

LIBERTY COUNTY, FLORIDA
FINANCIAL STATEMENTS
FISCAL YEAR ENDED SEPTEMBER 30, 2022

**LIBERTY COUNTY, FLORIDA
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SEPTEMBER 30, 2022**

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INDEPENDENT AUDITORS' REPORT

The Honorable Board of County Commissioners,
Liberty County, Florida:

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Liberty County, Florida (the County), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the County's financial statements as listed in the table of contents.

We do not express an opinion on the accompanying financial statements of the County. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

Basis for Disclaimer of Opinion

Audit procedures require a successor auditor to perform certain initial audit procedures during the initial audit with respect to opening account balances. These procedures typically entail either reviewing a predecessor auditor's workpapers or the testing of opening account balances. Due to a lack of audit evidence able to be produced over these balances from prior fiscal years, we were unable to gain sufficient audit evidence to support the opening account balances for various prior year balances of assets, liabilities, deferred inflows of resources, and outflows of resources, and the related impact upon beginning fund balance / net position amounts. As a result of this matter, we are unable to determine whether any adjustments might have been found necessary with respect to the various elements making up the financial statements.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the County's financial statements in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and to issue an auditors' report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

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

Emphasis of Matter

As discussed in Note (11) to the financial statements, certain beginning fund balance and net position amounts from the 2021 financial statements have been restated to correct certain errors in prior year balances that were discovered by us and corrected by management. Accordingly, adjustments have been made to various beginning fund balance / net position amounts. As described in the Basis for Disclaimer of Opinion section of our report, we are unable to determine whether any further adjustments might have been found necessary with respect to the various elements making up the financial statements.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents, 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 express an opinion or provide any assurance.

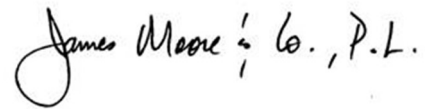
Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's financial statements. The combining and individual nonmajor fund financial statements and other schedules, and schedule of expenditures of federal awards and state financial assistance as required by the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and Section 215.97, Florida Statutes, *Florida Single Audit Act*, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. We do not express an opinion or provide any assurance on the information due to the significance of the matter described in the Basis for Disclaimer of Opinion section of our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 2, 2023, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial 'J'.

Tallahassee, Florida
November 2, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

Management Discussion and Analysis provides an objective and easily readable analysis of the County's financial activities for fiscal year ended September 30, 2022. The analysis provides summary financial information for the County and should be read in conjunction with the County's financial statements.

FINANCIAL HIGHLIGHTS

- Liberty County's assets and deferred outflows exceeded total liabilities and deferred inflows by \$27,576,732 (net position). Of this amount, \$(3,803,481) is unrestricted net position (deficit) while \$26,255,414 represents net investment in capital assets. The remaining \$5,124,799 is restricted net position.
- Net position of business-type activities decreased by \$86,704 over the previous year. Net position of governmental activities decreased \$447,144. Accordingly, net position of both business-type and governmental activities decreased a total of \$533,848.
- At September 30, 2022, the Transportation Fund balance decreased by \$103,552, primarily due to increased road expenditures invested for improvement County infrastructure.
- At September 30, 2022, the County's governmental funds reported a combined fund balance of \$10,342,567, representing a decrease of \$777,000 over the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information that may be of interest to the reader.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the County's finances in a manner similar to a private-sector business. The two government-wide financial statements are the Statement of Net Position and the Statement of Activities.

The Statement of Net Position presents information on all assets, deferred outflows, liabilities and deferred inflows of the County, with assets plus deferred outflows minus liabilities minus deferred inflows reported as *net position*. Changes in net position over time may serve as a useful indicator of whether the financial position of the County is improving or deteriorating. The Statement of Activities presents information on all revenues and expenses of the County and the change in net position for the fiscal year. All changes in net position are reported as soon as the underlying event occurs, regardless of the timing of the related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and accounts payable).

Both statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). Governmental activities of the County include general government services, public safety, physical environment, transportation, economic environment, human services, culture and recreation, and court costs. Business-type activities include garbage disposal and recycling.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that are segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental Funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances on spendable resources available at the end of the fiscal year. Such information may be used in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate comparison between governmental funds and governmental activities.

The County maintains numerous individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund and the Transportation Fund which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the non-major governmental funds is provided in the form of combining statements elsewhere in this report.

Proprietary Funds - *Internal services funds* are an accounting device used to accumulate and allocate costs internally among the various County functions. The County has no internal service fund. *Enterprise funds* are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for the fiscal activities relating to the Water Fund.

Fiduciary Funds - Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because resources of those funds are not available to support the County's own programs.

Notes to the Financial Statements

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

Other Information

In addition to the basic financial statements, and accompanying notes, this report also presents certain required supplementary information including budget to actual comparisons for the General Fund and major special revenue funds, the Schedules of Proportionate Shares of Net Pension Liabilities and Pension Employer Contributions, and the Schedules of Changes in the Total OPEB Liability and Related Ratios. Following the required supplementary information can be found combining balance sheets and combining statements of revenues, expenditures, and changes in fund balances for the non-major governmental funds, and schedules of expenditures of federal and state awards.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Liberty County, assets and deferred outflows exceeded liabilities and deferred inflows by \$26,649,336 at the close of the fiscal year ended September 30, 2022. The County had an unrestricted deficit in net position of funds of \$3,803,481 at September 30, 2022.

Schedule of Net Position

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
ASSETS						
Current and other assets	\$ 13,492,226	\$ 17,356,023	\$ 196,718	\$ 369,879	\$ 13,688,944	\$ 17,725,902
Capital assets	25,414,200	25,343,303	1,197,214	1,218,913	26,611,414	26,562,216
Total assets	<u>38,906,426</u>	<u>42,699,326</u>	<u>1,393,932</u>	<u>1,588,792</u>	<u>40,300,358</u>	<u>44,288,118</u>
Deferred outflows of resources	2,881,548	2,167,900	-	-	2,881,548	2,167,900
LIABILITIES						
Current and other liabilities	3,149,659	6,355,142	126,536	127,351	3,276,195	6,482,493
Long-term liabilities	10,397,686	5,121,071	340,000	447,341	10,737,686	5,568,412
Total liabilities	<u>13,547,345</u>	<u>11,476,213</u>	<u>466,536</u>	<u>574,692</u>	<u>14,013,881</u>	<u>12,050,905</u>
Deferred inflows of resources	1,591,293	6,294,533	-	-	1,591,293	6,294,533
NET POSITION						
Net investment in capital assets	\$ 25,414,200	\$ 25,212,860	\$ 841,214	\$ 753,572	\$ 26,255,414	\$ 25,966,432
Restricted	5,124,799	6,257,876	-	-	5,124,799	6,257,876
Unrestricted	(3,889,663)	(4,374,256)	86,182	260,528	(3,803,481)	(4,113,728)
Total net position	<u>\$ 26,649,336</u>	<u>\$ 27,096,480</u>	<u>\$ 927,396</u>	<u>\$ 1,014,100</u>	<u>\$ 27,576,732</u>	<u>\$ 28,110,580</u>

The largest portion of the County's net position reflects its investment in capital assets, net of depreciation (e.g., land, roads, parks, buildings, and equipment) less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the County's net position represents resources that are subject to restrictions imposed externally on how they may be used.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)**

Changes in Net Position

The following schedule provides a summary of the changes in net position.

Schedule of Changes in Net Position

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
REVENUES						
Program revenues:						
Charges for services	\$ 2,116,374	\$ 1,700,923	\$ 404,398	\$ 385,999	\$ 2,520,772	\$ 2,086,922
Operating grants and contributions	4,336,612	4,059,595	-	-	4,336,612	4,059,595
Capital grants and contributions	4,791,594	2,576,105	-	-	4,791,594	2,576,105
General revenues:						
Property taxes	2,844,959	2,551,301	-	-	2,844,959	2,551,301
Other taxes	2,271,480	2,684,466	-	-	2,271,480	2,684,466
Shared revenue	2,441,415	2,010,269	-	-	2,441,415	2,010,269
Other	731,231	657,721	-	9,168	731,231	666,889
Total revenues	<u>19,533,665</u>	<u>16,240,380</u>	<u>404,398</u>	<u>395,167</u>	<u>19,938,063</u>	<u>16,635,547</u>
EXPENSES						
General government	4,109,234	3,433,000	-	-	4,109,234	3,433,000
Public safety	4,927,120	4,095,200	-	-	4,927,120	4,095,200
Physical environment	576,194	1,625,405	468,691	515,033	1,044,885	2,140,438
Transportation	7,035,870	3,397,383	-	-	7,035,870	3,397,383
Economic environment	1,852,033	14,713	-	-	1,852,033	14,713
Human services	311,294	297,923	-	-	311,294	297,923
Culture and recreation	493,368	317,091	-	-	493,368	317,091
Court related	669,732	352,788	-	-	669,732	352,788
Interest on long-term debt	5,964	11,216	22,411	11,216	28,375	22,432
Total expenses	<u>19,980,809</u>	<u>13,544,719</u>	<u>491,102</u>	<u>526,249</u>	<u>20,471,911</u>	<u>14,070,968</u>
Change in net position	(447,144)	2,695,661	(86,704)	(131,082)	(533,848)	2,564,579
Net position, beginning of year	27,096,480	24,400,819	1,014,100	1,145,182	28,110,580	25,546,001
Net position, end of year	<u>\$ 26,649,336</u>	<u>\$ 27,096,480</u>	<u>\$ 927,396</u>	<u>\$ 1,014,100</u>	<u>\$ 27,576,732</u>	<u>\$ 28,110,580</u>

The most significant change in revenues was seen in capital grants and contributions, which increased \$2.2 million, primarily related to road grants received during Fiscal Year 2022.

Governmental activities expenses exceeded revenues and net transfers by approximately \$10.7 million, while business-type activities revenue were more than expenses and net transfers by \$0.4 million. Total expenses increased approximately 47% (\$6.4 million) from the previous year. Total revenues increased approximately 20% (\$3.2 million) from the previous year.

FINANCIAL ANALYSIS OF THE COUNTY'S FUNDS

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

Governmental Funds

As previously discussed, governmental funds measure current assets and liabilities and current or spendable resources. A fund's fund balance may provide a useful measure of the fund's net resources available for spending at the end of the fiscal year.

During Fiscal Year 2022, the County had one major governmental fund: the Transportation Fund.

MANAGEMENT'S DISCUSSION AND ANALYSIS (CONTINUED)

The General Fund is the chief operating fund of the County. The General Fund includes the General Fund of the Board of County Commissioners and the General Funds of each Constitutional Officer. The General Fund had a decrease in fund balance of \$886,925. The total fund balance was \$4,222,335, of which \$1,551,195 is assigned for subsequent years' expenditures.

The Transportation Fund accounts fuel tax revenues, charges for services and grants for the construction and maintenance of road projects to be expended for activities related to the County transportation system. The fund had a total fund balance of \$4,355,666 at year- end. This was a decrease of \$103,552 from the prior year.

Proprietary Funds

The County's enterprise fund provides the same type of information found in the government-wide financial statements, but in greater detail. The Water Fund accounts for the operations and maintenance of the County's water system. Operating revenues for the Water Fund totaled \$404,398 in the current year. As of September 30, 2022, total net position was \$927,396, a decrease of \$86,704 from the prior year.

GENERAL FUND BUDGETARY HIGHLIGHTS

Budget and actual comparison schedules are provided in the Schedule of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual for the General Fund and all major special revenue funds with annually appropriated budgets. These schedules show the original budget, final budget, actual amounts, and the variances between actual and final budgeted amounts. Budget amendments are approved throughout the year. Budgets are revised for a variety of reasons, such as new grant awards, unanticipated revenue sources, unforeseen expenditures, etc.

Actual revenues of the General Fund were more than the final budget by approximately \$2,090,000. Budgeted expenditures exceeded actual by approximately \$878,000 primarily due to \$489,000 of unexpended general government appropriations, \$259,000 of unexpended capital outlay appropriations, and \$723,000 of unexpended public safety appropriations offset by \$310,000 of expenditures over budget in Court related Expenses and \$280,000 of unbudgeted principal and interest for debt service.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets

The County's total investment in capital assets for both its governmental and business type activities as of September 30, 2021, was \$26,611,414 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, machinery and equipment, and a large portion of infrastructure. The county's financial statements reflect the cost of all roads, bridges, and drainage structures acquired or built over approximately the last 30 years.

See Note 5 to the financial statements for more information about the County's capital assets.

Long-term Liabilities

On September 30, 2022, the County's governmental outstanding long-term liabilities were \$567,449 and the business-type long-term liabilities were \$356,000. \$356,000 of the business-type liabilities represent bonds secured by specific revenue sources as a method of repayment. The majority of the remaining balance, \$567,000 million, represents the County's compensated absences and landfill liability balances.

See Notes 6, 7, 8 and 9 to the financial statements for more information about the County's long-term liabilities.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
(CONTINUED)**

NEXT YEAR'S BUDGET AND SIGNIFICANT FINANCIAL CONDITIONS

Liberty County has relied on property taxes, intergovernmental resources, and accumulated reserves to fund its operations. The County is addressing the reliance upon reserves for operational cost going forward. The County has utilized grants and road fees to help fund the infrastructure needs.

The Board of County Commissioners adopted a General Fund millage rate of 9.3247 mills for fiscal year 2023, equal to the millage rate adopted for fiscal year 2022.

REQUESTS FOR INFORMATION

This report was designed to provide an overview of the County's finances. If you have questions concerning this report, contact Daniel Stanley, Clerk of the Court and Comptroller, 10818 NW, FL-20, Bristol, Florida 32321.

LIBERTY COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash and equivalents	\$ 2,202,687	\$ -	\$ 2,202,687
Investments	8,763,688	-	8,763,688
Accounts receivable, net	234,751	32,000	266,751
Due from other governments	2,260,840	-	2,260,840
Internal balances	(164,718)	164,718	-
Prepaid expenses	194,978	-	194,978
Capital assets:			
Non-depreciable	2,659,678	65,000	2,724,678
Depreciable, net	22,754,522	1,132,214	23,886,736
Total assets	<u>\$ 38,906,426</u>	<u>\$ 1,393,932</u>	<u>\$ 40,300,358</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	\$ 2,744,874	\$ -	\$ 2,744,874
Deferred outflows related to OPEB	136,674	-	136,674
Total deferred outflows	<u>\$ 2,881,548</u>	<u>\$ -</u>	<u>\$ 2,881,548</u>
LIABILITIES			
Accounts payable and accrued liabilities	\$ 1,540,236	\$ 22,296	\$ 1,562,532
Deposits	12,531	88,240	100,771
Due to other governments	41,143	-	41,143
Unearned revenue	1,555,749	-	1,555,749
Noncurrent liabilities:			
Due within one year	70,524	16,000	86,524
Due in more than one year	496,925	340,000	836,925
Total OPEB liability	1,315,069	-	1,315,069
Net pension liability	8,515,168	-	8,515,168
Total liabilities	<u>\$ 13,547,345</u>	<u>\$ 466,536</u>	<u>\$ 14,013,881</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	\$ 997,044	\$ -	\$ 997,044
Deferred inflows related to OPEB	594,249	-	594,249
Total deferred inflows	<u>\$ 1,591,293</u>	<u>\$ -</u>	<u>\$ 1,591,293</u>
NET POSITION			
Net investment in capital assets	\$ 25,414,200	\$ 841,214	\$ 26,255,414
Restricted for:			
Law enforcement	342,760	-	342,760
Roads and transportation	4,630,700	-	4,630,700
Building department	25,672	-	25,672
Court costs	125,667	-	125,667
Unrestricted	(3,889,663)	86,182	(3,803,481)
Total net position	<u>\$ 26,649,336</u>	<u>\$ 927,396</u>	<u>\$ 27,576,732</u>

The accompanying notes to financial statements
are an integral part of this statement.

**LIBERTY COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Governmental activities:							
General government	\$ 4,109,234	\$ 203,219	\$ 1,067,548	\$ -	\$ (2,838,467)	\$ -	\$ (2,838,467)
Public safety	4,927,120	994,610	764,566	508,113	(2,659,831)	-	(2,659,831)
Physical environment	576,194	566,384	95,043	-	85,233	-	85,233
Transportation	7,035,870	143,798	304,805	3,963,481	(2,623,786)	-	(2,623,786)
Economic environment	1,852,033	-	1,860,944	320,000	328,911	-	328,911
Human services	311,294	-	38,025	-	(273,269)	-	(273,269)
Culture and recreation	493,368	29,033	72,472	-	(391,863)	-	(391,863)
Court related	669,732	179,330	133,209	-	(357,193)	-	(357,193)
Interest on long-term debt	5,964	-	-	-	(5,964)	-	(5,964)
Total	19,980,809	2,116,374	4,336,612	4,791,594	(8,736,229)	-	(8,736,229)
Business-type activities:							
Water	402,338	404,398	-	-	-	2,060	2,060
Interest on long-term debt	22,411	-	-	-	-	(22,411)	(22,411)
	424,749	404,398	-	-	-	(20,351)	(20,351)
Total primary government	<u>\$ 20,405,558</u>	<u>\$ 2,520,772</u>	<u>\$ 4,336,612</u>	<u>\$ 4,791,594</u>	<u>(8,736,229)</u>	<u>(20,351)</u>	<u>(8,756,580)</u>
General revenues:							
Property taxes					2,844,959	-	2,844,959
Sales taxes					1,609,316	-	1,609,316
Gas taxes					651,081	-	651,081
Communications service tax					11,083	-	11,083
Intergovernmental					2,441,415	-	2,441,415
Investment income					71,554	-	71,554
Miscellaneous					593,324	-	593,324
Transfers					66,353	(66,353)	-
Total general revenues					8,289,085	(66,353)	8,222,732
Change in net position					(447,144)	(86,704)	(533,848)
Net position - beginning of year, as restated					27,096,480	1,014,100	28,110,580
Net position - end of year					<u>\$ 26,649,336</u>	<u>\$ 927,396</u>	<u>\$ 27,576,732</u>

The accompanying notes to financial statements
are an integral part of this statement.

LIBERTY COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022

	<u>General Fund</u>	<u>Transportation Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
ASSETS				
Cash and cash equivalents	\$ 155,377	\$ 1,289,580	\$ 757,730	\$ 2,202,687
Certificate of deposit	-	-	843,041	843,041
Investments	7,920,647	-	-	7,920,647
Accounts receivable	194,221	-	40,530	234,751
Due from other governments	574,747	1,520,715	165,378	2,260,840
Prepaid items	194,978	-	-	194,978
Due from other funds	212,609	1,545,371	1,593,939	3,351,919
Total assets	<u>\$ 9,252,579</u>	<u>\$ 4,355,666</u>	<u>\$ 3,400,618</u>	<u>\$ 17,008,863</u>
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts payable and accrued expenses	\$ 584,350	\$ 834,934	\$ 120,952	\$ 1,540,236
Deposits	-	-	12,531	12,531
Due to other governments	11,628	-	29,515	41,143
Unearned revenue	1,130,238	-	425,511	1,555,749
Due to other funds	3,304,028	-	212,609	3,516,637
Total liabilities	<u>5,030,244</u>	<u>834,934</u>	<u>801,118</u>	<u>6,666,296</u>
Fund balances				
Nonspendable:				
Prepays	194,978	-	-	194,978
Restricted for:				
Law enforcement	-	-	342,760	342,760
Roads and transportation	-	3,520,732	1,109,968	4,630,700
Building department inspections	25,672	-	-	25,672
Court costs	-	-	125,667	125,667
Assigned to:				
Capital improvements	-	-	841,661	841,661
Public safety	149,937	-	-	149,937
Physical environment	-	-	297,508	297,508
Subsequent year's budget	1,551,195	-	-	1,551,195
Unassigned	2,300,553	-	(118,064)	2,182,489
Total fund balances	<u>4,222,335</u>	<u>3,520,732</u>	<u>2,599,500</u>	<u>10,342,567</u>
Total Liabilities and Fund Balances	<u>\$ 9,252,579</u>	<u>\$ 4,355,666</u>	<u>\$ 3,400,618</u>	<u>\$ 17,008,863</u>

The accompanying notes to financial statements
are an integral part of this statement.

LIBERTY COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

Total fund balances - Governmental Funds \$ 10,342,567

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds

Total governmental capital assets - nondepreciable	50,042,027	
Less: accumulated depreciation	<u>(24,627,827)</u>	25,414,200

On the governmental fund statements, a net pension liability is not recorded until an amount is due and payable and the pension plan's fiduciary net position is not sufficient for payment of those benefits (no such liability exists at the end of the current fiscal year). On the statement of net position, the net pension liability of the defined benefit pension plans is reported as a noncurrent liability. Additionally, deferred outflows and deferred inflows related to pensions are also reported.

Net pension liability	(8,515,168)	
Deferred outflows related to pensions	2,744,874	
Deferred inflows related to pensions	<u>(997,044)</u>	(6,767,338)

On the governmental fund statements, total OPEB liability is not recorded unless an amount is due and payable (no such liability exists at the end of the current fiscal year). On the Statement of Net Position, the County's total OPEB liability is reported as a noncurrent liability. Additionally, deferred outflows and deferred inflows related to OPEB are also reported.

Total OPEB liability	(1,315,069)	
Deferred outflows related to OPEB	136,674	
Deferred inflows related to OPEB	<u>(594,249)</u>	(1,772,644)

Long-term liabilities, including bonds payable and notes payable, are not due and payable in the current period and, therefore, are not reported in the funds. These liabilities, deferred outflows, and other debt-related deferred charges consist of the following:

Landfill liability	(285,353)	
Compensated absences	<u>(282,096)</u>	(567,449)

Net position of governmental activities \$ 26,649,336

The accompanying notes to financial statements
are an integral part of this statement.

LIBERTY COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>General Fund</u>	<u>Transportation Fund</u>	<u>Nonmajor Governmental Funds</u>	<u>Total</u>
Revenues				
Taxes	\$ 4,665,695	\$ -	\$ 318,042	\$ 4,983,737
Permit, fees, and special assessments	93,720	-	-	93,720
Intergovernmental	3,288,752	5,056,876	3,356,695	11,702,323
Charges for services	1,048,290	51,476	895,118	1,994,884
Fines and forfeitures	26,611	-	4,470	31,081
Miscellaneous revenues	596,115	31,134	37,629	664,878
Total revenues	<u>9,719,183</u>	<u>5,139,486</u>	<u>4,611,954</u>	<u>19,470,623</u>
Expenditures				
Current:				
General government	3,897,547	-	-	3,897,547
Public safety	4,097,730	-	384,097	4,481,827
Physical environment	117,929	-	665,446	783,375
Economic environment	13,754	-	1,837,069	1,850,823
Transportation	-	5,211,870	439,697	5,651,567
Human services	233,251	-	-	233,251
Culture and recreation	308,439	-	-	308,439
Court related	21,538	-	562,606	584,144
Capital outlay	2,003,640	165,964	187,815	2,357,419
Debt service:				
Principal	87,631	42,812	-	130,443
Interest	3,609	2,355	-	5,964
Total expenditures	<u>10,785,068</u>	<u>5,423,001</u>	<u>4,076,730</u>	<u>20,284,799</u>
Excess (deficiency) of revenues over expenditures	<u>(1,065,885)</u>	<u>(283,515)</u>	<u>535,224</u>	<u>(814,176)</u>
Other financing sources (uses)				
Transfers in	258,006	264,963	205,609	728,578
Transfers out	(79,046)	(85,000)	(498,179)	(662,225)
Other external reversion	-	-	(29,515)	(29,515)
Total other financing sources (uses)	<u>178,960</u>	<u>179,963</u>	<u>(322,085)</u>	<u>36,838</u>
Net change in fund balances	<u>(886,925)</u>	<u>(103,552)</u>	<u>213,139</u>	<u>(777,338)</u>
Fund balance, beginning of year, as restated	5,109,260	3,624,284	2,386,361	11,119,905
Fund balance, end of year	<u>\$ 4,222,335</u>	<u>\$ 3,520,732</u>	<u>\$ 2,599,500</u>	<u>\$ 10,342,567</u>

The accompanying notes to financial statements
are an integral part of this statement.

LIBERTY COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL
FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Net change in fund balances-total governmental funds \$ (777,338)

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

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

Capital outlay	2,357,419
Depreciation expense	(2,286,523)

The issuance of long-term debt provides current financial resources to governmental funds, while repayment of the principal of long-term debt consumes the current financial resources of governmental funds.

Repayment of lease principal	42,812
Repayment of principal of long-term debt	87,631

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

Compensated absences	2,756
Total OPEB liability and related items	1,130
Landfill liability	210,144
Net pension liability and related items	(85,175)

Change in net position of governmental activities \$ (447,144)

The accompanying notes to financial statements
are an integral part of this statement.

