

**TAYLOR COUNTY DEVELOPMENT AUTHORITY
FINANCIAL STATEMENTS
YEAR ENDED SEPTEMBER 30, 2025**

**TAYLOR COUNTY DEVELOPMENT AUTHORITY
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SEPTEMBER 30, 2025**

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Powell and Jones CPA

204 N. Marion Ave.
Lake City, FL 32055
Phone 386.755.4200

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Taylor County Development Authority
Perry, Florida

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the Taylor County Development Authority, (The Authority) as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Authority's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and the major fund of the Authority, as of September 30, 2025, 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 and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority'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 and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority'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 Authority's ability to continue as a going concern for a reasonable period of time.

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

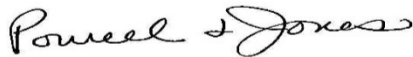
Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial

statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to do so.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated July 24, 2026, on our consideration of the Authority's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards on the Authority's internal control over financial reporting and compliance.

A handwritten signature in cursive script that reads "Powell & Jones".

Powell and Jones CPA
Lake City, Florida
July 24, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

The discussion and analysis of the financial performance of Taylor County Development Authority (the Authority) provides an overall review of the Authority's financial activities for the fiscal year ended September 30, 2025. The intent of this discussion and analysis is to look at the Authority's financial performance as a whole. Readers should also review the basic financial statements and the notes to the basic financial statements to enhance their understanding of the Authority's financial performance.

Report Layout

The Authority has implemented Governmental Accounting Standards Board (GASB) Statement 34, Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments. This statement requires governmental entities to report finances in accordance with specific guidelines. Among those guidelines are the components of this section dealing with management's discussion and analysis. Besides this Management's Discussion and Analysis (MD&A), the report consists of government-wide statements, fund financial statements, and the notes to the financial statements. The first two statements are condensed and present a government-wide view of the Authority's finances. Within this view, all Authority operations are categorized as applicable, and reported as either governmental or business-type activities. Governmental activities include basic planning related services and general administration. The Authority had no business-type activities in this fiscal year. These government-wide statements are designed to be more corporate-like in that all activities are consolidated into a total for the Authority.

Basic Financial Statements

- The Statement of Net Position focuses on resources available for future operations. In simple terms, this statement presents a snap-shot view of the assets of the Authority, the liabilities it owes and the net difference. The net difference is further separated into amounts restricted for specific purposes and unrestricted amounts. Governmental activities are reported on the accrual basis of accounting.
- The Statement of Activities focuses on gross and net costs of the Authority's programs and the extent to which such programs rely upon general revenues. This statement summarizes and simplifies the user's analysis to determine the extent to which programs are self-supporting and/or subsidized by general revenues.
- Fund financial statements focus separately on governmental and proprietary funds, as applicable. Governmental fund statements follow the more traditional presentation of financial statements. As stated above, the Authority has no proprietary funds or business-type activities.
- The notes to the financial statements provide additional disclosures required by governmental accounting standards and provide information to assist the reader in understanding the Authority's financial condition.
- The MD&A is intended to serve as an introduction to the Authority's basic financial statements and to explain the significant changes in financial position and differences in operations between the current and prior years.

Required Supplementary Information

- The Authority adopts an annual appropriated budget for its general fund, a budget to actual comparison statement has been provided for the general fund to demonstrate compliance with this budget.

FINANCIAL HIGHLIGHTS AND ANALYSIS

Government-wide Financial Statements

The assets of the Authority exceeded its liabilities at the close of the fiscal year ended September 30, 2025, by \$258,596.

A condensed version of the Statement of Net Position at September 30, 2025 follows:

Statements of Net Position

	September 30, 2025	September 30, 2024
Assets		
Current and other assets	\$ 285,879	\$ 286,222
Total assets	285,879	286,222
Deferred outflows	26,937	47,232
Liabilities		
Long-term liabilities	-	71,157
Total liabilities	-	71,157
Deferred inflows	54,220	11,917
Net Position		
Unrestricted	258,596	250,380
Total net position	\$ 258,596	\$ 250,380

Analysis of Change in Net Position

The Authority's net position overall increased by \$8,216 during the current fiscal year. This gain aligns with its budget.

