

RFP NOTICE

Polk County, a political subdivision of the State of Florida, requests the submittal of proposals from vendors that are interested in providing professional annual financial auditing services for the Polk County Board, Clerk of Courts, Property Appraiser, Sheriff, and Supervisor of Elections; and assembling the Annual Comprehensive Financial Report (ACFR) as described herein. Sealed proposals must be received in the Procurement Division, prior to the due date and time listed below.

RFP Number and Title: 24-402, Annual Financial Auditing Services

Description: Provide professional annual financial auditing services for the Polk County Board, Clerk of Courts, Property Appraiser, Sheriff, and Supervisor of Elections; and assembling the Annual Comprehensive Financial Report (ACFR).

Receiving Period: Prior to 2:00 p.m., Wednesday, May 22, 2024

Bid Opening: Wednesday, May 22, 2024, at 2:00 p.m. or as soon as possible thereafter.

This form is for RFP registration only. Please scroll down for additional information.

Questions regarding this RFP must be in writing and must be sent to Ken Brush Procurement Contracts Manager, via email at kenbrush@polk-county.net or via fax at (863) 534-6789. All questions must be received by, Friday, May 10, 2024, 5:00 p.m..

RFP REGISTRATION

You must register using this form to receive notice of any addenda to these documents. Please fax the completed form to the Procurement Division as soon as possible. It is the vendor's responsibility to verify if addenda have been issued.

RFP Number: 24-402

RFP Title: Annual Financial Auditing Services

This form is for bid registration only. Please scroll down for additional information.

Carefully complete this form and return it to the Procurement Division via e-mail to procurement@polk-county.net or fax (863) 534-6789. You must submit one form for each solicitation that you are registering for.

Company Name: _____

Contact Name: _____

Mailing Address: _____

City: _____

State: _____

Zip Code: _____

Phone Number: _____

Email: _____

PROPOSAL SUBMITTAL INSTRUCTIONS

Proposers must submit their proposal prior to 2:00 p.m. on the receiving date. Proposals must be submitted in a “sealed” parcel or electronically through Polk County’s secure website, Kiteworks. Proposals will be publicly opened at 2:00 p.m. on the receiving date.

Sealed Parcel Submittal:

If you are submitting a sealed parcel proposal submit one (1) original marked ORIGINAL and six (6) copies marked COPY of the proposal in a sealed parcel to the Procurement Division. The parcel should be labeled “RFP #24-402, Annual Financial Auditing Services” and marked with the proposer’s name and address. The Proposals may be mailed or delivered to:

Polk County Procurement Division
330 West Church Street, Room 150
Bartow, FL 33830

To assist with labeling the sealed parcel, please cut along the outer border and affix this label. Be sure to include the name of the company submitting the proposal where requested.

Sealed Proposal. DO NOT OPEN	
RFP Number	24-402
RFP Title	Annual Financial Auditing Services
Due Date/Time:	May 22, 2024, prior to 2:00 pm
Submitted by:	
Deliver To:	Polk County Procurement Division 330 West Church Street, Room 150, Bartow, Florida 33830

Proposals may be mailed, express mailed or hand delivered. It is the Proposers responsibility to ensure their package is delivered to the Procurement Division prior to 2:00 p.m. on the receiving date and time referenced above. Proposals delivered at 2:00 p.m. or later will not be accepted.

Electronic Proposals Submittal:

All prospective Proposers that are interested in submitting their proposals electronically can do so via the County’s secure electronic submittal website, Kiteworks. Proposers must email kenbrush@polk-county.net at least 48 hours prior to opening to receive a link to upload their submittal. Please only upload your documents as a PDF. Please use the name convention of your files as follow:

“RFP 24-402 Tab 1”

“RFP 24-402 Tab 2”

“RFP 24-402 Tab 3”

“RFP 24-402 Tab 4”

“RFP 24-402 Tab 5”

For more instructions, a video tutorial has been produced to further explain the electronic solicitation submittal process. It can be found by clicking here for RFP Submittals: https://youtu.be/vkn_7AHgioE. If you need assistance accessing this website due to ADA or any other reason, please email Ken Brush at kenbrush@polk-county.net.

Procurement recommends that Proposers submitting electronically double check the documents submitted into Kiteworks to ensure all requested tab information has been uploaded. Failure to upload the requested tab information may result in the proposal being deemed non-responsive.

POLK COUNTY
Procurement Division
Fran McAskill
Procurement Director
REQUEST FOR PROPOSAL 24-402
Annual Financial Auditing Services

Sealed proposals will be received in the Procurement Division, Wednesday, May 22, 2024, prior to 2:00 p.m.

Attached are important instructions and specifications regarding responses to this Request for Proposal (the "RFP"). The failure of a responding proposer (a "Proposer") to follow these instructions could result in Proposer disqualification from consideration for a contract to be awarded pursuant to this RFP.

This document is issued by Polk County (the "County") which is the sole distributor of this RFP and all addenda and changes to the RFP documents. The County shall record its responses to inquiries and provide any supplemental instructions or additional documents pertaining to this RFP in the form of written addenda to the RFP. The County shall post all such addenda, together with any other information pertaining to this RFP, on the County's website at <https://www.polk-county.net/business/procurement/>. It is the sole responsibility of each Proposer to review the website prior to submitting a responsive proposal (a "Proposal") to this RFP to ensure that that the Proposer has obtained all available instructions, addenda, changes, supporting documents, and any other information pertaining to this RFP.

The County is not responsible for any solicitations issued through subscriber, publications, or other sources not connected with the County and the Proposer should not rely on such sources for information regarding the RFP solicitation.

Questions regarding this RFP must be in writing and must be sent to Ken Brush, Procurement Contracts Manager, via email at kenbrush@polk-county.net or via fax at (863) 534-6789. **All questions must be received by Friday, May 10, 2024, 5:00 p.m.**

Proposers and any prospective proposers shall not contact, communicate with or discuss any matter relating in any way to this RFP with any member of the Polk County Board of County Commissioners or any employee of Polk County other than the County Procurement Director or the individual designated above. This prohibition begins with the issuance of the Request for Proposal and ends upon execution of the final contract. Any such communication initiated by a Proposer or prospective proposer shall be grounds for disqualifying the offender from consideration for a contract to be awarded pursuant to this RFP and for contracts to be awarded pursuant to RFPs or Requests for Bid that the County may issue in the future.

A Proposer's responsive Proposal to this RFP may be mailed, express mailed, or hand delivered to:

Polk County Procurement Division
330 West Church Street, Room 150
Bartow, Florida 33830
(863)534-6757

Introduction/Background

Polk County is a home rule charter county and political subdivision of the State of Florida. It is governed by an elected group of five (5) County Commissioners. The County Manager is responsible to the Board of County Commissioners for the proper administration of all affairs of the County, except those powers, duties and functions residing, as specified by law, with the elected constitutional officers.

The offices of Sheriff, Property Appraiser, Tax Collector, Clerk of the Circuit Court and Comptroller, and Supervisor of Elections are separately elected constitutional officers.

The County is seeking responses to this Request for Proposals from qualified audit firms interested in providing professional annual financial auditing services for the County's Annual Comprehensive Financial Report (ACFR) including financial audits of the separately elected constitutional offices.

The County has a September 30 fiscal year end and participates in the Government Finance Officers Association's (GFOA) Certificate of Achievement for Excellence in Financial Reporting Program (ACFR Program) which requires submittal of the ACFR report within six months of the end of the fiscal year.

A copy of the ACFR for the fiscal year ending September 30, 2023, is provided as "Attachment A".

It is the intent of the County to enter into an agreement with one firm.

Qualifications:

- Proposers must be licensed as a CPA firm in the State of Florida, evidence of such should be submitted within Tab 1, Introduction.

Scope of Services

The requested services include the following and any additional services that may be required by new laws, accounting standards, activities of the County, etc.:

The firm selected will prepare the Annual Comprehensive Financial Report in collaboration with the Comptroller's office by preparing financial statements as required and provide a final draft.

The firm selected will prepare financial statements for each constitutional offices separately in collaboration with their financial staff as required and provide final

drafts.

The firm selected will audit and report on the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information, including the individual fund financial statements of the component units Harden/Parkway and Eloise Community Redevelopment Agencies (CRA's) which collectively comprise the basic financial states of Polk County, Florida, and the related notes to the financial statements.

In addition to the report on the financial statements, the selected firm will evaluate the presentation of the following supplementary information in relation to the financial statements as a whole, and to report on whether this supplementary information is fairly stated, in all material respects, in relation to the financial statements as a whole.

- Combining and Individual Fund Financial Statements and Schedules
- Schedule of Expenditures of Federal Awards and State Financial Assistance

In addition to the report on the financial statements, the selected firm will perform specified procedures to describe in the report whether the following required supplementary information is presented in accordance with applicable guidelines.

The selected firm will not be expected to express an opinion or provide any assurance on this information due to the limited procedures applied.

- Management's Discussion and Analysis
- Budgetary Comparison Schedules
- Required Supplementary Information

The document will also include the following additional information that will not be subjected to the auditing procedures applied in the audit of the financial statements, and for which the auditor's report will disclaim an opinion:

- Introductory Section of the Annual Comprehensive Financial Report
- Statistical Section of the Annual Comprehensive Financial Report

The objective of the audit is the expression of an opinion on the financial statements, which will be prepared by the County. The selected firm will plan and perform the audit in accordance with auditing standards generally accepted in the United States of America, the standards for financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States, and 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. Those standards require that the selected firm obtain

reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement whether caused by error or fraud, and that they report on the Schedule of Expenditures of Federal Awards (as noted above), and on the County's compliance with Federal statutes, regulations, and the terms and conditions of Federal awards and on its internal controls as required for a Single Audit.

The selected firm will issue a written report upon completion of the audit of the financial statements. The report will be addressed to the County Commissioners of the County.

In addition to the report on the financial statements and supplemental information, the selected firm will issue the following reports:

- Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards
- Independent Auditor's Report on Compliance for Each Major Federal Program and State Financial Assistance Project; and Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards and State Financial Assistance Project Required by the Uniform Guidance and Chapter 10.550 Rules of the Auditor General.

The selected firm will also perform tests of controls including testing underlying transactions, as required by Uniform Guidance and Chapter 10.550, Rules of the Auditor General, to evaluate the effectiveness of the design and operation of controls that are considered relevant to preventing or detecting material noncompliance with compliance requirements applicable to each of the County's major federal awards programs and state financial assistance projects. The selected firm will determine major programs in accordance with the Uniform Guidance and Chapter 10.550, Rules of the Auditor General.

The selected firm will also perform an audit of the following financial statements as required by Chapter 10.550, Rules of the Auditor General of the State of Florida:

- Polk County, Florida: Clerk and Comptroller, Sheriff, Tax Collector, Property Appraiser and Supervisor of Elections.

The firm selected will also audit:

- Statement of Landfill Closure and Long-Term Escrow Accounts and Additional Landfill Funds
- Statement of County Funded Court-Related Functions, Section 29.0085, Florida Statutes

NONAUDIT SCOPE OF SERVICES

The firm selected will prepare the Annual Comprehensive Financial Report in collaboration with the Comptroller's office by preparing financial statements as required and provide final draft.

- Preparation of the required supplementary information (RSI)
- Preparation of the supplementary information
- Preparation of the schedule of federal awards.
- Preparation of the data collection form
- Tax consulting and assistance
- Financial consulting and assistance regarding accounting matters and new GASB implementations.

Consideration will be given only to audit firms that meet the following criteria: are licensed to practice as a CPA firm in the state of Florida, conform to the independence standard endorsed in the Government Accountability Office's Government Auditing Standards and have received adequate continuing professional education by key personnel.

All audits must meet the requirements set forth by all relevant laws and standards such as the Laws of Florida, Florida Statutes, the Government Accountability Office, the U.S. Office of Management and Budget, and the Auditor General.

ADDITIONAL SERVICES

If during the term of the resulting agreement, it is determined that additional similar scope of work services are needed, a detailed scope of work to include a time line and not to exceed cost may be negotiated as further defined within the resulting agreement with the successful Proposer.

Services are to be provided on an as-needed basis. There is no guarantee that any or all of the services described will be assigned during the term of the agreement. Further, the successful Proposer is providing these services on a nonexclusive basis. The County, at its option, may elect to have any of the services set forth herein performed by other consultants.

AGREEMENT

The term of this agreement will be for five (5) years with the option to renew for three (3) additional one (1) year terms. The Actual term will be negotiated as part of Elevation Level 4, Contract Negotiations.

SUBMITTAL

Submittals should not contain information more than that requested, must be concise, and must specifically address the issues of this RFP. The responses should be in the same order as the selection and evaluation procedures. Proposals are to be printed double-sided. Unnecessarily elaborate brochures or other presentations beyond those sufficient to present a complete and effective submittal to this solicitation are not desired and may be construed as an indication of the proposer's lack of cost consciousness. Elaborate artwork, expensive visual aids, and other presentation aids are neither necessary nor desired, unless specifically requested. The proposal submittals should be contained within a three (3) ring binder (original and each copy in separate binders). Each submittal should contain:

Tab 1, Introduction:

Introduction letter to include:

- Legal name of firm
- Address
- Brief description of the firm's experience in providing the services
- Number of years in business
- Firm contact name and title, this person will be responsible for answering any questions or providing additional information relative to the firm's submitted Proposal.
- Contact email address and phone number.
contact name, company address, phone number and email address of contact person.
- Provide evidence that the Proposer is a licensed CPA firm within the State of Florida. (One page, single or double sided)

Tab 2, Experience and Expertise (40 Points)

- Provide your firm's organization structure.
- Identify the key personnel that will be assigned to the engagement along with their role. For each key personnel identified please provide:
 - A copy of their resume detailing their experience in performing similar size and scope services within the State of Florida as well as location of their home office.
 - A copy of their CPA license
 - Copies/evidence that they have received 80 hours of continuing education during their last CPA license renewal period.
- Identify any management support personnel that will be assigned to the engagement to assist with technical consultation. For each support personnel identified please provide:
 - A copy of their resume detailing their experience in performing similar size and scope services within the State of Florida as well as location of their home office.
 - A copy of their CPA license
 - Copies/evidence that they have received 80 hours of continuing education during their last CPA license renewal period.
- Describe your firm's philosophy for rotating staff.
- Describe the firm's experience and performance related to financial auditing provided on comparable government engagements like those outlined in the Scope of Services, including experience with state and federal grant programs and information technology ability.
- Provide a minimum of two (2) and a maximum of five (5) engagements that demonstrates your firm's experience with similar size Florida governmental agencies performing financial auditing services within the past three (3) years. For each engagement identified please include (2 pages for each engagement, single or doubled sided):
 - Government Entity name
 - Contact person

- Contact's phone number and email address
- Annual Cost of the services
- Start and end date of the engagement.
- Brief description of the services provided

Tab 3, Approach and Methodology (35 points)

- Provide a proposed audit staffing plan including the audit partner, manager, and senior/staff accountants for the County's financial audit.
- Provide a proposed audit schedule for the County including a timeline for fieldwork, compiling statements, and quality review for the County's financial audit.
- Provide information regarding how the firm proposes to use technology to aid in the performance of the audit.
- Provide a time estimate your firm anticipates being onsite versus remote.
- Provide a description of procedures to be performed regarding significant computer systems and Information Technology security.
- Define how the firm will handle occasional requests from the County regarding technical assistance or feedback during the fiscal year regarding financial, accounting, reporting or proposed changes to internal controls.

Tab 4, Cost (15 Points)

- Please use Exhibit 2, Cost Sheet, to identify the total annual cost to provide these services and place behind this tab.
- The County will consider increasing the contracted audit fee each year by the increase in the Consumer Price Index (CPI) for the most recent year or other criteria as agreed to during Elevation Level 4, Contract Negotiations.
- If, during Elevation Level 4, Contract Negotiations, it is determined that additional services are needed, the cost submitted may also be negotiated.

Tab 5, Surveys of Past Performance (10 Points)

- Provide reference surveys from past clients for the projects identified under Tab 2.
- Completed surveys. (See Exhibit 1) Procurement will take the average of all surveys and score as follows:
 - Average Score between 9-10 (10 Points)
 - Average Score between 7-8 (8 Points)
 - Average Score between 5-6 (6 Points)
 - Average Score between 3-4 (4 Points)
 - Average Score between 1-2 (2 Points)
 - Average Score of 0 (0 Points)

EVALUATION CRITERIA AND SELECTION PROCESS

Proposals will be evaluated in accordance with this section and all applicable County procurement policies and procedures.

The County shall appoint a selection committee (the “Selection Committee”) that will be responsible for evaluating and scoring/ranking the Proposals in accordance with this Section.

The County will use a competitive selection process based on the Elevation Levels described in this Section. At Elevation Levels 2 and 3, the Selection Committee will score and/or rank the Proposals as applicable.

Selection of a final Proposal will be based upon the following steps and factors:

Elevation Level 1 (Procurement Requirements Assessment)

The County Procurement Division shall review all Proposals for conformance with RFP guidelines and detailed submittal requirements. At the County’s discretion, non-conforming Proposals may be eliminated from further consideration and conforming Proposals shall be elevated to Elevation Level 2.

Procurement will distribute Proposals and evaluation criteria to the Selection Committee.

The Selection Committee may convene to review questions that arise during individual member review of submitted Proposals before Elevation Level 2 to allow for questions, clarifications, explanations, or other discussion to be held before the review of Proposals is completed.

Elevation Level 2 (Selection Committee Evaluation)

Procurement shall score each Proposal on the following evaluation criteria:

- Cost (Tab 4)-15 points
- Surveys of Past Performance (Tab 5)-10 points

Subtotal Points-25 Points

by the process stated under each corresponding Tab description

Each Selection Committee member shall score each Proposal on the following evaluation criteria:

- Experience and Expertise (Tap 2)- 40 points
- Approach and Methodology (Tab 3)- 35 points

Subtotal Points-75 points

by the following process:

Each Selection Committee member shall determine which of the following descriptions applies to each of the foregoing evaluation criteria:

EXCELLENT (1.0): Of the highest or finest quality; exceptional; superior; superb; exquisite; peerless. The Proposer provided information for a given criteria that satisfied the requirements and described specifically how and what will be accomplished in such a manner that exhibited an exceptional and superior degree of understanding, skill, and competency, both qualitatively and quantitatively. The facts included in the narrative (including all supporting documentation, diagrams, drawings, charts, and schedules, etc.) demonstrate the Proposer's ability to perform and deliver far beyond expectation.

VERY GOOD (0.8): To a high degree; better than or above competent and/or skillful.

