ -	\$ (16,313,831)	\$ -
Public Safety	23,934,828	5,085,460	5,573,167	32,254	(13,243,947)	-	(13,243,947)	-
Physical Environment	441,060	706,075	3,727,745	-	3,992,760	-	3,992,760	-
Transportation	6,618,996	83,616	-	2,500,133	(4,035,247)	-	(4,035,247)	-
Economic Environment	4,563,142	-	970,798	-	(3,592,344)	-	(3,592,344)	-
Human Services	976,288	-	-	-	(976,288)	-	(976,288)	-
Culture and Recreation	2,442,786	489,184	44,416	109,135	(1,800,051)	-	(1,800,051)	-
Debt Service:								
Interest and Fiscal Charges	13,238	-	-	-	(13,238)	-	(13,238)	-
Total Governmental Activities	57,676,630	8,167,202	10,885,720	2,641,522	(35,982,186)	-	(35,982,186)	-
Business-Type Activities:								
Solid Waste	2,303,073	2,526,390	109,820	-	-	333,137	333,137	-
Wauchula Hills Water and Wastewater	1,768,655	900,879	-	871,724	-	3,948	3,948	-
Vandolah Wastewater Treatment	124,353	135,019	-	-	-	10,666	10,666	-
Total Business-Type Activities	4,196,081	3,562,288	109,820	871,724	-	347,751	347,751	-
Total Primary Government	\$ 61,872,711	\$ 11,729,490	\$ 10,995,540	\$ 3,513,246	(35,982,186)	347,751	(35,634,435)	-
COMPONENT UNIT								
Industrial Development Authority	\$ 4,047,742	\$ 1,111,157	\$ -	\$ 14,414	-	-	-	(2,922,171)
GENERAL REVENUES								
Taxes:								
Property Taxes					20,366,707	-	20,366,707	-
Fuel Taxes					2,827,406	-	2,827,406	-
Sales Tax					2,412,998	-	2,412,998	-
Communication Services Tax					40,959	-	40,959	-
Tourist Tax					57,134	-	57,134	-
Other Taxes					1,569,851	-	1,569,851	-
State Shared Revenues					9,018,004	-	9,018,004	-
Mosaic Income					-	-	-	9,946,764
Investment Earnings					1,390,534	167,283	1,557,817	1,240,122
Gain on Sale of Capital Assets					116,484	6,363	122,847	-
Insurance Recoveries					142,214	-	142,214	-
Mining Contribution					5,200,000	-	5,200,000	-
Miscellaneous					1,084,132	24,095	1,108,227	11,820
Transfers					176,171	(176,171)	-	-
Total General Revenues and Transfers					44,402,594	21,570	44,424,164	11,198,706
CHANGES IN NET POSITION								
Net Position - Beginning of Year					56,899,802	14,993,399	71,893,201	49,136,034
NET POSITION - END OF YEAR								
	\$ 65,320,210	\$ 15,362,720	\$ 80,682,930	\$ 57,412,569				

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
BALANCE SHEET – GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

	General Fund	Transportation Trust Fund	Major Fire Control Fund	Grants Fund	Economic Development Authority Fund	Nonmajor Other Governmental Funds	Total Governmental Funds
ASSETS							
Cash and Cash Equivalents	\$ 13,537,915	\$ 2,839,128	\$ 648,434	\$ 8,056,219	\$ 8,080,776	\$ 3,368,137	\$ 36,530,609
Restricted Cash and Cash Equivalents	4,900,618	-	-	-	-	-	4,900,618
Deposits	5,753	4,315	-	-	-	-	10,068
Accounts Receivable, Net	860,032	-	454	-	-	228,154	1,088,640
Lease Receivable	12,145	-	-	-	-	-	12,145
Due from Other Funds	2,441,427	345	-	-	-	134,022	2,575,794
Due from Other Governments	3,719,764	2,688,243	120,477	764,409	-	202,934	7,495,827
Prepaid Items	56,853	-	-	-	-	13,372	70,225
Inventory of Supplies, at Cost	320,105	-	-	-	-	-	320,105
Total Assets	<u>\$ 25,854,612</u>	<u>\$ 5,532,031</u>	<u>\$ 769,365</u>	<u>\$ 8,820,628</u>	<u>\$ 8,080,776</u>	<u>\$ 3,946,619</u>	<u>\$ 53,004,031</u>

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
BALANCE SHEET — GOVERNMENTAL FUNDS (CONTINUED)
SEPTEMBER 30, 2024

	General Fund	Transportation Trust Fund	Major Fire Control Fund	Grants Fund	Economic Development Authority Fund	Nonmajor Other Governmental Funds	Total Governmental Funds
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts Payable and Accrued Liabilities	\$ 2,241,870	\$ 397,195	\$ 133,791	\$ 1,222,731	\$ -	\$ 161,055	\$ 4,156,642
Due to Other Funds	92,812	63,989	-	2,378,936	-	41,080	2,576,817
Due to Other Governments	47,690	2,451	1,194	32,472	881,052	664,305	1,629,164
Unearned Revenue	-	-	-	3,645,223	-	59,776	3,704,999
Total Liabilities	2,382,372	463,635	134,985	7,279,362	881,052	926,216	12,067,622
DEFERRED INFLOWS OF RESOURCES							
Lease Related Items	11,548	-	-	-	-	-	11,548
Unavailable Revenue:							
Intergovernmental	254,724	431,869	114,585	491,959	-	34,329	1,327,466
Emergency Medical Services	502,977	-	-	-	-	-	502,977
Total Deferred Inflows of Resources	769,249	431,869	114,585	491,959	-	34,329	1,841,991
FUND BALANCES							
Nonspendable	376,958	-	-	-	-	13,372	390,330
Restricted	4,846,343	4,636,527	-	1,049,307	5,933,611	2,128,300	18,594,088
Committed	-	-	519,795	-	-	620,514	1,140,309
Assigned	-	-	-	-	1,266,113	229,086	1,495,199
Unassigned	17,479,690	-	-	-	-	(5,198)	17,474,492
Total Fund Balances	22,702,991	4,636,527	519,795	1,049,307	7,199,724	2,986,074	39,094,418
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 25,854,612</u>	<u>\$ 5,532,031</u>	<u>\$ 769,365</u>	<u>\$ 8,820,628</u>	<u>\$ 8,080,776</u>	<u>\$ 3,946,619</u>	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	59,808,011
Certain receivables are not available to pay current period expenditures and, therefore, are reported as deferred inflows of resources in the funds.	1,830,443
Long-term liabilities, including financed purchases, leases, SBITAs, and accrued compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.	(7,388,789)
Net pension liability is not due and payable in the current period, therefore, the liabilities and the related deferred outflows and inflows of resources are not reported in the funds.	(25,453,886)
Total other postemployment benefits liability is not due and payable in the current period, therefore, the liabilities and the related deferred outflows and inflows of resources are not reported in the funds.	(2,569,987)
Net Position of Governmental Activities	<u>\$ 65,320,210</u>

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES — GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2024

	General Fund	Transportation Trust Fund	Major Fire Control Fund	Grants Fund	Economic Development Authority Fund	Nonmajor Other Governmental Funds	Total Governmental Funds
REVENUES							
Taxes	\$ 22,820,664	\$ 1,517,581	\$ -	\$ -	\$ -	\$ 57,134	\$ 24,395,379
Licenses and Permits	813,350	-	-	-	-	-	813,350
Intergovernmental	11,359,881	5,480,852	2,154	5,467,582	1,569,851	941,791	24,822,111
Charges for Services	3,117,121	83,616	22,735	-	-	1,730,077	4,953,549
Fines and Forfeitures	10,378	-	-	-	-	273,887	284,265
Assessments	-	-	2,386,351	-	-	-	2,386,351
Interest	673,261	104,986	43,645	200,604	286,859	79,726	1,389,081
Miscellaneous	5,832,227	264,020	5,048	71,878	-	142,992	6,316,165
Total Revenues	44,626,882	7,451,055	2,459,933	5,740,064	1,856,710	3,225,607	65,360,251
EXPENDITURES							
Current:							
General Government	15,151,811	-	-	11,420	-	2,244,681	17,407,912
Public Safety	18,764,946	-	2,787,312	657,232	-	267,787	22,477,277
Physical Environment	42,668	-	-	81,986	-	304,481	429,135
Transportation	-	4,131,038	-	-	-	-	4,131,038
Economic Environment	-	-	-	1,283,182	3,273,096	-	4,556,278
Human Services	865,618	-	-	87,959	-	-	953,577
Culture and Recreation	1,613,381	-	-	-	783,928	-	2,397,309
Capital Outlay	5,314,251	3,163,195	222,783	4,113,600	-	159,783	12,973,612
Debt Service:							
Principal Retirement	121,122	2,599	125,854	-	-	1,346	250,921
Interest	4,954	318	7,795	-	-	171	13,238
Total Expenditures	41,878,751	7,297,150	3,143,744	6,235,379	4,057,024	2,978,249	65,590,297
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	2,748,131	153,905	(683,811)	(495,315)	(2,200,314)	247,358	(230,046)
OTHER FINANCING SOURCES (USES)							
Transfers In	429,021	171	201,456	19,708	-	920,011	1,570,367
Transfers Out	(888,192)	-	(142,500)	(40,521)	-	(322,983)	(1,394,196)
Proceeds from Sale of Capital Assets	-	116,484	-	-	-	-	116,484
Insurance Recoveries	108,083	-	34,131	-	-	-	142,214
Issuance of Debt	4,846,343	-	-	-	-	-	4,846,343
Leases	43,204	10,150	2,665	-	-	5,923	61,942
SBITAS	315,260	-	-	-	-	-	315,260
Total Other Financing Sources (Uses)	4,853,719	126,805	95,752	(20,813)	-	602,951	5,658,414
NET CHANGE IN FUND BALANCES	7,601,850	280,710	(588,059)	(516,128)	(2,200,314)	850,309	5,428,368
Fund Balances - Beginning of Year	15,101,141	4,355,817	1,107,854	1,565,435	9,400,038	2,135,765	33,666,050
FUND BALANCES - END OF YEAR	<u>\$ 22,702,991</u>	<u>\$ 4,636,527</u>	<u>\$ 519,795</u>	<u>\$ 1,049,307</u>	<u>\$ 7,199,724</u>	<u>\$ 2,986,074</u>	<u>\$ 39,094,418</u>

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2024

Net Change in Fund Balances - Total Governmental Funds \$ 5,428,368

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

Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation or amortization expense. This is the amount by which capital outlay exceeded depreciation and amortization in the current period. 8,124,587

Long-term liabilities are reported in the statement of net position but not in the governmental funds because they are not due and payable in the current period. Also, governmental funds report the effect of premiums, discounts and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. (5,851,166)

Some revenues reported in the statement of activities will not be collected for several months after the fiscal year-end and, therefore, are not reported as revenues in governmental funds. 301,918

Changes in net pension liability and related pension amounts reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. 462,139

Changes in total other postemployment benefits (OPEB) liability and related OPEB amounts reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds. (45,438)

Change in Net Position of Governmental Activities \$ 8,420,408

HARDEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES — BUDGET AND ACTUAL — GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 23,461,056	\$ 23,461,056	\$ 22,820,664	\$ (640,392)
Licenses and Permits	459,150	459,150	813,350	354,200
Intergovernmental	12,143,423	12,750,203	11,359,881	(1,390,322)
Charges for Services	1,846,249	3,367,352	3,117,121	(250,231)
Fines and Forfeitures	5,700	14,700	10,378	(4,322)
Interest	10,100	22,100	673,261	651,161
Net Change in Fair Value of Investments	22,100	99,950	-	(99,950)
Miscellaneous	32,364	6,248,268	5,832,227	(416,041)
Total Revenues	37,980,142	46,422,779	44,626,882	(1,795,897)
EXPENDITURES				
Current:				
General Government	10,562,204	16,118,439	15,151,811	966,628
Public Safety	18,660,008	20,554,392	18,764,946	1,789,446
Physical Environment	53,409	55,053	42,668	12,385
Human Services	876,397	867,654	865,618	2,036
Culture and Recreation	1,820,374	1,829,618	1,613,381	216,237
Capital Outlay	7,268,746	8,390,821	5,314,251	3,076,570
Debt Service:				
Principal Retirement	33,907	33,907	121,122	(87,215)
Interest	1,140	1,140	4,954	(3,814)
Other Expenditures	8,598,297	9,436,224	-	9,436,224
Total Expenditures	47,874,482	57,287,248	41,878,751	15,408,497
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(9,894,340)	(10,864,469)	2,748,131	13,612,600
OTHER FINANCING SOURCES (USES)				
Transfers In	638,434	365,800	429,021	63,221
Transfers Out	(779,675)	(1,749,614)	(888,192)	861,422
Insurance Recoveries	-	108,083	108,083	-
Debt Issuance	-	-	4,846,343	4,846,343
Lease Issuance	-	-	43,204	43,204
SBITA Issuance	-	-	315,260	315,260
Total Other Financing Sources (Uses)	(141,241)	(1,275,731)	4,853,719	924,643
NET CHANGE IN FUND BALANCES	(10,035,581)	(12,140,200)	7,601,850	19,742,050
Fund Balances - Beginning of Year	10,035,581	12,140,200	15,101,141	2,960,941
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 22,702,991</u>	<u>\$ 22,702,991</u>

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES — BUDGET AND ACTUAL — TRANSPORTATION TRUST FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,595,000	\$ 1,595,000	\$ 1,517,581	\$ (77,419)
Intergovernmental	14,422,985	14,666,595	5,480,852	(9,185,743)
Charges for Services	64,000	64,000	83,616	19,616
Interest	5,000	5,000	104,986	99,986
Miscellaneous	216,600	216,600	264,020	47,420
Total Revenues	16,303,585	16,547,195	7,451,055	(9,096,140)
EXPENDITURES				
Current:				
Transportation	5,031,845	5,029,036	4,131,038	897,998
Capital Outlay	12,628,885	13,092,704	3,163,195	9,929,509
Debt Service:				
Principal Retirement	-	-	2,599	(2,599)
Interest	-	-	318	(318)
Other Expenditures	506,214	506,214	-	506,214
Total Expenditures	18,166,944	18,627,954	7,297,150	11,330,804
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,863,359)	(2,080,759)	153,905	2,234,664
OTHER FINANCING SOURCES (USES)				
Transfers In	11,700	14,100	171	(13,929)
Transfers Out	(63,750)	(63,750)	-	63,750
Issuance of Lease	-	-	10,150	10,150
Proceeds from Sale of Capital Assets	-	-	116,484	116,484
Total Other Financing Sources (Uses)	(52,050)	(49,650)	126,805	176,455
NET CHANGE IN FUND BALANCES	(1,915,409)	(2,130,409)	280,710	2,411,119
Fund Balances - Beginning of Year	1,915,409	2,130,409	4,355,817	2,225,408
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ 4,636,527	\$ 4,636,527

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES — BUDGET AND ACTUAL — FIRE CONTROL FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 210,006	\$ 1,212,411	\$ 2,154	\$ (1,210,257)
Charges for Services	32,000	32,000	22,735	(9,265)
Assessments	2,445,000	2,445,000	2,386,351	(58,649)
Interest	3,500	3,500	43,645	40,145
Miscellaneous	3,500	3,500	5,048	1,548
Total Revenues	2,694,006	3,696,411	2,459,933	(1,236,478)
EXPENDITURES				
Current:				
Public Safety	2,884,415	2,861,375	2,787,312	74,063
Capital Outlay	173,500	1,234,077	222,783	1,011,294
Debt Service:				
Principal Retirement	122,483	122,483	125,854	(3,371)
Interest	7,556	7,556	7,795	(239)
Other Expenditures	473,861	473,861	-	473,861
Total Expenditures	3,661,815	4,699,352	3,143,744	1,555,608
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(967,809)	(1,002,941)	(683,811)	319,130
OTHER FINANCING SOURCES (USES)				
Transfers In	200,000	201,456	201,456	-
Transfers Out	(270,984)	(270,984)	(142,500)	128,484
Issuance of Lease	-	-	2,665	2,665
Insurance Recoveries	-	33,676	34,131	455
Total Other Financing Sources (Uses)	(70,984)	(35,852)	95,752	131,604
NET CHANGE IN FUND BALANCES	(1,038,793)	(1,038,793)	(588,059)	450,734
Fund Balances - Beginning of Year	1,038,793	1,038,793	1,107,854	69,061
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ 519,795	\$ 519,795

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES — BUDGET AND ACTUAL — GRANTS FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 13,841,605	\$ 29,377,725	\$ 5,467,582	\$ (23,910,143)
Interest	1,000	151,000	200,604	49,604
Miscellaneous	-	31,369	71,878	40,509
Total Revenues	13,842,605	29,560,094	5,740,064	(23,820,030)
EXPENDITURES				
Current:				
General Government	-	45,692	11,420	34,272
Public Safety	2,825,933	7,984,429	657,232	7,327,197
Physical Environment	106,609	581,501	81,986	499,515
Economic Environment	470,842	2,290,923	1,283,182	1,007,741
Human Services	48,615	240,215	87,959	152,256
Capital Outlay	10,667,676	19,921,022	4,113,600	15,807,422
Total Expenditures	14,119,675	31,063,782	6,235,379	24,828,403
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(277,070)	(1,503,688)	(495,315)	1,008,373
OTHER FINANCING SOURCES (USES)				
Transfers In	279,370	279,370	19,708	(259,662)
Transfers Out	(2,300)	(50,355)	(40,521)	9,834
Total Other Financing Sources (Uses)	277,070	229,015	(20,813)	(249,828)
NET CHANGE IN FUND BALANCES	-	(1,274,673)	(516,128)	758,545
Fund Balances - Beginning of Year	-	1,274,673	1,565,435	290,762
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ 1,049,307	\$ 1,049,307

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES —
BUDGET AND ACTUAL — ECONOMIC DEVELOPMENT AUTHORITY FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 2,000,000	\$ 1,569,851	\$ 1,569,851	\$ -
Interest	270,000	270,000	286,859	16,859
Total Revenues	2,270,000	1,839,851	1,856,710	16,859
EXPENDITURES				
Current:				
Economic Environment	8,558,653	7,675,320	3,273,096	4,402,224
Recreation	1,113,043	1,028,580	783,928	244,652
Total Expenditures	9,671,696	8,703,900	4,057,024	4,646,876
NET CHANGE IN FUND BALANCES	(7,401,696)	(6,864,049)	(2,200,314)	4,663,735
Fund Balances - Beginning of Year	2,710,248	2,481,171	9,400,038	6,918,867
FUND BALANCES - END OF YEAR	<u>\$ (4,691,448)</u>	<u>\$ (4,382,878)</u>	<u>\$ 7,199,724</u>	<u>\$ 11,582,602</u>

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
STATEMENT OF NET POSITION — PROPRIETARY FUNDS
SEPTEMBER 30, 2024

	Business-Type Activities - Enterprise Funds			
	Solid Waste Fund	Wauchula Hills Water/ Wastewater Treatment Fund	Vandolah Wastewater Treatment (Nonmajor Fund)	Total Enterprise Funds
ASSETS				
Current Assets:				
Cash	\$ 2,419,292	\$ 773,440	\$ 153,617	\$ 3,346,349
Deposits	-	3,596	-	3,596
Accounts Receivable, Net	90,108	161,265	10,364	261,737
Due from Other Funds	275	748	-	1,023
Due from Other Governmental Agencies	2,822	98,155	-	100,977
Prepaid Items	19,031	-	-	19,031
Total Current Assets	2,531,528	1,037,204	163,981	3,732,713
Noncurrent Assets:				
Restricted Cash and Cash Equivalents	1,256,173	-	-	1,256,173
Capital Assets:				
Land	372,775	424,850	165,000	962,625
Construction in Progress	-	1,234,890	-	1,234,890
Buildings and Improvements	3,562,367	5,801,121	1,184,598	10,548,086
Equipment	3,684,523	654,338	8,961	4,347,822
Infrastructure	7,218,397	16,403,959	-	23,622,356
Right-to-Use Leased Equipment	4,878	4,734	645	10,257
Less: Accumulated Depreciation/ Amortization	(9,648,351)	(11,483,855)	(514,617)	(21,646,823)
Total Capital Assets, Net of Accumulated Depreciation/Amortization	5,194,589	13,040,037	844,587	19,079,213
Total Noncurrent Assets	6,450,762	13,040,037	844,587	20,335,386
Total Assets	8,982,290	14,077,241	1,008,568	24,068,099
DEFERRED OUTFLOWS OF RESOURCES				
Pension Related Items	108,566	88,425	12,042	209,033
Other Postemployment Benefits Related Items	19,097	15,098	2,040	36,235
Total Deferred Outflows of Resources	127,663	103,523	14,082	245,268

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
STATEMENT OF NET POSITION — PROPRIETARY FUNDS (CONTINUED)
SEPTEMBER 30, 2024

	Business-Type Activities - Enterprise Funds			
	Solid Waste Fund	Wauchula Hills Water/ Wastewater Treatment Fund	Vandalah Wastewater Treatment (Nonmajor Fund)	Total Enterprise Funds
LIABILITIES				
Current Liabilities:				
Accounts Payable and Accrued Liabilities	\$ 265,606	\$ 111,802	\$ 3,769	\$ 381,177
Due to Other Governmental Agencies	2,547	-	-	2,547
Deposits	24,842	37,753	-	62,595
Unearned Revenue	-	138,761	-	138,761
Accrued Compensated Absences, Current Portion	1,856	-	-	1,856
Notes Payable, Current Portion	350,000	-	-	350,000
Landfill Closure and Postclosure Costs, Current Portion	106,711	-	-	106,711
Leases, Current Portion	1,178	1,188	162	2,528
Total Current Liabilities	752,740	289,504	3,931	1,046,175
Noncurrent Liabilities:				
Accrued Compensated Absences, Less Current Portion	3,431	-	-	3,431
Net Pension Liability	337,008	355,197	60,613	752,818
Other Postemployment Benefits	70,406	55,663	7,522	133,591
Notes Payable, Less Current Portion	1,380,000	-	-	1,380,000
Landfill Closure and Post-Closure Costs	5,458,959	-	-	5,458,959
Leases, Less Current Portion	3,029	2,400	327	5,756
Total Noncurrent Liabilities	7,252,833	413,260	68,462	7,734,555
Total Liabilities	8,005,573	702,764	72,393	8,780,730
DEFERRED INFLOWS OF RESOURCES				
Pension Related Items	78,120	61,461	8,282	147,863
Other Postemployment Benefits Related Items	11,623	9,189	1,242	22,054
Total Deferred Inflows of Resources	89,743	70,650	9,524	169,917
NET POSITION				
Net Investment in Capital Assets	3,431,852	13,007,864	844,098	17,283,814
Unrestricted	(2,417,215)	399,486	96,635	(1,921,094)
Total Net Position	\$ 1,014,637	\$ 13,407,350	\$ 940,733	\$ 15,362,720

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN
NET POSITION — PROPRIETARY FUNDS
YEAR ENDED SEPTEMBER 30, 2024

	Business-Type Activities - Enterprise Funds			
	Solid Waste Fund	Wauchula Hills Water/ Wastewater Treatment Fund	Vandolah Wastewater Treatment (Nonmajor Fund)	Total Enterprise Funds
OPERATING REVENUES				
Sales and Charges for Services	\$ 1,310,787	\$ 900,879	\$ 135,019	\$ 2,346,685
Special Assessments	1,215,603	-	-	1,215,603
Total Operating Revenues	2,526,390	900,879	135,019	3,562,288
OPERATING EXPENSES				
Personal Services	599,044	473,453	64,802	1,137,299
General and Administrative	1,145,953	524,182	35,743	1,705,878
Depreciation	469,642	770,872	23,788	1,264,302
Total Operating Expenses	2,214,639	1,768,507	124,333	4,107,479
OPERATING INCOME (LOSS)	311,751	(867,628)	10,686	(545,191)
NONOPERATING REVENUES (EXPENSES)				
Intergovernmental	109,820	-	-	109,820
Interest Income	128,780	31,758	6,745	167,283
Interest Expense	(88,434)	(148)	(20)	(88,602)
Gain on Sale of Capital Assets	6,363	-	-	6,363
Miscellaneous Revenue	16,339	7,756	-	24,095
Total Nonoperating Revenues (Expenses), Net	172,868	39,366	6,725	218,959
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	484,619	(828,262)	17,411	(326,232)
CAPITAL CONTRIBUTIONS AND TRANSFERS				
Capital Contributions	-	871,724	-	871,724
Transfers Out	(57,171)	(100,000)	(19,000)	(176,171)
Total Capital Contributions and Transfers	(57,171)	771,724	(19,000)	695,553
CHANGE IN NET POSITION	427,448	(56,538)	(1,589)	369,321
Net Position - Beginning of Year	587,189	13,463,888	942,322	14,993,399
NET POSITION - END OF YEAR	<u>\$ 1,014,637</u>	<u>\$ 13,407,350</u>	<u>\$ 940,733</u>	<u>\$ 15,362,720</u>

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
STATEMENT OF CASH FLOWS — PROPRIETARY FUNDS
YEAR ENDED SEPTEMBER 30, 2024

	Business-Type Activities - Enterprise Funds			
	Solid Waste Fund	Wauchula Hills Water/ Wastewater Treatment	Vandolah Wastewater Treatment (Nonmajor Fund)	Total Enterprise Funds
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from Customers and Users	\$ 2,525,936	\$ 916,579	\$ 124,706	\$ 3,567,221
Payments to Suppliers	(1,568,855)	(475,216)	(34,227)	(2,078,298)
Payments to Employees	(619,281)	(499,455)	(68,353)	(1,187,089)
Net Cash Provided (Used) by Operating Activities	337,800	(58,092)	22,126	301,834
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Intergovernmental Grants	109,820	-	-	109,820
Other Nonoperating Revenue	14,186	7,756	-	21,942
Cash Received from Interfund Borrowings	(275)	-	-	(275)
Transfers to Other Fund	(57,171)	(100,000)	(19,000)	(176,171)
Net Cash Provided (Used) by Noncapital Financing Activities	66,560	(92,244)	(19,000)	(44,684)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Capital Grants, State Shared Revenues, and Contributions	-	1,074,171	-	1,074,171
Acquisition and Construction of Capital Assets	(755,226)	(975,485)	-	(1,730,711)
Proceeds from Sale of Capital Assets	6,363	-	-	6,363
Principal Paid on Leases and Long-Term Debt	(351,144)	(1,228)	(167)	(352,539)
Interest Paid	(88,434)	(148)	(20)	(88,602)
Net Cash Provided (Used) by Capital and Related Financing Activities	(1,188,441)	97,310	(187)	(1,091,318)
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Received	128,780	31,758	6,745	167,283
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(655,301)	(21,268)	9,684	(666,885)
Cash and Cash Equivalents - Beginning of Year	4,330,766	794,708	143,933	5,269,407
CASH AND CASH EQUIVALENTS - END OF YEAR	<u>\$ 3,675,465</u>	<u>\$ 773,440</u>	<u>\$ 153,617</u>	<u>\$ 4,602,522</u>
CLASSIFIED AS				
Cash	\$ 2,419,292	\$ 773,440	\$ 153,617	\$ 3,346,349
Restricted Cash and Cash Equivalents	1,256,173	-	-	1,256,173
Total	<u>\$ 3,675,465</u>	<u>\$ 773,440</u>	<u>\$ 153,617</u>	<u>\$ 4,602,522</u>

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
STATEMENT OF CASH FLOWS — PROPRIETARY FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024

	Business-Type Activities - Enterprise Funds			
	Solid Waste Fund	Wauchula Hills Water/Wastewater Treatment	Vandolah Wastewater Treatment (Nonmajor Fund)	Total Enterprise Funds
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	\$ 311,751	\$ (867,628)	\$ 10,686	\$ (545,191)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation/Amortization	469,642	770,872	23,788	1,264,302
Changes in Assets and Liabilities:				
(Increase) Decrease in:				
Accounts Receivable	(1,454)	14,530	(10,312)	2,764
Prepaid Items	9,516	-	-	9,516
Deferred Outflows - Pensions	(21,448)	10,102	1,522	(9,824)
Deferred Outflows - OPEB	(15,038)	(10,268)	(1,379)	(26,685)
Increase (Decrease) in:				
Accounts Payable and Accrued Liabilities	(28,420)	48,966	1,515	22,061
Due to Other Government Agencies	2,547	-	-	2,547
Deposits	1,000	1,170	-	2,170
Net Pension Liability	(44,186)	(34,775)	(4,668)	(83,629)
Total OPEB Liability	22,191	(1,715)	(332)	20,144
Landfill Closure and Postclosure Costs	(406,545)	-	-	(406,545)
Deferred Inflows - Pensions	41,318	18,955	2,458	62,731
Deferred Inflows - OPEB	(3,074)	(8,301)	(1,152)	(12,527)
Net Cash Provided (Used) by Operating Activities	<u>\$ 337,800</u>	<u>\$ (58,092)</u>	<u>\$ 22,126</u>	<u>\$ 301,834</u>
SUPPLEMENTAL DISCLOSURE OF INVESTING CAPITAL, AND FINANCING ACTIVITIES				
Assets Acquired Through Retainage and Accounts Payable	<u>\$ -</u>	<u>\$ 85,260</u>	<u>\$ -</u>	<u>\$ 85,260</u>

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION — FIDUCIARY FUNDS
SEPTEMBER 30, 2024

	<u>Custodial Funds</u>
ASSETS	
Cash	\$ 1,424,649
LIABILITIES	
Due to Individuals	75,616
Due to Other Governments	245,149
Deposit - Installment Taxes	<u>337,074</u>
Total Liabilities	<u>657,839</u>
NET POSITION	
Restricted for Individuals, Organizations, and Other Governments	<u>766,810</u>
Total Net Position	<u><u>\$ 766,810</u></u>

See accompanying Notes to Financial Statements.