	September 30, 2025	September 30, 2024
Revenues:		
Program revenues:		
Grants and contributions	\$ 125,000	\$ -
General revenues:		
Intergovernmental	100,000	100,000
Interest and other revenues	6,866	2,607
Total revenues	231,866	102,607
Expenses:		
Economic development	223,650	139,262
Total expenses	223,650	139,262
Change in net position	8,216	(36,655)
Net position, beginning	250,380	287,035
Net position, ending	\$ 258,596	\$ 250,380

FINANCIAL ANALYSIS OF THE AUTHORITY'S FUNDS

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

Governmental Funds

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

As of the end of the current fiscal year, the Authority's governmental fund reported unrestricted ending fund balances of \$285,879. Revenues for governmental functions overall totaled \$231,866 for the current fiscal year. Expenditures totaled \$232,209, which means that expenditures exceeded revenues by \$343. The general fund is the chief operating fund of the Authority.

GENERAL FUND BUDGETARY HIGHLIGHTS

During 2025, the Authority did not amend its General Fund budget. The final expenses were more than the budgeted expenses by \$7,409. Actual revenues were higher than the final budgeted amounts by \$1,527.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Taylor County Development Authority's finances for all those with an interest in the government's finances. If you have questions about this report or need additional information, contact:

Taylor County Development Authority
103 East Ellis St.
Perry, Florida 32347
850-584-5627

Basic Financial Statements

TAYLOR COUNTY DEVELOPMENT AUTHORITY
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	Governmental Activities
Assets	
Cash and cash equivalents	\$ 185,679
Accounts receivable	100,200
Total assets	<u>285,879</u>
 Deferred Outflows of Resources	
Pension obligations	<u>26,937</u>
 Liabilities	
 Deferred Inflows of Resources	
Pension obligations	<u>54,220</u>
 Net Position	
Unrestricted	258,596
Total net position	<u><u>\$ 258,596</u></u>

See notes to financial statements.

TAYLOR COUNTY DEVELOPMENT AUTHORITY
STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2025

Governmental Activities	Expenses	Program Revenues	Net (Expense) Revenue and Changes in Net Position
		Operating Grants & Contributions	Governmental Activities Total
Economic development	\$ 223,650	\$ 125,000	\$ (98,650)
Total governmental activities	<u>\$ 223,650</u>	<u>\$ 125,000</u>	<u>(98,650)</u>

General revenues:

Intergovernmental	100,000
Miscellaneous income	6,866
Total general revenues	<u>106,866</u>

Change in net position 8,216

Net position at beginning of year 250,380

Net position at end of year \$ 258,596

See notes to financial statements.

TAYLOR COUNTY DEVELOPMENT AUTHORITY
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2025

	<u>General Fund</u>
Assets	
Cash and cash equivalents	\$ 185,679
Accounts receivable	100,200
Total assets	<u>\$ 285,879</u>
 Liabilities and Fund Balances	
Liabilities	<u>\$ -</u>
 Fund balance	
Unassigned	285,879
Total fund balances	<u>285,879</u>
Total liabilities and fund balance	<u>\$ 285,879</u>
 Reconciliation to Statement of Net Position	
Governmental fund balance	\$ 285,879
 Amounts reported for governmental activities in the statement of net position are different because:	
Deferred outflows of resources represent a consumption of fund equity that will be reported as an outflow of resources in a future period and, therefore, are not reported in the governmental funds.	26,937
Deferred inflows of resources represent an acquisition of fund equity that will be recognized as an inflow of resources in a future period and, therefore, are not reported in the governmental funds.	(54,220)
Net position	<u>\$ 258,596</u>

See notes to financial statements.

TAYLOR COUNTY DEVELOPMENT AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2025

	<u>General Fund</u>
Revenues	
Intergovernmental	\$ 100,000
Grants	125,000
Miscellaneous	<u>6,866</u>
Total revenues	<u>231,866</u>
 Expenditures	
Economic development	
Personnel services	180,075
Operating expenses	<u>52,134</u>
Total expenditures	<u>232,209</u>
 Change in fund balance	 (343)
 Fund balance at beginning of year	 <u>286,222</u>
 Fund balance at end of year	 <u>\$ 285,879</u>

See notes to financial statements.