The Proposer provided information for a given criteria that satisfied the requirements and described specifically how and what will be accomplished in such a manner that exhibited a very high degree of understanding, skill, and competency, both qualitatively and quantitatively. The facts included in the narrative (including all supporting

documentation, diagrams, drawings, charts, and schedules, etc.) demonstrate the Proposer's ability to perform and deliver beyond expectation.

GOOD (0.6): Having positive or desirable qualities; competent; skilled; above average.

The Proposer provided information for a given criteria that satisfied the requirements and described specifically how and what will be accomplished in such a manner that exhibited a skillful and above-average degree of understanding, skill, and competency, both qualitatively and quantitatively. The facts included in the narrative (including all supporting documentation, diagrams, drawings, charts, and schedules, etc.) demonstrate the Proposer's ability to perform and deliver at the expected level.

FAIR (0.4): Average; moderate; mediocre; adequate; sufficient; satisfactory; standard.

The Proposer provided information for a given criteria that satisfied the requirements and described sufficiently how and what will be accomplished in a manner that exhibited an adequate and average degree of understanding, skill, and competency, both qualitatively and quantitatively. The facts included in the narrative (including all supporting documentation, diagrams, drawings, charts, and schedules, etc.) demonstrate the Proposer's ability to perform and deliver at a level slightly below expectation.

POOR (0.2): Inadequate; lacking; inferior in quality; of little or less merit; substandard; marginal.

The Proposer provided information for a given criteria that did not satisfy the requirements and described in an inadequate manner how and what will be accomplished. The information provided simply reiterated a requirement, contained inaccurate statements or references, lacked adequate information, or was of inferior quality. The facts included in the narrative (including all supporting documentation, diagrams, drawings, charts, and schedules, etc.) demonstrate the Proposer's ability to perform and deliver at a substandard and inferior level.

UNACCEPTABLE (0.0):

The Proposer failed to provide any information for a given criteria, provided information that could not be understood, or did not provide the information for a given category as requested.

After a Selection Committee member has determined the description applicable for each evaluation criterion, the total points available for such criterion shall be multiplied by the factor associated with the applicable description to produce the number of points allocated for that evaluation criterion. For example, a Selection Committee member classifies the “Experience and Expertise” criterion (which shall be worth 25 points for the purpose of this example) as “Very Good” (which is a description factor multiplier of 0.8). The points that Selection Committee member allocated for that evaluation criterion would be 20, calculated as follows: 25 available points x 0.8 applicable description factor multiplier = 20 points.

A Selection Committee member’s total score for each Proposal shall equal the sum of the total points allocated for each evaluation criteria.

When all Selection Committee members have completed their Proposal evaluations, the individual Selection Committee member’s total scores for each Proposal will be added together to produce a final score for each Proposal.

Procurement will confirm the calculations for the final score for each Proposal. Then, Procurement shall publish a rank-ordered listing of the Proposals to the Selection Committee with the Proposal receiving the highest point as the highest-ranked Proposal.

If the Selection Committee decides to interview Proposers based on the final scores, then at a minimum the Selection Committee shall elevate the two highest-ranked Proposers to Elevation Level 3 for interviews. If the Selection Committee decides not to interview Proposers, they will collectively decide if they would like to recommend the Board, or if applicable the County Manager authorize staff to enter into Contract Negotiations with all Proposers, starting with the highest scoring Proposer. After Board or County Manager approval, as applicable, to authorize staff to negotiate a contract, the Proposers will then be elevated to Elevation Level 4 for contract negotiations.

The determination of whether the County Manager may authorize negotiations, without further approval of the Board, is contingent upon whether the anticipated cost of the agreement exceeds \$100,000. The County Manager may authorize contract negotiations for contracts which are not anticipated to exceed \$100,000 in total.

Elevation Level 3 (Proposer Interviews)

The Selection Committee shall conduct interviews of the Proposers that it has elevated from Elevation Level 2 to Elevation Level 3. During an interview, elevated Proposers shall make a presentation describing the key elements of their Proposal and/or address any specific topics the Selection Committee may determine necessary. The Selection Committee members will have an opportunity to inquire about any aspect of the RFP and the Proposer's Proposal. After all elevated Proposer interviews, each Selection Committee member shall evaluate each Proposer with emphasis on the following:

Proposer interview and presentation focusing on the key elements of their presentation and answers to questions of the Selection Committee.

After the interviews, each Selection Committee member will individually rank the Proposers in numerical order beginning at number 1 for the highest-ranked Proposer. Procurement shall receive and compile each Selection Committee member's ranking of each Proposer, and then publish a rank-ordered listing of Proposers to the Selection Committee, based on the combined average rankings given each Proposer. The Selection Committee members will then collectively decide if they would like to recommend the Board, or if applicable the County manager, authorize staff to enter into Contract Negotiations with all Proposers elevated to Proposer Interviews, starting with the highest-ranked Proposer. After Board or County Manager approval, as applicable, to authorize staff to negotiate a contract, the highest-ranked Proposer will then be elevated to Elevation Level 4, Contract Negotiations.

The determination of whether the County Manager may authorize negotiations, without further approval of the Board, is contingent upon whether the anticipated cost of the agreement exceeds \$100,000. The County Manager may authorize contract negotiations for contracts which are not anticipated to exceed \$100,000 in total.

Elevation Level 4 (Contract Negotiations)

If a Proposer is elevated to this level, the Comptroller division, with the assistance of the Procurement and the County Attorney's Office, shall negotiate an Agreement with the elevated Proposer.

If after negotiating for a reasonable time period the parties cannot agree on a contract, the County shall, in its sole discretion, terminate further contract negotiations with that Proposer. Procurement shall notify the Selection Committee that contract negotiations with the elevated Proposer have terminated. The Selection Committee shall then determine whether to enter into contract negotiations with the next-highest-ranked Proposer, and so on. If the Selection Committee decides not to recommend contract negotiations with the next-highest-ranked Proposer, and so on, or if the County determines there is no other Proposer with whom the County can successfully negotiate a contract, then the RFP Selection Process shall terminate.

After contract negotiations with a Proposer are successfully completed pursuant to Elevation Level 4, the Selection Committee shall recommend to the Board of County Commissioners or County Manager, as applicable, that it selects such Proposer to provide the services as outlined in the Agreement. The Board of County Commissioners or County Manager, as applicable, shall make the final decision whether the County shall enter into an Agreement with a Proposer.

The determination of whether the County Manager may execute a contract, without further Board approval, is contingent upon whether the cost of the agreement exceeds \$100,000. The County Manager may execute contracts that do not exceed \$100,000 in total.

GENERAL CONDITIONS

BID OPENING

Proposers may attend the Bid Opening in person or via conference call by dialing (646) 558-8656 and enter Meeting ID: 327 647 2818. A listing of all proposers will be posted to Procurement's website as soon as possible after bid opening.

COMMUNICATIONS

After the issuance of any Request for Proposal, prospective proposers shall not contact, communicate with or discuss any matter relating in any way to the Request for Proposal with the Board of County Commissioners, the County Manager, or any employee of Polk County other than the Procurement Director or as directed in the cover page of the Request for Proposal. This prohibition begins with the issuance of any Request for Proposal and ends upon execution of the final contract. Such communications initiated by a proposer shall be grounds for disqualifying the offending proposer from consideration for award of the proposal and/or any future proposal.

INSURANCE REQUIREMENTS

The selected Consultant, if any, shall maintain, at all times, in force during the contract period the insurance as specified with an insurer licensed to do business in the State of Florida; rated "A VIII" or better by A.M. Best Rating Company for Class VIII financial size category. Polk County, a political subdivision of the State of Florida, must be named as an additional insured with respect to liability arising from all work being performed for Polk County, for Automobile and General Liability policies of insurance. The certificate holder must be Polk County, a political subdivision of the State of Florida, 330 W Church St, Rm 150, Bartow, Florida 33830. Workers' Compensation Insurance is required to provide statutory benefits, including those that may be required by any applicable federal statute. Any sole proprietor or partner actively engaged in the construction industry, and any corporate officer of a construction or non-construction industry corporation who elects to be exempt from the provisions of the workers' compensation law must provide either a workers' compensation exemption certificate (construction industry) or a letter stating the exemption status and number of employees (non-construction industry). For non-exempt vendors, Employers Liability in the amount

of \$1,000,000. Commercial General Liability Insurance \$1,000,000 combined single limit of liability for bodily injuries, death, and property damage, and personal injury resulting from any one occurrence, including the following coverages: Completed Operations, Broad Form CG. Comprehensive Automobile Liability Insurance \$1,000,000; combined single limit of liability for bodily injuries, death and property damage resulting from any one occurrence, including all owned, hired and non-owned vehicles. The general liability and worker's compensation policies shall contain a waiver of subrogation in favor of Polk County. An original certificate of insurance must be on file in the Procurement Division before a purchase order will be issued.

INDEMNIFICATION

Consultant, to the extent permitted by law, shall indemnify, defend (by counsel reasonably acceptable to County), protect and hold the County, and its officers, employees and agents, harmless from and against any and all, claims, actions, causes of action, liabilities, penalties, forfeitures, damages, losses, and expenses whatsoever (including, without limitation, attorneys' fees, costs, and expenses incurred during negotiation, through litigation and all appeals therefrom) including, without limitation, those pertaining to the death of or injury to any person, or damage to any property, arising out of or resulting from (i) the failure of Consultant to comply with applicable laws, rules or regulations, (ii) the breach by Consultant of its obligations under any Agreement with the County entered into pursuant to this solicitation, (iii) any claim for trademark, patent, or copyright infringement arising out of the scope of Consultant's performance or nonperformance of the Agreement, or (iv) the negligent acts, errors or omissions, or intentional or willful misconduct, of Consultant, its professional associates, subcontractors, agents, and employees; provided, however, that Consultant shall not be obligated to defend or indemnify the County with respect to any such claims or damages arising out of the County's sole negligence. The obligations imposed by this Section shall survive the expiration or earlier termination of the Agreement.

PUBLIC ENTITY CRIMES STATEMENT

The Consultant declares and warrants that neither the Consultant nor any of the Consultant's affiliates, as that term is defined in Section 287.133, Florida Statutes, are subject to the restrictions in Section 287.133, Florida Statutes, regarding the

commission of a public entity crime. If during the term of this Agreement, the Consultant or any affiliate is convicted of a public entity crime or is otherwise prohibited from performing work for or transacting business with the County pursuant to Section 287.133, Florida Statutes, then the Consultant shall be in material default of this Agreement, and in such case, the County shall have the rights and remedies as provided herein.

EQUAL OPPORTUNITY/AFFIRMATIVE ACTION

The County is an equal opportunity/affirmative action employer. The County is committed to equal opportunity employment effort; and expects Consultants that do business with the County to have a vigorous affirmative action program.

WOMEN/MINORITY BUSINESS ENTERPRISE OUTREACH

The County hereby notifies all Proposers that W/MBE's are to be afforded a full opportunity to participate in any request for proposal by the County and will not be subject to discrimination on the basis of race, color, sex or national origin.

AFFIRMATION

By submitting their proposal, the Proposer affirms that the proposal is genuine and not made in the interest of or on behalf of any undisclosed person, Consultant or corporation and is not submitted in conformity with any agreement or rules of any group, association, organization or corporation; the Proposer has not directly or indirectly induced or solicited any other person to submit a false or sham proposal; the Proposer has not solicited or induced any person, Consultant or corporation to refrain from submitting a proposal; and the Proposer has not sought by collusion to obtain for him/herself any advantage over other persons or over the County.

DEVELOPMENT COSTS

Neither the County nor its representative(s) shall be liable for any expenses incurred in connection with preparation of a submittal to the RFP. Proposers should prepare their proposals simply and economically, providing a straightforward and concise description of the proposer's ability to meet the requirements of the RFP.

ADDENDA

The County may record its responses to inquiries and any supplemental instructions in the form of written addenda. The addenda will be posted on the County's website at <https://www.polk-county.net/business/procurement/>. It is the sole responsibility of the proposers to check the website to ensure that all available information has been received prior to submitting a proposal.

CODE OF ETHICS

If any proposer violates or is a party to a violation of the code of ethics of Polk County or the State of Florida, with respect to this proposal, such proposer may be disqualified from performing the work described in this proposal or from furnishing the goods or services for which the proposal is submitted and shall be further disqualified from bidding on any future proposals for work, goods, or services for the County.

DRUG FREE WORKPLACE

Preference shall be given to businesses with Drug Free Workplace (DFW) programs. Whenever two or more proposals, which are equal with respect to price, quality and service, are received by the County for the procurement of commodities or contractual services, a proposal received from a business that has provided a statement that it is a DFW shall be given preference in the award process.

APPLICABLE LAWS AND COURTS

This RFP and any resulting agreements shall be governed in all respects by the laws of the State of Florida and any litigation with respect thereto shall be brought only in the courts of Polk County, State of Florida or the Middle District of Florida, Hillsborough County, Florida. The proposer shall comply with all applicable federal, state and local laws and regulations.

CONTRACT

All contracts are subject to final approval of the Polk County Board of County Commissioners or County Manager, as applicable. Persons or Consultants which incur expenses or change position in anticipation of a contract prior to the Board's approval do so at their own risk.

PROPOSAL ACCEPTANCE PERIOD

A proposal shall be binding upon the offeror and irrevocable by it for one hundred and twenty (120) calendar days following the proposal opening date. Any proposal in which offeror shortens the acceptance period may be rejected.

ADDITION/DELETION

The County reserves the right to add to or delete any item from this proposal or resulting agreements when deemed to be in the best interest of the County.

INVOICING AND PAYMENT: The successful proposer shall submit a properly certified invoice to the County at the contract prices. **An original invoice shall be submitted to the Clerk's Comptroller Division.** The proposer shall include the contract number and/or the purchase order number on all invoices. By submitting an invoice, the proposer's Project Manager or any authorized officer is attesting to the correctness and accuracy of all charges. Invoices will be processed for payment when approved by the appropriate Division's Project Manager or designee. The County's payment of an invoice shall not constitute evidence of the County's acceptance of the Proposers performance of the Service or the County's acceptance of any work.

PROPRIETARY INFORMATION

In accordance with Chapter 119 of the Florida Statutes (Public Records Law) and except as may be provided by other applicable State and Federal Law, all proposers should be aware that Request for Proposals and the submittals thereto are in the public domain. However, the proposers are required to identify specifically any information contained in their proposals which they consider confidential and/or proprietary and which they believe to be exempt from disclosure, citing specifically the applicable exempting law. Proposers should provide a redacted copy of proposal with submittal, or must provide within thirty (30) days from the Proposal due date.

All proposals received from proposers in response to this Request for Proposal will become the property of the County and will not be returned to the proposers. In the event of contract award, all documentation produced as part of the contract will become the exclusive property of the County.

REVIEW OF PROPOSAL FILES

In accordance with Chapter 119.071 of the Florida Statutes, the submittals received for this Request for Proposal are exempt from review for thirty (30) days after the Bid Opening Date or at Recommendation of Award, whichever event occurs first.

Should the RFP be cancelled and re-solicited for any reason, proposal submittals shall remain exempt from disclosure for a period not to exceed twelve (12) months or at Recommendation of Award of the subsequent solicitation.

RFP PROTEST: Any proposer desiring to file a protest, with respect to a recommended award of any RFP, shall do so by filing a written protest. The written protest must be in the possession of the Procurement Division within three (3) working days of the Notice of Recommended Award mailing date. All proposers who submitted a proposal will be sent a Notice of Recommended Award, unless only one proposal was received.

A copy of the protest procedures may be obtained from the Polk County Procurement Division or can be downloaded from the County's website at <https://www.polk-county.net/business/procurement/protest-procedures/>.

FAILURE TO FOLLOW PROTEST PROCEDURE REQUIREMENTS WITHIN THE TIME FRAMES PRESCRIBED HEREIN AS ESTABLISHED BY POLK COUNTY, FLORIDA, SHALL CONSTITUTE A WAIVER OF THE PROPOSER'S RIGHT TO PROTEST AND ANY RESULTING CLAIM.

UNAUTHORIZED ALIEN(S)

The vendor agrees that unauthorized aliens shall not be employed nor utilized in the performance of the requirements of this solicitation. The County shall consider the employment or utilization of unauthorized aliens a violation of Section 274A(e) of the Immigration and Naturalization Act (8 U.S.C. 1324a). Such violation shall be cause for unilateral termination of this Agreement by the County. As part of the response to this solicitation, the successful Consultant will complete and submit the attached form "AFFIDAVIT CERTIFICATION IMMIGRATION LAWS."

EMPLOYMENT ELIGIBILITY VERIFICATION (E-Verify)

A. Unless otherwise defined herein, terms used in this Section which are defined in Section 448.095, Florida Statutes, as may be amended from time to time, shall have the meaning ascribed in said statute.

B. Pursuant to Section 448.095(5), Florida Statutes, the contractor hereto, and any subcontractor thereof, must register with and use the E-Verify system to verify the work authorization status of all new employees of the contractor or subcontractor. The contractor acknowledges and agrees that (i) the County and the contractor may not enter into this Agreement, and the contractor may not enter into any subcontracts hereunder, unless each party to this Agreement, and each party to any subcontracts hereunder, registers with and uses the E-Verify system; and (ii) use of the U.S. Department of Homeland Security's E-Verify System and compliance with all other terms of this Certification and Section 448.095, Fla. Stat., is an express condition of this Agreement, and the County may treat a failure to comply as a material breach of this Agreement.

C. By entering into this Agreement, the contractor becomes obligated to comply with the provisions of Section 448.095, Fla. Stat., "Employment Eligibility," as amended from time to time. This includes but is not limited to utilization of the E-Verify System to verify the work authorization status of all newly hired employees, and requiring all subcontractors to provide an affidavit attesting that the subcontractor does not employ, contract with, or subcontract with, an unauthorized alien. The contractor shall maintain a copy of such affidavit for the duration of this Agreement. Failure to comply will lead to termination of this Agreement, or if a subcontractor knowingly violates the statute or Section 448.09(1), Fla. Stat., the subcontract must be terminated immediately. If this Agreement is terminated pursuant to Section 448.095, Fla. Stat., such termination is not a breach of contract and may not be considered as such. Any challenge to termination under this provision must be filed in the Tenth Judicial Circuit Court of Florida no later than 20 calendar days after the date of termination. If this Agreement is terminated for a violation of Section 448.095, Fla. Stat., by the contractor, the contractor may not be awarded a public contract for a period of 1 year after the date of termination. The contractor shall be liable for any additional costs incurred by the County as a result of the termination of this Agreement. Nothing in this Section shall be construed to allow intentional discrimination of any class protected by law.

LIMITATIONS

The County reserves the right to revise, amend or withdraw this proposal at any time to protect its interest. Proposers will not be compensated by the County for costs incurred in preparation of responses to this RFP.