**LIBERTY COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUND
SEPTEMBER 30, 2022**

	Water Fund
ASSETS	
Accounts receivable, net	\$ 32,000
Due from other funds	164,718
Total current assets	196,718
Noncurrent assets:	
Capital assets:	
Land	65,000
Building and improvements	2,887,535
Machinery and equipment	152,222
Accumulated depreciation	(1,907,543)
Total noncurrent assets	1,197,214
Total assets	\$ 1,393,932
LIABILITIES	
Current liabilities:	
Accounts payable and accrued liabilities	\$ 22,296
Deposits	88,240
Current maturities on long-term debt	16,000
Total current liabilities	126,536
Noncurrent liabilities:	
Bonds and notes payable, net	340,000
Total noncurrent liabilities	340,000
Total liabilities	\$ 466,536
NET POSITION	
Net investment in capital assets	\$ 841,214
Unrestricted	86,182
Total net position	\$ 927,396

The accompanying notes to financial statements are an integral part of this statement.

LIBERTY COUNTY, FLORIDA
STATEMENT OF REVENUE, EXPENSES, AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Water Fund
Operating revenues	
Charges for services	\$ 404,398
Total operating revenues	404,398
Operating expenses	
Personal services	140,087
Operating expenses	171,869
Depreciation	90,382
Total operating expenses	402,338
Operating income (loss)	2,060
Nonoperating revenues (expenses)	
Interest and amortization expense	(22,411)
Income (loss) before contributions and transfers	(20,351)
Transfers out	(66,353)
Change in net position	(86,704)
Net position , beginning of year, as restated	1,014,100
Net position , end of year	\$ 927,396

The accompanying notes to financial statements are an integral part of this statement.

**LIBERTY COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Water Fund
Cash flows from operating activities	
Cash received from customers	\$ 416,375
Cash paid to employees	(140,087)
Cash paid to suppliers	(178,668)
Net cash provided by (used in) operating activities	97,620
Cash flows from noncapital financing activities	
Transfers to other funds	(66,353)
Interfund loans	167,168
Net cash provided by (used in) noncapital financing activities	100,815
Cash flows from capital and related financing activities	
Acquisition and construction of capital assets	(68,683)
Principal payments of long-term debt	(107,341)
Interest paid	(22,411)
Net cash provided by (used in) capital and related financing activities	(198,435)
Net change in cash and cash equivalents	-
Cash and cash equivalents, beginning of year	-
Cash and cash equivalents, end of year	\$ -
Reconciliation of operating income to net cash provided by operating activities:	
Operating income (loss)	\$ 2,060
Adjustments to reconcile net operating income (loss) to net cash provided by (used in) operating activities:	
Depreciation	90,382
Changes in assets and liabilities:	
Accounts receivable	5,993
Accounts payable and accrued liabilities	(6,799)
Deposits	5,984
Net cash provided by (used in) operating activities	\$ 97,620

The accompanying notes to financial statements are an integral part of this statement.

LIBERTY COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2022

	Custodial Funds
ASSETS	
Cash and equivalents	\$ 279,542
Total assets	\$ 279,542
 LIABILITIES	
Due to others	\$ 528
Due to other governments	151,102
Total liabilities	\$ 151,630
 NET POSITION	 \$ 127,912

The accompanying notes to financial statements
are an integral part of this statement.

LIBERTY COUNTY, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2022

	Custodial Funds
Additions	
Taxes	\$ 5,098,999
Payments received from other governments	35,015
Permits, fees, and special assessments	2,391,418
Fines and forfeitures	774,083
Payments received from individuals	1,031,868
Miscellaneous	53,062
Total additions	9,384,445
 Deductions	
Payments to individuals	1,035,071
Payments to other governments	3,304,321
Property taxes collected for other governments	5,060,840
Total deductions	9,400,232
Net change in fiduciary net position	(15,787)
Net position, beginning of year	143,699
Net position, end of year	\$ 127,912

The accompanying notes to financial statements
are an integral part of this statement.

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(1) Summary of Significant Accounting Policies:

The financial statements of Liberty County, Florida (the County), have been prepared in accordance with accounting principles generally accepted in the United States of America as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted body for promulgating governmental accounting and financial reporting principles. The following is a summary of the County's significant accounting policies:

(a) **Reporting entity**—The Board of County Commissioners (the Board) is the legislative and governing body of the County. It operates under a non-charter form of government pursuant to the authority provided in the Constitution of the State of Florida and consists of five elected officials. The County was established by the Laws of Florida in 1845. The Clerk of the Circuit Court serves as Clerk to the Board pursuant to Section 125.17, Florida Statutes.

The Board of County Commissioners and the offices of the Clerk of the Circuit Court, Sheriff, Tax Collector, Property Appraiser, and Supervisor of Elections are operated as separate County agencies in accordance with applicable provisions of Florida Statutes. The offices of the Sheriff, Property Appraiser, and Supervisor of Elections operate on a budget system, whereby County-appropriated funds are received from the Board of County Commissioners, and any unexpended appropriations are required to be returned to the Board of County Commissioners at the end of the fiscal year. The Clerk's duties as Clerk to the Board, Clerk of the County Court, and Chief Financial Officer for the County are budgeted functions, funded by the Board. The Clerk's duties as Clerk of the Circuit Court are funded by fees collected by that office. The Tax Collector's salary and benefits are funded by the Board; all other expenditures are funded by fees collected by that office. Excess fees of the Tax Collector are returned to the Board at the end of the fiscal year.

(b) **Government-wide and fund financial statements**—The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) concentrate on the County as a whole. In addition, they report information on all of the non-fiduciary activities of the County. For the most part, the effect of inter-fund activity has been removed from these statements.

The Statement of Activities demonstrates the degree to which the direct expenses, of a given function or segment, 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 or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements. The nonmajor funds are combined in one column in the fund financial statements.

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

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(1) **Summary of Significant Accounting Policies:** (Continued)

The accounting and financial reporting treatment is determined by the applicable measurement focus and the basis of accounting. The basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. The basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. Measurement focus indicates the type of resources being measured such as current financial resources (current assets, less current liabilities) or economic resources (all assets and liabilities).

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property 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 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 recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 90 days of the end of the current fiscal period, except for property taxes which is 60 days.

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

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, certain expenditures relating to future periods, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The County reports the following major governmental funds:

General Fund - The General fund is the general operating fund of the County. It is used to account for all financial resources, except those required to be accounted for in another fund. Additionally, the general fund also accounts for activities related to the general fund of each constitutional officer.

Transportation Fund - The Transportation fund (a special revenue fund) is used to account for fuel tax revenues, charges for services and grants for the construction and maintenance of road projects to be expended for activities related to the County transportation system.

The County reports the following major enterprise funds:

Water Fund - The Water fund is used to account for operations of the County's water system.

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(1) **Summary of Significant Accounting Policies:** (Continued)

The County reports the following other fund type:

Custodial Funds - Custodial funds are used to account for assets held by the County in a custodial or trustee capacity. Custodial funds do not involve the measurement of results of operations.

(d) **Cash and investments**—The institutions in which the County’s monies are deposited are certified as a “Qualified Public Depository,” as required under the Florida Public Deposits Act. This law requires every qualified public depository to deposit with the State Treasurer eligible collateral equal to or in excess of an amount to be determined by the State Treasurer and requires the State Treasurer to ensure that funds are entirely collateralized throughout the fiscal year. Therefore, the County’s total deposits are insured by the Federal Depository Insurance Corporation and the Bureau of Collateral Securities, Division of Treasury, State Department of Insurance.

(e) **Receivables**—Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either “due to/from other funds” (i.e., the current portion of interfund loans) or “advances to/from other funds” (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as “due to/from other funds” and are eliminated in the government-wide financial statements. All trade and property tax receivables are reported net of an allowance for uncollectible accounts, which is based upon management's analysis of historical trends.

(f) **Capital assets**—Capital assets include property, plant, equipment and infrastructure assets. The terms general capital assets and general infrastructure assets relate only to the assets associated with governmental activities, whereas the terms capital assets and infrastructure assets relate to all such assets belonging to the County. Capital assets are defined by the County as assets with an initial individual cost of \$1,000 or more and an estimated useful life of more than one-year. Donated assets are recorded at acquisition value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are only capitalized if they meet the dollar threshold above for capitalization. Maintenance and repairs of capital assets are charged to operating expenses.

Depreciation is reported for the primary government using the straight-line method calculated on a service-life basis to amortize the cost of the asset over their estimated economic useful lives, which are as follows:

Assets	Years
Buildings	30 years
Improvements	40 years
Infrastructure	15 – 25 years
Machinery and Equipment	1 – 15 years

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(1) **Summary of Significant Accounting Policies:** (Continued)

(g) **Compensated absences**—The various County agencies maintain policies that permit employees to accumulate earned but unused vacation and sick pay benefits that will be paid to employees upon separation of service if certain criteria are met. These benefits, plus their related tax costs, are classified as compensated absences. The policies of the various County agencies vary as to the amount and the vesting of employee vacation leave time and in some instances sick time. The amount of vacation time is determined by the period of employment. The compensated absences liability is primarily liquidated by the general fund.

(h) **Long-term obligations**—In the government-wide financial statements, long-term debt obligations are reported as liabilities on the statement of net position. The compensated absences and net pension liabilities have been liquidated in the past by the reporting units of the underlying employees, including primarily the general fund, with some smaller amounts paid by other governmental funds.

(i) **Deferred outflows/inflows of resources**—In addition to assets, the statement of financial position will, if required, report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. Currently, the only items in this category consist of deferred amounts related to pensions and OPEB, as discussed further in Notes (9) and (10), respectively.

In addition to liabilities, the statement of net 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 financial position or fund balance that applies to future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. Currently, the only items in this category consist of deferred amounts related to pensions and OPEB, as discussed further in Notes (9) and (10), respectively.

(j) **Fund equity**—Fund balance for governmental funds report classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. The following classifications describe the relative strength of applicable spending constraints:

Nonspendable – amounts not available to be spent or not in spendable form, such as inventory and prepaid items.

Restricted – amounts constrained to specific purposes by their providers (such as grantors and higher levels of government), through constitutional provisions or by enabling legislation.

Committed – amounts the County intends to use for a specific purpose as expressed at the highest level of decision-making authority by the Board of County Commissioners.

Assigned – amounts the County intends to use for a specific purpose. Intent can be expressed by Board of County Commissioners or by an official or body which the Board delegates authority.

Unassigned – amounts that are available for any purpose. Positive amounts are reported only in the General Fund.

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(1) **Summary of Significant Accounting Policies:** (Continued)

When an expenditure is incurred for purposes for which both restricted and unrestricted resources are available; the County considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the County considers amounts to have been spent first out of committed funds, then assigned funds and finally, unassigned funds, as needed.

(k) **Property taxes**— Property tax revenues are recognized when levied, to the extent that they result in current receivables. Details of the property tax calendar are presented below:

Lien date	January 1
Levy date	October 1
Discount periods	November – February
No discount period	March
Delinquent date	April 1

(l) **Net position flow assumption**—Sometimes the County will fund outlays for a particular purpose from both restricted and unrestricted resources. In order to determine amounts reported as restricted and unrestricted net position, it is the County’s policy to consider restricted net position to have been used before unrestricted net position is applied.

(m) **Budgets and budgetary accounting**—Annual budgets are legally adopted by the Board of County Commissioners, on a basis consistent with generally accepted principles for the General Fund and special revenue funds. Formal budgetary integration is employed as a management control device during the year for all governmental funds.

The annual budget is prepared at the fund, department, and division level. The department directors submit requests for appropriations to the Clerk of Courts. The Clerk submits a recommended budget to the Board of County Commissioners. Public hearings on the proposed budget are held in September. On or before October 1, the budget is adopted by the Board of County Commissioners. Transfers between funds and additional appropriations require Board approval. Appropriations in all funds lapse at the close of the fiscal year to the extent that it has not been re-budgeted in the following fiscal year. The fund is the legal level of budgetary control.

(n) **Impact fees**—The County has not adopted any ordinances or resolutions to levy impact fees in accordance with Section 163.31801, Florida Statutes.

(o) **Use of estimates**—Management uses estimates and assumptions in preparing financial statements in accordance with generally accepted accounting principles in the United States of America. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenue and expenses. Actual results could vary from the estimates assumed in preparing the financial statements.

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(2) Reconciliation of Government-Wide and Fund Financial Statements:

(a) **Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position**—Following the governmental fund balance sheet is a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position. A detailed explanation of these differences is provided in this reconciliation.

(b) **Explanation of certain differences between the governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities**—Following the governmental fund statement of revenues, expenditures, and changes in fund balances, there is a reconciliation between net changes in fund balances - total governmental funds and changes in net position of governmental activities as reported in the government-wide statement of activities. A detailed explanation of these differences is provided in this reconciliation.

(3) Deposits and Investments:

Florida Statutes authorize the County to invest in bonds, notes or other obligations of the U.S. Government, certificates of deposits, repurchase agreements, certain bonds of any State or local government unit and the State Treasurer's Investment Pool. As of September 30, 2022, all County deposits were covered by private bank acquired insurance, Securities Investor Protection Corporation (SIPC) insurance, private broker/dealer acquired insurance, Federal Depository Insurance Corporation (FDIC) insurance, and/or the State of Florida collateral pool established under the Florida Security for Public Deposits Act (the Act). The Act established guidelines for qualification and participation by banks and savings associations, procedures for administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the qualified depository must pledge at least 50% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance. Additional collateral, up to 125% may be required if deemed necessary.

The Florida Local Government Investment Trust (FLGIT) is a local government investment pool created by the Florida Association of Court Clerks and the Florida Association of Counties for the purpose of providing public entities with an investment program that focuses on longer term securities with the highest credit ratings. The effective maturity of the underlying investment is five years or less. At year end, the FLGIT was invested in money markets, treasury notes, asset-backed securities and Federal agency obligations. The investment type is subject to some market risk due to fluctuating prices and liquidity risk due to advance redemption notification requirements. However, it has a professional investment advisor and an investment advisory board. The FLGIT maintains a credit rating of AAAM by Fitch Ratings' and the weighted average maturity of the funds was 27 days. A copy of FLGIT's most recent financial statements can be found at <http://floridatrusionline.com>. At September 30, 2022, the County had \$4,886,325 invested with FLGIT.

The State Board of Administration PRIME pool (Florida PRIME) is an external investment pool that meets all of the necessary criteria to elect to measure all of the investments in Florida PRIME at amortized cost. Therefore, the County's investment in Florida PRIME is reported at amortized cost. The fair value of the position in the pool is equal to the value of the pool shares. As of September 30, 2022, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value. The weighted average maturity of the fund was 21 days. At September 30, 2022, the County had \$3,034,322 invested with Florida PRIME.

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(3) Deposits and Investments: (Continued)

As of September 30, 2022, the County held certificate of deposit valued at 843,041. Such investments are recorded at cost plus accrued interest, which approximates fair value.

Interest Rate Risk. The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk. The County's investment policy places the following maximum limits on what may be invested in any one issuer: SBA Statement Investment Pool, 100%; FLGIT, 75%; Money Market Funds, 50%; Certificates of Deposit, 75%; U.S. Treasury Bills, 50%; Repurchase Agreements, 15%.

(4) Interfund Balances and Transfers:

The County makes routine transfers between its funds in the course of the fiscal year. The principal purposes of these transfers are to allocate resources for debt service, construction or other capital projects, and to provide operating subsidies. These transfers are consistent with the activities of the funds involved. Transfers of resources from a fund receiving revenue to the fund through which the resources are to be expended are recorded as transfers and are reported as other financing sources (uses) in the Governmental Funds and as transfers in (out) in the Proprietary Funds.

As of September 30, 2022, interfund balances consisted of:

<u>Due to Other Funds</u>	<u>Due from Other Funds</u>				<u>Total</u>
	<u>General Fund</u>	<u>Capital Transportation</u>	<u>Nonmajor Governmental</u>	<u>Water Fund</u>	
Governmental Funds					
General Fund	\$ -	\$ 1,545,371	\$ 1,593,939	\$ 164,718	\$ 3,304,028
Nonmajor Governmental	<u>212,609</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>212,609</u>
Total	<u>\$ 212,609</u>	<u>\$ 1,545,371</u>	<u>\$ 1,593,939</u>	<u>\$ 164,718</u>	<u>\$ 3,516,637</u>

Transfers from/to other funds for the year ended September 30, 2022, were as follows:

<u>Transfers Out</u>	<u>Transfers In</u>	
	<u>General Fund</u>	<u>Total</u>
Governmental Funds		
Capital Transportation	\$ 75,000	\$ 75,000
Nonmajor Governmental	587,225	587,225
Water Fund	<u>66,353</u>	<u>66,353</u>
Total	<u>\$ 728,578</u>	<u>\$ 728,578</u>

The transfers from the Nonmajor funds and the Water Fund to the General Fund were primarily to reimburse the General Fund for expenses incurred by the General Fund on behalf of the various nonmajor governmental funds.

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(5) Capital Assets:

Capital asset activity for the fiscal year ended September 30, 2022, was as follows:

Governmental activities:	Balance			Balance
	09/30/21	Increases	Decreases	09/30/22
Capital assets not being depreciated:				
Land	\$ 1,372,381	\$ -	\$ -	\$ 1,372,381
Construction in progress	1,088,366	141,781	57,150	1,287,297
Total assets not being depreciated	<u>2,460,747</u>	<u>141,781</u>	<u>57,150</u>	<u>2,659,678</u>
Capital assets being depreciated:				
Buildings and Improvements	14,158,830	-	-	14,158,830
Infrastructure	22,044,159	1,088,366	-	23,132,525
Machinery and Equipment	9,020,870	1,070,124	-	10,090,994
Total assets being depreciated	<u>45,223,859</u>	<u>2,158,490</u>	<u>-</u>	<u>47,382,349</u>
Less accumulated depreciation for:				
Buildings and Improvements	(8,566,756)	(358,982)	-	(8,925,738)
Infrastructure	(8,279,822)	(1,080,936)	-	(9,360,758)
Machinery and Equipment	(5,494,726)	(846,605)	-	(6,341,331)
Less: accumulated depreciation	<u>(22,341,304)</u>	<u>(2,286,523)</u>	<u>-</u>	<u>(24,627,827)</u>
Total capital assets being depreciated, net	<u>22,882,555</u>	<u>(128,033)</u>	<u>-</u>	<u>22,754,522</u>
Governmental activities capital assets, net	<u>\$ 25,343,302</u>	<u>\$ 13,748</u>	<u>\$ 57,150</u>	<u>\$ 25,414,200</u>
Business-type activities:				
	Balance			Balance
	09/30/21	Increases	Decreases	09/30/22
Capital assets not being depreciated:				
Land	\$ 65,000	\$ -	\$ -	\$ 65,000
Total assets not being depreciated	<u>65,000</u>	<u>-</u>	<u>-</u>	<u>65,000</u>
Capital assets being depreciated:				
Buildings and Improvements	2,887,535	-	-	2,887,535
Machinery and Equipment	83,539	68,683	-	152,222
Total assets being depreciated	<u>2,971,074</u>	<u>68,683</u>	<u>-</u>	<u>3,039,757</u>
Less accumulated depreciation for:				
Machinery and Equipment	(1,817,161)	(90,382)	-	(1,907,543)
Less: accumulated depreciation	<u>(1,817,161)</u>	<u>(90,382)</u>	<u>-</u>	<u>(1,907,543)</u>
Total capital assets being depreciated, net	<u>1,153,913</u>	<u>(21,699)</u>	<u>-</u>	<u>1,132,214</u>
Business-type activities capital assets, net	<u>\$ 1,218,913</u>	<u>\$ (21,699)</u>	<u>\$ -</u>	<u>\$ 1,197,214</u>

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(5) **Capital Assets:** (Continued)

Depreciation expense was charged to programs for the County as follows:

Governmental activities			
General government	\$	185,685	
Court services		50,581	
Public safety		411,035	
Transportation		1,376,889	
Human services		77,890	
Culture and recreation		184,443	
Court services		50,581	
Total depreciation expense - governmental activities	\$	<u>2,286,523</u>	
Business-type activities			
Water Fund	\$	90,382	
Total depreciation expense-business-type activities	\$	<u>90,382</u>	

(6) **Long-Term Liabilities:**

The following is a summary of changes in long-term debt activity of the County for the year ended September 30, 2022:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental activities:					
Bonds payable	\$ 87,631	\$ -	\$ 87,631	\$ -	\$ -
Landfill liability	495,497	-	210,144	285,353	-
Leases payable	42,812	-	42,812	-	-
Compensated absences	284,852	332,499	335,255	282,096	70,524
Governmental activities - Total Long-Term Liabilities	<u>\$ 910,792</u>	<u>\$ 332,499</u>	<u>\$ 675,842</u>	<u>\$ 567,449</u>	<u>\$ 70,524</u>
	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Business-type activities:					
Bonds Payable	\$ 463,341	-	107,341	\$ 356,000	\$ 16,000
Business-type activities - Total Long-Term Liabilities	<u>\$ 463,341</u>	<u>\$ -</u>	<u>\$ 107,341</u>	<u>\$ 356,000</u>	<u>\$ 16,000</u>

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(6) Long-Term Liabilities: (Continued)

Governmental Activities

Bond Payable

During the 2003-2004 fiscal year, the County received long-term financing from the U.S. Department of Agriculture totaling \$145,000 for the Hosford Fire Station. Note Payables of \$145,000 were issued on November 18, 2004, at an interest rate of 4.5%. The bonds mature in 2034. Annual payments are \$8,000 plus interest. As of September 30, 2022, the County had paid off the final balance of 87,631, with no remaining amounts at year-end.

Lease Purchase Agreement

The County entered into a lease purchase agreement to buy a Mack Tractor Trailer. The actual lease amount was \$126,000 but additional underwriting costs put the financing total at \$134,006, with an interest rate of 5.5%. The County made a \$5,000 payment at signing, and began four annual payments of \$32,252 beginning on December 5, 2020. It has been the practice of the County to pay the lease off annually and purchase a new truck. As of September 30, 2022, the County had paid off the final balance of 42,812, with no remaining amounts at year-end.

Accrued Landfill Closure and Long-Term Care Costs

The County is required to recognize a liability equal to the estimated total current cost of closure and post-closure care for its landfill. The County accrues a portion of the estimated future closure cost of the currently operating landfills each year even though actual payouts will not occur until the landfills are closed. The amount recognized each year is based on the landfill capacity used as of the balance sheet date. At September 30, 2022, the County has accrued \$285,353 for such estimated costs for the Class II Landfill. The County has conducted studies to determine the costs of providing long-term care for its landfill. The results of these studies are reviewed by the Florida Department of Environmental Protection (FDEP).

The County's cost estimate is approximately \$285,353 to provide long-term care for a period of 30 years. These cost estimates may change due to inflation or deflation, or changes in applicable laws or regulations.

The County is required by the State of Florida to make an annual contribution, if necessary, to escrow to finance closure costs. The County is in compliance with these requirements, and, as of September 30, 2022, cash and investments of approximately \$10,034 are held in escrow for these purposes. These are reported as restricted assets on the statement of net position.

Business-type Activities

Bonds Payable

During the 1998-1999 fiscal year, the County received long-term financing from the U.S. Department of Agriculture totaling \$717,000 for the County's Water Facilities Improvement Project. Revenue bonds of \$567,000 and \$150,000 were issued on November 20, 1998, at an interest rate of 4.75%. The net revenues of the water system are pledged to repay the bonds issued. Interest payments were due beginning September 1, 1999, and principal payments were due beginning September 1, 2001. The bonds mature in 2038. As of September 30, 2022, the County had 356,000 remaining on the water revenue bonds.

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(6) Long-Term Liabilities: (Continued)

The following schedule provides future debt service requirements of the notes payable:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2023	\$ 16,000	\$ 16,910	\$ 32,910
2024	16,000	16,150	32,150
2025	17,000	15,390	32,390
2026	18,000	14,583	32,583
2027	19,000	13,728	32,728
2028 - 2032	108,000	54,340	162,340
2033 - 2037	137,000	26,076	163,076
2038	25,000	1,187	26,187
Total	<u>\$ 356,000</u>	<u>\$ 158,364</u>	<u>\$ 514,364</u>

(7) Commitments and Contingencies:

Various suits and claims arising in the ordinary course of the County's operations, some of which involve substantial amounts, are pending against the County.

The ultimate effect of such litigation cannot be ascertained at this time. However, in the opinion of counsel for the County, the liabilities which may arise from such action would not result in losses which would materially affect the financial position of the County or the results of its operations, nor is it anticipated that any material amount will be paid for claims and judgments in the next fiscal year.

(8) Subsequent Events:

The County has evaluated events and transactions for potential recognition or disclosure in the financial statements through November 2, 2023, the date which the financial statements were available to be issued. Subsequent to September 30, 2022, the County entered into a contract with a regional utility service provider in which the County agreed to sell its water utility infrastructure system. The County on its part will receive \$600,000 in cash compensation from the sale and be relieved of any future liabilities with regard to any maintenance or current or future capital improvements of the system.

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(9) Employees' Retirement Plans:

Florida Retirement System

Plan Description and Administration

The County participates in the Florida Retirement System (FRS), a multiple-employer, cost-sharing defined public employee retirement system which covers all of the County's full-time employees. The System is administered by the State of Florida, Department of Administration, Division of Retirement to provide retirement and survivor benefits to participating public employees. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs.

These include a defined-benefit pension plan (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

In addition, all regular employees of the entity are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

Benefits Provided and Employees Covered

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. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service. Members of both Plans may include up to four 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. Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned.

**LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

(9) Employees' Retirement Plans: (Continued)

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 participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

Employees may elect to participate in the Investment Plan in lieu of the FRS defined-benefit plan. Employer and employee contributions are defined by law, but the ultimate benefit depends in part on the performance of investment funds. The Investment Plan is funded by employer and employee contributions that are based on salary and membership class (Regular, DROP, etc.). Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Employees in the Investment Plan vest at one year of service.

Financial Statements

Financial statements and other supplementary information of the FRS are included in the State's Comprehensive Annual Financial Report, which is available from the Florida Department of Financial Services, Bureau of Financial Reporting Statewide Financial Reporting Section by mail at 200 E. Gaines Street, Tallahassee, Florida 32399-0364; by telephone at (850) 413-5511; or at the Department's Web site (www.myfloridacfo.com). An annual report on the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from:

Florida Department of Management Services
Division of Retirement, Research and Education Services
P.O. Box 9000
Tallahassee, FL 32315-9000
850-488-5706 or toll free at 877-377-1737

Contributions

The County participates in certain classes of FRS membership. Each class had descriptions and contribution rates in effect during the year ended September 30, 2022, as follows (contribution rates are in agreement with the actuarially determined rates):

FRS Membership Plan & Class	Through June 30, 2022	After June 30, 2022
Regular Class	10.82%	11.91%
Senior Management (SMSC)	29.01%	31.57%
Special Risk	25.89%	27.83%
Elected Official Class	51.42%	57.00%

Current-year employer HIS contributions were made at a rate of 1.66% of covered payroll, which are included in the above rates.

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(9) **Employees' Retirement Plans:** (Continued)

For the plan year ended June 30, 2022, actual contributions made for employees participating in FRS and HIS were as follows:

Entity Contributions – FRS	\$ 838,604
Entity Contributions – HIS	68,720
Employee Contributions – FRS	124,193

Net Pension Liability, Pension Expense, and Deferred Outflows and Inflows of Resources Related to Pensions

At September 30, 2022, the entity reported a liability related to FRS and HIS as follows:

Plan	Net Pension Liability
FRS	\$ 7,312,272
HIS	1,202,896
Total	\$ 8,515,168

The net pension liability was measured as of June 30, 2022, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date. The County's proportion of the net pension liability was based on a projection of the long-term share of contributions to the pension plan relative to the projected contributions of all participating governmental entities, as actuarially determined. At June 30, 2022 and June 30, 2021, the County's proportionate share of the FRS and HIS net pension liabilities were as follows:

Plan	2022	2021
FRS	0.019652399%	0.019057437%
HIS	0.011357077%	0.010423242%

For the year ended June 30, 2022, pension expense was recognized related to the FRS and HIS plans as follows:

FRS	\$ 947,196
HIS	81,442
Total	\$ 3,818,568

Deferred outflows/inflows related to pensions:

At September 30, 2022, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS		HIS	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 347,291	\$ -	\$ 36,511	\$ (5,293)
Changes of assumptions	900,537	-	68,951	(186,087)
Net different between projected and actual investment earnings	482,828	-	1,742	-
Change in proportionate share	466,462	(723,313)	177,795	(82,351)
Contributions subsequent to measurement date	243,956	-	18,801	-
	\$ 2,441,074	\$(723,313)	\$ 303,800	\$(273,731)

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(9) **Employees' Retirement Plans:** (Continued)

The above amounts for deferred outflows of resources for contributions related to pensions resulting from County contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2023.

Other amounts reported as deferred outflows and deferred inflows of resources related to pensions being amortized for a period of greater than one year will be recognized in pension expense in succeeding years as follows:

	<u>FRS</u>	<u>HIS</u>	<u>Total</u>
2023	\$ 346,855	\$ (810)	\$ 346,045
2024	97,277	6,243	103,470
2025	(218,273)	15,792	(202,481)
2026	1,167,391	5,472	1,172,863
2027	80,605	(10,440)	70,165
Thereafter	-	(4,989)	(4,989)
Total	<u>\$ 4,712,261</u>	<u>\$ (400,350)</u>	<u>\$ 4,311,911</u>

Actuarial assumptions:

The actuarial assumptions for both defined benefit plans are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS 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 was completed in 2019 for the period July 1, 2013, through June 30, 2018. Because HIS is funded on a pay-as-you-go basis, no experience study has been completed.

The total pension liability for each of the defined benefit plans was determined by an actuarial valuation, using the entry age normal 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 investments is 6.70%. This rate decreased from the prior year rate of 6.80%. 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 HIS Program uses a pay-as-you-go funding structure, a municipal bond rate of 3.54% was used to determine the total pension for the program. This rate increased from the prior year rate of 2.16%. Mortality assumptions for both plans were based on the PUB-2010 base table varies by member category and sex, projected generationally with Scale MP-2018 details.

Long-term expected rate of return:

To develop an analytical basis for the selection of the long-term expected rate of return assumption, in October 2022, the FRS Actuarial Assumptions conference reviewed long-term assumptions developed by both Milliman's capital market assumptions team and by a capital market assumptions team from Aon Hewitt Investment Consulting, which consults to the Florida State Board of Administration. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. 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. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(9) **Employees' Retirement Plans:** (Continued)

Asset Class	Target Allocation	Annual Arithmetic Expected Rate of Return
Cash	1.0%	2.6%
Fixed income	19.8%	4.4%
Global equities	54.0%	8.8%
Real estate	10.3%	7.4%
Private equity	11.1%	12.0%
Strategic investments	3.8%	6.2%
Total	100.0%	

Sensitivity of the net pension liability to changes in the discount rate:

The following presents the proportionate shares of the FRS and HIS net pension liability of the entity calculated using the current discount rates, as well as what the entity's net pension liability would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate:

Plan	Current Discount Rate	NPL with 1% Decrease	NPL at Current Discount Rate	NPL with 1% Increase
FRS	6.70%	\$ 12,646,071	\$ 7,312,272	\$ 2,852,581
HIS	3.54%	1,376,212	1,202,896	1,059,481

(10) **Other Post-Employment Benefits (OPEB):**

Board of County Commissioners' OPEB Plan

Plan Description and Benefits Provided—The Board of County Commissioners' Other Post-Employment Benefit (OPEB) Plan is a single-employer benefit plan administered by the County. Retirees are charged whatever the insurance company charges for the type of coverage elected, however, the premiums charged by the insurance company are based on a blending of the experience among younger active employees and older retired employees. The older retirees actually have a higher cost which means the County is actually subsidizing the cost of the retiree coverage because it pays all or a significant portion of the premium on behalf of the active employee. GASB No. 75 calls this the "implicit rate subsidy." This conforms to the minimum required of Florida governmental employers per Chapter 112.08, Florida Statutes. The Other Post-Employment Benefit Plan does not issue a stand-alone report.

Plan Membership—At September 30, 2021, the date of the latest actuarial valuation, plan participation consisted of the following:

Active Employees	115
Retirees, Beneficiaries, and Disabled Members	12
Covered Spouses	5
	132

**LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

(10) Other Post-Employment Benefits (OPEB): (Continued)

Total OPEB Liability—The County’s total OPEB liability of \$1,315,069 was measured as of September 30, 2022, and was determined by an actuarial valuation at September 30, 2021.

Actuarial Assumptions and Other Inputs—The total OPEB liability at the September 30, 2022 measurement date was determined using the following actuarial assumptions and other inputs, applied to all periods in the measurement, unless otherwise specified:

Salary increases	3.25%
Discount rate	4.77%
Healthcare cost trend rate	7.0% reduced 0.25% each year until reaching ultimate trend rate of 4.0%
Retirees’ share of benefit-related costs	100.00%

The County does not have a dedicated Trust to pay retiree healthcare benefits. The discount rate was based on the Bond Buyer 20-Bond GO index as of September 30, 2022.

Mortality rates were based on the Pub-2010 mortality table with generational scale using MP-2021.

Changes in the OPEB liability for the fiscal year ended September 30, 2022, were as follows:

	<u>Total OPEB Liability</u>
Balance at September 30, 2021	\$ 1,611,164
Changes for a year:	
Service cost	84,019
Interest	30,066
Differences between expected and actual experience	(422,877)
Changes of assumptions	83,176
Benefit payments – implicit rate subsidy	(70,479)
Net changes	<u>(296,095)</u>
Balance at September 30, 2022	<u>\$ 1,315,069</u>

Sensitivity of the total OPEB liability to changes in the discount rate:

The following presents the total OPEB liability of the County calculated using the discount rate of 4.77%, as well as what the County’s total OPEB liability would be if it were calculated using a discount rate that is 1% lower (3.77%) or 1% higher (5.77%) than the current rate:

	<u>1% Decrease</u>	<u>Current Discount Rate</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 1,441,129	\$ 1,315,069	\$ 1,206,617

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rate:

The following presents the total OPEB liability of the County as well as what the County’s total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower (3.00-6.25 %) or 1% higher (5.00-8.25%) than the current healthcare cost trend rates (4.00-7.25%):

	<u>1% Decrease</u>	<u>Current Trend Rates</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 1,233,253	\$ 1,250,000	\$ 1,413,867

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(10) **Other Post-Employment Benefits (OPEB):** (Continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended September 30, 2022, the County recognized OPEB expense of \$160,000. At September 30, 2022, the County 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>
Changes of assumptions	\$ -	\$ 426,732
Differences between expected and actual experience	136,674	167,517
Total	<u>\$ 136,674</u>	<u>\$ 594,249</u>

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

<u>Year ended September 30:</u>	<u>Amortization</u>
2023	\$ (44,736)
2024	(44,736)
2025	(44,736)
2026	(44,736)
2027	(44,736)
Thereafter	(233,895)

(11) **Restatement of Fund Balance and Net Position:**

Misstatements in the prior year's financial statements were identified in various account balances. A summary of those items are as follows:

- Relating to the general fund, it was determined there was a misstatement in the prior fiscal year with regard to the recording of deferred revenue related to American Rescue Plan Act grant funds.
- Relating to the solid waste fund and water fund, it was determined that there was a misstatement in the prior fiscal year relating to amounts recorded for receivables related to charges for services.
- Relating to the governmental activities and the water fund/business-type activities, it was determined that various misstatements existed with regard to the cost basis and accumulated depreciation values that were recorded in the County's general ledger system when compared to the underlying fixed asset schedule for the year ended September 30, 2022.

Beginning fund balance and net position have been restated for these effects.

	<u>General Fund</u>	<u>Solid Waste Fund</u>	<u>Governmental Activities</u>	<u>Water Fund/Business- type Activities</u>
Unadjusted fund balance/net position, 9/30/2021	\$ 5,710,453	\$ (10,359)	\$ 36,221,520	\$ 2,337,597
Less: deferred revenue adjustments at 9/30/2021	(811,334)	-	(811,334)	-
Less: accounts receivable adjustments at 9/30/2021	-	(37,000)	(37,000)	(80,000)
Less: Fixed asset adjustments at 9/30/2021	-	-	(8,276,706)	(1,243,497)
Adjusted fund balance/net position, 9/30/2021	<u>\$ 4,899,119</u>	<u>\$ (47,359)</u>	<u>\$ 27,096,480</u>	<u>\$ 1,014,100</u>

LIBERTY COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(12) **Deficit Fund Balances:**

At year-end, the Emergency Management fund and Solid Waste fund had deficit fund balances of \$(68,195) and (\$49,869), respectively. Such deficits are expected to be recovered through future general fund subsidies and/or increased charges for services.

(13) **Recent Accounting Pronouncements:**

The Governmental Accounting Standards Board (GASB) has issued several pronouncements that have effective dates that may impact future financial statements. Listed below are pronouncements with required implementation dates effective for subsequent fiscal years that have not yet been implemented. Management has not currently determined what, if any, impact implementation of the following will have on the County's financial statements:

- (a) GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements, in May 2020*. provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This Statement (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in Statement No. 87, *Leases*, as amended. The provisions in GASB 96 are effective for periods beginning after June 15, 2022.
- (b) GASB issued Statement No. 101, *Compensated Absences*, in June 2022. GASB Statement No. 101 amends the existing guidance related to the calculation and disclosures surrounding the liability for compensated absences. The provisions for GASB 101 are effective for fiscal years beginning after December 15 10 , 2023.

REQUIRED SUPPLEMENTARY INFORMATION

LIBERTY COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(UNAUDITED)

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Taxes	\$ 4,048,175	\$ 4,048,175	\$ 4,665,695	\$ 617,520
Permit, fees, and special assessments	56,863	56,863	93,720	36,857
Intergovernmental	6,754,577	7,103,379	3,288,752	(3,814,627)
Charges for services	947,940	979,440	1,048,290	68,850
Fines and forfeitures	27,222	27,222	26,611	(611)
Miscellaneous revenues	47,135	295,980	596,115	300,135
Total revenues	<u>11,881,912</u>	<u>12,511,059</u>	<u>9,719,183</u>	<u>(2,791,876)</u>
Expenditures				
Current:				
General government	4,960,315	5,477,710	3,897,547	1,580,163
Public safety	4,412,091	4,418,091	4,097,730	320,361
Physical environment	136,946	136,946	117,929	19,017
Economic environment	26,272	26,272	13,754	12,518
Human services	310,751	311,816	233,251	78,565
Culture and recreation	289,382	333,366	308,439	24,927
Court related	-	-	21,538	(21,538)
Capital outlay	3,102,682	3,131,398	2,003,640	1,127,758
Debt service:				
Principal	5,000	5,000	87,631	(82,631)
Interest	5,000	5,000	3,609	1,391
Total expenditures	<u>13,248,439</u>	<u>13,845,599</u>	<u>10,785,068</u>	<u>3,060,531</u>
Excess (deficiency) of revenues over expenditures	<u>(1,366,527)</u>	<u>(1,334,540)</u>	<u>(1,065,885)</u>	<u>268,655</u>
Other financing sources (uses)				
Transfers in	530,391	530,391	258,006	(272,385)
Transfers out	(351,431)	(351,431)	(79,046)	272,385
Total other financing sources (uses)	<u>178,960</u>	<u>178,960</u>	<u>178,960</u>	<u>-</u>
Net change in fund balance	<u>(1,187,567)</u>	<u>(1,155,580)</u>	<u>(886,925)</u>	<u>268,655</u>
Fund balance, beginning of year	5,109,260	5,109,260	5,109,260	-
Fund balance, end of year	<u><u>\$ 3,921,693</u></u>	<u><u>\$ 3,953,680</u></u>	<u><u>\$ 4,222,335</u></u>	<u><u>\$ 268,655</u></u>

The accompanying note to schedule of revenues, expenditures
and changes in fund balance - budget to actual - governmental funds is an integral part of this schedule.

LIBERTY COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - TRANSPORTATION FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(UNAUDITED)

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 16,042,611	\$ 16,231,428	\$ 5,056,876	\$ (11,174,552)
Charges for services	71,250	71,250	51,476	(19,774)
Fines and forfeitures	-	-	-	-
Miscellaneous revenues	1,730	1,730	31,134	29,404
Total revenues	<u>16,115,591</u>	<u>16,304,408</u>	<u>5,139,486</u>	<u>(11,164,922)</u>
Expenditures				
Current:				
Transportation	16,141,733	16,324,550	5,211,870	11,112,680
Capital outlay	588,117	594,117	165,964	428,153
Debt service:				
Principal	-	-	42,812	(42,812)
Interest	-	-	2,355	(2,355)
Total expenditures	<u>16,729,850</u>	<u>16,918,667</u>	<u>5,423,001</u>	<u>11,495,666</u>
Excess (deficiency) of revenues over expenditures	<u>(614,259)</u>	<u>(614,259)</u>	<u>(283,515)</u>	<u>330,744</u>
Other financing sources (uses)				
Transfers in	264,963	264,963	264,963	-
Transfers out	(85,000)	(85,000)	(85,000)	-
Proceeds from sale of capital assets	255,351	255,352	-	(255,352)
Total other financing sources (uses)	<u>435,314</u>	<u>435,315</u>	<u>179,963</u>	<u>(255,352)</u>
Net change in fund balance	<u>(178,945)</u>	<u>(178,944)</u>	<u>(103,552)</u>	<u>75,392</u>
Fund balance, beginning of year	3,624,284	3,624,284	3,624,284	-
Fund balance, end of year	<u>\$ 3,445,339</u>	<u>\$ 3,445,340</u>	<u>\$ 3,520,732</u>	<u>\$ 75,392</u>

The accompanying note to schedule of revenues, expenditures and changes in fund balance - budget to actual - governmental funds is an integral part of this schedule.

**NOTE TO SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET AND ACTUAL
SEPTEMBER 30, 2022
(UNAUDITED)**

Note to Budgetary Comparison Schedules:

The preparation, adoption and amendment of the budgets are governed by Florida Statutes. The fund is the legal level of control. Budgets are prepared on a basis that does not differ materially from generally accepted accounting principles (GAAP). Appropriations lapse at year-end. Budgeted excess expenditures over revenues are funded through transfers in and use of fund balance reserves.

LIBERTY COUNTY, FLORIDA
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST 10 FISCAL YEARS
(UNAUDITED)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
County and All Officers (Except Sheriff) Plan					
Total OPEB Liability					
Service cost	\$ 84,019	\$ 82,726	\$ 99,428	\$ 92,600	\$ 97,854
Interest	30,066	36,061	63,384	69,733	62,354
Difference between expected and actual experience	(422,877)	-	(52,127)	-	-
Changes of assumptions	83,176	(42,680)	(116,023)	94,961	(82,385)
Benefit payments - implicit rate subsidy	(70,479)	(133,944)	(96,866)	(122,242)	(112,665)
Net change in total OPEB liability	<u>(296,095)</u>	<u>(57,837)</u>	<u>(102,204)</u>	<u>135,052</u>	<u>(34,842)</u>
Total OPEB liability - beginning of year	1,611,164	1,669,001	1,771,205	1,636,153	1,670,995
Total OPEB liability - end of year	<u><u>\$ 1,315,069</u></u>	<u><u>\$ 1,611,164</u></u>	<u><u>\$ 1,669,001</u></u>	<u><u>\$ 1,771,205</u></u>	<u><u>\$ 1,636,153</u></u>
Covered payroll	\$ 3,797,381	\$ 3,577,434	\$ 3,464,827	\$ 3,333,481	\$ 3,228,553
Total OPEB liability as a percentage of covered payroll	34.63%	45.04%	48.17%	53.13%	50.68%

Notes to Schedule:

County and All Officers (Except Sheriff) Plan

Changes of assumptions. Changes of assumptions and other changes reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

Discount rate	4.77%	2.43%	2.14%	3.58%	4.18%
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*10 years of data will be presented as it becomes available.

LIBERTY COUNTY, FLORIDA
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
LAST 10 FISCAL YEARS
(UNAUDITED)

	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>As of the Plan Year Ended June 30,</u>		<u>2017</u>	<u>2016</u>	<u>2015</u>
				<u>2019</u>	<u>2018</u>			
Florida Retirement System (FRS)								
Proportion of the net pension liability	0.019652399%	0.053965060%	0.021455990%	0.021106090%	0.059740240%	0.057945090%	0.058090248%	0.005113400%
Proportionate share of the net pension liability	\$ 7,312,272	\$ 4,076,447	\$ 9,299,343	\$ 7,268,446	\$ 17,994,069	\$ 17,145,653	\$ 14,677,833	\$ 6,961,137
Covered payroll	4,139,752	3,765,720	3,697,512	3,435,597	3,329,149	3,285,923	1,822,785	3,158,276
Proportionate share of the net pension liability as a percentage of covered payroll	176.64%	108.25%	251.50%	211.56%	540.50%	521.79%	805.24%	220.41%
Plan fiduciary net position as a percentage of the total pension liability	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%
Health Insurance Subsidy Program (HIS)								
Proportion of the net pension liability	0.011357077%	0.039344180%	0.010777080%	0.010462230%	0.010002290%	0.010362500%	0.010213904%	0.009714630%
Proportionate share of the net pension liability	\$ 1,202,896	\$ 4,826,156	\$ 1,315,864	\$ 1,170,620	\$ 1,058,653	\$ 1,108,006	\$ 1,190,388	\$ 1,016,932
Covered payroll	4,139,752	3,765,720	3,697,512	3,435,597	3,329,149	3,285,923	1,822,785	3,158,276
Proportionate share of the net pension liability as a percentage of covered payroll	29.06%	128.16%	35.59%	34.07%	31.80%	33.72%	65.31%	32.20%
Plan fiduciary net position as a percentage of the total pension liability	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%

Note 1: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the County will present information for only those years for which information is available.

**LIBERTY COUNTY, FLORIDA
SCHEDULE OF CONTRIBUTIONS
LAST 10 FISCAL YEARS
(UNAUDITED)**

	For the Fiscal Year Ended September 30,							
	2022	2021	2020	2019	2018	2017	2016	2015
Florida Retirement System (FRS)								
Contractually required contribution	\$ 838,604	\$ 726,005	\$ 712,887	\$ 654,442	\$ 575,916	\$ 547,048	\$ 523,928	\$ 523,928
Contributions in relation to the contractually required contribution	(838,604)	(726,005)	(712,887)	(654,442)	(575,916)	(547,048)	(523,928)	(523,928)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	4,139,752	3,765,720	3,697,512	3,435,597	3,329,149	3,285,923	1,822,785	3,158,276
Contributions as a percentage of covered payroll	20.26%	19.28%	19.28%	19.05%	17.30%	16.65%	28.74%	16.59%
Health Insurance Subsidy Program (HIS)								
Contractually required contribution	\$ 68,720	\$ 61,268	\$ 62,103	\$ 58,095	\$ 54,243	\$ 54,616	\$ 54,406	\$ 41,021
Contributions in relation to the contractually required contribution	(68,720)	(61,268)	(62,103)	(58,095)	(54,243)	(54,616)	(54,406)	(41,021)
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 4,139,752	\$ 3,765,720	\$ 3,697,512	\$ 3,435,597	\$ 3,329,149	\$ 3,285,923	\$ 1,822,785	\$ 3,158,276
Contributions as a percentage of covered payroll	1.66%	1.63%	1.68%	1.69%	1.63%	1.66%	2.98%	1.30%

Note 1: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the County will present information for only those years for which information is available.

SUPPLEMENTAL INFORMATION

**LIBERTY COUNTY, FLORIDA
COMBINING BALANCE SHEET
BOARD AND OFFICER GENERAL FUNDS
SEPTEMBER 30, 2022**

	Board of County Commissioners General	Board of County Commissioners Ambulance	Clerk of Circuit Court	Sheriff	Tax Collector	Property Appraiser	Supervisor of Elections	Subtotals	Interfund Eliminations	Totals
ASSETS										
Cash and cash equivalents	\$ 59,670	\$ -	\$ 4,710	\$ 3,111	\$ 51,120	\$ 10,114	\$ 26,652	\$ 155,377	\$ -	\$ 155,377
Investments	7,920,647	-	-	-	-	-	-	7,920,647	-	7,920,647
Accounts receivable	86,134	108,087	-	-	-	-	-	194,221	-	194,221
Due from other governments	417,096	-	1,675	155,976	-	-	-	574,747	-	574,747
Prepaid items	194,978	-	-	-	-	-	-	194,978	-	194,978
Due from constitutional officers	131,443	-	-	-	-	-	-	131,443	(131,443)	-
Due from other funds	212,609	56,575	-	-	-	-	-	269,184	(56,575)	212,609
Total assets	<u>\$ 9,022,577</u>	<u>\$ 164,662</u>	<u>\$ 6,385</u>	<u>\$ 159,087</u>	<u>\$ 51,120</u>	<u>\$ 10,114</u>	<u>\$ 26,652</u>	<u>\$ 9,440,597</u>	<u>\$ (188,018)</u>	<u>\$ 9,252,579</u>
LIABILITIES AND FUND BALANCES										
Liabilities										
Accounts payable and accrued expenses	\$ 447,710	\$ 14,725	\$ 2,590	\$ 104,524	\$ -	\$ 2,053	\$ 12,748	\$ 584,350	\$ -	\$ 584,350
Due to other governments	11,628	-	-	-	-	-	-	11,628	-	11,628
Due to Board of County Commissioners	-	-	3,795	54,563	51,120	8,061	13,904	131,443	(131,443)	-
Unearned revenue	1,130,238	-	-	-	-	-	-	1,130,238	-	1,130,238
Due to other funds	3,360,603	-	-	-	-	-	-	3,360,603	(56,575)	3,304,028
Total liabilities	<u>4,950,179</u>	<u>14,725</u>	<u>6,385</u>	<u>159,087</u>	<u>51,120</u>	<u>10,114</u>	<u>26,652</u>	<u>5,218,262</u>	<u>(188,018)</u>	<u>5,030,244</u>
Fund Balances										
Nonspendable:										
Prepays	194,978	-	-	-	-	-	-	194,978	-	194,978
Restricted										
Building department inspections	25,672	-	-	-	-	-	-	25,672	-	25,672
Assigned to:										
Public safety	-	149,937	-	-	-	-	-	149,937	-	149,937
Subsequent year's budget	1,551,195	-	-	-	-	-	-	1,551,195	-	1,551,195
Unassigned	2,300,553	-	-	-	-	-	-	2,300,553	-	2,300,553
Total fund balances	<u>4,072,398</u>	<u>149,937</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,222,335</u>	<u>-</u>	<u>4,222,335</u>
Total Liabilities and Fund Balances	<u>\$ 9,022,577</u>	<u>\$ 164,662</u>	<u>\$ 6,385</u>	<u>\$ 159,087</u>	<u>\$ 51,120</u>	<u>\$ 10,114</u>	<u>\$ 26,652</u>	<u>\$ 9,440,597</u>	<u>\$ (188,018)</u>	<u>\$ 9,252,579</u>

See accompanying notes to financial statements.