TAYLOR COUNTY DEVELOPMENT AUTHORITY
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCES OF THE GOVERNMENTAL FUND TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2025

Net change in fund balance - total governmental fund	\$ (343)
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Amounts reported for governmental activities in the Statement of Activities are different because:

Some expenses related to other assets reported in the statement of activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds. Also, certain obligations related to prior and subsequent periods are recognized in the statement of activities.

Net pension liability	71,157
Change in deferred inflows/outflows	<u>(62,598)</u>

Change in net position of governmental activities	<u>\$ 8,216</u>
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See notes to financial statements.

**TAYLOR COUNTY DEVELOPMENT AUTHORITY
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of Significant Accounting Policies is presented to assist the reader in interpreting the financial statements and other data in this report. These policies are considered essential and should be read in conjunction with the accompanying financial statements.

The financial statements of the Authority have been prepared in accordance with generally accepted accounting principles as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards, which along with the subsequent GASB pronouncements (Statements and Interpretations) constitutes GAAP for governmental units.

Reporting Entity

The Taylor County Development Authority was authorized under Chapter 59-1936, 59-1922 and 59-1927 House Bill No. 1013 (May 14, 1959) Laws of Florida, as amended by Chapter 67-2133 and 86-382, Laws of Florida for the purpose of "performing such acts as shall be necessary for the sound planning for and the development of Taylor County, Florida". It is governed by a board of directors.

As required by GAAP, the accompanying financial statements present the Authority as the primary government. The Authority has no component units.

The Authority did not participate in any joint ventures during fiscal year 2024-2025.

Basis of Presentation Government-wide and Fund Financial Statements

Government-wide Financial Statements

The *government-wide financial statements* include the statement of net position and the statement of activities. These statements report financial information for the Authority as a whole.

Government-wide financial statements are prepared using the economic resources measurement focus. The *statement of activities* reports the expenses of a given function offset by program revenues directly connected with the functional program. A function is an assembly of similar activities and may include portions of a fund or summarize more than one fund to capture the expenses and program revenues associated with a distinct functional activity.

Program revenues may include: (1) charges for services which report fees, fines and forfeitures, and other charges to users of the Authority's services; (2) operating grants and contributions which finance annual operating activities including restricted investment income; and (3) capital grants and contributions which fund the acquisition, construction, or rehabilitation of capital assets. These revenues are subject to externally imposed restrictions to these program uses. Other revenue sources not properly included with program revenues are reported as general revenues.

Fund Financial Statements

Fund financial statements are provided for governmental, proprietary, and fiduciary funds. The Authority reports the following major governmental fund:

General Fund- The *General Fund* is the general operating fund of the Authority. It is used to account for all financial resources, which are not properly accounted for in another fund. Activities related to the promotion of economic development flow through the *General Fund*.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and recorded in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider 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 considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences and claims and judgments and principal and interest on long term debt, are recorded only when payment is due.

The Authority reports the Government Fund. The measurement focus of the Governmental Funds (in the Fund Financial Statements) is upon determination of financial position and changes in financial position (sources, uses, and balances of financial resources) rather than upon net income. The Government Fund accounts for the Authority's primary services - economic development and is the primary operating unit of the Authority.

Assets, Liabilities, and Net Position or Equity

Cash and Cash Equivalents:

The Authority has defined Cash and Cash Equivalents to include cash on hand, demand deposits, and cash with fiscal agent, if any.

Capital Assets:

Capital assets, which include land, buildings, equipment, improvements other than buildings, and intangibles are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets, other than infrastructure, are defined as assets with a cost of \$1,000 or more and an estimated useful life greater than one year. Infrastructure assets are long-lived capital assets that normally are stationary in nature and can be preserved for a significantly greater number of years than most general capital assets. Examples of such assets are buildings, roads, bridges, sidewalks, paved paths, utility systems, storm water

drainage systems, traffic control and lighting systems. There are no infrastructure assets reported in the financial statements.

Capital assets are recorded at historical cost when purchased or constructed. Donated capital assets are recorded at the estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the fund's financial statements. These general capital assets are included in the governmental activities column of the government-wide financial statements. Depreciation on all exhaustible capital assets used in the governmental activities is charged as an expense against their operations. Accumulated depreciation is reported on the government-wide Statement of Net Position.