ATTORNEY'S FEES AND COSTS: Each party shall be responsible for its own legal and attorney's fees, costs and expenses incurred in connection with any dispute or any litigation arising out of, or relating to this Agreement, including attorney's fees, costs and expenses incurred for any appellate or bankruptcy proceedings.

Prohibition Against Considering Vendor Interests: In accordance with Section 287.05701, Florida Statutes, the County may not (i) request documentation of or consider a Vendor's social, political, or ideological interests when determining if the Vendor is a responsible vendor; or (ii) give preference to a Vendor based on the Vendor's social, political, or ideological interests.

PUBLIC RECORD LAWS

(a) The Consultant acknowledges the County's obligations under Article I, Section 24, of the Florida Constitution and under Chapter 119, Florida Statutes, to release public records to members of the public upon request and comply in the handling of the materials created under this Agreement. The Consultant further acknowledges that the constitutional and statutory provisions control over the terms of this Agreement. In association with its performance pursuant to this Agreement, the Consultant shall not release or otherwise disclose the content of any documents or information that is specifically exempt from disclosure pursuant to all applicable laws.

(b) Without in any manner limiting the generality of the foregoing, to the extent applicable, the Consultant acknowledges its obligations to comply with Section 119.0701, Florida Statutes, with regard to public records, and shall:

(1) keep and maintain public records required by the County to perform the services required under this Agreement;

(2) upon request from the County's Custodian of Public Records or his/her designee, provide the County with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law;

(3) ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the term of this Agreement and following completion of this Agreement if the Consultant does not transfer the records to the County; and

(4) upon completion of this Agreement, transfer, at no cost, to the County all public records in possession of the Consultant or keep and maintain public records required by the County to perform the service. If the Consultant transfers all public records to the County upon completion of this Agreement, the Consultant shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Consultant keeps and maintains public records upon completion of this Agreement, the Consultant shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the County, upon request from the County's Custodian of Public Records, in a format that is compatible with the information technology systems of the County.

(c) IF THE CONSULTANT HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE

CONSULTANT’S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE COUNTY’S CUSTODIAN OF PUBLIC RECORDS AT:

**RECORDS MANAGEMENT LIAISON OFFICER
POLK COUNTY
330 WEST CHURCH ST
BARTOW, FL 33830
TELEPHONE: (863) 534-7527
EMAIL: RMLO@POLK-COUNTY.NET**

Scrutinized Companies and Business Operations Certification; Termination.

A. Certification(s)

(I) By its execution of this Agreement, the Vendor hereby certifies to the County that the Vendor is not on the Scrutinized Companies that Boycott Israel List, created pursuant to Section 215.4725, Florida Statutes, nor is the Vendor engaged in a boycott of Israel, nor was the Vendor on such List or engaged in such a boycott at the time it submitted its bid, proposal, quote, or other form of offer, as applicable, to the County with respect to this Agreement.

(II) Additionally, if the value of the goods or services acquired under this Agreement are greater than or equal to One Million Dollars (\$1,000,000), then the Vendor further certifies to the County as follows:

(a) the Vendor is not on the Scrutinized Companies with Activities in Sudan List, created pursuant to Section 215.473, Florida Statutes; and

(b) the Vendor is not on the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, created pursuant to Section 215.473, Florida Statutes; and

(c) the Vendor is not engaged in business operations (as that term is defined in Florida Statutes, Section 287.135) in Cuba or Syria; and

(d) the Vendor was not on any of the Lists referenced in this subsection A(ii), nor engaged in business operations in Cuba or Syria when it submitted its proposal to the County concerning the subject of this Agreement.

(iii) The Vendor hereby acknowledges that it is fully aware of the penalties that may be imposed upon the Vendor for submitting a false certification to the County regarding the foregoing matters.

B. Termination. In addition to any other termination rights stated herein, the County may immediately terminate this Agreement upon the occurrence of any of the following events:

(i) The Vendor is found to have submitted a false certification to the County with respect to any of the matters set forth in subsection A(i) above, or the Vendor is found to have been placed on the Scrutinized Companies that Boycott Israel List or is engaged in a boycott of Israel.

(ii) The Vendor is found to have submitted a false certification to the County with respect to any of the matters set forth in subsection A(ii) above, or the Vendor is found to have been placed on the Scrutinized Companies with Activities in Sudan List, or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or has been engaged in business operations in Cuba or Syria, and the value of the goods or services acquired under this Agreement are greater than or equal to One Million Dollars (\$1,000,000).

Proposers Incorporation Information (Submittal Page)

The following section should be completed by all bidders and submitted with their bid submittal:

Company Name: _____

DBA/Fictitious Name (if applicable): _____

TIN #: _____

Address: _____

City: _____

State: _____

Zip Code: _____

County: _____

Note: Company name must match legal name assigned to the TIN number. A current W9 should be submitted with your bid submittal.

Contact Person: _____

Phone Number: _____

Cell Phone Number: _____

Email Address: _____

Type of Organization (select one type)

- Sole Proprietorship
- Partnership
- Non-Profit
- Sub Chapter
- Joint Venture
- Corporation
- LLC
- LLP
- Publicly Traded
- Employee Owned

State of Incorporation: _____

The Successful vendor must complete and submit this form prior to award. The Successful vendor must invoice using the company name listed above.

Drug-Free Workplace Form

(Submittal Page)

The undersigned vendor in accordance with Florida Statue 287.087 hereby certifies that, (Name of the Business): _____ does:

1. Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violations of such prohibition.
2. Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation programs, employee assistance programs and the penalties that may be imposed upon employees for drug abuse violations.
3. Give each employee engaged in providing the commodities or contractual services that are under this RFP a copy of the statement specified in subsection (1).
4. In the statement specified in subsection (1), notify the employees that, as a condition of working on the commodities or contractual services that are under this RFP, the employee will abide by the terms of the statement and will notify the employer of any conviction of, plea of guilty or nolo contendere to, any violation of Chapter 1893 or of any controlled substance law of the United States or any state, for a violation occurring in the workplace no later than five (5) days after such conviction.
5. Impose a sanction on or require the satisfactory participation in a drug abuse assistance or rehabilitation program, if such is available in the employee's community, by any employee who is so convicted.
6. Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign the statement, I certify that this firm complies fully with the above requirements.

Vendor Signature: _____

Date: _____

EXHIBIT 1

DETAILED INSTRUCTIONS ON HOW TO PREPARE AND SEND PERFORMANCE SURVEYS

The objective of this process is to identify the past performance of the Consultant submitting a proposal package. This is accomplished by sending survey forms to past customers. The customers should return the forms directly to the Consultant. The Consultant is to include all surveys in their proposal package.

Sending the Survey

The surveys shall be sent to all clients for whom the Consultant has identified under Tab 2. Surveys should correlate to all engagements identified under Tab 2.

If more surveys are submitted, Procurement will only use those identified under Tab 2.

1. The Consultant shall complete the following information for each customer that a survey will be sent

CLIENT NAME	Name of the government that the work was performed for (i.e. Hillsborough County).
FIRST NAME	First name of the person who will answer customer satisfaction questions.
LAST NAME	Last name of the person who will answer customer satisfaction questions.
PHONE NUMBER	Current phone number for the reference (including area code).
EMAIL ADDRESS	Current email address for the reference.
PROJECT NAME	Name of the project (Annual Financial Auditing Services), Etc.
COST OF SERVICES	Cost of services (\$100,000)
DATE COMPLETE	Date when the services were completed. (i.e. 5/31/2022)

2. The Consultant is responsible for verifying that their information is accurate prior to submission for references.

3. The survey must contain different services/projects. You cannot have multiple people evaluating the same job. However, one person may evaluate several different jobs.

4. The past engagements can be either completed or on-going.

5. The client/owner identified under Tab 2 must evaluate and complete the survey.

Preparing the Surveys

1. The Consultant is responsible for sending out a performance survey to the clients that have been identified under Tab 2. The survey can be found on the next page.
2. The Consultant should enter the past clients' contact information, and project information on each survey form for each reference. The Consultant should also enter their name as the Consultant being surveyed.
3. The Consultant is responsible for ensuring all references surveys are included in their submittal under Tab 5
4. Polk County Procurement may contact the reference for additional information or to clarify survey data. If the reference cannot be contacted, there will be no credit given for that reference.

Survey Questionnaire – Polk County
RFP 24-402, Annual Financial Auditing Services

To: _____ (Name of Person completing survey)

_____ (Name of Client Company/Consultant)

Phone Number: _____ Email: _____

Total Annual Budget of Entity _____

Subject: Past Performance Survey of Similar work:

Engagement name: _____

Name of Proposer being surveyed: _____

Cost of Services: Original Cost: _____ Ending Cost: _____

Engagement Start Date: _____ Engagement End Date: _____

Rate each of the criteria on a scale of 1 to 10, with 10 representing that you were very satisfied (and would hire the Consultant /individual again) and 1 representing that you were very unsatisfied (and would never hire the Consultant /individual again). Please rate each of the criteria to the best of your knowledge. If you do not have sufficient knowledge of past performance in a particular area, leave it blank.

NO	CRITERIA	UNIT	SCORE
1	Performed services for the agreed upon fee	(1-10)	
2	Maintained project schedule (completed on time/early)	(1-10)	
3	Allocated sufficient resources to the engagement having the expertise required to effectively perform the audit	(1-10)	
4	Provided sufficient involvement of engagement partner/senior personnel in the audit process	(1-10)	
5	Provided sufficient personnel/specialists for technical consultation/guidance regarding new accounting standards, GASB statements, etc.	(1-10)	
6	Communicated significant issues, critical accounting policies and new developments on a timely basis	(1-10)	
7	Communicated progress of the audit as appropriate	(1-10)	
8	Maintained open lines of communication with the client	(1-10)	
9	Demonstrated a high degree of integrity	(1-10)	
10	Used technology as appropriate to review data	(1-10)	
11	Maintained an effective working relationship with internal audit	(1-10)	
12	Resolved accounting issues in a timely manner	(1-10)	
13	Provided a sufficient quality control review of ACFR	(1-10)	

Printed Name of Evaluator _____

Signature of Evaluator: _____

Please fax or email the completed survey to: _____

EXHIBIT 2

COST SHEET

(Please place behind Tab 4, Cost)

ENTITY	COST
Polk County , a political subdivision of the State of Florida	\$
Polk County, Clerk of the Circuit Courts	\$
Polk County Property Appraisers	\$
Polk County Sheriff's Office	\$
Polk County Supervisor of Elections	\$
Grand Total	\$

AFFIDAVIT CERTIFICATION IMMIGRATION LAWS

SOLICITATION NO.: RFP 24-402, Annual Financial Auditing Services

POLK COUNTY WILL NOT INTENTIONALLY AWARD COUNTY CONTRACTS TO ANY CONSULTANT WHO KNOWINGLY EMPLOYS UNAUTHORIZED ALIEN WORKERS, CONSTITUTING A VIOLATION OF THE EMPLOYMENT PROVISIONS CONTAINED IN 8 U.S.C. SECTION 1324 a(e) {SECTION 274A(e) OF THE IMMIGRATION AND NATIONALITY ACT (“INA”).

POLK COUNTY MAY CONSIDER THE EMPLOYMENT BY ANY CONSULTANT OF UNAUTHORIZED ALIENS A VIOLATION OF SECTION 274A(e) OF THE INA. **SUCH VIOLATION BY THE RECIPIENT OF THE EMPLOYMENT PROVISIONS CONTAINED IN SECTION 274A(e) OF THE INA SHALL BE GROUNDS FOR UNILATERAL CANCELLATION OF THE CONTRACT BY POLK COUNTY.**

PROPOSER ATTESTS THAT THEY ARE FULLY COMPLIANT WITH ALL APPLICABLE IMMIGRATION LAWS (SPECIFICALLY TO THE 1986 IMMIGRATION ACT AND SUBSEQUENT AMENDMENTS).

Company Name: _____

Signature: _____

Title: _____

Date: _____

State of: _____

County of: _____

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this ____ day of _____, 2024, by _____ (*name*) as _____ (*title of officer*) of _____ (*entity name*), on behalf of the company, who is personally known to me or has produced _____ as identification.

Notary Public Signature: _____

Printed Name of Notary Public: _____

Notary Commission Number and Expiration: _____

(AFFIX NOTARY SEAL)

EMPLOYMENT ELIGIBILITY VERIFICATION (E-VERIFY) CERTIFICATION

(Florida Statutes, Section 448.095)

PROJECT NAME: _____

The undersigned, as an authorized officer of the contractor identified below (the “**Contractor**”), having full knowledge of the statements contained herein, hereby certifies to Polk County, a political subdivision of the State of Florida (the “**County**”), by and on behalf of the Contractor in accordance with the requirements of Section 448.095, Florida Statutes, as related to the contract entered into by and between the Contractor and the County on or about the date hereof, whereby the Contractor will provide labor, supplies, or services to the County in exchange for salary, wages, or other remuneration (the “**Contract**”), as follows:

1. Unless otherwise defined herein, terms used in this Certification which are defined in Section 448.095, Florida Statutes, as may be amended from time to time, shall have the meaning ascribed in said statute.

2. Pursuant to Section 448.095(5), Florida Statutes, the Contractor, and any subcontractor under the Contract, must register with and use the E-Verify system to verify the work authorization status of all new employees of the Contractor or subcontractor. The Contractor acknowledges and agrees that (i) the County and the Contractor may not enter into the Contract, and the Contractor may not enter into any subcontracts thereunder, unless each party to the Contract, and each party to any subcontracts thereunder, registers with and uses the E-Verify system; and (ii) use of the U.S. Department of Homeland Security’s E-Verify System and compliance with all other terms of this Certification and Section 448.095, Fla. Stat., is an express condition of the Contract, and the County may treat a failure to comply as a material breach of the Contract.

3. By entering into the Contract, the Contractor becomes obligated to comply with the provisions of Section 448.095, Fla. Stat., "Employment Eligibility," as amended from time to time. This includes but is not limited to utilization of the E-Verify System to verify the work authorization status of all newly hired employees, and requiring all subcontractors to provide an affidavit attesting that the subcontractor does not employ, contract with, or subcontract with, an unauthorized alien. The Contractor shall maintain a copy of such affidavit for the duration of the Contract. Failure to comply will lead to termination of the Contract, or if a subcontractor knowingly violates the statute or Section 448.09(1), Fla. Stat., the subcontract must be terminated immediately. If the Contract is terminated pursuant to Section 448.095, Fla. Stat., such termination is not a breach of contract and may not be considered as such. Any challenge to termination under this provision must be filed in the Tenth Judicial Circuit Court of Florida no later than 20 calendar days after the date of termination. If the Contract is terminated for a violation of Section 448.095, Fla. Stat., by the Contractor, the Contractor may not be awarded a public contract for a period of 1 year after the date of termination. The Contractor shall be liable for any additional costs incurred by the County as a result of the termination of the Contract. Nothing in this Certification shall be construed to allow intentional discrimination of any class protected by law.

Executed this _____ day of _____, 2024.

ATTEST:

CONTRACTOR:

By: _____

By: _____

PRINTED NAME: _____

PRINTED NAME: _____

Its: _____

Its: _____

Attachment "A"

POLK COUNTY, FLORIDA
Fiscal Year Ended September 30, 2023

ANNUAL COMPREHENSIVE FINANCIAL REPORT



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



POLK COUNTY, FLORIDA

**ANNUAL COMPREHENSIVE FINANCIAL REPORT
YEAR ENDED SEPTEMBER 30, 2023**

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

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March 29, 2024

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

We are pleased to present the Annual Comprehensive Financial Report (ACFR) of Polk County, Florida for the fiscal year ended September 30, 2023. The financial activities of the Board of County Commissioners (Board) and the Constitutional Officers, as well as the Harden/Parkway and Eloise Community Redevelopment Agencies, which are blended component units, are included in the Annual Report.

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

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

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

The County's financial statements were audited by CliftonLarsonAllen, LLP. The audit was performed to provide reasonable assurance that the financial statements for the fiscal year ended September 30, 2023, are free from material misstatement. The independent auditors concluded there was a reasonable basis for rendering an unmodified opinion that the County's financial statements for the fiscal year ended September 30, 2023, are fairly presented in conformity with generally accepted accounting principles (GAAP). The Independent Auditors' Report is located at the front of the Financial Section of this report on page B-1. The independent auditors' reports related specifically to Government Auditing Standards and the single audit are included in the Compliance Section.

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

A-1

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

COUNTY PROFILE

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

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

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

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

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

Polk County is the geographical center of the State of Florida. With over 2,000 square miles of land and water, Polk County is the fourth largest county in the State and the ninth most populous county with an estimated population of 797,616 persons. In the 10 years between the 2010 and 2020 censuses, Polk County’s population increased by over 122,000. The County is comprised of seventeen municipalities, of which the cities of Lakeland, Winter Haven, Haines City, and Bartow are the largest. Polk County has numerous institutions of higher education including technical schools, community colleges, and public and private universities. Each of these institutions contribute to the development of a robust talent pipeline.

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

LOCAL ECONOMY

According to data released by the U.S. Census Bureau in 2023, not only is Polk County the fastest-growing county in Florida and the fifth fastest-growing in the nation overall, but Polk County also topped every county in the country for net domestic migration, with over 26,000 people moving from other parts of the country to Polk County. The population growth brought significant increases in revenues from taxes and other state shared revenues when compared to the previous year. As more people moved to and visited Polk County in 2023, sales taxes increased by 4.5%, fuel taxes increased by 4.0%, and other taxes, which includes tourism taxes, increased by 7.5%. Revenue from property taxes increased by 13.9%.

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

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

The largest employers in the County by industry are trade, transportation, and utilities (20.0%), professional and business services (18.7%), financial activities (15.7%), construction (11.4%), and education and health services (10.5%). Polk County's unemployment rate at the end of FY 2023 was 3.8% compared to 3.2% in FY 2022 and was higher than the statewide average of 3.0%.

LONG-TERM FINANCIAL PLANNING

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

RELEVANT FINANCIAL POLICIES

Fund Balance Policy

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

Community Investment Program Policy

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

INITIATIVES

Previously, input received from residents helped to establish seven result areas that captured what residents expect from government. These result areas continue to help guide the budget process as the County focuses on providing the desired services for residents. In addition, the Polk County Board of County Commissioners holds an annual retreat to discuss major issues and gives direction on key strategic items. The Board has maintained a consistent, long-standing conservative fiscal policy of maintaining millage rates and allowing recovering property values and new growth to gradually increase investments in public safety, infrastructure projects, and improved quality of life for residents. For FY 22/23, the adopted Countywide operating millage rate is 6.6920 mills.

