

BARRON WATER CONTROL DISTRICT
BASIC FINANCIAL STATEMENTS
TOGETHER WITH REPORTS OF
INDEPENDENT AUDITOR
YEAR ENDED
September 30, 2023

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Affiliations

Florida Institute of Certified Public Accountants
 American Institute of Certified Public Accountants
 Private Companies Practice Section
 Tax Division

INDEPENDENT AUDITOR'S REPORT

Board of Supervisors
 Barron Water Control District
 P.O. Box 1606
 LaBelle, Florida 33975-1606

Opinions

We have audited the accompanying financial statements of the governmental activities and each major fund of Barron Water Control District (the "District") as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Summary of Opinions

<u>Opinion Unit</u>	<u>Type of Opinion</u>
Governmental Activities	Unmodified
General Fund	Unmodified
Capital Projects Fund	Unmodified

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 and each major fund of Barron Water Control District as of September 30, 2023, and the respective changes in financial position, 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. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District, 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.

We did not audit the financial statements of Florida Retirement Systems Pension Plan (FRS) or Health Insurance Subsidy Pension Plan (HIS) as of and for the year ended June 30, 2023. The District is required to record its proportionate share of the FRS and HIS liability in the District's government-wide financial statements as of September 30, 2023 and for the year then ended. Those financial statements were audited by other auditors whose report thereon has been furnished to us, and our opinion, insofar as it relates to the amounts included for Barron Water Control District's government-wide financial statements, is based on the report of the other auditors.

Management's Responsibility for the Financial Statements

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

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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 District'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.

Auditor's 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 auditor's 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 generally accepted 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 generally accepted 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 District'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 District'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.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages i - ix, Schedule of the District's Proportionate Share of the Net Pension Liability - Florida Retirement System Pension Plan (FRS), Schedule of District Contributions - Florida Retirement System Pension Plan (FRS), Schedule of the District's Proportionate Share of the Net Pension Liability - Health Insurance Subsidy Pension Plan (HIS), Schedule of District Contributions - Health Insurance Subsidy Pension Plan (HIS), Notes to the Required Supplementary Information and Schedule of Changes in the Total OPEB Liability and Related Ratios GASB No. 75 and related Notes to the Schedule, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which 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 - management's discussion and analysis (MD&A), Schedule of the District's Proportionate Share of the Net Pension Liability - Florida Retirement System Pension Plan (FRS), Schedule of District Contributions - Florida Retirement System Pension Plan (FRS), Schedule of the District's Proportionate Share of the Net Pension Liability - Health Insurance Subsidy

Pension Plan (HIS), Schedule of District Contributions - Health Insurance Subsidy Pension Plan (HIS), Notes to the Required Supplementary Information and Schedule of Changes in the Total OPEB Liability and Related Ratios GASB No. 75 and related Notes to the Schedule, as listed in the table of contents, in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the required supplementary information - management's discussion and analysis (MD&A), Schedule of the District's Proportionate Share of the Net Pension Liability - Florida Retirement System Pension Plan (FRS), Schedule of District Contributions - Florida Retirement System Pension Plan (FRS), Schedule of the District's Proportionate Share of the Net Pension Liability - Health Insurance Subsidy Pension Plan (HIS), Schedule of District Contributions - Health Insurance Subsidy Pension Plan (HIS), Notes to the Required Supplementary Information and Schedule of Changes in the Total OPEB Liability and Related Ratios GASB No. 75 and related Notes to the Schedule, as listed in the table of contents, because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Required Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Barron Water Control District's basic financial statements. The required supplementary information other than MD&A - budgetary comparison information is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The required supplementary information other than MD&A - budgetary comparison 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. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the required supplementary information other than MD&A - budgetary comparison information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the District's basic financial statements. The Exhibit 1 - Management's Response to Independent Auditor's Report to Management and Exhibit 2 - Florida Rules of the Auditor General - Rule 10.554(l)(i)6-8 Compliance - Unaudited are not a required part of the basic financial statements but are required by Government Auditing Standards and/or Rules of the Auditor General, Section 10.554(i), respectively. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by Section 218.415, Florida Statutes

In accordance with Section 218.415, Florida Statutes, we have also issued a report dated January 7, 2024, on our consideration of Barron Water Control District's compliance with provisions of Section 218.415, Florida Statutes. The purpose of that report is to describe the scope of our testing of compliance and the results of that testing, and to provide an opinion on compliance with the aforementioned Statute. That report is an integral part of an audit performed in accordance with Sections 218.39 and 218.415, Florida Statutes in considering Barron Water Control District's compliance with Section 218.415, Florida Statutes.

Board of Supervisors
Barron Water Control District
Page 4

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated January 7, 2024, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contract and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Barron Water Control District's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "Tuscán & Company, P.A." The signature is written in a cursive, flowing style.

TUSCAN & COMPANY, P.A.
Fort Myers, Florida
January 7, 2024

**MANAGEMENT'S DISCUSSION
AND ANALYSIS
(MD&A)**

BARRON WATER CONTROL DISTRICT

Management's Discussion and Analysis

For the year ending September 30, 2023

Management's Discussion and Analysis

This discussion and analysis of the Barron Water Control District (the "District") financial statements is intended to give an overview of the District's financial activities for the fiscal year ended September 30, 2023. The basic financial statements are comprised of the government-wide financial statements, governmental fund financial statements, and footnotes. It is our intent to assist the reader in identifying and understanding significant changes in the District's financial position.

Financial Highlights

- At the close of fiscal year 2023, the District's assets exceeded its liabilities, resulting in net position of \$2,590,131.
- The District had \$1,418,070 of unrestricted net position that can be used to meet the District's ongoing obligations at September 30, 2023.
- For the year ended September 30, 2023, the District's net position balance increased by \$241,045.
- At the close of fiscal year 2022, the District's assets exceeded its liabilities, resulting in net position of \$2,349,086.
- The District had \$1,247,757 of unrestricted net position that can be used to meet the District's ongoing obligations at September 30, 2022.
- For the year ended September 30, 2022, the District's net position balance decreased by \$58,906.
- Operationally, on a fund basis, the District's revenues exceeded expenditures by \$273,820 for the year ended September 30, 2023.
- Total governmental revenues increased \$562,093 or 56 percent for the year ended September 30, 2023 in comparison to the prior year.
- Total governmental expenses decreased \$262,142 or 25 percent for the year ended September 30, 2023 in comparison to the prior year.

- The net book value of the District’s capital assets increased by \$70,732 or 6 percent during the year ended September 30, 2023.
- Operationally, on a fund basis, the District’s expenditures exceeded revenues by \$5,566 for the year ended September 30, 2022.
- Total governmental revenues decreased \$312,153 or 24 percent for the year ended September 30, 2022 in comparison to the prior year.
- Total governmental expenses increased \$168,352 or 19 percent for the year ended September 30, 2022 in comparison to the prior year.
- The net book value of the District’s capital assets decreased by \$29,455 or 3 percent during the year ended September 30, 2022.
- As a result of GASB Statement #68, the District is required to annually record its proportionate share of the actuarially determined FRS’s net pension liability. The District recorded a net pension liability of \$437,087 and \$519,142 at September 30, 2022 and 2023, respectively.
- Effective September 30, 2018, the District adopted the provisions of Governmental Accounting Standards Board Statement No. 75 “*Accounting and Financial Reporting of Post Employment Benefits Other Than Pensions (OPEB)*” (Statement No. 75). This accounting standard requires the District to report its actuarially determined net OPEB liability of \$24,130 and \$26,701 in the government-wide financial statements of the District as of September 30, 2022 and 2023, respectively. It also required the beginning net asset balance to be restated for the year ended September 30, 2018.

Government-wide Financial Statements

Government-wide financial statements (Statement of Net Position and Statement of Activities found on pages 5 and 6) are intended to allow a reader to assess a government’s operational accountability. Operational accountability is defined as the extent to which the government has met its operating objectives efficiently and effectively, using all resources available for that purpose, and whether it can continue to meet its objectives for the foreseeable future. Government-wide financial statements concentrate on the District as a whole and do not emphasize fund types.

The Statement of Net Position (Page 5) presents information on all of the District’s assets and liabilities, with the difference between the two reported as net position. The District’s capital assets (property, buildings and equipment) are included in this Statement and are reported net of their accumulated depreciation.

The Statement of Activities (Page 6) presents revenue and expense information showing how the District's net position changed during the fiscal year. Both Statements are measured and reported using the economic resource measurement focus (revenues and expenses) and the accrual basis of accounting (revenue recognized when earned and expense recognized when a liability is incurred).

Governmental Fund Financial Statements

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

Governmental fund financial statements (found on pages 7 and 9) are prepared on the modified accrual basis using the current financial resources measurement focus. Under the modified accrual basis of accounting, revenues are recognized when they become measurable and available as net current assets.

Notes to the Financial Statements

The *notes* to the financial statements explain in detail some of the data contained in the preceding statements and begin on page 11. These notes are essential to a full understanding of the data provided in the government-wide and fund financial statements.

Government-Wide Financial Analysis

The government-wide financial statements were designed so that the user could determine if the District is in a better or worse financial condition from the prior year.

The following is a condensed summary comparison of net position for the primary government for fiscal year 2023, 2022 and 2021:

	2023	2022	2021
	<u>Amounts</u>	<u>Amounts</u>	<u>Amounts</u>
Assets:			
Current and other assets	\$ 2,070,492	\$ 1,785,771	\$ 1,779,703
Capital assets, net	<u>1,172,061</u>	<u>1,101,329</u>	<u>1,130,784</u>
Total Assets	<u>3,242,553</u>	<u>2,887,100</u>	<u>2,910,487</u>
Deferred outflows of resources	<u>160,416</u>	<u>196,200</u>	<u>219,142</u>
 Liabilities:			
Current liabilities	191,484	180,583	168,949
Non-current liabilities	<u>578,645</u>	<u>487,740</u>	<u>235,600</u>
Total Liabilities	<u>770,129</u>	<u>668,323</u>	<u>404,549</u>
Deferred inflows of resources	<u>42,709</u>	<u>65,891</u>	<u>317,088</u>
 Net Position:			
Net investment in capital assets	1,172,061	1,101,329	1,130,784
Restricted	-	-	-
Unrestricted	<u>1,418,070</u>	<u>1,247,757</u>	<u>1,277,208</u>
Total Net Position	<u>\$ 2,590,131</u>	<u>\$ 2,349,086</u>	<u>\$ 2,407,992</u>

At September 30, 2023, current and other assets represent 64 percent of total assets. Current assets are comprised of unrestricted cash balances of \$1,266,619, restricted cash of \$164,114, investments (CD) of \$590,725, receivables of \$2,466, due from other governments of \$45,963, and deposits and other assets of \$605. The balances of unrestricted cash represent amounts that are available for spending at the District's discretion. Restricted cash balances are for the Interlocal Agreement Fund.

At September 30, 2023, the capital assets of \$2,235,513 are comprised of land, buildings, improvements, equipment, furniture, and vehicles, and are shown net of accumulated depreciation of \$1,063,452.

The unrestricted net position balance at September 30, 2023 of \$1,418,070 represents an increase of \$170,313 or a 14 percent increase from the prior fiscal year. The District's Board budgeted for an increase in unrestricted net assets.

In regard to the General Fund operations of the District, the District is divided into four sub-districts, with maintenance tax levies for each unit based on benefits to that unit. For fiscal

year 2023 the maintenance tax levies were \$77.61 per acre Urban, \$38.81 per acre Urban Grove, \$21.92 per acre Irrigated Agriculture, and \$6.22 per acre Drainage Agriculture

At September 30, 2022, current and other assets represent 62 percent of total assets. Current assets are comprised of unrestricted cash balances of \$1,016,885, restricted cash of \$138,313, investments (CD) of \$577,148, receivables of \$2,883, due from other governments of \$39,613, and deposits and other assets of \$10,929. The balances of unrestricted cash represent amounts that are available for spending at the District's discretion. Restricted cash balances are for the Interlocal Agreement Fund.

At September 30, 2022, the capital assets of \$2,111,945 are comprised of land, buildings, improvements, equipment, furniture, and vehicles, and are shown net of accumulated depreciation of \$1,010,616.

The unrestricted net position balance at September 30, 2022 of \$1,247,757 represents a decrease of \$29,451 or a 2 percent decrease from the prior fiscal year. The District's Board budgeted for an increase in unrestricted net assets.

In regard to the General Fund operations of the District, the District is divided into four sub-districts, with maintenance tax levies for each unit based on benefits to that unit. For fiscal year 2022 the maintenance tax levies were \$67.85 per acre Urban, \$33.92 per acre Urban Grove, \$25.84 per acre Irrigated Agriculture, and \$5.24 per acre Drainage Agriculture.