LIBERTY COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BOARD AND OFFICER GENERAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Board of County Commissioners General	Board of County Commissioners Ambulance	Clerk of Circuit Court	Sheriff	Tax Collector	Property Appraiser	Supervisor of Elections	Subtotals	Interfund Eliminations	Totals
Revenues										
Taxes	\$ 4,665,695	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,665,695	\$ -	\$ 4,665,695
Permit, fees, and special assessments	93,720	-	-	-	-	-	-	93,720	-	93,720
Intergovernmental	2,433,734	4,369	-	808,577	-	-	42,072	3,288,752	-	3,288,752
Charges for services	99,914	250,355	31,932	570,232	206,392	450	-	1,159,275	(110,985)	1,048,290
Fines and forfeitures	26,611	-	-	-	-	-	-	26,611	-	26,611
Miscellaneous revenues	477,671	-	4,771	112,421	150	584	518	596,115	-	596,115
Total revenues	<u>7,797,345</u>	<u>254,724</u>	<u>36,703</u>	<u>1,491,230</u>	<u>206,542</u>	<u>1,034</u>	<u>42,590</u>	<u>9,830,168</u>	<u>(110,985)</u>	<u>9,719,183</u>
Expenditures										
Current:										
General government	2,202,071	-	393,499	-	447,447	474,744	490,771	4,008,532	(110,985)	3,897,547
Public safety	199,519	587,312	-	3,310,899	-	-	-	4,097,730	-	4,097,730
Physical environment	117,929	-	-	-	-	-	-	117,929	-	117,929
Economic environment	13,754	-	-	-	-	-	-	13,754	-	13,754
Human services	233,251	-	-	-	-	-	-	233,251	-	233,251
Culture and recreation	308,439	-	-	-	-	-	-	308,439	-	308,439
Court related	-	-	21,538	-	-	-	-	21,538	-	21,538
Capital outlay	1,811,552	-	-	192,088	-	-	-	2,003,640	-	2,003,640
Debt service:										
Principal	87,631	-	-	-	-	-	-	87,631	-	87,631
Interest	3,609	-	-	-	-	-	-	3,609	-	3,609
Total expenditures	<u>4,977,755</u>	<u>587,312</u>	<u>415,037</u>	<u>3,502,987</u>	<u>447,447</u>	<u>474,744</u>	<u>490,771</u>	<u>10,896,053</u>	<u>(110,985)</u>	<u>10,785,068</u>
Excess (deficiency) of revenues over expenditures	<u>2,819,590</u>	<u>(332,588)</u>	<u>(378,334)</u>	<u>(2,011,757)</u>	<u>(240,905)</u>	<u>(473,710)</u>	<u>(448,181)</u>	<u>(1,065,885)</u>	<u>-</u>	<u>(1,065,885)</u>
Other financing sources (uses)										
Transfers in	258,006	272,384	-	-	-	-	-	530,390	(272,384)	258,006
Transfers out	(351,430)	-	-	-	-	-	-	(351,430)	272,384	(79,046)
Appropriations to constitutional officers	(3,684,330)	-	382,129	2,066,320	292,025	481,771	462,085	-	-	-
Reversions from constitutional officers	131,443	-	(3,795)	(54,563)	(51,120)	(8,061)	(13,904)	-	-	-
Total other financing sources (uses)	<u>(3,646,311)</u>	<u>272,384</u>	<u>378,334</u>	<u>2,011,757</u>	<u>240,905</u>	<u>473,710</u>	<u>448,181</u>	<u>178,960</u>	<u>-</u>	<u>178,960</u>
Net change in fund balances	<u>(826,721)</u>	<u>(60,204)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(886,925)</u>	<u>-</u>	<u>(886,925)</u>
Fund balances, beginning of year, as restated	4,899,119	210,141	-	-	-	-	-	5,109,260	-	5,109,260
Fund balances, end of year	<u>\$ 4,072,398</u>	<u>\$ 149,937</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,222,335</u>	<u>\$ -</u>	<u>\$ 4,222,335</u>

See accompanying notes to financial statements.

LIBERTY COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
(CONTINUED)

	Capital Projects	Special Revenue					
	Capital Projects/ Improvement	Landfill	Voted Gas Tax	Liberty Transit	SHIP	Emergency Management	
ASSETS							
Cash and cash equivalents	\$ -	\$ 10,034	\$ -	\$ -	\$ 523,433	\$ -	\$ -
Certificate of deposit	843,041	-	-	-	-	-	-
Accounts receivable	-	-	-	529	-	-	-
Due from other governments	-	8,533	57,608	-	-	49,886	11,263
Due from other funds	-	282,943	243,286	818,420	-	-	225,664
Total assets	\$ 843,041	\$ 301,510	\$ 300,894	\$ 818,949	\$ 523,433	\$ 49,886	\$ 236,927
LIABILITIES AND FUND BALANCES							
Liabilities							
Accounts payable and accrued expenses	\$ -	\$ 4,002	\$ -	\$ 9,875	\$ 4,147	\$ 3,441	\$ 18,210
Deposits	-	-	-	-	-	-	-
Due to other governments	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	425,511	-	-
Due to other funds	1,380	-	-	-	93,775	114,640	-
Total liabilities	1,380	4,002	-	9,875	523,433	118,081	18,210
Fund balances							
Restricted for:							
Law enforcement	-	-	-	-	-	-	218,717
Physical environment	-	-	-	-	-	-	-
Roads and transportation	-	-	300,894	809,074	-	-	-
Court costs	-	-	-	-	-	-	-
Assigned to:							
Physical environment	-	297,508	-	-	-	-	-
Capital improvements	841,661	-	-	-	-	-	-
Unassigned	-	-	-	-	-	(68,195)	-
Total fund balances	841,661	297,508	300,894	809,074	-	(68,195)	218,717
Total Liabilities and Fund Balances	\$ 843,041	\$ 301,510	\$ 300,894	\$ 818,949	\$ 523,433	\$ 49,886	\$ 236,927

See accompanying notes to financial statements.

LIBERTY COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
(CONTINUED)

	Special Revenue							Total
	Solid Waste	Police Training	Law Enforcement Trust	Clerk of the Circuit Court Court Related	Clerk of the Circuit Court Child Support	Clerk of the Circuit Court Modernization	Sheriff Inmate Welfare	
ASSETS								
Cash and cash equivalents	\$ -	\$ -	\$ -	\$ 6,843	\$ 82,663	\$ 34,340	\$ 100,417	\$ 757,730
Certificate of deposit	-	-	-	-	-	-	-	843,041
Accounts receivable	40,001	-	-	-	-	-	-	40,530
Due from other governments	-	-	-	23,647	13,849	592	-	165,378
Due from other funds	-	8,680	14,946	-	-	-	-	1,593,939
Total assets	<u>\$ 40,001</u>	<u>\$ 8,680</u>	<u>\$ 14,946</u>	<u>\$ 30,490</u>	<u>\$ 96,512</u>	<u>\$ 34,932</u>	<u>\$ 100,417</u>	<u>\$ 3,400,618</u>
LIABILITIES AND FUND BALANCES								
Liabilities								
Accounts payable and accrued expenses	\$ 74,525	\$ -	\$ -	\$ 975	\$ 5,777	\$ -	\$ -	\$ 120,952
Deposits	12,531	-	-	-	-	-	-	12,531
Due to other governments	-	-	-	29,515	-	-	-	29,515
Unearned revenue	-	-	-	-	-	-	-	425,511
Due to other funds	2,814	-	-	-	-	-	-	212,609
Total liabilities	<u>89,870</u>	<u>-</u>	<u>-</u>	<u>30,490</u>	<u>5,777</u>	<u>-</u>	<u>-</u>	<u>801,118</u>
Fund balances								
Restricted for:								
Law enforcement	-	8,680	14,946	-	-	-	100,417	342,760
Physical environment	-	-	-	-	-	-	-	-
Roads and transportation	-	-	-	-	-	-	-	1,109,968
Court costs	-	-	-	-	90,735	34,932	-	125,667
Assigned to:								
Physical environment	-	-	-	-	-	-	-	297,508
Capital improvements	-	-	-	-	-	-	-	841,661
Unassigned	(49,869)	-	-	-	-	-	-	(118,064)
Total fund balances	<u>(49,869)</u>	<u>8,680</u>	<u>14,946</u>	<u>-</u>	<u>90,735</u>	<u>34,932</u>	<u>100,417</u>	<u>2,599,500</u>
Total Liabilities and Fund Balances	<u>\$ 40,001</u>	<u>\$ 8,680</u>	<u>\$ 14,946</u>	<u>\$ 30,490</u>	<u>\$ 96,512</u>	<u>\$ 34,932</u>	<u>\$ 100,417</u>	<u>\$ 3,400,618</u>

See accompanying notes to financial statements.

LIBERTY COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
(CONTINUED)

	Capital Projects	Special Revenue					
	Capital Transportation	Landfill	Voted Gas Tax	Liberty Transit	SHIP	Emergency Management	Public Safety 911
Revenues							
Taxes	\$ -	\$ -	\$ 318,042	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	95,043	-	484,203	1,860,944	159,674	430,841
Charges for services	-	11,609	-	94,406	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-
Miscellaneous revenues	778	4,559	28,023	479	1,125	-	-
Total revenues	<u>778</u>	<u>111,211</u>	<u>346,065</u>	<u>579,088</u>	<u>1,862,069</u>	<u>159,674</u>	<u>430,841</u>
Expenditures							
Current:							
Public safety	-	-	-	-	-	169,544	132,966
Physical environment	-	207,462	-	-	-	-	-
Economic environment	-	-	-	-	1,837,069	-	-
Transportation	-	-	-	439,697	-	-	-
Court related	-	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	14,145	173,670
Total expenditures	<u>-</u>	<u>207,462</u>	<u>-</u>	<u>439,697</u>	<u>1,837,069</u>	<u>183,689</u>	<u>306,636</u>
Excess (deficiency) of revenues over expenditures	<u>778</u>	<u>(96,251)</u>	<u>346,065</u>	<u>139,391</u>	<u>25,000</u>	<u>(24,015)</u>	<u>124,205</u>
Other financing sources (uses)							
Transfers in	-	69,795	-	54,626	-	9,251	10,000
Transfers out	-	-	(319,589)	(25,000)	(25,000)	-	-
Other external reversion	-	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>69,795</u>	<u>(319,589)</u>	<u>29,626</u>	<u>(25,000)</u>	<u>9,251</u>	<u>10,000</u>
Net change in fund balance	<u>778</u>	<u>(26,456)</u>	<u>26,476</u>	<u>169,017</u>	<u>-</u>	<u>(14,764)</u>	<u>134,205</u>
Fund balance, beginning of year, as restated	840,883	323,964	274,418	640,057	-	(53,431)	84,512
Fund balance, end of year	<u>\$ 841,661</u>	<u>\$ 297,508</u>	<u>\$ 300,894</u>	<u>\$ 809,074</u>	<u>\$ -</u>	<u>\$ (68,195)</u>	<u>\$ 218,717</u>

See accompanying notes to financial statements.

LIBERTY COUNTY, FLORIDA
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022
(CONTINUED)

	Special Revenue						Total
	Solid Waste	Police Training	Law Enforcement Trust	Clerk of the Circuit Court Court Related	Clerk of the Circuit Court Child Support	Clerk of the Circuit Court Modernization	
Revenues							
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 318,042
Intergovernmental	-	-	-	244,803	81,187	-	3,356,695
Charges for services	522,127	-	-	164,646	-	14,410	895,118
Fines and forfeitures	-	2,524	1,946	-	-	-	4,470
Miscellaneous revenues	-	-	-	2,665	-	-	37,629
Total revenues	<u>522,127</u>	<u>2,524</u>	<u>1,946</u>	<u>412,114</u>	<u>81,187</u>	<u>14,410</u>	<u>4,611,954</u>
Expenditures							
Current:							
Public safety	-	2,596	-	-	-	-	384,097
Physical environment	457,984	-	-	-	-	-	665,446
Economic environment	-	-	-	-	-	-	1,837,069
Transportation	-	-	-	-	-	-	439,697
Court related	-	-	-	444,536	92,747	25,323	562,606
Capital outlay	-	-	-	-	-	-	187,815
Total expenditures	<u>457,984</u>	<u>2,596</u>	<u>-</u>	<u>444,536</u>	<u>92,747</u>	<u>25,323</u>	<u>4,076,730</u>
Excess (deficiency) of revenues over expenditures	<u>64,143</u>	<u>(72)</u>	<u>1,946</u>	<u>(32,422)</u>	<u>(11,560)</u>	<u>(10,913)</u>	<u>535,224</u>
Other financing sources (uses)							
Transfers in	-	-	-	61,937	-	-	205,609
Transfers out	(66,653)	-	-	-	(61,937)	-	(498,179)
Other external reversion	-	-	-	(29,515)	-	-	(29,515)
Total other financing sources (uses)	<u>(66,653)</u>	<u>-</u>	<u>-</u>	<u>32,422</u>	<u>(61,937)</u>	<u>-</u>	<u>(322,085)</u>
Net change in fund balance	<u>(2,510)</u>	<u>(72)</u>	<u>1,946</u>	<u>-</u>	<u>(73,497)</u>	<u>(10,913)</u>	<u>213,139</u>
Fund balance, beginning of year, as restated	<u>(47,359)</u>	<u>8,752</u>	<u>13,000</u>	<u>-</u>	<u>164,232</u>	<u>45,845</u>	<u>2,386,361</u>
Fund balance, end of year	<u>\$ (49,869)</u>	<u>\$ 8,680</u>	<u>\$ 14,946</u>	<u>\$ -</u>	<u>\$ 90,735</u>	<u>\$ 34,932</u>	<u>\$ 2,599,500</u>

See accompanying notes to financial statements.

LIBERTY COUNTY, FLORIDA
COMBINING SCHEDULE OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2022

	<u>Clerk of Circuit Court</u>	<u>Sheriff</u>	<u>Tax Collector</u>	<u>Total Agency Funds</u>
ASSETS				
Cash and equivalents	\$ 183,618	\$ 30,923	\$ 65,001	\$ 279,542
Total assets	<u>\$ 183,618</u>	<u>\$ 30,923</u>	<u>\$ 65,001</u>	<u>\$ 279,542</u>
LIABILITIES				
Due to others	\$ 528	\$ -	\$ -	\$ 528
Due to other governments	83,646	2,455	65,001	151,102
Total liabilities	<u>\$ 84,174</u>	<u>\$ 2,455</u>	<u>\$ 65,001</u>	<u>\$ 151,630</u>
NET POSITION	<u>\$ 99,444</u>	<u>\$ 28,468</u>	<u>\$ -</u>	<u>\$ 127,912</u>

See accompanying notes to financial statements.

LIBERTY COUNTY, FLORIDA
COMBINING SCHEDULE OF CHANGES IN FIDUCIARY NET POSITION
AGENCY FUNDS
SEPTEMBER 30, 2022

	<u>Clerk of Circuit Court</u>	<u>Sheriff</u>	<u>Tax Collector</u>	<u>Total Agency Funds</u>
Additions				
Taxes	\$ -	\$ -	\$ 5,098,999	\$ 5,098,999
Payments received from other governments	-	11,453	23,562	35,015
Permits, fees, and special assessments	-	-	2,391,418	2,391,418
Fines and forfeitures	773,527	556	-	774,083
Payments received from individuals	256,466	775,402	-	1,031,868
Miscellaneous	-	-	53,062	53,062
Total additions	<u>1,029,993</u>	<u>787,411</u>	<u>7,567,041</u>	<u>9,384,445</u>
Deductions				
Payments to individuals	217,159	817,912	-	1,035,071
Payments to other governments	782,173	15,947	2,506,201	3,304,321
Property taxes collected for other governments	-	-	5,060,840	5,060,840
Total deductions	<u>999,332</u>	<u>833,859</u>	<u>7,567,041</u>	<u>9,400,232</u>
Net change in fiduciary net position	<u>30,661</u>	<u>(46,448)</u>	<u>-</u>	<u>(15,787)</u>
Net position, beginning of year	68,783	74,916	-	143,699
Net position, end of year	<u>\$ 99,444</u>	<u>\$ 28,468</u>	<u>\$ -</u>	<u>\$ 127,912</u>

See accompanying notes to financial statements.

LIBERTY COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Federal/State Grantor/Pass Through Grantor/Program Title	ALN/ CSFA Number	Contract Number	Expenditures
FEDERAL AGENCY			
Department of Agriculture			
Passed through Florida Department of Agriculture Schools and Roads - Grants to States	10.665	N/A	\$ 304,805
Total Department of Agriculture			<u>304,805</u>
Department of Housing and Urban Development			
Passed through State of Florida Department of Economic Opportunity Community Development Block Grants Total CDBG - Entitlement Grants Cluster	14.228	H2435	15,000
Total Department of Housing and Urban Development			<u>15,000</u>
Department of the Interior			
Direct:			
Payments in Lieu of Taxes	15.226	N/A	486,015
Secure Rural Schools Program	15.234	2022	63,720
Total Department of the Interior			<u>549,735</u>
Department of Justice			
Passed through the Florida Attorney General: Crime Victim Assistance	16.575	VOCA-2021-LCSO-00705	71,032
Edward Byrne Memorial Justice Assistance Grants Program	16.738	2021-JAGC-LIBE-2-Y5-176	16,470
Passed through the Florida Department of Law Enforcement: Stop Violence Against Women Formula Grants	16.588	LN186	123,447
Total Department of Justice			<u>210,949</u>
Department of Transportation			
Passed through the Florida Department of Transportation: Public Transportation for Nonurbanized Areas Public Transportation for Nonurbanized Areas	20.509 20.509	G2605 G1T06	203,614 92,560
Total Department of Transportation			<u>296,174</u>
Department of State			
Passed through Florida Department of State, Division of Elections Help America Vote	90.401	21.e.es.000.051	24,077
2018 HAVA Election Security Grants	90.404	22.e.es.300.038	17,995
Total Department of State			<u>42,072</u>
Department of Health and Human Services			
Passed through Florida Department of Revenue Child Support Enforcement Title IV-D Child Support Enforcement Title IV-D Child Support Enforcement Title IV-D	93.563 93.563 93.563	CSU39 CSU39 CSU39	81,187 52,022 330
Total Department of Health and Human Services			<u>133,539</u>
Department of Homeland Security			
Passed through Department of Economic Opportunity Emergency Management Performance Grant Emergency Management Performance Grant Total	97.042 97.042	G0236 G0260	40,135 13,926 54,061
Public Assistance (Presidentially Declared Disasters) Public Assistance (Presidentially Declared Disasters)	97.036 97.036	Z0847 Z2585	20,472 8,770
Total Department of Homeland Security			<u>83,303</u>
Department of the Treasury			
Passed through Florida Division of Emergency Management: COVID 19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	492,430
Total Department of the Treasury			<u>492,430</u>
TOTAL EXPENDITURES OF FEDERAL AWARDS			<u>\$ 2,128,007</u>

See accompanying notes to schedule of expenditures of federal awards and state financial assistance.

LIBERTY COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2022
(CONTINUED)

Federal/State Grantor/Pass Through Grantor/Program Title	ALN/ CSFA Number	Contract Number	Expenditures
STATE AGENCY			
Executive Office of the Governor			
Direct:			
Emergency Management Projects	31.063	A0203	\$ 105,613
Total Executive Office of the Governor			<u>105,613</u>
Florida Department of Environmental Protection			
Direct:			
Small County Consolidated Grants	37.012	SC221	95,043
Total Florida Department of Environmental Protection			<u>95,043</u>
Florida Department of Agriculture and Consumer Services			
Direct:			
Mosquito Control State Aid	42.003	28463	38,025
Total Florida Department of Agriculture and Consumer Services			<u>38,025</u>
Department of State, Secretary of State			
Direct:			
State Aid to Libraries	45.030	22-ST-44	72,472
Total Department of State			<u>72,472</u>
Florida Department of Economic Opportunity			
Direct:			
Growth Management Implementation	40.024	P0442	15,000
Growth Management Implementation	40.024	D0162	290,000
Total Growth Management Implementation			<u>305,000</u>
Economic Development Tax Refund, Tax Credit, and Grant Program	40.043	G0019	1,408,382
Total Florida Department of Economic Opportunity			<u>1,713,382</u>
Florida Department of Transportation			
Direct:			
Trip/Equipment Grant	55.001	G1X51	188,029
Small County Outreach Program	55.009	G1P06	546,860
Small County Outreach Program	55.009	G1B47	1,057,060
Small County Outreach Program	55.009	G1Q00	71,208
Total Small County Outreach Program			<u>1,675,128</u>
Small County Road Assistance Program	55.016	G1H76	395,768
Total Florida Department of Transportation			<u>2,258,925</u>
Florida Department of Law Enforcement			
Direct:			
Liberty County Jail Improvements	71.054	7G034	57,150
Law Enforcement Salary Assistance for Fiscally Constrained Counties	71.067	7G035	238,000
Total Florida Department of Law Enforcement			<u>295,150</u>
Florida Department of Health			
Direct:			
Emergency Medical Services County Grant	64.005	C0039	4,369
Total Florida Department of Health			<u>4,369</u>
Florida Housing Finance Corporation			
Direct:			
State Housing Initiatives Partnership Program	40.901	2019-2020	350,000
State Housing Initiatives Partnership Program	40.901	2020-2021	257,282
Total State Housing Initiatives Partnership Program			<u>607,282</u>
Hurricane Housing Recovery Program	40.902	N/A	1,251,121
Total Florida Housing Finance Corporation			<u>1,858,403</u>
Florida Department of Management Services			
Direct:			
Prepaid Next Generation 911 (NG911) State Grant Program	72.002	S17-21-02-28	229,423
Prepaid Next Generation 911 (NG911) State Grant Program	72.002	S18-21-05-07	11,559
Total Prepaid Next Generation 911 (NG911) State Grant Program			<u>240,982</u>
Wireless 911 Emergency Telephone System Rural County Grant Program	72.001	21-04-19	4,478
Wireless 911 Emergency Telephone System Rural County Grant Program	72.001	22-06-25	45,829
Total Wireless 911 System			<u>50,307</u>
Total Department of Management Services			<u>291,289</u>
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE			<u>\$ 6,732,671</u>

See accompanying notes to schedule of expenditures of federal awards and state financial assistance.

LIBERTY COUNTY, FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2022

(1) **Basis of Presentation:**

The accompanying schedule of expenditures of federal awards and state financial assistance includes the state grant activity of Liberty County, Florida (the County), and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Section 215.97, Florida Statutes, *Florida Single Audit Act*. Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not present the financial position, changes in net position, or cash flows of the County.

(2) **Summary of Significant Accounting Policies:**

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles contained in Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Section 215, Florida Statutes, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(3) **De Minimis Indirect Cost Rate Election:**

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

(4) **Subrecipients:**

During the year ended September 30, 2022, the County provided no federal or state awards to subrecipients.

(5) **Contingency:**

Project expenditures are subject to audit and adjustment. If any expenditures were to be disallowed by the grantor agency as a result of such an audit, any claim for reimbursement to the grantor agency would become a liability of the County. In the opinion of management, all project expenditures included on the accompanying schedule are in compliance with the terms of the project agreements and applicable federal and state laws and regulations.

OTHER REPORTS AND SCHEDULE

**LIBERTY COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

A. Summary of Auditors' Results:

Financial Statements:

Type of audit report issued on the financial statements: *Disclaimer*

Internal control over financial reporting:

Material weakness(es) identified? X yes no

Significant deficiency(ies) identified? X yes none reported

Noncompliance material to financial statements noted? yes X no

Federal Awards:

Internal control over major Federal programs:

Material weakness(es) identified? yes X no

Significant deficiency(ies) identified? yes X none reported

Type of auditors' report issued on compliance for major Federal programs: *Unmodified*

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? yes X none reported

Auditee qualified as a low-risk auditee? yes X no

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Identification of major Federal programs:

<u>AL Number</u>	<u>Program Name</u>
21.027	COVID-19 - Coronavirus State and Local Fiscal Recovery Funds
15.226	Payment in Lieu of Taxes

State Financial Assistance:

Internal control over major State projects:

Material weakness(es) identified? _____ yes X no

Significant deficiency(ies) identified? _____ yes X none reported

Type of auditors' report issued on compliance for major State projects:

Unmodified

Any audit findings disclosed that are required to be reported for state financial assistance projects in accordance with Chapter 10.550? _____ yes X none reported

Dollar threshold used to distinguish between type A and type B programs: \$750,000

Identification of major State programs:

<u>CSFA Number</u>	<u>Program Name</u>
40.902	Hurricane Housing Recovery Program (HHRP)
40.043	Economic Development Tax Refund, Tax Credit, and Grant Program
55.009	Small County Outreach Program

B. Financial Statement Findings:

2022-001: Material Audit Adjustments and Preparation of Financial Statements

Criteria: Internal controls over financial reporting should include year-end adjustments of all significant account balances, with such adjustments to also include procedures related to the proper cutoff of significant revenue and expense activities. In addition, 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 ("GAAP"). The capability of management to prepare the financial statements and related disclosures is considered a crucial element of the internal control structure.