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

Assets	Years
Buildings	20 - 30
Improvements other than buildings	15 - 50
Equipment and machinery	2 - 20
Vehicles	3 - 10
Infrastructure	10 - 40

Compensated Absences:

Full-time, permanent employees are granted vacation benefits in varying amounts to specified maximums depending on tenure with the Authority. Sick leave accrues to full-time, permanent employees to specified maximums. Generally, after one year of service, employees are entitled to a percentage of their sick leave balance and all accrued vacation leave upon termination. The estimated liabilities include required salary-related payments. Compensated absences are not reported as accrued in the government-wide statements because they are not considered material.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until then. The Authority only has one item that qualifies for reporting in this category. This is the deferred charge on pensions in the government-wide statement of net position. Deferred outflows on pensions are recorded when actual earnings on pension plan investments exceed projected earnings and are amortized to pension expense using a systematic and rational method over a closed five-year period. Deferred outflows on pensions also include the difference between expected and actual experience with regard to economic or demographic factors; changes of assumptions about future economic, demographic, or other input factors; or changes in the Authority's proportionate share of net pension liability. These are amortized over the average expected remaining service lives of all employees that are provided with pensions through each pension plan. Contributions to pension plans made subsequent to the measurement date are also deferred and reduce net pension liability in the subsequent year.

In addition to liabilities, the statement of financial position will sometimes report 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(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The Authority has only one type of item, which is related to pensions. Deferred inflows on pension plan investments exceed actual earnings and are amortized to pension expense using a systematic and rational method over a closed five-year period. Deferred inflows on pensions also include the difference between expected and actual experience with regard to economic or demographic factors; changes of assumptions about future economic, demographic, or other input factors; or changes in the Authority's proportionate share of net pension liability. These are amortized over the average expected remaining service lives of all employees that are provided with pensions through each pension plan.

Fund Balances – Governmental Funds

As of September 30, 2025, fund balances of the governmental funds are classified as follows:

Non-spendable – amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact.

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

Committed – amounts that can be used only for specific purposes determined by a formal action of the Governing Board. The Board is the highest level of decision making for the Authority. Commitments may be established, modified, or rescinded only through resolutions approved by the Board of Directors.

Assigned – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. Under the Authority's general procedure, only the Board of Directors may assign amounts for specific purposes.

Unassigned – all other spendable amounts.

As of September 30, 2025, fund balances are composed of the following:

	General Fund
Unassigned	\$ 285,879

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

Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures; accordingly, actual results could differ from these estimates.

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**A. Explanation of Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position.**

“Total fund balances” of the Authority’s governmental funds \$ 285,879 differs from “net position” of governmental activities \$258,596 reported in the statement of net position. This difference results from the long-term economic focus of the statement of net position versus the current financial resources focus of the governmental funds balance sheet.

Long-term debt transactions

Long-term liabilities applicable to the Authority's governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. All long-term liabilities are reported in the Statement of Net Position. At September 30, 2025, the Authority had no long-term liabilities.

Deferred outflows/inflows of resources

Deferred outflows of resources represent a consumption of net position in a future period while deferred inflows of resources represent an acquisition of net position in a future period and accordingly, are not reported in the governmental fund statements. However, the statement of net position included those deferred outflows/inflows of resources.

Deferred outflows	\$ 26,937
Deferred inflows	(54,220)
	<u>\$ (27,283)</u>

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Differences Between Government Fund Balance Sheet and the Statement of Net Position

	General Fund	Deferred Outflows / Inflows	Statement of Net Position
Assets			
Cash and cash equivalents	\$ 185,679	\$ -	\$ 185,679
Accounts receivable	100,200	-	100,200
Capital assets, net	-	-	-
Total assets	<u>285,879</u>	<u>-</u>	<u>285,879</u>
Deferred Outflows			
Pension obligations	<u>-</u>	<u>26,937</u>	<u>26,937</u>
Liabilities			
Liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows			
Pension obligations	<u>-</u>	<u>54,220</u>	<u>54,220</u>
Fund Balance/Net Position			
Fund balance	<u>285,879</u>	<u>(27,283)</u>	<u>258,596</u>
Total fund balance/Net position	<u>\$ 285,879</u>	<u>\$ (27,283)</u>	<u>\$ 258,596</u>

B. Explanation of Differences Between Governmental Fund Statement of Revenues, Expenditures, and changes in Fund Balance and the Statement of Activities

The “net change in fund balances” for governmental funds \$(343) differs from the “change in net position” for governmental activities \$8,216 reported in the statement of activities. The differences arise primarily from the long-term economic focus of the statement of activities versus the current financial resources focus of the governmental funds. The effect of the differences is illustrated below.