The following is a Summary of Revenues, Expenses and Changes in Net Position:

Comparison Summary of Revenues, Expenses and
Changes in Net Position for the Years ended
September 30

	2023 Amounts	2022 Amounts	2021 Amounts
Revenues:			
Maintenance taxes	\$ 785,614	\$ 754,286	\$ 1,026,757
Charges for services *	427,519	237,749	271,810
Interest	39,659	3,789	7,770
Gain (loss) on disposition of capital assets	210,000	862	3,025
Miscellaneous (including rent)	106,646	10,659	10,136
Total Revenues	<u>1,569,438</u>	<u>1,007,345</u>	<u>1,319,498</u>
Expenditures:			
Administration			
Personnel services	250,992	203,815	184,739
Operating expenses	115,282	103,420	93,123
Depreciation	2,649	2,406	2,554
Total Administration	<u>368,923</u>	<u>309,641</u>	<u>280,416</u>
Field Operations			
Personnel services	402,650	308,091	261,766
Operating expenses	349,433	313,825	235,647
Depreciation	50,187	55,869	46,594
Total Field Operations	<u>802,270</u>	<u>677,785</u>	<u>544,007</u>
Canal System Agreement			
Operating Expenses	157,200	78,825	73,476
Total Expenses	<u>1,328,393</u>	<u>1,066,251</u>	<u>897,899</u>
Increase (decrease) in net position	241,045	(58,906)	421,599
Net Position - Beginning	<u>2,349,086</u>	<u>2,407,992</u>	<u>1,986,393</u>
Net Position - Ending	<u>\$ 2,590,131</u>	<u>\$ 2,349,086</u>	<u>\$ 2,407,992</u>

* Includes charges for services, joint trust contributions, intergovernmental revenue, labor and permit revenue

Capital Assets

Non-depreciable capital assets include land and construction in progress. Depreciable assets include buildings, improvements other than buildings, office equipment, machinery & equipment and vehicles.

The following is a schedule of the District's capital assets:

	Capital Assets September 30		
	2023	2022	2021
Capital Assets not being depreciated:			
Land	\$ 665,305	\$ 665,305	\$ 665,305
Rights of Way	74,323	74,323	74,323
Total Capital Assets not being depreciated	<u>739,628</u>	<u>739,628</u>	<u>739,628</u>
Capital Assets being depreciated:			
Buildings	228,103	204,023	204,023
Machinery & equipment	1,267,782	1,168,294	1,197,288
Total Capital Assets being depreciated	<u>1,495,885</u>	<u>1,372,317</u>	<u>1,401,311</u>
Less: Accumulated Depreciation			
Buildings	(149,885)	(147,236)	(144,830)
Machinery & equipment	(913,567)	(863,380)	(865,325)
Total accumulated depreciation	<u>(1,063,452)</u>	<u>(1,010,616)</u>	<u>(1,010,155)</u>
Capital Assets, Net	<u>\$ 1,172,061</u>	<u>\$ 1,101,329</u>	<u>\$ 1,130,784</u>

During the year ended September 30, 2023, the District purchased a backhoe, a pickup truck and new roof.

During the year ended September 30, 2022, the District purchased a new tractor.

During the year ended September 30, 2021, the District purchased a Ford F150 pickup truck, rotary mower, a pump and 3 pump station panels. The District disposed of a potart mower for \$3,025.

Debt Administration

The District had no outstanding debt at September 30, 2023 or 2022 or 2021 other than routine trade payables and accrued expenses including accrued compensated absences, net pension liability and the OPEB liability totaling \$578,645, \$487,740 and \$235,600, respectively.

Budgetary Highlights

For the fiscal year ended September 30, 2023, revenues exceeded expenditures by \$273,820. The surplus revenues enable the District to maintain the required emergency reserves and operational reserve. The increase in revenue resulted substantially from the sale of land.

For the fiscal year ended September 30, 2022, expenditures exceeded revenues by \$5,566. The excess expenditures were paid from unassigned fund balance. The decrease in maintenance revenue from the prior year resulted substantially from the decrease in collection of prior year maintenance assessment taxes.

There was no significant change in administration costs.

For the year ended September 30, 2023, field operation expenses increased over the prior fiscal year by approximately \$113,983 due to increased electrical costs and pump repair costs. Personnel cost was also higher significantly due to increase in the retirement liability. The only significant budget variance for the year ended September 30, 2023 was for capital outlay for which the District expended approximately \$62,000 more than budget for field equipment, overall, however, the District expenditures were significantly under budget.

The difference between the original and final budget was the adjustment of the carryforward to the prior year audited balance.

GASB Statement No. 75

The District was required to implement GASB Statement No. 75 for the year ended September 30, 2018 because it offers its employees additional benefits after retirement other than a pension (OPEB). As such, it was required to restate the results of the prior year in 2018 and record its proportionate share of its net liability each year. The total OPEB liability as of September 30, 2023 and 2022 was \$26,701 and \$24,130, respectively.

Known Facts for FY 2024

The District increased its maintenance tax rates for fiscal year 2024 due to rising personnel and operating costs as well as increased demand for services as follows, per acre:

	<u>2023</u>	<u>2024</u>
Urban	\$77.61	\$79.00
Urban Grove	\$38.81	\$39.50
Irrigated AG	\$21.92	\$21.58
Drainage AG	\$ 6.22	\$ 6.13

Request for Information

This financial report is designed to provide the reader an overview of the District. Questions regarding any information provided in this report should be directed to:

Judi Kennington-Korf, General Manager
863-675-0346

BARRON WATER CONTROL DISTRICT
STATEMENT OF NET POSITION
September 30, 2023

	<u>Governmental Activities</u>
ASSETS	
Current assets:	
Cash and cash equivalents - unrestricted	\$ 1,266,619
Cash and cash equivalents - restricted	164,114
Investments	590,725
Accounts receivable	2,466
Due from other governments	45,963
Deposits and other	<u>605</u>
Total current assets	<u>2,070,492</u>
Non-current assets:	
Capital assets:	
Non-depreciable land	739,628
Depreciable buildings, equipment and machinery (net of \$1,063,452 accumulated depreciation)	<u>432,433</u>
Total non-current assets	<u>1,172,061</u>
TOTAL ASSETS	<u>3,242,553</u>
DEFERRED OUTFLOWS OF RESOURCES	<u>160,416</u>
LIABILITIES	
Current liabilities:	
Accounts payable	35,412
Deposits	30,500
Due to other governments	15,789
Unearned revenue - JT Hendry County	109,783
Current portion of long-term obligations	<u>-</u>
Total current liabilities	<u>191,484</u>
Non-current liabilities:	
Non-current portion of long-term obligations	<u>578,645</u>
TOTAL LIABILITIES	<u>770,129</u>
DEFERRED INFLOWS OF RESOURCES	<u>42,709</u>
NET POSITION	
Net investment in capital assets	1,172,061
Restricted	-
Unrestricted	<u>1,418,070</u>
TOTAL NET POSITION	<u><u>\$ 2,590,131</u></u>

The accompanying notes are an integral part of this statement.

**BARRON WATER CONTROL DISTRICT
STATEMENT OF ACTIVITIES
Year Ended September 30, 2023**

EXPENSES	<u>Expenses</u>	<u>Program Revenues</u>			<u>Total Governmental Activities</u>
		<u>Charges for Services, Net</u>	<u>Rent Income</u>	<u>Interest Income</u>	
Governmental activities					
General government					
Administration					
Personnel services	\$ (250,992)				
Operating expenses	(115,282)				
Depreciation	(2,649)				
Interest and fiscal charges	-				
Total general government	<u>(368,923)</u>	\$ 75,500	\$ 4,800	\$ -	\$ (288,623)
Water control					
Personnel services	(402,650)				
Operating expenses	(349,433)				
Depreciation	<u>(50,187)</u>				
Total water control	<u>(802,270)</u>	-	-	39,659	(762,611)
Intergovernmental services fund					
Operating expenses	<u>(157,200)</u>				
Total intergovernmental services fund	<u>(157,200)</u>	156,849	-	-	(351)
Total governmental activities	<u>\$ (1,328,393)</u>	<u>\$ 232,349</u>	<u>\$ 4,800</u>	<u>\$ 39,659</u>	<u>(1,051,585)</u>
GENERAL REVENUES					
Maintenance taxes					785,614
Joint trust contributions					64,581
Intergovernmental revenue					113,603
Gain from disposition of capital assets					210,000
Labor					16,986
Miscellaneous					101,846
TOTAL GENERAL REVENUES					<u>1,292,630</u>
INCREASE (DECREASE) IN NET POSITION					241,045
NET POSITION - Beginning of the year					<u>2,349,086</u>
NET POSITION - End of the year					<u>\$ 2,590,131</u>

The accompanying notes are an integral part of this statement.

**BARRON WATER CONTROL DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
September 30, 2023**

	General Fund	Inter- Governmental Services Fund	Total Governmental Funds
	<u> </u>	<u> </u>	<u> </u>
ASSETS			
Cash and cash equivalents	\$ 1,266,619	\$ -	\$ 1,266,619
Restricted cash and cash equivalents	109,783	54,331	164,114
Investments	590,725	-	590,725
Accounts receivable	2,466	-	2,466
Due from other funds	26,399	-	26,399
Due from other governments	43,418	2,545	45,963
Deposits and other	<u>-</u>	<u>605</u>	<u>605</u>
TOTAL ASSETS	<u>\$ 2,039,410</u>	<u>\$ 57,481</u>	<u>\$ 2,096,891</u>
 LIABILITIES AND FUND BALANCE			
LIABILITIES			
Accounts payable and accrued liabilities	\$ 34,830	\$ 582	\$ 35,412
Deposits	-	30,500	30,500
Due to other funds	-	26,399	26,399
Due to other governments	15,789	-	15,789
Unearned revenue - JT Hendry County	<u>109,783</u>	<u>-</u>	<u>109,783</u>
TOTAL LIABILITIES	<u>160,402</u>	<u>57,481</u>	<u>217,883</u>
 FUND BALANCE			
General Fund:			
Nonspendable	-	-	-
Restricted	-	-	-
Assigned - emergency/disaster reserve	150,000	-	150,000
Unassigned	<u>1,729,008</u>	<u>-</u>	<u>1,729,008</u>
TOTAL FUND BALANCE	<u>1,879,008</u>	<u>-</u>	<u>1,879,008</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 2,039,410</u>	<u>\$ 57,481</u>	<u>\$ 2,096,891</u>

The accompanying notes are an integral part of this statement.

**BARRON WATER CONTROL DISTRICT
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT
OF NET POSITION - GOVERNMENTAL FUNDS
September 30, 2023**

	<u>Amount</u>
Total fund balance for governmental funds	\$ 1,879,008
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 governmental funds.	
Capital assets not being depreciated:	
Land and rights of way	<u>739,628</u>
	739,628
Capital assets being depreciated:	
Building, equipment and machinery	1,495,885
Less accumulated depreciation	<u>(1,063,452)</u>
	432,433
Deferred outflows and deferred inflows are applied to future periods and, therefore, are not reported in the governmental funds.	
Deferred outflows - pensions	155,880
Deferred outflows - OPEB	<u>4,536</u>
	160,416
Deferred inflows - pensions	(39,034)
Deferred inflows - OPEB	<u>(3,675)</u>
	(42,709)
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.	
Net pension liability - FRS	(370,517)
Net pension liability - HIS	(148,625)
Accrued compensated absences	(32,802)
Net OPEB liability	<u>(26,701)</u>
	(578,645)
Elimination of interfund amounts:	
Due to other funds	26,399
Due from other funds	<u>(26,399)</u>
	<u>-</u>
Total net position of governmental activities	<u>\$ 2,590,131</u>

The accompanying notes are an integral part of this statement.

BARRON WATER CONTROL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS
Year Ended September 30, 2023

	General Fund	Inter- Governmental Services Fund	Total Governmental Funds
REVENUES			
Maintenance taxes	\$ 785,614	\$ -	\$ 785,614
Joint trust contributions	64,581	-	64,581
Charges for services, net of refunds	-	156,849	156,849
Intergovernmental revenue	113,603	-	113,603
Permit fees	75,500	-	75,500
Interest	39,308	351	39,659
Labor	16,986	-	16,986
Rent	4,800	-	4,800
Miscellaneous	101,846	-	101,846
TOTAL REVENUES	<u>1,202,238</u>	<u>157,200</u>	<u>1,359,438</u>
EXPENDITURES			
Current			
General government			
Administration			
Personnel services	250,992	-	250,992
Operating expenditures	115,282	-	115,282
	<u>366,274</u>	<u>-</u>	<u>366,274</u>
Physical environment			
Field operations			
Personnel services	299,143	-	299,143
Operating expenditures	349,433	157,200	506,633
	<u>648,576</u>	<u>157,200</u>	<u>805,776</u>
Capital outlay	123,568	-	123,568
Debt service			
Principal retired	-	-	-
Interest charges	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL EXPENDITURES	<u>1,138,418</u>	<u>157,200</u>	<u>1,295,618</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>63,820</u>	<u>-</u>	<u>63,820</u>
OTHER FINANCING SOURCES (USES)			
Proceeds from disposition of capital assets	210,000	-	210,000
Transfers in (out)	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>210,000</u>	<u>-</u>	<u>210,000</u>
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES	<u>273,820</u>	<u>-</u>	<u>273,820</u>
FUND BALANCE - BEGINNING	<u>1,605,188</u>	<u>-</u>	<u>1,605,188</u>
FUND BALANCE - ENDING	<u>\$ 1,879,008</u>	<u>\$ -</u>	<u>\$ 1,879,008</u>

The accompanying notes are an integral part of this statement.