With the passage of the American Rescue Plan Act (ARPA) – a \$1.9 trillion national economic stimulus package – in 2021, the County was awarded a total of \$140.8 million to support post-COVID-19 response efforts, replace lost revenues, and address necessary infrastructure investments. The planning process began with the establishment of broad categories of expenditure plans including Government Infrastructure, General County Impacts and Mitigation, and Small Business Assistance/Community and Public Health. Board guidance focused heavily on infrastructure, with 88.0% of the entire allocation going towards eligible projects.

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

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

In FY 22/23, Healthy Families Polk provided 6,281 home visits to over 500 families throughout Polk County. In addition, Healthy Families offered a six-week certificate parenting course in Winter Haven, Lake Alfred, and Lakeland.

The County approved numerous rehabilitation homeowner assistance agreements and worked with local agencies to provide ongoing primary care and dental services to eligible low-income residents.

Veterans Services officers assisted almost 9,500 clients during FY 22/23. To meet the veteran community's needs, veterans and their families were seen at four locations across the County: Bartow, Lake Wales, Davenport, and the newest location in Lake Alfred. Veterans Services has been working closely with the James Haley Veterans Affairs (VA) hospital and a local congressman to obtain an office in the soon-to-open Lakeland VA Clinic.

The County also continued its investments in behavioral health programs and navigation services to work with residents who experience mental health or substance use disorder issues.

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

The County has focused on attracting businesses by offering specialized incentives to help companies with growth. This provided quality job opportunities and expanded the tax base to support schools, public safety, and other important programs. To assist with this process and to aid in future economic prosperity for the County, three strategic initiatives have been identified. The first is to expand the local ecosystem for technology-enabled employment in Polk County including Health Sciences, Advanced Manufacturing, Autonomous Vehicles, and Aviation and Aerospace. The second is to elevate Polk County's competitiveness within the state and nation for innovation and research. The third is to advance Polk County's water, road, and high-speed rail infrastructure to meet the evolving needs of businesses and residents. FY 22/23 Economic Development efforts resulted in the following job creation and investment results:

- Capital Investment: \$429,000,000
- Total Jobs (New & Retained): 483
- Total New Square Footage: 961,000
- Average Annual Wage of Projects: \$60,429
- Total New Projected Annual Payroll: \$29,187,207

As FY 22/23 closed, Polk County's tourism industry celebrated another record-breaking year of accommodations revenue, which was 9% above the prior record-setting year. More than 300 sporting events led the way, but Polk County Tourism and Sports Marketing (PCTSM) also realized promising results from a new culinary initiative, along with staff's aggressive and successful recruiting of several meetings and conventions. Partnerships and cobranding with professional sports teams such as the Detroit Tigers and Columbus Blue Jackets also produced impressive results. PCTSM's quiet, albeit effective supply-side efforts have also laid the groundwork for future tourism growth in Polk County. Successes in this area include a new championship ski lake at Lake Myrtle, the current expansion of the Bartow Softball Complex and Chain of Lakes Baseball Complex, the recruiting of the American Powerboat Association's headquarters to Polk County, 1,200 new hotel rooms, and a new airline (Avelo) are all on the horizon.

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

Additional property tax revenue received from the Parks MSTU continued to assist in the funding needed to support the master plan ideas identified in the strategic plan such as replacing and repurposing existing park facilities.

The County worked with the Polk Museum of Art, a nationally accredited art museum, by providing funding to renovate and expand the museum to showcase art from across time and cultures.

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

The County continued to provide recurring funding for building asset management to ensure that County facilities can be maintained. The Board approved funding for \$3.5 million in FY 23/24 to go towards a prioritized list of building asset management projects that will help prolong the useful life of the buildings. The Board also allocated over \$2.7 million in funding for subsequent years until 2028. Continued funding of this program will allow the County to complete large capital asset replacements while using the operating budget for planned repairs, preventative maintenance, and small projects. Successful projects for FY 22/23 include the South County Jail boiler replacement, food storage interior insulation replacement, sewer grinder replacement, Central County Jail roof replacement, air handler replacement, boiler replacement, cooling tower fill replacement, Sheriff Central District Command exterior painting and gutter replacement, Sheriff Operations Center HVAC controls upgrade, Administration Building second floor carpet replacement, and Bartow Tax Collector carpet replacement. Supply chain and workforce issues will continue to impact the way the County does business for the foreseeable future. Workload and service methods continue to be examined and adjusted as new information becomes available and based on the available resources at the time.

The Polk County Procurement Division continued to leverage technology to its full potential. Continued use of Zoom/Microsoft Teams to facilitate meetings with County staff and vendors has reduced drive time and increased productivity Countywide. This leverage of technology has been pivotal in meeting strategic objectives of adding value to the procurement process while increasing open communications. What used to take a week can now be resolved in a quick Zoom meeting in which documents can be shared and explained. Divisions spend less time responding to emails and driving to meetings, resulting in more time being spent on operations.

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

Waste and Recycling partnered with the University of Florida to develop and build a constructed wetland leachate treatment system vertically integrating Polk County and thereby providing an environmentally safe treatment solution reducing the need for subcontracted service providers to manage landfill byproduct leachate.

Waste and Recycling is currently constructing a landfill gas to renewable natural gas plant to manage landfill gas in an environmentally safe alternative use in lieu of destroying this landfill byproduct through flaring.

The Board established a Stormwater Technical Advisory Committee to assist in managing the permit requirements of the National Pollutant Discharge Elimination System program. The revenue generated each year, in conjunction with various partnerships across the County, will assist in addressing water quality in surface waterways.

State and Federal agencies have recognized the immediate shortfall in resiliency planning. Grant funding has become available for local governments to assist with resiliency planning and associated infrastructures.

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

The County continued to fund pavement management, drainage/culverts, and sidewalks in the amount of \$22.97 million annually, which helps maintain the 2,530 miles of roads and right-of-way. The County also continued to execute several high-priority capacity CIP projects on its work list including County Road 557 widening (\$160.51 million), Pipkin Road widening (\$55.63 million), Marigold Avenue widening (\$56.01 million), Lake Wilson Road widening (\$38.20 million), and Thompson Nursery Road Phases I and II (\$223.00 million).

Single family residences permitted in FY 22/23 totaled around 3,200, which represents a 37% decrease in comparison with FY 21/22.

The Utilities Division faced many challenges including dwindling potable water supplies, regulatory initiatives designed to reverse environmental harm to water bodies from the migration of nutrients, and stricter treatment requirements for both water and wastewater related to emerging contaminants of concern. These pressures in addition to continued growth are driving new or expanded initiatives and programs within the Utilities Division. Furthermore, the Utilities Division continues to tap technology advancements to improve workflow within the division as well as meeting customer expectations of availability of information and convenience related to services.

Utility initiatives included the development of alternative water supplies, expanding and increasing the level of treatment at several wastewater treatment facilities, and inclusion of septic-to-sewer conversion projects aimed at protecting the environment. Technology advancements include a new customer information system designed to provide a 24/7 user-friendly customer experience related to their account and information exchange and the continuing development of a comprehensive asset management program designed to improve workflow, budgeting, and preventative maintenance efforts of the division.

Through external and internal funding agreements between the Polk County Cooperative Extension Services (BoCC), City of Lakeland (\$20,000), City of Haines City (\$10,000), and the Polk County Parks and Natural Resources Division (\$10,000), funding was supplied for the Florida-Friendly Landscaping™ educator and program. Residents learned how they could reduce pollutants to local lakes and ponds from stormwater runoff. Educational events included rain barrel classes, yard fertilizing, landscaping for water conservation, and pollinator gardening. Partner cities and Polk County used data from these classes for the National Pollutant Discharge Elimination System (NPDES) annual stormwater discharge permit reports.

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

Effective FY 22/23, the Board approved a 5% indexing of the Fire Assessment rate which equated to a \$13 increase to residential properties. The additional funding provided the replacement of outdated equipment such as thermal imaging camera and radiation meters. The funding also allowed for much-needed improvements to some of the older stations. Several new Polk County Fire Rescue stations are slated to be opened soon. These new facilities will be state-of-the-art facilities which will have many new cancer prevention safeguards to protect responders. Polk County Fire Rescue also expanded the Hazmat team with dive team equipment and replacement of UTV to support multiple events within Polk County.

The Emergency Medical Millage of 0.2500 continued to provide critically needed investments for emergency medical services as the population and number of 9-1-1 medical calls continued to increase. This funding source continues to provide funding for a portion of the eight new stations

throughout Polk County and continues to provide additional rescues and staff for heavy volume areas within the County.


Code Enforcement is a valuable community resource, working to ensure Polk County is aesthetically pleasing and a clean and safe place to live, work, and play. As a community partner, the Code Enforcement Division addressed many nuisance property complaints, unsafe housing, unpermitted construction, and land development regulatory enforcement. The Division assisted with removal of private property blight, demolition of dilapidated housing, disposition of excessive bulk waste, and removal of illegal dump sites while addressing a variety of code violations. Partnerships with organizations such as Keep Polk County Beautiful, the Polk County Sheriff's Office Environmental Crimes Unit, the Florida Department of Environmental Protection, and other County and state affiliates allows Code Enforcement to keep Polk County an attractive place to live and visit. Technology advancements, safety, continuous training, and recruiting and retaining the most qualified staff remained a top priority throughout the fiscal year, as the Division strove to provide quality service.

AWARDS AND ACKNOWLEDGEMENTS


The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Polk County, Florida, for its annual comprehensive financial report for the fiscal year ended September 30, 2022. This was the 43rd consecutive year that the government has achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate. An Annual Report of this nature could not have been prepared without the dedicated efforts of all staff members concerned. We would like to thank the entire staff of the Comptroller Division of the Clerk of the Circuit Court and County Comptroller of Polk County for their invaluable assistance in the preparation of this report. We would also like to thank the Board of County Commissioners and their staff, and the other Constitutional Officers for their personal interest and dedicated support in planning and conducting the financial operations of the County in a responsible and progressive manner. We would also like to recognize our auditors, CliftonLarsonAllen, LLP, for their continuing support in helping us achieve the Certificate of Achievement for Excellence in Financial Reporting.

Sincerely,



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



Dee Dee Beaver, CPA, CGFO
Director, Comptroller Division



Government Finance Officers Association

Certificate of
Achievement
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**Polk County
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2022

Christopher P. Morill

Executive Director/CEO

**POLK COUNTY, FLORIDA
PRINCIPAL OFFICIALS
SEPTEMBER 30, 2023**

BOARD OF COUNTY COMMISSIONERS

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

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Vice Chair
Member
Member
Member

CLERK OF THE CIRCUIT COURT

Stacy M. Butterfield

PROPERTY APPRAISER

Marsha Faux

SHERIFF

Grady Judd

SUPERVISOR OF ELECTIONS

Lori Edwards

TAX COLLECTOR

Joe G. Tedder

COUNTY MANAGER

Bill Beasley



INDEPENDENT AUDITORS' REPORT

Board of County Commissioners
Polk County Board of County Commissioners Polk County, Florida
Bartow, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Polk County, Florida (the County), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the County, as of September 30, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and each major fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter – Change in Accounting Principle

As discussed in Note 1 to the financial statements, effective October 1, 2022, the County adopted new accounting guidance for Subscription-Based Information Technology Arrangements. The guidance requires a government to recognize a right-to-use subscription asset and a corresponding subscription liability for all subscriptions with subscription terms greater than twelve months. Our opinions are not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, and the schedule of changes to the County's total OPEB liability and related ratios, schedules of the County's proportionate share of the net pension liability and of its contributions – pension plans on pages C-1 to C-16 and F-1 to F-9 be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and the schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.550, *Local Governmental Entity Audits*, Rules of the Auditor General of the State of Florida, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the supplementary information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section, statistical schedules, and other supplemental schedules listed in the table of contents but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Board of County Commissioners
Polk County, Florida

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2024, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Lakeland, Florida
March 29, 2024

**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2023**

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

FINANCIAL HIGHLIGHTS

- Total net position at the end of the fiscal year was \$4,250.2 million compared to \$4,069.0 million in 2022, an increase of \$181.2 million, with \$145.1 million related to governmental activities and \$36.1 million to business-type activities.
- Total assets were \$5,653.9 million, an increase of \$312.6 million, with increases of \$271.1 million in governmental activities and \$41.5 million in business-type activities.
- Total liabilities were \$1,439.3 million, an increase of \$90.7 million, with increases of \$88.9 million in governmental activities and \$1.8 million in business-type activities.
- Polk County's combined ending fund balance for governmental funds was \$793.2 million, an increase of \$123.3 million over the prior year ending fund balance, with \$429.8 million of the fund balance restricted and \$134.6 million unassigned in the various governmental fund types of the County.
- At the end of the current fiscal year, the fund balance for the general fund was \$142.6 million, an increase of \$8.7 million over the prior year fund balance. Of this amount, \$134.9 million was unassigned and \$5.1 million was restricted.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

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

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

**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2023**

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

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

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

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

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

**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2023**

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

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

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

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

**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2023**

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following schedule provides a summary of assets, liabilities, deferred outflows and inflows of resources, and net position of the County for fiscal years 2023 and 2022:

**Net Position
September 30, 2023 and 2022
(In Millions)**

	Governmental Activities		Business-Type Activities		Total	
	2023	2022	2023	2022	2023	2022
Current and Other Assets	\$ 1,241.1	\$ 1,038.6	\$ 330.0	\$ 326.0	\$ 1,571.1	\$ 1,364.6
Capital Assets	3,311.0	3,242.4	771.8	734.3	4,082.8	3,976.7
Total Assets	4,552.1	4,281.0	1,101.8	1,060.3	5,653.9	5,341.3
Deferred outflows of resources	125.3	134.5	13.0	14.4	138.3	148.9
Other Liabilities	362.4	293.7	26.1	21.6	388.5	315.3
Noncurrent Liabilities	817.0	796.8	233.8	236.5	1,050.8	1,033.3
Total Liabilities	1,179.4	1,090.5	259.9	258.1	1,439.3	1,348.6
Deferred inflows of resources	96.4	68.5	6.3	4.1	102.7	72.6
Net Investment in Capital Assets	3,187.6	3,124.8	618.3	585.9	3,805.9	3,710.7
Restricted	439.6	392.2	1.0	1.0	440.6	393.2
Unrestricted	(225.6)	(260.5)	229.3	225.6	3.7	(34.9)
Total Net Position	\$ 3,401.6	\$ 3,256.5	\$ 848.6	\$ 812.5	\$ 4,250.2	\$ 4,069.0

* The County implemented GASB Statement No. 96 in fiscal year 2023.

Polk County's net investment in capital assets, such as land, roads, parks, buildings, machinery and equipment as a percentage of net position was 89.5 percent in 2023 and 91.2 percent in 2022. These asset values are presented less any outstanding debt related to the acquisition and including accumulated depreciation of those assets. The County uses capital assets to provide services to the citizens. Consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, the capital assets cannot be used to liquidate that liability and, therefore, other resources will be needed to repay any associated debt.

The County's unrestricted net position increased \$38.6 million and restricted net position increased by \$47.4 million in 2023. Unrestricted net position represents County resources that may be used for any purpose while restricted net position represents resources that are constrained for a particular purpose.

**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2023**

The schedule below provides a summary of the changes in net position for fiscal years 2023 and 2022.

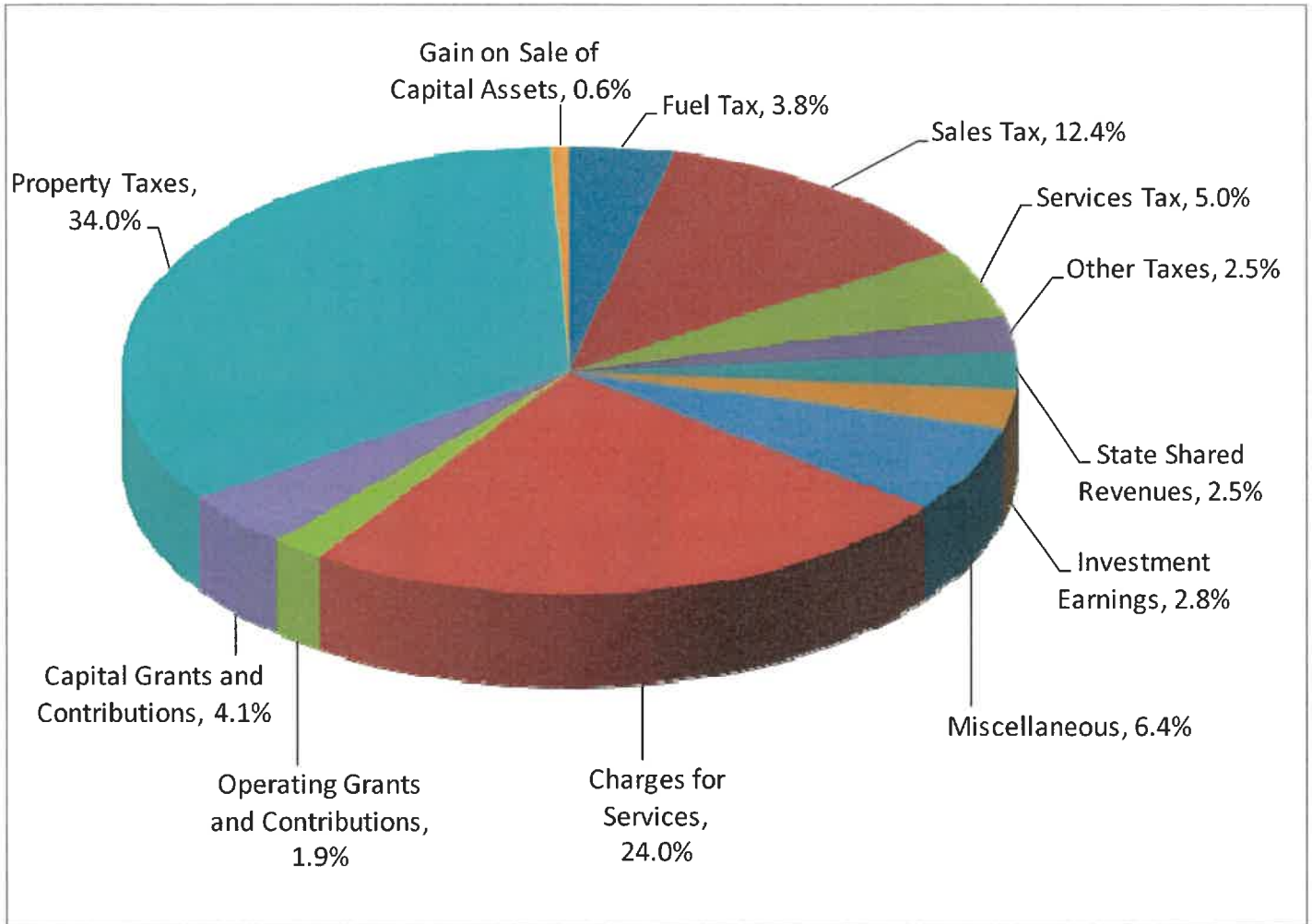
**Change in Net Position
Years Ended September 30, 2023 and 2022
(In Millions)**