Condition: For the year ended September 30, 2022, various significant adjustments were required to be made to the accounting records subsequent to the start of the audit process related to year-end accrual entries. In addition, management did not retain an individual with expertise to oversee preparation of the financial statements.

Cause: Various internal balances were not adjusted for final year-end accrual adjustments at the start of audit fieldwork. In addition, management did not retain an individual with expertise to oversee preparation of the financial statements.

Effect: Financial statements would be materially misstated if significant adjustments were not made. In addition, management's reliance on auditors for expertise in drafting the financial statements and related disclosures indicates a material weakness in the controls structure.

Recommendation: We recommend management select and apply the appropriate accounting principles to record year-end accrual basis adjustments to prepare the financial statements in accordance with generally accepted accounting principles. We recommend management retain or train individuals to assist in the preparation of the financial statements in accordance with GAAP.

2022-002: Internal Control Monitoring over EMS Billing System

Criteria: Internal controls over financial reporting should include the monitoring of certain internal control functions over services that are outsourced.

Condition: For the year ended September 30, 2022, the County contracted with an organization to perform billing services for its EMS billing and no SOC-1 for the company was available for review during the audit as the company had not procured one to date. The County did not install various internal controls needed to ensure proper billing and collection of EMS services.

Cause: Monitoring over the outsourced billing company was not performed during the fiscal year under audit.

Effect: Misappropriation of asset and a misstatement of the financial statements could occur if monitoring over the EMS services is not performed.

Recommendation: We recommend management develop internal controls to perform oversight over the activities of the outsourced EMS billing company and/or utilize a SOC-1 report from the outsourced EMS billing company and perform the complimentary user entity controls contained within that report.

2022-003: Maintenance and Control of Source Documentation for Various Financial Processes

Criteria: Internal controls over financial reporting should include the monitoring, reconciliation and custody of certain schedules relevant to various financial processes.

Condition: For the year ended September 30, 2022, and consistent with practices of the County in previous years, the County relied on an outside party (such as the 3rd party auditor) for custody of various schedules relevant to various aspects of the County's accounting system.

Cause: The County did not monitor, reconcile and maintain custody over the various reconciliations needed to reconcile year-end data in the accounting system.

Effect: A misstatement was present in the financial statements that was required to be adjusted in during the audit for the year ended September 30, 2022.

Recommendation: We recommend management develop internal controls and schedules needed to maintain and reconcile the account balances in the accounting system to the general.

2022-004: Fixed Asset Module and Reconciliation of Fixed Asset Balances to General Ledger

Criteria: Internal controls over financial reporting should include reconciling the fixed asset activity of the County to the underlying schedule of fixed assets and to the accounting system.

Condition: For the year ended September 30, 2022, the County did not maintain a fixed asset schedule or reconcile the fixed asset activity in the general ledger.

Cause: The County did not have processes in place to maintain an updated fixed asset schedule and did not reconcile the fixed asset activity to the general ledger. In addition, we noted the fixed asset software that the County possessed contained various inaccuracies that caused reporting errors in the fixed asset system.

Effect: A misstatement was present in the financial statements that was required to be adjusted in during the audit for the year ended September 30, 2022.

Recommendation: We recommend management develop internal controls needed to maintain and reconcile the fixed asset detail to the general ledger.

2022-005: Utility Billing Controls and Reporting

Criteria: Internal controls over financial reporting should include reconciling the outstanding balance in the utility billing system to the underlying general ledger.

Condition: For the year ended September 30, 2022, the County did not maintain an accurate accounts receivable schedule with the balance owed by various customers and did not reconcile the balance recorded at year-end in the accounts receivable subsidiary to the general ledger for utility billing receivables.

Cause: The County did not have processes in place to maintain an updated accounts receivable subsidiary ledger.

Effect: A misstatement was present in the financial statements that was required to be adjusted in during the audit for the year ended September 30, 2022.

Recommendation: We recommend management develop internal controls needed to maintain and reconcile the accounts receivable subsidiary ledger to the general ledger.

2022-006: Cutoff of Accounts Payable in the General Ledger

Criteria: Internal controls over financial reporting should include proper cutoff of accounts payable balances by reviewing payments made subsequent to year-end to ensure accounts payable balances are fairly stated at the close of the fiscal year.

Condition: For the year ended September 30, 2022, the County did not perform a review of payments made subsequent to year end to ensure that the accounts payable balances were not understated.

Cause: The County did not have processes in place to review payments after year end for proper cutoff with regard to the period in which the invoice should have been recorded.

Effect: A misstatement was present in the financial statements that was required to be adjusted in during the audit for the year ended September 30, 2022.

Recommendation: We recommend management develop internal controls and processes needed to review payments made subsequent to year-end to ensure accounts payable balances at year-end are fairly stated.

- C. **Federal Award Findings and Questioned Costs:** None.
- D. **State Project Findings and Questioned Costs:** None.
- E. **Summary Schedule of Prior Audit Findings:** None.
- F. **Corrective Action Plan:** See management’s response to current year findings as referenced in the table of contents.

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL

To the Honorable Board of County Commissioners,
Liberty County, Florida:

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited Liberty County, Florida (the County)'s compliance with the types of compliance requirements described in the U.S. Office of Management and Budget *Compliance Supplement* and the requirements described in the Florida Department of Financial Services *State Projects Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs and state projects for the year ended September 30, 2022. The County's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2022.

Basis for Opinion on Each Major Federal Program and State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit.

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

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

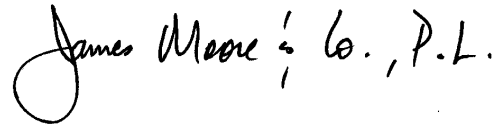
Report on Internal Control over Compliance

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

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies may exist that were not identified.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

A handwritten signature in black ink that reads "James Moore & Co., P.L.". The signature is written in a cursive style with a large, looped initial "J".

Tallahassee, Florida
November 2, 2023

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

The Honorable Board of County Commissioners,
Liberty County, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Liberty County, Florida (the County) as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated November 2, 2023.

As discussed in the Basis for Disclaimer of Opinion paragraph in the Independent Auditors' Report, we were unable to gain audit evidence over prior year balances for assets, liabilities, deferred inflows of resources, and deferred inflows of resources impacting the beginning fund balance and net position balances presented in the financial statements. As such, we issued a disclaimer of opinion over the financial statements for the year ended September 30, 2022.

Report on Internal Control over Financial Reporting

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

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. However, as described in the accompanying Schedule of Findings and Questioned Costs, we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as items 2022-001 to 2022-005 to be material weaknesses.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs as item 2022-006 to be a significant deficiency.

Report on Compliance and Other Matters

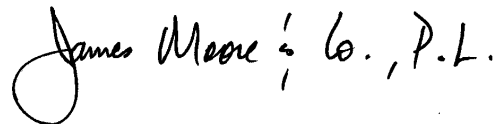
As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material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

Liberty County, Florida's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the findings identified in our engagement and described in the accompanying Schedule of Findings and Questioned Costs. The County's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

James Moore & Co., P.L.

Tallahassee, Florida
November 2, 2023



**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED
BY CHAPTER 10.550, RULES OF THE STATE OF FLORIDA
OFFICE OF THE AUDITOR GENERAL**

To the Honorable Board of County Commissioners,
Liberty County, Florida:

Report on the Financial Statements

We have audited the financial statements of Liberty County, Florida (the County), as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated November 2, 2023.

As discussed in the Basis for Disclaimer of Opinion paragraph in the Independent Auditors' Report, we were unable to gain audit evidence over prior year balances for assets, liabilities, deferred inflows of resources, and deferred inflows of resources impacting the beginning fund balance and net position balances presented in the financial statements. As such, we issued a disclaimer of opinion over the financial statements for the year ended September 30, 2022.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditors' Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance in accordance with the Uniform Guidance and Chapter 10.550 Rules of the Florida Auditor General; Schedule of Findings and Questioned Costs; and Independent Accountants' Examination Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated November 2, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no such findings and recommendations.

Official Title and Legal Authority

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

Financial Condition and Management

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

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

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we had the following recommendations:

2022-007 Budgetary Controls – Ambulance and Landfill Funds

During our audit, we noted funds were expended in excess of budgeted amounts in the Ambulance and Landfill funds. The Landfill Fund exceeded its budgetary authority by \$18,390. The Ambulance Fund exceeded its budgetary authority by \$27,960. We recommend the County review year end expenditures on an accrual basis in order to ensure expenditures do not exceed appropriations.

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units; therefore, we did not note any such component units that failed to provide the necessary information, nor is any specific special district information required to be reported.

Additional Matters

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

County's Response to Recommendations

The County's responses to the recommendations identified in our audit are described in the management's response as listed in the table of contents. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and State grant agencies, the Board of County Commissioners, management, and others within the County and is not intended to be and should not be used by anyone other than these specified parties.

James Moore & Co., P.L.

Tallahassee, Florida
November 2, 2023



INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

To the Honorable Board of County Commissioners,
Liberty County, Florida

We have examined the compliance of Liberty County, Florida (the County) with Section 365.172, Florida Statutes, *Emergency Communications Number "E911"*, Section 365.173, Florida Statutes, *Communications Number E911 System Fund*, and Section 218.415, Florida Statutes, *Local Government Investment Policies* (the Statutes), for the year ended September 30, 2022. The County's Management is responsible for the compliance with those requirements. Our responsibility is to obtain reasonable assurance by evaluating against aforementioned statutes and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation based on our examination.

Our examination was conducted in accordance with the attestation standards for a direct examination engagement established by the AICPA. Those standards require that we obtain reasonable assurance by evaluating against the aforementioned statute and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation of the County's compliance. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks that were not in accordance with those requirements in all material respects, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

In our opinion, the County complied, in all material respects, with the Statutes for the year ended September 30, 2022.

A handwritten signature in black ink that reads "James Moore & Co., P.L." with a large, stylized initial "J" at the beginning.

Tallahassee, Florida
November 2, 2023

**LIBERTY COUNTY, FLORIDA
MANAGEMENT'S RESPONSE TO CURRENT YEAR FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

2022-001: Material Audit Adjustments and Preparation of Financial Statements

Management and staff will work to select and apply the appropriate accounting principles to record year-end accrual basis adjustments to prepare the financial statements in accordance with generally accepted accounting principles. Management and staff will retain and train individuals to assist in the preparation of the financial statements in accordance with general accepted accounting principles.

2022-002: Internal Control Monitoring over EMS Billing System

Management and staff will develop internal controls and schedules needed to maintain and reconcile the account balances in the accounting system.

2022-004: Fixed Asset Module and Reconciliation of Fixed Asset Balances to General Ledger

Management and staff will develop internal controls needed to maintain and reconcile the fixed asset detail to the general ledger.

2022-005: Utility Billing Controls and Reporting

Management and staff will develop internal controls needed to maintain and reconcile the accounts receivable subsidiary ledger to the general ledger.

2022-006: Cutoff of Accounts Payable in the General Ledger

Management will develop internal controls and processes needed to review payments made subsequent to year-end to ensure accounts payable balances at year-end are fairly stated.

**LIBERTY COUNTY CLERK OF COURTS AND
COMPTROLLER**

**SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT**

SEPTEMBER 30, 2022

LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER

**SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT**

SEPTEMBER 30, 2022

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INDEPENDENT AUDITORS' REPORT

The Honorable Daniel Stanley, Clerk of the Circuit Court,
Liberty County, Florida:

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of each major fund and the aggregate remaining fund information of the Liberty County Clerk of the Circuit Court (the Office), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Office's financial statements, as listed in the table of contents.

We do not express an opinion on the accompanying financial statements of the Office. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

Basis for Disclaimer of Opinion

Audit procedures require a successor auditor to perform certain initial audit procedures during the initial audit with respect to opening account balances. These procedures typically entail either reviewing a predecessor auditor's workpapers or the testing of opening account balances. Due to a lack of audit evidence able to be produced over these balances from prior fiscal years, we were unable to gain sufficient audit evidence to support the opening account balances for various prior year balances of assets, liabilities, deferred inflows of resources, and outflows of resources, and the related impact upon beginning fund balance / net position amounts. As a result of this matter, we are unable to determine whether any adjustments might have been found necessary with respect to the various elements making up the financial statements.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, and aggregate remaining fund information only for that portion of the major funds, and aggregate remaining fund information of Liberty County, Florida (the County), that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of the County as of September 30, 2022, the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

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 Office's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the Office's financial statements in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and to issue an auditors' report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

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

Required Supplementary Information

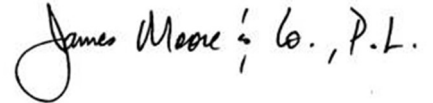
Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of 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 express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the basic financial statements that collectively comprise the Office's basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. We do not express an opinion or provide any assurance on the information due to the significance of the matter described in the Basis for Disclaimer of Opinion section of our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 2, 2023, on our consideration of the Office'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 Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Moore & Co., P.L.". The signature is written in a cursive style with a large initial "J" and a stylized "M".

Tallahassee, Florida
November 2, 2023

LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022

	General Fund	Court Fund	Child Support Fund	Records Modernization Fund	Total Governmental Funds
Assets					
Cash and cash equivalents	\$ 4,710	\$ 6,843	\$ 82,663	\$ 34,340	\$ 128,556
Due from other governments	1,675	23,647	13,849	592	39,763
Total Assets	<u>\$ 6,385</u>	<u>\$ 30,490</u>	<u>\$ 96,512</u>	<u>\$ 34,932</u>	<u>\$ 168,319</u>
Liabilities					
Accounts payable and accrued expenses	\$ 2,590	\$ 975	\$ 5,777	\$ -	\$ 9,342
Due to other governments	-	29,515	-	-	29,515
Due to Board of County Commissioners	3,795	-	-	-	3,795
Total liabilities	<u>6,385</u>	<u>30,490</u>	<u>5,777</u>	<u>-</u>	<u>42,652</u>
Fund Balances					
Restricted for:					
Court operations	-	-	90,735	-	90,735
Records modernization	-	-	-	34,932	34,932
Total fund balances	-	-	90,735	34,932	125,667
Total Liabilities and Fund Balances	<u>\$ 6,385</u>	<u>\$ 30,490</u>	<u>\$ 96,512</u>	<u>\$ 34,932</u>	<u>\$ 168,319</u>

The accompanying notes to financial statements are an integral part of this statement.

LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	General Fund	Court Fund	Child Support Fund	Records Modernization Fund	Total Governmental Funds
Revenues					
Intergovernmental	\$ -	\$ 244,803	\$ 81,187	\$ -	\$ 325,990
Charges for services	31,932	164,646	-	14,410	210,988
Miscellaneous	4,771	2,665	-	-	7,436
Total revenues	<u>36,703</u>	<u>412,114</u>	<u>81,187</u>	<u>14,410</u>	<u>544,414</u>
Expenditures					
Current:					
General government	393,499	-	-	-	393,499
Court related	21,538	444,536	92,747	25,323	584,144
Total expenditures	<u>415,037</u>	<u>444,536</u>	<u>92,747</u>	<u>25,323</u>	<u>977,643</u>
Excess (deficiency) of revenues over expenditures	<u>(378,334)</u>	<u>(32,422)</u>	<u>(11,560)</u>	<u>(10,913)</u>	<u>(433,229)</u>
Other financing sources (uses)					
Transfers in	-	61,937	-	-	61,937
Transfers out	-	-	(61,937)	-	(61,937)
Appropriations from Board of County Commissioners	382,129	-	-	-	382,129
Reversion to Board of County Commissioners	(3,795)	-	-	-	(3,795)
Article V Reversion	-	(29,515)	-	-	(29,515)
Total other financing sources (uses)	<u>378,334</u>	<u>32,422</u>	<u>(61,937)</u>	<u>-</u>	<u>348,819</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>(73,497)</u>	<u>(10,913)</u>	<u>(84,410)</u>
Fund balance, beginning of year	-	-	164,232	45,845	210,077
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 90,735</u>	<u>\$ 34,932</u>	<u>\$ 125,667</u>

The accompanying notes to financial statements are an integral part of this statement.

**LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Custodial Funds
Assets	
Cash and cash equivalents	\$ 183,618
Total Assets	\$ 183,618
Liabilities	
Due to individuals	\$ 528
Due to other governments	83,646
Total Liabilities	\$ 84,174
Net Position	
Restricted for:	
Other individuals and organizations	\$ 99,444
Total Net Position	\$ 99,444

The accompanying notes to financial statements are an integral part of this statement.

**LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Custodial Funds
Additions	
Court related	\$ 1,029,993
Total additions	1,029,993
Deductions	
Payments to individuals	217,159
Payments to other governments	782,173
Total deductions	999,332
Net change in fiduciary net position	30,661
Net position, beginning of year, as restated	68,783
Net position, end of year	\$ 99,444

The accompanying notes to financial statements are an integral part of this statement.

LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(1) **Summary of Significant Accounting Policies:**

The accounting policies of the Liberty County Clerk of Courts and Comptroller (the “Office”) conform to generally accepted accounting principles as applicable to governments in the Governmental Accounting Standards Board (GASB) Codification. The following is a summary of the more significant policies.

(a) **Reporting entity**— The Clerk is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. The Office is an integral part of Liberty County, Florida (the County), the reporting entity for financial reporting purposes. The Office’s General Fund is combined with the Board of County Commissioners in the County’s financial statements to properly reflect the county-wide General Fund.

(b) **Basis of presentation**—The Office’s financial statements are special-purpose financial statements that have been prepared for the purpose of complying with the Rules of the Auditor General of the State of Florida (the Rules). In conformity with the Rules, the Office has not presented the government-wide financial statements, the reconciliations to the government-wide statements or management’s discussion and analysis.

(c) **Fund accounting**—Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, as appropriate for each fund type. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column.

The Office reports the following major governmental fund; there are no non-major governmental funds:

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

The Office reports the following Special Revenue funds:

Court Fund - Used to account for fines, court costs, filing fees, and service charges as mandated by Florida Statutes for court-related expenditures.

Records Modernization Trust Fund - Used to account for additional recording fees, which are collected by the Clerk’s office and are earmarked for the modernization of recording service operations.

Child Support Fund – The Child Support Fund was established to account for federal reimbursement of the court-related child support revenues and expenditures for overhead that is required to be reported separately from the Clerk’s general fund activities.

Additionally, the Office reports the following fiduciary fund type:

Custodial Funds - Used to account for assets held by the Office as an agent for individuals, private organizations, other governments, and/or other funds.

(d) **Measurement focus/basis of accounting**—All governmental funds are accounted for on a spending or current financial resources measurement focus and the modified accrual basis of accounting. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of “available spendable resources”. Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of “available spendable resources” during a period.

LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(1) **Summary of Significant Accounting Policies:** (Continued)

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. The Office considers revenues to be available if they are collected within 90 days of the end of the current fiscal period.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on general long-term debt are recognized when due.

(e) **Cash**—The Office’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

(f) **Capital assets and long-term liabilities**—Capital assets used by the Office are capitalized (recorded and accounted for) by the Liberty County Clerk of Courts and Comptroller.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the financial statements of the County.

(g) **Accounts payable**—Accounts payable balances in the general fund are primarily payable to third-party vendors for goods provided and services rendered.

(h) **Compensated absences**—The Office follows generally accepted accounting principles in accounting for accrued compensated absences. The Office allows limited vesting of unused employee leave time. Since the annual and sick leave liability is considered long-term, it is recorded in the government-wide financial statements of the County. Compensated absences are expected to be paid out of the General Fund of the Office and this practice is expected to continue in the future. The Office maintained compensated absence records for the hours earned, used and available.

(i) **Fund balance**—Fund balance for governmental funds report classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. In as much as the Clerk is a county constitutional officer, any funds remaining at the end of the fiscal year are returned to the Board of County Commissioners. Assigned amounts represent residual external funding to be used by the Office. Unassigned fund balance represents funds available for spending at the government’s discretion.

The Office does not have a formal written policy regarding whether restricted or unrestricted amounts are considered to be spent when an expenditure for purposes for which both restricted and unrestricted fund balances are available. However, it has been the Office’s general practice when expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available; the Office considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Office considers amounts to have been spent first out of committed funds, then assigned funds, and lastly unassigned funds, as needed.

(j) **Use of estimates**—The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(2) Budgets and Budgetary Accounting:

Governmental fund revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget was adopted for the General Fund. All budget amounts presented in the accompanying special-purpose financial statements have been adjusted for legally authorized amendments of the annual budget for the year. The annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total budget appropriations at the individual fund level. All appropriations lapse at year-end

(3) Investments:

Florida Statutes authorize the Office to invest in bonds, notes or other obligations of the U.S. Government, certificates of deposits, repurchase agreements, certain bonds of any State or local government unit and the State Treasurer's Investment Pool.

Interest Rate Risk. The Office does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk. The Office places no limit on the amount the Office may invest in any one issuer. The Office maintained 100-percent of excess deposits in a checking account with a local financial institution subject to Federal Depository Insurance Corporation (FDIC) insurance, and/or the State of Florida collateral pool established under the Florida Security for Public Deposits Act (the Act).

(4) Risk Management:

The County purchased commercial insurance to limit the exposure of the following risks of loss: theft of, damage to, and destruction of assets; natural disasters and injuries to employees. Commercial insurance has been purchased by the Office to cover the risks of loss due to employee errors or omissions and health insurance. Settled claims resulting from all risks have not exceeded insurance coverage in any of the past three years.

(5) Pension Plan:

The Office participates in the Florida Retirement System (FRS), a multiple-employer, cost-sharing defined public employee retirement system which covers all of the Office's full-time employees. The System is administered by the State of Florida, Department of Administration, Division of Retirement to provide retirement and survivor benefits to participating public employees. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension plan (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

In addition, all regular employees of the entity are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended September 30, 2022, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5.

LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
NOTES TO SPECIAL PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(5) **Pension Plan:** (Continued)

The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

For financial reporting purposes, the Office is deemed to be part of the primary government of the County. A liability related to the Office's proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of the County for the fiscal year ended September 30, 2022.

REQUIRED SUPPLEMENTARY INFORMATION

LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GENERAL FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 26,587	\$ 26,587	\$ 31,932	\$ 5,345
Miscellaneous	150	150	4,771	4,621
Total revenues	<u>26,737</u>	<u>26,737</u>	<u>36,703</u>	<u>9,966</u>
Expenditures				
Current:				
General government	408,866	408,866	393,499	15,367
Court related	-	-	21,538	(21,538)
Total expenditures	<u>408,866</u>	<u>408,866</u>	<u>415,037</u>	<u>(6,171)</u>
Excess (deficiency) of revenues over expenditures	<u>(382,129)</u>	<u>(382,129)</u>	<u>(378,334)</u>	<u>3,795</u>
Other financing sources (uses)				
Appropriations from Board of County Commissioners	382,129	382,129	382,129	-
Reversion to Board of County Commissioners	-	-	(3,795)	(3,795)
Total other financing sources (uses)	<u>382,129</u>	<u>382,129</u>	<u>378,334</u>	<u>(3,795)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes to required supplementary information are an integral part of this statement.

LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
COURT FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 240,193	\$ 240,193	\$ 244,803	\$ 4,610
Charges for services	127,483	127,483	164,646	37,163
Miscellaneous	250	250	2,665	2,415
Total revenues	<u>367,926</u>	<u>367,926</u>	<u>412,114</u>	<u>44,188</u>
Expenditures				
Current:				
Court related	435,674	435,674	444,536	(8,862)
Excess (deficiency) of revenues over expenditures	<u>(67,748)</u>	<u>(67,748)</u>	<u>(32,422)</u>	<u>35,326</u>
Other financing sources (uses)				
Transfers in	67,748	67,748	61,937	(5,811)
Article V Reversion	-	-	(29,515)	(29,515)
Total other financing sources (uses)	<u>67,748</u>	<u>67,748</u>	<u>32,422</u>	<u>(35,326)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes to required supplementary information are an integral part of this statement.

LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
CHILD SUPPORT FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 81,119	\$ 81,119	\$ 81,187	\$ 68
Expenditures				
Current:				
Court related	202,463	202,463	92,747	109,716
Excess (deficiency) of revenues over expenditures	<u>(121,344)</u>	<u>(121,344)</u>	<u>(11,560)</u>	<u>109,784</u>
Other financing sources (uses)				
Transfers out	-	-	(61,937)	(61,937)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(61,937)</u>	<u>(61,937)</u>
Net change in fund balance	<u>(121,344)</u>	<u>(121,344)</u>	<u>(73,497)</u>	<u>47,847</u>
Fund balance, beginning of year	121,344	121,344	164,232	(42,888)
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 90,735</u>	<u>\$ 4,959</u>

The accompanying notes to required supplementary information are an integral part of this statement.

**LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
RECORDS MODERNIZATION FUND - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 8,900	\$ 8,900	\$ 14,410	\$ 5,510
Expenditures				
Current:				
Court related	43,293	43,293	25,323	17,970
Net change in fund balance	<u>(34,393)</u>	<u>(34,393)</u>	<u>(10,913)</u>	<u>23,480</u>
Fund balance, beginning of year	34,393	34,393	45,845	(11,452)
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 34,932</u>	<u>\$ 12,028</u>

The accompanying notes to required supplementary information are an integral part of this statement.

**LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
NOTE TO SCHEDULES OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

(1) **Budgetary Information:**

An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund, the court fund, the records modernization trust fund, and the child support fund. All annual appropriations lapse at fiscal year-end.

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

- a) The preparation, adoption and amendment of the budgets are governed by Florida Statutes. Public hearings are conducted to obtain taxpayer comments.
- b) Budget excess expenditures over revenues are funded through appropriations from the Board of County Commissioners.
- c) Formal budgetary integration is employed as a management control device during the year. The legal level of budgetary control is the fund level.
- d) The budgets for the funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

Expenditures exceed appropriations in the General Fund by \$6,171.

SUPPLEMENTARY INFORMATION

LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2022

	<u>Domestic Relations Fund</u>	<u>Registry of Court Fund</u>	<u>General Trust Fund</u>	<u>Cash Bond Fund</u>	<u>Total Custodial Funds</u>
Assets					
Cash and cash equivalents	\$ -	\$ 62,249	\$ 93,993	\$ 27,376	\$ 183,618
Total Assets	<u>\$ -</u>	<u>\$ 62,249</u>	<u>\$ 93,993</u>	<u>\$ 27,376</u>	<u>\$ 183,618</u>
Liabilities					
Due to individuals	\$ -	\$ 528	\$ -	\$ -	\$ 528
Due to other governments	-	-	83,646	-	83,646
Total Liabilities	<u>\$ -</u>	<u>\$ 528</u>	<u>\$ 83,646</u>	<u>\$ -</u>	<u>\$ 84,174</u>
Net Position					
Restricted for:					
Other individuals and organizations	\$ -	\$ 61,721	\$ 10,347	\$ 27,376	\$ 99,444
Total Net Position	<u>\$ -</u>	<u>\$ 61,721</u>	<u>\$ 10,347</u>	<u>\$ 27,376</u>	<u>\$ 99,444</u>

See accompanying notes to financial statements.

LIBERTY COUNTY CLERK OF COURTS AND COMPTROLLER
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2022

	Domestic Relations Fund	Registry of Court Fund	General Trust Fund	Cash Bond Fund	Total Custodial Funds
Additions					
Court related	\$ 5,196	\$ 211,939	\$ 773,527	\$ 39,331	\$ 1,029,993
Total additions	<u>5,196</u>	<u>211,939</u>	<u>773,527</u>	<u>39,331</u>	<u>1,029,993</u>
Deductions					
Payments to individuals	5,196	187,275	-	24,688	217,159
Payments to other governments	-	-	782,173	-	782,173
Total deductions	<u>5,196</u>	<u>187,275</u>	<u>782,173</u>	<u>24,688</u>	<u>999,332</u>
Net change in fiduciary net position	<u>-</u>	<u>24,664</u>	<u>(8,646)</u>	<u>14,643</u>	<u>30,661</u>
Net position, beginning of year	-	37,057	18,993	12,733	68,783
Net position, end of year	<u>\$ -</u>	<u>\$ 61,721</u>	<u>\$ 10,347</u>	<u>\$ 27,376</u>	<u>\$ 99,444</u>

See accompanying notes to financial statements.

ADDITIONAL ELEMENTS REQUIRED BY THE RULES OF THE AUDITOR GENERAL



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

The Honorable Daniel Stanley, Clerk of the Circuit Court,
Liberty County, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Liberty County Clerk of Courts and Comptroller (the Office) as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Liberty County Clerk of Courts and Comptroller's special-purpose financial statements, and have issued our report thereon dated November 2, 2023, which was modified to refer to a basis of accounting required for compliance with state filing requirements, and for other reasons.

As discussed in the Basis for Disclaimer of Opinion paragraph in the Independent Auditors' Report, we were unable to gain audit evidence over prior year balances for assets, liabilities, deferred inflows of resources, and deferred inflows of resources impacting the beginning fund balance and net position balances presented in the financial statements. As such, we issued a disclaimer of opinion over the financial statements for the year ended September 30, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the special-purpose financial statements, we considered the Office'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 special-purpose financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Office's internal control. Accordingly, we do not express an opinion on the effectiveness of the Office's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described below as items 2022-001 that we consider to be a material weakness.

2022-001: Segregation of Duties

Internal controls are designed to safeguard assets and help prevent or detect losses from employee dishonesty or error. A fundamental concept in a good system of internal control is the segregation of duties. The basic premise is that no one employee should have access to both physical assets and the related accounting records or all phases of a transaction. Due to the small size of the Office, we noted that for the year ended September 30, 2022, the same person within the accounting department held the duties of maintaining the accounting records, opening the mail, depositing checks, preparing bank reconciliations and recording journal entries.

Compliance and Other Matters

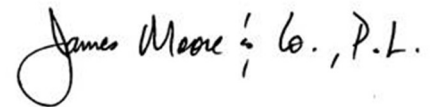
As part of obtaining reasonable assurance about whether the Office's special-purpose financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct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

Management's Response to Findings

Government Auditing Standard requires the auditor to perform limited procedures on the Office's response to the findings identified in our audit and described in the accompanying Management's Response. The Office's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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



Tallahassee, Florida
November 2, 2023



**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED BY
CHAPTER 10.550, RULES OF THE STATE OF FLORIDA, OFFICE OF THE
AUDITOR GENERAL**

The Honorable Daniel Stanley, Clerk of the Circuit Court,
Liberty County, Florida:

We have audited the financial statements of the Liberty County Clerk of Courts and Comptroller (the Office), as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated November 2, 2023.

As discussed in the Basis for Disclaimer of Opinion paragraph in the Independent Auditors' Report, we were unable to gain audit evidence over prior year balances for assets, liabilities, deferred inflows of resources, and deferred inflows of resources impacting the beginning fund balance and net position balances presented in the financial statements. As such, we issued a disclaimer of opinion over the financial statements for the year ended September 30, 2022.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Special-Purpose Financial Statements Performed in Accordance with *Government Auditing Standards*, and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated November 2, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Liberty County Clerk of the Circuit Court is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. Liberty County,

including the Office of the Clerk, was established by Chapter 8516, Laws of Florida in 1921. There are no component units of the Liberty County Clerk of Courts and Comptroller to be disclosed as required by accounting principles generally accepted in the United States of America.

Financial Management

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

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we have the following recommendations:

2022-002 Budgetary Controls

Florida Statutes, Chapter 166.241(2) provides that the budget must regulate expenditures of the Office, and it is unlawful for any officer of municipal or county government to expend or contract for expenditures in any fiscal year except in pursuant of budgeted expenditures. During our audit, we noted funds were expended in excess of budgeted amounts in the Office's General Fund by \$6,171. We recommend the Office maintain a level of expenditures within the adopted budget and ensure any necessary budget amendments are assessed and completed within the requisite timeframe.

Office's Response to Recommendations

The Office's responses to the recommendations identified in our audit are described in the management's response as listed in the table of contents. The Office's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Letter

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



Tallahassee, Florida
November 2, 2023



INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

The Honorable Daniel Stanley, Clerk of the Circuit Court,
Liberty County, Florida:

We have examined the Liberty County Clerk of Courts and Comptroller's (the Office) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, Section 28.35, Florida Statutes, *Florida Clerks of Court Operations Corporation*, Section 28.36, Florida Statutes, *Budget Procedure*, and Section 61.181, Florida Statutes, *Depository for Alimony Transactions, Support, Maintenance, and Support Payments; Fees* (collectively, "the Statutes"), for the year ended September 30, 2022. The Office's management is responsible for the Office's compliance with those requirements. Our responsibility is to obtain reasonable assurance by evaluating against the aforementioned statutes and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation based on our examination.

Our examination was conducted in accordance with the attestation standards for a direct examination engagement established by the AICPA. Those standards require that we obtain reasonable assurance by evaluating against aforementioned statutes and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation of the Office's compliance. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks that were not in accordance with those requirements in all material respects, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

In our opinion, the Office compliance for the year ended September 30, 2022, was in accordance with the aforementioned requirements in all material respects.

James Moore & Co., P.L.

Tallahassee, Florida
November 2, 2023

MANAGEMENT'S RESPONSE

Finding 2022-001: Segregation of Duties

Management will work with the auditor to identify areas to strengthen the internal controls of the office. However, due to the small size of the office, it is acknowledged that there may be limited ways for fully corrective action over this finding. Any areas of control that can be strengthened will be done in conjunction with consultation from the outside auditing firm.

Finding 2022-002: Budgetary Controls

Management will work to more closely monitor budget versus actual expenditures and ensure expenditures are accounted and reconciled to the correct fund before the fiscal year ends to prevent going over budget for individual funds.

LIBERTY COUNTY TAX COLLECTOR
SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT

SEPTEMBER 30, 2022

LIBERTY COUNTY TAX COLLECTOR
SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT

SEPTEMBER 30, 2022

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INDEPENDENT AUDITORS' REPORT

The Honorable Marie Goodman, Liberty County Tax Collector,
Liberty County, Florida:

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of each major fund and the aggregate remaining fund information of the Liberty County Tax Collector (the Office), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Office's financial statements, as listed in the table of contents.

We do not express an opinion on the accompanying financial statements of the Office. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

Basis for Disclaimer of Opinion

Audit procedures require a successor auditor to perform certain initial audit procedures during the initial audit with respect to opening account balances. These procedures typically entail either reviewing a predecessor auditor's workpapers or the testing of opening account balances. Due to a lack of audit evidence able to be produced over these balances from prior fiscal years, we were unable to gain sufficient audit evidence to support the opening account balances for various prior year balances of assets, liabilities, deferred inflows of resources, and outflows of resources, and the related impact upon beginning fund balance / net position amounts. As a result of this matter, we are unable to determine whether any adjustments might have been found necessary with respect to the various elements making up the financial statements.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, and aggregate remaining fund information only for that portion of the major funds, and aggregate remaining fund information of Liberty County, Florida (the County), that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of the County as of September 30, 2022, the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

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 Office's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the Office's financial statements in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and to issue an auditors' report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

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

Required Supplementary Information

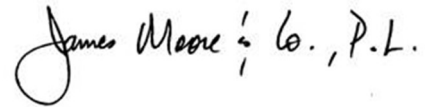
Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of 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 express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the basic financial statements that collectively comprise the Office's basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. We do not express an opinion or provide any assurance on the information due to the significance of the matter described in the Basis for Disclaimer of Opinion section of our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 2, 2023, on our consideration of the Office'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 Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Moore & Co., P.L.". The signature is written in a cursive style with a large initial "J" and a stylized "M".

Tallahassee, Florida
November 2, 2023

**LIBERTY COUNTY TAX COLLECTOR
BALANCE SHEET
GOVERNMENTAL FUND
SEPTEMBER 30, 2022**

	General Fund
Assets	
Cash and equivalents	\$ 51,120
Total Assets	\$ 51,120
 Liabilities and Fund Balance	
Liabilities	
Due to Board of County Commissioners	\$ 51,120
Fund balance	
Unassigned	-
Total Liabilities and Fund Balance	\$ 51,120

The accompanying notes to financial statements are an integral part of this statement.

LIBERTY COUNTY TAX COLLECTOR
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	General Fund
Revenues	
Charges for services	\$ 206,392
Miscellaneous	150
Total revenues	206,542
Expenditures	
Current:	
General government	447,447
Total expenditures	447,447
Excess (deficiency) of revenues over expenditures	(240,905)
Other financing sources (uses)	
Appropriations from Board of County Commissioners	292,025
Reversion to Board of County Commissioners	(51,120)
Total other financing sources (uses)	240,905
Net change in fund balance	-
Fund balance, beginning of year	-
Fund balance, end of year	\$ -

The accompanying notes to financial statements are an integral part of this statement.

**LIBERTY COUNTY TAX COLLECTOR
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
SEPTEMBER 30, 2022**

	Custodial Fund
Assets	
Cash and cash equivalents	\$ 65,001
Total Assets	\$ 65,001
Liabilities	
Due to other governments	\$ 65,001
Total Liabilities	\$ 65,001
Net Position	\$ -

The accompanying notes to financial statements are an integral part of this statement.

**LIBERTY COUNTY TAX COLLECTOR
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Custodial Fund
Additions	
Payments collected for other governments	\$ 23,562
Property taxes	5,098,999
Permits, fees, and special assessments	2,391,418
Miscellaneous	53,062
Total additions	7,567,041
Deductions	
Property taxes collected for other governments	5,060,840
Payments collected for other governments	2,506,201
Total deductions	7,567,041
Net change in fiduciary net position	-
Net position, beginning of year	-
Net position, end of year	\$ -

The accompanying notes to financial statements are an integral part of this statement.

LIBERTY COUNTY TAX COLLECTOR
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(1) Summary of Significant Accounting Policies:

The accounting policies of the Liberty County Tax Collector (the “Office”) conform to generally accepted accounting principles as applicable to governments in the Governmental Accounting Standards Board (GASB) Codification. The following is a summary of the more significant policies.

(a) **Reporting entity**— The Tax Collector is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. The Office is an integral part of Liberty County, Florida (the County), the reporting entity for financial reporting purposes. The Office’s General Fund is combined with the Board of County Commissioners in the County’s financial statements to properly reflect the county-wide General Fund.

(b) **Basis of presentation**—The Office’s financial statements are special-purpose financial statements that have been prepared for the purpose of complying with the Rules of the Auditor General of the State of Florida (the Rules). In conformity with the Rules, the Office has not presented the government-wide financial statements, the reconciliations to the government-wide statements or management’s discussion and analysis.

(c) **Fund accounting**—Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, as appropriate for each fund type. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column.

The Office reports the following major governmental fund; there are no non-major governmental funds:

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

Additionally, the Office reports the following fiduciary fund type:

Custodial Fund - Used to account for assets held by the Office as an agent for individuals, private organizations, other governments, and/or other funds. The Custodial Fund is used to account for the collection and distribution of property taxes, sales tax, vehicle tags and titles, boat registrations and titles, fishing licenses, and driver’s licenses.

(d) **Measurement focus/basis of accounting**—All governmental funds are accounted for on a spending or current financial resources measurement focus and the modified accrual basis of accounting. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of “available spendable resources”. Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of “available spendable resources” during a period.

LIBERTY COUNTY TAX COLLECTOR
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(1) **Summary of Significant Accounting Policies:** (Continued)

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. The Office considers revenues to be available if they are collected within 90 days of the end of the current fiscal period.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on general long-term debt are recognized when due.

(e) **Cash**—The Office’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

(f) **Capital assets and long-term liabilities**—Capital assets used by the Office are capitalized (recorded and accounted for) by the Liberty County Board of County Commissioners.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the financial statements of the County.

(g) **Accounts payable**—Accounts payable balances in the general fund are primarily payable to third-party vendors for goods provided and services rendered.

(h) **Compensated absences**—The Office follows generally accepted accounting principles in accounting for accrued compensated absences. The Office allows limited vesting of unused employee leave time. Since the annual and sick leave liability is considered long-term, it is recorded in the government-wide financial statements of the County. Compensated absences are expected to be paid out of the General Fund of the Office and this practice is expected to continue in the future. The Office maintained compensated absence records for the hours earned, used and available.

(i) **Fund balance**—Fund balance for governmental funds report classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. In as much as the Tax Collector is a county constitutional officer, any funds remaining at the end of the fiscal year are returned to the Board of County Commissioners. Unassigned fund balance represents funds available for spending at the government’s discretion.

The Office does not have a formal written policy regarding whether restricted or unrestricted amounts are considered to be spent when an expenditure for purposes for which both restricted and unrestricted fund balances are available. However, it has been the Office’s general practice when expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available; the Office considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Office considers amounts to have been spent first out of committed funds, then assigned funds, and lastly unassigned funds, as needed.

(j) **Use of estimates**—The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

**LIBERTY COUNTY TAX COLLECTOR
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

(2) Budgets and Budgetary Accounting:

Governmental fund revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget was adopted for the General Fund. All budget amounts presented in the accompanying special-purpose financial statements have been adjusted for legally authorized amendments of the annual budget for the year. The annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total budget appropriations at the individual fund level. All appropriations lapse at year-end.

(3) Investments:

Florida Statutes authorize the Office to invest in bonds, notes or other obligations of the U.S. Government, certificates of deposits, repurchase agreements, certain bonds of any State or local government unit and the State Treasurer's Investment Pool.

Interest Rate Risk. The Office does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk. The Office places no limit on the amount the Office may invest in any one issuer. The Office maintained 100-percent of excess deposits in a checking account with a local financial institution subject to Federal Depository Insurance Corporation (FDIC) insurance, and/or the State of Florida collateral pool established under the Florida Security for Public Deposits Act (the Act).

(4) Risk Management:

The County purchased commercial insurance to limit the exposure of the following risks of loss: theft of, damage to, and destruction of assets; natural disasters and injuries to employees. Commercial insurance has been purchased by the Office to cover the risks of loss due to employee errors or omissions and health insurance. Settled claims resulting from all risks have not exceeded insurance coverage in any of the past three years.

(5) Pension Plan:

The Office participates in the Florida Retirement System (FRS), a multiple-employer, cost-sharing defined public employee retirement system which covers all of the Office's full-time employees. The System is administered by the State of Florida, Department of Administration, Division of Retirement to provide retirement and survivor benefits to participating public employees. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension plan (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

In addition, all regular employees of the entity are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended September 30, 2022, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5.

**LIBERTY COUNTY TAX COLLECTOR
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

(5) **Pension Plan:** (Continued)

The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

For financial reporting purposes, the Office is deemed to be part of the primary government of the County. A liability related to the Office's proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of the County for the fiscal year ended September 30, 2022.

REQUIRED SUPPLEMENTARY INFORMATION

LIBERTY COUNTY TAX COLLECTOR
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 180,950	\$ 212,450	\$ 206,392	\$ (6,058)
Miscellaneous	-	-	150	150
Total revenues	<u>180,950</u>	<u>212,450</u>	<u>206,542</u>	<u>(5,908)</u>
Expenditures				
Current:				
General government	<u>470,950</u>	<u>502,450</u>	<u>447,447</u>	<u>55,003</u>
Total expenditures	<u>470,950</u>	<u>502,450</u>	<u>447,447</u>	<u>55,003</u>
Excess (deficiency) of revenues over expenditures	<u>(290,000)</u>	<u>(290,000)</u>	<u>(240,905)</u>	<u>49,095</u>
Other financing sources (uses)				
Appropriations from Board of County Commissioners	290,000	290,000	292,025	2,025
Reversion to Board of County Commissioners	-	-	(51,120)	(51,120)
Total other financing sources (uses)	<u>290,000</u>	<u>290,000</u>	<u>240,905</u>	<u>(49,095)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying note to schedule of revenues, expenditures, and changes in fund balance - budget to actual - general fund is an integral part of this schedule.

**LIBERTY COUNTY TAX COLLECTOR
NOTE TO SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

(1) **Budgetary Information:**

An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund. All annual appropriations lapse at fiscal year-end.

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

- a) The preparation, adoption and amendment of the budgets are governed by Florida Statutes. Public hearings are conducted to obtain taxpayer comments.
- b) Budget excess expenditures over revenues are funded through appropriations from the Board of County Commissioners.
- c) Formal budgetary integration is employed as a management control device during the year for the General Fund. The legal level of budgetary control is the fund level.
- d) The budgets for the funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

ADDITIONAL ELEMENTS REQUIRED BY THE RULES OF THE AUDITOR GENERAL



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

The Honorable Marie Goodman, Tax Collector,
Liberty County, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the general fund of the Liberty County Tax Collector (the Office) as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Office's special-purpose financial statements, and have issued our report thereon dated November 2, 2023, which was modified to refer to a basis of accounting required for compliance with state filing requirements, and for other reasons.

As discussed in the Basis for Disclaimer of Opinion paragraph in the Independent Auditors' Report, we were unable to gain audit evidence over prior year balances for assets, liabilities, deferred inflows of resources, and deferred inflows of resources impacting the beginning fund balance and net position balances presented in the financial statements. As such, we issued a disclaimer of opinion over the financial statements for the year ended September 30, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the special-purpose financial statements, we considered the Office'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 special-purpose financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Office's internal control. Accordingly, we do not express an opinion on the effectiveness of the Office'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.

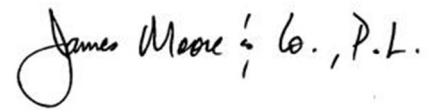
Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies. Given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

Compliance and Other Matters

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

Purpose of this Report

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

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Tallahassee, Florida
November 2, 2023



**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED BY
CHAPTER 10.550, RULES OF THE STATE OF FLORIDA, OFFICE OF THE
AUDITOR GENERAL**

The Honorable Marie Goodman, Tax Collector,
Liberty County, Florida:

We have audited the financial statements of the Liberty County Tax Collector (the Office), as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated November 2, 2023.

As discussed in the Basis for Disclaimer of Opinion paragraph in the Independent Auditors' Report, we were unable to gain audit evidence over prior year balances for assets, liabilities, deferred inflows of resources, and deferred inflows of resources impacting the beginning fund balance and net position balances presented in the financial statements. As such, we issued a disclaimer of opinion over the financial statements for the year ended September 30, 2022.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Special-Purpose Financial Statements Performed in Accordance with *Government Auditing Standards*, and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated November 2, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Liberty County Tax Collector is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. Liberty County,

including the Office of the Tax Collector, was established by Chapter 8516, Laws of Florida in 1921. There are no component units of the Liberty County Tax Collector to be disclosed as required by accounting principles generally accepted in the United States of America.

Financial Management

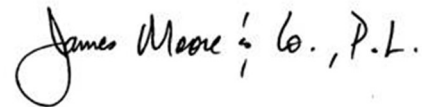
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Additional Matters

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

Purpose of this Letter

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

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial 'J'.

Tallahassee, Florida
November 2, 2023



INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

The Honorable Marie Goodman, Tax Collector,
Liberty County, Florida:

We have examined Liberty County Tax Collector's (the Office) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies* (the Statute), for the year ended September 30, 2022. The Office's management is responsible for the Office's compliance with those requirements. Our responsibility is to obtain reasonable assurance by evaluating against the aforementioned statutes and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation based on our examination.

Our examination was conducted in accordance with the attestation standards for a direct examination engagement established by the AICPA. Those standards require that we obtain reasonable assurance by evaluating against aforementioned statutes and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation of the Office's compliance. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks that were not in accordance with those requirements in all material respects, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2022.

A handwritten signature in black ink that reads 'James Moore & Co., P.L.' The signature is written in a cursive, flowing style.

Tallahassee, Florida
November 2, 2023

LIBERTY COUNTY PROPERTY APPRAISER
SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT

SEPTEMBER 30, 2022

LIBERTY COUNTY PROPERTY APPRAISER
SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT

SEPTEMBER 30, 2022

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INDEPENDENT AUDITORS' REPORT

The Honorable Cindy Walker, Property Appraiser,
Liberty County, Florida:

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of each major fund and the aggregate remaining fund information of the Liberty County Property Appraiser (the Office), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Office's financial statements, as listed in the table of contents.

We do not express an opinion on the accompanying financial statements of the Office. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

Basis for Disclaimer of Opinion

Audit procedures require a successor auditor to perform certain initial audit procedures during the initial audit with respect to opening account balances. These procedures typically entail either reviewing a predecessor auditor's workpapers or the testing of opening account balances. Due to a lack of audit evidence able to be produced over these balances from prior fiscal years, we were unable to gain sufficient audit evidence to support the opening account balances for various prior year balances of assets, liabilities, deferred inflows of resources, and outflows of resources, and the related impact upon beginning fund balance / net position amounts. As a result of this matter, we are unable to determine whether any adjustments might have been found necessary with respect to the various elements making up the financial statements.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, and aggregate remaining fund information only for that portion of the major funds, and aggregate remaining fund information of Liberty County, Florida (the County) that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of the County as of September 30, 2022, the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

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 Office's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the Office's financial statements in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and to issue an auditors' report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

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

Required Supplementary Information

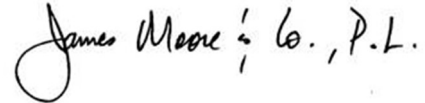
Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of 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 express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the basic financial statements that collectively comprise the Office's basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. We do not express an opinion or provide any assurance on the information due to the significance of the matter described in the Basis for Disclaimer of Opinion section of our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 2, 2023 on our consideration of the Liberty County Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Moore & Co., P.L.". The signature is written in a cursive style with a large initial "J" and a stylized "M".

Tallahassee, Florida
November 2, 2023

**LIBERTY COUNTY PROPERTY APPRAISER
BALANCE SHEET
GOVERNMENTAL FUND
SEPTEMBER 30, 2022**

	General Fund
ASSETS	
Cash and cash equivalents	\$ 10,114
Total Assets	\$ 10,114
 LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable and accrued expenditures	\$ 2,053
Due to Board of County Commissioners	8,061
Total Liabilities	10,114
Fund Balance:	
Unassigned	-
 Total Liabilities and Fund Balance	 \$ 10,114

The accompanying notes to financial statements are an integral part of this statement.