**BARRON WATER CONTROL DISTRICT
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE -
GOVERNMENTAL FUNDS TO THE STATEMENT
OF ACTIVITIES**

Year Ended September 30, 2023

	<u>Amount</u>
Net change (excess of revenues and other financing sources over (under) expenditures) in fund balance - total governmental funds	\$ 273,820
The increase (decrease) in net position reported for governmental activities in the Statement of Activities is different because:	
Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense.	
Plus: Expenditures for capital assets	123,568
Less: Proceeds from disposition of capital assets	(210,000)
Plus: Gain from disposition of capital assets	210,000
Less: Current year depreciation	<u>(52,836)</u>
	70,732
The issuance of debt is reported as a financing source in governmental funds and thus contributes to the change in fund balance. In the Statement of Net Position, however, issuing debt increases long-term liabilities and does not affect the Statement of Activities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the liability in the Statement of Net Position.	
Capital lease principal payments	<u>-</u>
	-
Some expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds.	
(Increase) decrease in net pension liability - FRS	(30,269)
(Increase) decrease in net pension liability - HIS	(51,786)
Increase (decrease) in deferred outflow - pensions	(34,884)
(Increase) decrease in deferred inflow - pensions	22,972
(Increase) decrease in net OPEB liability	(2,571)
Increase (decrease) in deferred outflow - OPEB	(900)
(Increase) decrease in deferred inflow - OPEB	210
(Increase) decrease in compensated absences	<u>(6,279)</u>
	<u>(103,507)</u>
Change (increase (decrease)) in net position of governmental activities	<u><u>\$ 241,045</u></u>

The accompanying notes are an integral part of this statement.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization and nature of activities

Barron Water Control District (the "District") is an independent special district created by the Twentieth Judicial Circuit Court in Case Number 72-197 on May 8, 1975, under the provisions of Florida Statute, Chapter 298, and as amended by Laws of Florida, Chapter 2000-416, which extended the Sunset Date of the District until September 30, 2020. Laws of Florida, Chapter 2001-301, approved May 29, 2001, codified, re-enacted, amended, and repealed its prior enabling acts. The enabling legislation was amended on March 25, 2016 by Laws of Florida 2016-260 which eliminated the District's Sunset Date. The District was formed for the purpose of preserving and protecting water resources by drainage, irrigation, or water management. Of the 30,366 acres of land within the District approximately 26,657 are taxable acres in Hendry and Glades Counties. The District is governed by an elected three (3) member Board of Supervisors on a one acre/one vote basis. The Supervisors serve staggered three (3) year terms.

Summary of significant accounting policies

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

The basic financial statements of the District are comprised of the following:

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

Reporting entity

The District adheres to Governmental Accounting Standards Board (GASB) Statement Number 14, "Financial Reporting Entity", as amended by GASB Statement Number 39, "Determining Whether Certain Organizations Are Component Units" and GASB Statement Number 61, "The Financial Reporting Entity: Omnibus - An Amendment of GASB Statements No. 14 and No. 34". These Statements require the basic financial statements of the District (the primary government) to include its component units, if any. A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable. Based on the criteria established in GASB 14, as amended, there are no components required to be included. Therefore, there are no component units included and/or required to be included in the District's basic financial statements.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Government-wide Financial Statements

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the activities of the District and do not emphasize fund types. These governmental activities comprise the primary government. General governmental and intergovernmental revenues support the governmental activities. The purpose of the government-wide financial statements is to allow the user to be able to determine if the District is in a better or worse financial position than the prior year. The effect of all interfund activity between governmental funds has been removed from the government-wide financial statements.

Government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. 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 GASB Statement Number 33, "Accounting and Financial Reporting for Nonexchange Transactions."

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 in the government-wide financial statements, rather than as expenditures.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and 2) grants and contributions that are restricted to meeting the operational or capital improvements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Government-wide Financial Statements, continued

Program revenues are considered to be revenues generated by services performed and/or by fees charged, such as permits allowing drainage into the District systems. The District also had program revenues from rent, charges for services, and interest income.

Fund Financial Statements

The District adheres to GASB Statement Number 54, "Fund Balance Reporting and Governmental Fund Type Definitions".

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

Fund financial statements for the District's governmental funds are presented after the government-wide financial statements. The governmental fund financial statements display information about major funds individually and nonmajor funds in aggregate for governmental funds.

Governmental Funds

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. 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.

The District's major funds are presented in separate columns on the governmental fund financial statements. The definition of a major fund is one that meets certain criteria set forth in GASB Statement Number 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments" (GASB 34). The funds that do not meet the criteria of a major fund are considered non-major funds and are combined into a single column on the governmental fund financial statements.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Governmental Funds, continued

Separate financial statements are provided for governmental funds. Major individual governmental funds are reported as separate columns in the fund financial statements. All governmental funds of the District are considered major funds.

Measurement Focus and Basis of Accounting

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Maintenance taxes and non-ad valorem taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements have been met.

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 collectible within the current period and soon enough thereafter to pay liabilities of the current period. For this purpose, the District considers tax revenues to be available if they are collected within sixty days of the end of the current fiscal period.

Revenues susceptible to accrual are tax assessments, interest on investments, and intergovernmental revenues. Assessments and taxes are recorded as revenues in the fiscal year in which they are levied, provided they are collected in the current period or within sixty days thereafter. Interest on invested funds is recognized when earned. Intergovernmental revenues that are reimbursements for specific purposes or projects are recognized when all eligibility requirements are met.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Measurement Focus and Basis of Accounting, continued

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include: (1) principal and interest on the long-term debt, if any, is recognized when due, and (2) expenditures are generally not divided between years by the recording of prepaid expenditures.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Non-current Government Assets/Liabilities

GASB 34 requires non-current governmental assets, such as land and buildings, and non-current governmental liabilities, such as notes and bonds payable, to be reported in the governmental activities column in the government-wide Statement of Net Position.

Major Funds

The District reports the following major governmental funds:

The General Fund is the District's primary operating fund. It accounts for all financial resources of the District, except those required to be accounted for in another fund.

The Intergovernmental Services Fund is a special revenue fund and accounts for the financial activity specifically related to and restricted to its canal irrigation system interlocal agreement. As such, the District's special revenue fund provides irrigation services to two independent special districts, Gerber Groves Water Control District and Collins Slough Water Control District, as well as the Barron Water Control District's General Fund. In accordance with GASB 34, the District accounts for this activity in a special revenue fund (a governmental fund).

Budgetary Information

The District has elected to report budgetary comparison of major funds as required supplementary information (RSI).

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Capital Assets

Capital assets, which include land, buildings, equipment, and machinery, are reported in the government-wide Statement of Net Position.

The District follows a capitalization policy which calls for capitalization of all capital assets that have a cost or donated value of \$1,000 or more and have a useful life in excess of one year.

All purchased capital assets are valued at cost where historical records are available and at an estimated historical cost where no historical records exist. Donated capital assets are valued at their estimated fair market value on the date donated. Public domain (infrastructure) capital assets consist of certain improvements other than building, including canals, water control structures, weirs, culverts, and excavations, are capitalized. The District has included the cost of land and the cost of land under and surrounding its canals as well as the infrastructure type assets into the "land" category of capital assets. Since the District continually maintains its canals and drainage systems, it has elected not to depreciate such systems. No debt-related interest expense is capitalized as part of capital assets in accordance with GASB 34.

Maintenance, repairs, and minor renovations are not capitalized. The acquisition of land and construction projects utilizing resources received from Federal and State agencies are capitalized when the related expenditure is incurred.

Expenditures that materially increase values, change capacities, or extend useful lives are capitalized. Upon sale or retirement, the cost is eliminated from the respective accounts.

Expenditures for capital assets are recorded in the fund statements as current expenditures. However, such expenditures are not reflected as expenditures in the government-wide statements but rather are capitalized and depreciated.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Asset</u>	<u>Years</u>
Buildings and Improvements	7-33
Equipment and Machinery	7-50

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Budgets and Budgetary Accounting

The District has adopted an annual budget for the General Fund. The District operates the Special Revenue Fund similar to an Internal Service Fund. As such, the fund is charged costs by the General Fund and by vendors for services performed. The Special Revenue Fund then allocates and bills the cost to the three participating entities. The fund has no intent to derive net income, but rather charges fees to the participating entities in amounts equal to costs incurred. No annual budget is required or adopted since revenue is equal to costs incurred and all costs are simply pass-through costs. Net revenue over (under) expenditures is always zero (\$0).

The District follows these procedures in establishing budgetary data for the General Fund.

1. During the spring of each year, the General Manager submits to the Board of Supervisors a proposed operating budget for the fiscal year commencing on the upcoming October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted to obtain taxpayer/landowner comments.
3. The budget is adopted by approval of the Board of Supervisors.
4. Budget amounts, as shown in these basic financial statements, are as originally adopted or as amended by the Board of Supervisors.
5. The budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America.
6. The level of control for appropriations is exercised at the fund level.
7. Appropriations lapse at year-end.
8. The Board of Supervisors approved one budget amendment to decrease total budgeted revenues and expenditures in the General Fund by \$5,566 during the fiscal year ended September 30, 2023. There were no amendments to the Special Revenue Fund budget during the fiscal year ended September 30, 2023.

Investments

The District adheres to the requirements of GASB Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools,"

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Investments, continued

in which all investments are reported at fair value. In addition, the District abides by Florida Statute 218.415(17) as its investment policy.

Investments consist of certificates of deposit.

Compensated Absences

The District's employees accumulate sick and annual leave based on the number of years of continuous service. Upon termination of employment, employees can receive payment of accumulated annual leave, if they meet certain criteria and 25% of sick if employed over 10 years.

Encumbrances

Encumbrances 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 District because, at present, it is not necessary in order to assure effective budgetary control or to facilitate effective cash planning and control.

Due To/From Other Funds

Interfund receivables and payables arise from interfund transactions and are recorded by the funds affected in the period in which the transactions are executed.

Due From Other Governments

No allowance for losses on uncollectible accounts has been recorded since the District considered all amounts to be fully collectible.

Fund Equity

The Board did adopt a fund balance policy. The policy calls for unassigned fund balance in the general fund ranging from 25% - 50% of budgeted expenditures. In the governmental fund financial statements, restriction of fund balance indicates amounts that are limited for a specific purpose, are not appropriable for expenditure, or are legally segregated for a specific future use. Assignments of fund balance represent tentative management plans. Such assignments can be changed and/or amended by Board Action. The Board has assigned \$150,000 for emergencies. Unassigned fund balance indicates funds that are available for current expenditure.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Pensions

In the government-wide Statement of Net Position, liabilities are recognized for the District's proportionate share of each pension plan's net pension liability. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS) and the Health Insurance Subsidy (HIS) defined benefit plan and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the Plans. For this purpose, benefit payments, (including refunds of employees contributions) are recognized when due and payable in accordance with the benefit terms.

The District's retirement plans and related amounts are described in a subsequent note.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense/expenditure) until then. The deferred amount on pensions and OPEB is reported in the government-wide Statement of Net Position. The deferred outflows of resources related to pensions and OPEB are discussed in subsequent notes.

In addition to liabilities, the Statement of Net Position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The deferred amount on pensions and OPEB is reported only in the government-wide Statement of Net Position. A deferred amount on pension results from the difference in the expected and actual amounts of experience, earnings, and contributions. This amount is deferred and amortized over the service life of all employees that are provided with these benefits through the plans except earnings which are amortized over five to seven years.

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

Interfund Transactions

The District considers interfund receivables (due from other funds) and interfund liabilities (due to other funds) to be loan transactions to and from other funds to cover temporary (three months or less) cash needs. Transactions that constitute reimbursements to a fund for expenditures/expenses initially made from it that are properly applicable to another fund are recorded as expenditures/expenses in the reimbursing funds and as reduction of expenditures/expenses in the fund that is reimbursed.

Leases

During the year ended September 30, 2022, the District adopted GASB Statement No. 87 - Leases. The District, however, determined that its current lease agreements to be immaterial. Therefore, there was no effect from GASB No. 87 at September 30, 2023.

Management Estimates

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

Subsequent Events

Subsequent events have been evaluated through January 7, 2024, which is the date the financial statements were available to be issued.