	Governmental Activities		Business-Type Activities		Total Government	
	2023	2022	2023	2022	2023	2022
REVENUES						
Program Revenues:						
Charges for Services	\$ 253.5	\$ 213.7	\$ 170.1	\$ 173.9	\$ 423.6	\$ 387.6
Operating Grants and Contributions	19.5	12.0	-	-	19.5	12.0
Capital Grants and Contributions	42.6	35.4	20.6	17.8	63.2	53.2
General Revenues:						
Property Taxes	358.2	314.5	-	-	358.2	314.5
Fuel Tax	40.1	38.5	-	-	40.1	38.5
Sales Tax	130.7	125.1	-	-	130.7	125.1
Services Tax	52.2	53.7	-	-	52.2	53.7
Other Taxes	26.1	24.3	-	-	26.1	24.3
State Shared Revenues	25.8	24.1	-	-	25.8	24.1
Investment Earnings	29.7	11.2	8.8	3.8	38.5	15.0
Net Change in Fair Value of Investments	1.9	(75.8)	0.6	(26.1)	2.5	(101.9)
Gain on Sale of Capital Assets	6.1	1.5	-	-	6.1	1.5
Miscellaneous	67.4	44.9	3.6	2.6	71.0	47.5
Total Revenues	<u>1,053.8</u>	<u>823.1</u>	<u>203.7</u>	<u>172.0</u>	<u>1,257.5</u>	<u>995.1</u>
EXPENSES						
General Government	215.6	140.0	-	-	215.6	140.0
Public Safety	434.3	378.9	-	-	434.3	378.9
Physical Environment	5.0	9.1	-	-	5.0	9.1
Transportation	131.8	123.0	-	-	131.8	123.0
Economic Environment	26.7	24.8	-	-	26.7	24.8
Human Services	73.4	56.4	-	-	73.4	56.4
Culture/Recreation	20.9	24.1	-	-	20.9	24.1
Interest on Long-Term Debt	4.0	4.4	-	-	4.0	4.4
Water and Sewer	-	-	89.5	74.0	89.5	74.0
Garbage Collection/Disposal	-	-	71.7	36.8	71.7	36.8
Rohr Nursing Home	-	-	3.4	3.5	3.4	3.5
Total Expenses	<u>911.7</u>	<u>760.7</u>	<u>164.6</u>	<u>114.3</u>	<u>1,076.3</u>	<u>875.0</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES	<u>142.1</u>	<u>62.4</u>	<u>39.1</u>	<u>57.7</u>	<u>181.2</u>	<u>120.1</u>
Transfers In/Transfers (Out)	<u>3.0</u>	<u>7.0</u>	<u>(3.0)</u>	<u>(7.0)</u>	<u>-</u>	<u>-</u>
CHANGE IN NET POSITION	<u>145.1</u>	<u>69.4</u>	<u>36.1</u>	<u>50.7</u>	<u>181.2</u>	<u>120.1</u>
Net Position - Beginning of Year	<u>3,256.5</u>	<u>3,187.1</u>	<u>812.5</u>	<u>761.8</u>	<u>4,069.0</u>	<u>3,948.9</u>
NET POSITION - END OF YEAR	<u>\$ 3,401.6</u>	<u>\$ 3,256.5</u>	<u>\$ 848.6</u>	<u>\$ 812.5</u>	<u>\$ 4,250.2</u>	<u>\$ 4,069.0</u>

**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2023**

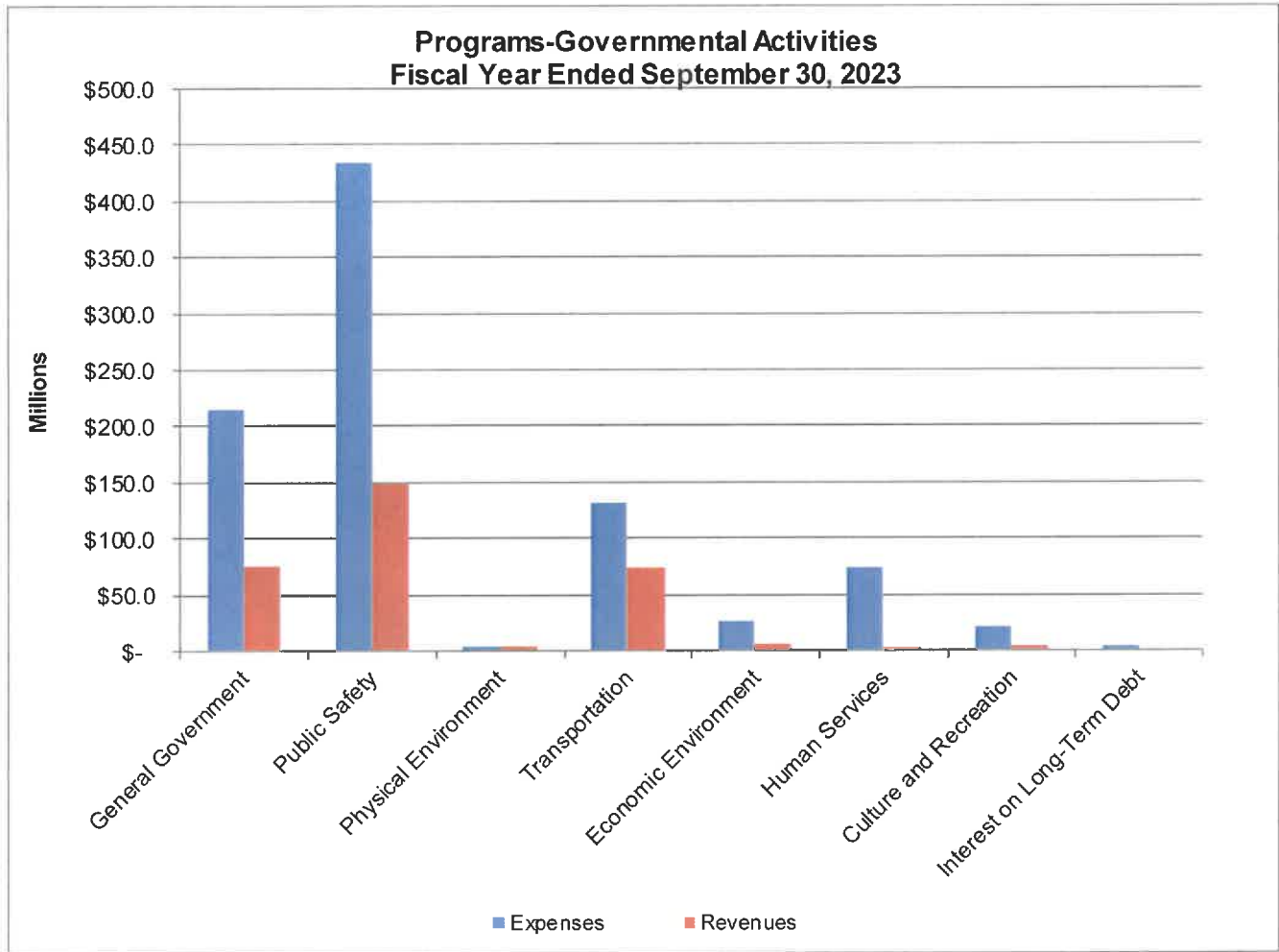
The following chart depicts revenues of the governmental activities for the fiscal year, excluding transfers and net change in fair value of investments.

**Revenues-Governmental Activities
Fiscal Year Ended September 30, 2023**



**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2023**

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



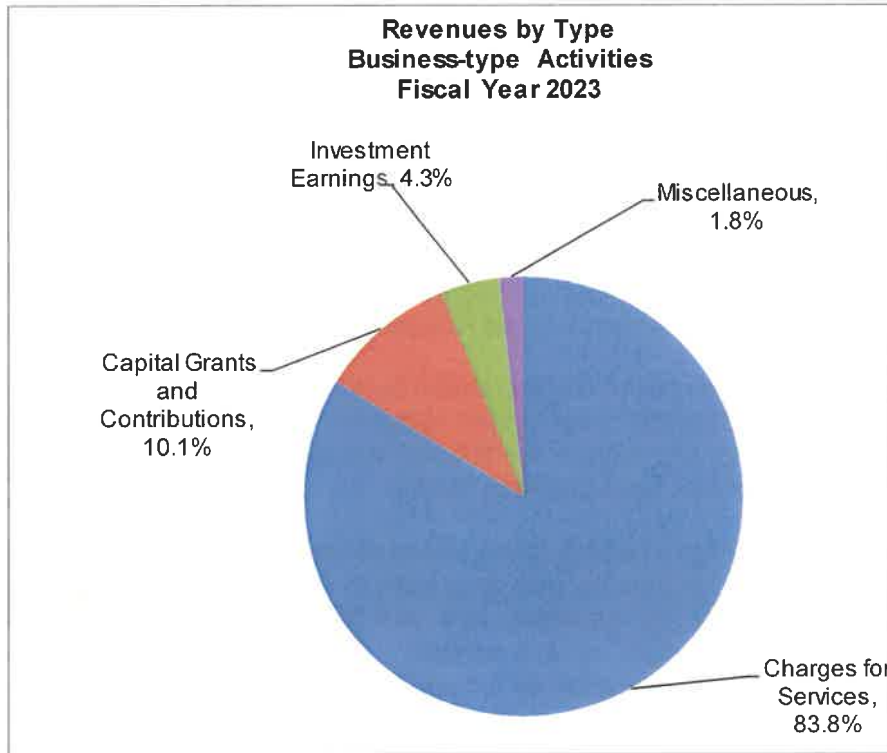
**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2023**

Governmental activities. Governmental activities resulted in a \$145.1 million increase in net position as the result of current fiscal year activities.

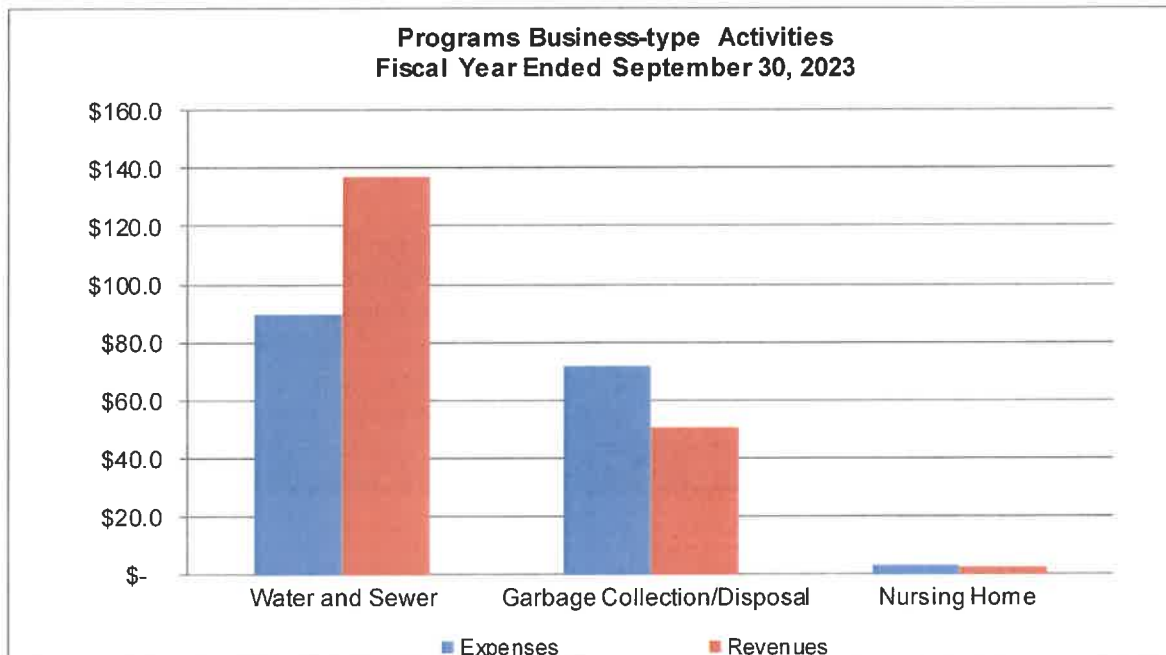
- Overall, revenues related to governmental activities increased by \$230.7 million or 28.0 percent.
- Charges for services increased by \$39.8 million or 18.6 percent primarily from an increase of \$3.8 million related to fire rescue assessments and other special assessments as well as \$15.3 million in increases from ambulance fees and revenues from Medicaid managed care organizations that were established to address Medicaid payment inadequacies routinely faced by local governments.
- Operating grants and contributions increased by \$7.5 million or 62.5 percent mainly because of an increase in the Coronavirus Local Recovery Funds revenue that were recognized.
- Capital grants and contributions increased by \$7.2 million or 20.3 percent primarily due to a \$2.8 million increase in capital contributions related to donated roads, right-of-ways, and other assets and \$3.0 million for the Kissimmee River Protection land purchase grant. The remainder of the increase was primarily transportation related.
- General revenues from various taxes increased overall in FY 2023. Property taxes increased by \$43.7 million or 13.9 percent due to growth in local real estate market values. The County's taxable property values increased approximately 17.7 percent in 2023. Sales tax revenues increased by \$5.6 million, or 4.5 percent. Other taxes, which is mainly tourist development taxes, increased by \$1.8 million or 7.4 percent.
- The reversal from a reduction to an increase in the fair value of investments had a significant impact on the results of governmental activities. The net change in the fair value of investments was an increase of \$1.9 million compared to a reduction of \$75.8 million in 2022 and investment earnings increased \$18.5 million or 165.2 percent primarily due to improving interest rates and the value of marketable investments.
- Miscellaneous revenues increased \$22.5 million compared to a \$4.8 million increase in 2022. The County continues to manage its ongoing growth and development with new/improved infrastructure, contributed capital assets and donations and other capital-related items. These, along with revenues related to employee health insurance, were major contributors to the FY 2023 increase.
- In total, expenses for governmental activities increased by \$151.0 million or 19.9 percent, led primarily by increases in public safety, general government expenses and human services. Public safety expenses increased by \$55.4 million or 14.6 percent primarily due to increases in personnel expenses such as other post-employment benefits (OPEB), the addition of new staff, and the expansion in services required by the County's rapid growth. General government expenses increased \$75.6 million or 54.0 percent primarily due to increases in personnel expenses and operating and maintenance expenses. Human services expenses increased by \$17.0 million or 30.1 percent due primarily to increases in expenditures related to the provision of indigent healthcare.
- The net pension liability for governmental activities increased by \$59.7 million. This increase is attributed to the recording of the County's proportionate share of net pension liabilities for its various defined benefit retirement plans for County employees as determined by the plan's actuaries.

**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2023**

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



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



**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2023**

Business-type activities. Business-type activities resulted in a \$36.1 million increase in net position for the fiscal year.

- Overall, revenues for business-type activities increased by \$31.7 million or 18.4 percent.
- Charges for services decreased \$3.8 million or 2.2 percent. There was an overall decrease of \$2.4 million in Water and Sewer. The decrease is largely due to a reduction in connection fee collections by \$12.8 million offset by an increase of \$10.3 million in water and sewer revenue. Garbage Collection/Disposal decreased by \$0.6 million or 1.2 percent due to decrease in assessment collections of \$2.1 million offset by an increase in landfill fees of \$1.4 million due to an increase in activity with 63,172 more tons of garbage collected in 2023, while the Rohr Nursing Home had a decrease of \$0.8 million.
- The net change in the fair value of investments was an increase of \$0.6 million in 2023 compared to a reduction of \$26.1 million in 2022, while investment earnings increased by \$5.0 million or 131.6 percent primarily as a result of market conditions and improved interest rates.
- In total, expenses for business-type activities increased \$50.3 million or 44.0 percent in 2023. Garbage Collection/Disposal operations increased by \$34.9 million mainly due to debris removal after Hurricane Ian. Utilities operations increased by \$15.5 million largely due to the new advanced metering infrastructure, the new computerized maintenance system, and the rise in cost of materials associated with maintaining utility systems.

**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2023**

FINANCIAL ANALYSIS OF FUNDS

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

Governmental Funds

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

As of September 30, 2023, Polk County governmental funds reported combined fund balance of \$793.2 million compared to \$669.9 million in 2022. These fund balances reflect increases of \$123.3 million and \$49.7 million for 2023 and 2022, respectively. Approximately 17.0 percent of the 2023 fund balance (\$134.6 million) represents unassigned fund balance, which is available for spending at the County's discretion. The remainder of the fund balances are either not in a spendable form (\$2.7 million) or are restricted (\$429.8 million), committed (\$121.6 million), or assigned (\$104.6 million) for particular purposes, reflecting constraints that have been placed upon those resources for future use.

**Major Fund Information
(In Millions)**

	General	Impact Fees	Coronavirus Relief
<u>Fiscal Year 2023:</u>			
Revenues	\$ 504.4	\$ 38.1	\$ 12.9
Expenditures	(435.1)	(19.3)	(12.9)
Other Financing Sources (Uses)	(60.6)	(1.5)	-
Net Change in Fund Balances	<u>\$ 8.7</u>	<u>\$ 17.3</u>	<u>\$ -</u>
<u>Fiscal Year 2022:</u>			
Revenues	\$ 418.0	\$ 32.7	\$ 5.8
Expenditures	(398.2)	(20.3)	(5.3)
Other Financing Sources (Uses)	(25.5)	(1.5)	(0.5)
Net Change in Fund Balances	<u>\$ (5.7)</u>	<u>\$ 10.9</u>	<u>\$ -</u>

The General Fund is the main operating fund of the County. The fund balance for the General Fund increased by \$8.7 million in 2023. Total revenues increased \$86.4 million or 20.7 percent due to significant increases in taxes, intergovernmental revenue, charges for services, interest income and the net change in the fair value of investments.

Taxes increased by \$28.6 million or 10.0 percent primarily due to an increase in ad valorem taxes of \$30.1 million resulting from increases in property values offset by a \$2.3 million or 5.1 percent decrease in public service taxes. Intergovernmental revenues increased by \$10.4 million or 15.4 percent with a \$1.8 million increase in sales taxes or 3.7 percent and a \$7.6 million or 51.8 percent increase in state shared revenue. Interest income increased by \$5.0 million or 139.4 percent while the net change in the fair value of investments was an increase of \$0.6 million compared to a reduction of \$27.8 million in the previous year because of increases in interest rates and other favorable market conditions.