Long-term Debt Related Items

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

Change in net pension liability	\$ 71,157
Change in deferred inflows of resources	(62,598)
	<u>\$ 8,559</u>

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

B. Explanation of Differences Between Government Fund Statement of Revenues, Expenditures, and Changes in Fund Balance, and the Statement of Activities

	General Fund	Deferred Outflows / Inflows	Net Pension Liability	Statement of Activities
Revenues				
Intergovernmental	\$ 100,000	\$ -	\$ -	\$ 100,000
Miscellaneous income	6,866	-	-	6,866
Grants	125,000	-	-	125,000
Total revenues	<u>231,866</u>	<u>-</u>	<u>-</u>	<u>231,866</u>
Expenditures				
Economic development				
Personnel services	180,075	62,598	(71,157)	171,516
Operating expenses	52,134	-	-	52,134
Total expenditures	<u>232,209</u>	<u>62,598</u>	<u>(71,157)</u>	<u>223,650</u>
Change in fund balance	(343)	(62,598)	71,157	8,216
Fund balance at beginning of year	286,222	35,315	(71,157)	250,380
Fund balance at end of year	<u>\$ 285,879</u>	<u>\$ (27,283)</u>	<u>\$ -</u>	<u>\$ 258,596</u>

NOTE 3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

Budgetary Information

The Authority follows these procedures in establishing the budgetary data reflected in the financial statements.

1. Prior to September 1, the Authority Director submits to Taylor County and the Authority Board a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public meetings and workshops are conducted to obtain comments.
3. Prior to October 1, the budget is legally enacted through passage of a resolution.
4. The Board adopts the budget resolution for the governmental funds. Annual budgets are adopted on a basis consistent with GAAP. The appropriated budget is prepared by fund, function, and department. The Authority Director may make transfers of appropriations within a department. Expenditures may not legally exceed appropriations for each individual department.
5. All budget amounts presented in the accompanying financial statements may be adjusted for revisions of the annual budgets during the year. The effect of these revisions would be to reallocate funds within the budget, which did not cause an overall increase in the total budget. Appropriations, except open project appropriations, lapse at the end of the fiscal year. The Authority does not use the encumbrance method.

Compliance with Finance-Related Legal and Contractual Provisions

The Authority has no finance-related legal and contractual provisions.

NOTE 4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of restricted and unrestricted cash and investments with maturities, when purchased, of ninety days or less.

Deposits and Investments

Deposits - At year end, the book balance of the Authority's deposits was \$185,679, consisting of funds maintained in two checking accounts.

The Florida Security for Public Deposits Act; Chapter 280 of the *Florida Statutes*, provides that qualified public depositories must maintain eligible collateral having a market value equal to fifty percent of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held by the depository during the twelve months immediately preceding the date of any computation of the balance. As such, the depository is not required to hold collateral in the Authority's name nor specify which collateral is held for the Authority's benefit. The Public Deposit Security Trust Fund, as created under the laws of the State of Florida, would be required to pay the Authority for any deposits not covered by depository insurance or collateral pledged by the depository as previously described.

Except for the pension trust funds, the Authority's investment activity for the year consisted solely of certificates of deposit with various short-term maturities, i.e., for periods of less than three months. All such investments are recorded at cost which approximates market value and would be classified in category (1) reflected above.

NOTE 5. PREPAID EXPENSES

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. Prepaid items recorded in governmental funds do not reflect current appropriable resources and, thus, are reported as part of non-spendable fund balance. No prepaid expenses were recorded at the fiscal year end.

NOTE 6. CAPITAL ASSETS

The Authority had no capital assets in the year ended September 30, 2025.

NOTE 7. LONG-TERM DEBT TRANSACTIONS

Long-term liabilities applicable to the Authority's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities (both current and long-term) are reported in the statement of net position. There is no long-term debt activity for the fiscal year ended September 30, 2025.