New Accounting Guidance

GASB 94: Public-Private and Public-Public Partnerships and Availability Payment Arrangements

In March 2020, the GASB issued Statement No. 94 (*Public-Private and Public-Public Partnerships and Availability Arrangements*) to bring a uniform guidance on how to report public-private and public-public partnership arrangements, will recognize receivables for installment payments, deferred inflows of resources,

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, CONTINUED

New Accounting Guidance, continued

and, when applicable, capital assets. Operators will recognize liabilities for installment payments and intangible right-to-use assets, and when applicable, deferred outflows of resources and liabilities for assets being transferred.

This Statement also provides guidance for accounting and financial reporting for availability payment arrangement in which a government compensates an operator for services such as designing, constructing, financing, maintaining, or operating an underlying asset for a period of time in an exchange or exchange-like transaction. The provisions of this Statement are effective for the District's financial statements for the year ended September 30, 2023. The District, however, had no arrangements that met this Statement's reporting criteria and/or the related arrangement costs were considered immaterial.

GASB 96: Subscription-Based Information Technology Arrangements (SBITAs)

In May 2020, the GASB issued Statement No. 96 (*Subscription-Based Information Technology Arrangements (SBITAs)*), which defined the SBITAs and provides accounting and financial reporting for SBITAs by governments. This Statement requires a government to recognize a subscription liability and an intangible right-to-use subscription asset for the SBITAs. The District is currently evaluating the impact this Statement may have on the financial statements when adopted. The provisions of this Statement are effective for the District's financial statements for the year ended September 30, 2023. The District, however, had no arrangements that met this statement's reporting criteria and/or the related arrangement costs were considered immaterial.

**BARRON WATER CONTROL DISTRICT
 NOTES TO THE FINANCIAL STATEMENTS
 September 30, 2023**

NOTE B - CASH AND INVESTMENTS

At September 30, 2023, cash and cash equivalents were \$1,430,733 which was comprised of unrestricted cash held in the General Fund of \$1,266,619 and \$164,114 total (all funds) restricted cash. Cash and cash equivalents are restricted at September 30, 2023, for the following purposes:

	<u>Amount</u>
General Fund:	
Joint Trust - Hendry County	\$ 109,783
Special Revenue Fund:	
Intergovernmental Services Fund	<u>54,331</u>
Total - Governmental funds	<u>\$ 164,114</u>

Deposits

The District's deposit policy allows deposits to be held in demand deposit or money market accounts. All District depositories are banks or savings institutions designated as qualified depositories by the State Treasurer.

At September 30, 2023, the carrying amount of the District's deposits were \$1,376,402 and \$54,331 in the General Fund and Special Revenue Fund, respectively. The bank balances were \$1,416,226 and \$29,331 in the General Fund and Special Revenue Fund, respectively. These deposits were entirely covered by Federal Depository Insurance or by collateral pursuant to the Florida Statute, Chapter 280, Public Depository Security Act of the State of Florida.

Investments

Florida Statutes and the District's investment policy authorize investments in certificates of deposit (CD). Certificates of deposit whose values exceed the amount of federal depository insurance are collateralized pursuant to the Public Depository Security Act of the State of Florida. The District had \$590,725 (bank and book balance) invested in certificates of deposit at September 30, 2023, of which \$150,000 is held as part of the General Fund - assigned for emergency/disaster reserves.

**BARRON WATER CONTROL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023**

NOTE C - DUE TO/FROM OTHER FUNDS

Interfund receivables and payables at September 30, 2023, are as follows:

<u>Fund</u>	<u>Due from other funds</u>	<u>Due to other funds</u>
General Fund:		
Special Revenue Fund -		
Intergovernmental Services Fund	\$ 26,399	\$ -
Total General Fund	<u>26,399</u>	<u>-</u>
Special Revenue Fund:		
General Fund	<u>-</u>	<u>26,399</u>
Total Special Revenue Fund	<u>-</u>	<u>26,399</u>
Total	<u>\$ 26,399</u>	<u>\$ 26,399</u>

Interfund receivables and payables were eliminated for presentation purposes in the Statement of Net Position at September 30, 2023.

NOTE D - RELATED PARTY TRANSACTIONS

The District paid \$87,518 to Port LaBelle Community Development District (PLCDD) during the year ended September 30, 2023, for rent for the maintenance building, health insurance, the use of a vehicle and other services performed under an intergovernmental agreement. In addition, the District received \$113,603 from PLCDD for the use of office space and computer facilities and for the cost sharing of the general manager and staff assistant.

Included in Due From Other Governments at September 30, 2023, is \$29,757 from PLCDD. Included in Due To Other Governments at September 30, 2023, is \$15,614 due to PLCDD.

BARRON WATER CONTROL DISTRICT
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2023

NOTE E - CAPITAL ASSETS ACTIVITY

The following is a summary of changes in capital assets activity for the year ended September 30, 2023:

	Balance October 1 2022	Increases/ Additions	Decreases/ Retirements	Adjustments/ Reclassifications	Balance September 30 2023
Capital Assets Not					
Being Depreciated:					
Land	\$ 665,305	\$ -	\$ -	\$ -	\$ 665,305
Rights-of-way	<u>74,323</u>	-	-	-	<u>74,323</u>
Total Capital Assets Not					
Being Depreciated	<u>739,628</u>	-	-	-	<u>739,628</u>
Capital Assets					
Being Depreciated:					
Buildings	204,023	24,080	-	-	228,103
Equipment & Machinery	<u>1,168,294</u>	<u>99,488</u>	-	-	<u>1,267,782</u>
Total Capital Assets					
Being Depreciated	<u>1,372,317</u>	<u>123,568</u>	-	-	<u>1,495,885</u>
Less Accumulated Depreciation:					
Buildings	(147,236)	(2,649)	-	-	(149,885)
Equipment & Machinery	<u>(863,380)</u>	<u>(50,187)</u>	-	-	<u>(913,567)</u>
Total Accumulated Depreciation	<u>(1,010,616)</u>	<u>(52,836)</u>	-	-	<u>(1,063,452)</u>
Total Capital Assets Being					
Depreciated, Net	<u>361,701</u>	<u>70,732</u>	-	-	<u>432,433</u>
Capital Assets, Net	<u>\$ 1,101,329</u>	<u>\$ 70,732</u>	<u>\$ -</u>	<u>\$ -</u>	1,172,061
				Less: Related Debt	-
				Net Investment in Capital Assets	<u>\$ 1,172,061</u>

Depreciation expense was charged to the following functions during the year ended September 30, 2023:

	<u>Amount</u>
General Government - Administration	\$ 2,649
General Government - Water Control	<u>50,187</u>
Total Depreciation Expense	<u>\$ 52,836</u>

NOTE F - LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities for the year ended September 30, 2023:

	Balance October 1 2022	Additions	Retirements And Adjustments	Balance September 30 2023	Amounts Due Within One Year
Net Pension Liability - FRS	\$ 340,248	\$ 30,269	\$ -	\$ 370,517	\$ -
Net Pension Liability - HIS	96,839	51,786	-	148,625	-
Compensated Absences	26,523	6,279	-	32,802	-
Net OPEB Liability	24,130	2,571	-	26,701	-
	<u>\$ 487,740</u>	<u>\$ 90,905</u>	<u>\$ -</u>	<u>\$ 578,645</u>	<u>\$ -</u>

Long-term liabilities consists of the following at September 30, 2023:

	<u>Amount</u>
Net pension obligation - FRS pension plan. This amount is actuarially determined through calculation based upon the audited financial statements of the Florida FRS Plan.	\$ 370,517
Net pension obligation - HIS plan. This amount is actuarially determined through calculation based upon the audited financial statements of the Florida FRS Plan.	148,625
Non-current portion of compensated absences. Employees of the District are entitled to annual leave and sick time based on length of service and job classification.	32,802
Net OPEB liability GASB No. 75 actuarially determined.	<u>26,701</u>
Total Long-Term Liabilities	<u>\$ 578,645</u>

NOTE G - LINE OF CREDIT

During the year ended September 30, 2023, the District entered into a \$600,000 revolving Line of Credit (LOC) from a financial institution. The LOC is intended to be used for emergency preparedness and to fund the cost of an emergency response to a disaster. The LOC has a fixed interest rate of 5.00%. The LOC is due on demand, and has a maturity date of June 10, 2024. The LOC is collateralized by certain revenue streams. At September 30, 2023, there was no outstanding balance due and no monies had been drawn on the LOC during the year ended September 30, 2023.

NOTE H - MAINTENANCE TAXES

Maintenance taxes are generally levied on November 1 of each year, after formal adoption of the District's budget, and become due and payable upon receipt of the Notice of Levy. Discounts are allowed for payment of maintenance taxes prior to March 1 of the following year. On April 1, any unpaid taxes become delinquent. If the taxes remain unpaid, tax certificates are then offered for sale to the general public. The billing and collection of all maintenance taxes are performed for the District by the Tax Collectors for Hendry and Glades Counties. Taxes are recognized as revenue when levied to the extent that they result in current receivables.

Key dates in the maintenance and installment tax cycle (latest date, where appropriate) are as follows:

- | | |
|-----------------|---|
| Prior to June 1 | * Maintenance assessment annual tax levy resolution submitted to the Property Appraisers of Hendry & Glades Counties. |
| November 1 | * Taxes are due and payable (levy date) with various discount provisions through March 31. |
| April 1 | * Taxes become delinquent. |
| Prior to June 1 | * Tax certificates sold by the respective Counties. |

Under the provisions of Chapter 298.54 of the Florida Statutes, the Board of Supervisors of the District levied the following uniform maintenance taxes on land within the District to pay the operating costs of the District for the year ended September 30, 2023:

NOTE H - MAINTENANCE TAXES, CONTINUED

	<u>Maintenance Taxes</u>	
Urban area	\$ 77.61	per acre
Urban area - grove	\$ 38.81	per acre
Irrigated agricultural units	\$ 21.92	per acre
Drainage agricultural units	\$ 6.22	per acre

Tax revenue from this levy is used for the maintenance and operating costs of the District. Also see Note N. At September 30, 2023, the District's uncollected maintenance taxes are approximately \$0 for Hendry County and \$3,190 for Glades County for the current tax year.

NOTE I - UNEARNED REVENUE - JOINT TRUST - HENDRY COUNTY

Funds received by the District totaling \$109,783 that pertain to a Hendry County permit application have been recorded as unearned revenue and restricted cash at September 30, 2023, as the funds are refundable within a thirty (30) day period should the parties agree to terminate the joint trust agreement.

NOTE J - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLAN

General Information about the Florida Retirement System

The Florida Retirement System ("FRS") was created in Chapter 121, Florida Statutes. The FRS was created to provide a defined benefit pension plan ("Pension Plan") for participating public employees. All District employees are participants in the Statewide Florida Retirement System (FRS) under authority of Article X, Section 14 of the State Constitution and Florida Statutes, Chapters 112 and 121. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan and amended in 2000 to provide an integrated 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 separate 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.

NOTE J - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLAN, CONTINUED

General Information about the Florida Retirement System - continued

Essentially all regular employees of the District 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 Florida Retirement System 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 two cost-sharing, multiple-employer defined benefit plans (Pension and HIS 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 dated June 30, 2023, is available from the Florida Department of Management Services' website (www.dms.myflorida.com).

The District's total pension expense \$151,969 for the year ended September 30, 2023, is recorded in the government-wide financial statements. Total District retirement actual contribution expenditures were \$58,002, \$48,933, and \$43,780, for the years ended September 30, 2023, 2022, and 2021, respectively. The District contributed 100% of the required contributions.

FRS Pension Plan

Plan Description. The FRS Pension Plan ("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.

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

Special Risk Class - Members who are employed as law enforcement officers and meet the criteria to qualify for this class.

Elected Officials - Members who are elected by the voters within the District boundaries.

NOTE J - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLAN, CONTINUED

FRS Pension Plan, continued

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the 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 those members classified as special risk who are eligible for normal retirement benefits at age 55 and 6 years of service or at any age after 25 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 and 8 years of service 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 with 8 years of service or at any age after 30 years of service. However, effective July 1, 2023, for special risk who enrolled on or after July 1, 2011 normal retirement date changed to the earlier of 25 years of creditable service or age 55. Members of both Plans (Pension and HIS) may include up to 4 years of credit for military service toward creditable service. The 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 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 Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may elect to participate in DROP at any time after reaching normal retirement date.

Effective July 1, 2023, an employee may participate in DROP for a period not to exceed 96 months (8 years) after electing to participate except for certain instructional personnel who can participate for 120 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. Interest accrues at 4% on DROP accumulation held on or after July 1, 2023 and at 1.3% prior. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits. The restricted 12 month election window was removed. Participants may elect to enter DROP at anytime after becoming fully vested and reaching normal retirement age.