HARDEE COUNTY, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION — FIDUCIARY FUNDS
YEAR ENDED SEPTEMBER 30, 2024

	<u>Custodial Funds</u>
ADDITIONS	
Collections from Individuals	\$ 723,553
Property Tax Collections for Other Governments	18,347,000
Evidence Collected	13,678
Collections for Court Related Activities	1,571,533
Licenses, Taxes, and Fees Collected for Other Governments	<u>6,500,158</u>
Total Additions	27,155,922
DEDUCTIONS	
Medical, Dental, and Life Insurance	40,486
Payments to Individuals	178,929
Payments of Court Related Funds	1,494,619
Payments to Other Entities	111,406
Payments to Other Governments	<u>24,877,200</u>
Total Deductions	26,702,640
NET INCREASE IN FIDUCIARY NET POSITION	453,282
Fiduciary Net Position - Beginning of Year	<u>313,528</u>
FIDUCIARY NET POSITION - END OF YEAR	<u><u>\$ 766,810</u></u>

See accompanying Notes to Financial Statements.

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

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

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

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

GAAP requires that these financial statements include all entities for which the County is considered to be financially accountable (component unit). The County is financially accountable if it 1) holds a majority equity interest and it doesn't meet the definition of an investment; or 2) appoints a voting majority of the organization's governing body and (a) is able to impose its will on that organization or (b) there is a potential for the organization to provide specific financial benefits to or impose specific financial burdens on the County. The County may be financially accountable if an organization is fiscally dependent on the County regardless of whether the organization has (a) a separately elected governing board, (b) a governing board appointed by a higher level of government, or (c) a jointly appointed board. If a component unit is, in substance, part of the government's operations, it should be reported as a blended component unit. Otherwise, a component unit should be discretely presented. Based on the criteria, the County management determined that the County has one discretely presented component unit and one blended component unit.

Discretely Presented Component Unit

The Hardee County Industrial Development Authority (the Authority), as authorized by Chapter 159.44-159.53 of the Florida Statutes, was created for the purpose of financing and refinancing projects for the public purposes in the manner provided by the Florida Industrial Development Financing Act and by Chapter 159.44-159.53 of the Florida Statutes and for the purpose of fostering economic development of Hardee County.

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Discretely Presented Component Unit (Continued)

The Authority is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the primary government. The County entered into an agreement with a private entity which otherwise assumed to provide financial support to the Authority. Separate audited financial statements for the Hardee County Industrial Development Authority are available upon request at 107 East Main Street, Wauchula, Florida 33873.

Blended Component Unit

The Hardee County Economic Development Authority (EDA), established in accordance with Section 211.3103 of the Florida Statutes, was created to solicit, rank, and fund projects that provide economic development opportunities and infrastructure within the geographic boundaries of Hardee County and to otherwise maximize the use of federal, local, and private resources. The Board represents the majority of the voting members on the EDA. The Clerk maintains the accounting system for the EDA. The EDA is reported as a special revenue fund and as a major fund of the County. Separate audited financial statements for the EDA are available upon request at 412 West Orange Street, Room 103, Wauchula, Florida 33873.

Basis of Presentation, Basis of Accounting, and Measurement Focus

The accounting principles of the County conform to GAAP as applicable to governments. The following is a summary of the significant accounting principles and policies used in the preparation of these financial statements.

Fund Accounting

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

Fund financial statements for the primary government's governmental and proprietary funds are presented after the government-wide financial statements. These statements display information about major funds individually and nonmajor funds in the aggregate for governmental and enterprise funds. The fiduciary statement includes financial information for the custodial funds. The custodial funds of the County are used to account for assets associated with activities which benefit other governments.

HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide Financial Statements

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

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

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

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

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

The County's fiduciary funds presented in the fund financial statements include custodial funds. These funds are not incorporated into the government-wide statements.

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Funds

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. Revenues susceptible to accrual are certain tax revenues, intergovernmental revenues, ambulance fees, and investment earnings. Major revenue sources not susceptible to accrual include charges for services (other than ambulance fees), fines and forfeitures, and miscellaneous revenue. 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. All other revenue items are considered to be measurable only when cash is received by the County. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

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

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

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

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

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Proprietary Funds (Continued)

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

When both restricted and unrestricted resources are available for use, it is the County's policy to first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted assets are available.

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

Custodial Funds

The custodial funds use the economic resources measurement focus and the accrual basis of accounting. Ending net position is restricted for individuals, organizations, and other governments.

Basis of Presentation

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets plus deferred outflows of resources, liabilities plus deferred inflows of resources, revenues or expenditures/expenses of each 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.

The County considers the Fire Control Fund important to financial statement users because of the public interest and is, therefore, reporting this governmental funds as major even though the quantitative criteria have not been met.

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.

Transportation Trust Fund – The Transportation Trust Fund, a special revenue fund, accounts for the proceeds of local, state, and federal gas taxes, which are restricted for use in the operation of the County's road and bridge, and equipment maintenance departments.

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Governmental Major Funds (Continued)

Fire Control Fund – The Fire Control Fund, a special revenue fund, accounts for assessments committed to providing countywide fire protection services.

Grants Fund – The Grants Fund, a special revenue fund, was established to account for all community development enhancement projects that are funded through various restricted state, federal, and other funding agencies.

Economic Development Authority Fund – The Economic Development Authority Fund, a special revenue fund, was established to solicit, rank, and fund projects that provide economic development opportunities and infrastructure within the geographic boundaries of Hardee County.

Proprietary Major Funds

Solid Waste Fund – The Solid Waste Fund accounts for the fees imposed on users of the Hardee County Landfill; and for the closure and post-closure liability along with the restricted cash required by the Environmental Protection Agency.

Wauchula Hills Water/Wastewater Treatment Fund – The Wauchula Hills Water/Wastewater Treatment fund accounts for the operations of the Wauchula Hills Water and Wastewater utilities.

Fiduciary Funds

Custodial Funds – Custodial Funds are fiduciary in nature and used to account for assets associated with various activities, which benefit individuals and other governments.

Budgets and Budgetary Accounting

The County follows the procedures provided by Florida Statutes in establishing final budget balances reported on the financial statements.

Budgets are prepared, public hearings are held, and original budgets are adopted annually for governmental funds in accordance with procedures and time intervals prescribed by law.

Budgets are prepared for the governmental funds on a basis consistent with GAAP and are based upon the final amended amounts.

Appropriations lapse at year-end to the extent that they have not been expended. Budget appropriations may not be legally exceeded on a fund basis, which is the legal level of control.

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgets and Budgetary Accounting (Continued)

Final budget amounts reported are based upon the final amended budget.

Formal budgetary integration is employed as a management control device during the year for all governmental funds and proprietary funds except for Sheriff's Commissary Fund, Sheriff's Education Fund, Sheriff's E-911 Fund, Sheriff's Youth Fund, Sheriff's Flower Fund, and Sheriff's Drug Task Force Fund.

Accounts Receivable

Accounts receivable is shown at its net realizable value and reduced by an allowance for uncollectible accounts.

Interfund Transactions

Interfund transactions are accounted for in the following manner:

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

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

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

Inventory of Supplies

Inventory shown in the General Fund consists of expendable supplies held for consumption and road materials valued at cost. Inventories are valued at the lower of cost (first-in, first-out) or market. Inventory is accounted for using the consumption method.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items. Prepaid items are expensed during the periods benefited.

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unearned Revenues

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

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

Capital Assets

Capital assets which include property, plant, equipment, right-to-use lease assets, and infrastructure assets (e.g., roads, bridges, right-of-way, and sewer distribution systems and similar items), are reported in the applicable governmental or business-type activities column in the government-wide financial statements.

Capital assets are defined by the County as real or personal property that have a value equal to or greater than the capitalization threshold for their respective asset class and have an estimated useful life greater than of one year. The cost of improvements and replacements which extend the useful lives and/or increase the capacity or efficiency of the asset are capitalized. Repairs and maintenance costs which do not improve or extend the useful life of the respective assets are charged to expense when incurred.

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

Right-to-use lease assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

Subscription-based information technology arrangements (SBITA) assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the SBITA term. SBITA assets are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets.

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

The Board holds legal title for the capital assets used in the operations of the Board, Clerk, Property Appraiser, Supervisor of Elections, and Tax Collector, and is accountable for them under Florida Law. The Sheriff is accountable for, and thus maintains, capital assets records pertaining only to equipment used in their operations. These assets have been combined with the Board's governmental activities' capital assets in the statement of net position. Capital assets used by the governmental funds are reported in the financial statements of the County. Capital assets of the enterprise funds are reported in the Proprietary Funds financial statements.

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

Property Taxes

Under the laws of the state of Florida, the assessment of all properties and the collection of all county, municipal, and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the state regulating tax assessments are also designed to assure a consistent property valuation method statewide. Florida Statutes permit counties to levy property taxes at a rate of up to 10 mills for general operations. The tax levy rate for general operations of the County for the year ended September 30, 2024 was 8.8000 mills.

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

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

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

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Property Taxes (Continued)

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

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

Accumulated Unpaid Vacation and Sick Pay

The policies of the various County agencies allow employees to accumulate annual leave and sick leave. Various amounts of accumulated annual leave and sick leave may be paid upon separation or retirement. The County accrues annual and sick leave based on current employee compensation levels and the number of years of service in accordance with GAAP.

In enterprise funds, expense for compensated absences is recorded when earned by the employee. A long-term liability of accrued sick and annual leave has been recorded in the enterprise funds.

Restricted Assets

Certain funds of the County are classified as restricted assets on the balance sheet and 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.

Encumbrances

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

Landfill Closure and Post-Closure Costs

The County has obtained engineering estimates of future costs to close and monitor the current sanitary landfill site in accordance with state and federal guidelines. Estimated landfill closing and monitoring costs are being accrued in the Solid Waste Fund over the operating life of the landfill representing the commitment to fund such costs for the future.

HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of financial statements in conformity with GAAP, as applicable to government entities, requires management to make use of estimates that affect the reported amounts in the financial statements. Actual results could differ from estimates.

Other Postemployment Benefit Obligations (OPEB)

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

Pensions

In the government-wide and proprietary funds statements 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.

Fund Balance, Net Position, and Spending Policy

In accordance with GASB Statement No. 54, *Fund Balance Reporting, and Governmental Fund Type Definitions*, the Board classified fund balance in governmental funds as nonspendable, restricted, committed, assigned, and unassigned.

- **Nonspendable fund balance.** 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 fund balance.** Amounts that can be spent for specific purposes because of 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 fund balance.** Includes amounts that can only be used for specific purposes. Committed fund balance is reported pursuant to grant funds awarded and passed by the Board, the County's highest level of decision-making authority.

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance, Net Position, and Spending Policy (Continued)

- **Assigned fund balance.** 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 County's adopted policy, only the Board may assign amounts for specific purposes.
- **Unassigned fund balance.** Includes amounts that have not been assigned to other funds or restricted, committed or assigned to a specific purpose within the General Fund. Unassigned may also include deficit fund balance amounts within other governmental funds.

Net position represents the difference between assets and liabilities. The net investment in capital assets consists of capital assets, net of accumulated depreciation/amortization, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. The net investment in capital assets excludes unspent debt proceeds. Net position is reported as restricted when there are limitations imposed on use either through enabling legislation or through external restrictions imposed by creditors, grantors, laws or regulations of other governments. All net position not reported as net investment in capital assets or restricted net position, is reported as unrestricted net position.

The Board has not formally adopted fund balance, net position, and spending policies to clearly define the process for tracking the various classifications of fund balance/net position. When a fund expenditure is incurred, for which restricted, committed, assigned, or unassigned fund balance amounts are available to be used, the Board will first use restricted amounts, then committed amounts, then assigned amounts, and finally unassigned amounts. When both restricted and unrestricted net position is available for use, the Board will first use restricted.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense) until then. The County can have multiple items that qualify for reporting in this category including lease related items, differences between expected and actual experience, changes in actuarial assumptions, net difference between projected and actual earnings on pension plan investments, changes in the proportion and differences between the County's contributions and proportionate share of contributions, and the County's contributions subsequent to the measurement date, relating to the FRS Pension Plan, the HIS Program, and the County's OPEB Plan.

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Deferred Outflows/Inflows of Resources (Continued)

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

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

NOTE 2 RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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

"Total fund balances" of the County's governmental funds, \$39,094,418, differs from "net position" of governmental activities, \$65,320,210, reported in the statement of net position. This difference primarily results from the long-term economic focus of the statement of net position versus the current financial resources focus of the governmental fund balance sheet.

Capital Related Items

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

Cost of Capital Assets	\$ 169,524,791
Accumulated Depreciation/Amortization	<u>(109,716,780)</u>
Total	<u><u>\$ 59,808,011</u></u>

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

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

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

Receivable Transactions

Certain receivables are not available to pay current period expenditures, and therefore are reported as deferred inflows of resources in the funds. Balances as of September 30, 2024, were:

Unavailable Revenue	\$ 1,830,443
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Long-Term Debt Transactions

Long-term liabilities applicable to the County's governmental activities are not due and payable in the current period, and accordingly, are not reported as fund liabilities. All liabilities (both current and long-term) are reported in the statement of net position. Balances as of September 30, 2024, were:

Leases	\$ (74,523)
SBITAs	(315,581)
Financed Purchases	(97,418)
Compensated Absences	(2,054,924)
Legislative Appropriation Program Loan	(4,846,343)
Total	<u>\$ (7,388,789)</u>

Pension Related Items

Net pension liability is not due and payable in the current period, therefore, the liabilities and related deferred outflows and inflows of resources are not reported in the funds. Balances as of September 30, 2024, were:

Net Pension Liability	\$ (28,628,041)
Deferred Outflows of Resources - Pension Related Items	7,748,270
Deferred Inflows of Resources - Pension Related Items	(4,574,115)
Total	<u>\$ (25,453,886)</u>

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

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

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

Other Postemployment Benefits Related Items

Total OPEB liability is not due and payable in the current period, therefore, the liabilities and the related deferred outflows and inflows of resources are not report in the funds. Balances as of September 30, 2024, were:

Total OPEB Liability	\$ (2,875,203)
Deferred Outflows of Resources - OPEB Related	779,860
Deferred Inflows of Resources - OPEB Related	(474,644)
Total	<u><u>\$ (2,569,987)</u></u>

Elimination of Interfund Receivables/Payables

Interfund receivables and payables in the amount of \$2,575,794 between governmental funds have been eliminated for the statement of net position.

Explanation of Differences Between the Governmental Statement of Revenues, Expenditures, and Changes in Fund Balances to Changes in Net Position on the Statement of Activities

The "net change in fund balances" for governmental funds, (\$5,428,368) differs from the "change in net position" for governmental activities, (\$8,420,408) reported in the statement of activities. The differences arise primarily from the long-term economic focus of the statement of activities versus the current financial resources focus of the governmental funds. The effects of the differences are illustrated below.

Capital Related Items

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

Capital Outlay	\$ 12,870,516
Depreciation/Amortization Expense	(4,745,929)
Difference	<u><u>\$ 8,124,587</u></u>

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

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

**Explanation of Differences Between the Governmental Statement of Revenues,
Expenditures, and Changes in Fund Balances to Changes in Net Position on the
Statement of Activities (Continued)**

Long-Term Debt Transactions

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position.

Net Change in Compensated Absences	\$ (878,542)
Issuance of SBITAs	(315,260)
Issuance of Lease	(61,942)
Issuance of Debt	(4,846,343)
Principal Repayment - Leases	33,900
Principal Repayment - SBITAs	60,636
Principal Repayment - Financed Purchases	156,385
Net Adjustment	<u><u>\$ (5,851,166)</u></u>

Revenue Transactions

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

Intergovernmental Revenues	\$ 633,359
Charges for Services	(331,441)
Total	<u><u>\$ 301,918</u></u>

Pension Related Items

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

Pension Expense	<u><u>\$ 462,139</u></u>
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Other Postemployment Benefits Related Items

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

OPEB Expense	<u><u>\$ (45,438)</u></u>
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**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

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

**Explanation of Differences Between the Governmental Statement of Revenues,
Expenditures, and Changes in Fund Balances to Changes in Net Position on the
Statement of Activities (Continued)**

Reclassification and Eliminations

Transfers in and transfers out in the amount of \$1,394,196 between governmental funds are eliminated.

NOTE 3 CASH AND CASH EQUIVALENTS

At September 30, 2024, the bank balance of the County's deposits consisted of demand deposits of \$49,196,595.

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. The County's monies must be deposited in banks designated as qualified public depositories by the Chief Financial Officer, Florida Department of Financial Services. Therefore, the County's total deposits are insured by the Federal Depository Insurance Corporation and collateralized by the Bureau of Collateral Management, Division of Treasury, Florida Department of Financial Services. Other than the preceding, the County has no policy on custodial credit risk.

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

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

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

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 3 CASH AND CASH EQUIVALENTS (CONTINUED)

Custodial Credit Risk (Continued)

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

Deposits	\$ 47,454,208
Petty Cash and Change Funds	4,190
Total	<u>\$ 47,458,398</u>
Statement of Net Position:	
Cash and Cash Equivalents	\$ 39,876,958
Cash and Cash Equivalents - Restricted	6,156,791
Statement of Fiduciary Net Position - Fiduciary Funds:	
Cash	1,424,649
Total	<u>\$ 47,458,398</u>

NOTE 4 ACCOUNTS RECEIVABLE

Accounts receivable consist of the following at September 30, 2024 for the governmental funds individual major funds and nonmajor funds:

	General Fund	Fire Control Fund	Other Governmental Funds	Total Governmental Funds
Receivables:				
Emergency Medical Services	\$ 888,708	\$ -	\$ -	\$ 888,708
Miscellaneous	290,367	454	228,154	518,975
Accounts Receivable, Gross	1,179,075	454	228,154	1,407,683
Less: Allowance for				
Uncollectible Accounts	(319,043)	-	-	(319,043)
Accounts Receivable, Net	<u>\$ 860,032</u>	<u>\$ 454</u>	<u>\$ 228,154</u>	<u>\$ 1,088,640</u>

HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 4 ACCOUNTS RECEIVABLE (CONTINUED)

Accounts receivable consist of the following at September 30, 2024 for the enterprise funds individual major funds and nonmajor fund:

	Solid Waste Fund	Wauchula Hills Water/ Wastewater Treatment Fund	Vandolah Wastewater Treatment Fund (Nonmajor Fund)	Total Enterprise Funds
Receivables:				
Landfill Charges	\$ 90,108	\$ -	\$ -	\$ 90,108
Utility Charges	-	161,265	10,364	171,629
Accounts Receivable, Net	<u>\$ 90,108</u>	<u>\$ 161,265</u>	<u>\$ 10,364</u>	<u>\$ 261,737</u>

NOTE 5 LEASE RECEIVABLES

The County, acting as lessor, leasing a building space under one long-term, noncancelable lease agreement. This agreement expires in 2025 and provides for renewal options in various terms. During the year ended September 30, 2024, the County recognized \$17,886 and \$691 in lease revenue and interest revenue, respectively, pursuant to these contracts.

The lease does not provide for any increases in future minimum rental payments.

Total future minimum lease payments to be received under lease agreements are as follows:

<u>Year Ending September 30,</u> 2025	<u>Governmental Activities</u>	
	<u>Principal</u>	<u>Interest</u>
	<u>\$ 12,145</u>	<u>\$ 121</u>

HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 6 DETAIL OF CAPITAL ASSETS

A summary of changes in capital assets for the year ended September 30, 2024 is as follows:

	Balance October 1, 2023	Additions	(Deletions)	Transfers/ Reclassification	Balance September 30, 2024
Governmental Activities:					
Capital Assets, Not Being Depreciated:					
Land	\$ 3,691,552	\$ -	\$ -	\$ -	\$ 3,691,552
Construction in Progress	1,775,398	5,860,526	-	(787,851)	6,848,073
Total Capital Assets, Not Being Depreciated	5,466,950	5,860,526	-	(787,851)	10,539,625
Capital Assets, Being Depreciated:					
Buildings and Improvements	26,492,694	2,429,899	(8,184)	581,461	29,495,870
Equipment	23,050,157	2,217,173	(1,056,804)	74,652	24,285,178
Infrastructure	102,384,204	1,740,509	-	206,390	104,331,103
Subtotal	151,927,055	6,387,581	(1,064,988)	862,503	158,112,151
Less: Accumulated Depreciation for:					
Buildings and Improvements	(14,682,870)	(578,085)	-	-	(15,260,955)
Equipment	(15,693,641)	(1,791,259)	990,454	(74,552)	(16,568,998)
Infrastructure	(75,442,388)	(2,249,158)	-	-	(77,691,546)
Subtotal	(105,818,899)	(4,618,502)	990,454	(74,552)	(109,521,499)
Total Capital Assets, Being Depreciated, Net	46,108,156	1,769,079	(74,534)	787,951	48,590,652
Right-to-Use Lease Assets:					
Equipment	113,162	61,942	(33,900)	-	141,204
Less: Accumulated Amortization	(68,500)	(34,537)	36,178	-	(66,859)
Total Right-to-Use Lease Assets, Net	44,662	27,405	2,278	-	74,345
Subscription-Based Information Technology Arrangement Assets	99,188	632,623	-	-	731,811
Less: Accumulated Amortization	(35,532)	(92,890)	-	-	(128,422)
Total Subscription-Based Information Technology Arrangement Assets, Net	63,656	539,733	-	-	603,389
Governmental Activities Capital Assets, Net	\$ 51,683,424	\$ 8,196,743	\$ (72,256)	\$ 100	\$ 59,808,011

HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 6 DETAIL OF CAPITAL ASSETS (CONTINUED)

	Balance October 1, 2023	Additions	(Deletions)	Transfers/ Reclassification	Balance September 30, 2024
Business-Type Activities:					
Capital Assets, Not Being Depreciated:					
Land	\$ 962,625	\$ -	\$ -	\$ -	\$ 962,625
Construction in Progress	413,577	844,443	-	(23,130)	1,234,890
Total Capital Assets, Not Being Depreciated	1,376,202	844,443	-	(23,130)	2,197,515
Capital Assets, Being Depreciated:					
Buildings and Improvements	9,954,376	570,600	-	23,110	10,548,086
Equipment	4,183,522	275,580	(36,627)	(74,653)	4,347,822
Infrastructure	23,606,813	15,522	-	21	23,622,356
Subtotal	37,744,711	861,702	(36,627)	(51,522)	38,518,264
Less: Accumulated Depreciation for:					
Buildings and Improvements	(2,725,234)	(85,999)	-	-	(2,811,233)
Equipment	(2,451,826)	(294,920)	36,256	74,552	(2,635,938)
Infrastructure	(15,316,816)	(881,339)	-	-	(16,198,155)
Subtotal	(20,493,876)	(1,262,258)	36,256	74,552	(21,645,326)
Total Capital Assets, Being Depreciated, Net	17,250,835	(400,556)	(371)	23,030	16,872,938
Right-to-Use Lease Assets:					
Equipment	4,909	10,257	(4,909)	-	10,257
Less: Accumulated Amortization	(4,362)	(2,044)	4,909	-	(1,497)
Total Right-to-Use Lease Assets, Net	547	8,213	-	-	8,760
Business-Type Activities Capital Assets, Net	<u>\$ 18,627,584</u>	<u>\$ 452,100</u>	<u>\$ (371)</u>	<u>\$ (100)</u>	<u>\$ 19,079,213</u>

HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 6 DETAIL OF CAPITAL ASSETS (CONTINUED)

Depreciation/amortization expense for the year ended September 30, 2024 was charged to functions/programs of the primary government as follows:

Governmental Activities:

General Government	\$ 1,052,005
Public Safety	1,156,581
Physical Environment	9,268
Transportation	2,492,856
Human Services	22,711
Culture/Recreation	12,508
Total Depreciation/Amortization Expense	<u>\$ 4,745,929</u>

Business-Type Activities:

Solid Waste	\$ 469,642
Wauchula Hills Water/Wastewater Treatment	770,872
Vandolah Wastewater Treatment	23,788
Total Depreciation/Amortization Expense	<u>\$ 1,264,302</u>

NOTE 7 LONG-TERM LIABILITIES

A summary of the changes in long-term liabilities for the year ended September 30, 2024 is as follows:

	Balance October 1, 2023	Additions	(Reductions)	Balance September 30, 2024	Due Within One Year
Governmental Activities:					
Direct Borrowing:					
Financed Purchases	\$ 253,803	\$ -	\$ (156,385)	\$ 97,418	\$ 97,418
LAP Loan	-	4,846,343	-	4,846,343	-
Leases	46,481	61,942	(33,900)	74,523	34,038
SBITAs	60,957	315,260	(60,636)	315,581	105,404
Compensated Absences	1,176,382	907,895	(29,353)	2,054,924	948,992
Total Governmental Activities	<u>\$ 1,537,623</u>	<u>\$ 6,131,440</u>	<u>\$ (280,274)</u>	<u>\$ 7,388,789</u>	<u>\$ 1,185,852</u>
Business-Type Activities:					
Direct Borrowing:					
FLGFC Note	\$ 2,080,000	\$ -	\$ (350,000)	\$ 1,730,000	\$ 350,000
Leases	566	10,256	(2,538)	8,284	2,528
Compensated Absences	5,287	-	-	5,287	1,856
Landfill Closure and Post-Closure Costs	5,972,215	-	(406,545)	5,565,670	106,711
Total Business-Type Activities	<u>\$ 8,058,068</u>	<u>\$ 10,256</u>	<u>\$ (759,083)</u>	<u>\$ 7,309,241</u>	<u>\$ 461,095</u>

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 7 LONG-TERM LIABILITIES (CONTINUED)

Compensated Absences

Compensated absences represent the vested portion of leave credits. See Note 1 for a summary of the County's compensated absences policy. The liability for compensated absences is liquidated with resources of the General Fund, Transportation Trust Fund, Fire Control Fund, Grants Fund, Solid Waste Fund, Wauchula Hills Water/Wastewater Fund, and nonmajor governmental and enterprise funds.

Direct Borrowing – FLGFC Note

The Board issued a note payable to the Florida Local Government Finance Commission (FLGFC) for \$2,780,000 during fiscal year 2021 for the purposes of providing the Board with sufficient funds to refinance an existing loan previously made to the County by FLGFC. Principal payments are due annually, beginning March 1, 2022. Interest payments are due monthly, based on the market rate of commercial paper. The note is payable from and secured by designated revenues of the Board. During the year, \$350,000 of principal and \$98,482 in interest and related fees were paid. The note contains a provision that in an event of default, all payments may become due and payable.

Maturity is as follows:

<u>Year Ending September 30,</u>	Business-Type Activities	
	Florida Local Government	
	Finance Commission	
	Principal	Interest
2025	\$ 350,000	\$ 56,918
2026	1,380,000	21,449
Total	<u>\$ 1,730,000</u>	<u>\$ 78,367</u>

Direct Borrowing - Financed Purchases

The County financed the purchase of a fire truck and an ambulance. Principal and interest is payable in annual instalments of \$100,776 beginning in January 2021 at 3.45% interest through January 2025 for the fire truck. In the event of a default, the County agrees to return the equipment to the lessor.