NOTE 8. OTHER INFORMATION

Risk Management

The Authority is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the Authority carries commercial insurance. Through the Florida League of Cities, insurance against losses is provided for the following types of risk:

- Workers' Compensation and Employer's Liability
- General and Automobile Liability
- Real and Personal Property Damage
- Public Officials Liability
- Accidental Death and Dismemberment

The Authority's coverage for Workers' Compensation is under a retrospectively rated policy. Premiums are accrued based on the ultimate cost to date of the Authority's experience for this type of risk.

NOTE 9. SUMMARY DISCLOSURE OF SIGNIFICANT CONTINGENCIES

Litigation

During the ordinary course of its operation, the Authority may be a party to various claims, legal actions and complaints. These matters are covered by the Authority's Risk Management Program.

In the opinion of the Authority's management and legal counsel, there are no matters that are anticipated to have a material financial impact on the Authority.

**NOTE 10. DEFINED BENEFIT/DEFINED CONTRIBUTION PENSION PLANS AND COST SHARING
MULTIPLE EMPLOYER DEFINED BENEFIT PENSION PLANS – FLORIDA RETIREMENT SYSTEM
PENSION PLAN AND THE RETIREMENT HEALTH INSURANCE SUBSIDY PROGRAM**

During prior years, the Authority participated in the Florida Retirement System (FRS) Pension Plan and the Retiree Health Insurance Subsidy (HIS) Program, which are cost-sharing, multiple-employer defined benefit pension plans administered by the Florida Department of Management Services, Division of Retirement.

The Authority no longer participates in either plan and, accordingly, had no net pension liability related to the FRS Pension Plan or the HIS Program at September 30, 2025. However, deferred outflows of resources and deferred inflows of resources related to prior participation remain outstanding and will continue to be recognized in pension expense in future periods in accordance with Governmental Accounting Standards Board (GASB) Statement No. 68.

At September 30, 2025, the Authority reported the following pension-related balances:

	Deferred Outflows	Deferred Inflows
Florida Retirement System	\$ 18,406	\$ 32,004
Health Insurance Subsidy Program	8,531	22,216
Total	<u>\$ 26,937</u>	<u>\$ 54,220</u>

For the year ended September 30, 2025, the Authority recognized pension income of \$8,559, consisting of:

	Amount
FRS Pension Plan	\$ 4,186
HIS Program	4,373
Total Pension Income	<u>\$ 8,559</u>

The remaining deferred outflows and deferred inflows represent employer-specific amounts resulting from changes in employer proportion and will continue to be recognized in pension expense in future periods as prescribed by the Florida Retirement System actuarial valuation.

REQUIRED SUPPLEMENTARY INFORMATION

TAYLOR COUNTY DEVELOPMENT AUTHORITY
BUDGETARY COMPARISON INFORMATION
GENERAL FUND
For The Year Ended September 30, 2025

	Original and Final Budgeted Amounts	Actual Amounts	Variance Under / (Over) Final Budget
Revenues			
Grants	\$ 125,000	\$ 125,000	\$ -
Intergovernmental	100,000	100,000	-
Miscellaneous income	5,339	6,866	1,527
Total revenues	<u>230,339</u>	<u>231,866</u>	<u>1,527</u>
Expenditures			
Economic development:			
Personnel costs	180,000	180,075	(75)
Legal and consulting services	19,200	18,415	785
Accounting services	10,800	15,300	(4,500)
Travel and meetings	4,000	4,822	(822)
Communications	3,000	3,270	(270)
Utility services	-	2,986	(2,986)
Repairs and maintenance	-	470	(470)
Bank Service Charge	200	179	21
Promotional activities	5,000	4,397	603
Office supplies	2,000	1,405	595
Memberships and dues	600	890	(290)
Total economic development expenditures	<u>224,800</u>	<u>232,209</u>	<u>(7,409)</u>
Excess of revenues over expenditures	5,539	(343)	(5,882)
Fund balance at beginning of year	286,222	286,222	-
Fund balance at end of year	<u>\$ 291,761</u>	<u>\$ 285,879</u>	<u>\$ (5,882)</u>

Notes:

Budgetary Information - An annual appropriated budget is adopted for the General Fund on a basis consistent with GAAP. All annual appropriations lapse at the fiscal year end. Line-item expenditures in excess of budget are authorized to the extent that the total budgetary category does not exceed total amounts budgeted for the category of the fund. Amendments to the budget must be approved by the Governing Board.