NOTE J - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLAN, CONTINUED

FRS Pension Plan, continued

Benefits Provided. Benefits under the Plan are computed on the basis of age, and/or years of service, average final compensation, and credit service. 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 the 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 plan and/or the class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following chart shows the percentage value of each year of service credit earned:

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

NOTE J - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLAN, CONTINUED

FRS Pension Plan, continued

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent 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 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. 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. Contribution rates during the year ended September 30, 2023 were as follows:

Class	Percent of Gross Salary*		
	Employee	Employer (2)	Employer (3)
Florida Retirement System, Regular	3.00	11.91	13.57
Florida Retirement System, Senior Management Service	3.00	31.57	34.52
Florida Retirement System, Special Risk	3.00	27.83	32.67
Deferred Retirement Option Program - Applicable to Members from All of the Above Classes	0.00	18.60	21.13
Florida Retirement System, Reemployed Retiree	(1)	N/A	N/A
Florida Retirement System, Elected Official	3.00	57.00	58.68

Notes:

- (1) Contribution rates are dependent upon retirement class in which reemployed.
- (2) Employer rates include 1.66 percent for the post employment health insurance subsidy. Also, employer rates, other than for DROP participants, include .06 percent for administrative costs for the Investment Plan. Rates for 7/1/22 - 6/30/23.
- (3) Employer rates include 2.00 percent for the post employment health insurance subsidy. Also, employer rates, other than for DROP participants, include .06 percent for administrative costs for the Investment Plan. Rates for 7/1/23 - 6/30/24.

* As defined by the Plan.

NOTE J - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLAN, CONTINUED

FRS Pension Plan, continued

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Pension Plan. At September 30, 2023, the District reported an FRS pension liability of \$370,517 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The District's proportionate share of the net pension liability was based on the District's 2022-23 fiscal year contributions relative to the total 2022-23 fiscal year contributions of all participating members. At September 30, 2023, the District's proportionate share was .000929853 percent, which was an increase of .000015405 percent from its proportionate share measure as of September 30, 2022.

For the year ended September 30, 2023, the District recognized pension expense of \$129,174. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to the pension from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 34,788	\$ -
Change of assumptions	24,153	-
Net difference between projected and actual earnings on pension plan investments	15,474	-
Changes in proportion and differences between District contributions and proportionate share of contributions	47,064	19,405
District contributions subsequent to the measurement date	<u>10,691</u>	<u>-</u>
Total	<u>\$ 132,170</u>	<u>\$ 19,405</u>

NOTE J - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLAN, CONTINUED

FRS Pension Plan, continued

The deferred outflows of resources related to the FRS pension, totaling \$10,691, resulting from District contributions subsequent to the measurement date, will be recognized as a reduction on the net pension liability in the year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the pension will be recognized in pension expense over the remaining service period of 5.3 years as follows:

Fiscal Years Ending <u>September 30</u>	<u>Amount</u>
2024	\$ 24,008
2025	24,008
2026	24,008
2027	24,006
2028	20,139
Thereafter	<u>(14,095)</u>
Total	<u>\$ 102,074</u>

Actuarial Assumptions. The total pension liability in the July 1, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation date	July 1, 2023
Measurement date	June 30, 2023
Inflation	2.40 percent
Real payroll growth	0.85 percent
Salary increases	3.25 percent, average, including inflation
Investment rate of return	6.70 percent, net of pension plan investment expense, including inflation
Actuarial cost method	Individual entry age

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2018.

The actuarial assumptions used in the July 1, 2023, valuation were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

NOTE J - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLAN, CONTINUED

FRS Pension Plan, continued

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 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 (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.00%	2.9%	2.9%	1.1%
Fixed income	19.80%	4.5%	4.4%	3.4%
Global equity	54.00%	8.7%	7.1%	18.1%
Real estate (property)	10.30%	7.6%	6.6%	14.8%
Private equity	11.10%	11.9%	8.8%	26.3%
Strategic investments	<u>3.80%</u>	6.3%	6.1%	7.7%
Total	<u>100.00%</u>			
Assumed inflation - Mean		2.40%		1.40%

(1) As outlined in the Plan's investment policy

Money-weighted Rate of Return. The annual money-weighted rate of return on the FRS Pension Plan investments was 7.58% for the Plan year ended June 30, 2023.

Discount Rate. The discount rate used to measure the total pension liability was 6.70 percent. The 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 discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

NOTE J - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLAN, CONTINUED

FRS Pension Plan, continued

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.70 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.70 percent) or 1-percentage-point higher (7.70 percent) than the current rate:

	1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)
District's proportionate share of the net pension liability	<u>\$ 632,918</u>	<u>\$ 370,517</u>	<u>\$ 150,987</u>

Pension Plan Fiduciary Net Position. Detailed information about pension plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Annual Comprehensive Financial Report ("FRS ACFR") dated June 30, 2023.

The FRS ACFR and actuarial reports may also be obtained by contacting the Division of Retirement at:

Department of Management Services
 Division of Retirement
 Bureau of Research and Member Communications
 P.O. Box 9000
 Tallahassee, FL 32315-9000

850-488-5706 or toll free at 877-377-1737

http://www.dms.myflorida.com/workforce_operations/retirement/publications

Payables to the Pension Plan. At September 30, 2023, the District reported a payable of \$2,181 for the outstanding amount of contributions in the pension plan required for the year ended September 30, 2023.

NOTE J - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLAN, CONTINUED

HIS Plan

Plan Description. The Health Insurance Subsidy Plan ("HIS Plan") is a cost-sharing multiple-employer defined benefit pension plan established under section 112.363, Florida Statutes. 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 Division of Retirement within the Florida Department of Management Services.

Benefits Provided. Prior to July 1, 2023, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of creditable service completed at the time of retirement multiplied by \$5. The payments are at least \$30 but not more than \$150 per month, pursuant to Section 112.363, Florida Statutes. Subsequent to July 1, 2023, eligible retirees and beneficiaries receive \$7.50 for each year of service monthly. Maximum benefit is \$225 per month or \$2,700 annually. 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 can 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. Prior to July 1, 2023, the contribution rate was 1.66 percent of payroll pursuant to Section 112.363, Florida Statutes. Subsequent to July 1, 2023, the rate was 2%. The District contributed 100 percent of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which HIS 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 cancelled.

Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to the HIS Plan. At September 30, 2023, the District reported a HIS net pension liability of \$148,625 for its proportionate share of the net HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability was used to calculate the net pension liability which was determined by an actuarial valuation as of July 1, 2023. The District's proportionate share of the net HIS liability was based on the District's 2022-23 fiscal year contributions relative to the total

NOTE J - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLAN, CONTINUED

HIS Plan, continued

2022-23 fiscal year contributions of all participating members. At September 30, 2023, the District's proportionate share was .000935847 percent, which was an increase of .000021547 percent from its proportionate share measured as of September 30, 2022.

For the fiscal year ended September 30, 2023, the District recognized HIS expense of \$22,795. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 2,176	\$ 349
Change of assumptions	3,907	12,879
Net difference between projected and actual earnings on HIS pension plan investments	77	-
Changes in proportion and differences between District HIS contributions and proportionate share of HIS contributions	15,919	6,401
District contributions subsequent to the measurement date	<u>1,631</u>	<u>-</u>
Total	<u>\$ 23,710</u>	<u>\$ 19,629</u>

The deferred outflows of resources related to HIS, totaling \$1,631, resulting from District contributions subsequent to the measurement date, will be recognized as a reduction on the net pension liability in the year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense over the remaining service period of 6.3 years as follows:

<u>Fiscal Years Ending September 30</u>	<u>Amount</u>
2024	\$ 467
2025	467
2026	467
2027	468
2028	448
Thereafter	<u>133</u>
Total	<u>\$ 2,450</u>

NOTE J - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLAN, CONTINUED

HIS Plan, continued

Actuarial Assumptions. The total pension liability in the July 1, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40 percent
Real Payroll Growth	0.85 percent
Salary Increases	3.25 percent, average, including inflation
Municipal Bond Rate	3.65 percent
Actuarial Cost Method	Individual entry age

Mortality rates were based on the Generational PUB-2010 with Projected Scale MP-2018.

Because the HIS Plan is funded on a pay-as-you-go basis, no experience study has been completed for this plan.

Discount Rate. The discount rate used to measure the total HIS liability was 3.65 percent. In general, the discount rate for calculating the total HIS 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 plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the District's Proportionate Share of the Net HIS Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net HIS liability calculated using the discount rate of 3.65 percent, as well as what the District's proportionate share of the net HIS liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.65 percent) or 1-percentage-point higher (4.65 percent) than the current rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
District's proportionate share of the net HIS liability	\$ 169,558	\$ 148,625	\$ 131,273

NOTE J - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLAN, CONTINUED

HIS Plan, continued

Pension Plan Fiduciary Net Position. Detailed information about the HIS plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Annual Comprehensive Financial Report ("FRS ACFR") dated June 30, 2023.

The FRS ACFR and actuarial reports may also be obtained by contacting the Division of Retirement at:

Department of Management Services
Division of Retirement
Bureau of Research and Member Communications
P.O. Box 9000
Tallahassee, FL 32315-9000

850-488-5706 or toll free at 877-377-1737

http://www.dms.myflorida.com/workforce_operations/retirement/publications

Payables to the Pension Plan. At September 30, 2023 the District reported a payable of \$385 for the outstanding amount of contributions to the HIS plan required for the fiscal ended September 30, 2023.

FRS - Defined Contribution Pension Plan

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

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

NOTE J - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLAN, CONTINUED

FRS - Defined Contribution Pension Plan, continued

are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the plan, including FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during the 2022-23 fiscal year were as follows:

Class	Percent of Gross Salary*		
	Employee	Employer (2)	Employer (3)
Florida Retirement System, Regular	3.00	6.30	8.30
Florida Retirement System, Senior Management Service	3.00	7.67	9.67
Florida Retirement System, Special Risk	3.00	14.00	16.00
Florida Retirement System, Elected Official	3.00	11.34	13.34

Notes:

- (1) Contribution rates are dependent upon retirement class in which reemployed.
- (2) Employer rates include 1.66 percent for the post employment health insurance subsidy. Also, employer rates, other than for DROP participants, include .06 percent for administrative costs for the Investment Plan. Rates for 7/1/22 - 6/30/23.
- (3) Employer rates include 2.0 percent for the post employment health insurance subsidy. Also, employer rates, other than for DROP participants, include .06 percent for administrative costs for the Investment Plan. Rates for 7/1/23- 6/30/24.

* As defined by the Plan.

Effective July 1, 2023, employer contribution rates increased by 2% in all membership classes.

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5 year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2023, 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 District.

NOTE J - RETIREMENT PLAN - DEFINED BENEFIT PENSION PLAN, CONTINUED

FRS - Defined Contribution Pension Plan, continued

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

The District's Investment Plan pension expense totaled \$11,047 for the fiscal year ended September 30, 2023 which is included as part of total FRS contributions.

Payables to the Investment Plan. At September 30, 2023, the District reported a payable of \$0 for the outstanding amount of contributions to the Plan required for the fiscal year ended September 30, 2023.

NOTE K - RISK MANAGEMENT

The District 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 District is a member of a public entity risk pool which is a cooperative group of governmental entities joining together to finance an exposure, liability, or risk. The pool provides coverage for property, liability, public officials' liability, workers' compensation, automobile physical damage, general liability, and automotive liability.

There were no settled claims which exceeded insurance coverage during the past three fiscal years. In addition, there were no significant reductions in insurance coverage from coverage in the prior year.

The District carries limits of general liability of \$2,000,000 per occurrence, the aggregate limits vary by type of claim. The District retains the risk of loss up to a deductible amount of \$1,000 or 2% of value of the building, depending on the type of loss. A loss fund is established to pay the self-insured retention amounts. The PRM Program Self-insured Retentions per occurrence are \$250,000 for property, and

NOTE K - RISK MANAGEMENT, CONTINUED

\$500,000 for workers' compensation claims, \$300,000 for general liability, auto, public officials' errors and omissions, employee benefits liability and \$25,000 for crime related claims. Any claims in excess of these established retentions are covered by excess insurance.

The District is covered by Florida Statutes under Doctrine of Sovereign Immunity (Florida Statutes, Chapter 768.28), which effectively limits the liability of individual claims.

In accordance with GASB Statement Number 10, "Accounting and Financial Reporting for Risk Financing and Related Insurance Issues", which recognizes the funding of outstanding liabilities at full value, the pool retained Insurance Industry Consultants, Inc. to estimate ultimate retained losses and net loss reserve requirements as of the fiscal year ended September 30, 2023. The actuaries have concluded that the loss fund, including contributions not yet received and interest earned on all fund years to date, is sufficient to pay the retained ultimate losses and loss adjustment expenses for all fund years through September 30, 2023.

NOTE L - CONTINGENCIES

The District is involved from time to time in certain routine litigation, the substance of which, either as liabilities or recoveries, would not materially affect the financial position of the District. Although the final outcome of the lawsuits, assertions, and claims or the exact amount of costs and/or potential recovery is not presently determinable, in the opinion of the District's legal counsel, the resolution of these matters are not anticipated to have a materially adverse effect on the financial condition of the District. As a general policy, the District plans to contest any such matters.