Maturities are as follows:

<u>Year Ending September 30,</u>	Governmental Activities	
	Financed Purchases	
	Principal	Interest
2025	\$ 97,418	\$ 3,358

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 7 LONG-TERM LIABILITIES (CONTINUED)

Direct Borrowing – Florida Legislative Appropriate Program (LAP) Loan

The County entered into an agreement with the State of Florida, Division of Emergency Management to receive \$4,846,343 from the Hurricane Recovery Grant Program. Pursuant to the 2023 Specific Appropriations 25676A, the Florida Legislative Appropriation Program (LAP) provided resources to fund hurricane repairs and recovery to publicly owned facilities damaged by Hurricanes Ian and/or Nicole, infrastructure repairs, and loss of local and county revenues within the Federal Emergency Management Agency (FEMA) disaster declarations for Hurricane Ian and/or Hurricane Nicole. Terms and conditions to receive the funds are that the recipient has, or will have, a Public Assistance (PA) Project Worksheet (PW) on file. Funding will be used as an advanced payment or a zero percent loan to get projects started and shall be repaid up to the amount of the funds subsequently received from FEMA. The agreement terminates upon the completion of all eligible work and payment of all eligible costs in accordance with the Public Assistance Program requirements. As of September 30, 2024, outstanding LAP loan payable totaled \$4,846,343.

Lessee Arrangement

The County leases equipment under long-term, noncancelable lease agreements. The leases expire at various dates through 2027 and provide for renewal options in various terms.

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

<u>Year Ending September 30,</u>	<u>Governmental Activities</u>		<u>Business-Type Activities</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	<u>Principal</u>	<u>Interest</u>	
2025	\$ 34,038	\$ 1,995	\$ 2,528	\$ 250	\$ 38,810
2026	22,861	957	2,621	157	26,595
2027	15,534	314	2,594	61	18,503
2028	2,085	14	541	3	2,643
Total Minimum Lease Payments	<u>\$ 74,518</u>	<u>\$ 3,279</u>	<u>\$ 8,284</u>	<u>\$ 471</u>	<u>\$ 86,552</u>

Subscription-Based Information Technology Arrangements (SBITA)

SBITAs entered into by the County are included as other financing sources and capital outlay expenditures in the Statement of Revenues, Expenditures, and Changes in Fund Balance in the year of inception. Payments made in accordance with the SBITA terms are reported as debt service expenditures as they are incurred.

Total future minimum SBITA payments under subscription agreements are as follows:

<u>Year Ending September 30,</u>	<u>Governmental Activities</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2025	\$ 105,404	\$ 10,819	\$ 116,223
2026	107,005	5,843	112,848
2027	103,172	2,204	105,376
Total Minimum SBITA Payments	<u>\$ 315,581</u>	<u>\$ 18,866</u>	<u>\$ 334,447</u>

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 8 DUE TO/DUE FROM OTHER FUNDS

The balance of due from other funds and due to other funds are as follows at September 30, 2024:

	Due from Other Funds	Due to Other Funds
Major Funds:		
General Fund	\$ 2,441,427	\$ 92,812
Transportation Trust	345	63,989
Grants Fund	-	2,378,936
Wauchula Hills Water/Wastewater Treatment Fund	748	-
Solid Waste Fund	275	-
Nonmajor Governmental Funds	134,022	41,080
Total	<u>\$ 2,576,817</u>	<u>\$ 2,576,817</u>

Amounts due to and from other funds arise from timing differences as a result of transactions and cash transfers for operating purposes.

NOTE 9 FUND BALANCES

The governmental funds are classified as follows:

Nonspendable		\$ 390,330
Restricted:		
Court Innovations	\$ 531,357	
Court Technology	2,930	
Economic Development Authority:		
Economic Development	5,690,996	
Recreation	242,615	
E-911	645,267	
Grants	1,049,307	
Inmate Welfare	148,583	
Law Enforcement Education	44,986	
Law Enforcement Trust	157,017	
Law Enforcement - Other	7,353	
Records Modernization	189,837	
Emergency Disaster	4,846,343	
Tourist Development	400,970	
Transportation	4,636,527	
Total Restricted		18,594,088
Committed:		
Clerk Related Functions	140,270	
Fire Control	519,795	
Mining	480,244	
Total Committed		1,140,309
Assigned:		
County Operations	1,495,199	
Total Assigned		1,495,199
Unassigned		17,474,492
Total Fund Balances		<u>\$ 39,094,418</u>

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 10 DEFINED BENEFIT PENSION PLANS

Florida Retirement System Pension Plan

Background

The Florida Retirement System (FRS) was created by Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing, 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 County are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiple employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' Web site (www.dms.myflorida.com).

Plan Description

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

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

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Plan Description (Continued)

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62, or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 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.

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Benefits Provided (Continued)

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

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

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

Contributions

The Florida Legislature establishes contribution rates for participating employers and employees. Effective July 1, 2011, all FRS Plan members (except those in DROP) are required to make 3% employee contributions on a pretax basis. The contribution rates attributable to the County, effective July 1, 2023, were applied to employee salaries as follows: regular employees 13.57%, special risk 32.67%, county elected officials 58.68%, senior management 34.52%, and DROP participants 21.13%. The County's contributions to the FRS Plan were \$3,447,969 for the year ended September 30, 2024.

HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Pension Costs

At September 30, 2024, the County reported a liability of \$23,192,326 for its proportionate share of the FRS Plan's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. 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, 2024, through June 30, 2024, relative to the total employer contributions received from all of FRS's participating employers. At June 30, 2024, the County's proportion was 0.059952268%, which was an increase of 0.002461214% from its proportion measured as of June 30, 2023.

For the year ended September 30, 2024, the County recognized pension expense of \$3,144,431 for its proportionate share of FRS's pension expense. In addition, the County reported its proportionate share of FRS's deferred outflows of resources and deferred inflows of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual		
Economic Experience	\$ 2,343,051	\$ -
Changes in Actuarial Assumptions	3,178,725	-
Net Difference Between Projected and Actual		
Earnings on Pension Plan Investments	-	1,541,485
Changes in Proportion and Differences Between		
County Contributions and Proportionate Share		
of Contributions	1,032,399	1,695,683
County Contributions Subsequent to the		
Measurement Date	819,725	-
Total	<u>\$ 7,373,900</u>	<u>\$ 3,237,168</u>

\$819,725 reported as deferred outflows of resources related to pensions resulting from County contributions to the FRS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2025. 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>
2025	\$ (694,942)
2026	3,565,441
2027	335,659
2028	(55,050)
2029	165,899
Thereafter	-

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Actuarial Assumptions

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

FRS Actuarial Assumptions:

Inflation	2.40% Per Year
Salary Increases	3.50%, Average, Including Inflation
Investment Rate of Return	6.70%

Mortality rates were based on the PUB-2010 base table, varies by member category and sex, projected generationally with Scale MP-2018. The actuarial assumptions used in the July 1, 2024, valuation were based on the results of an actuarial experience study for the period July 1, 2018 through June 30, 2023.

The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption.

The target allocation, as outlined in the FRS Plan's investment policy, and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0 %	3.3 %	3.3 %	1.1 %
Fixed Income	29.0	5.7	5.7	3.9
Global Equity	45.0	8.6	7.0	18.2
Real Estate	12.0	8.1	6.8	16.6
Private Equity	11.0	12.4	8.8	28.4
Strategic Investments	2.0	6.6	6.2	8.7
Total	<u>100.0 %</u>			
Assumed Inflation - Mean			2.4 %	1.5 %

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.70% for the FRS Plan, which was no change from the 6.70% rate as of June 30, 2023. 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 1-percentage-point lower or 1-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	5.70%	6.70%	7.70%
County's Proportionate Share of the FRS Plan Net Pension Liability	\$ 40,794,544	\$ 23,192,326	\$ 8,446,792

Pension Plan Fiduciary Net Position

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

Retiree Health Insurance Subsidy Program

Plan Description

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

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Retiree Health Insurance Subsidy Program (Continued)

Benefits Provided

Eligible retirees and beneficiaries received a monthly HIS payment of \$7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$45 and a maximum HIS payment of \$225 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 plan fiscal year ended June 30, 2024, 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 \$356,133 for the year ended September 30, 2024.

Pension Costs

At September 30, 2024, the County reported a liability of \$6,188,533 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The County's proportion of the net pension liability was based on the County's contributions received by HIS during the measurement period for employer payroll paid dates from July 1, 2023 through June 30, 2024, relative to the total employer contributions received from all participating employers. At June 30, 2024, the County's proportion was 0.041254203%, which was a decrease of 0.003554451% from its proportion measured as of June 30, 2023.

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Retiree Health Insurance Subsidy Program (Continued)

Pension Costs (Continued)

For the year ended September 30, 2024, the County recognized pension expense of \$166,805 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	\$ 59,754	\$ 11,883
Changes in Actuarial Assumptions	109,523	732,643
Net Difference Between Projected and Actual		
Earnings on Pension Plan Investments	-	2,238
Changes in Proportion and Differences Between		
County Contributions and Proportionate Share		
of Contributions	329,697	738,046
County Contributions Subsequent to the		
Measurement Date	84,429	-
Total	<u>\$ 583,403</u>	<u>\$ 1,484,810</u>

\$84,429 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 fiscal year ended September 30, 2024. 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>
2025	\$ (172,260)
2026	(193,433)
2027	(251,689)
2028	(178,606)
2029	(143,773)
Thereafter	(46,075)

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Retiree Health Insurance Subsidy Program (Continued)

Actuarial Assumptions

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

HIS Actuarial Assumptions:

Inflation	2.40% Per Year
Salary Increases	3.50%, Average, Including Inflation
Municipal Bond Rate	3.93%

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

Discount Rate

The discount rate used to measure the total pension liability was 3.93% for the HIS Plan, which was a 0.28 increase from the 3.65% rate as of June 30, 2023. 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 1-percentage-point lower or 1-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	2.93%	3.93%	4.93%
County's Proportionate Share of the HIS Plan Net Pension Liability	\$ 7,044,850	\$ 6,188,533	\$ 5,477,652

Pension Plan Fiduciary Net Position

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

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 10 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Summary

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

	FRS Plan	HIS Plan	Total
Net Pension Liability	\$ 23,192,326	\$ 6,188,533	\$ 29,380,859
Deferred Outflows of Resources	7,373,900	583,403	7,957,303
Deferred Inflows of Resources	3,237,168	1,484,810	4,721,978
Pension Expense	3,144,431	166,805	3,311,236

NOTE 11 DEFINED CONTRIBUTION PLAN

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. County employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the 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.

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 11 DEFINED CONTRIBUTION PLAN (CONTINUED)

FRS Investment Plan (Continued)

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

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

The County's Investment Plan pension expense totaled \$1,059,509 for the year ended September 30, 2024. Employee contributions to the Investment Plan totaled \$146,764 for the year ended September 30, 2024.

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS

Plan Description

The County administers a single employer defined benefit healthcare plan entitled County Group Health Plan. Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees and eligible dependents who retire from the County may continue to participate in the County Group Health Plan on the same basis (i.e., single or family coverage) that they were covered immediately before their retirement provided they make a satisfactory agreement for payment and pay 100% of the premium before the beginning of each month of coverage. The County subsidizes the premium rates paid by retirees by allowing them to participate in the plan at a reduced or blended group (implicitly subsidized) premium rate for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. The plan does not issue a publicly available report.

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Plan Description (Continued)

The County's total OPEB liability was \$3,008,794, OPEB related deferred outflows of resources was \$816,095, deferred inflows of resources was \$496,698 and OPEB expense was \$125,900.

Funding Policy

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.

Employees Covered by Benefit Terms

At September 30, 2024, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	8
Active Plan Members	326
Total	<u>334</u>

Total OPEB Liability

The County's Total OPEB liability was measured as of September 30, 2024 and was determined by an actuarial valuation as of September 30, 2024. The following table shows the County's total OPEB liability for the year ended September 30, 2024.

	Total OPEB Liability
Balances - October 1, 2023	\$ 2,181,681
Changes for the Year:	
Service Cost	87,791
Interest	108,100
Changes in Assumptions	730,752
Benefit Payments	<u>(99,530)</u>
Net Changes	<u>827,113</u>
Balances - September 30, 2024	<u>\$ 3,008,794</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	2.81 %	3.81 %	4.81 %
Total OPEB Liability	\$ 3,224,923	\$ 3,008,794	\$ 2,793,803

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 12 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
Total OPEB Liability	\$ 2,630,344	\$ 3,008,794	\$ 3,471,080

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

For the year ended September 30, 2024, the County recognized OPEB expense of \$125,900. In addition, the County reported deferred outflows and inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 101,228	\$ 165,189
Changes of Assumptions	714,867	331,509
Total	<u>\$ 816,095</u>	<u>\$ 496,698</u>

Amounts reported as deferred outflows and inflows of resources related to OPEB will be amortized over future fiscal years as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2025	\$ (69,990)
2026	(69,996)
2027	(63,786)
2028	59,116
2029	53,340
Thereafter	410,713

Actuarial Assumptions

The total OPEB liability as of September 30, 2024 was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Inflation rate used was 2.50%.

The current health care trend rate starts at an initial rate of 6.50%, decreasing to an ultimate rate of 4.00%.

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 12 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Actuarial Assumptions (Continued)

The actuarial cost method used was Entry Age Normal Level % of Salary.

Mortality rates were based on the SOA Pub-2010 Public Safety Headcount Weighted Mortality Table fully generational using Scale MP-2021 for special risk employees and SOA Pub-2010 General Headcount Weighted Mortality Table fully generational using Scale MP-2021 for all other employees.

The discount rate used to measure the total OPEB liability was 3.81%, based on the yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher as of September 30, 2024 (measurement date). The prior measurement date used 4.87%.

For Sheriff's office retirees that are receiving an explicit subsidy, retiree contributions are assumed to increase by 1.00% per year. For all other retirees, retiree contributions are assumed to increase according to health care trend rates.

Since the most recent GASB 75 valuation, the following changes have been made:

- The discount rate as of the measurement date is 3.81%. The prior measurement used 4.87%.
- Health care trend rates were updated to an initial rate of 6.50% decreasing by 1.5% annually to an ultimate rate of 4.00%.

NOTE 13 RISK MANAGEMENT

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

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

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

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 13 RISK MANAGEMENT (CONTINUED)

The Sheriff participates in the Florida Sheriffs Risk Management Fund (FSRMF) which is a public entity risk pool that permits the Sheriff to cover the following types of risk:

- Law Enforcement Liability
- Public Officials' Liability
- Automobile Physical Damage and Liability
- And others

The funding agreements provide that the self-insurance funds will be self-sustaining through member premiums and that the Sheriff's liability fund will reinsure through commercial companies. Those funds and program absorb losses up to a specified amount annually and purchases excess coverage from third-party carriers. Each member is assessed his/her pro rata share of the estimated amount required to meet current year losses and operating expenses. Losses, if any, in excess of the fund or program ability to assess its members would revert back to the member that incurred the loss.

The Sheriff also participates in FSRMF for workers' compensation coverage.

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

NOTE 14 COMMITMENTS AND CONTINGENCIES

Contracts

The County has entered into various contracts for design, construction, and other services as of September 30, 2024.

Project	Project Authorization	Expended to Date	Commitment
New Public Works Admin Building	\$ 532,358	\$ 323,908	\$ 208,450
Center Hill Bridge	272,903	213,590	59,313
Investigation of Crewsville Culvert Crossing	19,633	17,323	2,310
Hardee CR 663 Road	665,321	490,285	175,036
Ten Mile Grade Road & Bridge	342,260	149,391	192,870
Hardee CR 633 Road	596,620	-	596,620
Elevator Repair at Annex 1FL	252,899	68,280	184,619
Tenting for Termintes of Rec Hall	31,733	-	31,733
Two Communication Towers	6,609,861	2,974,437	3,635,424
FDEP VA Deliverable 1	190,000	40,000	150,000
New EOC Building Plans: Phase 1: Design	555,303	282,432	272,871
Wauchula Hills WTP Improvements	118,479	-	118,479
Wauchula Hills Phase 7: Design/ Engineering	330,710	198,320	132,390
Wauchula Hills Phase 8: WTP Pumping Improvement	367,399	149,715	217,684
Wauchula Hills Water Engineering Services	393,087	185,837	207,250

HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 14 COMMITMENTS AND CONTINGENCIES (CONTINUED)

Landfill Closure Commitments

Hardee County has completed two approximate 6-acre expansions (Phase II) of their original 12.3 acre Class I Landfill (Phase I). This brings the total footprint up to 24.8 acres. Phase I was at capacity in 2010 and received a partial final closure in January of 2012. Phase II is separated into two sections (Sections I and II). Section I became operational in May 2008 and last received waste in November 2019. Section II became operational in May 2019 and has an expected life of 25 years.

To minimize the threat to public health and the environment, Solid Waste Financial Assurance requirement were adopted by the state in 1984 to secure the proper closing of solid waste management facilities operating in the state of Florida. When demonstrating proof of financial assurance, Hardee County uses a secured escrow account to deposit annual prorated amounts for the total cost of final closure. These estimates are tied directly to a set of approved cost closure and long-term care estimates that are prepared by professional engineers every two years and updated with an inflation factor every two years. These estimates are approved by the State of Florida's Department of Environmental Protections and audited annually by independent auditors. Long-term care is for the post-closure care cost for the landfill site for 30 years after closure and the County is not required to escrow those estimated amounts.

Although closure and post-closure care costs are paid only near or after the date the landfill stops accepting waste, the County reports as a liability a portion of closure and post-closure care costs based on landfill capacity used as of the balance sheet date. At September 30, 2024, the County estimates that the cost of permanently closing and caring for the landfill in accordance with current regulations will be \$7,829,630. The landfill closure and post-closure care liability was \$5,565,670 at September 30, 2024; and represents the cumulative amount reported to date based on an average use of 71.08% of the total estimated capacity available as of September 30, 2024. The County will recognize the remaining \$2,263,959 will be recognized as the remaining estimated capacity is filled. There was an increase in the liability due to the decrease in available capacity and current year inflation. The decrease in the liability caused the general and administrative expenses to be decreased by \$406,544 as of September 30, 2024. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The County is required by State and Federal laws and regulation to make annual contributions to a landfill management escrow account to finance only the closure portion of the estimates. That portion was \$100,000 at September 30, 2024. The County is in compliance with these requirements at September 30, 2024. At September 30, 2024, \$1,256,173 is held in a separate cash account to fund the estimated closure costs of the regional landfill, materials recovery facility, and waste tire facility. The County expects that future inflation costs will be paid from future contributions and interest earnings on these contributions. In the event closure escrow and interest earnings prove inadequate due to higher than expected inflation changes in technology or changes in laws and regulations, these costs may need to be financed by future landfill uses or future tax revenue. The County intends to fund these costs annually through its solid waste special assessment.

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 14 COMMITMENTS AND CONTINGENCIES (CONTINUED)

Contingencies

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

The County participates in a number of federal and state grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The audits of these programs for or including the year ended September 30, 2024, have not yet been accepted/approved by the grantors. Accordingly, the final determination of the County's compliance with applicable grant requirements will be established at a future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined, although the County expects such amounts, if any, to be immaterial.

NOTE 15 TRANSFERS

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

Transfers during the year ended September 30, 2024 consisted of the following:

Transfers to the General Fund from:

Fire Control Fund	\$ 142,500
Grants Fund	40,521
Nonmajor Governmental Funds	70,000
Solid Waste Fund	57,000
Wauchula Hills Water/Wastewater Treatment Fund	100,000
Nonmajor Enterprise Fund	19,000
Total	<u>\$ 429,021</u>

Transfers to the Transportation Trust Fund from:

Solid Waste Fund	\$ 171
Total	<u>\$ 171</u>

Transfers to the Fire Control Fund from:

General Fund	<u>\$ 201,456</u>
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Transfers to the Grants Fund from:

General Fund	<u>\$ 19,708</u>
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Transfers to the Nonmajor Governmental Funds from:

General Fund	\$ 667,028
Nonmajor Governmental Funds	252,983
Total	<u>\$ 920,011</u>

**HARDEE COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 16 STATE HOUSING INITIATIVE PARTNERSHIP PROGRAM (SHIP)

The State Housing Initiative Program Trust Fund (SHIP) is included in the Grants fund. Separate financial information for this program is reported below

**Balance Sheet
September 30, 2024**

Assets:	
Cash	\$ 1,423,514
	<u> </u>
Total Assets	<u>\$ 1,423,514</u>
Liabilities:	
Accounts Payable and Accrued Liabilities	\$ 5,983
	<u> </u>
Fund Balance	<u>1,417,531</u>
	<u> </u>
Total Liabilities and Fund Balance	<u>\$ 1,423,514</u>

**Statement of Revenues, Expenditures, and Changes in Fund Balance
Year Ended September 30, 2024**

Revenues:	
Intergovernmental	\$ 927,380
Interest	44,582
Miscellaneous	40,509
Total Revenues	<u>1,012,471</u>
Expenditures:	
Economic Environment	<u>1,300,831</u>
Net Change in Fund Balance	(288,360)
Fund Balance - Beginning of Year	<u>1,705,891</u>
Fund Balance - End of Year	<u>\$ 1,417,531</u>

REQUIRED SUPPLEMENTARY INFORMATION

HARDEE COUNTY, FLORIDA
SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OPEB
LIABILITY AND RELATED RATIOS — COUNTY GROUP HEALTH PLAN
LAST TEN FISCAL YEARS*

	2024	2023	2022	2021	2020	2019	2018
Total OPEB Liability:							
Service Cost	\$ 87,791	\$ 84,011	\$ 138,220	\$ 134,279	\$ 191,082	\$ 161,402	\$ 167,907
Interest	108,100	99,944	53,758	49,740	101,430	100,833	85,298
Changes of Assumptions	730,752	(14,610)	(234,664)	(2,029)	(543,367)	112,359	-
Differences Between Expected and Actual Experience ¹	-	49,256	62,547	26,776	(385,394)	84,588	(92,982)
Benefit Payments	(99,530)	(95,243)	(70,758)	(58,020)	(94,016)	(76,725)	(71,042)
Net Change in Total OPEB Liability	827,113	123,358	(50,897)	150,746	(730,265)	382,457	89,181
Total OPEB Liability - Beginning	2,181,681	2,058,324	2,109,221	1,958,475	2,688,740	2,306,283	2,217,102
Total OPEB Liability - Ending	<u>\$ 3,008,794</u>	<u>\$ 2,181,682</u>	<u>\$ 2,058,324</u>	<u>\$ 2,109,221</u>	<u>\$ 1,958,475</u>	<u>\$ 2,688,740</u>	<u>\$ 2,306,283</u>
Covered Employee Payroll ²	\$ 16,530,624	\$ 16,761,132	\$ 14,602,325	\$ 15,426,167	\$ 14,940,598	\$ 14,915,824	\$ 14,094,511
Total OPEB Liability as a Percentage of the Covered Employee Payroll	18.20%	13.02%	14.10%	13.67%	13.11%	18.03%	16.36%

Notes to Schedule:

The OPEB plan is not administered through a trust.

For fiscal year ending September 30, 2024, a September 30, 2024 measurement date was used.

Change of Assumptions:

The discount rate was changed from 4.87% as of the beginning of the measurement period to 3.81% as of September 30, 2024.

The expected claims costs and premiums were updated to reflect recent information provided for this valuation.

Participation rates were reduced from 30% to 20% for the County and Sheriff's Office with less than 20 years of service at retirement.

Retirement rates used in the July 1, 2023 actuarial valuation of the Florida Retirement System.

Health care trend rates was updated to reflect the Getzen forecasting Model, with trend starting at 6.50% and gradually decreasing to an ultimate trend rate of 4.00%.

¹ Due to a change in actuary, isolation of the difference between the expected and actual experience of the Total OPEB Liability for Measurement Year 2024 was not practical.

² Covered-Employee Payroll presented for Measurement Year 2024 is an estimate based on the data submitted for the valuation. GASB Statement No. 75 defined Covered-employee as the payroll of employees that are provided with OPEB through the OPEB plan, including employees terminating during the measurement period.

* 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.

HARDEE COUNTY, FLORIDA
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE NET
PENSION LIABILITY — FLORIDA RETIREMENT SYSTEM PENSION PLAN
LAST TEN MEASUREMENT PERIODS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
County's Proportion of the Net Pension Liability	0.059952268%	0.062413482%	0.057460855%	0.059909115%	0.066685442%	0.065592527%	0.066277420%	0.068142507%	0.067373223%	0.064108020%
County's Proportionate Share of the Net Pension Liability	\$ 23,192,326	\$ 24,869,760	\$ 21,380,056	\$ 4,525,452	\$ 28,902,453	\$ 22,589,162	\$ 19,963,112	\$ 20,156,103	\$ 17,011,793	\$ 8,280,411
County's Covered Payroll	\$ 17,295,602	\$ 17,470,433	\$ 15,595,174	\$ 15,598,669	\$ 15,351,492	\$ 14,621,730	\$ 14,194,202	\$ 14,224,013	\$ 13,473,315	\$ 14,257,015
County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	134.09 %	142.35 %	137.09 %	29.01 %	188.27 %	154.49 %	140.64 %	141.70 %	126.26 %	58.08 %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.70 %	82.38 %	82.89 %	96.40 %	78.85 %	82.61 %	84.26 %	83.89 %	84.88 %	92.00 %

Note to Schedule:

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

HARDEE COUNTY, FLORIDA
SCHEDULE OF THE COUNTY CONTRIBUTIONS — FLORIDA RETIREMENT SYSTEM PENSION PLAN
LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 3,447,969	\$ 3,063,548	\$ 2,530,645	\$ 2,294,475	\$ 2,223,991	\$ 2,097,771	\$ 1,914,809	\$ 1,790,358	\$ 1,764,185	\$ 1,575,522
Contributions in Relation to the Contractually Required Contribution	(3,447,969)	(3,063,548)	(2,530,645)	(2,294,475)	(2,223,991)	(2,097,771)	(1,914,809)	(1,790,358)	(1,764,185)	(1,575,522)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's Covered Payroll	\$ 17,606,116	\$ 17,280,041	\$ 15,657,874	\$ 15,479,688	\$ 15,423,083	\$ 14,915,824	\$ 14,097,511	\$ 14,288,767	\$ 14,029,458	\$ 14,257,015
Contributions as a Percentage of Covered Payroll	19.58 %	17.73 %	16.16 %	14.82 %	14.42 %	14.06 %	13.58 %	12.53 %	12.57 %	11.05 %

Note to Schedule:

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

HARDEE COUNTY, FLORIDA
SCHEDULE OF THE COUNTY PROPORTIONATE SHARE OF THE NET PENSION
LIABILITY — HEALTH INSURANCE SUBSIDIARY PENSION PLAN
LAST TEN MEASUREMENT PERIODS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
County's Proportion of the Net Pension Liability	0.041254203%	0.044808654%	0.042169504%	0.044203363%	0.044663786%	0.043825156%	0.043720469%	0.044410650%	0.043992580%	0.044020471%
County's Proportionate Share of the Net Pension Liability	\$ 6,188,533	\$ 7,116,212	\$ 4,466,424	\$ 5,422,207	\$ 5,453,376	\$ 4,903,596	\$ 4,627,423	\$ 4,748,636	\$ 5,127,153	\$ 4,489,399
County's Covered Payroll	\$ 17,295,602	\$ 17,470,433	\$ 15,595,175	\$ 15,598,669	\$ 15,351,492	\$ 14,621,730	\$ 14,194,202	\$ 14,224,013	\$ 13,473,315	\$ 14,257,015
County's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	35.78 %	40.73 %	28.64 %	34.76 %	35.52 %	33.54 %	32.60 %	33.38 %	38.05 %	31.49 %
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	4.80 %	4.12 %	4.81 %	3.56 %	3.00 %	2.63 %	2.15 %	1.64 %	0.97 %	0.50 %

Note to Schedule:

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

HARDEE COUNTY, FLORIDA
SCHEDULE OF THE COUNTY CONTRIBUTIONS — HEALTH INSURANCE SUBSIDIARY PENSION PLAN
LAST TEN FISCAL YEARS

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contribution	\$ 356,133	\$ 304,244	\$ 256,201	\$ 257,314	\$ 257,563	\$ 248,696	\$ 235,677	\$ 238,909	\$ 234,651	\$ 180,890
Contributions in Relation to the Contractually Required Contribution	<u>(356,133)</u>	<u>(304,244)</u>	<u>(256,201)</u>	<u>(257,314)</u>	<u>(257,563)</u>	<u>(248,696)</u>	<u>(235,677)</u>	<u>(238,909)</u>	<u>(234,651)</u>	<u>(180,890)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's Covered Payroll	\$ 17,606,116	\$ 17,280,041	\$ 15,657,874	\$ 15,479,688	\$ 15,423,083	\$ 14,915,824	\$ 14,097,511	\$ 14,288,767	\$ 14,029,458	\$ 14,257,015
Contributions as a Percentage of Covered Payroll	2.02%	1.76%	1.64%	1.66%	1.67%	1.67%	1.67%	1.67%	1.67%	1.27%

Note to Schedule:

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

**HARDEE COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS DESCRIPTION
YEAR ENDED SEPTEMBER 30, 2024**

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. Following are descriptions of each special revenue fund.