**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2023**

Total expenditures increased \$36.9 million or 9.3 percent with the most significant increases in public safety expenditures, which increased by \$21.2 million or 8.2 percent, as a result of an increase in emergency medical costs as well as increases in salaries and benefits needed to maintain competitive pay and appropriate staffing and general government expenditures, which increased \$13.0 million or 10.3 percent. When combined, these charges, along with total other financing uses of \$60.6 million in 2023, compared to total other financing uses of \$25.5 million in 2022, resulted in fund balance increasing to \$142.6 million in 2023 compared to \$133.9 million in 2022.

Impact fees are charged to new developments to offset the cost of infrastructure needed for additional facilities and services necessitated by the County's robust growth. The County is still in the second phase of its implementation of a new impact fee schedule which increased impact fees collected beginning in 2021. Impact fee revenues increased by \$5.3 million while total expenditures decreased by \$1.0 million. The fund balance for the Impact Fees Fund increased by \$17.3 million, driven primarily by increases in interest income and the positive net change in the fair value of investments in 2023. The entire fund balance of the Impact Fees Fund is restricted for future use.

Polk County received funding from the U.S. Department of Treasury in 2020 under the Coronavirus Aid, Relief and Economic Security (CARES) Act and the Coronavirus Relief Fund was established to account for all activities related to money received for coronavirus relief. The revenues and expenditures recognized in FY23 increased by \$7.0 million with the expenditures split between general government, public safety, and physical environment expenditures.

Proprietary Funds

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

Enterprise Funds

On September 30, 2023, total net position was \$851.2 million for enterprise funds compared to \$815.8 million in 2022.

The Utilities Fund had operating income of \$33.9 million in 2023 compared to \$52.2 million in 2022. Operating revenues decreased by \$1.2 million due to an increase of \$10.3 million attributable to customer growth offset by a \$12.7 million decrease in connection fee collections. Operating expenses increased by \$17.1 million primarily due to an increase of \$11.1 million in operations and maintenance. In 2023, the Utilities division implemented a new customer information system and computerized maintenance management systems to replace their previous systems. The rising cost of maintaining equipment, purchasing operating supplies, hiring outside electricians, and meter replacements all contributed to the increase in operating expenses. Personnel services increased due to salary increases, the addition of new staff and adjustments to other post-employment benefits.

The Waste and Recycling Fund had an operating loss for 2023 of \$20.6 million compared to an operating income of \$15.3 million in 2022. Operating expenses increased primarily due to debris removal expenses after Hurricane Ian. Personnel services increased due to salary increases, addition of new staff and adjustments to other post-employment benefits.

Operations of the Rohr Nursing Home (a nonmajor enterprise fund) resulted in an operating loss of \$0.7 million in 2023 compared to an operating loss of \$0.09 million in 2022 due to decreases in operating revenue of \$0.8 million and a slight increase in operating expenses.

**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2023**

Internal Service Funds

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

The Fleet Fund operations resulted in an operating income in 2023 of \$2.1 million compared to \$3.1 million in 2022 due to higher increases in operating expenses versus the overall increase in operating revenues. Both personnel service expenses and operations and maintenance expenses saw increases of \$0.5 million each while depreciation and amortization expenses increased by approximately \$0.8 million.

The Employee Health Insurance Fund operating income for 2023 was \$7.0 million compared to an operating income of \$5.4 million in 2022. Charges for services and other revenues overall increased by \$4.6 million due primarily to increases in insurance premiums that were implemented to offset projected increases in claims and an increase in pharmacy rebates that resulted from higher prescription drug utilization and increased prescription drug prices. Healthcare Program expenses increased \$2.4 million in 2023. The County continues to review insurance needs as well as cost containment.

The Information Technology Fund had an operating income of \$1.7 million in 2023 compared to an operating loss of \$0.4 million in 2022 primarily due to a \$2.2 million increase in charges for services while overall operating expenses remained about the same in 2023.

**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2023**

GENERAL FUND BUDGETARY HIGHLIGHTS

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

The actual net change in the fund balance of the General Fund compared to the final budget was a positive variance of \$68.1 million. General Fund revenues were \$44.9 million more than the final budget amounts. The most significant areas of revenue overages were in the areas of taxes, licenses and permits, intergovernmental, and charges for services. Furthermore, actual expenditures in the General Fund functional areas were \$22.8 million less than the final budget. Unspent appropriations represent 5.0 percent of the total expenditure budget.

CAPITAL ASSETS ACTIVITY

At year end, the County had \$4,082.8 million (net of accumulated depreciation) invested in a variety of capital assets as reflected in the following schedule. The net increase in capital assets in 2023 resulting from additions, deletions, and depreciation/amortization was \$96.6 million. For more detailed information regarding capital asset activity see Note 6 in the Notes to Financial Statements.

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

	Governmental Activities		Business-Type Activities		Total	
	2023	2022 *	2023	2022 *	2023	2022 *
Land and Right-of-Way	\$ 1,008.2	\$ 970.9	\$ 19.9	\$ 19.5	\$ 1,028.1	\$ 990.4
Infrastructure	1,811.0	1,858.4	3.7	-	1,814.7	1,858.4
Building and Improvements	241.6	214.8	639.8	622.3	881.4	837.1
Equipment	89.9	79.1	5.9	5.0	95.8	84.1
Right-to-Use Buildings	9.1	7.2	-	-	9.1	7.2
Right-to-Use Equipment	-	1.1	-	-	-	1.1
Intangibles	11.4	5.4	3.2	2.8	14.6	8.2
SBITA	15.3	9.6	-	-	15.3	9.6
Construction in Progress	124.5	105.5	99.3	84.7	223.8	190.2
Total	<u>\$ 3,311.0</u>	<u>\$ 3,252.0</u>	<u>\$ 771.8</u>	<u>\$ 734.3</u>	<u>\$ 4,082.8</u>	<u>\$ 3,986.3</u>

* Fiscal Year 2022 balances are restated due to implementation of GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITA).

**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2023**

DEBT MANAGEMENT

At September 30, 2023, the County had \$404.0 million in long-term liabilities (bonds, notes, etc.) outstanding compared to \$417.6 million last year. For additional details see Note 11 in the Notes to Financial Statements.

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

	Governmental Activities		Business-Type Activities		Total	
	2023	2022 *	2023	2022 *	2023	2022 *
Bonds Payable	\$ 56.3	\$ 59.5	\$ 158.4	\$ 164.2	\$ 214.7	\$ 223.7
Notes Payable	63.7	72.3	-	-	63.7	72.3
Interlocal Agreements	28.6	30.5	1.5	1.7	30.1	32.2
Closure and Long-Term Care	-	-	41.4	39.5	41.4	39.5
Lease Liability	9.5	8.6	-	-	9.5	8.6
SBITA Liability	12.4	10.1	-	-	12.4	10.1
Compensated Absences	19.2	18.2	1.1	1.0	20.3	19.2
Self-Insurance Liability	11.9	11.5	-	-	11.9	11.5
Other Long-Term Liabilities	-	-	-	0.5	-	0.5
Total	\$ 201.6	\$ 210.7	\$ 202.4	\$ 206.9	\$ 404.0	\$ 417.6

* Fiscal Year 2022 balances are restated due to implementation of GASB Statement No. 96, Subscription-Based Information Technology Arrangements (SBITA).

Bonds payable, notes payables and interlocal agreements overall decreased \$19.7 million due to principal payments. All of Polk County's bonded debt represents bonds secured solely by specified revenue sources. The most significant increase in long-term liabilities resulted from the implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements (SBITA)*.

**POLK COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2023**

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- According to the U.S Bureau of Labor Statistics, the unemployment rate for Polk County in September 2023 was 3.8 percent compared to 3.2 percent in September 2022. In contrast, the statewide and national rates in September 2023 were 3.0 percent and 3.6 percent, respectively.
- Service demands are growing as the County continues to urbanize. Florida's Office of Economic and Demographic Research reported Polk County's 2023 estimated population as 797,616 with forecasts suggesting the County will be home to an estimated 888,362 by 2030 and 993,874 by 2040. Polk County provides many services for its citizens, including fire suppression and ambulance services; building and maintaining parks, roads, sidewalks and trails; garbage and recycling collection; and water/wastewater utilities. The County's population growth will play a major role in determining next year's budgets and rates.
- Countywide budgeted property values increased 15.86 percent in FY 2024 as compared to 17.75 percent in FY 2023. Polk County has experienced eleven consecutive years of robust property value increases and remains cautiously optimistic that this can be sustained in the second year of the biennial budget. Projections for the FY 2025 budget slow this valuation growth down to 7.5 percent. Over the past few years, the County has developed a strategic business plan that provides the framework to guide a long-term plan and to help with making difficult decisions for the future.
- The adopted total countywide operating millage rate decreased to 6.6852 mills in the FY 2024 adopted budget, with the General Fund operating millage decreasing to 5.0352 mills. Revenue from millage in this budget includes the fifth year of levies for emergency medical services and millage for transportation. More information can be found by accessing the County's website at www.polk-county.net and selecting "Government," then "Budget and Management Services."

REQUESTS FOR INFORMATION

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

**POLK COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2023**

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Investments	\$ 1,150,214,599	\$ 259,676,233	\$ 1,409,890,832
Cash with Fiscal Agent	700,000	-	700,000
Restricted Cash and Investments	-	50,753,932	50,753,932
Accounts Receivable - Net	31,978,789	15,939,988	47,918,777
Interest Receivable	2,410,759	564,973	2,975,732
Lease Receivable	6,827,665	-	6,827,665
Due from Other Governments	42,349,303	453,442	42,802,745
Internal Balances	3,626,711	(3,626,711)	-
Inventory	1,328,713	5,813,860	7,142,573
Other Assets	1,708,938	409,428	2,118,366
Capital Assets Not Being Depreciated/Amortized	1,137,259,922	122,330,777	1,259,590,699
Capital Assets Net of Accumulated Depreciation/Amortization	2,173,715,550	649,500,750	2,823,216,300
Total Assets	<u>4,552,120,949</u>	<u>1,101,816,672</u>	<u>5,653,937,621</u>
DEFERRED OUTFLOWS OF RESOURCES			
Deferred Amounts on Pension	98,305,353	3,994,254	102,299,607
Deferred Amounts on OPEB	25,028,309	1,626,933	26,655,242
Deferred Charges on Debt Refundings	1,937,681	7,388,237	9,325,918
Total Deferred Outflows of Resources	<u>\$ 125,271,343</u>	<u>\$ 13,009,424</u>	<u>\$ 138,280,767</u>

See accompanying Notes to Financial Statements.

POLK COUNTY, FLORIDA
STATEMENT OF NET POSITION (CONTINUED)
SEPTEMBER 30, 2023

	Governmental Activities	Business-Type Activities	Total
LIABILITIES			
Vouchers Payable	\$ 46,005,424	\$ 14,987,922	\$ 60,993,346
Accrued Liabilities	28,110,766	2,691,367	30,802,133
Accrued Interest Payable	1,244,466	-	1,244,466
Customer Deposits and Other Liabilities			
Payable from Restricted Assets	-	8,429,787	8,429,787
Other Deposits	6,637,435	-	6,637,435
Due to Other Governments	128,248,093	55,064	128,303,157
Unearned Revenue	146,373,331	-	146,373,331
Claims Payable	5,750,000	-	5,750,000
Noncurrent Liabilities:			
Due within One Year			
Bonds Payable, Net	3,286,634	5,974,860	9,261,494
Lease Liability	1,579,901	34,901	1,614,802
SBITA Liability	4,689,883	-	4,689,883
Interlocal Agreements	2,038,959	201,217	2,240,176
Notes Payable	8,832,478	-	8,832,478
Compensated Absences	9,392,015	1,056,379	10,448,394
Self-Insurance Liability	5,150,000	-	5,150,000
Total OPEB Liability	8,106,377	559,571	8,665,948
Due in More than One Year			
Net Pension Liability	461,557,782	20,730,074	482,287,856
Closure and Long-Term Care	-	41,346,237	41,346,237
Other Liabilities	-	85,479	85,479
Bonds Payable, Net	52,982,970	152,419,073	205,402,043
Lease Liability	7,895,834	11,081	7,906,915
SBITA Liability	7,697,883	-	7,697,883
Interlocal Agreements	26,521,796	1,293,820	27,815,616
Notes Payable	54,853,542	-	54,853,542
Compensated Absences	9,858,957	-	9,858,957
Self-Insurance Liability	6,800,000	-	6,800,000
Total OPEB Liability	145,759,448	10,061,547	155,820,995
Total Liabilities	<u>1,179,373,974</u>	<u>259,938,379</u>	<u>1,439,312,353</u>
DEFERRED INFLOWS OF RESOURCES			
Deferred Amounts on Pension	23,451,106	1,201,268	24,652,374
Deferred Amounts on OPEB	69,351,447	4,786,822	74,138,269
Leases	801,155	-	801,155
Taxes Received in Advance	2,769,871	347,577	3,117,448
Total Deferred Inflows of Resources	<u>96,373,579</u>	<u>6,335,667</u>	<u>102,709,246</u>
NET POSITION			
Net Investment in Capital Assets	3,187,627,404	618,304,327	3,805,931,731
Restricted for:			
Court Fund and Records Modernization	6,827,164	-	6,827,164
Grants, Federal Elections	11,406,167	-	11,406,167
Public Safety	40,184,204	-	40,184,204
Physical Environment	11,884,618	-	11,884,618
Transportation	102,175,674	-	102,175,674
Economic Environment	18,640,302	-	18,640,302
Human Services	90,572,014	-	90,572,014
Culture and Recreation	22,016,157	-	22,016,157
Debt Service	5,361,825	-	5,361,825
Capital Projects	121,491,358	-	121,491,358
Renewal, Replacement, and Improvements	-	1,000,000	1,000,000
Restricted for Other Purposes	9,018,517	-	9,018,517
Unrestricted	<u>(225,560,665)</u>	<u>229,247,723</u>	<u>3,687,058</u>
Total Net Position	<u>\$ 3,401,644,739</u>	<u>\$ 848,552,050</u>	<u>\$ 4,250,196,789</u>

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2023**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$ 215,577,955	\$ 64,520,660	\$ 4,507,215	\$ 3,074,452
Public Safety	434,234,689	148,833,584	2,486,036	669,431
Physical Environment	5,028,552	785,934	3,903,480	123,711
Transportation	131,815,167	33,057,200	2,167,297	38,722,722
Economic Environment	26,735,124	247,851	5,165,024	-
Human Services	73,404,530	1,830,605	930,720	31,765
Culture and Recreation	20,898,429	4,237,032	365,967	-
Debt Service:				
Interest on Long-Term Debt	4,011,489	-	-	-
Total Governmental Activities	911,705,935	253,512,866	19,525,739	42,622,081
Business-Type Activities:				
Water and Sewer	89,495,651	116,659,653	-	20,605,145
Garbage Collection/Disposal	71,706,394	50,802,329	-	-
Rohr Nursing Home	3,359,591	2,624,954	-	-
Total Business-Type Activities	164,561,636	170,086,936	-	20,605,145
Total Primary Government	\$ 1,076,267,571	\$ 423,599,802	\$ 19,525,739	\$ 63,227,226

GENERAL REVENUES

Taxes:

- Property Taxes
- Fuel Taxes
- Sales Tax
- Services Taxes
- Other Taxes

State Shared Revenues, Unrestricted

Investment Earnings

Net Change in Fair Value of Investments

Gain on Sale of Capital Assets

Miscellaneous

TRANSFERS

Total General Revenues and Transfers

CHANGE IN NET POSITION

Net Position - Beginning of Year

NET POSITION - END OF YEAR

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
STATEMENT OF ACTIVITIES (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023**

Net (Expense) Revenue and Changes in Net Position

<u>Governmental Activities</u>	<u>Business-Type Activities</u>	<u>Total</u>
\$ (143,475,628)	\$ -	\$ (143,475,628)
(282,245,638)	-	(282,245,638)
(215,427)	-	(215,427)
(57,867,948)	-	(57,867,948)
(21,322,249)	-	(21,322,249)
(70,611,440)	-	(70,611,440)
(16,295,430)	-	(16,295,430)
<u>(4,011,489)</u>	<u>-</u>	<u>(4,011,489)</u>
(596,045,249)	-	(596,045,249)
-	47,769,147	47,769,147
-	(20,904,065)	(20,904,065)
-	(734,637)	(734,637)
<u>-</u>	<u>26,130,445</u>	<u>26,130,445</u>
(596,045,249)	26,130,445	(569,914,804)
358,229,192	-	358,229,192
40,081,029	-	40,081,029
130,647,436	-	130,647,436
52,183,746	-	52,183,746
26,121,857	-	26,121,857
25,828,288	-	25,828,288
29,724,224	8,785,432	38,509,656
1,903,148	572,652	2,475,800
6,100,448	-	6,100,448
67,368,424	3,569,750	70,938,174
<u>3,001,285</u>	<u>(3,001,285)</u>	<u>-</u>
<u>741,189,077</u>	<u>9,926,549</u>	<u>751,115,626</u>
145,143,828	36,056,994	181,200,822
<u>3,256,500,911</u>	<u>812,495,056</u>	<u>4,068,995,967</u>
<u>\$ 3,401,644,739</u>	<u>\$ 848,552,050</u>	<u>\$ 4,250,196,789</u>

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
GOVERNMENTAL FUNDS
BALANCE SHEET
SEPTEMBER 30, 2023**

	General	Coronavirus Relief	Impact Fees	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Investments	\$ 280,899,318	\$ 122,467,319	\$ 123,018,477	\$ 558,738,744	\$ 1,085,123,858
Cash with Fiscal Agent	200,000	-	-	500,000	700,000
Accounts Receivable	28,133,098	9,750	94,789	1,960,982	30,198,619
Interest Receivable	789,381	-	265,137	1,219,534	2,274,052
Lease Receivable	6,149,167	-	-	678,498	6,827,665
Due from Other Governments	5,532,178	-	1,958,135	34,858,990	42,349,303
Due from Other Funds	1,397,728	-	-	2,984,599	4,382,327
Inventory, at Cost	744,327	-	-	-	744,327
Other Assets	1,254,235	-	-	266,473	1,520,708
Total Assets	\$ 325,099,432	\$ 122,477,069	\$ 125,336,538	\$ 601,207,820	\$ 1,174,120,859
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES					
LIABILITIES					
Vouchers Payable	\$ 13,285,496	\$ 1,384,367	\$ 1,965,133	\$ 26,105,094	\$ 42,740,090
Accrued Liabilities	16,657,289	-	1,740,408	9,168,396	27,566,093
Customer Deposits	1,327,532	-	-	5,309,903	6,637,435
Due to Other Governments	125,476,785	-	-	2,771,308	128,248,093
Due to Other Funds	5,977,454	4,865	-	60,036	6,042,355
Unearned Revenue	422,164	121,087,837	139,639	26,621,783	148,271,423
Total Liabilities	163,146,720	122,477,069	3,845,180	70,036,520	359,505,489
DEFERRED INFLOWS OF RESOURCES					
Taxes Received in Advance	1,510,548	-	-	1,259,323	2,769,871
Leases	-	-	-	801,155	801,155
Unavailable Revenue	17,834,852	-	-	-	17,834,852
Total Deferred Inflows of Resources	19,345,400	-	-	2,060,478	21,405,878
FUND BALANCES					
Nonspendable	2,435,516	-	-	250,047	2,685,563
Restricted	5,127,650	-	121,491,358	303,150,743	429,769,751
Committed	115,571	-	-	121,513,339	121,628,910
Assigned	-	-	-	104,550,332	104,550,332
Unassigned	134,928,575	-	-	(353,639)	134,574,936
Total Fund Balances	142,607,312	-	121,491,358	529,110,822	793,209,492
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 325,099,432	\$ 122,477,069	\$ 125,336,538	\$ 601,207,820	\$ 1,174,120,859