NOTE M - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB)

Pursuant to the provisions of Section 112.08, Florida Statutes, the District's defined contribution single employer OPEB Plan provides the opportunity to obtain insurance (health, dental and vision) benefits to its retired employees. The District administers the OPEB Plan but does not subsidize the cost of the retiree health, dental or vision insurance. The year ended September 30, 2018, was the District's transition year and as such, the District implemented GASB No. 75 "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions". GASB No. 75 requires the District to annually record its actuarially determined total OPEB liability. The benefits are provided both with contractual or labor agreements. All retired full-time employees are eligible for OPEB benefits if actively employed by the District immediately before retirement. As of September 30, 2023, there were no retirees receiving these benefits. The District had 6 active employees. The benefits are provided with or without contractual agreements.

The retiree is eligible for benefits under the District's health plan, but is obligated to reimburse the District for 100% of the cost of the retiree's health coverage. As such, the District has no ultimate obligation for the retiree's health insurance premium. The District acts as agent for the retiree on a pay-as-you-go basis and recognizes expenditures at the time the premiums are due. The District does, however, incur the cost of premium rate being increased on its active employees due to providing coverage to its retirees (implicit rate subsidy). The employee can also buy dental and vision through the District and is responsible for 100% of the respective cost.

The retiree's premiums for these benefits totaled \$0 during the year ended September 30, 2023. The premiums, if any, were 100% paid by the retiree.

Funding Policy

The District's OPEB benefits are unfunded. The District has not determined if a separate trust fund or equivalent arrangement will be established into which the District would make contributions to advance-fund the obligation. Therefore, no separate financial statements are issued. The District has no assets committed to this plan. All required disclosures are presented herein. The District has not budgeted or funded the anticipated OPEB liability as the retiree must reimburse the District 100% of the related health insurance costs. The District obtained an actuarial valuation for OPEB Plan to measure net OPEB liability.

**NOTE M - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB),
CONTINUED**

Funding Policy, continued

The District implicitly subsidizes the premium rates paid by retirees by allowing them to participate at blended premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, retiree claims are expected to result in higher costs to the plan on average than those of active employees.

Actuarial Methods and Assumptions

At September 30, 2023, the District's total OPEB liability of \$26,701 was measured as of September 30, 2023, and was determined by an actuarial valuation dated October 7, 2022. The following actuarial assumptions and other inputs were applied to all periods included at September 30, 2023:

Discount Rate	September 30, 2019 was	2.75%
	September 30, 2020 was	2.41%
	September 30, 2021 was	2.19%
	September 30, 2022 was	4.40%
	September 30, 2023 was	4.63%

Annual healthcare cost trend using the Society of Actuaries (SOA) Long-Run Medical Cost Trend Model baseline assumptions with an initial rate of 6.0% per year trending to 4.64% by 2050 updated on October 30, 2021.

The discount rate was based on the 20 Year Municipal Bond Rate with AA/Aa or higher.

Entry age normal cost method was used.

The FRS salary scale was used

Mortality rates were based on the RP-2000 Generational Healthy Mortality Table with scale MP-2019 updated to MP-2021.

The actuarial assumptions used in the September 30, 2022 valuation were based on results of an actuarial experience study performed for the FRS Retirement Plan.

Per Florida Law retirees and their dependents have access to the plan until age 65.

The rationales for selecting each of the assumptions used in the financial accounting valuation and for the assumptions changes summarized above are to best reflect the current market conditions and recent plan experience.

Demographic Assumptions

The Plan assumes 40% of employees retain coverage at retirement.

**NOTE M - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB),
CONTINUED**

<u>Changes in the Net OPEB Liability</u>	<u>Amount</u>
Balance at September 30, 2022	\$ 24,130
Changes for the year:	
Service Cost	1,785
Interest	1,062
Change in Benefit Terms	-
Difference Between Expected and Actual Experience	-
Changes in Assumptions	(276)
Benefit Payment	-
Contributions from Employer	-
Net Changes	<u>2,571</u>
Balance at September 30, 2023	<u>\$ 26,701</u>

The following presents the net OPEB liability of the District as well as what the District's net OPEB liability would be if it were calculated using a discount rate that is 1 percent higher or 1 percent lower than the current discount rate.

	1% Decrease 3.63%	Current Rate 4.63%	1% Increase 5.63%
Net OPEB Liability	\$ 22,897	\$ 26,701	\$ 25,494

The following presents the net OPEB liability of the District as well as what the District's net OPEB liability would be if it were calculated using healthcare trend rates that are 1 percent higher or 1 percent lower than the current healthcare trend rate.

	1% Decrease 2.94%	Trend Rate 3.94%	1% Increase 4.94%
Net OPEB Liability	\$ 24,607	\$ 26,701	\$ 29,026

For the year ended September 30, 2023, the District recognized OPEB expense of \$3,261. At September 30, 2023, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 3,819	\$ 1,330
Changes in Assumptions	717	2,345
Net difference between projected and actual earnings	-	-
Employer contribution subsequent to measurement date	-	-
Total	<u>\$ 4,536</u>	<u>\$ 3,675</u>

**NOTE M - POST-EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS (OPEB),
CONTINUED**

Changes in the Net OPEB Liability, continued

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year Ended September 30:	<u>Amount</u>
2024	\$ 414
2025	414
2026	414
2027	410
2028	453
Total Thereafter	<u>(1,244)</u>
	<u>\$ 861</u>

NOTE N - TAX COLLECTION CONTINGENCIES

In September of 2016, Barron Water Control District ("BWCD") learned that the South Florida Water Management District ("SFWMD") made a decision to forgo paying tax rate levy assessments to Special Districts. The reason provided for their decision was based upon the premise they no longer consider themselves a State agency; rather, they consider themselves a State special district and therefore are not responsible for paying Florida Statute §298 tax assessments. SFWMD recognized the services provided by Barron Water Control District and has opted to pay the District directly for an amount equal to their tax rate levy assessment as of March 31st each year since fiscal year ended September 30, 2017. The District then remits this collection to the appropriate tax collector to record and remit the appropriate taxes back to the District.

For the year ended September 30, 2023, the Glades County Tax Collector levied SFWMD and SFWMD paid such amount.

NOTE N - TAX COLLECTION CONTINGENCIES, CONTINUED

During the fiscal year ended September 30, 2022, the case was brought to court by another Chapter 298 Special District and the case was concluded in favor of the 298 District via a ruling from the 4th District Court of Appeal. It was determined SFWMD was obligated to pay the regular assessments for the District. Additionally, the Florida Supreme Court has refused any further action as of July 2022. Based on this interpretation, BWCD will no longer be making any accommodations via sending an invoice to SWFMD.

During fiscal year ended September 30, 2021, net taxes received was confirmed by the Hendry County Tax Collector, however the gross amount collected appeared to be higher than the assessed amount. This is potentially due to a significant amount of delinquent taxes being collected during the year ended September 30, 2021.

Although it is not certain, nor possible to estimate an amount, there is a possibility the District may have to return funds to the Hendry County Tax Collector if there was an overpayment of taxes distributed.

**REQUIRED SUPPLEMENTARY
INFORMATION
OTHER THAN MD&A**

BARRON WATER CONTROL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND
ACTUAL - GENERAL FUND - SUMMARY STATEMENT
Year Ended September 30, 2023

	General Fund			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Maintenance taxes	\$ 714,434	\$ 714,434	\$ 785,614	\$ 71,180
Joint trust contributions	35,000	35,000	64,581	29,581
Intergovernmental revenue	105,000	105,000	113,603	8,603
Permit fees	-	-	75,500	75,500
Interest	6,280	6,280	39,308	33,028
Labor	10,000	10,000	16,986	6,986
Rent	4,800	4,800	4,800	-
Miscellaneous	1,000	1,000	101,846	100,846
Prior year budgeted carryforward	1,610,754	1,605,188	-	(1,605,188)
TOTAL REVENUES	<u>2,487,268</u>	<u>2,481,702</u>	<u>1,202,238</u>	<u>(1,279,464)</u>
EXPENDITURES				
Current				
General government				
Administration				
Personnel services	212,904	212,904	250,992	(38,088)
Operating expenditures	<u>148,545</u>	<u>148,545</u>	<u>115,282</u>	<u>33,263</u>
	<u>361,449</u>	<u>361,449</u>	<u>366,274</u>	<u>(4,825)</u>
Physical environment				
Field operations				
Personnel services	341,986	341,986	299,143	42,843
Operating expenditures	<u>404,789</u>	<u>404,789</u>	<u>349,433</u>	<u>55,356</u>
	<u>746,775</u>	<u>746,775</u>	<u>648,576</u>	<u>98,199</u>
Capital outlay	62,000	62,000	123,568	(61,568)
Debt Service				
Principal retired	-	-	-	-
Interest charges	-	-	-	-
Contingency	20,000	20,000	-	20,000
Carryforward	<u>1,309,544</u>	<u>1,303,978</u>	<u>-</u>	<u>1,303,978</u>
TOTAL EXPENDITURES	<u>2,499,768</u>	<u>2,494,202</u>	<u>1,138,418</u>	<u>1,355,784</u>
EXCESS OF REVENUES OVER (UNDER)				
EXPENDITURES	<u>(12,500)</u>	<u>(12,500)</u>	<u>63,820</u>	<u>76,320</u>
OTHER FINANCING SOURCES				
Proceeds from disposition of capital assets	12,500	12,500	210,000	197,500
Transfers in	-	-	-	-
TOTAL OTHER FINANCING SOURCES	<u>12,500</u>	<u>12,500</u>	<u>210,000</u>	<u>197,500</u>
EXCESS OF REVENUES AND				
OTHER FINANCING SOURCES				
OVER (UNDER) EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>273,820</u>	<u>\$ 273,820</u>
FUND BALANCE - BEGINNING			<u>1,605,188</u>	
FUND BALANCE - ENDING			<u>\$ 1,879,008</u>	

The accompanying notes are an integral part of this statement.

BARRON WATER CONTROL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND
ACTUAL - GENERAL FUND - DETAILED STATEMENT
Year Ended September 30, 2023

	General Fund			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Maintenance taxes	\$ 714,434	\$ 714,434	\$ 785,614	\$ 71,180
Joint trust contributions	35,000	35,000	64,581	29,581
Intergovernmental revenue	105,000	105,000	113,603	8,603
Permit fees	-	-	75,500	75,500
Interest	6,280	6,280	39,308	33,028
Labor	10,000	10,000	16,986	6,986
Rent	4,800	4,800	4,800	-
Miscellaneous	1,000	1,000	101,846	100,846
Prior year budgeted carryforward	1,610,754	1,605,188	-	(1,605,188)
TOTAL REVENUES	2,487,268	2,481,702	1,202,238	(1,279,464)
EXPENDITURES				
Current				
General government				
Administration				
Personnel services				
Board of Supervisors' fees	-	-	-	-
Salaries, General Manager	101,690	101,690	103,084	(1,394)
Salaries, clerical	44,834	44,834	47,071	(2,237)
Payroll benefits	66,380	66,380	100,837	(34,457)
TOTAL - ADMINISTRATION				
PERSONNEL SERVICES	212,904	212,904	250,992	(38,088)
Operating expenditures				
Professional services	39,800	39,800	36,096	3,704
Audit and bookkeeping	45,000	45,000	36,461	8,539
Tax collection fees	30,870	30,870	22,919	7,951
Travel	1,200	1,200	53	1,147
Telephone services	10,400	10,400	2,204	8,196
Freight & postage services	375	375	128	247
Utilities	1,800	1,800	2,161	(361)
Computer expenses	1,000	1,000	-	1,000
Office expense	7,000	7,000	6,204	796
Miscellaneous expense	4,800	4,800	6,693	(1,893)
Other office supplies	4,000	4,000	577	3,423
Operating supplies - admin	1,800	1,800	1,091	709
Membership fees	500	500	695	(195)
Other general government services	-	-	-	-
TOTAL - ADMINISTRATION				
OPERATING EXPENDITURES	148,545	148,545	115,282	33,263
SUBTOTAL EXPENDITURES				
CARRIED FORWARD	\$ 361,449	\$ 361,449	\$ 366,274	\$ (4,825)

The accompanying notes are an integral part of this statement.