Fines and Forfeitures Fund – Pursuant to Florida Statute 142.01, the Fines and Forfeiture Fund accounts for all fines and forfeitures collected in the County under the penal laws of the state. The fund is used to pay for criminal expenses, fees, and costs where the crime was committed in the County and to support the administrative operations of the Clerk and the Sheriff.

Law Enforcement Trust Fund – The Law Enforcement Trust Fund accounts for proceeds received pursuant to Florida Statute 932.7055 and are used for law enforcement related purposes as defined in the statute.

Clerk's Fine and Forfeiture Fund – The Clerk's Fine and Forfeiture Fund is established in accordance with Sections 28.35 and 28.37, Florida Statutes. It is used to account for court fines, fees, service charges, liabilities, and costs.

E-911 Fund – The E-911 Fund accounts for proceeds received from 911 fees and grants related to providing E-911 services within the County.

Mining Fund – The Mining Fund accounts for mining fees and mining reimbursements related to mining activities within the County.

Tourist Development Fund – The Tourist Development Fund is a special revenue fund that accounts for the restricted dollars generated from the tourist development tax to be used for items listed and approved by the tourist development board and in accordance with Florida Statute 125.0104.

Clerk's Public Records Modernization Trust Fund – The Clerk's Records Modernization Fund is established in accordance with Florida Statutes. It is used to account for court technology and public records modernization pursuant to Section 28.24, Florida Statutes.

Clerk's Child Support IV-D Fund – The Clerk's Child Support IV-D Fund is used to account for the child support enforcement grant and related expenditures. In addition, amounts that exceed operating costs of running the child support depository program are to be used for Clerk related functions as directed by the Board.

Sheriff's Commissary Fund – The Sheriff's Commissary fund accounts for commissions earned by providing goods and services to the inmates. These resources are restricted by Section 951.23, Florida Statutes.

Sheriff's Education Fund – The Sheriff's Education Fund accounts for an assessment added to certain fines under Section 938.15, Florida Statutes. These monies are restricted for criminal justice education degree programs and training courses.

**HARDEE COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS DESCRIPTION (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024**

SPECIAL REVENUE FUNDS (CONTINUED)

Sheriff's E-911 Fund – The Sheriff's E-911 Fund accounts for E-911 fees under Sections 365.171 and 365.172, Florida Statutes, and E-911 grants related to providing E-911 services within the County. These monies are restricted for maintenance and upgrade of the E-911 system.

Sheriff's Youth Fund – The Sheriff's Youth Fund accounts for donations received from individuals which are restricted for youth programs.

Sheriff's Flower Fund – The Sheriff's Flower Fund accounts for contributions received from employees which are restricted for employee events.

Sheriff's Drug Task Force Fund – The Sheriff's Drug Task Force Fund accounts for forfeitures received under Section 932.7055 Florida Statutes. These monies are restricted for specific law enforcement purposes.

HARDEE COUNTY, FLORIDA
COMBINING BALANCE SHEET — NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

	Special Revenue Funds						
	Fines and Forfeitures	Law Enforcement Trust	Clerk's Fine and Forfeiture	E-911	Mining	Tourist Development	Clerk's Public Records Modernization Trust
ASSETS							
Cash and Cash Equivalents	\$ 807,651	\$ 180,562	\$ 674,869	\$ 594,446	\$ 272,701	\$ 395,349	\$ 164,190
Accounts Receivable, Net	-	-	-	-	228,154	-	-
Due from Other Funds	-	1,455	-	-	-	-	93,076
Due from Other Governments	12,527	-	19,362	136,767	-	8,025	-
Prepaid Items	-	-	5,198	-	-	-	8,174
Total Assets	<u>\$ 820,178</u>	<u>\$ 182,017</u>	<u>\$ 699,429</u>	<u>\$ 731,213</u>	<u>\$ 500,855</u>	<u>\$ 403,374</u>	<u>\$ 265,440</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts Payable and Accrued Liabilities	\$ 48,805	\$ -	\$ 54,456	\$ -	\$ 14,875	\$ 2,404	\$ 37,594
Due to Other Funds	-	-	14,175	-	-	-	26,905
Due to Other Governments	10,930	25,000	628,375	-	-	-	-
Unearned Revenue	-	-	-	59,776	-	-	-
Total Liabilities	<u>59,735</u>	<u>25,000</u>	<u>697,006</u>	<u>59,776</u>	<u>14,875</u>	<u>2,404</u>	<u>64,499</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable Revenue - Intergovernmental	-	-	2,423	26,170	5,736	-	-
FUND BALANCES							
Nonspendable	-	-	5,198	-	-	-	8,174
Restricted	531,357	157,017	-	645,267	-	400,970	192,767
Committed	-	-	-	-	480,244	-	-
Assigned	229,086	-	-	-	-	-	-
Unassigned (Deficit)	-	-	(5,198)	-	-	-	-
Total Fund Balances	<u>760,443</u>	<u>157,017</u>	<u>-</u>	<u>645,267</u>	<u>480,244</u>	<u>400,970</u>	<u>200,941</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 820,178</u>	<u>\$ 182,017</u>	<u>\$ 699,429</u>	<u>\$ 731,213</u>	<u>\$ 500,855</u>	<u>\$ 403,374</u>	<u>\$ 265,440</u>

HARDEE COUNTY, FLORIDA
COMBINING BALANCE SHEET — NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
SEPTEMBER 30, 2024

	Special Revenue Funds						Total Other Nonmajor Governmental Funds
	Clerk's Child Support IV-D	Sheriff's Commissary	Sheriff's Education	Sheriff's E-911	Sheriff's Youth	Sheriff's Flower	
ASSETS							
Cash and Cash Equivalents	\$ 77,447	\$ 148,583	\$ 33,232	\$ 11,754	\$ 6,204	\$ 1,149	\$ 3,368,137
Accounts Receivable, Net	-	-	-	-	-	-	228,154
Due from Other Funds	39,491	-	-	-	-	-	134,022
Due from Other Governments	26,253	-	-	-	-	-	202,934
Prepaid Items	-	-	-	-	-	-	13,372
Total Assets	<u>\$ 143,191</u>	<u>\$ 148,583</u>	<u>\$ 33,232</u>	<u>\$ 11,754</u>	<u>\$ 6,204</u>	<u>\$ 1,149</u>	<u>\$ 3,946,619</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES							
LIABILITIES							
Accounts Payable and Accrued Liabilities	\$ 2,921	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 161,055
Due to Other Funds	-	-	-	-	-	-	41,080
Due to Other Governments	-	-	-	-	-	-	664,305
Unearned Revenue	-	-	-	-	-	-	59,776
Total Liabilities	<u>2,921</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>926,216</u>
DEFERRED INFLOWS OF RESOURCES							
Unavailable Revenue - Intergovernmental	-	-	-	-	-	-	34,329
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	13,372
Restricted	-	148,583	33,232	11,754	6,204	1,149	2,128,300
Committed	140,270	-	-	-	-	-	620,514
Assigned	-	-	-	-	-	-	229,086
Unassigned (Deficit)	-	-	-	-	-	-	(5,198)
Total Fund Balances	<u>140,270</u>	<u>148,583</u>	<u>33,232</u>	<u>11,754</u>	<u>6,204</u>	<u>1,149</u>	<u>2,986,074</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 143,191</u>	<u>\$ 148,583</u>	<u>\$ 33,232</u>	<u>\$ 11,754</u>	<u>\$ 6,204</u>	<u>\$ 1,149</u>	<u>\$ 3,946,619</u>

HARDEE COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES — NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2024

	Special Revenue Funds						Clerk's Public Records Modernization Trust
	Fines and Forfeitures	Law Enforcement Trust	Clerk's Fine and Forfeiture	E-911	Mining	Tourist Development	
REVENUES							
Intergovernmental							
Charges for Services							
Fines and Forfeitures	\$ -	\$ -	\$ 530,026	\$ 305,986	\$ -	\$ -	\$ -
Taxes	32,841	-	786,391	-	858,461	-	52,384
Interest	266,559	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	57,134	-
Total Revenues	16,491	4,074	11,031	15,789	8,689	11,448	9,969
	-	105,711	-	-	-	-	-
	315,891	109,785	1,327,448	321,775	867,150	68,582	62,353
EXPENDITURES							
Current:							
General Government							
Public Safety	750,142	-	1,327,448	-	-	39,115	40,481
Physical Environment	-	-	-	-	-	-	-
Capital Outlay	-	-	-	-	304,481	-	-
Debt Service:	80,959	-	-	-	54,703	-	4,060
Principal Retirement							
Interest	62	-	-	-	1,284	-	-
Total Expenditures	-	-	-	-	171	-	-
	831,163	-	1,327,448	-	360,639	39,115	44,541
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(515,272)	109,785	-	321,775	506,511	29,467	17,812
OTHER FINANCING SOURCES (USES)							
Transfers In	667,028	-	-	-	-	-	-
Transfers Out	-	(25,000)	-	(252,983)	(45,000)	-	-
Lease Issuance	-	-	-	-	5,923	-	-
Total Other Financing Sources (Uses)	667,028	(25,000)	-	(252,983)	(39,077)	-	-
NET CHANGE IN FUND BALANCES	151,756	84,785	-	68,792	467,434	29,467	17,812
Fund Balances - Beginning of Year	608,687	72,232	-	576,475	12,810	371,503	183,129
FUND BALANCES - END OF YEAR	\$ 760,443	\$ 157,017	\$ -	\$ 645,267	\$ 480,244	\$ 400,970	\$ 200,941

HARDEE COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES — NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024

	Special Revenue Funds						Total Other Nonmajor Governmental Funds
	Clerk's Child Support IV-D	Sheriff's Commissary	Sheriff's Education	Sheriff's E-911	Sheriff's Youth	Sheriff's Flower	
REVENUES							
Intergovernmental	\$ 105,779	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 941,791
Charges for Services	-	-	-	-	-	-	1,730,077
Fines and Forfeitures	-	-	7,328	-	-	-	273,887
Taxes	-	-	-	-	-	-	57,134
Interest	2,235	-	-	-	-	-	79,726
Miscellaneous	-	32,573	-	-	3,269	1,439	142,992
Total Revenues	108,014	32,573	7,328	-	3,269	1,439	3,225,607
EXPENDITURES							
Current:							
General Government	87,495	-	-	-	-	-	2,244,681
Public Safety	-	12,181	7,134	241,600	5,490	1,382	267,787
Physical Environment	-	-	-	-	-	-	304,481
Capital Outlay	-	-	-	20,061	-	-	159,783
Debt Service:							
Principal Retirement	-	-	-	-	-	-	1,346
Interest	-	-	-	-	-	-	171
Total Expenditures	87,495	12,181	7,134	261,661	5,490	1,382	2,978,249
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	20,519	20,392	194	(261,661)	(2,221)	57	247,358
OTHER FINANCING SOURCES (USES)							
Transfers In	-	-	-	252,983	-	-	920,011
Transfers Out	-	-	-	-	-	-	(322,983)
Lease Issuance	-	-	-	-	-	-	5,923
Total Other Financing Sources (Uses)	-	-	-	252,983	-	-	602,951
NET CHANGE IN FUND BALANCES	20,519	20,392	194	(8,678)	(2,221)	57	850,309
Fund Balances - Beginning of Year	119,751	128,191	33,038	20,432	8,425	1,092	2,135,765
FUND BALANCES - END OF YEAR	\$ 140,270	\$ 148,583	\$ 33,232	\$ 11,754	\$ 6,204	\$ 1,149	\$ 2,986,074

HARDEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES — BUDGET AND ACTUAL — FINES AND FORFEITURES FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$ 31,000	\$ 31,000	\$ 32,841	\$ 1,841
Fines and Forfeitures	167,000	167,000	266,559	99,559
Interest	1,100	1,100	16,491	15,391
Total Revenues	199,100	199,100	315,891	116,791
EXPENDITURES				
Current:				
General Government	1,235,084	1,256,304	750,142	506,162
Public Safety	5,000	5,000	-	5,000
Capital Outlay	183,179	161,959	80,959	81,000
Debt Services:				
Principal Retirement	-	-	62	(62)
Other Expense	22,955	22,955	-	22,955
Total Expenditures	1,446,218	1,446,218	831,163	615,055
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,247,118)	(1,247,118)	(515,272)	731,846
OTHER FINANCING SOURCES				
Transfers In	667,028	667,028	667,028	-
NET CHANGE IN FUND BALANCE	(580,090)	(580,090)	151,756	731,846
Fund Balance - Beginning of Year	580,090	580,090	608,687	28,597
FUND BALANCE - END OF YEAR	\$ -	\$ -	\$ 760,443	\$ 760,443

HARDEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES —
BUDGET AND ACTUAL — LAW ENFORCEMENT TRUST FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Interest	\$ 400	\$ 400	\$ 4,074	\$ 3,674
Miscellaneous	25,000	25,000	105,711	80,711
Total Revenues	25,400	25,400	109,785	84,385
EXPENDITURES				
Other Expense	98,669	69,355	-	69,355
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(73,269)	(43,955)	109,785	153,740
OTHER FINANCING USES				
Transfers Out	-	(29,314)	(25,000)	(4,314)
NET CHANGE IN FUND BALANCE	(73,269)	(73,269)	84,785	158,054
Fund Balance - Beginning of Year	73,269	73,269	72,232	(1,037)
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 157,017</u>	<u>\$ 157,017</u>

HARDEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES —
BUDGET AND ACTUAL — CLERK'S FINE AND FORFEITURE FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 494,977	\$ 530,026	\$ 530,026	\$ -
Charges for Services	507,472	721,400	786,391	64,991
Interest Income	6,500	11,031	11,031	-
Total Revenues	1,008,949	1,262,457	1,327,448	64,991
EXPENDITURES				
Current:				
General Government	1,008,949	1,262,457	1,327,448	(64,991)
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	\$ -	\$ -	\$ -	\$ -

HARDEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES — BUDGET AND ACTUAL — E-911 FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 150,000	\$ 250,000	\$ 305,986	\$ 55,986
Interest	1,000	1,000	15,789	14,789
Total Revenues	151,000	251,000	321,775	70,775
EXPENDITURES				
Other Expense	50,963	50,963	-	50,963
EXCESS OF REVENUES OVER EXPENDITURES	100,037	200,037	321,775	121,738
OTHER FINANCING USES				
Transfers Out	(252,983)	(352,983)	(252,983)	(100,000)
NET CHANGE IN FUND BALANCE	(152,946)	(152,946)	68,792	221,738
Fund Balance - Beginning of Year	152,946	152,946	576,475	423,529
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 645,267</u>	<u>\$ 645,267</u>

HARDEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES — BUDGET AND ACTUAL — MINING FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$ 376,000	\$ 508,278	\$ 858,461	\$ 350,183
Interest	1,000	1,000	8,689	7,689
Total Revenues	377,000	509,278	867,150	357,872
EXPENDITURES				
Current:				
Physical Environment	352,344	432,841	304,481	128,360
Capital Outlay	-	51,781	54,703	(2,922)
Debt Services:				
Principal Retirement	-	-	1,284	(1,284)
Interest and Fiscal Charges	-	-	171	(171)
Other Expense	132,352	132,352	-	132,352
Total Expenditures	484,696	616,974	360,639	256,335
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(107,696)	(107,696)	506,511	614,207
OTHER FINANCING USES				
Transfers Out	(45,000)	(45,000)	(45,000)	-
Lease Issuance	-	-	5,923	(5,923)
Total Other Financing Uses	(45,000)	(45,000)	(39,077)	(5,923)
NET CHANGE IN FUND BALANCE	(152,696)	(152,696)	467,434	620,130
Fund Balance - Beginning of Year	152,696	152,696	12,810	(139,886)
FUND BALANCE - END OF YEAR	\$ -	\$ -	\$ 480,244	\$ 480,244

HARDEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES —
BUDGET AND ACTUAL — TOURIST DEVELOPMENT FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 60,000	\$ 60,000	\$ 57,134	\$ (2,866)
Interest	1,000	1,000	11,448	10,448
Total Revenues	61,000	61,000	68,582	7,582
EXPENDITURES				
Current:				
General Government	70,151	65,151	34,115	31,036
Other Expense	373,170	373,170	5,000	368,170
Total Expenditures	443,321	438,321	39,115	399,206
NET CHANGE IN FUND BALANCE	(382,321)	(377,321)	29,467	406,788
Fund Balance - Beginning of Year	382,321	382,321	371,503	(10,818)
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ 5,000</u>	<u>\$ 400,970</u>	<u>\$ 395,970</u>

HARDEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES —
BUDGET AND ACTUAL — CLERK'S PUBLIC RECORDS MODERNIZATION TRUST
YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$ 37,250	\$ 52,383	\$ 52,384	\$ 1
Interest Income	26	9,969	9,969	-
Total Revenues	37,276	62,352	62,353	1
EXPENDITURES				
Current:				
General Government:	204,752	210,378	40,481	169,897
Capital Outlay	10,000	34,060	4,060	30,000
Total Expenditures	214,752	244,438	44,541	199,897
NET CHANGE IN FUND BALANCES	(177,476)	(182,086)	17,812	199,898
Fund Balances - Beginning of Year	177,476	182,086	183,129	1,043
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 200,941</u>	<u>\$ 200,941</u>

HARDEE COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES —
BUDGET AND ACTUAL — CLERK'S CHILD SUPPORT IV-D FUND
YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 83,650	\$ 105,779	\$ 105,779	\$ -
Interest	1,300	2,235	2,235	-
Miscellaneous	1,500	-	-	-
Total Revenues	86,450	108,014	108,014	-
EXPENDITURES				
Current:				
General Government:	186,150	227,762	87,495	140,267
NET CHANGE IN FUND BALANCES	(99,700)	(119,748)	20,519	140,267
Fund Balances - Beginning of Year	99,700	119,748	119,751	3
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 140,270</u>	<u>\$ 140,270</u>

HARDEE COUNTY, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION — FIDUCIARY FUNDS – CUSTODIAL FUNDS
SEPTEMBER 30, 2024

		Custodial Funds				
	Clerk's Special Trust	Clerk's Support	Clerk's Court Registry	Clerk's County Witness	Clerk's Cash Bond	Tax Collector Fund
ASSETS						
Cash	\$ 716,229	\$ 854	\$ 140,964	\$ 450	\$ 58,412	\$ 366,720
LIABILITIES						
Due to Individuals						
Due to Other Governments	28,760	-	-	13	8,401	26,734
Deposit - Installment Taxes	143,599	854	-	-	-	2,912
Total Liabilities	-	-	-	-	-	337,074
	<u>172,359</u>	<u>854</u>	<u>-</u>	<u>13</u>	<u>8,401</u>	<u>366,720</u>
NET POSITION						
Restricted for Individuals, Organizations, and Other Governments	<u>543,870</u>	<u>-</u>	<u>140,964</u>	<u>437</u>	<u>50,011</u>	<u>-</u>
Total Net Position	<u>\$ 543,870</u>	<u>\$ -</u>	<u>\$ 140,964</u>	<u>\$ 437</u>	<u>\$ 50,011</u>	<u>\$ -</u>

HARDEE COUNTY, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION — FIDUCIARY FUNDS — CUSTODIAL FUNDS (CONTINUED)
SEPTEMBER 30, 2024

	Custodial Funds					
	Tax Collector Motor Vehicle Fund	Sheriff's Suspense Fund	Sheriff's Collections Fund	Sheriff's Evidence Fund	Sheriff's Inmate Fund	Total
ASSETS						
Cash	\$ 97,784	\$ 11,627	\$ 81	\$ 17,088	\$ 14,440	\$ 1,424,649
LIABILITIES						
Due to Individuals	-	11,627	81	-	-	75,616
Due to Other Governments	97,784	-	-	-	-	245,149
Deposit - Installment Taxes	-	-	-	-	-	337,074
Total Liabilities	<u>97,784</u>	<u>11,627</u>	<u>81</u>	<u>-</u>	<u>-</u>	<u>657,839</u>
NET POSITION						
Restricted for Individuals, Organizations, and Other Governments	<u>-</u>	<u>-</u>	<u>-</u>	<u>17,088</u>	<u>14,440</u>	<u>766,810</u>
Total Net Position	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 17,088</u></u>	<u><u>\$ 14,440</u></u>	<u><u>\$ 766,810</u></u>

HARDEE COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION — FIDUCIARY FUNDS – CUSTODIAL FUNDS
YEAR ENDED SEPTEMBER 30, 2024

	Custodial Funds					
	Clerk's Special Trust	Clerk's Support	Clerk's Court Registry	Clerk's County Witness	Clerk's Cash Bond	Tax Collector Fund
ADDITIONS						
Collections from Individuals	\$ 518,363	\$ -	\$ -	\$ -	\$ -	\$ -
Property Tax Collections for Other Governments	-	-	-	-	-	18,347,000
Evidence Collected	-	-	-	-	-	-
Collections for Court Related Activities	1,082,944	11,149	302,380	-	175,060	-
Licenses, Taxes, and Fees Collected for Other Governments	2,436,124	-	-	-	-	-
Total Additions	4,037,431	11,149	302,380	-	175,060	18,347,000
DEDUCTIONS						
Medical, Dental, and Life Insurance	-	-	-	-	-	-
Payments to Individuals	124,019	-	-	-	-	-
Payments of Court Related Funds	1,116,393	11,149	200,017	-	167,060	-
Payments to Other Entities	-	-	-	-	-	-
Payments to Other Governments	2,437,664	-	-	-	-	18,347,000
Total Deductions	3,678,076	11,149	200,017	-	167,060	18,347,000
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	359,355	-	102,363	-	8,000	-
Fiduciary Net Position - Beginning of Year	184,515	-	38,601	437	42,011	-
FIDUCIARY NET POSITION - END OF YEAR	<u>\$ 543,870</u>	<u>\$ -</u>	<u>\$ 140,964</u>	<u>\$ 437</u>	<u>\$ 50,011</u>	<u>\$ -</u>

HARDEE COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION — FIDUCIARY FUNDS – CUSTODIAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024

	Custodial Funds					
	Tax Collector Motor Vehicle Fund	Sheriff's Suspense Fund	Sheriff's Collections Fund	Sheriff's Evidence Fund	Sheriff's Inmate Fund	Total
ADDITIONS						
Collections from Individuals	\$ -	\$ 40,487	\$ -	\$ -	\$ 164,703	\$ 723,553
Property Tax Collections for Other Governments	-	-	-	-	-	18,347,000
Evidence Collected	-	-	-	13,678	-	13,678
Collections for Court Related Activities	-	-	-	-	-	1,571,533
Licenses, Taxes, and Fees Collected for Other Governments	4,020,573	43,461	-	-	-	6,500,158
Total Additions	4,020,573	83,948	-	13,678	164,703	27,155,922
DEDUCTIONS						
Medical, Dental, and Life Insurance	-	40,486	-	-	-	40,486
Payments to Individuals	-	-	-	-	54,910	178,929
Payments of Court Related Funds	-	-	-	-	-	1,494,619
Payments to Other Entities	-	-	-	-	111,406	111,406
Payments to Other Governments	4,020,573	43,462	-	28,501	-	24,877,200
Total Deductions	4,020,573	83,948	-	28,501	166,316	26,702,640
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	-	-	-	(14,823)	(1,613)	453,282
Fiduciary Net Position - Beginning of Year	-	-	-	31,911	16,053	313,528
FIDUCIARY NET POSITION - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,088</u>	<u>\$ 14,440</u>	<u>\$ 766,810</u>

SUPPLEMENTAL INFORMATION

HARDEE COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE
YEAR ENDED SEPTEMBER 30, 2024

Federal Grantor/Pass through Grantor/ Program or Cluster Title	Federal ALN Number	Pass-Through Entity Identifying Number	Federal Expenditures	Passed Through to Subrecipients
<u>FEDERAL AWARDS</u>				
U.S. Department of the Treasury				
Direct Program				
Coronavirus State & Local Fiscal Recovery	21.027		\$ 223,032	\$ -
Pass-through Florida Department of Environmental Protection				
Coronavirus State & Local Fiscal Recovery	21.027	WG096	138,885	-
Total U.S. Department of the Treasury			361,917	-
U.S. Department of Energy				
Direct Programs				
State Energy Program	81.041		200,000	-
U.S. Department of Transportation				
Pass-through Florida Department of Transportation				
Highway Planning and Construction	20.205	G2017	7,216	-
Highway Planning and Construction	20.205	G2N38	11,522	-
Highway Planning and Construction	20.205	G2N40	8,788	-
Highway Planning and Construction	20.205	G2N46	6,294	-
Total U.S. Department of Transportation			33,820	-
National Endowment for the Humanities				
Direct Program				
Promotion of the Humanities-Federal/State Partnership	45.129		1,600	
U.S. Department of Homeland Security				
Pass-through from Florida Division of Emergency Management:				
Emergency Management Performance Grants	97.042	G0476	46,207	-
Disaster Grants -Public Assistance (Presidentially Declared Disasters)	97.036	Z3101	2,717,801	-
Total U.S. Department of Homeland Security			2,764,008	-
U.S. Department of Justice				
Direct Programs				
State Criminal Alien Assistance Program	16.606		17,434	-
Pass-through from Florida Department of Law Enforcement				
Edward Byrne Memorial Justice Assistance Grant Program	16.738	C-R7008	32,471	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	C-R7073	8,707	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	C-R7070	4,405	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	R7019	3,370	-
Total Edward Byrne Memorial Justice Assistance Grant Program			48,953	-
Total U.S. Department of Justice			66,387	-
U.S. Department of Health and Human Services				
Pass-through U.S. Agency for Children and Families and Office of				
Child Support Enforcement, Florida Department of Revenue				
Child Support Services	93.563	COC25	96,777	-
TOTAL EXPENDITURES OF FEDERAL AWARDS			3,524,509	-

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

HARDEE COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND
STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024

State Grantor/Pass through Grantor/ Project Title	State CSFA Number	Grant Contract Number/ Pass-Through Entity Identifying Number	State Expenditures	Passed Through to Subrecipients
STATE FINANCIAL ASSISTANCE				
Florida Executive Office of the Governor				
Division of Emergency Management				
Emergency Management Programs	31.063	A0356	\$ 105,806	\$ -
Local Emergency Management and Mitigation Initiatives	31.064	F0117	282,431	-
State Hurricane Recovery Grant Program	31.081	D1493	2,974,437	-
Total Florida Executive Office of the Governor			3,362,674	-
Florida Department of Environmental Protection				
Small County Consolidated Grants	37.012	SC313	93,750	-
Cooperative Collection Center Grant	37.007	HW402	16,070	-
Cooperative Collection Center Grant	37.007	C32C70	10,238	-
Statewide Surface Water Restoration and Wastewater Projects	37.039	LPA0300	44,035	-
Resilient Florida Program	37.098	23PLN113	40,000	-
Total Florida Department of Environmental Protection			204,093	-
Florida Department of State and Secretary of State				
State Aid to Libraries Grant	45.030	24-ST-15	42,816	-
Florida Department of Agriculture and Consumer Services				
Agriculture Education and Promotional Facility	42.047	27938	425,358	-
Mosquito Control	42.003	29491	37,749	-
Total Department of Agriculture and Consumer Services			463,107	-
Florida Department of Commerce				
Growth Management Implementation	40.024	P0486	22,500	-
Growth Management Implementation	40.024	P0523	10,000	-
Total Department of Commerce			32,500	-
Florida Department of Financial Services				
Fire Decontamination Equipment Grant Program	43.013	FM864	2,154	-
Florida Housing Finance Corporation				
State Housing Initiative Partnership Program (SHIP) - HHRP	40.901	N/A	567,118	-
State Housing Initiative Partnership Program (SHIP)	40.901	N/A	6,820	-
Hurricane Housing Recovery Program	40.902	N/A	726,397	-
Total Florida Housing Finance Corporation			1,300,335	-
Florida Department of Transportation				
Local Transportation Projects	55.039	G1601	11,237	-
Small County Road Assistance Program (SCRAP)	55.016	G2L03	32,038	-
Small County Road Assistance Program (SCRAP)	55.016	G2K97	162,798	-
Small County Road Assistance Program (SCRAP)	55.016	G2K96	1,740,509	-
Small County Outreach Program (SCOP)	55.009	G2L03	79,340	-
Small County Outreach Program (SCOP)	55.009	G2K97	66,089	-
Small County Outreach Program (SCOP)	55.009	G2K96	83,302	-
Total Florida Department of Transportation			2,175,313	-
Department of Management Services				
Wireless 911 Emergency Telephone System Rural County Grant Program	72.001	N/A	9,805	-
Wireless 911 Emergency Telephone System Rural County Grant Program	72.001	N/A	1,500	-
Wireless 911 Emergency Telephone System Rural County Grant Program	72.001	N/A	1,200	-
Wireless 911 Emergency Telephone System Rural County Grant Program	72.001	N/A	1,500	-
Prepaid Next Generation 911 (NG911) State Grant Program	72.003	SC22-23-01-28	8,391	-
Total Florida Department of Management Services			22,396	-
Florida Department of Law Enforcement				
Hardee County Sheriff's Office Administration Facility Expansion	71.062	7G004	154,741	-
Hardee County Sheriffs Office	71.096	3W014	30,100	-
Law Enforcement Salary Assistance For Fiscally Constrained Counties	71.067	5V013	270,945	-
Law Enforcement Salary Assistance for Fiscally Constrained Counties	71.067	ME013	90,315	-
Rapid DNA Technology Pilot Program	71.113	J3005	3,107	-
Total Florida Department of Law Enforcement			549,208	-
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			8,154,596	-

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

HARDEE COUNTY, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL
AWARDS AND STATE FINANCIAL ASSISTANCE
SEPTEMBER 30, 2024

NOTE 1 BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards and state financial assistance (the Schedule) includes the federal award and state financial assistance activity of Hardee County, Florida (the County) under programs of the federal government and projects of the state of Florida for the year ended September 30, 2024. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 69I-5, Rules of the Florida Department of Financial Services. Because the Schedule presents only a selected portion of the operation of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting for awards and financial assistance received in governmental funds and the accrual basis of accounting for financial assistance received in the proprietary funds, which are described in Note 1 to the County's basic financial statements. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and Chapter 69I-5, Rules of the Florida Department of Financial Services, wherein certain types of expenditures are not allowable or are limited as to reimbursement. 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.