**LIBERTY COUNTY PROPERTY APPRAISER
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	General Fund
Revenues	
Charges for services	\$ 450
Miscellaneous revenue	584
Total revenues	1,034
Expenditures	
Current:	
General government	474,744
Total expenditures	474,744
Excess (deficiency) of revenues over expenditures	(473,710)
Other financing sources (uses)	
Appropriations from Board of County Commissioners	481,771
Reversion to Board of County Commissioners	(8,061)
Total other financing sources (uses)	473,710
Net change in fund balance	-
Fund balance, beginning of year	-
Fund balance, end of year	\$ -

The accompanying notes to financial statements are an integral part of this statement.

**LIBERTY COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

(1) Summary of Significant Accounting Policies:

The accounting policies of the Liberty County Property Appraiser (the “Office”) conform to generally accepted accounting principles as applicable to governments in the Governmental Accounting Standards Board (GASB) Codification. The following is a summary of the more significant policies.

(a) **Reporting entity**—The Property Appraiser is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. The Office is an integral part of Liberty County, Florida (the County), the reporting entity for financial reporting purposes. The Office’s General Fund is combined with the Board of County Commissioners in the County’s financial statements to properly reflect the county-wide General Fund.

(b) **Basis of presentation**—The Office’s financial statements are special-purpose financial statements that have been prepared for the purpose of complying with the Rules of the Auditor General of the State of Florida (the Rules). In conformity with the Rules, the Office has not presented the government-wide financial statements, the reconciliations to the government-wide statements or management’s discussion and analysis.

(c) **Fund accounting**—Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, as appropriate for each fund type. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column.

The Office reports the following major governmental fund; there are no non-major governmental funds:

General Fund – The principal operating fund of the Office. It is used to account for all financial resources.

(d) **Measurement focus/basis of accounting**—All governmental funds are accounted for on a spending or current financial resources measurement focus and the modified accrual basis of accounting. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of “available spendable resources”. Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of “available spendable resources” during a period.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. The Office considers revenues to be available if they are collected within 90 days of the end of the current fiscal period.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on general long-term debt are recognized when due.

LIBERTY COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(1) **Summary of Significant Accounting Policies:** (Continued)

(e) **Cash**—The Office’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

(f) **Capital assets and long-term liabilities**—Capital assets used by the Office are capitalized (recorded and accounted for) by the Liberty County Board of County Commissioners.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the financial statements of the County.

(g) **Accounts payable**—Accounts payable balances in the general fund are primarily payable to third-party vendors for goods provided and services rendered.

(h) **Compensated absences**—The Office follows generally accepted accounting principles in accounting for accrued compensated absences. The Office allows limited vesting of unused employee leave time. Since the annual and sick leave liability is considered long-term, it is recorded in the government-wide financial statements of the County. Compensated absences are expected to be paid out of the General Fund of the Office and this practice is expected to continue in the future. The Office kept compensated absence records for the hours earned, used and available.

(i) **Fund balance**—Fund balance for governmental funds report classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. In as much as the Property Appraiser is a county constitutional officer, any funds remaining at the end of the fiscal year are returned to the Board of County Commissioners. Unassigned fund balance represents funds available for spending at the government’s discretion.

The Office does not have a formal written policy regarding whether restricted or unrestricted amounts are considered to be spent when an expenditure for purposes for which both restricted and unrestricted fund balances are available. However, it has been the Office’s general practice when expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available; the Office considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Office considers amounts to have been spent first out of committed funds, then assigned funds, and lastly unassigned funds, as needed.

(j) **Use of estimates**—The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

**LIBERTY COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

(2) Budgets and Budgetary Accounting:

Governmental fund revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget was adopted for the General Fund. All budget amounts presented in the accompanying special-purpose financial statements have been adjusted for legally authorized amendments of the annual budget for the year. The annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total budget appropriations at the individual fund level. All appropriations lapse at year-end.

(3) Investments:

Florida Statutes authorize the Office to invest in bonds, notes or other obligations of the U.S. Government, certificates of deposits, repurchase agreements, certain bonds of any State or local government unit and the State Treasurer's Investment Pool.

Interest Rate Risk. The Office does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk. The Office places no limit on the amount the Office may invest in any one issuer. The Office maintained 100-percent of excess deposits in a checking account with a local financial institution subject to Federal Depository Insurance Corporation (FDIC) insurance, and/or the State of Florida collateral pool established under the Florida Security for Public Deposits Act (the Act).

(4) Pension Plan:

The Office participates in the Florida Retirement System (FRS), a multiple-employer, cost-sharing defined public employee retirement system which covers all of the Office's full-time employees. The System is administered by the State of Florida, Department of Administration, Division of Retirement to provide retirement and survivor benefits to participating public employees. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension plan (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

In addition, all regular employees of the entity are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended September 30, 2022, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

For financial reporting purposes, the Office is deemed to be part of the primary government of the County. A liability related to the Office's proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of the County for the fiscal year ended September 30, 2022.

**LIBERTY COUNTY PROPERTY APPRAISER
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

(5) **Risk Management:**

The County purchased commercial insurance to limit the exposure of the following risks of loss: theft of, damage to, and destruction of assets; natural disasters and injuries to employees. Commercial insurance has been purchased by the Office to cover the risks of loss due to employee errors or omissions and health insurance. Settled claims resulting from all risks have not exceeded insurance coverage in any of the past three years.

REQUIRED SUPPLEMENTARY INFORMATION

**LIBERTY COUNTY PROPERTY APPRAISER
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Charges for services	\$ 1,356	\$ 1,356	\$ 450	\$ (906)
Miscellaneous revenue	-	-	584	584
Total revenues	<u>1,356</u>	<u>1,356</u>	<u>1,034</u>	<u>(322)</u>
Expenditures				
Current:				
General government	<u>481,690</u>	<u>483,027</u>	<u>474,744</u>	<u>8,283</u>
Total expenditures	<u>481,690</u>	<u>483,027</u>	<u>474,744</u>	<u>8,283</u>
Excess (deficiency) of revenues over expenditures	<u>(480,334)</u>	<u>(481,671)</u>	<u>(473,710)</u>	<u>7,961</u>
Other financing sources (uses)				
Appropriations from Board of County Commissioners	478,372	478,372	481,771	3,399
Reversion to Board of County Commissioners	-	-	(8,061)	(8,061)
Total other financing sources (uses)	<u>478,372</u>	<u>478,372</u>	<u>473,710</u>	<u>(4,662)</u>
Net change in fund balance	(1,962)	(3,299)	-	3,299
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ (1,962)</u>	<u>\$ (3,299)</u>	<u>\$ -</u>	<u>\$ 3,299</u>

The accompanying note to schedule of revenues, expenditures, and changes in fund balance - budget to actual - general fund is an integral part of this schedule.

**LIBERTY COUNTY PROPERTY APPRAISER
NOTE TO SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

(1) **Budgetary Information:**

An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund. All annual appropriations lapse at fiscal year-end.

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

- a) The preparation, adoption and amendment of the budgets are governed by Florida Statutes. Public hearings are conducted to obtain taxpayer comments.
- b) Budget excess expenditures over revenues are funded through appropriations from the Board of County Commissioners.
- c) Formal budgetary integration is employed as a management control device during the year for the General Fund. The legal level of budgetary control is the fund level.
- d) The budgets for the funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

ADDITIONAL ELEMENTS REQUIRED BY THE RULES OF THE AUDITOR GENERAL



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

The Honorable Cindy Walker, Property Appraiser,
Liberty County, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the general fund of the Liberty County Property Appraiser (the Office) as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Office's special-purpose financial statements, and have issued our report thereon dated November 2, 2023, which was modified to refer to a basis of accounting required for compliance with state filing requirements, and for other reasons.

As discussed in the Basis for Disclaimer of Opinion paragraph in the Independent Auditors' Report, we were unable to gain audit evidence over prior year balances for assets, liabilities, deferred inflows of resources, and deferred inflows of resources impacting the beginning fund balance and net position balances presented in the financial statements. As such, we issued a disclaimer of opinion over the financial statements for the year ended September 30, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the special-purpose financial statements, we considered the Office'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 special-purpose financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Office's internal control. Accordingly, we do not express an opinion on the effectiveness of the Office's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described below as items 2022-001 and 2022-002 that we consider to be material weaknesses.

2022-001: Cash to Accrual Basis Audit Adjustments and Preparation of Financial Statements:

Internal controls over financial reporting should include year-end adjustments of all significant account balances, with such adjustments to also include procedures related to the proper cutoff of significant revenue and expense activities. In addition, 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 (“GAAP”). The capability of management to prepare the financial statements and related disclosures is considered a crucial element of the internal control structure. For the year ended September 30, 2022, various account balance adjustments were required to be made to the accounting records subsequent to the start of the audit process related to year-end accrual entries.

2022-002: Segregation of Duties

Internal controls are designed to safeguard assets and help prevent or detect losses from employee dishonesty or error. A fundamental concept in a good system of internal control is the segregation of duties. The basic premise is that no one employee should have access to both physical assets and the related accounting records or all phases of a transaction. Due to the small size of the Office, we noted that for the year ended September 30, 2022, the same person within the accounting department held the duties of maintaining the accounting records, opening the mail, depositing checks, preparing bank reconciliations and recording journal entries. In addition, we noted there was no individual assigned to review bank reconciliations after they are prepared.

Report on Compliance and Other Matters

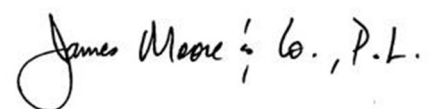
As part of obtaining reasonable assurance about whether the Office’s special-purpose financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct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

Management’s Response to Findings

Government Auditing Standard requires the auditor to perform limited procedures on the Office’s response to the findings identified in our audit and described in the accompanying Management’s Response. The Office’s response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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



Tallahassee, Florida
November 2, 2023



**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED BY
CHAPTER 10.550, RULES OF THE STATE OF FLORIDA, OFFICE OF THE
AUDITOR GENERAL**

The Honorable Cindy Walker, Property Appraiser,
Liberty County, Florida:

Report on the Financial Statements

We have audited the financial statements of the Liberty County Property Appraiser (the Office), as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated November 2, 2023.

As discussed in the Basis for Disclaimer of Opinion paragraph in the Independent Auditors' Report, we were unable to gain audit evidence over prior year balances for assets, liabilities, deferred inflows of resources, and deferred inflows of resources impacting the beginning fund balance and net position balances presented in the financial statements. As such, we issued a disclaimer of opinion over the financial statements for the year ended September 30, 2022.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Special-Purpose Financial Statements Performed in Accordance with *Government Auditing Standards*, and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated November 2, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this

management letter, unless disclosed in the notes to the financial statements. The Liberty County Property Appraiser is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. There are no component units of the Liberty County Property Appraiser to be disclosed as required by accounting principles generally accepted in the United States of America.

Financial Management

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

Additional Matters

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

Purpose of this Letter

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

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial 'J'.

Tallahassee, Florida
November 2, 2023



INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

The Honorable Cindy Walker, Property Appraiser,
Liberty County, Florida:

We have examined the Liberty County Property Appraiser's (the Office) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies* (the Statute), for the year ended September 30, 2022. Office's management is responsible for the Office's compliance with those requirements. Our responsibility is to obtain reasonable assurance by evaluating against the aforementioned statutes and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation based on our examination.

Our examination was conducted in accordance with the attestation standards for a direct examination engagement established by the AICPA. Those standards require that we obtain reasonable assurance by evaluating against aforementioned statutes and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation of the Office's compliance. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks that were not in accordance with those requirements in all material respects, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2022.

A handwritten signature in black ink that reads 'James Moore & Co., P.L.' with a stylized flourish at the end.

Tallahassee, Florida
November 2, 2023

**LIBERTY COUNTY, FLORIDA PROPERTY APPRAISER
MANAGEMENT'S RESPONSE TO CURRENT YEAR FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

2022-001: Cash to Accrual Basis Audit Adjustments and Preparation of Financial Statements:

The Liberty County Property Appraiser is committed to making the necessary adjustments to financial statements in a timely manner. We will also work together with our auditors to ensure the accuracy of these financial statements.

2022-002: Segregation of Duties

Although the day to day accounting is handled by one employee, office managers do review accounting statements, to include incoming and outgoing transactions, for the purposes of safeguarding assets and loss prevention.

LIBERTY COUNTY SHERIFF
SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT
SEPTEMBER 30, 2022

LIBERTY COUNTY SHERIFF
SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT

SEPTEMBER 30, 2022

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INDEPENDENT AUDITORS' REPORT

The Honorable Walter Money, Sheriff,
Liberty County, Florida:

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of each major fund and the aggregate remaining fund information of the Liberty County Sheriff (the Office), as of and for the year ended September 30, 2022 and the related notes to the financial statements, which collectively comprise the Office's financial statements, as listed in the table of contents.

We do not express an opinion on the accompanying financial statements of the Office. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

Basis for Disclaimer of Opinion

Audit procedures require a successor auditor to perform certain initial audit procedures during the initial audit with respect to opening account balances. These procedures typically entail either reviewing a predecessor auditor's workpapers or the testing of opening account balances. Due to a lack of audit evidence able to be produced over these balances from prior fiscal years, we were unable to gain sufficient audit evidence to support the opening account balances for various prior year balances of assets, liabilities, deferred inflows of resources, and outflows of resources, and the related impact upon beginning fund balance / net position amounts. As a result of this matter, we are unable to determine whether any adjustments might have been found necessary with respect to the various elements making up the financial statements.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, and aggregate remaining fund information only for that portion of the major funds, and aggregate remaining fund information of Liberty County, Florida (the County), that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of the County as of September 30, 2022, the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

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 Office's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the Office's financial statements in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and to issue an auditors' report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

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

Required Supplementary Information

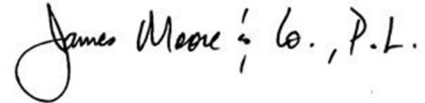
Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of 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 express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the basic financial statements that collectively comprise the Office's basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. We do not express an opinion or provide any assurance on the information due to the significance of the matter described in the Basis for Disclaimer of Opinion section of our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 2, 2023 on our consideration of the Office'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 Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Moore & Co., P.L.". The signature is written in a cursive style with a large initial "J" and a stylized "M".

Tallahassee, Florida
November 2, 2023

**LIBERTY COUNTY SHERIFF
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022**

	<u>General Fund</u>	<u>Special Revenue Inmate Welfare Fund</u>	<u>Total Governmental Funds</u>
ASSETS			
Cash and cash equivalents	\$ 3,111	\$ 100,417	\$ 103,528
Due from other governments	155,976	-	155,976
Total assets	<u>\$ 159,087</u>	<u>\$ 100,417</u>	<u>\$ 259,504</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable and accrued expenditures	\$ 104,524	\$ -	\$ 104,524
Due to Board of County Commissioners	54,563	-	54,563
Total Liabilities	<u>159,087</u>	<u>-</u>	<u>159,087</u>
Fund Balances			
Restricted for:			
Law enforcement	-	100,417	100,417
Total Fund Balances	<u>-</u>	<u>100,417</u>	<u>100,417</u>
Total Liabilities and Fund Balances	<u>\$ 159,087</u>	<u>\$ 100,417</u>	<u>\$ 259,504</u>

The accompanying notes to financial statements are an integral part of this statement.

LIBERTY COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>General Fund</u>	<u>Special Revenue Inmate Welfare Fund</u>	<u>Total Governmental Funds</u>
Revenues			
Intergovernmental	\$ 808,577	\$ -	\$ 808,577
Charges for services	570,232	87,920	658,152
Miscellaneous revenue	112,421	-	112,421
Total revenues	<u>1,491,230</u>	<u>87,920</u>	<u>1,579,150</u>
Expenditures			
Current:			
Public safety	3,310,899	78,991	3,389,890
Capital outlay	192,088	-	192,088
Total expenditures	<u>3,502,987</u>	<u>78,991</u>	<u>3,581,978</u>
Excess (deficiency) of revenues over expenditures	<u>(2,011,757)</u>	<u>8,929</u>	<u>(2,002,828)</u>
Other financing sources (uses)			
Appropriations from board of county commissioners	2,066,320	-	2,066,320
Reversion to board of county commissioners	(54,563)	-	(54,563)
Total other financing sources (uses)	<u>2,011,757</u>	<u>-</u>	<u>2,011,757</u>
Net change in fund balance	<u>-</u>	<u>8,929</u>	<u>8,929</u>
Fund balances, beginning of year	<u>-</u>	<u>91,488</u>	<u>91,488</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ 100,417</u>	<u>\$ 100,417</u>

The accompanying notes to financial statements are an integral part of this statement.

**LIBERTY COUNTY SHERIFF
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2022**

	Custodial Funds
Assets	
Cash and cash equivalents	\$ 30,923
Total Assets	\$ 30,923
Liabilities	
Due to other governments	\$ 2,455
Total liabilities	\$ 2,455
Net Position	
Restricted for:	
Other individuals and organizations	\$ 28,468
Total net position	\$ 28,468

The accompanying notes to financial statements are an integral part of this statement.

**LIBERTY COUNTY SHERIFF
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Custodial Funds
Additions	
Fines and forfeitures	\$ 556
Total additions	556
Deductions	
Payments to individuals	817,912
Payments to other governments	15,947
Total deductions	833,859
Net change in fiduciary net position	(46,448)
Net position, beginning of year	74,916
Net position, end of year	\$ 28,468

The accompanying notes to financial statements are an integral part of this statement.

**LIBERTY COUNTY SHERIFF
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

(1) Summary of Significant Accounting Policies:

The accounting policies of the Liberty County Sheriff (the Office) conform to generally accepted accounting principles as applicable to governments in the Governmental Accounting Standards Board (GASB) Codification. The following is a summary of the more significant policies.

(a) **Reporting entity**—The Sheriff is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. The Office is an integral part of Liberty County, Florida (the County), the reporting entity for financial reporting purposes. The Office’s General Fund is combined with the Board of County Commissioners in the County’s financial statements to properly reflect the county-wide General Fund.

(b) **Basis of presentation**—The Office’s financial statements are special-purpose financial statements that have been prepared for the purpose of complying with the Rules of the Auditor General of the State of Florida (the Rules). In conformity with the Rules, the Office has not presented the government-wide financial statements, the reconciliations to the government-wide statements or management’s discussion and analysis.

(c) **Fund accounting**—Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, as appropriate for each fund type. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column.

The Office reports the following major governmental funds:

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

Special Revenue Funds – The Inmate Welfare Special Revenue Fund is used to account for the funds that are generated by phone commissions. The profits can only be spent for the benefit of the inmates.

Additionally, the Sheriff reports the following fiduciary fund type:

Custodial Funds – Custodial Funds are used to account for assets held by the Office in a trustee capacity, or as an agent for individuals, private organizations, and other governments.

(d) **Measurement focus/basis of accounting**—All governmental funds are accounted for on a spending or current financial resources measurement focus and the modified accrual basis of accounting. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of “available spendable resources”. Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of “available spendable resources” during a period.

**LIBERTY COUNTY SHERIFF
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

(1) **Summary of Significant Accounting Policies:** (Continued)

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. The Office considers revenues to be available if they are collected within 90 days of the end of the current fiscal period.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on general long-term debt are recognized when due.

(e) **Cash**—The Office’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

(f) **Capital assets and long-term liabilities**—Capital assets used by the Office are capitalized (recorded and accounted for) by the Liberty County Board of County Commissioners.

Depreciation is reported for the primary government using the straight-line method calculated on a service-life basis to amortize the cost of the asset over their estimated economic useful lives, which are as follows:

Assets	Years
Vehicles	4 – 6 years
Building and improvements	20 years
Computer software	3 – 10 years
Machinery and equipment	3 – 20 years

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the financial statements of the County.

(g) **Accounts payable**—Accounts payable balances in the general fund are primarily payable to third-party vendors for goods provided and services rendered.

(h) **Compensated absences**—The Office follows generally accepted accounting principles in accounting for accrued compensated absences. The Office allows limited vesting of unused employee leave time. Since the annual and sick leave liability is considered long-term, it is recorded in the government-wide financial statements of the County. Compensated absences are expected to be paid out of the General Fund of the Office and this practice is expected to continue in the future. The Office maintained compensated absence records for the hours earned, used and available.

(i) **Fund balance**—Fund balance for governmental funds report classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. In as much as the Sheriff is a county constitutional officer, any funds remaining at the end of the fiscal year are returned to the Board of County Commissioners. Unassigned fund balance represents funds available for spending at the government’s discretion.

**LIBERTY COUNTY SHERIFF
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

(1) **Summary of Significant Accounting Policies:** (Continued)

The Office does not have a formal written policy regarding whether restricted or unrestricted amounts are considered to be spent when an expenditure for purposes for which both restricted and unrestricted fund balances are available. However, it has been the Office's general practice when expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available; the Office considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Office considers amounts to have been spent first out of committed funds, then assigned funds, and lastly unassigned funds, as needed.

(j) **Use of estimates**—The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

(2) **Budgets and Budgetary Accounting:**

Governmental fund revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget was adopted for the General Fund. All budget amounts presented in the accompanying special-purpose financial statements have been adjusted for legally authorized amendments of the annual budget for the year. The annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total budget appropriations at the individual fund level. All appropriations lapse at year-end

(3) **Investments:**

Florida Statutes authorize the Office to invest in bonds, notes or other obligations of the U.S. Government, certificates of deposits, repurchase agreements, certain bonds of any State or local government unit and the State Treasurer's Investment Pool.

Interest Rate Risk. The Office does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk. The Office places no limit on the amount the Office may invest in any one issuer. The Office maintained 100-percent of excess deposits in a checking account with a local financial institution subject to Federal Depository Insurance Corporation (FDIC) insurance, and/or the State of Florida collateral pool established under the Florida Security for Public Deposits Act (the Act).

(4) **Risk Management:**

The County purchased commercial insurance to limit the exposure of the following risks of loss: theft of, damage to, and destruction of assets; natural disasters and injuries to employees. Commercial insurance has been purchased by the Office to cover the risks of loss due to employee errors or omissions and health insurance. Settled claims resulting from all risks have not exceeded insurance coverage in any of the past three years.

**LIBERTY COUNTY SHERIFF
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

(5) Capital Assets:

Capital asset activity of the Office is incorporated in the County-wide financial statements. All applicable depreciation expense is recorded under the public safety function.

(6) Pension Plan:

The Office participates in the Florida Retirement System (FRS), a multiple-employer, cost-sharing defined public employee retirement system which covers all of the Office's employees. The System is administered by the State of Florida, Department of Administration, Division of Retirement to provide retirement and survivor benefits to participating public employees. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension plan (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

In addition, all regular employees of the entity are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended September 30, 2022, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

For financial reporting purposes, the Office is deemed to be part of the primary government of the County. A liability related to the Office's proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of the County for the fiscal year ended September 30, 2022.

REQUIRED SUPPLEMENTARY INFORMATION

LIBERTY COUNTY SHERIFF
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ 1,511,622	\$ 1,511,622	\$ 808,577	\$ (703,045)
Charges for services	384,345	384,345	570,232	185,887
Miscellaneous revenue	-	-	112,421	112,421
Total revenues	<u>1,895,967</u>	<u>1,895,967</u>	<u>1,491,230</u>	<u>(404,737)</u>
Expenditures				
Current:				
Public safety	3,624,387	3,630,387	3,310,899	319,488
Capital outlay	331,900	331,900	192,088	139,812
Total expenditures	<u>3,956,287</u>	<u>3,962,287</u>	<u>3,502,987</u>	<u>459,300</u>
Excess (deficiency) of revenues over expenditures	<u>(2,060,320)</u>	<u>(2,066,320)</u>	<u>(2,011,757)</u>	<u>54,563</u>
Other financing sources (uses)				
Appropriations from board of county commissioners	2,060,320	2,066,320	2,066,320	-
Reversion to board of county commissioners	-	-	(54,563)	(54,563)
Total other financing sources (uses)	<u>2,060,320</u>	<u>2,066,320</u>	<u>2,011,757</u>	<u>(54,563)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, beginning of year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying note to schedule of revenues, expenditures, and changes in fund balance - budget to actual - governmental funds is an integral part of this schedule.

**LIBERTY COUNTY SHERIFF
NOTE TO SCHEDULES OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

(1) **Budgetary Information:**

An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund. All annual appropriations lapse at fiscal year-end. A formal budget is not adopted for the inmate welfare fund, and therefore, a budgetary comparison schedule is not presented for this fund.

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

- a) The preparation, adoption and amendment of the budgets are governed by Florida Statutes. Public hearings are conducted to obtain taxpayer comments.
- b) Budget excess expenditures over revenues are funded through appropriations from the Board of County Commissioners.
- c) Formal budgetary integration is employed as a management control device during the year. The legal level of budgetary control is the fund level.
- d) The budgets for the funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

SUPPLEMENTARY INFORMATION

**LIBERTY COUNTY SHERIFF
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2022**

	<u>Inmate Trust Fund</u>	<u>Individual Depository Fund</u>	<u>Narcotics Fund</u>	<u>Suspense Fund</u>	<u>Total Custodial Funds</u>
Assets					
Cash and cash equivalents	\$ 23,807	\$ 2,455	\$ 75	\$ 4,586	\$ 30,923
Total Assets	<u>\$ 23,807</u>	<u>\$ 2,455</u>	<u>\$ 75</u>	<u>\$ 4,586</u>	<u>\$ 30,923</u>
Liabilities					
Due to other governments	\$ -	\$ 2,455	\$ -	\$ -	\$ 2,455
Total liabilities	<u>\$ -</u>	<u>\$ 2,455</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,455</u>
Net Position					
Restricted for:					
Other individuals and organizations	\$ 23,807	\$ -	\$ 75	\$ 4,586	\$ 28,468
Total Net Position	<u>\$ 23,807</u>	<u>\$ -</u>	<u>\$ 75</u>	<u>\$ 4,586</u>	<u>\$ 28,468</u>

See accompanying notes to financial statements.