BARRON WATER CONTROL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND
ACTUAL - GENERAL FUND - DETAILED STATEMENT, CONTINUED
Year Ended September 30, 2023

	General Fund			
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
EXPENDITURES, CONTINUED				
SUBTOTAL EXPENDITURES				
BROUGHT FORWARD	\$ 361,449	\$ 361,449	\$ 366,274	\$ (4,825)
Physical environment				
Field operations				
Personnel services				
Salaries/wages	224,132	224,132	217,028	7,104
Payroll benefits	117,854	117,854	82,115	35,739
TOTAL - FIELD OPERATIONS				
PERSONNEL SERVICES	341,986	341,986	299,143	42,843
Operating expenditures				
Engineering service	12,500	12,500	9,310	3,190
Water quality maintenance	5,750	5,750	-	5,750
Canal maintenance	9,900	9,900	-	9,900
Rental equipment	1,200	1,200	-	1,200
Insurance - liability	52,428	52,428	57,956	(5,528)
Utilities	2,000	2,000	818	1,182
Travel and per diem	1,000	1,000	-	1,000
Mobile telephone expense	3,000	3,000	2,466	534
Electric service	130,000	130,000	155,619	(25,619)
Pump repair	31,721	31,721	27,057	4,664
Repairs and maintenance - equipment	47,720	47,720	47,619	101
Operating supplies	47,090	47,090	32,840	14,250
Chemicals	60,480	60,480	15,748	44,732
Other improvements	-	-	-	-
TOTAL - FIELD OPERATIONS				
OPERATING EXPENDITURES	404,789	404,789	349,433	55,356
	746,775	746,775	648,576	98,199
Capital outlay	62,000	62,000	123,568	(61,568)
Principal retirement	-	-	-	-
Interest charges	-	-	-	-
Contingency	20,000	20,000	-	20,000
Carryforward	1,309,544	1,303,978	-	1,303,978
	1,391,544	1,385,978	123,568	1,262,410
TOTAL EXPENDITURES	2,499,768	2,494,202	1,138,418	1,355,784
EXCESS OF REVENUES OVER (UNDER)				
EXPENDITURES CARRIED FORWARD	\$ (12,500)	\$ (12,500)	\$ 63,820	\$ 76,320

The accompanying notes are an integral part of this statement.

BARRON WATER CONTROL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND
ACTUAL - GENERAL FUND - DETAILED STATEMENT, CONTINUED
Year Ended September 30, 2023

	General Fund			Variance Favorable (Unfavorable)
	Original Budget	Final Budget	Actual	
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES BROUGHT FORWARD	\$ (12,500)	\$ (12,500)	\$ 63,820	\$ 76,320
OTHER FINANCING SOURCES				
Proceeds from disposition of capital assets	12,500	12,500	210,000	197,500
Transfers in	-	-	-	-
TOTAL OTHER FINANCING SOURCES	12,500	12,500	210,000	197,500
EXCESS OF REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXPENDITURES	\$ -	\$ -	273,820	\$ 273,820
FUND BALANCE - BEGINNING			1,605,188	
FUND BALANCE - ENDING			\$ 1,879,008	

The accompanying notes are an integral part of this statement.

BARRON WATER CONTROL DISTRICT
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE - BUDGET AND
ACTUAL - SPECIAL REVENUE FUND - INTERGOVERNMENTAL SERVICES FUND
Year Ended September 30, 2023

Special Revenue Fund - Intergovernmental Services Fund				
	Original Budget	Final Budget	Actual	Variance Favorable (Unfavorable)
REVENUES				
Charges for services	\$ -	\$ -	\$ 156,849	\$ 156,849
Interest	-	-	351	351
TOTAL REVENUES	-	-	157,200	157,200
EXPENDITURES				
Current				
Physical environment				
Field operations				
Operating expenditures	-	-	157,200	(157,200)
TOTAL EXPENDITURES	-	-	157,200	(157,200)
OTHER FINANCING SOURCES (USES)				
Transfers in (out)	-	-	-	-
EXCESS OF REVENUES AND OTHER FINANCING SOURCES (USES) OVER (UNDER) EXPENDITURES	\$ -	\$ -	-	\$ -
FUND BALANCE - BEGINNING			-	
FUND BALANCE - ENDING			\$ -	

The accompanying notes are an integral part of this statement.

**BARRON WATER CONTROL DISTRICT
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET
FRS PENSION LIABILITY - FLORIDA RETIREMENT SYSTEM (FRS) PENSION
PLAN (1)**

	2023	2022	2021	2020
District's proportion of the net pension liability	0.000929853%	0.000914448%	0.000946365%	0.000964714%
District's proportionate share of the net pension liability	\$ 370,517	\$ 340,248	\$ 71,487	\$ 418,121
District's covered-employee payroll	\$ 367,183	\$ 334,985	\$ 323,295	\$ 323,857
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	100.91%	101.57%	22.11%	129.11%
Plan fiduciary net position as a percentage of the total pension liability	82.38%	82.89%	96.40%	78.85%

Notes: (1) The amounts presented for each fiscal year were determined as of September 30.

**SCHEDULE OF DISTRICT CONTRIBUTIONS -
FLORIDA RETIREMENT SYSTEM (FRS) PENSION PLAN (1)**

	2023	2022	2021	2020
Contractually required contribution	\$ 49,302	\$ 42,082	\$ 37,213	\$ 33,328
Contributions in relation to the contractually required contribution	<u>49,302</u>	<u>42,082</u>	<u>37,213</u>	<u>33,328</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 367,183	\$ 334,985	\$ 323,295	\$ 323,857
Contributions as a percentage of covered-employee payroll	13.43%	12.56%	11.51%	10.29%

Notes: (1) The amounts presented for each fiscal year were determined as of September 30.

GASB 68 requires information for 10 years.

2019	2018	2017	2016	2015	2014
0.0000609222%	0.000609223%	0.000914934%	0.000477949%	0.000824374%	0.001002578%
\$ 149,576	\$ 183,501	\$ 270,630	\$ 120,682	\$ 106,479	\$ 61,172
\$ 311,479	\$ 290,953	\$ 295,566	\$ 275,756	\$ 272,768	\$ 282,948
48.02%	63.07%	91.56%	43.76%	39.04%	21.62%
82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

2019	2018	2017	2016	2015	2014
\$ 29,312	\$ 25,705	\$ 18,316	\$ 13,395	\$ 17,100	\$ 26,606
<u>29,312</u>	<u>25,705</u>	<u>18,316</u>	<u>13,395</u>	<u>17,100</u>	<u>26,606</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 311,479	\$ 290,953	\$ 295,566	\$ 275,756	\$ 272,768	\$ 282,948
9.41%	8.83%	6.20%	4.86%	6.27%	9.40%

**BARRON WATER CONTROL DISTRICT
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET
PENSION LIABILITY - HEALTH INSURANCE SUBSIDY (HIS) PENSION
PLAN (1)**

	2023	2022	2021	2020
District's proportion of the net pension liability	0.000935847%	0.000914300%	0.000910106%	0.000924019%
District's proportionate share of the net pension liability	\$ 148,625	\$ 96,839	\$ 111,638	\$ 112,821
District's covered-employee payroll	\$ 367,183	\$ 334,985	\$ 323,295	\$ 323,857
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	40.48%	28.91%	34.53%	34.84%
Plan fiduciary net position as a percentage of the total pension liability	4.12%	4.81%	3.56%	3.00%

Notes: (1) The amounts presented for each fiscal year were determined as of September 30.

**SCHEDULE OF DISTRICT CONTRIBUTIONS -
HEALTH INSURANCE SUBSIDY (HIS) PENSION PLAN (1)**

	2023	2022	2021	2020
Contractually required contribution	\$ 8,700	\$ 6,851	\$ 6,567	\$ 6,826
Contributions in relation to the contractually required contribution	<u>8,700</u>	<u>6,851</u>	<u>6,567</u>	<u>6,826</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 367,183	\$ 334,985	\$ 323,295	\$ 323,857
Contributions as a percentage of covered-employee payroll	2.37%	2.05%	2.03%	2.11%

Notes: (1) The amounts presented for each fiscal year were determined as of September 30.

GASB 68 requires information for 10 years.

2019	2018	2017	2016	2015	2014
0.000641616%	0.000720137%	0.000903192%	0.000854374%	0.000939733%	0.000941933%
\$ 71,790	\$ 76,200	\$ 96,573	\$ 99,574	\$ 95,838	\$ 88,073
\$ 311,479	\$ 290,953	\$ 295,566	\$ 275,756	\$ 272,768	\$ 282,948
23.05%	26.19%	32.67%	36.11%	35.14%	31.13%
2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

2019	2018	2017	2016	2015	2014
\$ 7,328	\$ 6,426	\$ 4,869	\$ 3,794	\$ 5,069	\$ 5,487
<u>7,328</u>	<u>6,426</u>	<u>4,869</u>	<u>3,794</u>	<u>5,069</u>	<u>5,487</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 311,479	\$ 290,953	\$ 295,566	\$ 275,756	\$ 272,768	\$ 282,948
2.35%	2.21%	1.65%	1.38%	1.86%	1.94%

Changes of Assumptions

Actuarial assumptions for both cost-sharing defined benefit plans are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS Pension Plan has a valuation performed annually. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS Pension Plan was for the period July 1, 2013 through June 30, 2018. Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for that program. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan.

The total pension liability for each cost-sharing defined benefit plan was determined using the individual entry age actuarial cost method. Inflation increases for both plans is assumed at 2.40%. Payroll growth, including inflation, for both plans is assumed at 3.25%. Both the discount rate and the long-term expected rate of return used for FRS Pension Plan investments was unchanged at 6.70%. The 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 discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

Because the HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 3.65% increased from 3.54% was used to determine the total pension liability for the program (Bond Buyer General Obligation 20-Bond Municipal Bond Index). Mortality assumptions for both plans were based on the Generational PUB-2010 with Projection Scale MP-2018.

Florida Retirement System Pension Plan

There were changes in actuarial assumptions. As of June 30, 2023, the inflation rate assumption remained at 2.4 percent, the real payroll growth assumption remained at 0.85 percent, and the overall payroll growth rate assumption remained at 3.25 percent. The long-term expected rate of return was unchanged at 6.70 percent.

Health Insurance Subsidy Pension Plan

The municipal rate used to determine total pension liability increased to 3.65 percent from 3.54 percent.

Pension Expense and Deferred Outflows/Inflows of Resources

In accordance with GASB 68, paragraphs 54 and 71, changes in the net pension liability are recognized in pension expense in the current measurement period, except as indicated below. For each of the following, a portion is recognized in pension expense in the current reporting period, and the balance is amortized as deferred outflows or deferred inflows of resources using a systematic and rational method over a closed period, as defined below:

- Differences between expected and actual experience with regard to economic and demographic factors - amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)
- Changes of assumptions or other inputs - amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)
- Changes in proportion and differences between contributions and proportionate share of contributions - amortized over the average expected remaining service life of all employees that are provided with pensions through the pension plan (active and inactive employees)
- Differences between expected and actual earnings on pension plan investments - amortized over five years

Contributions to the pension plans from employers are not included in collective pension expense. However, employee contributions are used to reduce pension expense.

The average expected remaining service life of all employees provided with pensions through the pension plans at September 30, 2023 was 5.3 years (5.5 for FY 22) for FRS and 6.3 years (6.4 for FY 22) for HIS.

**BARRON WATER CONTROL DISTRICT
SCHEDULE OF CHANGES IN THE TOTAL OPEB LIABILITY AND
RELATED RATIOS GASB 75
September 30, 2023**

Changes in Employer's Net OPEB Liability and Related Ratios as of September 30:

	2018	2019	2020
Net OPEB Liability			
Service Cost	\$ 844	\$ 841	\$ 1,009
Interest Cost	433	510	433
Changes in Benefit Terms	-	-	-
Differences Between Expected and Actual Experience	-	-	6,871
Changes in Assumptions	(324)	1,091	(340)
Benefit Payments	-	-	-
Net Change in total OPEB Liability	953	2,442	7,973
Net OPEB Liability - Beginning of Year	12,362	13,315	15,757
Net OPEB Liability - End of Year	<u>\$ 13,315</u>	<u>\$ 15,757</u>	<u>\$ 23,730</u>

NOTE: Information for FY 2017 and earlier is not available.

Plan Fiduciary Net Position as of September 30:

	2018	2019	2020
Contributions - Employer	\$ -	\$ -	\$ -
Net Investment Income	-	-	-
Benefit Payments	-	-	-
Administrative Expense	-	-	-
Net Change in Fiduciary Net Position	-	-	-
Fiduciary Net Position - Beginning of Year	-	-	-
Fiduciary Net Position - End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net OPEB Liability	\$ 13,315	\$ 15,757	\$ 23,730
Fiduciary Net Position as a % of Total OPEB Liability	0.00%	0.00%	0.00%
Covered-Employee Payroll *			
Net OPEB Liability as a % of Payroll *			
Expected Average Remaining Service Years of All Participants	10	10	9

* Because this OPEB plan does not depend on salary, no information is provided.

NOTE: Information for FY 2017 and earlier is not available.

Notes to the Schedule:

Benefit Changes	None
Changes of Assumptions	The discount rate was changed as follows:
9/30/18	3.83%
9/30/19	2.75%
9/30/20	2.41%
9/30/21	2.19%
9/30/22	4.40%
9/30/23	4.63%

Population covered by Plan: 9 active 0 retired

Plan has no specific trust established. \$0 assigned for OPEB.