The County had not elected to use the 10% de minimis indirect cost rate as allowed under Uniform Guidance.



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

Honorable Board of County Commissioners
Hardee 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, the discretely presented component unit, each major fund, and the aggregate remaining fund information of Hardee County, Florida (the County), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated June 30, 2025. Our report includes a reference to other auditors who audited the financial statements of the Hardee County Industrial Development Authority as described in our report on County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our 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 were not identified.

We identified certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2024-001 and 2024-002 that we consider to be material weaknesses.

Report on 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*.

Hardee County, Florida's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the County's responses to the findings identified in our audit and described in the accompanying schedule of findings and questioned costs. The County's responses were not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the responses.

Purpose of This Report

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

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

CliftonLarsonAllen LLP

Sebring, Florida
June 30, 2025



**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**

Honorable Board of County Commissioners
Hardee County, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited Hardee County, Florida's (the County) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and the requirements identified as subject to audit 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, 2024. 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.

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

Basis for Opinion on Each Major Federal Program and State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; 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. Our responsibilities under those standards, the Uniform Guidance, and Chapter 10.550 are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and state project. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550 will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550 we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance, and which are described in the accompanying schedule of findings and questioned costs as item 2024-003. Our opinion on each major federal and state program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the noncompliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

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. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-003 to be a material weakness

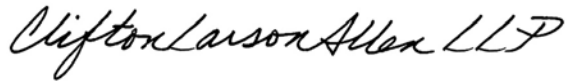
A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2024-004 to be a significant deficiency.

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

Honorable Board of County Commissioners
Hardee County, Florida

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other 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.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

Sebring, Florida
June 30, 2025

**HARDEE COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2024**

Section I – Summary of Auditors’ Results

Financial Statements

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

Federal Awards

1. Internal control over major federal programs:
- Material weakness(es) identified? X yes no
 - Significant deficiency(ies) identified? yes X 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:

CFDA Number(s)
97.036

Name of Federal Program or Cluster
Disaster Grant-Public Assistance
(Presidentially Declared Disasters)

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

\$ 750,000

Auditee qualified as low-risk auditee?

 yes X no

**HARDEE COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024**

Section I – Summary of Auditors' Results (Continued)

State Financial Assistance

4. Internal control over state projects:

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

5. Type of auditors' report issued on compliance for major state projects:

Unmodified

6. Any audit findings disclosed that are required to be reported in accordance with Chapter 10.557, Rules of the Auditor General?

 X yes _____ no

Identification of Major State Projects:

CFSA Number(s)

31.081
55.016

Name of Federal Program or Cluster

State Hurricane Recovery Grant Program
Small County Road Assistance Program (SCRAP)

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

\$ 750,000

**HARDEE COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024**

Section II – Financial Statement Findings

2024-001 – Financial Statement Adjustments

Type of Finding:

- Material Weakness in Internal Control Over Financial Reporting

Condition: As part of the audit, we proposed adjustments to correct the following errors in the County's financial statements:

- Assets and revenues were overstated for the Transportation Trust Fund and governmental activities related to derived tax revenues that were misstated as of fiscal year-end.
- Deferred inflows of resources were understated while revenues were overstated for the Grant Fund related to funds received but not expended within the current year.

Criteria or specific requirement: The County's management is responsible for establishing and maintaining internal controls to ensure that transactions are properly recorded and reported in the financial statements in accordance with GAAP.

Context: The County's internal controls over financial reporting did not detect or prevent the errors.

Effect: Assets, deferred inflows, revenues, and expenditures were misstated.

Cause: Reconciliation and review processes did not detect errors in account balances.

Repeat finding: 2023-001.

Recommendation: The County should update fiscal year-end and monthly closing checklists to ensure that the impacted accounts are reconciled and reviewed, and all transactions should be separately prepared and reviewed using all relevant data in order to accurately and completely capture all financial statement transactions.

Views of responsible officials and planned corrective actions: We concur with the auditor's finding and will take action to strengthen procedures. Additional levels of procedure will be implemented to ensure that all county accounts are properly reviewed to avoid any misstatements.

**HARDEE COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024**

Section II – Financial Statement Findings (Continued)

2024-002 – Schedule of Expenditures of Federal Awards and State Financial Assistance

Type of Finding:

- Material Weakness in Internal Control Over Financial Reporting

Condition: Our audit procedures identified the following errors in the Schedule of Expenditures of Federal Awards and State Financial Assistance (Schedule):

- Expenditures for one state financial assistance grant was incorrectly reported resulting in a net understatement of total state financial assistance.
- Expenditures for one federal award grant was incorrectly reported resulting in a net Understatement of total of federal awards.

Criteria or specific requirement: 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and Chapter 69I-5, Rules of the Florida Department of Financial Services, require auditees to prepare a Schedule. The County's management is responsible for establishing and maintaining internal controls to ensure that Schedule is properly reported.

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

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

Cause: The process for preparing the Schedule did not completely and accurately identify the expenditures of certain grants.

Repeat Finding: 2023-003

Recommendation: We recommend developing additional preparation and review procedures related to grant reporting to ensure that federal program and state project expenditures are completely and accurately reported in accordance with Uniform Guidance and Chapter 69I-5, Rules of the Florida Department of Financial Services. The Schedule should include grant expenditures from all six offices that comprise the county-wide financial statements. And, the OMB compliance supplement should be consulted for guidance related to reporting requirements of the Schedule.

Views of responsible officials and planned corrective actions: We concur with the auditor's finding and new procedures will be implemented that create an additional level of review to ensure that federal and state expenditures are reported accurately.

**HARDEE COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024**

Section III – Findings and Questioned Costs – Major Federal Programs

2024-003 Earmarking

Federal Agency: Department of Homeland Security

Federal Program Name: Disaster Grant Public Assistance (Presidentially Declared Disasters)

Assistance Listing Number: 97.036

Grant Award Number: 4673DR-FL-2024

Award Period: Various

Type of Finding: Material Weakness in Internal Control over Compliance and Other Matters

Criteria: Compliance: 2 CFR 200.302(b)(3) states that records that identify adequately the source and application of funds for federally-funded activities. These records must contain information pertaining to Federal awards, authorizations, financial obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation. Per 2 CFR section 200.303(a), a non-Federal entity must: Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should comply with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework,” issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition: Management costs requested and received from FEMA exceeded the 5% earmarking threshold.

Questioned costs: \$35,572.

Context: Received the total award amount for calculation of the 5% earmarking threshold. Compared to the management costs requested and received.

Cause: The County requested management fees unaware of the total expenditure amount.

Effect: Over request of management fees leads to unallowable costs.

Repeat finding: No

Recommendation: Provide clear, updated guidance and periodic training sessions on earmarking rules and how to apply them. Conduct reviews of earmarking compliance.

View responsible official and planned corrective actions: New procedures will be implemented that strengthen internal controls to ensure clear earmarking guidance and initial review of compliances.

**HARDEE COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024**

Section IV – Findings and Questioned Costs – Major State Projects

2024-004 Reporting

State Agency: Florida Division of Emergency Management

State Program Name: State Hurricane Recovery Grant Program

CSFA Number: 31.081

Grant Award Number: D1493-2024

Award Period: November 29, 2023 through March 31, 2026

Type of Finding: Significant Deficiency in Internal Control over Compliance, Other Matter

Criteria: Grant agreement requires quarterly project progress reports are due to the agency no later than twenty (30) days following completion of the quarterly reporting period.

Condition: Quarterly reports submitted incorrectly reported the funds expended during the year.

Questioned costs: None

Context: Two of three reports selected for testing incorrectly reported funds expended during the quarter tested.

Cause: Internal controls did not prevent or detect the noncompliance.

Repeat finding: No

Effect: The County was not in compliance with the reporting requirements as specified in the grant agreement.

Recommendation: We recommend the County update policies, procedures, and controls to ensure that reports are reconciled to accounting data and reviewed for accuracy before they are filed.

View responsible official and planned corrective actions New procedures will be implemented that strengthen internal controls to ensure proper filing and reporting.



MANAGEMENT LETTER

Honorable Board of County Commissioners
Hardee County, Florida

Report on the Financial Statements

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

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control Over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated June 30, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Condition and Management

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

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

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

Property Assessed Clean Energy (PACE) Programs

As required by Section 10.554(1)(i)6.a., Rules of the Auditor General, the County did not operate a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, within the County's geographical boundaries during the fiscal year under audit.

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)(7), Rules of the Auditor General, the Hardee County Economic Development Authority and Hardee County Industrial Development Authority reported their required information in their respective audit reports.

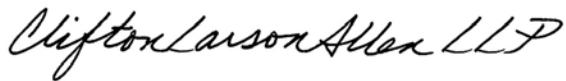
Honorable Board of County Commissioners
Hardee County, Florida

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 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.

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

CliftonLarsonAllen LLP

Sebring, Florida
June 30, 2025

**HARDEE COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED SEPTEMBER 30,2024**

Prior Year

Prior Year Findings		Current Year Status			Current Year Finding #	2022-2023 Year Finding #	2021-2022 Year Finding #
		Cleared	Partially Cleared	Not Cleared			
2023-001 Financial Statement Adjustments	Material Weakness in Internal Control over Financial Reporting			X	2024-001	2023-001	2022-001
2023-002 - Internal Controls over Vendor Change Management.	Material Weakness in Internal Control over Financial Reporting	X			N/A	2023-002	N/A
2023-003 Schedule of Expenditures of Federal Awards and State Financial Assistance	Material Weakness in Internal Control over Financial Reporting			X	2024-002	2023-003	2022-002
2023-004 – Prior Period Restatement – Revenue Recognition	Material Weakness in Internal Control over Financial Reporting	X			N/A	2023-004	N/A



INDEPENDENT ACCOUNTANTS' REPORT

Honorable Board of County Commissioners and the Florida Auditor General
Hardee County, Florida

We have examined Hardee County, Florida's (the County) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds; and Sections 365.172(10) and 365.173(2)(d), Florida Statutes, regarding emergency communications number E-911 system fund, during the year ended September 30, 2024. 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.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

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

In our opinion, the County complied, in all material respects, with Section 218.415, Florida Statutes, regarding the investment of public funds, and Sections 365.172(10) and 365.173(2)(d), Florida Statutes, regarding emergency communications number E-911 system fund, during the year ended September 30, 2024.

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

Sebring, Florida
June 30, 2025

HARDEE COUNTY CLERK OF THE CIRCUIT COURT

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL REPORTS**

YEAR ENDED SEPTEMBER 30, 2024



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**HARDEE COUNTY CLERK OF THE CIRCUIT COURT
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YEAR ENDED SEPTEMBER 30, 2024**

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INDEPENDENT AUDITORS' REPORT

The Honorable Victoria L. Rogers
Hardee County Clerk of the Circuit Court
Hardee County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Hardee County Clerk of the Circuit Court (the Clerk) as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements as listed in the table of contents.

In our opinion, the 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, 2024, and the respective changes in financial position and the respective budgetary comparisons for the General Fund, Fine and Forfeiture Fund, Public Records Modernization Trust Fund, and Child Support IV-D Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Clerk and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Clerk 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 financial statements are intended to present the financial position and changes in financial position of only that portion of each major fund and the aggregate remaining fund information of Hardee 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 Hardee County, Florida as of September 30, 2024, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

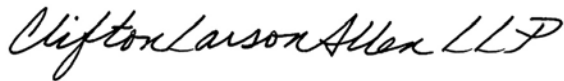
Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required 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 opinions on the basic financial statements are 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 basic financial statements. The combining statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2025 , on our consideration of the Clerk's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Clerk's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clerk's internal control over financial reporting and compliance.

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

CliftonLarsonAllen LLP

Lakeland, Florida
June 23, 2025

HARDEE COUNTY CLERK OF THE CIRCUIT COURT
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

	Major Funds				
	General	Fine and Forfeiture	Public Records Modernization Trust	Child Support IV-D	Total Governmental Funds
ASSETS					
Cash	\$ 202,279	\$ 674,869	\$ 164,190	\$ 77,447	\$ 1,118,785
Due from Other Funds	5	-	93,076	39,491	132,572
Due from Other Governments	1,994	19,362	-	26,253	47,609
Prepaid Items	11,260	5,198	8,174	-	24,632
Total Assets	<u>\$ 215,538</u>	<u>\$ 699,429</u>	<u>\$ 265,440</u>	<u>\$ 143,191</u>	<u>\$ 1,323,598</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Accounts Payable and Accrued Liabilities	\$ 92,320	\$ 54,456	\$ 37,594	\$ 2,921	\$ 187,291
Due to Board of County Commissioners	31,726	-	-	-	31,726
Due to Other Funds	91,492	14,175	26,905	-	132,572
Due to Other Governments	-	628,375	-	-	628,375
Total Liabilities	<u>215,538</u>	<u>697,006</u>	<u>64,499</u>	<u>2,921</u>	<u>979,964</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable Revenue:					
Intergovernmental	-	2,423	-	-	2,423
FUND BALANCES					
Nonspendable	11,260	5,198	8,174	-	24,632
Restricted - Official Records	-	-	189,837	-	189,837
Restricted - Court Technology	-	-	2,930	-	2,930
Committed - Clerk Related Functions	-	-	-	140,270	140,270
Unassigned	(11,260)	(5,198)	-	-	(16,458)
Total Fund Balances	<u>-</u>	<u>-</u>	<u>200,941</u>	<u>140,270</u>	<u>341,211</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 215,538</u>	<u>\$ 699,429</u>	<u>\$ 265,440</u>	<u>\$ 143,191</u>	<u>\$ 1,323,598</u>

See accompanying Notes to Financial Statements.

HARDEE COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2024

	Major Funds				
	General	Fine and Forfeiture	Public Records Modernization Trust	Child Support IV-D	Total Governmental Funds
REVENUES					
Appropriations from Board of County Commissioners	\$ 810,711	\$ -	\$ -	\$ -	\$ 810,711
Intergovernmental	-	530,026	-	105,779	635,805
Charges for Services	114,416	786,391	52,384	-	953,191
Interest Income	16,863	11,031	9,969	2,235	40,098
Miscellaneous	67	-	-	-	67
Total Revenues	942,057	1,327,448	62,353	108,014	2,439,872
EXPENDITURES					
Current:					
General Government:					
Salaries and Benefits	683,871	811,036	4,574	87,495	1,586,976
Operating Expenditures	156,564	37,911	35,907	-	230,382
Capital Outlay	81,464	-	4,060	-	85,524
Debit Service					
Principal	20,128	-	-	-	20,128
Interest	471	-	-	-	471
Total Expenditures	942,498	848,947	44,541	87,495	1,923,481
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(441)	478,501	17,812	20,519	516,391
OTHER FINANCING SOURCES (USES)					
Subscription Based Information					
Technology Arrangement Issuance	32,167	-	-	-	32,167
Distribution of Excess Revenues:					
Board of County Commissioners	(31,726)	-	-	-	(31,726)
State of Florida	-	(478,501)	-	-	(478,501)
Total Other Financing Sources (Uses)	441	(478,501)	-	-	(478,060)
NET CHANGE IN FUND BALANCES	-	-	17,812	20,519	38,331
Fund Balances - Beginning of Year	-	-	183,129	119,751	302,880
FUND BALANCES - END OF YEAR	\$ -	\$ -	\$ 200,941	\$ 140,270	\$ 341,211

See accompanying Notes to Financial Statements.

**HARDEE COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND (NON-GAAP BUDGETARY BASIS)
YEAR ENDED SEPTEMBER 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Appropriations from Board of County Commissioners	\$ 810,711	\$ 810,711	\$ 810,711	\$ -
Charges for Services	104,630	114,416	114,416	-
Interest Income	4,900	16,863	16,863	-
Miscellaneous	10	67	67	-
Total Revenues	920,251	942,057	942,057	-
EXPENDITURES				
Current:				
General Government:				
Salaries and Benefits	771,240	683,871	683,871	-
Operating Expenditures	149,011	164,664	156,564	8,100
Capital Outlay	-	61,796	49,297	12,499
Debit Service	-	-	-	-
Prinicpal	-	-	20,128	(20,128)
Interest	-	-	471	(471)
Total Expenditures	920,251	910,331	910,331	-
EXCESS (DEFICIENY) OF REVENUES OVER (UNDER) EXPENDITURES	-	31,726	31,726	-
OTHER FINANCING SOURCES (USES)				
Subscription Based Information	-	-	-	-
Technology Arrangement Issuance	-	-	-	-
Distribution of Excess Revenues:				
Board of County Commissioners	-	(31,726)	(31,726)	-
Total Other Financing Sources (Uses)	-	(31,726)	(31,726)	-
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.

**HARDEE COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
FINE AND FORFEITURE FUND
YEAR ENDED SEPTEMBER 30, 2024**

	Budgeted Amounts		Actual	Variance with Final budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 494,977	\$ 530,026	\$ 530,026	\$ -
Charges for Services	507,472	721,400	786,391	64,991
Interest Income	6,500	11,031	11,031	-
Total Revenues	1,008,949	1,262,457	1,327,448	64,991
EXPENDITURES				
Current:				
General Government:				
Salaries and Benefits	969,584	811,036	811,036	-
Operating Expenditures	39,365	37,911	37,911	-
Total Expenditures	1,008,949	848,947	848,947	-
EXCESS OF REVENUES OVER EXPENDITURES	-	413,510	478,501	64,991
OTHER FINANCING USES				
Distribution of Excess Revenues:				
State of Florida	-	(413,510)	(478,501)	(64,991)
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.

**HARDEE COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
PUBLIC RECORDS MODERNIZATION TRUST FUND
YEAR ENDED SEPTEMBER 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$ 37,250	\$ 52,383	\$ 52,384	\$ 1
Interest Income	26	9,969	9,969	-
Total Revenues	37,276	62,352	62,353	1
EXPENDITURES				
Current:				
General Government:				
Salaries and Benefits	4,340	4,574	4,574	-
Operating Expenditures	200,412	205,804	35,907	169,897
Capital Outlay	10,000	34,060	4,060	30,000
Total Expenditures	214,752	244,438	44,541	199,897
NET CHANGE IN FUND BALANCE	(177,476)	(182,086)	17,812	199,898
Fund Balance - Beginning of Year	177,476	182,086	183,129	1,043
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 200,941</u>	<u>\$ 200,941</u>

See accompanying Notes to Financial Statements.

**HARDEE COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
CHILD SUPPORT IV-D FUND
YEAR ENDED SEPTEMBER 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 83,650	\$ 105,779	\$ 105,779	\$ -
Interest Income	1,300	2,235	2,235	-
Miscellaneous	1,500	-	-	-
Total Revenues	86,450	108,014	108,014	-
EXPENDITURES				
Current:				
General Government:				
Salaries and Benefits	88,320	87,495	87,495	-
Operating Expenditures	97,830	140,267	-	140,267
Total Expenditures	186,150	227,762	87,495	140,267
NET CHANGE IN FUND BALANCE	(99,700)	(119,748)	20,519	140,267
Fund Balance - Beginning of Year	99,700	119,748	119,751	3
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 140,270</u>	<u>\$ 140,270</u>

See accompanying Notes to Financial Statements.

**HARDEE COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2024**

	<u>Custodial Funds</u>
ASSETS	
Cash	\$ 916,909
LIABILITIES	
Due to Individuals	37,174
Due to Other Governments	<u>144,453</u>
Total Liabilities	<u>181,627</u>
NET POSITION	
Restricted for Individuals, Organizations, and Other Governments	<u><u>\$ 735,282</u></u>

See accompanying Notes to Financial Statements.

**HARDEE COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2024**

	Custodial Funds
ADDITIONS	
Collections for Court Related Activities	\$ 1,571,533
Taxes and Fees Collected for Other Governments	2,436,124
Collections from Individuals	<u>518,363</u>
Total Additions	4,526,020
DEDUCTIONS	
Payment of Court Related Funds	1,494,619
Payments to Other Governments	2,437,664
Payments to Individuals	<u>124,019</u>
Total Deductions	<u>4,056,302</u>
NET INCREASE IN FIDUCIARY NET POSITION	469,718
Fiduciary Net Position - Beginning of Year	<u>265,564</u>
FIDUCIARY NET POSITION - END OF YEAR	<u><u>\$ 735,282</u></u>

See accompanying Notes to Financial Statements.

HARDEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Hardee County Clerk of Circuit Court (Clerk) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. The following is a summary of the significant accounting principles and policies used in the preparation of these financial statements.

Reporting Entity

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

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

The Clerk funds operations as a fee officer and a Budget Officer pursuant to Florida Statutes Chapters 28, 218, and 129, respectively. As a fee officer, the Clerk collects fees and commissions from court related matters. As a budget officer, the operations as Clerk to the Board are approved and funded by the Board. The budgeted receipts from the Board are recorded as revenue on the Clerk's financial statements and as other financing uses on the Board's financial statements. Any excess of revenues and other financing sources received over expenditures as Clerk to the Board are remitted to the Board at year-end.

Court related fees collected by the Clerk in carrying out duties are used to fund the court functions of the Clerk.

Basis of Presentation, Basis of Accounting, and Measurement Focus

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 requires the Clerk to present only fund financial statements. These financial statements present only the portion of the funds of the Hardee County, Florida that are attributable to the Clerk. They are not intended to present fairly the financial position and results of operations of the Hardee County, Florida in conformity with GAAP.

**HARDEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation, Basis of Accounting, and Measurement Focus (Continued)

All governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Clerk considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recognized when a liability is incurred as under accrual accounting. However, expenditures related to accumulated compensated absences, and claims and judgments are recorded only when payments are due.

The custodial funds use the economic resources measurement focus and the accrual basis of accounting.

Budgetary Requirement – Expenditures are controlled by appropriations in accordance with the budget requirements set forth in the Florida Statutes.

General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget is adopted for the General Fund, Fine and Forfeiture Fund, Public Records Modernization Trust Fund, and Child Support IV-D Fund. All budget amounts presented in the accompanying financial statements have been adjusted for legally authorized amendments of the annual budget for the year. The Fine and Forfeiture Fund, Public Records Modernization Trust Fund, and Child Support IV-D Fund budgets are prepared on a basis consistent with GAAP. The General Fund actual results of operations in the statement of revenues, expenditures, and changes in fund balance – budget to actual – General Fund are presented on a budgetary basis. Adjustments to convert the results of operations at the end of the year, for the year ended September 30, 2024, from the budgetary basis of accounting to the GAAP basis of accounting are as follows:

	Revenues	Expenditures	Other Financing Sources (Uses)
Total Budgetary Basis (Non-GAAP)	\$ 942,057	\$ 910,331	\$ (31,726)
Subscription-Based Information			
Technology Arrangement Transaction			
Not Budgeted	-	32,167	32,167
Total GAAP Basis	\$ 942,057	\$ 942,498	\$ 441

The Clerk's annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total annual budget appropriations at the individual fund level. All appropriations lapse at year-end.

Fund Accounting

The accounts of the Clerk are organized on the basis of funds, each of which is considered a separate accounting entity.

**HARDEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Accounting (Continued)

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 operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, deferred outflows of resources, liabilities, deferred inflows of resources, fund equity, revenues, and expenditures, as appropriate.

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

Governmental Funds

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

Fine and Forfeiture Fund – The Fine and Forfeiture Fund is established in accordance with Sections 28.35 and 28.37, Florida Statutes. It is used to account for court fines, fees, service charges, liabilities, and costs.

Public Records Modernization Trust Fund – The Public Records Modernization Trust Fund is established in accordance with Florida Statutes. It is used to account for fees restricted to court technology and public records modernization pursuant to Section 28.24, Florida Statutes.

Child Support IV-D Fund – The Child Support IV-D fund is used to account for the child support enforcement grant and related expenditures. In addition, amounts that exceed operating costs of running the child support depository program are to be used for Clerk related functions as directed by the Board.

Fiduciary Funds

Custodial Funds – Custodial funds are fiduciary in nature and used to account for assets associated with court-related, official records, and other activities, which benefit other governments, entities, and individuals.

Fund Balance and Spending Policies

In accordance with Governmental Accounting Standards Board (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 of September 30, 2024, there was no total fund balance in the General Fund or Fine and Forfeitures Fund, the remaining fund balances in the Public Records Modernization Trust Fund and Child Support IV-D Fund are appropriately classified as restricted and committed, respectively.

As the Clerk is an elected official responsible for the activities of the Clerk's office, the Clerk is the highest level of decision-making authority and any official order from the Clerk would be required to authorize commitment of fund balance. Also, the accounting manager has been given the authority to assign fund balance for a specific purpose, when identified.

**HARDEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance and Spending Policies (Continued)

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 which restricted, committed, assigned, or unassigned amounts are available to be used, the Clerk will first use restricted amounts, then committed amounts, then assigned amounts, and finally unassigned amounts.

Net Position

Restricted net position in the custodial funds as of September 30, 2024 consists of amounts held awaiting outcomes of court proceedings and tax deed process. There are no unrestricted amounts.

Capital Assets

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

Capital assets are defined by the Clerk as assets with an initial, individual cost of \$1,500 or more and an estimated useful life in excess of one year. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets.

Accumulated Unpaid Vacation and Sick Pay

It is the Clerk's policy to allow employees to accumulate vacation and sick leave.

Employees shall be paid for accumulated and unused vacation leave. The maximum permissible accumulation of annual leave on a calendar year basis is as follows.