**LIBERTY COUNTY SHERIFF
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	Inmate Trust Fund	Individual Depository Fund	Narcotics Fund	Suspense Fund	Total Custodial Funds
Additions					
Payments from individuals	\$ 775,402	\$ -	\$ -	\$ -	\$ 775,402
Payments on behalf of other governments	-	11,453	-	-	11,453
Fines and forfeitures	-	-	556	-	556
Total additions	<u>775,402</u>	<u>11,453</u>	<u>556</u>	<u>-</u>	<u>787,411</u>
Deductions					
Payments to individuals	817,431	-	481	-	817,912
Payments to other governments	-	11,453	-	4,494	15,947
Total deductions	<u>817,431</u>	<u>11,453</u>	<u>481</u>	<u>4,494</u>	<u>833,859</u>
Net change in fiduciary net position	<u>(42,029)</u>	<u>-</u>	<u>75</u>	<u>(4,494)</u>	<u>(46,448)</u>
Net position, beginning of year	65,836	-	-	9,080	74,916
Net position, end of year	<u>\$ 23,807</u>	<u>\$ -</u>	<u>\$ 75</u>	<u>\$ 4,586</u>	<u>\$ 28,468</u>

See accompanying notes to financial statements.

ADDITIONAL ELEMENTS REQUIRED BY THE RULES OF THE AUDITOR GENERAL



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

The Honorable Walter Money, Sheriff,
Liberty County, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Liberty County Sheriff (the Office) as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Office's special-purpose financial statements, and have issued our report thereon dated November 2, 2023, which was modified to refer to a basis of accounting required for compliance with state filing requirements, and for other reasons.

As discussed in the Basis for Disclaimer of Opinion paragraph in the Independent Auditors' Report, we were unable to gain audit evidence over prior year balances for assets, liabilities, deferred inflows of resources, and deferred inflows of resources impacting the beginning fund balance and net position balances presented in the financial statements. As such, we issued a disclaimer of opinion over the financial statements for the year ended September 30, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Office's internal control over financial reporting (internal control) as a basis for designing procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Office's internal control. Accordingly, we do not express an opinion on the effectiveness of the Office'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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting 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 over financial reporting that we consider to be material weaknesses. We did identify certain deficiencies in internal control over financial reporting, items 2022-001 through 2022-004 that we consider to be material weaknesses:

2022-001 Preparation of Financial Statements

During the audit, we noted the Office has historically placed a heavy reliance on external auditors for financial statement preparation and year end adjusting entries, which has resulted in delays in financial reporting and potential risks to data accuracy and ultimately onboarding a third-party CPA consultant to assist in closing out the Office's financial records in preparation for audit. Generally accepted internal control framework (the COSO model) also recognizes that external auditors are not permitted to be a part of an organization's internal control. We recommend the Office continue to engage external accounting assistance for guidance and periodic reviews throughout the year, as well as assisting with audit preparation.

2022-002 Material Audit Adjustments

During our audit procedures, we noted that various accounts contained material misstatements that were required to be corrected during the audit. JMCo recommends that management reconcile all accounts during the year end closing procedures to ensure that misstatements do not exist within the accounting records.

2022-003 Approval for Adjusting Journal Entries

Internal controls over financial reporting are designed to safeguard records and help prevent or detect misstatements from employee dishonesty or error. A fundamental concept in a quality system of control over journal entries is to require management approval in order for adjusting entries to be posted. During our audit, we noted that management did not approve adjusting journal entries throughout the year under audit. We recommend that management develop and implement internal controls that require a qualified individual to review and approve journal entries.

2022-004 Segregation of Duties and Documentation of Approvals for Transactions

During our testing of internal controls over payroll and cash receipts, we noted that it is policy of the Sheriff's Office to have someone other than the individual(s) responsible for coding/batching payroll and preparing deposits (Financial Assistant) to verify for accuracy and completeness. This control was unable to be verified as implemented as there was no evidence of approval by the individuals responsible for the approval of payroll and cash receipts (Finance Director). We recommend that individuals document electronically or physically their approvals going forward.

Report on Compliance and Other Matters

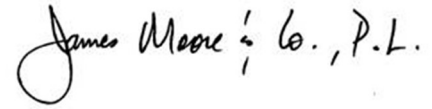
As part of obtaining reasonable assurance about whether the Office's special-purpose financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct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

Management's Response to Findings

Government Auditing Standard requires the auditor to perform limited procedures on the Office's response to the findings identified in our audit and described in the accompanying Management's Response. The Office's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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

A handwritten signature in black ink that reads "James Moore & Co., P.L.". The signature is written in a cursive style with a large initial "J" and a period at the end of the company name.

Tallahassee, Florida
November 2, 2023



**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED BY
CHAPTER 10.550, RULES OF THE STATE OF FLORIDA, OFFICE OF THE
AUDITOR GENERAL**

The Honorable Walter Money, Sheriff,
Liberty County, Florida:

We have audited the financial statements of the Liberty County Sheriff (the Office), as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated November 2, 2023.

As discussed in the Basis for Disclaimer of Opinion paragraph in the Independent Auditors' Report, we were unable to gain audit evidence over prior year balances for assets, liabilities, deferred inflows of resources, and deferred inflows of resources impacting the beginning fund balance and net position balances presented in the financial statements. As such, we issued a disclaimer of opinion over the financial statements for the year ended September 30, 2022.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Special-Purpose Financial Statements Performed in Accordance with *Government Auditing Standards*, and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated November 2, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Office is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. Liberty County, including the Office of the

Sheriff, was established by Chapter 8516, Laws of Florida in 1921. There are no component units of the Office to be disclosed as required by accounting principles generally accepted in the United States of America.

Financial Management

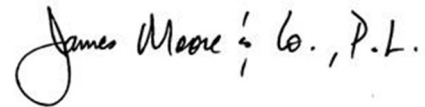
Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we had no such recommendations.

Additional Matters

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

Purpose of this Letter

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

A handwritten signature in black ink that reads "James Moore & Co., P.L." The signature is written in a cursive style with a large initial 'J'.

Tallahassee, Florida
November 2, 2023



INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

The Honorable Walter Money, Sheriff,
Liberty County, Florida:

We have examined the Liberty County Sheriff's (the Office) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies* (the Statutes), for the year ended September 30, 2022. Management is responsible for the Office's compliance with those requirements. Our responsibility is to obtain reasonable assurance by evaluating against the aforementioned statutes and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation based on our examination.

Our examination was conducted in accordance with the attestation standards for a direct examination engagement established by the AICPA. Those standards require that we obtain reasonable assurance by evaluating against the aforementioned statutes and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation of Office's compliance. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks that were not in accordance with those requirements in all material respects, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

In our opinion, for the year ended September 30, 2022, the Office complied with the Statutes in all material respects.

Gainesville, Florida
November 2, 2023

A handwritten signature in black ink that reads 'James Moore & Co., P.L.' The signature is written in a cursive, flowing style.

Management's Response

2022-01 Preparation of Financial Statements

The Liberty County Sheriff's Office is committed to making the necessary adjustments to financial statements in a timely manner. We will also work together with our auditors to ensure the accuracy of these financial statements.

2022-002 Material Audit Adjustments

The Liberty County Sheriff's Office will have communication with the auditor to ensure audit adjustments are accurate and reflect appropriate adjustments as needed.

2022-003 Approval of Adjusting Journal Entries

Our response to this finding will be to go over and explain to the Sheriff all adjustments upon monthly closeout. This will serve as an additional check on journal entry activity.

2022-004 Segregation of Duties and Documentation of Approvals for Transactions

The Liberty County Sheriff's Office is a small agency and has been challenged by this finding, however we will implement additional checks in place to document approvals for transactions. We also have been approved additional staff for Year 2023-2024 which will help with this finding moving forward.

LIBERTY COUNTY SUPERVISOR OF ELECTIONS

**SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT**

SEPTEMBER 30, 2022

LIBERTY COUNTY SUPERVISOR OF ELECTIONS

**SPECIAL-PURPOSE FINANCIAL STATEMENTS
AND INDEPENDENT AUDITORS' REPORT**

SEPTEMBER 30, 2022

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INDEPENDENT AUDITORS' REPORT

The Honorable Grant Conyers, Supervisor of Elections,
Liberty County, Florida:

Report on the Audit of the Financial Statements

Disclaimer of Opinion

We were engaged to audit the financial statements of each major fund and the aggregate remaining fund information of the Liberty County Supervisor of Elections (the Office), as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Office's financial statements, as listed in the table of contents.

We do not express an opinion on the accompanying financial statements of the Office. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the financial statements.

Basis for Disclaimer of Opinion

Audit procedures require a successor auditor to perform certain initial audit procedures during the initial audit with respect to opening account balances. These procedures typically entail either reviewing a predecessor auditor's workpapers or the testing of opening account balances. Due to a lack of audit evidence able to be produced over these balances from prior fiscal years, we were unable to gain sufficient audit evidence to support the opening account balances for various prior year balances of assets, liabilities, deferred inflows of resources, and outflows of resources, and the related impact upon beginning fund balance / net position amounts. As a result of this matter, we are unable to determine whether any adjustments might have been found necessary with respect to the various elements making up the financial statements.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, and aggregate remaining fund information only for that portion of the major funds, and aggregate remaining fund information of Liberty County, Florida (the County), that is attributable to the Office. They do not purport to, and do not, present fairly the financial position of the County as of September 30, 2022, the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

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 Office's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit of the Office's financial statements in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and to issue an auditors' report. However, because of the matter described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these financial statements.

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

Required Supplementary Information

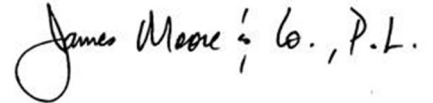
Accounting principles generally accepted in the United States of America require that the required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of 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 express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the basic financial statements that collectively comprise the Office's basic financial statements. The supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. We do not express an opinion or provide any assurance on the information due to the significance of the matter described in the Basis for Disclaimer of Opinion section of our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 2, 2023, on our consideration of the Office'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 Office's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Office's internal control over financial reporting and compliance.

A handwritten signature in black ink that reads "James Moore & Co., P.L.". The signature is written in a cursive style with a large loop at the beginning of the word "James".

Tallahassee, Florida
November 2, 2023

**LIBERTY COUNTY SUPERVISOR OF ELECTIONS
BALANCE SHEET
GOVERNMENTAL FUND
SEPTEMBER 30, 2022**

	<u>General Fund</u>
ASSETS	
Cash and equivalents	\$ 26,652
Total Assets	<u>\$ 26,652</u>
 LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts payable and accrued expenditures	\$ 12,748
Due to Board of County Commissioners	<u>13,904</u>
Total Liabilities	26,652
 Fund Balance	
Unassigned	-
 Total Liabilities and Fund Balance	 <u>\$ 26,652</u>

The accompanying notes to financial statements are an integral part of this statement.

**LIBERTY COUNTY SUPERVISOR OF ELECTIONS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	General Fund
Revenues	
Intergovernmental	\$ 42,072
Miscellaneous	518
Total revenues	42,590
Expenditures	
Current:	
General government	490,771
Total expenditures	490,771
Excess (deficiency) of revenues over expenditures	(448,181)
Other financing sources (uses)	
Appropriations from Board of County Commissioners	462,085
Reversion to Board of County Commissioners	(13,904)
Total other financing sources (uses)	448,181
Net change in fund balance	-
Fund balance, beginning of year	-
Fund balance, end of year	\$ -

The accompanying notes to financial statements are an integral part of this statement.

**LIBERTY COUNTY SUPERVISOR OF ELECTIONS
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

(1) Summary of Significant Accounting Policies:

The accounting policies of the Liberty County Supervisor of Elections (the “Office”) conform to generally accepted accounting principles as applicable to governments in the Governmental Accounting Standards Board (GASB) Codification. The following is a summary of the more significant policies.

(a) **Reporting entity**—The Office is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. The Office is an integral part of Liberty County, Florida (the County), the reporting entity for financial reporting purposes. The Office’s General Fund is combined with the Board of County Commissioners in the County’s financial statements to properly reflect the county-wide General Fund.

(b) **Basis of presentation**—The Office’s financial statements are special-purpose financial statements that have been prepared for the purpose of complying with the Rules of the Auditor General of the State of Florida (the Rules). In conformity with the Rules, the Office has not presented the government-wide financial statements, the reconciliations to the government-wide statements or management’s discussion and analysis.

(c) **Fund accounting**—Accounts are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures, as appropriate for each fund type. Government resources are allocated to, and accounted for in, individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The focus of fund financial statements is on major funds, each displayed in a separate column.

The Office reports the following major governmental fund; there are no non-major governmental funds:

General Fund – The principal operating fund of the Office. It is used to account for all financial resources.

(d) **Measurement focus/basis of accounting**—All governmental funds are accounted for on a spending or current financial resources measurement focus and the modified accrual basis of accounting. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of “available spendable resources”. Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of “available spendable resources” during a period.

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. The Office considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

LIBERTY COUNTY SUPERVISOR OF ELECTIONS
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022

(1) **Summary of Significant Accounting Policies:** (Continued)

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on general long-term debt are recognized when due.

(e) **Cash**—The Office’s cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

(f) **Capital assets and long-term liabilities**—Capital assets used by the Office are capitalized (recorded and accounted for) by the Liberty County Board of County Commissioners.

Because of their spending measurement focus, expenditure recognition for governmental fund types is limited to exclude amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities. They are instead reported as liabilities in the financial statements of the County.

(g) **Accounts payable**—Accounts payable balances in the general fund are primarily payable to third-party vendors for goods provided and services rendered.

(h) **Compensated absences**—The Office follows generally accepted accounting principles in accounting for accrued compensated absences. The Office allows limited vesting of unused employee leave time. Since the annual and sick leave liability is considered long-term, it is recorded in the government-wide financial statements of the County. Compensated absences are expected to be paid out of the General Fund of the Office and this practice is expected to continue in the future. The Office maintained compensated absence records for the hours earned, used and available.

(i) **Fund balance**—Fund balance for governmental funds report classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in the funds may be spent. In as much as the Supervisor of Elections is a county constitutional officer, any funds remaining at the end of the fiscal year are returned to the Board of County Commissioners. Unassigned fund balance represents funds available for spending at the government’s discretion.

The Office does not have a formal written policy regarding whether restricted or unrestricted amounts are considered to be spent when an expenditure for purposes for which both restricted and unrestricted fund balances are available. However, it has been the Office’s general practice when expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available; the Office considers restricted funds to have been spent first. When expenditure is incurred for which committed, assigned or unassigned fund balances are available, the Office considers amounts to have been spent first out of committed funds, then assigned funds, and lastly unassigned funds, as needed.

(j) **Use of estimates**—The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

**LIBERTY COUNTY SUPERVISOR OF ELECTIONS
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

(2) Budgets and Budgetary Accounting:

Governmental fund revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget was adopted for the General Fund. All budget amounts presented in the accompanying special-purpose financial statements have been adjusted for legally authorized amendments of the annual budget for the year. The annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total budget appropriations at the individual fund level. All appropriations lapse at year-end.

(3) Investments:

Florida Statutes authorize the Office to invest in bonds, notes or other obligations of the U.S. Government, certificates of deposits, repurchase agreements, certain bonds of any State or local government unit and the State Treasurer's Investment Pool.

Interest Rate Risk. The Office does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Concentration of Credit Risk. The Office places no limit on the amount the Office may invest in any one issuer. The Office maintained 100-percent of excess deposits in a checking account with a local financial institution subject to Federal Depository Insurance Corporation (FDIC) insurance, and/or the State of Florida collateral pool established under the Florida Security for Public Deposits Act (the Act).

(4) Risk Management:

The County purchased commercial insurance to limit the exposure of the following risks of loss: theft of, damage to, and destruction of assets; natural disasters and injuries to employees. Commercial insurance has been purchased by the Office to cover the risks of loss due to employee errors or omissions and health insurance. Settled claims resulting from all risks have not exceeded insurance coverage in any of the past three years.

(5) Pension Plan:

The Office participates in the Florida Retirement System (FRS), a multiple-employer, cost sharing defined public employee retirement system which covers all of the Office's full-time employees. The System is administered by the State of Florida, Department of Administration, Division of Retirement to provide retirement and survivor benefits to participating public employees. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension plan (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

**LIBERTY COUNTY SUPERVISOR OF ELECTIONS
NOTES TO SPECIAL-PURPOSE FINANCIAL STATEMENTS
SEPTEMBER 30, 2022**

(5) **Pension Plan:** (Continued)

In addition, all regular employees of the entity are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended September 30, 2022, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5.

The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which can include Medicare.

For financial reporting purposes, the Office is deemed to be part of the primary government of the County. A liability related to the Office's proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of the County for the fiscal year ended September 30, 2022.

REQUIRED SUPPLEMENTARY INFORMATION

**LIBERTY COUNTY SUPERVISOR OF ELECTIONS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Intergovernmental	\$ -	\$ -	\$ 42,072	\$ 42,072
Miscellaneous	-	-	518	518
Total revenues	<u>-</u>	<u>-</u>	<u>42,590</u>	<u>42,590</u>
Expenditures				
Current:				
General government	458,774	458,774	490,771	(31,997)
Total expenditures	458,774	458,774	490,771	(31,997)
Excess (deficiency) of revenues over expenditures	<u>(458,774)</u>	<u>(458,774)</u>	<u>(448,181)</u>	<u>10,593</u>
Other financing sources (uses)				
Appropriations from Board of County Commissioners	458,774	458,774	462,085	3,311
Reversion to Board of County Commissioners	-	-	(13,904)	(13,904)
Total other financing sources (uses)	<u>458,774</u>	<u>458,774</u>	<u>448,181</u>	<u>(10,593)</u>
Net change in fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying note to schedule of revenues, expenditures, and changes in fund balance - budget to actual - general fund is an integral part of this schedule.

**LIBERTY COUNTY SUPERVISOR OF ELECTIONS
NOTE TO SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2022**

(1) **Budgetary Information:**

An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the general fund. All annual appropriations lapse at fiscal year-end.

The Supervisor of Elections follows these procedures in establishing the budgetary data reflected in the financial statements:

- a) The preparation, adoption and amendment of the budgets are governed by Florida Statutes. Public hearings are conducted to obtain taxpayer comments.
- b) Budget excess expenditures over revenues are funded through appropriations from the Board of County Commissioners.
- c) Formal budgetary integration is employed as a management control device during the year for the General Fund. The legal level of budgetary control is the fund level.
- d) The budgets for the funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

ADDITIONAL ELEMENTS REQUIRED BY THE RULES OF THE AUDITOR GENERAL



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

The Honorable Grant Conyers, Supervisor of Elections,
Liberty County, Florida:

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the general fund of the Liberty County Supervisor of Elections (the Office) as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the Office's special-purpose financial statements, and have issued our report thereon dated November 2, 2023, which was modified to refer to a basis of accounting required for compliance with state filing requirements, and for other reasons.

As discussed in the Basis for Disclaimer of Opinion paragraph in the Independent Auditors' Report, we were unable to gain audit evidence over prior year balances for assets, liabilities, deferred inflows of resources, and deferred inflows of resources impacting the beginning fund balance and net position balances presented in the financial statements. As such, we issued a disclaimer of opinion over the financial statements for the year ended September 30, 2022.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the special-purpose financial statements, we considered the Office'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 special-purpose financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Office's internal control. Accordingly, we do not express an opinion on the effectiveness of the Office's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. We identified certain deficiencies in internal control, described below as items 2022-001 and 2022-002 that we consider to be material weaknesses.

2022-001: Cash to Accrual Basis Audit Adjustments and Preparation of Financial Statements:

Internal controls over financial reporting should include year-end adjustments of all significant account balances, with such adjustments to also include procedures related to the proper cutoff of significant revenue and expense activities. In addition, 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 (“GAAP”). The capability of management to prepare the financial statements and related disclosures is considered a crucial element of the internal control structure. For the year ended September 30, 2022, various account balance adjustments were required to be made to the accounting records subsequent to the start of the audit process related to year-end accrual entries.

2022-002: Segregation of Duties

Internal controls are designed to safeguard assets and help prevent or detect losses from employee dishonesty or error. A fundamental concept in a good system of internal control is the segregation of duties. The basic premise is that no one employee should have access to both physical assets and the related accounting records or all phases of a transaction. Due to the small size of the Office, we noted that for the year ended September 30, 2022, the same person within the accounting department held the duties of maintaining the accounting records, opening the mail, depositing checks, preparing bank reconciliations and recording journal entries. In addition, we noted there was no individual assigned to review bank reconciliations after they are prepared.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Offices’ special-purpose 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 instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Management’s Response to Findings

Government Auditing Standard requires the auditor to perform limited procedures on the Office’s response to the findings identified in our audit and described in the accompanying Management’s Response. The Office’s response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

Purpose of this Report

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



Tallahassee, Florida
November 2, 2023



**INDEPENDENT AUDITORS' MANAGEMENT LETTER REQUIRED BY
CHAPTER 10.550, RULES OF THE STATE OF FLORIDA, OFFICE OF THE
AUDITOR GENERAL**

The Honorable Grant Conyers, Supervisor of Elections,
Liberty County, Florida:

Report on the Financial Statements

We have audited the financial statements of the Liberty County Supervisor of Elections (the Office), as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated November 2, 2023.

As discussed in the Basis for Disclaimer of Opinion paragraph in the Independent Auditors' Report, we were unable to gain audit evidence over prior year balances for assets, liabilities, deferred inflows of resources, and deferred inflows of resources impacting the beginning fund balance and net position balances presented in the financial statements. As such, we issued a disclaimer of opinion over the financial statements for the year ended September 30, 2022.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of Special-Purpose Financial Statements Performed in Accordance with *Government Auditing Standards*, and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated November 2, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Office is an elected constitutional officer, whose office is established by Article VIII of the Constitution of the State of Florida and is governed by various provisions of state law. There are no component units of the Office to be disclosed as required by accounting principles generally accepted in the United States of America.

Financial Management

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

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we have the following recommendations:

2022-003 Budgetary Controls

During our audit, we noted funds were expended in excess of budgeted amounts due to failure to budget for additional grant funds received. Based upon that budget approach, the Office's actual expenditures exceeded budgeted expenditures. We recommend the Office budget for all funds received in addition to appropriated funds.

2022-004 Payroll Reporting

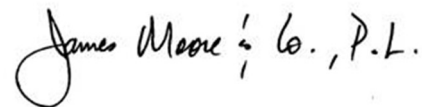
During our audit, we noted that certain payroll reports were performed manually and were not reconciled to the underlying accounting system. We recommend management consider utilizing a payroll service and or perform calculations electronically. We also recommend management reconcile those reports to the underlying accounting system.

Management's Response to Findings

The Office's response to the findings identified in our audit is described in the accompanying Management's Response to Findings section, as listed in the table of contents. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Letter

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



Tallahassee, Florida
November 2, 2023



INDEPENDENT ACCOUNTANTS' EXAMINATION REPORT

The Honorable Grant Conyers, Supervisor of Elections,
Liberty County, Florida:

We have examined the Liberty County Supervisor of Elections' (the Office) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies* (the Statute), for the year ended September 30, 2022. The Office's management is responsible for the Office's compliance with those requirements. Our responsibility is to obtain reasonable assurance by evaluating against the aforementioned statutes and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation based on our examination.

Our examination was conducted in accordance with the attestation standards for a direct examination engagement established by the AICPA. Those standards require that we obtain reasonable assurance by evaluating against aforementioned statutes and performing other procedures to obtain sufficient appropriate evidence to express an opinion that conveys the results of our evaluation of the Office's compliance. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks that were not in accordance with those requirements in all material respects, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

In our opinion, the Office complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2022.

A handwritten signature in black ink that reads 'James Moore & Co., P.L.' The signature is written in a cursive, professional style.

Tallahassee, Florida
November 2, 2023



Grant Conyers

Supervisor of Elections
Liberty County

10818 NW State Road 20 PO Box 597 Bristol, FL 32321

MANAGEMENT'S RESPONSE TO FINDINGS FOR THE YEAR ENDED SEPTEMBER 30, 2022

2022-001: We have made a point to separate the money we spend by fund balance in order to keep a more accurate record of each individual fund in our budget. The Supervisor will meet monthly to go over and discuss these balances so we stay up to date on each one's progress.

2022-002: The Supervisor will meet monthly to review all activities including but not limited to our bank reconciliation and journal entries.

2022-003: We will include a supplemental budget to account for the Grant funds that we have received during the particular fiscal year.

2022-004: Looking into an automated payroll system to just enter the numbers and let the system do all of the figuring. And then reconciling the numbers to the accounting system.