COMPLIANCE SECTION



Powell and Jones CPA

204 N. Marion Ave.
Lake City, FL 32055
Phone 386.755.4200

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

To the Board of Directors
Taylor County Development Authority
Perry, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of Taylor County Development Authority, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise Taylor County Development Authority's basic financial statements, and have issued our report thereon dated July 24, 2026.

Internal Control Over Financial Reporting

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

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

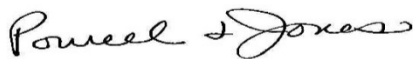
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified. We did identify the following deficiency in internal control, described in the accompanying schedule of audit findings as item 2025-001, that we consider to be a significant deficiency.

Compliance and Other Matters

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

Purpose of this Report

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

A handwritten signature in cursive script that reads "Powell & Jones".

Powell and Jones CPA
Lake City, Florida
July 24, 2026



Powell and Jones CPA

204 N. Marion Ave.
Lake City, FL 32055
Phone 386.755.4200

MANAGEMENT LETTER

To the Board of Directors
Taylor County Development Authority
Perry, Florida

We have audited the financial statements of the Taylor County Development Authority (the Authority) as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated July 24, 2026.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. We have issued our report on internal control over financial reporting and compliance and other matters dated July 24, 2026. Disclosures in the report, if any, should be considered in conjunction with this management letter.

However, during our audit we became aware of matters that are opportunities for strengthening internal controls and operating efficiencies. In addition to furnishing information required by Chapter 10.550, *Rules of the Auditor General*, and other compliance matters, the remaining sections of this report discuss these findings.

PRIOR YEAR FINDINGS

The Rules of the Auditor General require that we comment as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding audit. If the audit findings in the preceding audit report are uncorrected, we are required to identify those findings that were also included in the second preceding audit report. See summary below for update on prior year findings.

Tabulation of Uncorrected Audit Findings

Current Year Finding Number	Prior Year Finding Number	2022-23 FY Finding Number
2025-001	2024-1	2022-1

SPECIAL DISTRICT COMPONENT UNITS

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

PROPERTY ASSESSED CLEAN ENERGY (PACE) PROGRAMS

As required by Section 10.554(1)(i)6.a., Rules of the Auditor General, the Authority is required to provide a statement as to whether a PACE program has been authorized pursuant to section 163.081 or Section 163.092, Florida Statutes. The Authority did not operate a PACE program within the management's geographical boundaries during the fiscal year under audit.

SPECIFIC INFORMATION

- a. The total number of district employees compensated in the last pay period of the district's fiscal year was 0.
- b. The total number of independent contractors to whom non-employee compensation was paid in the last month of the district's fiscal year was zero.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency was \$0.
- d. All compensation earned by or awarded to non-employee independent contractors, whether paid or accrued, regardless of contingency was \$180,075.
- e. Each construction project with total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditure for such projects was \$0.
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes. The budget was not amended.

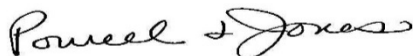
AUDITOR GENERAL AND OTHER COMPLIANCE MATTERS

- The *Rules of the Auditor General* [Section 10.554(1)(i)1.] requires that we determine whether or not corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report. There were no such items disclosed in the preceding audit report.
- The *Rules of the Auditor General* [Section 10.554.(1)(i)3.] requires that we address in the management letter any findings and recommendations to improve the Taylor County Development Authority financial management, accounting procedures, and internal controls. In connection with our audit we did not have any such findings or recommendations.
- The *Rules of the Auditor General* [Section 10.554(1)(i)4.] requires that we address violations of laws, regulations, contracts and grant agreements or abuse that have occurred, or are likely to have occurred, that have an effect on the determination of financial statements that is less than material but more than inconsequential. In connection with our audit, we did not have any such findings.
- The *Rules of the Auditor General* [Section 10.554(1)(i)5.] provides that the auditor may, based on professional judgment, report the following matters that are inconsequential to the determination of financial statement amounts, considering both qualitative and quantitative

factors: (1) violations of laws, rules, regulations, and contract provisions or abuse that have occurred or are likely to have occurred, and (2) control deficiencies that are not significant deficiencies. In connection with our audit, we did not have any such findings.