<u>Length of Service</u>	<u>Maximum Number of Hours</u>
0-10 Years	120
11-20 Years	160
21 Years and Over	200

Any accumulation in excess of the maximum number of hours during the calendar year is permissible and is eligible to be paid out at time of separation of employment.

Employees shall be paid for accumulated and unused sick leave. There is no limit to the number of hours of sick leave that an employee may accumulate. Sick leave is paid out in varying percentages based on the number of years of service:

<u>Length of Service</u>	<u>Percent of Sick Leave</u>
0-20 Years	0.0%
21-24 Years	25.0%
25-29 Years	37.5%
30 Years and Over	50.0%

**HARDEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Use of Estimates

The preparation of the financial statements is in conformity with accounting principles prescribed by 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.

Other Postemployment Benefit Obligation

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

NOTE 2 CASH

At September 30, 2024, the Clerk's bank balance was \$2,050,213. The entire amount of the demand deposits is deposited in a state of Florida qualified depository and, therefore, is fully collateralized.

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

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

HARDEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 2 CASH (CONTINUED)

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

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

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

Demand Deposits	\$ 2,035,149
Petty Cash and Change Funds	545
	<u>\$ 2,035,694</u>
Balance Sheet:	
Cash	\$ 1,118,785
Statement of Fiduciary Net Position:	
Cash	916,909
Total Cash	<u>\$ 2,035,694</u>

NOTE 3 CAPITAL ASSETS

The following is a summary of changes in capital assets for which the Clerk is custodian for the year ended September 30, 2024.

	Balance October 1, 2023	Additions	Disposals	Balance September 30, 2024
Software in Process	\$ 10,867	\$ -	\$ (10,867)	\$ -
ROU Software	-	32,167	-	32,167
Machinery and Equipment	633,928	49,297	(1,151)	682,074
Less: Accumulated Depreciation	(540,185)	(27,340)	1,151	(566,374)
Less: Accumulated Amortization	-	(8,589)	-	(8,589)
Total Capital Assets, Net	<u>\$ 104,610</u>	<u>\$ 45,535</u>	<u>\$ (10,867)</u>	<u>\$ 139,278</u>

HARDEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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

Florida Retirement System Pension Plan

Plan Description

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

Regular Class – Members of the FRS who do not qualify for membership in the other classes.

Elected County Officers Class – Members who hold specified elective offices in local government.

Senior Management Service Class (SMSC) – Members in senior management level positions.

Special Risk Class – Members who are special risk employees, such as law enforcement officers, meet the criteria to qualify for this class.

HARDEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 4 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Plan Description (Continued)

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62, or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55, if vested, 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 8 years after electing to participate, except that certain instructional personnel may participate for up to 10 years. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided

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

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

HARDEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 4 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Benefits Provided (Continued)

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

Retiree Health Insurance Subsidy Program

Plan Description

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

Benefits Provided

Eligible retirees and beneficiaries received a monthly HIS payment of \$7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$45 and a maximum HIS payment of \$225 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

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

FRS Investment Plan

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

HARDEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 4 PENSION PLANS (CONTINUED)

FRS Investment Plan (Continued)

Costs of administering the 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, 2024, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Clerk.

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

Contributions

Participating employer contributions are based upon statewide rates established by the state of Florida. The Clerk's contributions made to the plans during the years ended September 30, 2024, 2023, and 2022 were \$188,972, \$171,395, and \$159,489, respectively, equal to the actuarially determined contribution requirements for each year.

Additional information about pension plans can be found in the County-wide financial statements.

**HARDEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 5 DUE FROM AND DUE TO OTHER FUNDS

The balances of due from and due to other funds were as follows at September 30, 2024:

	Due from Other Funds	Due to Other Funds
General Fund	\$ 5	\$ 91,492
Fine and Forfeiture Fund	-	14,175
Public Records Modernization Trust Fund	93,076	26,905
Child Support IV-D Fund	39,491	-
Total	<u>\$ 132,572</u>	<u>\$ 132,572</u>

Amounts due to and from other funds arise from timing differences as a result of transactions.

NOTE 6 COMPENSATED ABSENCES

The following is a summary of the changes in compensated absences for the year ended September 30, 2024:

	Balance October 1, 2023	Net Change	Balance September 30, 2024
Accrued Compensated Absences	<u>\$ 97,614</u>	<u>\$ (28,848)</u>	<u>\$ 68,766</u>

Accrued compensated absences represent the vested portion of accrued vacation and sick leave. See Note 1 for a summary of the Clerk's compensated absences policy.

NOTE 7 RELATED PARTY TRANSACTIONS

Transactions with the Hardee County Board of County Commissioners for the year ended September 30, 2024 were as follows:

Budget Appropriation – The General Fund of the Clerk received payments from the Board of County Commissioners for non-court related and accounting services in the amount of \$810,711 for the year ended September 30, 2024. Excess revenues payable to the Board at September 30, 2024 were \$31,726.

Health Insurance – The Board of County Commissioners provides health insurance to the Clerk employees. The reimbursement for these benefits for the fiscal year ended September 30, 2024 amounted to \$296,699.

HARDEE COUNTY CLERK OF THE CIRCUIT COURT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 8 RISK MANAGEMENT

The Clerk participates in the risk management program through the Board under a local government risk management pool. The following types of risk are provided for under the risk management pool:

- Property and General Liability
- Automobile Liability
- Public Officials' Liability
- Workers' Compensation

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

NOTE 9 COMMITMENTS AND CONTINGENCIES

The Clerk is currently receiving, and has received in the past, a grant which is subject to special compliance audits by the grantor agency and which may result in disallowed expenditure amounts. These amounts, if any, constitute a contingent liability of the Clerk. Accordingly, such liabilities are not reflected within the financial statements. Management does not believe the effects of contingent liabilities, if any, will be material to the financial statements.

**HARDEE COUNTY CLERK OF THE CIRCUIT COURT
COMBINING STATEMENT OF FIDUCIARY
NET POSITION – FIDUCIARY FUNDS – CUSTODIAL FUNDS
SEPTEMBER 30, 2024**

	Custodial Funds					Total
	Special Trust	Support	Court Registry	County Witness	Cash Bond	
ASSETS						
Cash	<u>\$ 716,229</u>	<u>\$ 854</u>	<u>\$ 140,964</u>	<u>\$ 450</u>	<u>\$ 58,412</u>	<u>\$ 916,909</u>
Total Assets	716,229	854	140,964	450	58,412	916,909
LIABILITIES						
Due to Individuals	28,760	-	-	13	8,401	37,174
Due to Other Governments	<u>143,599</u>	<u>854</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>144,453</u>
Total Liabilities	<u>172,359</u>	<u>854</u>	<u>-</u>	<u>13</u>	<u>8,401</u>	<u>181,627</u>
NET POSITION						
Restricted for Individuals, Organizations, and Other Governments	<u><u>\$ 543,870</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 140,964</u></u>	<u><u>\$ 437</u></u>	<u><u>\$ 50,011</u></u>	<u><u>\$ 735,282</u></u>

**HARDEE COUNTY CLERK OF THE CIRCUIT COURT
COMBINING STATEMENT OF CHANGES IN FIDUCIARY
NET POSITION – FIDUCIARY FUNDS – CUSTODIAL FUNDS
SEPTEMBER 30, 2024**

	Custodial Funds					
	Special Trust	Support	Court Registry	County Witness	Cash Bond	Total
ADDITIONS						
Collections for Court Related Activities	\$ 1,082,944	\$ 11,149	\$ 302,380	\$ -	\$ 175,060	\$ 1,571,533
Taxes and Fees Collected for Other Governments	2,436,124	-	-	-	-	2,436,124
Collections from Individuals	518,363	-	-	-	-	518,363
Total Additions	4,037,431	11,149	302,380	-	175,060	4,526,020
DEDUCTIONS						
Payment of Court Related Funds	1,116,393	11,149	200,017	-	167,060	1,494,619
Payments to Other Governments	2,437,664	-	-	-	-	2,437,664
Payments to Individuals	124,019	-	-	-	-	124,019
Total Deductions	3,678,076	11,149	200,017	-	167,060	4,056,302
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	359,355	-	102,363	-	8,000	469,718
Fiduciary Net Position - Beginning of Year	184,515	-	38,601	437	42,011	265,564
FIDUCIARY NET POSITION - END OF YEAR	<u>\$ 543,870</u>	<u>\$ -</u>	<u>\$ 140,964</u>	<u>\$ 437</u>	<u>\$ 50,011</u>	<u>\$ 735,282</u>



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

The Honorable Victoria L. Rogers
Hardee County Clerk of the Circuit Court
Hardee County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund, and the aggregate remaining fund information of the Hardee County Clerk of the Circuit Court (the Clerk), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements, and have issued our report thereon dated June 23, 2025.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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.

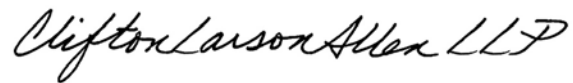
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not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

Report on 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

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

CliftonLarsonAllen LLP

Sebring, Florida
June 23, 2025



MANAGEMENT LETTER

The Honorable Victoria L. Rogers
Hardee County Clerk of the Circuit Court
Hardee County, Florida

Report on the Financial Statements

We have audited the financial statements of the Hardee County Clerk of the Circuit Court (Clerk) as of and for the fiscal year ended September 30, 2024 and have issued our report thereon dated June 23, 2025.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and the 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 June 23, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding financial audit report.

Official Title and Legal Authority

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

The Honorable Victoria L. Rogers
Hardee County Clerk of the Circuit Court

Financial Management

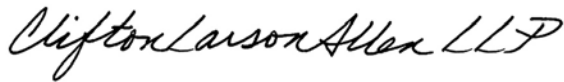
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that has occurred, or is likely to have occurred, that has 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 Clerk of the Circuit Court, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

Sebring, Florida
June 23, 2025



INDEPENDENT ACCOUNTANTS' REPORT

The Honorable Victoria L. Rogers
Hardee County Clerk of the Circuit Court
Hardee County, Florida

We have examined the Hardee County Clerk of the Circuit Court's (Clerk) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds; Section 61.181, Florida Statutes, regarding clerks of the courts alimony and child support payments; and Sections 28.35 and 28.36, Florida Statutes, regarding clerks of the courts performance standards and budgets, during the year ended September 30, 2024. 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 judgement, 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.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the 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 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 year ended September 30, 2024.

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

CliftonLarsonAllen LLP

Sebring, Florida
June 23, 2025

HARDEE COUNTY PROPERTY APPRAISER

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL REPORTS**

YEAR ENDED SEPTEMBER 30, 2024



CPAs | CONSULTANTS | WEALTH ADVISORS

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**HARDEE COUNTY PROPERTY APPRAISER
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INDEPENDENT AUDITORS' REPORT

The Honorable Kathy Crawford
Property Appraiser
Hardee County, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the General Fund of the Property Appraiser of Hardee County, Florida (Property Appraiser), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Property Appraiser's basic financial statements as listed in the table of contents.

In our opinion, the 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, 2024, and the changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Property Appraiser of Hardee County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Property Appraiser of Hardee County 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 financial statements are intended to present the financial position and the changes in financial position of only that portion of the General Fund of Hardee County that is attributable to the transactions of the Property Appraiser. They do not purport to, and do not, present fairly the financial position of Hardee County as of September 30, 2024, or the changes in its financial position for the 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.

Responsibilities of Management for the Financial Statements

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

The Honorable Kathy Crawford
Property Appraiser
Hardee County, Florida

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 our report dated January 9, 2025, on our consideration of the Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Property Appraiser's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Property Appraiser's internal control over financial reporting and compliance.

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

CliftonLarsonAllen LLP

Sebring, Florida
January 9, 2025

**HARDEE COUNTY PROPERTY APPRAISER
BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2024**

ASSETS

Cash	<u>\$ 37,849</u>
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LIABILITIES AND FUND BALANCE

LIABILITIES

Due to Board of County Commissioners	\$ 37,281
Due to Other Governments	<u>568</u>
Total Liabilities	37,849

FUND BALANCE

	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ 37,849</u>

**HARDEE COUNTY PROPERTY APPRAISER
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2024**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES				
Charges for Services:				
Board of County Commissioners	\$ 1,066,437	\$ 1,077,720	\$ 1,077,720	\$ -
Other Governments	16,240	16,412	16,412	-
Interest Income	-	-	43	43
Miscellaneous	-	-	457	457
Total Revenues	<u>1,082,677</u>	<u>1,094,132</u>	<u>1,094,632</u>	<u>500</u>
EXPENDITURES				
Current:				
General Government:				
Salaries and Benefits	866,702	786,232	783,204	3,028
Operating Expenditures	215,975	227,638	193,119	34,519
Capital Outlay	-	80,262	80,460	(198)
Total Expenditures	<u>1,082,677</u>	<u>1,094,132</u>	<u>1,056,783</u>	<u>37,349</u>
EXCESS OF REVENUES OVER EXPENDITURES	-	-	37,849	37,849
OTHER FINANCING USES				
Distribution of Excess Revenues:				
Board of County Commissioners	-	-	(37,281)	(37,281)
Other Governments	-	-	(568)	(568)
Total Other Financing Uses	<u>-</u>	<u>-</u>	<u>(37,849)</u>	<u>(37,849)</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balances - Beginning of Year	-	-	-	-
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying Notes to Financial Statements.

**HARDEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Hardee County Property Appraiser (Property Appraiser) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. The following is a summary of significant accounting principles and policies used in the preparation of these financial statements.

Reporting Entity

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

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

Basis of Presentation, Basis of Accounting, and Measurement Focus

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 Hardee County, Florida that are attributable to the Property Appraiser. They are not intended to present fairly the financial position and results of operations of Hardee County, Florida in conformity with GAAP.

The General Fund is used to account for all revenues and expenditures applicable to the general operations of the Property Appraiser. It is presented as a major governmental fund, which uses the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government 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. However, expenditures related to accumulated compensated absences, and claims and judgments are recorded only when payments are due.

**HARDEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation, Basis of Accounting, and Measurement Focus (Continued)

Fees earned by the Property Appraiser (equal to the amount of the amended budget) are billed quarterly to the Board and other governmental agencies in proportion to prior year taxes levied. By statute, municipalities and school boards are exempt. These fees are recorded as charges for services revenue.

Budgetary Requirement – Expenditures are controlled by appropriations in accordance with the budget requirements set forth in the Florida statutes.

A budget is legally adopted for the General Fund and is on the modified accrual basis of accounting. Budgetary control is at the expenditure classification level (salaries and benefits, operating expenditures, capital outlay). Budgetary changes within expenditure classification are made at the discretion of the Property Appraiser. Amendments between expenditure classifications must be submitted to the State of Florida Department of Revenue for approval. The budgeted revenues and expenditures in the accompanying financial statements reflect all approved amendments.

Refund of "Excess Fees" – Florida Statutes provide that the excess of the Property Appraiser's fee revenue over expenditures is to be distributed to each governmental agency in the same proportion as the fees paid by the governmental agency bear to total fee income of the office. The amount of undistributed excess fees at the end of the fiscal year is reported as amounts due to the Board of County Commissioners and other special taxing districts.

Fund Accounting

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

The purpose of the Property Appraiser's fund is as follows:

Governmental Fund

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

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 of September 30, 2024, there was no fund balance in the General Fund and no classification for fund balance is necessary.

**HARDEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance and Spending Policies (Continued)

As the Property Appraiser is an elected official responsible for the activities of the Property Appraiser's office, the Property Appraiser 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.

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 when an expenditure is incurred in which 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.

Capital Assets

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

Capital assets are defined by the Property Appraiser as assets with an initial, individual cost of \$1,500 or more and an estimated useful of life in excess of one year. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets.

Accrued Compensated Absences

It is the Property Appraiser's policy to allow employees to accumulate vacation leave, sick leave, and compensatory time. After one year of service, employees are vested and shall be paid for accumulated and unused vacation leave up to a maximum of 160 hours. Employees who have been employed 20 years or more are eligible to be paid for accumulated sick leave at varying percentages, ranging from 25% to 50%, based on the number of years of employment. Compensatory time is eligible to be paid out at 100%.

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

Use of Estimates

The preparation of the 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 statements. Actual results could differ from estimates.

**HARDEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other Postemployment Benefit Obligations

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

NOTE 2 CASH

At September 30, 2024, the Property Appraiser's bank balance was \$71,782 consisting entirely of demand deposits. Cash per the balance sheet consisted of \$37,809 in demand deposits and \$40 in petty cash. The entire amount of the demand deposits is deposited in a state of Florida qualified depository and, therefore, is fully collateralized.

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

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

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

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

**HARDEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 3 CAPITAL ASSETS

Tangible personal property used in the Property Appraiser's operations is recorded as an expenditure in the General Fund of the Property Appraiser at the time of acquisition. Assets are capitalized at historical cost in the government-wide financial statements of the County. The Property Appraiser maintains custodial responsibility for these capital assets.

Capital asset activity for the fiscal year is as follows:

	Balance October 1, 2023	Additions	Disposals	Balance September 30, 2024
Machinery and Equipment	\$ 353,835	\$ 80,460	\$ (24,140)	\$ 410,155
Less: Accumulated Depreciation	(238,491)	(52,465)	24,140	(266,816)
Total Capital Assets, Net	<u>\$ 115,344</u>	<u>\$ 27,995</u>	<u>\$ -</u>	<u>\$ 143,339</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 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. 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' Web site (www.dms.myflorida.com).

**HARDEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

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 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, if vested, 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 55, if vested, or at any age after 25 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 8 years after electing to participate, except that certain instructional personnel may participate for up to 10 years. 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.

**HARDEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

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, 2024, eligible retirees and beneficiaries received a monthly HIS payment of \$7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$45 and a maximum HIS payment of \$225 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.

**HARDEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 4 PENSION PLANS (CONTINUED)

FRS Investment Plan

Plan Description

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. 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.

Benefits Provided

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, 2024, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Property Appraiser.

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

**HARDEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 4 PENSION PLANS (CONTINUED)

FRS Investment Plan (Continued)

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, 2024, 2023, and 2022 were \$138,063, \$115,414, and \$90,012, respectively, equal to the actuarially determined contribution requirements for each year.

Additional information about pension plans can be found in the County-wide financial statements.

NOTE 5 COMPENSATED ABSENCES

The following is a summary of the changes in compensated absences for the year ended September 30, 2024:

	Balance October 1, 2023	Net Change	Balance September 30, 2024	Due Within One Year
Accrued Compensated Absences	<u>\$ 28,236</u>	<u>\$ 1,398</u>	<u>\$ 29,634</u>	<u>\$ 12,211</u>

Accrued compensated absences represent the vested portion of accrued vacation and sick leave. See Note 1 for a summary of the Property Appraiser's compensated absences policy.

NOTE 6 RELATED PARTY TRANSACTIONS

Transactions with the Hardee County Board of County Commissioners for the year ended September 30, 2024 were as follows:

Budget Appropriation – The General Fund of the Property Appraiser received revenue from the Board of County Commissioners in the amount of \$1,077,720 for the year ended September 30, 2024. At September 30, 2024, \$37,281 was due to the Board of County Commissioners.

Various Services – The Board of County Commissioners provides various services to the Property Appraiser. The charges for these services for the fiscal year ended September 30, 2024 amounted to \$125,137.

**HARDEE COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 7 RISK MANAGEMENT

The Property Appraiser is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Property Appraiser participates in the risk management program through the Hardee County Board of County Commissioners under a local government risk management pool. The following types of risk are provided for under the risk management pool:

- Property and General Liability
- Automobile Liability
- Public Officials' Liability
- Workers' Compensation

There have been no decreases in coverage nor have there been any settlements in excess of coverage in any of the three prior years.

NOTE 8 COMMITMENTS AND CONTINGENCIES

The Property Appraiser is named as a defendant in a lawsuit concerning the assessment of real and personal property in Hardee County, Florida. The outcome of these matters turns upon disputed question of property classifications. As of September 30, 2024, based on management's opinion, it does not appear the Property Appraiser's assets will be affected and, consequently, no provision has been made for any liability that might arise from this claim.



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

The Honorable Kathy Crawford
Property Appraiser
Hardee County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the General Fund of the Property Appraiser of Hardee County, Florida (Property Appraiser), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Property Appraiser's basic financial statements, and have issued our report thereon dated January 9, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

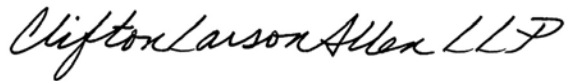
The Honorable Kathy Crawford
Property Appraiser
Hardee County, Florida

Report on 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

Sebring, Florida
January 9, 2025



MANAGEMENT LETTER

The Honorable Kathy Crawford
Property Appraiser
Hardee County, Florida

Report on the Financial Statements

We have audited the financial statements of the Property Appraiser of Hardee County, Florida (Property Appraiser), as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated January 9, 2025.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated January 9, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

The Honorable Kathy Crawford
Property Appraiser
Hardee County, Florida

Financial Management

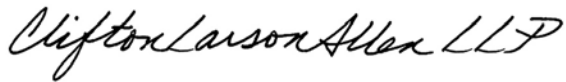
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

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

Purpose of this Letter

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

A handwritten signature in black ink that reads "CliftonLarsonAllen LLP". The signature is written in a cursive, flowing style.

CliftonLarsonAllen LLP

Sebring, Florida
January 9, 2025



INDEPENDENT ACCOUNTANTS' REPORT

The Honorable Kathy Crawford Property Appraiser
and the Florida Auditor General
Hardee County, Florida

We have examined the Property Appraiser of Hardee County, Florida's (Property Appraiser) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2024. 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.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the 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, 2024.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
January 9, 2025

HARDEE COUNTY SHERIFF
FINANCIAL STATEMENTS AND
SUPPLEMENTAL REPORTS
YEAR ENDED SEPTEMBER 30, 2024



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**HARDEE COUNTY SHERIFF
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INDEPENDENT AUDITORS' REPORT

The Honorable Vincent Crawford
Sheriff
Hardee County, Florida

Report on the Audit of the Financial Statements

Opinions

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

In our opinion, the 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 of Hardee County, as of September 30, 2024, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Sheriff of Hardee County, Florida and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Sheriff of Hardee County, Florida 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 financial statements are intended to present the financial position and changes in financial position of only that portion of each major fund and the aggregate remaining fund information of Hardee 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 Hardee County, Florida as of September 30, 2024, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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.

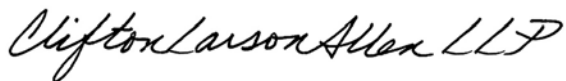
The Honorable Vincent Crawford
Sheriff
Hardee County, Florida

Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 24, 2025, on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Sheriff's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.

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

CliftonLarsonAllen LLP

Sebring, Florida
February 24, 2025

**HARDEE COUNTY SHERIFF
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024**

	General Fund	E-911 Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash	\$ 2,500,030	\$ 11,754	\$ 189,168	\$ 2,700,952
Prepaid Items	27,040	-	-	27,040
	<u>2,527,070</u>	<u>11,754</u>	<u>189,168</u>	<u>2,727,992</u>
Total Assets	<u>\$ 2,527,070</u>	<u>\$ 11,754</u>	<u>\$ 189,168</u>	<u>\$ 2,727,992</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	\$ 131,555	\$ -	\$ -	\$ 131,555
Accrued Liabilities	635,588	-	-	635,588
Due to the Board of County Commissioners	1,759,927	-	-	1,759,927
Total Liabilities	<u>2,527,070</u>	<u>-</u>	<u>-</u>	<u>2,527,070</u>
FUND BALANCES				
Nonspendable	27,040	-	-	27,040
Restricted	-	11,754	189,168	200,922
Unassigned	(27,040)	-	-	(27,040)
Total Fund Balances	<u>-</u>	<u>11,754</u>	<u>189,168</u>	<u>200,922</u>
Total Liabilities and Fund Balances	<u>\$ 2,527,070</u>	<u>\$ 11,754</u>	<u>\$ 189,168</u>	<u>\$ 2,727,992</u>

See accompanying Notes to Financial Statements.

**HARDEE COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2024**

	General Fund	E-911 Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Appropriations from Board of County Commissioners	\$ 14,419,771	\$ 252,983	\$ -	\$ 14,672,754
Intergovernmental	606,780	-	-	606,780
Charges for Services	975,045	-	-	975,045
Fines and Forfeitures	-	-	7,328	7,328
Interest	77,887	-	-	77,887
Miscellaneous	175,847	-	37,281	213,128
Total Revenues	16,255,330	252,983	44,609	16,552,922
EXPENDITURES				
Current:				
Public Safety:				
Salaries and Benefits	10,989,562	-	-	10,989,562
Operating Expenditures	3,216,369	241,600	26,187	3,484,156
Capital Outlay	1,559,160	20,061	-	1,579,221
Total Expenditures	15,765,091	261,661	26,187	16,052,939
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	490,239	(8,678)	18,422	499,983
OTHER FINANCING SOURCES (USES)				
SBITA	283,093	-	-	283,093
Insurance Recoveries	108,083	-	-	108,083
Transfer to the Board of County Commissioners	(881,415)	-	-	(881,415)
Total Other Financing Sources (Uses)	(490,239)	-	-	(490,239)
NET CHANGE IN FUND BALANCES	-	(8,678)	18,422	9,744
Fund Balances - Beginning of Year	-	20,432	170,746	191,178
FUND BALANCES - END OF YEAR	\$ -	\$ 11,754	\$ 189,168	\$ 200,922

See accompanying Notes to Financial Statements.

**HARDEE COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Appropriations from Board of County Commissioners	\$ 13,979,022	\$ 14,416,812	\$ 14,419,771	\$ 2,959
Intergovernmental	-	606,780	606,780	-
Charges for Services	-	1,074,366	975,045	(99,321)
Interest	-	77,887	77,887	-
Miscellaneous	-	175,847	175,847	-
Total Revenues	13,979,022	16,351,692	16,255,330	(96,362)
EXPENDITURES				
Current:				
Public Safety:				
Salaries and Benefits	11,296,577	13,218,233	10,989,562	2,228,671
Operating Expenditures	2,282,445	2,468,356	3,216,369	(748,013)
Capital Outlay	400,000	609,503	1,559,160	(949,657)
Total Expenditures	13,979,022	16,296,092	15,765,091	531,001
EXCESS OF REVENUES OVER EXPENDITURES	-	55,600	490,239	434,639
OTHER FINANCING SOURCES (USES)				
SBITA	-	-	283,093	283,093
Insurance Recoveries	-	108,083	108,083	-
Transfer to the Board of County Commissioners	-	(163,683)	(881,415)	(717,732)
Total Other Financing Sources (Uses)	-	(55,600)	(490,239)	(434,639)
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	\$ -	\$ -	\$ -	\$ -

See accompanying Notes to Financial Statements.

**HARDEE COUNTY SHERIFF
STATEMENT OF FIDUCIARY NET POSITION –
FIDUCIARY FUNDS
SEPTEMBER 30, 2024**

	<u>Custodial Funds</u>
ASSETS	
Cash	\$ 43,236
LIABILITIES	
Due to Others	<u>11,708</u>
NET POSITION	
Restricted for Individuals, Organizations, and Other Governments	<u>31,528</u>
Total Net Position	<u><u>\$ 31,528</u></u>

See accompanying Notes to Financial Statements.

**HARDEE COUNTY SHERIFF
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION –
FIDUCIARY FUNDS
SEPTEMBER 30, 2024**

	<u>Custodial Funds</u>
ADDITIONS	
Collections from Individuals	\$ 205,190
Evidence Collected	13,678
Fees Collected for Other Governments	<u>43,461</u>
Total Additions	262,329
DEDUCTIONS	
Medical, Dental, and Life Insurance	40,486
Payments to Individuals	54,910
Payments to Other Entities	111,406
Payments to Other Governments	<u>71,963</u>
Total Deductions	<u>278,765</u>
NET DECREASE IN FIDUCIARY NET POSITION	(16,436)
Fiduciary Net Position - Beginning of Year	<u>47,964</u>
FIDUCIARY NET POSITION - END OF YEAR	<u><u>\$ 31,528</u></u>

See accompanying Notes to Financial Statements.

**HARDEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Hardee County Sheriff (Sheriff) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. The following is a summary of significant accounting principles and policies used in the preparation of these statements.

Reporting Entity

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

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

Basis of Presentation, Basis of Accounting, and Measurement Focus

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

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

The custodial funds use the economic resources measurement focus and the accrual basis of accounting.

**HARDEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation, Basis of Accounting, and Measurement Focus (Continued)

The County funds the majority of the operating budget of the Sheriff. The payments by the County to fund the operations of the Sheriff are recorded as expenditures for salaries and benefits, operating expenditures, capital outlay, and debt service in governmental type funds in the financial statements of the County, and as appropriations revenues in the basic financial statements of the Sheriff.

Budgetary Requirement – Expenditures are controlled by appropriations in accordance with the budget requirements set forth in the Florida Statutes.

A budget is legally adopted for the General Fund and is on the modified accrual basis of accounting. The Sheriff is not legally required to adopt a budget for the E-911 Fund, Commissary Fund, Education Fund, Youth Fund, Flower Fund, or Drug Task Force Fund. Therefore, budget comparison information is not included in the Sheriff's financial statements. Budgetary control is at the expenditure classification level (salaries and benefits, operating expenditures, and capital outlay). Budgetary changes within expenditure classification are made at the discretion of the Sheriff. The budgeted revenues and expenditures in the accompanying financial statements reflect all approved amendments.

Fund Accounting

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

Major Governmental Funds

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

E911 Fund – The E911 Fund is a special revenue fund that accounts for E911 fees under Sections 365.171 and 365.172, Florida Statutes, and E911 grants related to providing E911 services within the County. These monies are restricted for maintenance and upgrade of the E911 system.

**HARDEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Accounting (Continued)

Nonmajor Governmental Funds

Commissary Fund – The Commissary Fund is a special revenue fund used to account for commissions earned by providing goods and services to the inmates. These resources are restricted by Section 951.23, Florida Statutes, for inmate welfare.

Education Fund – The Education Fund is a special revenue fund which accounts for an assessment added to certain fines under Section 938.15, Florida Statutes. These monies are restricted for criminal justice education degree programs and training courses.

Youth Fund – The Youth Fund is a special revenue fund used to account for donations received from individuals which are restricted for youth programs.

Flower Fund – The Flower Fund is a special revenue fund used to account for contributions received from employees which are restricted for employee events.

Fiduciary Funds

Custodial Funds – Custodial funds are fiduciary in nature and used to account for assets associated with law enforcement and detention activities, which benefit other governments, entities, and individuals.

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 classifications of fund balances are described as follows:

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

Restricted Fund Balance – Amounts that can be spent only for specific purposes because of constraints imposed by external providers (such as grantors, bondholders, and higher levels of government), or imposed by constitutional provisions or enabling legislation. The Sheriff is reporting restricted fund balances in the E911 Fund, Commissary Fund, Education Fund, Youth Fund, and Flower Fund.

**HARDEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance and Spending Policies (Continued)

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

Assigned Fund Balance – Amounts the Sheriff intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed.

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

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.

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 an expenditure is incurred in which 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.

Net Position

Restricted net position as of September 30, 2024 consists of amounts held as cash evidence, awaiting a court disposition, and inmate account balances. There are no unrestricted amounts.

Capital Assets

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

Capital assets are defined by the Sheriff as assets with an initial, individual cost of \$1,500 or more and an estimated useful life in excess of one year. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets.

**HARDEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Accrued Compensated Absences

It is the Sheriff's policy to allow employees to accumulate annual and sick leave. Employees can accumulate and carry over 160 hours of annual leave and an unlimited amount of sick leave. Annual leave is paid out at separation of service for the hours accumulated to that date. Sick leave is paid out upon retirement in varying amounts based on their length of service as follows.

<u>Length of Service</u>	<u>Percentage of Sick Leave</u>
10 to 14 Years	25%
15 to 19 Years	35%
20 Years Plus	50%

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

Use of Estimates

The preparation of the fund financial statements is in conformity with accounting principles generally prescribed by 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.

Other Postemployment Benefit Obligations

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

**HARDEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 2 CASH

At September 30, 2024, the Sheriff's total bank balance was \$3,027,915. The entire amount of the demand deposits is deposited in a state of Florida qualified depository and, therefore, is fully collateralized.

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

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

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

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

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

Demand Deposits	<u>\$ 2,744,188</u>
Balance Sheet:	
Cash	\$ 2,700,952
Statement of Fiduciary Net Position:	
Cash	<u>43,236</u>
Total Cash	<u>\$ 2,744,188</u>

**HARDEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 3 CAPITAL ASSETS

The following is a summary of changes in capital assets for which the Sheriff is custodian for the year ended September 30, 2024:

	Balance October 1, 2023	Additions	Disposals	Balance September 30, 2024
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 5,931,030	\$ 959,539	\$ (336,509)	\$ 6,554,060
Less: Accumulated Depreciation:				
Machinery and Equipment	<u>(4,171,944)</u>	<u>(724,600)</u>	<u>292,161</u>	<u>(4,604,383)</u>
Total Capital Assets, Being Depreciated, Net	1,759,086	234,939	(44,348)	1,949,677
Subscription Based Information Technology Arrangement Assets:				
Subscription Based Information Technology Arrangements	-	600,456	-	600,456
Less Accumulated Amortization:				
Subscription Based Information Technology Arrangements	<u>-</u>	<u>(35,515)</u>	<u>-</u>	<u>(35,515)</u>
Total Subscription Based Information Technology Arrangement Assets, Net	<u>-</u>	<u>564,941</u>	<u>-</u>	<u>564,941</u>
Total Capital Assets, Net	<u><u>\$ 1,759,086</u></u>	<u><u>\$ 799,880</u></u>	<u><u>\$ (44,348)</u></u>	<u><u>\$ 2,514,618</u></u>

**HARDEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

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, 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' Web site (www.dms.myflorida.com).

Florida Retirement System Pension Plan

Plan Description

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

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

**HARDEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 4 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Plan Description (Continued)

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62, or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55, if vested, 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 8 years after electing to participate, except that certain instructional personnel may participate for up to 8 years. 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.

**HARDEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 4 PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Benefits Provided (Continue)

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, 2024, eligible retirees and beneficiaries received a monthly HIS payment of \$7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$45 and a maximum HIS payment of \$225 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

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

FRS Investment Plan

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

**HARDEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 4 PENSION PLANS (CONTINUED)

FRS Investment Plan (Continued)

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, 2024, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the 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, 2024, 2023, and 2022 were \$1,877,404, \$1,559,507, and \$1,266,988, respectively, equal to the actuarially determined contribution requirements for each year.

Additional information about pension plans can be found in the County-wide financial statements.

**HARDEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 5 COMPENSATED ABSENCES

The following is a summary of the changes in compensated absences for the year ended September 30, 2024:

	Balance October 1, 2023	Net Change	Balance September 30, 2024	Due Within One Year
Accrued Compensated Absences	<u>\$ 486,969</u>	<u>\$ 94,187</u>	<u>\$ 581,156</u>	<u>\$ 344,321</u>

Accrued compensated absences represent the vested portion of accrued vacation and sick leave. See Note 1 for a summary of the Sheriff's compensated absences policy. The long-term liabilities are not reported in the financial statements of the Sheriff since they are not payable from spendable resources. They are reported in the financial statements of the County.

NOTE 6 SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGMENTS

The Sheriff has entered into subscription based-information technology arrangements (SBITAs) for various terms under certain agreements that meet the definition under GASB Statement No. 96, Subscription-Based Information Technology Arrangements. Detailed information about the Sheriff's SBITAs can be found in the Hardee County countywide financial statements.

SBITAs entered into by the Sheriff are included as other financing sources and capital outlay expenditures in the statement of revenues, expenditures, and changes in fund balance in the year of inception. Payments made in accordance with the lease terms are reported as debt service expenditures in the statement of revenues, expenditures, and changes in fund balance as they are incurred.

During the year ended September 30, 2024, the Sheriff entered into SBITAs in the amount of \$283,093. During the year ended September 30, 2024, the Sheriff's payments of principal and interest totaled \$-0-.

NOTE 7 RELATED PARTY TRANSACTIONS

Transactions with the Hardee County Board of County Commissioners for the year ended September 30, 2024 were as follows:

Budget Appropriation – The General Fund received revenue from the Board of County Commissioners in the amount of \$14,419,771 for the year ended September 30, 2024. At September 30, 2024, \$1,759,927 was due to the Board from the General Fund. The E911 Fund received revenue from the Board of County Commissioners in the amount of \$252,983. At September 30, 2024, \$-0- was due to the Board from the E911 Fund.

**HARDEE COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 8 RISK MANAGEMENT

The Sheriff is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. There are no significant reductions in insurance coverage from the prior year.

The Sheriff participates in the Florida Sheriffs Risk Management Fund (FSRMF) which is a public entity risk pool that permits the Sheriff to cover the following types of risks:

- Law Enforcement Liability
- Public Officials' Liability
- Automobile Physical Damage and Liability
- And others

The funding agreements provide that the self-insurance funds will be self-sustaining through member premiums and that the Sheriff's liability fund will reinsure through commercial companies. Those funds and program absorb losses up to a specified amount annually and purchases excess coverage from third-party carriers. Each member is assessed his/her pro rata share of the estimated amount required to meet current year losses and operating expenses. Losses, if any, in excess of the fund or program ability to assess its members would revert back to the member that incurred the loss.

The Sheriff also participants in FSRMF for workers' compensation coverage.

There have been no claim settlements in excess of coverage during the past three years.

NOTE 9 COMMITMENTS AND CONTINGENCIES

The Sheriff is currently receiving, and has received in the past, grants which are subject to special compliance audits by the grantor agency and which may result in disallowed expenditure amounts. These amounts, if any, constitute a contingent liability of the Sheriff. Accordingly, such liabilities are not reflected within the financial statements. Management does not believe the effects of contingent liabilities, if any, will be material to the financial statements.

The Sheriff is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operations. In the opinion of management, the ultimate disposition of these lawsuits and claims should not have a material adverse effect on the financial position of the Sheriff.

**HARDEE COUNTY SHERIFF
COMBINING BALANCE SHEET –
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024**

	Commissary Fund	Education Fund	Youth Fund	Flower Fund	Total Nonmajor Governmental Funds
ASSETS					
Cash	<u>\$ 148,583</u>	<u>\$ 33,232</u>	<u>\$ 6,204</u>	<u>\$ 1,149</u>	<u>\$ 189,168</u>
FUND BALANCES					
Restricted for:					
Education	\$ -	\$ 33,232	\$ -	\$ -	\$ 33,232
Inmate Welfare	148,583	-	-	-	148,583
Law Enforcement	-	-	-	1,149	1,149
Youth Programs	-	-	6,204	-	6,204
Total Fund Balances	<u>148,583</u>	<u>33,232</u>	<u>6,204</u>	<u>1,149</u>	<u>189,168</u>
Total Liabilities and Fund Balances	<u>\$ 148,583</u>	<u>\$ 33,232</u>	<u>\$ 6,204</u>	<u>\$ 1,149</u>	<u>\$ 189,168</u>

**HARDEE COUNTY SHERIFF
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2024**

	Commissary Fund	Education Fund	Youth Fund	Flower Fund	Total Nonmajor Governmental Funds
REVENUES					
Fines and Forfeitures	\$ -	\$ 7,328	\$ -	\$ -	\$ 7,328
Miscellaneous	32,573	-	3,269	1,439	37,281
Total Revenues	<u>32,573</u>	<u>7,328</u>	<u>3,269</u>	<u>1,439</u>	<u>44,609</u>
EXPENDITURES					
Current:					
Public Safety:					
Operating Expenditures	12,181	7,134	5,490	1,382	26,187
Total Expenditures	<u>12,181</u>	<u>7,134</u>	<u>5,490</u>	<u>1,382</u>	<u>26,187</u>
NET CHANGE IN FUND BALANCES	20,392	194	(2,221)	57	18,422
Fund Balances - Beginning of Year	<u>128,191</u>	<u>33,038</u>	<u>8,425</u>	<u>1,092</u>	<u>170,746</u>
FUND BALANCES - END OF YEAR	<u><u>\$ 148,583</u></u>	<u><u>\$ 33,232</u></u>	<u><u>\$ 6,204</u></u>	<u><u>\$ 1,149</u></u>	<u><u>\$ 189,168</u></u>

**HARDEE COUNTY SHERIFF
COMBINING STATEMENT OF FIDUCIARY NET POSITION –
FIDUCIARY FUNDS – CUSTODIAL FUNDS
YEAR ENDED SEPTEMBER 30, 2024**

	Custodial Funds				Total
	Suspense Fund	Collections Fund	Evidence Fund	Inmate Fund	
ASSETS					
Cash	\$ 11,627	\$ 81	\$ 17,088	\$ 14,440	\$ 43,236
LIABILITIES					
Due to Others	11,627	81	-	-	11,708
NET POSITION					
Restricted for Individuals, Organizations, and Other Governments	-	-	17,088	14,440	31,528
Total Net Position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,088</u>	<u>\$ 14,440</u>	<u>\$ 31,528</u>

**HARDEE COUNTY SHERIFF
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION –
FIDUCIARY FUNDS – CUSTODIAL FUNDS
YEAR ENDED SEPTEMBER 30, 2024**

	Custodial Funds				
	Suspense Fund	Collections Fund	Evidence Fund	Inmate Fund	Total
ADDITIONS					
Collections from Individuals	\$ 40,487	\$ -	\$ -	\$ 164,703	205,190
Evidence Collected		-	13,678	-	13,678
Fees Collected for Other Governments	43,461	-	-	-	43,461
Total Additions	83,948	-	13,678	164,703	262,329
DEDUCTIONS					
Medical, Dental, and Life Insurance	40,486	-	-	-	40,486
Payments to Individuals	-	-	-	54,910	54,910
Payments to Other Entities	-	-	-	111,406	111,406
Payments to Other Governments	43,462	-	28,501	-	71,963
Total Deductions	83,948	-	28,501	166,316	278,765
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	-	-	(14,823)	(1,613)	(16,436)
Fiduciary Net Position - Beginning of Year	-	-	31,911	16,053	47,964
FIDUCIARY NET POSITION - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,088</u>	<u>\$ 14,440</u>	<u>\$ 31,528</u>



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

The Honorable Vincent Crawford
Sheriff
Hardee County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Sheriff of Hardee County, Florida (Sheriff), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements, and have issued our report thereon dated February 24, 2025.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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 were not identified.

The Honorable Vincent Crawford
Hardee County Sheriff

We identified a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2024-001 that we consider to be a material weakness.

Report on 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*.

Hardee County Sheriff's Response to Finding

Government Auditing Standards requires the auditor to perform limited procedures on the Sheriff's response to the finding identified in our audit and described in the accompanying schedule of findings and responses. The Sheriff's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of This Report

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



CliftonLarsonAllen LLP

Sebring, Florida
February 24, 2025



MANAGEMENT LETTER

The Honorable Vincent Crawford
Sheriff
Hardee County, Florida

Report on the Financial Statements

We have audited the financial statements of the Sheriff of Hardee County, Florida (Sheriff) as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated February 24, 2025.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550 Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated February 24, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

The Honorable Vincent Crawford
Hardee County Sheriff

Financial Management

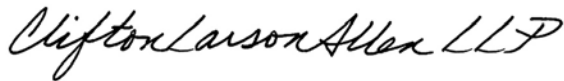
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to address noncompliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that has occurred, or is 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.

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

CliftonLarsonAllen LLP

Sebring, Florida
February 24, 2025

**HARDEE COUNTY SHERIFF
SCHEDULE OF FINDINGS AND RESPONSES
YEAR ENDED SEPTEMBER 30, 2024**

PRIOR YEAR

Prior Years Findings		Current Year Status			Current Year Finding #	2022-2023 Year Finding #	2021-2022 Year Finding #
		Cleared	Partially Cleared	Not Cleared			
2023-001 - Audit Adjustments and Account Reconciliations	Material Weakness			X	2024-001	2023-001	2022-001

CURRENT YEAR FINDINGS AND RECOMMENDATIONS

2024-001 – Audit Adjustments and Account Reconciliations

Type of Finding:

- Material Weakness in Internal Control Over Financial Reporting

Condition: In prior years, material audit adjustments to correct the Sheriff's financial statements were identified during the audit. These types of errors were identified again in the current year and resulted in material adjustments to the Sheriff's financial statements.

Accounts, including receivables and liabilities, did not reconcile to supporting documentation.

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

Context: Testing of account balances identified the deficiencies.

Effect: Financial statement balances were misstated.

Cause: There is unfamiliarity with how to account and report for certain transactions. Account reconciliations were either not performed or were not completed in a manner that identified and resolved issues with account balances.

Recommendation: Account reconciliations should be prepared monthly for all balance sheet accounts, including at fiscal year-end, by one person and reviewed by another. Review of certain revenue and expenditure accounts should be performed as well to assist in identifying errors. Any discrepancies should be investigated and resolved. Trial balances should be reviewed to ensure that all accounts are reconciled and any related adjustments from a prior or current year are posted.

**HARDEE COUNTY SHERIFF
SCHEDULE OF FINDINGS AND RESPONSES (CONTINUED)
SEPTEMBER 30, 2024**

CURRENT YEAR FINDINGS AND RECOMMENDATIONS (CONTINUED)

2024-001 – Audit Adjustments and Account Reconciliations (Continued)

Views of Responsible Officials: Upon reviewing our accounting software system, American Data Group (ADG), we identified an issue with an account not closing to the appropriate account at the year's end. This issue has since been resolved. We will collaborate with our bank to establish a new account specifically for the 911 funds, ensuring a clearer separation from the general fund. Additionally, we will maintain consultation with CliftonLarsonAllen (CLA) to ensure the funds are closed properly in compliance with GASB standards.



INDEPENDENT ACCOUNTANTS' REPORT

The Honorable Vincent Crawford, Sheriff
and the Florida Auditor General
Hardee County, Florida

We have examined the Hardee County Sheriff's (Sheriff) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2024. 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.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the 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, 2024.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
February 24, 2025

HARDEE COUNTY SUPERVISOR OF ELECTIONS

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL REPORTS**

YEAR ENDED SEPTEMBER 30, 2024



CPAs | CONSULTANTS | WEALTH ADVISORS

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**HARDEE COUNTY SUPERVISOR OF ELECTIONS
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INDEPENDENT AUDITORS' REPORT

The Honorable Diane Smith
Supervisor of Elections
Hardee County, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the General Fund of the Supervisor of Elections of Hardee County, Florida (Supervisor of Elections), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the General Fund of the Supervisor of Elections of Hardee County, as of September 30, 2024, and the changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Supervisor of Elections of Hardee County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Supervisor of Elections of Hardee County 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 financial statements are intended to present the financial position and the changes in financial position of only that portion the General Fund of Hardee County that is attributable to the transactions of the Supervisor of Elections. They do not purport to, and do not, present fairly the financial position of Hardee County as of September 30, 2024, the changes in its financial position, or, where applicable, its cash flows for the 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.

Responsibilities of Management for the Financial Statements

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Supervisor of Elections' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

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

The Honorable Diane Smith
Supervisor of Elections
Hardee County, Florida

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 our report dated January 31, 2025, on our consideration of the Supervisor of Elections' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Supervisor of Elections' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Supervisor of Elections' internal control over financial reporting and compliance.

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
January 31, 2025

**HARDEE COUNTY SUPERVISOR OF ELECTIONS
BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2024**

ASSETS

Cash	\$ 9,352
Due from Board of County Commissioners	21,462
Prepaid Items	<u>18,553</u>
Total Assets	<u><u>\$ 49,367</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts Payable	\$ 41,930
Accrued Liabilities	<u>7,437</u>
Total Liabilities	49,367

FUND BALANCE

Nonspendable	18,553
Unassigned	<u>(18,553)</u>
Total Fund Balance	<u>-</u>
Total Liabilities and Fund Balance	<u><u>\$ 49,367</u></u>

See accompanying Notes to Financial Statements.

**HARDEE COUNTY SUPERVISOR OF ELECTIONS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Appropriation from Board of County Commissioners	\$ 590,777	\$ 613,425	\$ 613,425	\$ -
Interest Income	-	-	11	11
Miscellaneous	-	-	2,686	2,686
Total Revenues	590,777	613,425	616,122	2,697
EXPENDITURES				
Current:				
General Government:				
Salaries and Benefits	353,386	367,088	368,706	(1,618)
Operating Expenditures	200,391	209,337	244,042	(34,705)
Capital Outlay	37,000	37,000	-	37,000
Debt Service:				
Principal Retirement	-	-	2,015	(2,015)
Interest and Fiscal Charges	-	-	174	(174)
Total Expenditures	590,777	613,425	614,937	(1,512)
EXCESS OF REVENUES OVER EXPENDITURES	-	-	1,185	1,185
OTHER FINANCING USES				
Transfer to the Board of County Commissioners	-	-	(1,185)	(1,185)
Total Other Financing Uses	-	-	(1,185)	(1,185)
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.

**HARDEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Supervisor of Elections of Hardee County, Florida (Supervisor of Elections) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. The following is a summary of significant accounting principles and policies used in the preparation of these financial statements.

Reporting Entity

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

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

Basis of Presentation, Basis of Accounting, and Measurement Focus

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

The General Fund is used to account for all revenues and expenditures applicable to the general operations of the Supervisor of Elections. It is presented as a major governmental fund, which uses the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period, with the exception of appropriations, which are considered available in the period to which the expenditures relate. Expenditures generally are recorded when a liability is incurred as under accrual accounting. However, expenditures related to accumulated compensated absences, and claims and judgments are recorded only when payments are due.

**HARDEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation, Basis of Accounting, and Measurement Focus (Continued)

The County funds the majority of the operating budget of the Supervisor of Elections. The payments by the County to fund the operations of the Supervisor of Elections are recorded as expenditures for salaries and benefits, operating expenditures, and capital outlay in governmental fund types in the financial statements of the County, and as appropriations revenues on the basic financial statements of the Supervisor of Elections. Any excess of revenues over expenditures are remitted to the Board and recorded as other financing uses.

Budgetary Requirement – Expenditures are controlled by appropriations in accordance with the budget requirements set forth in the Florida Statutes.

A budget is legally adopted for the General Fund and is on a basis consistent with GAAP. Budgetary control is at the expenditure classification level (salaries and benefits, operating expenditures, capital outlay). Budgetary changes within expenditure classification are made at the discretion of the Supervisor of Elections. The budgeted revenues and expenditures in the accompanying financial statements reflect all approved amendments.

The Supervisor of Elections' annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total annual budget appropriations at the individual fund level. For the year ended September 30, 2024, expenditures exceeded the final adopted budget by \$1,512.

Refund of "Excess Fees" – Florida Statutes provide that the excess of the Supervisor of Elections' fee revenue over expenditures is to be distributed to each governmental agency in the same proportion as the fees paid by the governmental agency bear to total fee income of the office. The amount of undistributed excess fees at the end of the fiscal year is reported as amounts due to the Board.

Fund Accounting

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

The purpose of the Supervisor of Elections' fund is as follows:

Governmental Fund

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

**HARDEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

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 classifications of fund balances are described as follows:

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

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

Committed Fund Balance – Amounts that can be spent only for specific purposes determined by a formal action of the Supervisor of Elections' highest level of decision-making authority.

Assigned Fund Balance – Amounts the Supervisor of Elections intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed.

Unassigned Fund Balance – Amounts that are available for any purpose; these amounts can be reported only in the Supervisor of Elections' General Fund.

As the Supervisor of Elections is an elected official responsible for the activities of the Supervisor of Elections' office, the Supervisor of Elections is the highest level of decision-making authority and any official order from the Supervisor of Elections would be required to authorize commitment of fund balance.

The Supervisor of Elections 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 which restricted, committed, assigned, or unassigned amounts are available to be used, the Supervisor of Elections will first use restricted amounts, then committed amounts, then assigned amounts, and finally unassigned amounts.

Capital Assets

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

**HARDEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

Capital assets are defined by the Supervisor of Elections as assets with an initial, individual cost of \$1,500 or more and an estimated useful life in excess of one year. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets.

Accumulated Annual Leave

It is the Supervisor of Elections' policy to allow employees to accumulate vacation leave. At one year of service, employees are vested and shall be paid for accumulated an unused vacation leave up to a maximum of 200 hours.

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

Use of Estimates

The preparation of the fund financial statements is in conformity with U.S. GAAP, as applicable to government entities requires management to make use of estimates that affect the reported amounts in the financial statements. Actual results could differ from estimates.

Other Postemployment Benefit Obligations

In accordance with Section 112.0801, Florida Statutes, the Supervisor of Elections participates with the County in offering retiring employees the opportunity to continue in the County's health insurance plan. The participating retirees pay a certain portion of the premium cost applicable to an active employee based on years of service and other factors. The liability and expense for other postemployment benefits, calculated in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension*, are reported in the financial statements of the County.

HARDEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 2 CASH

At September 30, 2024, the bank balance of the Supervisor of Elections' deposits were \$39,534 and the book balance was \$9,352, consisting entirely of demand deposits. The entire amount of the demand deposits is deposited in a state of Florida qualified depository and, therefore, is fully collateralized.

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

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

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

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

HARDEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

NOTE 3 CAPITAL ASSETS

Capital asset activity for the fiscal year is as follows:

	Balance October 1, 2023	Additions	Disposals	Balance September 30, 2024
Capital Assets, Being Depreciated				
Machinery and Equipment	\$ 316,405	\$ -	\$ -	\$ 316,405
Less: Accumulated Depreciation				
Machinery and Equipment	(210,836)	(14,679)	-	(225,515)
Total Capital Assets, Being Depreciated, Net	105,569	(14,679)	-	90,890
Right-to-Use Lease Assets				
Equipment	10,028	-	-	10,028
Less: Accumulated Amortization				
Equipment	(4,034)	(2,017)	-	(6,051)
Total Right-to-Use Lease Assets, Net	5,994	(2,017)	-	3,977
Total Capital Assets, Net	<u>\$ 111,563</u>	<u>\$ (16,696)</u>	<u>\$ -</u>	<u>\$ 94,867</u>

**HARDEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

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 of Elections are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost-sharing, multiemployer, 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' Web site (www.dms.myflorida.com).

Florida Retirement System Pension Plan

Plan Description

The Florida Retirement System Pension Plan (the 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.

**HARDEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 4 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, if vested, 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 55, if vested, or at any age after 25 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 8 years after electing to participate, except that certain instructional personnel may participate for up to 10 years. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided

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

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

**HARDEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 4 PENSION PLAN (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Benefits Provided (Continued)

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

Retiree Health Insurance Subsidy Program

Plan Description

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

Benefits Provided

Eligible retirees and beneficiaries receive a monthly HIS payment of \$7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$45 and a maximum HIS payment of \$225 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

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

FRS Investment Plan

Plan Description

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

**HARDEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 4 PENSION PLAN (CONTINUED)

FRS Investment Plan (Continued)

Plan Description (Continued)

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

Benefits Provided

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, 2024, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Supervisor of Elections.

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

**HARDEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 4 PENSION PLAN (CONTINUED)

FRS Investment Plan (Continued)

Contributions

Participating employer contributions are based upon statewide rates established by the state of Florida. The Supervisor of Elections' contributions made during the years ended September 30, 2024, 2023, and 2022 were \$81,768, \$71,499, and \$65,000, respectively, equal to the actuarially determined required contribution requirements for each year.

Additional information about pension plans can be found in the County-wide financial statements.

NOTE 5 COMPENSATED ABSENCES

The following is a summary of the changes in compensated absences obligations for the year ended September 30, 2024:

	Balance October 1, 2023	Net Change	Balance September 30, 2024	Due Within One Year
Accrued Compensated Absences	<u>\$ 906</u>	<u>\$ 2,192</u>	<u>\$ 3,098</u>	<u>\$ 3,098</u>

Accrued compensated absences represent the vested portion of accrued annual leave. See Note 1 for a summary of the Supervisor of Elections' compensated absences policy.

NOTE 6 LEASES

The Supervisor of Elections leases assets for various terms under certain agreements that meet the definition of a lease under GASB Statement No. 87 – *Leases*. Detailed information about the Supervisor of Elections' leases can be found in the Hardee County county-wide financial statements.

Leases entered into by the Supervisor of Elections are included as other financing sources and capital outlay expenditures in the statement of revenues, expenditures, and changes in fund balance in the year of inception. Payments made in accordance with the lease terms are reported as debt service expenditures in the statement of revenues, expenditures, and changes in fund balance as they are incurred.

During the year ended September 30, 2024, the Supervisor of Elections payments of principal and interest on leases totaled \$2,015 and \$174, respectively.