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
GOVERNMENTAL FUNDS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2023**

Total Fund Balances - Total Governmental Funds		\$ 793,209,492
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Nondepreciable/Amortizable Capital Assets	\$ 1,137,259,922	
Depreciable Capital Assets	<u>2,173,715,550</u>	3,310,975,472
Unavailable Revenues are not financial resources in the current period and, therefore, are reported as deferred inflows.		
		17,834,852
Other long-term assets are not available to pay for current period expenditures and, therefore, are expensed in future periods. This item includes unamortized bond insurance.		
		2,274,053
Deferred Charges on Debt Refundings		
		1,937,681
Long-term liabilities, including bonds payable, leases, and accrued compensated absences are not due and payable in the current period and, therefore, are not reported in the funds.		
Bonds Payable, Net of Premiums (Amortized as Interest Expense)	(56,269,604)	
Notes Payable	(63,686,020)	
Interlocal Agreements	(28,560,755)	
Self-Insurance Liability	(11,950,000)	
Lease Liability	(9,475,735)	
SBITA Liability	(7,239,585)	
Compensated Absences	<u>(19,250,972)</u>	(196,432,671)
Net Pension Liability and Related Deferred Outflows and Inflows of Resources.		
		(386,703,535)
Total OPEB Liability and Related Deferred Outflows and Inflows of Resources.		
		(198,188,963)
Accrued general long-term debt interest expenses are not financial uses and, therefore, are not reported in the funds and other liabilities.		
		(1,244,466)
Internal service funds are used by management to charge the costs of certain activities, such as employee health insurance, information technology support and fleet management to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. Internal service fund net position, net of amounts for capital assets, net other post employment benefits obligation (OPEB), net pension liability and related amounts, and accrued compensated absences which are listed below:		
Internal Service Net Position	87,701,543	
Internal Service Capital Assets	(45,636,159)	
Internal Service Pension Liability and Related Deferred Outflows and Inflows	7,909,959	
Internal Service OPEB Liability and Related Deferred Outflows and Inflows	4,878,181	
Internal Service Accrued Compensated Absences	<u>484,028</u>	55,337,552
Adjustment to reflect the consolidation of internal service fund activities related to enterprise funds.		
		<u>2,645,272</u>
Net Position of Governmental Activities		
		<u><u>\$ 3,401,644,739</u></u>

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
YEAR ENDED SEPTEMBER 30, 2023**

	General	Coronavirus Relief	Impact Fees	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 314,253,324	\$ -	\$ -	\$ 226,706,515	\$ 540,959,839
Licenses and Permits	7,932,940	-	-	10,944,899	18,877,839
Intergovernmental	78,300,868	12,861,011	-	52,836,469	143,998,348
Charges for Services	85,441,746	-	-	47,275,813	132,717,559
Fines and Forfeitures	2,422,232	-	-	7,167,718	9,589,950
Special Assessments	875,283	-	34,854,996	60,889,845	96,620,124
Interest Income	8,527,712	-	3,000,696	16,034,298	27,562,706
Net Change in Fair Value of Investments	639,670	-	209,310	946,247	1,795,227
Miscellaneous Revenue	6,044,132	-	-	9,739,966	15,784,098
Total Revenues	<u>504,437,907</u>	<u>12,861,011</u>	<u>38,065,002</u>	<u>432,541,770</u>	<u>987,905,690</u>
EXPENDITURES					
Current:					
General Government	137,874,277	5,650,041	-	60,236,613	203,760,931
Public Safety	278,540,323	2,767,620	368,120	88,239,831	369,915,894
Physical Environment	4,685,284	4,443,350	-	7,089,696	16,218,330
Transportation	2,971,159	-	18,202,719	105,441,044	126,614,922
Economic Environment	1,915,859	-	-	26,269,209	28,185,068
Human Services	4,743,300	-	-	67,124,065	71,867,365
Culture and Recreation	36,652	-	614,951	23,385,050	24,036,653
Debt Service:					
Principal Retirement	3,649,276	-	120,740	14,791,983	18,561,999
Interest and Fiscal Charges	733,637	-	561	5,083,482	5,817,680
Capital Projects	-	-	-	20,550,825	20,550,825
Total Expenditures	<u>435,149,767</u>	<u>12,861,011</u>	<u>19,307,091</u>	<u>418,211,798</u>	<u>885,529,667</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	69,288,140	-	18,757,911	14,329,972	102,376,023
OTHER FINANCING SOURCES (USES)					
Transfers In	13,137,388	-	110,772	99,757,086	113,005,246
Transfers Out	(82,840,691)	-	(1,559,577)	(21,898,163)	(106,298,431)
Proceeds from the Sale of Capital Assets	2,620,470	-	-	4,300,000	6,920,470
Issuance of Lease Liability	2,837,957	-	-	287,446	3,125,403
Issuance of SBITA Liability	3,691,337	-	-	520,439	4,211,776
Total Other Financing Sources (Uses)	<u>(60,553,539)</u>	<u>-</u>	<u>(1,448,805)</u>	<u>82,966,808</u>	<u>20,964,464</u>
NET CHANGE IN FUND BALANCES	8,734,601	-	17,309,106	97,296,780	123,340,487
Fund Balances - Beginning of Year	133,872,711	-	104,182,252	431,814,042	669,869,005
FUND BALANCES - END OF YEAR	<u>\$ 142,607,312</u>	<u>\$ -</u>	<u>\$ 121,491,358</u>	<u>\$ 529,110,822</u>	<u>\$ 793,209,492</u>

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
GOVERNMENTAL FUNDS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2023**

Net Change in Fund Balances - Total Governmental Funds \$ 123,340,487

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

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

Reduction in Capital Expenditures (excluding internal service)	\$ (32,006,758)	
Donated Capital Assets	(30,224,265)	
Net Book Value of Disposed Capital Assets (excluding internal service)	4,464,973	
Net Transfer In (Out) of Capital Assets Between Governmental and Enterprise	(1,258,544)	
Depreciation Expense (excluding internal service)	108,152,415	49,127,821

The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.

Amortization of Bond Premium/Discount	256,634	
Principal Payments - Notes Payable	8,633,883	
Principal Payments - Bonds Payable	2,915,000	
Principal Payments - Leases	2,273,223	
Principal Payments - SBITAs	2,959,443	
Leases	(3,125,403)	
SBITAs	(4,211,776)	
Principal Payments - Interlocal Agreements	1,976,842	11,677,846

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

Compensated Absences	(1,002,907)	
Self-Insurance Liability	(490,000)	
Interest Expense	97,587	
Pension Expense	(60,332,107)	
OPEB Expense	7,353,698	(54,373,729)

Governmental funds record unavailable ambulance receivables, other assets and unavailable accrued interest receivable as deferred inflows. However, on the government-wide financial statements these are recorded as revenue. (1,606,665)

Internal service funds are used by management to charge the costs of insurance, information technology support and fleet management to individual funds. The net revenue of certain activities of internal service funds is reported with governmental activities. 16,978,068

Change in Net Position of Governmental Activities \$ 145,143,828

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 306,472,436	\$ 306,472,436	\$ 314,253,324	\$ 7,780,888
Licenses and Permits	929,367	929,367	7,932,940	7,003,573
Intergovernmental	59,038,829	60,284,606	78,300,868	18,016,262
Charges for Services	56,047,938	71,517,998	85,441,746	13,923,748
Fines and Forfeitures	1,358,136	4,475,396	2,422,232	(2,053,164)
Special Assessments	3,053,496	803,496	875,283	71,787
Interest Income	3,105,365	3,795,365	8,527,712	4,732,347
Net Change in Fair Value of Investments	-	-	639,670	639,670
Miscellaneous Revenue	7,550,946	11,308,047	6,044,132	(5,263,915)
Total Revenues	<u>437,556,513</u>	<u>459,586,711</u>	<u>504,437,907</u>	<u>44,851,196</u>
EXPENDITURES				
Current:				
General Government	144,663,320	144,681,599	137,874,277	6,807,322
Public Safety	263,953,466	291,809,079	278,540,323	13,268,756
Physical Environment	5,996,595	7,183,891	4,685,284	2,498,607
Transportation	3,040,635	3,040,635	2,971,159	69,476
Economic Environment	1,924,869	2,008,423	1,915,859	92,564
Human Services	6,460,669	6,452,689	4,743,300	1,709,389
Culture and Recreation	203,775	203,775	36,652	167,123
Debt Service:				
Principal Retirement	-	2,056,410	3,649,276	(1,592,866)
Interest and Fiscal Charges	-	488,805	733,637	(244,832)
Total Expenditures	<u>426,243,329</u>	<u>457,925,306</u>	<u>435,149,767</u>	<u>22,775,539</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	11,313,184	1,661,405	69,288,140	67,626,735
OTHER FINANCING SOURCES (USES)				
Transfers In	13,098,362	12,804,759	13,137,388	332,629
Transfers Out	(85,803,168)	(85,803,168)	(82,840,691)	2,962,477
Proceeds from the Sale of Capital Assets	-	2,620,611	2,620,470	(141)
Issuance of Lease Liability	-	4,991,565	2,837,957	(2,153,608)
Issuance of SBITA Liability	-	4,338,283	3,691,337	(646,946)
Total Other Financing Sources (Uses)	<u>(72,704,806)</u>	<u>(61,047,950)</u>	<u>(60,553,539)</u>	<u>494,411</u>
NET CHANGE IN FUND BALANCE	(61,391,622)	(59,386,545)	8,734,601	68,121,146
Fund Balance - Beginning of Year	<u>133,872,711</u>	<u>133,872,711</u>	<u>133,872,711</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 72,481,089</u>	<u>\$ 74,486,166</u>	<u>\$ 142,607,312</u>	<u>\$ 68,121,146</u>

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
CORONAVIRUS RELIEF FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 12,861,011	\$ 12,861,011
Interest Income	629,105	629,105	-	(629,105)
Total Revenues	<u>629,105</u>	<u>629,105</u>	<u>12,861,011</u>	<u>12,231,906</u>
EXPENDITURES				
Current:				
General Government	(98,707,683)	(98,707,683)	5,650,041	(104,357,724)
Public Safety	66,674,642	66,674,642	2,767,620	63,907,022
Physical Environment	58,482,206	58,482,206	4,443,350	54,038,856
Total Expenditures	<u>26,449,165</u>	<u>26,449,165</u>	<u>12,861,011</u>	<u>13,588,154</u>
NET CHANGE IN FUND BALANCE	(25,820,060)	(25,820,060)	-	25,820,060
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ (25,820,060)</u></u>	<u><u>\$ (25,820,060)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 25,820,060</u></u>

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
IMPACT FEES FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Special Assessments	\$ 36,344,942	\$ 36,344,942	\$ 34,854,996	\$ (1,489,946)
Interest Income	843,500	843,500	3,000,696	2,157,196
Net Change in Fair Value of Investments	-	-	209,310	209,310
Total Revenues	<u>37,188,442</u>	<u>37,188,442</u>	<u>38,065,002</u>	<u>876,560</u>
EXPENDITURES				
Current:				
Public Safety	4,530,997	5,591,997	368,120	5,223,877
Transportation	42,297,067	42,811,105	18,202,719	24,608,386
Culture and Recreation	2,701,369	3,577,349	614,951	2,962,398
Debt Service:				
Principal Retirement	-	115,838	120,740	(4,902)
Interest and Fiscal Charges	-	30,214	561	29,653
Total Expenditures	<u>49,529,433</u>	<u>52,126,503</u>	<u>19,307,091</u>	<u>32,819,412</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(12,340,991)	(14,938,061)	18,757,911	33,695,972
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	110,772	110,772
Transfers Out	(1,559,577)	(1,559,577)	(1,559,577)	-
Total Other Financing Sources (Uses)	<u>(1,559,577)</u>	<u>(1,559,577)</u>	<u>(1,448,805)</u>	<u>110,772</u>
NET CHANGE IN FUND BALANCE	(13,900,568)	(16,497,638)	17,309,106	33,806,744
Fund Balance - Beginning of Year	<u>104,182,252</u>	<u>104,182,252</u>	<u>104,182,252</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 90,281,684</u>	<u>\$ 87,684,614</u>	<u>\$ 121,491,358</u>	<u>\$ 33,806,744</u>

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
PROPRIETARY FUNDS
STATEMENT OF FUND NET POSITION
SEPTEMBER 30, 2023**

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Utilities	Waste and Recycling	Rohr Nursing Home (Nonmajor Fund)	Total	
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES					
CURRENT ASSETS					
Cash and Investments	\$ 136,963,326	\$ 122,712,907	\$ -	\$ 259,676,233	\$ 65,090,741
Restricted Cash and Investments	8,082,672	347,115	-	8,429,787	-
Accounts Receivable	21,501,000	2,387,953	32,786	23,921,739	1,780,170
Allowance for Uncollectible Accounts	(7,916,208)	-	(65,543)	(7,981,751)	-
Interest Receivable	324,817	240,156	-	564,973	136,707
Due from Other Funds	1,988	349,400	-	351,388	2,641,467
Due from Other Governments	237,086	-	216,356	453,442	-
Inventory	5,813,860	-	-	5,813,860	584,386
Other Assets	409,428	-	-	409,428	188,230
Total Current Assets	<u>165,417,969</u>	<u>126,037,531</u>	<u>183,599</u>	<u>291,639,099</u>	<u>70,421,701</u>
NONCURRENT ASSETS					
Restricted Cash and Investments	977,908	41,346,237	-	42,324,145	-
Capital Assets:					
Land and Easements	15,965,092	7,008,301	56,410	23,029,803	-
Buildings and Improvements	866,177,268	82,721,363	4,081,170	952,979,801	9,041,631
Equipment	5,380,728	13,079,580	253,856	18,714,164	113,820,102
Infrastructure	-	3,814,537	-	3,814,537	-
Intangible Assets	6,816,970	464,000	-	7,280,970	7,148,498
Right-to-Use Equipment	66,709	47,912	-	114,621	-
SBITAs	-	-	-	-	8,666,127
Construction in Progress	63,552,871	35,748,103	-	99,300,974	-
Less: Accumulated Depreciation/Amortization	(249,150,581)	(81,523,072)	(2,729,690)	(333,403,343)	(93,040,199)
Total Capital Assets (Net of Accumulated Depreciation/Amortization)	<u>708,809,057</u>	<u>61,360,724</u>	<u>1,661,746</u>	<u>771,831,527</u>	<u>45,636,159</u>
Total Noncurrent Assets	<u>709,786,965</u>	<u>102,706,961</u>	<u>1,661,746</u>	<u>814,155,672</u>	<u>45,636,159</u>
Total Assets	<u>875,204,934</u>	<u>228,744,492</u>	<u>1,845,345</u>	<u>1,105,794,771</u>	<u>116,057,860</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred Amounts on Pension	2,975,988	691,793	326,473	3,994,254	1,770,694
Deferred Amounts on OPEB	1,287,072	221,565	118,296	1,626,933	575,899
Deferred Charges on Debt Refundings	7,388,237	-	-	7,388,237	-
Total Deferred Outflows of Resources	<u>11,651,297</u>	<u>913,358</u>	<u>444,769</u>	<u>13,009,424</u>	<u>2,346,593</u>

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
PROPRIETARY FUNDS
STATEMENT OF FUND NET POSITION (CONTINUED)
SEPTEMBER 30, 2023**

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Utilities	Waste and Recycling	Rohr Nursing Home (Nonmajor Fund)	Total	
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND NET POSITION					
CURRENT LIABILITIES					
Vouchers Payable	\$ 6,704,884	\$ 8,074,398	\$ 208,640	\$ 14,987,922	\$ 3,265,334
Accrued Liabilities	2,060,314	553,641	77,412	2,691,367	544,673
Due to Other Funds	2,768	241	1,329,818	1,332,827	-
Due to Other Governments	55,064	-	-	55,064	-
Unearned Revenue	-	-	-	-	375,961
SBITA Liability, Current	-	-	-	-	2,636,513
Accrued Compensated Absences, Current Portion	858,941	128,213	69,225	1,056,379	484,028
Lease Liability, Current Portion	15,234	19,667	-	34,901	-
Interlocal Agreement, Current Portion	201,217	-	-	201,217	-
Revenue Bonds Payable, Current Portion	5,974,860	-	-	5,974,860	-
Claims Payable	-	-	-	-	5,750,000
Total Current Liabilities	<u>15,873,282</u>	<u>8,776,160</u>	<u>1,685,095</u>	<u>26,334,537</u>	<u>13,056,509</u>
CURRENT LIABILITIES, Payable from					
Restricted Assets					
Vouchers Payable	-	109,635	-	109,635	-
Customer Deposits	8,082,672	237,480	-	8,320,152	-
Total Current Liabilities, Payable from Restricted Assets	<u>8,082,672</u>	<u>347,115</u>	<u>-</u>	<u>8,429,787</u>	<u>-</u>
Total Current Liabilities	23,955,954	9,123,275	1,685,095	34,764,324	13,056,509
NONCURRENT LIABILITIES					
Closure and Long-Term Care, Payable from Restricted Assets	-	41,346,237	-	41,346,237	-
Contracts Payable	58,880	-	-	58,880	-
Interlocal Agreement, Net of Current Portion	1,293,820	-	-	1,293,820	-
Revenue Bonds Payable (Net of Unamortized Premiums)	152,419,073	-	-	152,419,073	-
Total OPEB Liability	8,402,428	1,446,438	772,252	10,621,118	3,759,651
SBITA Liability	-	-	-	-	2,511,668
Net Pension Liability	15,350,523	3,670,949	1,708,602	20,730,074	9,152,778
Lease Liability	-	11,081	-	11,081	-
Other Noncurrent Liabilities	26,599	-	-	26,599	-
Total Noncurrent Liabilities	<u>177,551,323</u>	<u>46,474,705</u>	<u>2,480,854</u>	<u>226,506,882</u>	<u>15,424,097</u>
Total Liabilities	201,507,277	55,597,980	4,165,949	261,271,206	28,480,606
DEFERRED INFLOWS OF RESOURCES					
Deferred Amounts on Pension	883,113	218,182	99,973	1,201,268	527,875
Deferred Amounts on OPEB	3,786,872	651,892	348,058	4,786,822	1,694,429
Taxes Received In Advance	1,986	345,591	-	347,577	-
Total Deferred Inflows of Resources	<u>4,671,971</u>	<u>1,215,665</u>	<u>448,031</u>	<u>6,335,667</u>	<u>2,222,304</u>
NET POSITION					
Net Investment in Capital Assets	555,714,998	60,927,583	1,661,746	618,304,327	45,636,159
Restricted for:					
Renewal, Replacement, and Improvements	1,000,000	-	-	1,000,000	-
Unrestricted (Deficit)	123,961,985	111,916,622	(3,985,612)	231,892,995	42,065,384
Total Net Position	<u>\$ 680,676,983</u>	<u>\$ 172,844,205</u>	<u>\$ (2,323,866)</u>	<u>\$ 851,197,322</u>	<u>\$ 87,701,543</u>
Adjustment to Reflect Consolidation of Internal Service Fund Activities Related to Enterprise Funds (Cumulative)				<u>(2,645,272)</u>	
Net Position of Business-Type Activities				<u>\$ 848,552,050</u>	