- The *Rules of the Auditor General* [Section 10.554(1)(i)6.] requires that the name or official title and legal authority for the government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements (see Note 1 to the financial statements). There were no component units to the Taylor County Development Authority.
- The *Rules of the Auditor General* [Section 10.554(1)(i)5.(a)] requires a statement to 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 Taylor County Development Authority did not meet any of the conditions described in Section 218.503(1), *Florida Statutes* that might result in a financial emergency.
- The *Rules of the Auditor General* [Section 10.554(1)(i)5.(a) and 10.556(7.)] require that we apply financial assessment procedures. In connection with our audit, we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial assessment was based in part on representations made by management and the review of the financial information provided by same.

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 Taylor County Development Authority, management and the Florida Auditor General, and is not intended to be and should not be used by anyone other than these specified parties.



Powell and Jones CPA
Lake City, Florida
July 24, 2026



Powell and Jones CPA

204 N. Marion Ave.
Lake City, FL 32055
Phone 386.755.4200

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH FLORIDA STATUTES REGARDING LOCAL GOVERNMENT INVESTMENTS

To the Board of Directors
Taylor County Development Authority
Perry, Florida

We have examined the Taylor County Development Authority's compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2025. Management is responsible for the Authority's compliance with those requirements. Our responsibility is to express an opinion on the Authority'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 the Authority'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 the Authority's compliance with specified requirements.

In our opinion, the Authority complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2025.

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

Powell and Jones CPA
Lake City, Florida
July 24, 2026



Powell and Jones CPA

204 N. Marion Ave.
Lake City, FL 32055
Phone 386.755.4200

Communication with Those Charged with Governance

To the Board of Directors
Taylor County Development Authority
Perry, Florida

We have audited the financial statements of Taylor County Development Authority for the year ended September 30, 2025. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Taylor County Development Authority are described in Note 1 to the financial statements. We noted no transactions entered into by the governmental unit during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. There are no sensitive estimates affecting Taylor County Development Authority financial statements.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There are no sensitive disclosures affecting the financial statements.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. There were no such misstatements identified during our audit.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated July 24, 2026.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a “second opinion” on certain situations. If a consultation involves application of an accounting principle to the governmental unit’s financial statements or a determination of the type of auditor’s opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

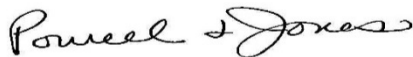
We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the governmental unit’s auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Information in Documents Containing Audited Financial Statements

With respect to the required supplementary information accompanying the financial statements, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the required supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves.

This information is intended solely for the use of the Taylor County Development Authority and management of Taylor County Development Authority, and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in cursive script that reads "Powell & Jones".

Powell and Jones CPA
Lake City, Florida
July 24, 2026

SCHEDULE OF FINDINGS

CURRENT YEAR FINDINGS

Finding 2025 - 001

Financial Statement Preparation

A system of internal control over financial reporting includes controls over financial statement preparation, including footnote disclosures. While your auditor can assist with the preparation of your financial statements and related footnotes, the financial statements are the responsibility of management. A deficiency in internal control exists when the government does not have the expertise necessary to prevent, detect, and correct misstatements. A deficiency in internal control exists because Taylor County Development Authority is not capable of drafting the financial statements and all required footnote disclosures in accordance with generally accepted accounting principles. Possessing suitable skill, knowledge, or experience to oversee services an auditor provides in assisting with financial statement presentation requires a lower level of technical knowledge than the competence required to prepare the financial statements and disclosures.

MANAGEMENT'S RESPONSE

We agree with this finding. We are a very small government. We currently utilize the services of our Treasurer, who maintains excellent accounting records and provides accurate monthly financial reports prepared generally on the accrual basis. We likewise have confidence in our audit firm to utilize these records and prepare annual financial statements in the required formats and with all associated note disclosures. The Board of Directors reviews the annual financial reports and have the opportunity to ask the auditor any questions regarding the report prior to its formal presentation. The report is formally presented by the auditor at a scheduled meeting of the Board of Directors.

At this time, we do not believe it would be a justifiable expense to employ another accountant on either a part-time or full-time basis to prepare the annual financial statements. We thus accept this required disclosure finding and will continue to monitor this situation in the future.