<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ 1,395	\$ 1,493	\$ 1,785
572	568	1,062
-	-	-
-	(1,662)	-
255	(2,221)	(276)
-	-	-
2,222	(1,822)	2,571
23,730	25,952	24,130
\$ 25,952	\$ 24,130	\$ 26,701

<u>2021</u>	<u>2022</u>	<u>2023</u>
\$ -	\$ -	\$ -
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
\$ -	\$ -	\$ -
\$ 25,952	\$ 24,130	\$ 26,701
0.00%	0.00%	0.00%

ADDITIONAL REPORTS



TUSCAN
 & Company, PA

Certified Public Accountants & Consultants

Affiliations

Florida Institute of Certified Public Accountants

American Institute of Certified Public Accountants

Private Companies Practice Section

Tax Division

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

Board of Supervisors
 Barron Water Control District
 P.O. Box 1606
 LaBelle, Florida 33975-1606

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States of America, the basic financial statements of the governmental activities and each major fund of Barron Water Control District (the "District") as of and for the year ended September 30, 2023, and the related notes to the financial statements which collectively comprise the District's basic financial statements as listed in the table of contents and have issued our report thereon dated January 7, 2024.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District'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 District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District'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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the basic financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of

INTEGRITY SERVICE EXPERIENCE

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, as defined previously. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Barron Water Control District'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 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 District'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 District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



TUSCAN & COMPANY, P.A.

Fort Myers, Florida

January 7, 2024



TUSCAN
& Company, PA

Certified Public Accountants & Consultants

Affiliations

Florida Institute of Certified Public Accountants

American Institute of Certified Public Accountants

Private Companies Practice Section

Tax Division

**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE
WITH SECTION 218.415, FLORIDA STATUTES**

Board of Supervisors
Barron Water Control District
P.O. Box 1606
LaBelle, Florida 33975-1606

We have examined Barron Water Control District's compliance with Section 218.415, Florida Statutes, regarding the investment of public funds during the year ended September 30, 2023. Management is responsible for Barron Water Control District's compliance with those requirements. Our responsibility is to express an opinion on Barron Water Control District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about Barron Water Control District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on Barron Water Control District's compliance with specified requirements.

In our opinion, Barron Water Control District complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2023.

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

TUSCAN & COMPANY, P.A.
Fort Myers, Florida
January 7, 2024

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INDEPENDENT AUDITOR'S REPORT TO MANAGEMENT

Board of Supervisors
Barron Water Control District
P.O. Box 1606
LaBelle, Florida 33975-1606

We have audited the accompanying basic financial statements of Barron Water Control District (the "District") as of and for the year ended September 30, 2023 and have issued our report thereon dated January 7, 2024.

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 of America and Chapter 10.550, Rules of the Florida Auditor General. We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards and Chapter 10.550, Rules of the Florida Auditor General. Disclosures in those reports, which are dated January 7, 2024, should be considered in conjunction with this report to management.

Additionally, our audit was conducted in accordance with Chapter 10.550, Rules of the Auditor General, which governs the conduct of local governmental entity audits performed in the State of Florida. This letter includes the following information, which is not included in the aforementioned auditor's reports:

- 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 financially significant prior year comments noted.
- Section 10.554(1)(i)2., Rules of the Auditor General, requires that we address in the management letter any recommendations to improve financial management. No such recommendations were noted to improve financial management.

INTEGRITY SERVICE EXPERIENCE

- Section 10.554(1)(i)3., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have an effect on the financial statements that is less than material but more than inconsequential. In connection with our audit, we did not have any such findings.
- 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 the management letter, unless disclosed in the notes to the financial statements. The District discloses this information in the notes to the financial statements.
- Section 10.554(1)(i)5.a., Rules of the Auditor General, requires a statement be included as to whether or not the local government entity has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with our audit, we determined that the District 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(7), Rules of the Auditor General, we have applied financial condition assessment procedures pursuant to Rule 10.556(8). It is management's responsibility to monitor the District'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. In connection with our audit, we determined that the District did not meet any of the criteria of a deteriorating financial condition described in Auditor General Rule Section 10.554(1)(i)(5).a.
- Pursuant to Section 10.554(1)(i)5.b.2, Rules of the Auditor General, if a deteriorating financial condition(s) is noted then a statement is so required along with the conditions causing the auditor to make such a conclusion. No such conditions were noted.
- Pursuant to Section 10.554(1)(i)5.c., Rules of the Auditor General, requires a statement indicating a failure, if any, of a component unit Special District to provide financial information necessary to a proper reporting of the component unit within the audited financial statements of this entity (F.S. Section 218.39(3)(b)). There are no known component special districts required to report within these financial statements.
- Pursuant to Section 10.554(1)(i)6, Rules of the Auditor General, requires disclosure of certain unaudited data. See Exhibit 2.
- Pursuant to Section 10.554(1)(i)7, Rules of the Auditor General, requires an independent special district that imposes ad valorem taxes to disclose certain related unaudited data. See Exhibit 2.

- Section 10.554(l)8, Rules of the Auditor General, requires an independent special district that imposes a non-ad valorem special assessment to disclose certain unaudited data. See Exhibit 2.
- Section 10.556(10)(a), Rules of the Auditor General, requires that the scope of our audit to determine the District's compliance with the provisions of Section 218.415, Florida Statutes, regarding the investment of public funds. In connection with our audit, we determined that the District complied with Section 218.415, Florida Statutes as reported in our Independent Accountant's Report on Compliance with Section 218.415, Florida Statutes dated January 7, 2024, included herein.

PRIOR YEAR COMMENTS:

No financially significant comments noted.

CURRENT YEAR COMMENTS:

No financially significant comments noted.

Pursuant to Chapter 119, Florida Statutes, this management letter is a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this letter is intended solely for the information and use of the Board of Commissioners, management, the Auditor General of the State of Florida and other federal and state agencies. This report is not intended to be and should not be used by anyone other than these specified parties.

Tuscan & Company, P.A.

TUSCAN & COMPANY, P.A.
Fort Myers, Florida
January 7, 2024

EXHIBIT 1

BARRON WATER CONTROL DISTRICT

POB1606 LaBelle, Florida 33975-1606
Shipping: 3293 Dellwood Terrace, LaBelle, Florida 33935
(863) 675-0346 Fax (863) 675-9297
www.bwcd.net
§298 Government District

Judi Kennington-Korf
General Manager
judikk@bwcd.net

George Leicht
Field Supervisor
gleich@bwcd.net

January 29, 2024
2024-257

Ms. Sherill F. Norman, CPA
State of Florida Auditor General
Claude Pepper Building
111 West Madison Street
Tallahassee, FL 32399-1450

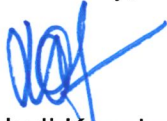
Subject: Response to Management Letter
Fiscal Year: October 1, 2022 – September 30, 2023

Dear Ms. Sherrill:

In response to the management letter contained in the independent audit conducted by Tuscan & Company, PA, of the Barron Water Control District, please observe there were no financially significant comments noted.

Should additional information be necessary, please contact this writer. Thank you.

Sincerely,



Judi Kennington-Korf
General Manager

/jkk

\\Barron-NAS\Public\AUDIT, BWCD\2023, Audit Year Ending 9-30-2023\Correspondence.doc

Mark Colbert, Chairman
Seat 1

Pat McKenna, Vice Chairman
Seat 2

Rusty Hyslope, Treasurer
Seat 3

EXHIBIT 2

**UNAUDITED
COMPLIANCE WITH REPORTING REQUIRED BY:**

Auditor General Rule 10.554(1)(i)6

For a dependent special district or an independent special district, or a local government entity that includes the information of a dependent special district as provided in Section 218.39(3)(a), Florida Statutes, the following specific information provided by management (with explanatory verbiage that the auditor provides no assurance on the information):

- a. The total number of district employees compensated in the last pay period of the district's fiscal year being reported (see information required in Section 218.32(1)(e)2.a., Florida Statutes). 9
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year being reported (see information required in Section 218.32(1)(e)2.b., Florida Statutes). 2
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency (see information required in Section 218.32(1)(e)2.c., Florida Statutes). (Total wage compensation for the fiscal year being audited) \$367,183
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency (see information required in Section 218.32(1)(e)2.d., Florida Statutes). (Amounts paid that would be reported on a Form 1099 for FYE) \$36,096
- e. Each construction project with a total cost of at least \$65,000 approved by the district that was scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project (see information required in Section 218.32(1)(e)2.e., Florida Statutes). N/A
- f. A budget variance report based on the budget adopted under section 189.016(4), Florida Statutes, before the beginning of the fiscal year reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes (see information required in Section 218.32(1)(e)3., Florida Statutes). If there were amendments then include budget variance (original budget vs. actual at FYE). See attached.

Auditor General Rule 10.554(1)(i)7

For an independent special district that imposes ad valorem taxes, the following specific information provided by management (with explanatory verbiage that the auditor provides no assurance on the information): (see information required in Section 218.32(1)(e)4., Florida Statutes).

- a. The millage rate or rates imposed by the district. N/A
- b. The current year gross amount of ad valorem taxes collected by or on behalf of the district.
N/A
- c. The total amount of outstanding bonds issued by the district and terms of such bonds. N/A

Auditor General Rule 10.554(1)(i)8

For an independent special district that imposes non-ad valorem special assessments, the following specific information provided by management (with explanatory verbiage that the auditor provides no assurance on the information): (see information required in Section 218.32(1)(e)5., Florida Statutes).

- a. The rate or rates of such assessment imposed by the district.
Urban: \$77.61/acre
Urban Grove: \$38.81/acre
Irrigation: \$21.92/acre
Drainage: \$6.22/acre
- b. The total amount of special assessments collected by or on behalf of the district.
\$785,614
- c. The total amount of outstanding bonds issued by the district and the terms of such bonds. N/A

BARRON WATER CONTROL DISTRICT
ORIGINAL BUDGET vs. ACTUAL COMPARISON REPORT - UNAUDITED -
GENERAL FUND
Year Ended September 30, 2023

	General Fund		
	Original Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Maintenance taxes	\$ 714,434	\$ 785,614	\$ 71,180
Joint trust contributions	35,000	64,581	29,581
Intergovernmental revenue	105,000	113,603	8,603
Permit fees	-	75,500	75,500
Interest	6,280	39,308	33,028
Labor	10,000	16,986	6,986
Rent	4,800	4,800	-
Miscellaneous	1,000	101,846	100,846
Prior year budgeted carryforward	1,610,754	-	(1,610,754)
TOTAL REVENUES	2,487,268	1,202,238	(1,285,030)
EXPENDITURES			
Current			
General government			
Administration			
Personnel services	212,904	250,992	(38,088)
Operating expenditures	148,545	115,282	33,263
	361,449	366,274	(4,825)
Physical environment			
Field operations			
Personnel services	341,986	299,143	42,843
Operating expenditures	404,789	349,433	55,356
	746,775	648,576	98,199
Capital outlay	62,000	123,568	(61,568)
Debt Service			
Principal retired	-	-	-
Interest charges	-	-	-
Contingency	20,000	-	20,000
Carryforward	1,309,544	-	1,309,544
TOTAL EXPENDITURES	2,499,768	1,138,418	1,361,350
EXCESS OF REVENUES OVER (UNDER)			
EXPENDITURES	(12,500)	63,820	76,320
OTHER FINANCING SOURCES			
Proceeds from disposition of capital assets	12,500	210,000	197,500
Transfers in	-	-	-
TOTAL OTHER FINANCING SOURCES	12,500	210,000	197,500
EXCESS OF REVENUES AND			
OTHER FINANCING SOURCES			
OVER (UNDER) EXPENDITURES	\$ -	273,820	\$ 273,820
FUND BALANCE - BEGINNING		1,605,188	
FUND BALANCE - ENDING		\$ 1,879,008	

The accompanying notes are an integral part of this statement.

BARRON WATER CONTROL DISTRICT
ORIGINAL BUDGET vs. ACTUAL COMPARISON REPORT - UNAUDITED -
SPECIAL REVENUE FUND - INTERGOVERNMENTAL SERVICES FUND
Year Ended September 30, 2023

Special Revenue Fund - Intergovernmental Services Fund			
	Original	Actual	Variance
REVENUES	Budget	Actual	Favorable (Unfavorable)
Charges for services	\$ -	\$ 156,849	\$ 156,849
Interest	-	351	351
TOTAL REVENUES	<u>-</u>	<u>157,200</u>	<u>157,200</u>
EXPENDITURES			
Current			
Physical environment			
Field operations			
Operating expenditures	-	157,200	(157,200)
TOTAL EXPENDITURES	<u>-</u>	<u>157,200</u>	<u>(157,200)</u>
OTHER FINANCING SOURCES (USES)			
Transfers in (out)	-	-	-
EXCESS OF REVENUES AND OTHER FINANCING SOURCES (USES) OVER			
(UNDER) EXPENDITURES	\$ -	-	\$ -
FUND BALANCE - BEGINNING		<u>-</u>	
FUND BALANCE - ENDING		<u>\$ -</u>	

The accompanying notes are an integral part of this statement.