**HARDEE COUNTY SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 7 RELATED PARTY TRANSACTIONS

Transactions with the Board for the year ended September 30, 2024 were as follows:

The General Fund of the Supervisor of Elections received revenue from the Board in the amount of \$613,425 for the fiscal year ended September 30, 2024. The General Fund paid \$32,283 to the Board for health insurance. In addition, \$21,462 was due from the Board at September 30, 2024.

NOTE 8 RISK MANAGEMENT

The Supervisor of Elections participates in the risk management program through the Hardee County Board of County Commissioners under a local government risk pool. The following types of risk are provided for under the risk management pool:

- Property and General Liability
- Automobile Liability
- Public Officials' Liability
- Workers' Compensation

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

NOTE 9 CONTINGENCIES

The Supervisor of Elections has received grants which are subject to special compliance audits by the grantor agency and which may result in disallowed expenditure amounts. These amounts, if any, constitute a contingent liability of the Supervisor of Elections. Accordingly, such liabilities are not reflected within the financial statements. Management does not believe the effects of contingent liabilities, if any, will be material to the financial statements.



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

The Honorable Diane Smith
Supervisor of Elections
Hardee County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the General Fund of the Supervisor of Elections of Hardee County, Florida (Supervisor of Elections), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise Supervisor of Elections' basic financial statements, and have issued our report thereon dated January 31, 2025.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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 or significant deficiencies may exist that were not identified.

The Honorable Diane Smith
Supervisor of Elections
Hardee County, Florida

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Supervisor of Elections' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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

CliftonLarsonAllen LLP

Sebring, Florida
January 31, 2025



MANAGEMENT LETTER

The Honorable Diane Smith
Supervisor of Elections
Hardee County, Florida

Report on the Financial Statements

We have audited the financial statements of the Supervisor of Elections of Hardee County, Florida (Supervisor of Elections), Florida as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated January 31, 2025.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated January 31, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

The Honorable Diane Smith
Supervisor of Elections
Hardee County, Florida

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 fraud, waste, or abuse, that has occurred or is likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. See item 2024-001 in the accompanying schedule of findings and responses.

Purpose of this Letter

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
January 31, 2025

**HARDEE COUNTY SUPERVISOR OF ELECTIONS
SCHEDULE OF FINDINGS AND RESPONSES
SEPTEMBER 30, 2024**

PRIOR YEAR

Prior Years Findings		Current Year Status			Current Year Finding #	2022-2023 Year Finding #	2021-2022 Year Finding #
		Cleared	Partially Cleared	Not Cleared			
2023-001 Budgets	Compliance			X	2024-001	2023-001	N/A

CURRENT YEAR FINDINGS AND RECOMMENDATIONS

2024-001 – Budgets

Type of Finding: Compliance

Condition: For the year ended September 30, 2024, expenditures in the General Fund exceeded the final appropriated budget.

Criteria or Specific Requirement: Section 129.201, Florida Statutes, sets forth the requirements of the Supervisor of Elections' budget.

Context: Testing of compliance with budgetary requirements identified the deficiency.

Effect: The Supervisor of Elections is not in compliance with the budgetary requirements of Florida Statutes.

Cause: The budget was not amended for certain expenditures which were not part of the original budget. The reported total expenditures of the General Fund exceeded the final budget.

Recommendation: Budgets should be monitored and amended when needed, within the time period allowed by statute, to ensure that the Supervisor of Elections does not incur expenditures in excess of budgeted amounts. The Supervisor of Elections should request amendments to their General Fund budget for any additional revenue sources and associated expenditures.

Views of Responsible Officials: I concur with the findings of the Auditor's Report for the 2023/2024 Budget year. The Supervisor of Elections Office will attempt to prevent future occurrences.



INDEPENDENT ACCOUNTANTS' REPORT

The Honorable Diane Smith, Supervisor of Elections
and the Florida Auditor General
Hardee County, Florida

We have examined the Supervisor of Elections of Hardee County, Florida (Supervisor of Elections), compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2024. Management of the Supervisor of Elections is responsible for the Supervisor of Elections' compliance with the specified requirements. Our responsibility is to express an opinion on the Supervisor of Elections' compliance with the specified requirements based on our examination.

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

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

Our examination does not provide a legal determination on the Supervisor of Elections' compliance with specified requirements.

In our opinion, the Supervisor of Elections complied, in all material respects, with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2024.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Sebring, Florida
January 31, 2025

HARDEE COUNTY TAX COLLECTOR

**FINANCIAL STATEMENTS AND
SUPPLEMENTAL REPORTS**

YEAR ENDED SEPTEMBER 30, 2024



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**HARDEE COUNTY TAX COLLECTOR
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INDEPENDENT AUDITORS' REPORT

The Honorable April Lambert
Tax Collector
Hardee County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the General Fund and the aggregate remaining fund information of the Tax Collector of Hardee County, Florida (Tax Collector), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Tax Collector's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the General Fund and the aggregate remaining fund information of the Tax Collector of Hardee County as of September 30, 2024, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Tax Collector of Hardee County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1, the financial statements of the Tax Collector of Hardee County 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 financial statements are intended to present the financial position and the changes in financial position of only that portion of the General Fund and the aggregate remaining fund information of Hardee County, Florida that is attributable to the transactions of the Tax Collector. They do not purport to, and do not, present fairly the financial position of Hardee County, Florida, as of September 30, 2024, or the changes in its financial position, and, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

The Honorable April Lambert
Tax Collector
Hardee County, Florida

Required Supplementary Information

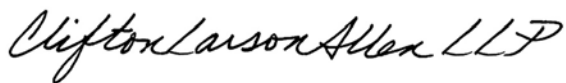
Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required 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 opinions on the basic financial statement are not affected by this missing information.

Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 19, 2024, on our consideration of the Tax Collector's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Tax Collector's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tax Collector's internal control over financial reporting and compliance.

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

CliftonLarsonAllen LLP

Sebring, Florida
December 19, 2024

**HARDEE COUNTY TAX COLLECTOR
BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2024**

ASSETS

Cash	\$ 162,397
Accounts Receivable	<u>18,504</u>
Total Assets	<u><u>\$ 180,901</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Accounts Payable	\$ 2,421
Due to the Board of County Commissioners	175,094
Due to Other Governments	<u>3,386</u>
Total Liabilities	180,901

FUND BALANCE

Total Liabilities and Fund Balance	<u><u>\$ 180,901</u></u>
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See accompanying Notes to Financial Statements.

**HARDEE COUNTY TAX COLLECTOR
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2024**

	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$ 1,031,890	\$ 1,031,890	\$ 1,102,076	\$ 70,186
Interest	200	200	4,709	4,509
Miscellaneous	5,154	5,154	-	(5,154)
Total Revenues	1,037,244	1,037,244	1,106,785	69,541
EXPENDITURES				
Current:				
General Government:				
Salaries and Benefits	908,553	880,753	788,162	92,591
Operating Expenditures	128,191	135,991	97,260	38,731
Capital Outlay	500	20,500	20,000	500
Debt Service:				
Principal Retirement	-	-	30,615	(30,615)
Interest and Fiscal Charges	-	-	608	(608)
Total Expenditures	1,037,244	1,037,244	936,645	100,599
EXCESS OF REVENUES OVER EXPENDITURES	-	-	170,140	170,140
OTHER FINANCING USES				
Distribution of Excess Revenues:				
Board of County Commissioners	-	-	(166,754)	(166,754)
Other Governments	-	-	(3,386)	(3,386)
Total Other Financing Uses	-	-	(170,140)	(170,140)
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.

**HARDEE COUNTY TAX COLLECTOR
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2024**

	<u>Custodial Funds</u>
ASSETS	
Cash	\$ 464,504
LIABILITIES	
Due to Individuals	26,734
Due to Other Governments	100,696
Deposit - Installment Taxes	<u>337,074</u>
Total Liabilities	<u>464,504</u>
NET POSITION	<u><u>\$ -</u></u>

See accompanying Notes to Financial Statements.

**HARDEE COUNTY TAX COLLECTOR
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED SEPTEMBER 30, 2024**

	Custodial Funds
ADDITIONS	
Property Tax Collections for Other Governments	\$ 18,347,000
License and Fees Collected for State Agencies	<u>4,020,573</u>
Total Additions	22,367,573
DEDUCTIONS	
Payments of Property Tax to Other Governments	18,324,475
Payments to State Agencies	<u>4,043,098</u>
Total Deductions	<u>22,367,573</u>
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	-
Fiduciary Net Position - Beginning of Year	<u>-</u>
FIDUCIARY NET POSITION - END OF YEAR	<u><u>\$ -</u></u>

See accompanying Notes to Financial Statements.

**HARDEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Tax Collector of Hardee County, Florida (Tax Collector) conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governments. The following is a summary of significant accounting principles and policies used in the preparation of these financial statements.

Reporting Entity

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

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

Basis of Presentation, Basis of Accounting, and Measurement Focus

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

The General Fund is used to account for all revenues and expenditures applicable to the general operations of the Tax Collector. It is presented as a major governmental fund, which uses the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government 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. However, expenditures related to accumulated compensated absences, and claims and judgments are recorded only when payments are due.

The custodial funds use the economic resources measurement focus and the accrual basis of accounting.

**HARDEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation, Basis of Accounting, and Measurement Focus (Continued)

Charges for services on the collection of property taxes are recognized as revenue in the fiscal year for which taxes are levied, provided they are collected within 60 days after the end of the fiscal year. Those fees are earned pursuant to Florida Statute Chapter 192.091(2) as a Fee Officer. Certain other miscellaneous revenues are recorded as revenues when received because they are generally not measurable until actually received. Investment revenues are recorded as earned.

Any excess revenues received over expenditures made are remitted to the Board and the other taxing districts and recorded as other financing uses.

Budgetary Requirement – Expenditures are controlled by appropriations in accordance with the budget requirements set forth in the Florida Statutes.

A budget is legally adopted for the General Fund and is on a basis consistent with GAAP. Budgetary control is at the expenditure classification level (personal services, operating expenditures, capital outlay). Budgetary changes within expenditure classification are made at the discretion of the Tax Collector. Amendments between expenditure classifications must be submitted to the State of Florida Department of Revenue for approval. The budgeted revenues and expenditures in the accompanying financial statements reflect all approved amendments.

Property Tax Collection – Chapter 197, Florida Statutes, governs property tax collection.

Current Taxes – All property taxes become due and payable on November 1 and are delinquent on April 1 of the following year. Discounts of 4%, 3%, 2%, and 1% are allowed for early payment in November through February, respectively.

Unpaid Taxes – Sale of Tax Certificates – The Tax Collector advertises, as required by Florida Statutes, and then sells tax certificates on all real property for unpaid taxes. Certificates not purchased are issued to the County. Any person owning real property upon which a tax certificate has been sold may reacquire the real property by paying the Tax Collector the face amount of the tax certificate plus interest and other costs.

Tax Deeds – The owner of a tax certificate may file an application for tax deed sale two years after the taxes have been delinquent (after April 1). The County, as a certificate owner, may exercise similar procedures two years after taxes have been delinquent (after April 1). Tax deeds are issued to the highest bidder of the property, which is sold at public auction. The Clerk of the Circuit Court administers these sales.

Refund of "Excess Fees" – Florida Statutes provide that the excess of the Tax Collector's fee revenue over expenditures is to be distributed to each governmental agency in the same proportion as the fees paid by the governmental agency bear to total fee income of the office. The amount of the undistributed excess fees at the end of the fiscal year is reported as amounts due to the Board of County Commissioners and other taxing districts.

**HARDEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Accounting

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

Governmental Fund

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

Fiduciary Funds

Custodial Funds – Custodial funds are fiduciary in nature and used to account for assets associated with property tax and motor vehicle activities, which benefit other governments.

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 of September 30, 2024, there was no fund balance in the General Fund and no classification for fund balance is necessary.

As the Tax Collector is an elected official responsible for the activities of the Tax Collector's office, the Tax Collector is the highest level of decision-making authority and any official order from the Tax Collector would be required to authorize commitment of fund balance.

The Tax Collector 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 which restricted, committed, assigned, or unassigned amounts are available to be used, the Tax Collector will first use restricted amounts, then committed amounts, then assigned amounts, and finally unassigned amounts.

Net Position

As of September 30, 2024, there was no net position in the Fiduciary Funds and no classification for net position is necessary.

Capital Assets

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

**HARDEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

Capital assets are defined by the Tax Collector as assets with an initial, individual cost of \$1,500 or more and an estimated useful of life in excess of one year. Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets.

Accumulated Unpaid Vacation and Sick Pay

It is the Tax Collector's policy to allow employees to accumulate vacation and sick leave. After one year of service, employees are vested and shall be paid for accumulated and unused vacation leave up to a maximum of 120 hours. As an additional incentive, all employees who have been employed 20 years or more are eligible to be paid for accumulated sick leave at varying percentages based on the number of years of employment ranging from 25% to 50% of their accumulated leave.

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

Use of Estimates

The preparation of the 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 statements. Actual results could differ from estimates.

Other Postemployment Benefit Obligations

In accordance with Section 112.0801, Florida Statutes, the Tax Collector participates with the County in offering retiring employees the opportunity to continue in the County's health insurance plan. The participating retirees pay a certain portion of the premium cost applicable to an active employee based on years of service and other factors. The liability and expense for other postemployment benefits, calculated in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pension*, are reported in the financial statements of the County.

**HARDEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 2 CUSTODIAL CREDIT RISK

At September 30, 2024, the Tax Collector's bank balance was \$725,443, consisting entirely of demand deposits. The entire amount of the demand deposits is deposited in a state of Florida qualified depository and, therefore, is fully collateralized.

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

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

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

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

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

Demand Deposits	\$ 625,451
Petty Cash and Change Funds	<u>1,450</u>
Total	<u><u>\$ 626,901</u></u>
Balance Sheet:	
Cash	\$ 162,397
Statement of Fiduciary Net Position - Fiduciary Funds:	
Cash	<u>464,504</u>
Total Cash	<u><u>\$ 626,901</u></u>

**HARDEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 3 CAPITAL ASSETS

Capital asset activity for the fiscal year is as follows:

	Balance October 1, 2023	Additions	Disposals	Balance September 30, 2024
Capital Assets, Being Depreciated:				
Machinery and Equipment	\$ 127,018	\$ 20,000	\$ -	\$ 147,018
Less: Accumulated Depreciation:				
Machinery and Equipment	(118,156)	(6,328)	-	(124,484)
Total Capital Assets, Being Depreciated, Net	8,862	13,672	-	22,534
Subscription Based Information				
Technology Arrangement Assets:				
Subscription Based Information				
Technology Arrangements	63,015	-	-	63,015
Less Accumulated Amortization:				
Subscription Based Information				
Technology Arrangements	(27,789)	(29,586)	-	(57,375)
Total Subscription Based Information				
Technology Arrangement Assets, Net	35,226	(29,586)	-	5,640
Total Capital Assets, Net	<u>\$ 44,088</u>	<u>\$ (15,914)</u>	<u>\$ -</u>	<u>\$ 28,174</u>

NOTE 4 DEFINED BENEFIT PENSION PLANS

Background

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

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

**HARDEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 4 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Florida Retirement System Pension Plan

Plan Description

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

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

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 if vested, 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 55, if vested, or at any age after 25 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 8 years after electing to participate, except that certain instructional personnel may participate for up to 10 years. 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.

**HARDEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 4 DEFINED BENEFIT 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, 2024, eligible retirees and beneficiaries received a monthly HIS payment of \$7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$45 and a maximum HIS payment of \$225 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.

**HARDEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 4 DEFINED BENEFIT 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 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. Tax Collector employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll and by forfeited benefits of plan members.

Benefits Provided

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, 2024, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the Tax Collector.

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

**HARDEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 4 DEFINED BENEFIT PENSION PLANS (CONTINUED)

Contributions

Participating employer contributions are based upon statewide rates established by the state of Florida. The County's contributions made to the plans during the years ended September 30, 2024, 2023, and 2022 were \$141,192, \$122,288, and \$108,524, respectively, equal to the actuarially determined contribution requirements for each year.

Additional information about pension plans can be found in the Hardee County's comprehensive annual financial report.

NOTE 5 COMPENSATED ABSENCES

The following is a summary of the changes in compensated absences for the year ended September 30, 2024:

	Balance October 1, 2023	Net Change	Balance September 30, 2024	Due Within One Year
Accrued Compensated Absences	<u>\$ 22,629</u>	<u>\$ (505)</u>	<u>\$ 22,124</u>	<u>\$ 10,910</u>

Accrued compensated absences represent the vested portion of accrued vacation and sick leave. See Note 1 for a summary of the Tax Collector's compensated absences policy. The long-term liabilities are not reported in the financial statements of the Tax Collector since they are not payable from spendable resources. They are reported in the financial statements of Hardee County.

NOTE 6 SUBSCRIPTION-BASED INFORMATION TECHNOLOGY AGREEMENTS

The Tax Collector has entered into subscription based-information technology arrangements (SBITAs) for various terms under certain agreements that meet the definition under GASB Statement No. 96, *Subscription-Based Information Technology Agreements*. Detailed information about the Tax Collector's SBITAs can be found in the Hardee County county-wide financial statements.

SBITAs entered into by the Tax Collector are included as other financing sources and capital outlay expenditures in the statement of revenues, expenditures, and changes in fund balance in the year of inception. Payments made in accordance with the lease terms are reported as debt service expenditures in the statement of revenues, expenditures, and changes in fund balance as they are incurred.

During the year ended September 30, 2024, the Tax Collector's payments of principal and interest totaled \$30,615 and \$608, respectively.

**HARDEE COUNTY TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

NOTE 7 RELATED PARTY TRANSACTIONS

Transactions with the Hardee County Board of County Commissioners for the year ended September 30, 2024 were as follows:

The General Fund of the Tax Collector received revenue from the Board of County Commissioners in the amount of \$761,012 for the year ended September 30, 2024. The General Fund of the Tax Collector paid \$118,853 to the Board of County Commissioners for Health Insurance. In addition, \$175,094 was due to the Board of County Commissioners at September 30, 2024 from the General Fund.

NOTE 8 RISK MANAGEMENT

The Tax Collector participates in the risk management program through the Hardee County Board of County Commissioners under a local government risk pool. The following types of risk are provided for under the risk management pool:

- Professional Liability
- Automobile Liability
- Public Officials' Liability
- Workers' Compensation

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

NOTE 9 CONTINGENCIES

The Tax Collector is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operations. In the opinion of management, the ultimate disposition of these lawsuits and claims should not have a material adverse effect on the financial position of the Tax Collector.

**HARDEE COUNTY TAX COLLECTOR
COMBINING STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS – CUSTODIAL FUNDS
SEPTEMBER 30, 2024**

	Custodial Funds		Total
	Tax Collector	Motor Vehicle	Custodial Funds
ASSETS			
Cash	\$ 366,720	\$ 97,784	\$ 464,504
LIABILITIES			
Due to Individuals	26,734	-	26,734
Due to Other Governments	2,912	97,784	100,696
Deposit - Installment Taxes	337,074	-	337,074
Total Liabilities	366,720	97,784	464,504
NET POSITION	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**HARDEE COUNTY TAX COLLECTOR
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS – CUSTODIAL FUNDS
YEAR ENDED SEPTEMBER 30, 2024**

	Custodial Funds		Total Custodial Funds
	Tax Collector	Motor Vehicle	
ADDITIONS			
Property Tax Collections for Other Governments	\$ 18,347,000	\$ -	\$ 18,347,000
License and Fees Collected for State Agencies	-	4,020,573	4,020,573
Total Additions	18,347,000	4,020,573	22,367,573
DEDUCTIONS			
Payments of Property Tax to Other Governments	18,324,475	-	18,324,475
Payments to State Agencies	22,525	4,020,573	4,043,098
Total Deductions	18,347,000	4,020,573	22,367,573
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	-	-	-
Fiduciary Net Position - Beginning of Year	-	-	-
FIDUCIARY NET POSITION - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



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

The Honorable April Lambert
Tax Collector
Hardee 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 of Hardee County, Florida (Tax Collector), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Tax Collector's basic financial statements, and have issued our report thereon dated December 19, 2024.

Report on Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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 or significant deficiencies may exist that were not identified.

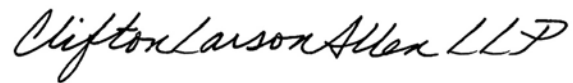
The Honorable April Lambert
Hardee County Tax Collector

Report on 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 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.

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

CliftonLarsonAllen LLP

Sebring, Florida
December 19, 2024



MANAGEMENT LETTER

The Honorable April Lambert
Tax Collector
Hardee County, Florida

Report on the Financial Statements

We have audited the financial statements of the Tax Collector of Hardee County, Florida, (Tax Collector) as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated December 19, 2024.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated December 19, 2024, 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 in the preceding annual financial audit report.

Official Title and Legal Authority

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

The Honorable April Lambert
Hardee County Tax Collector

Financial Management

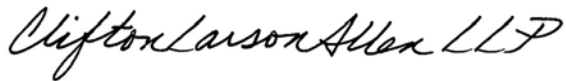
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

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

Purpose of this Letter

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

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

CliftonLarsonAllen LLP

Sebring, Florida
December 19, 2024



INDEPENDENT ACCOUNTANTS' REPORT

The Honorable April Lambert, Tax Collector
and the Florida Auditor General
Hardee County, Florida

We have examined the Tax Collector of Hardee County, Florida's (Tax Collector) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2024. Management of the Tax Collector is responsible for the Tax Collector's compliance with the specified requirements. Our responsibility is to express an opinion on the Tax Collector's compliance with the specified requirements based on our examination.

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

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the engagement.

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

In our opinion, the Tax Collector complied, in all material respects, with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2024.

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

CliftonLarsonAllen LLP

Sebring, Florida
December 19, 2024



VICTORIA L. ROGERS

HARDEE COUNTY, CLERK OF THE CIRCUIT COURT AND COMPTROLLER

WAUCHULA, FL 33873
PHONE : (863) 773-4174
WEBSITE : WWW.HARDEECLERK.COM

417 WEST MAIN STREET, ROOM 214
WAUCHULA, FL
33873
FAX : (863) 773-4422

Hardee County respectfully submits the following corrective action plan for the year ended September 30, 2024.

Audit period: October 1, 2023 through September 30, 2024

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

2024-001 Financial Statement Adjustments

Recommendation: The county should update fiscal year-end and monthly closing checklists to ensure that the impacted accounts are reconciled and reviewed. And, all transactions should be separately prepared and reviewed using all relevant data in order to accurately and completely capture all financial statement transactions. Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Additional levels of procedure will be implemented to ensure that all county accounts are properly reviewed to avoid any misstatements.

Name(s) of the contact person(s) responsible for corrective action: Lindsey Barwick, Accounting Manager Hardee County Clerk of Courts

Planned completion date for corrective action plan: September 30, 2025

MATERIAL WEAKNESS

2024-002 Schedule of Expenditures of Federal Awards and State Financial Assistance

Recommendation: We recommend developing additional preparation and review procedures related to grant reporting to ensure that federal program and state project expenditures are completely and accurately reported in accordance with Uniform Guidance and Chapter 69I-5, Rules of the Florida Department of Financial Services. The Schedule should include grant expenditures from all six offices that comprise the county-wide financial statements. And, the OMB compliance supplement should be consulted for guidance related to reporting requirements of the Schedule.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: New procedures will be implemented that create an additional level of review to ensure that federal and state expenditures are reported accurately.



VICTORIA L. ROGERS

HARDEE COUNTY, CLERK OF THE CIRCUIT COURT AND COMPTROLLER

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WAUCHULA, FL 33873
FAX : (863) 773-4422

Name(s) of the contact person(s) responsible for corrective action: Lindsey Barwick, Accounting Manager Hardee County Clerk of Courts & Lorie Ayers, General Services Director Hardee County Board of County Commissioners

Planned completion date for corrective action plan: September 30, 2025

FINDINGS—FEDERAL AWARD PROGRAMS AUDITS

Department of Homeland Security Federal Emergency Management Agency

2024-003 Disaster Grant Public Assistance – FEMA – Assistance Listing No. 97.036

Recommendation: Provide clear, updated guidance and periodic training sessions on earmarking rules and how to apply them. Conduct reviews of earmarking compliance.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: New procedures will be implemented that strengthen internal controls to ensure that all grant revenues are recorded properly.

Name(s) of the contact person(s) responsible for corrective action: Lindsey Barwick, Accounting Manager Hardee County Clerk of Courts & Lorie Ayers, General Services Director Hardee County Board of County Commissioners

Planned completion date for corrective action plan: September 30, 2025

Florida Division of Emergency Management

2024-004 HC Communication Tower – Assistance Listing No. 31.081

Recommendation: Begin implementing a step in the process that requires reconciliation of reported expenditures with the general ledger before submission.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: New procedures will be implemented that strengthen internal controls to ensure that all grant revenues are recorded properly..

Name(s) of the contact person(s) responsible for corrective action: Lindsey Barwick, Accounting Manager Hardee County Clerk of Courts & Lorie Ayers, General Services Director Hardee County Board of County Commissioners

Planned completion date for corrective action plan: September 30, 2025

If the Department has questions regarding this plan, please call Lindsey Barwick at (863)-773-4174.



VICTORIA L. ROGERS

HARDEE COUNTY, CLERK OF THE CIRCUIT COURT AND COMPTROLLER

WAUCHULA, FL 33873
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417 WEST MAIN STREET, ROOM 214
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SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS YEAR ENDED SEPTEMBER 30, 2024

Hardee County Florida respectfully submits the following summary schedule of prior audit findings for the year ended September 30, 2024.

Audit period: October 1, 2023 through September 30, 2024

The findings from the prior audit's schedule of findings and questioned costs are discussed below.

The findings are numbered consistently with the numbers assigned in the prior year.

FINDINGS—FINANCIAL STATEMENT AUDIT

2023-001 – Financial Statement Adjustments

Condition: As part of the audit, we proposed adjustments to correct the following errors in the County's financial statements:

- Assets and revenues were understated for the General Fund, Transportation Trust Fund, Tourist Development Fund, and governmental activities related to various derived tax revenues that were not accrued as of fiscal year-end.
- Assets and deferred inflows of resources were understated for the General Fund related to future opioid settlement payments that were not recognized as of fiscal year-end. In addition, assets and revenue were understated for governmental activities.
- Assets were overstated while revenues and expenditures were understated in the General Fund and governmental activities related to an error in recognizing a loss for theft of assets.

Status: See current year finding 2024-001.

Reason for finding's recurrence: Reconciliation and review processes did not detect errors in account balances.

Corrective Action: Staff will implement a more in-depth review policy for all end of year audit adjustments, as well as additional reviews to reconcile the entries posted to the trial balance.

2023-002 - Internal Controls over Vendor Change Management.

Condition: The County's internal controls over vendor change management were not adequately designed or effectively implemented to prevent fraudulent payments to external parties.

Status: Corrective action has been taken.



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2023-003 - Schedule of Expenditures of Federal Awards and State Financial Assistance

Condition: Our audit procedures identified the following errors in the Schedule of Expenditures of Federal Awards and State Financial Assistance (Schedule):

- Expenditures for one state financial assistance grant was incorrectly reported resulting in a net understatement of total state financial assistance.
- Expenditures for four federal awards grants were incorrectly reported resulting in a net overstatement of total of federal awards.

Status: The process for preparing the Schedule did not completely and accurately identify the expenditures of certain grants.

Corrective Action: New procedures will be implemented that create an additional level of review to ensure that federal and state expenditures are reported accurately.

2023-004 – Prior Period Restatement – Revenue Recognition

Condition: During the audit, it was disclosed that the beginning fund balance of the Grants Fund and net position of the Governmental Activities needed to be restated due to revenue that should have been recognized in the previous fiscal year.

Status: Corrective action has been taken.

FINDINGS— FEDERAL AWARD PROGRAMS AUDITS

There were no federal award program audit findings in the prior year.

FINDINGS— STATE AWARD PROGRAMS AUDITS

There were no state award program audit findings in the prior year.

If the oversight organization has questions regarding this schedule, please call:

Lindsey Barwick, Accounting Manager Hardee County Clerk of Courts
(863)773-4174

Or

Doug Baber, Assistant County Manager Hardee County Board of County Commissioners
(863)773-9430

Or

Lorie Ayers, General Services Director Hardee County Board of County Commissioners
(863)773-3199



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