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
PROPRIETARY FUNDS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
YEAR ENDED SEPTEMBER 30, 2023**

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Utilities	Waste and Recycling	Rohr Nursing Home (Nonmajor Fund)	Total	
OPERATING REVENUES					
Charges for Services	\$ 116,659,653	\$ 50,802,329	\$ 2,624,954	\$ 170,086,936	\$ 106,711,539
Intergovernmental	500	-	-	500	-
Other Revenue	3,216,438	321,120	31,692	3,569,250	5,957,382
Total Operating Revenues	<u>119,876,591</u>	<u>51,123,449</u>	<u>2,656,646</u>	<u>173,656,686</u>	<u>112,668,921</u>
OPERATING EXPENSES					
Current:					
Personnel Services	21,164,272	5,363,233	1,421,374	27,948,879	11,557,913
Operations and Maintenance	42,922,091	61,181,811	1,773,534	105,877,436	14,649,535
Indirect	1,785,603	627,334	-	2,412,937	1,256,830
Depreciation/Amortization	20,330,530	2,734,702	189,300	23,254,532	10,668,503
Closure and Long-Term Care	-	1,836,214	-	1,836,214	-
Healthcare Program	-	-	-	-	64,569,282
Other	(245,879)	15,690	-	(230,189)	(868,990)
Total Operating Expenses	<u>85,956,617</u>	<u>71,758,984</u>	<u>3,384,208</u>	<u>161,099,809</u>	<u>101,833,073</u>
OPERATING INCOME (LOSS)	33,919,974	(20,635,535)	(727,562)	12,556,877	10,835,848
NONOPERATING REVENUES (EXPENSES)					
Investment Income (Loss)	3,705,510	5,099,038	(19,116)	8,785,432	1,551,640
Net Change in Fair Value of Investments	256,424	316,228	-	572,652	107,921
Interest Expense	(6,194,407)	(1,833)	-	(6,196,240)	-
Gain (Loss) on Disposition of Equipment	2,068,488	-	-	2,068,488	740,668
Total Nonoperating Revenues (Expenses), Net	<u>(163,985)</u>	<u>5,413,433</u>	<u>(19,116)</u>	<u>5,230,332</u>	<u>2,400,229</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	33,755,989	(15,222,102)	(746,678)	17,787,209	13,236,077
CAPITAL CONTRIBUTIONS AND TRANSFERS					
Capital Contributions	21,880,902	(17,213)	-	21,863,689	6,854,902
Transfers In	-	3,251,986	-	3,251,986	805,000
Transfers Out	(2,768,522)	(4,743,293)	-	(7,511,815)	(3,251,986)
Total Capital Contributions and Transfers	<u>19,112,380</u>	<u>(1,508,520)</u>	<u>-</u>	<u>17,603,860</u>	<u>4,407,916</u>
CHANGE IN NET POSITION	52,868,369	(16,730,622)	(746,678)	35,391,069	17,643,993
Total Net Position - Beginning of Year	<u>627,808,614</u>	<u>189,574,827</u>	<u>(1,577,188)</u>	<u>815,806,253</u>	<u>70,057,550</u>
TOTAL NET POSITION - END OF YEAR	<u>\$ 680,676,983</u>	<u>\$ 172,844,205</u>	<u>\$ (2,323,866)</u>	<u>\$ 851,197,322</u>	<u>\$ 87,701,543</u>
Adjustments to Reflect Consolidation of Internal Service Fund Activities Related to Enterprise Funds:					
Current Year Adjustment				665,925	
Change in Net Position of Business-Type Activities				<u>\$ 36,056,994</u>	

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2023**

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Utilities	Waste and Recycling	Rohr Nursing Home (Nonmajor Fund)	Total	
CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES					
Cash Received from Customers	\$ 115,164,940	\$ 50,726,144	\$ 2,663,603	\$ 168,554,687	\$ 2,142,019
Cash Received from Internal Services	-	-	-	-	104,194,816
Cash Paid for Internal Services	(6,158,744)	(810,640)	(479,360)	(7,448,744)	-
Cash Paid to Suppliers for Goods and Services	(40,531,717)	(60,282,347)	(1,252,493)	(102,066,557)	(78,185,085)
Cash Paid to Employees for Services	(17,906,769)	(602,729)	(2,064,799)	(20,574,297)	(4,992,223)
Cash Received from Other Sources	3,013,915	321,120	-	3,335,035	5,957,382
Net Cash Provided (Used) by Operating Activities	<u>53,581,625</u>	<u>(10,648,452)</u>	<u>(1,133,049)</u>	<u>41,800,124</u>	<u>29,116,909</u>
CASH FLOWS PROVIDED (USED) BY NONCAPITAL FINANCING ACTIVITIES					
Transfers from Other Funds	-	3,251,986	-	3,251,986	(2,470,372)
Transfers to Other Funds	(2,768,522)	(4,743,293)	1,152,165	(6,359,650)	-
Net Cash Provided (Used) by Noncapital Financing Activities	<u>(2,768,522)</u>	<u>(1,491,307)</u>	<u>1,152,165</u>	<u>(3,107,664)</u>	<u>(2,470,372)</u>
CASH FLOWS PROVIDED (USED) BY CAPITAL AND RELATED FINANCING ACTIVITIES					
Acquisition and Construction of Capital Assets	(28,230,203)	(12,527,990)	-	(40,758,193)	(19,235,444)
Principal Paid on Bonds and Contracts	(4,626,217)	-	-	(4,626,217)	-
Interest Paid on Bonds and Interlocal Loans	(6,508,968)	-	-	(6,508,968)	-
Disposal of Capital Assets	-	-	-	-	(37,522)
Leases	(39,699)	-	-	(39,699)	-
Proceeds on Sales of Capital Assets	3,914,823	-	-	3,914,823	1,641,300
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(35,490,264)</u>	<u>(12,527,990)</u>	<u>-</u>	<u>(48,018,254)</u>	<u>(17,631,666)</u>
CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES					
Interest and Dividends on Investments	3,887,494	5,393,787	(19,116)	9,262,165	1,633,312
Net Cash Provided (Used) by Investing Activities	<u>3,887,494</u>	<u>5,393,787</u>	<u>(19,116)</u>	<u>9,262,165</u>	<u>1,633,312</u>
NET CHANGE IN CASH AND INVESTMENTS	19,210,333	(19,273,962)	-	(63,629)	10,648,183
Cash and Investments - Beginning of Year	<u>126,813,573</u>	<u>183,680,221</u>	<u>-</u>	<u>310,493,794</u>	<u>54,442,558</u>
CASH AND INVESTMENTS - END OF YEAR	\$ 146,023,906	\$ 164,406,259	\$ -	\$ 310,430,165	\$ 65,090,741
RECONCILIATION OF CASH AND INVESTMENTS TO COMBINING STATEMENT OF NET POSITION					
Cash and Investments	\$ 136,963,326	\$ 122,712,907	\$ -	\$ 259,676,233	\$ 65,090,741
Restricted Cash and Investments - Current	8,082,672	347,115	-	8,429,787	-
Restricted Cash and Investments - Noncurrent	977,908	41,346,237	-	42,324,145	-
Total Cash and Investments	<u>\$ 146,023,906</u>	<u>\$ 164,406,259</u>	<u>\$ -</u>	<u>\$ 310,430,165</u>	<u>\$ 65,090,741</u>
Contribution and Transfer of Capital Assets	<u>\$ 21,880,902</u>	<u>\$ (17,213)</u>	<u>\$ -</u>	<u>\$ 21,863,689</u>	<u>\$ 6,854,902</u>

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023**

	Business-Type Activities - Enterprise Funds				Governmental Activities - Internal Service Funds
	Utilities	Waste and Recycling	Rohr Nursing Home (Nonmajor Fund)	Total	
RECONCILIATION OF NET OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES					
Operating Income (Loss)	\$ 33,919,974	\$ (20,635,535)	\$ (727,562)	\$ 12,556,877	\$ 10,835,848
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Depreciation/Amortization	20,330,530	2,734,702	189,300	23,254,532	10,668,503
Change in Long-Term Care Liability	-	1,836,214	-	1,836,214	-
(Increase) Decrease in Assets and Deferred Outflows:					
Accounts Receivable, Net of Allowance	(1,995,991)	(121,153)	46,617	(2,070,527)	(191,026)
Due from Other Governments	(202,523)	-	(39,660)	(242,183)	-
Due from Other Funds	(39)	(29,607)	-	(29,646)	(212,568)
Other Assets	(399,519)	-	-	(399,519)	1,591,846
Inventory	(1,680,007)	-	-	(1,680,007)	6,455
Deferred Outflow from Pension	192,109	(114,193)	146,399	224,315	191,434
Deferred Outflow from OPEB	(10,190)	38,923	77,068	105,801	68,775
Increase (Decrease) in Liabilities and Deferred Inflows:					
Vouchers Payable	(85,793)	4,709,426	41,681	4,665,314	(164,069)
Accrued Liabilities	(240,526)	(303,401)	(20,926)	(564,853)	100,622
SBITAs	-	-	-	-	5,148,181
Accrued Compensated Absences	53,558	(1,971)	(7,743)	43,844	45,338
Customer Deposits	501,220	10,001	-	511,221	-
Unearned Revenue	-	-	-	-	28,890
Self-Insurance Liability	-	-	-	-	(10,000)
Total OPEB Liability	(1,097,703)	(491,607)	(681,252)	(2,270,562)	(1,036,779)
Due to Other Governments	72	-	-	72	-
Due to Other Funds	100	(6,112)	-	(6,012)	-
Other Liabilities	(351,386)	-	-	(351,386)	-
Taxes Received In Advance	58	34,967	-	35,025	-
Net Pension Liability	2,775,723	1,371,149	(177,887)	3,968,985	1,357,649
Deferred Inflow from Pension	(162,388)	25,371	(59,003)	(196,020)	(121,803)
Deferred Inflow from OPEB	2,034,346	294,374	79,919	2,408,639	809,613
Total Adjustments	<u>19,661,651</u>	<u>9,987,083</u>	<u>(405,487)</u>	<u>29,243,247</u>	<u>18,281,061</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 53,581,625</u>	<u>\$ (10,648,452)</u>	<u>\$ (1,133,049)</u>	<u>\$ 41,800,124</u>	<u>\$ 29,116,909</u>

See accompanying Notes to Financial Statements.

**POLK COUNTY, FLORIDA
CUSTODIAL FUNDS
STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2023**

ASSETS

Cash and Cash Equivalents	\$ 30,721,677
Due from Individuals and Businesses	358,708
Due from Other Governments	<u>9,850</u>
 Total Assets	 <u><u>\$ 31,090,235</u></u>

LIABILITIES AND FIDUCIARY NET POSITION

LIABILITIES

Due to State of Florida	\$ 1,671,661
Due to Municipalities	177,773
Due to Others	9,546,378
Due to Individuals and Businesses	173
Deposits, Registry of the Court	4,299,988
Deposits, Witness Fees	37,970
Deposits, Other	<u>510,469</u>
 Total Liabilities	 16,244,412

FIDUCIARY NET POSITION

Restricted for Individuals, Organizations, and Other Governments	<u>14,845,823</u>
 Total Liabilities and Fiduciary Net Position	 <u><u>\$ 31,090,235</u></u>

**POLK COUNTY, FLORIDA
CUSTODIAL FUNDS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
YEAR ENDED SEPTEMBER 30, 2023**

ADDITIONS

Fines, Taxes, and Fees Collections:	
Individuals and Businesses	\$ 127,968,252
Other Governments	43,488,155
Licenses and Fees Collected from State Agencies	121,714,476
Contributions from Individuals and Businesses	5,008,498
Total Additions	298,179,381

DEDUCTIONS

Payments of Fines and Fees	1,511,958
Payments of Property Tax	
Individuals and Businesses	5,575,645
Other Governments	165,328,159
Canteen Purchases	2,832,422
Inmate Spending	836,288
Payments to State Agencies	122,240,528
Miscellaneous Charges	1,354,948
Total Deductions	299,679,948

NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION (1,500,567)

Net Position - Beginning of Year 16,346,390

FIDUCIARY NET POSITION - END OF YEAR \$ 14,845,823

POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

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

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

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

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

The accompanying financial statements present the government and its component units, entities for which the government is considered to be financially accountable. The County is financially responsible if it appoints a voting majority of the organization's governing body and (a) is able to impose its will on that organization or (b) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on the County. The County may be financially accountable if an organization is fiscally dependent on the County regardless of whether the organization has (a) a separately elected governing board, (b) a governing board appointed by a higher level of government, or (c) a jointly appointed board. If a component unit is, in substance, part of the government's operations, it should be reported as a blended component unit. Otherwise, a component unit should be discretely presented. For the year ended September 30, 2023, the County had no discretely presented component units.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Blended Component Units

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

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

Measurement Focus and Basis of Accounting

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

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

Government-Wide Financial Statements

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

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

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

POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide Financial Statements (Continued)

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

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

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

As a general rule, the effects of intrafund transfers among governmental funds and enterprise funds, respectively, have been eliminated from the government-wide financial statements. However, certain interfund services, accounted for in the internal service funds, have not been eliminated from the government-wide financial statements. The County eliminates the indirect costs between governmental activities to avoid a "doubling up" effect.

The County's fiduciary funds are presented in the fund financial statements by type (Custodial). Since these assets are being held for the benefit of a third-party and cannot be used to address the activities or obligations of the government, these funds are not incorporated into the government-wide statements.

Fund Financial Statements

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

POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Financial Statements (Continued)

Fund financial statements, for the primary governments, governmental, proprietary, and fiduciary funds are presented after the government-wide financial statements. These statements display information about major funds individually and nonmajor funds in the aggregate for governmental and enterprise funds. The Custodial fund of the County primarily represents assets held by the County in a custodial capacity for other individuals or governments.

Governmental Funds

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Property taxes, intergovernmental revenues and interest earned associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable only when cash is received by the County.

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

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

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

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as other financing sources rather than as a fund liability. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Proprietary Funds

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

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

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

Basis of Presentation

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category and the governmental and enterprise combined) for the determination of major funds. The County has used GASB Statement No. 34 minimum criteria for major fund determination. The nonmajor funds are combined in a column in the fund financial statements and detailed in the combining section.

Governmental Major Funds

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

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

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

POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Presentation (Continued)

Business-Type Major Funds

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

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

Other Fund Types

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

Custodial Fund – The Custodial Fund accounts for all assets held by Polk County in its capacity as custodian for individuals, other governmental units, and nonpublic organizations. The County's Custodial Funds are: County Court Fund, Registry of Court Fund, Jury and Witness Fund, Domestic Relations Fund, Tax Deed Fund, Intangible Tax and Documentary Stamp Fund, County Court / Civil Court Fund, Cash Bonds Fund, Other Custodial Funds, Fees and Suspense Fund, Fines and DRD Fund, and Inmate Fund. A description of each custodial fund can be found on pages G-57 and G-58.

Noncurrent Governmental Assets/Liabilities

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

Pooled Cash and Investments

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

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

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

POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Allowance for Doubtful Accounts

The County provides an allowance for water and sewer accounts, Rohr nursing home, and governmental funds receivables, which include ambulance and impact fee receivables, which may become uncollectible. At September 30, 2023, these allowances were \$7,916,208, \$65,543, and \$9,116,580, respectively. No other allowances for doubtful accounts are maintained since all other receivables are considered collectible as reported at September 30, 2023.

Receivables and Payables

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

Inventory

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

Restricted Assets

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

Capital Assets

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

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

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

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

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Capital Assets (Continued)

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

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

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

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

Ad Valorem Taxes

The property tax calendar for 2023 is as follows:

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

No accrual for the property tax levy becoming due in November of 2023 is included in the accompanying financial statements since such taxes are collected to finance expenditures of the subsequent period.

Pension

In the government-wide statement of net position, liabilities are recognized for the County's proportionate share of each pension plan's net pension liability. For purposes of measuring the net pension liability, deferred outflows/inflows of resources, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS) defined benefit plan and the Health Insurance Subsidy (HIS) and additions to/deductions from FRS's and HIS's fiduciary net position have been determined on the same basis as they are reported by the FRS and HIS plans. For this purpose, plan contributions are recognized as of employer payroll paid dates and benefit payments and refunds of employee contributions are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Other Postemployment Benefits (OPEB)

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

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position includes a separate section for deferred outflows of resources which represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The amounts from pension, OPEB, and deferred amounts of refunding will be recognized as increases in expense in future years. In addition to liabilities, the statement of net position includes a separate section for the deferred inflows of resources. This represents an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue or decrease in expense) until that time. The amounts will be recognized as decreases in pension and OPEB expenses in future years. In addition, the County has deferred inflows as of September 30, 2023, resulting from prepayment of taxes collected by the Tax Collector. These prepaid taxes will be recorded as revenue in November 2023.

Compensated Absences

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

Leases

Lessee Arrangements

The County determines if an arrangement is a lease at inception. Leases are included in lease assets and lease liabilities in the statements of net position.

Lease assets represent the County's control of the right to use an underlying asset for the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease assets are recognized at the commencement date based on the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs. Lease assets are amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

Lessee Arrangements (Continued)

Lease liabilities represent the County's obligation to make lease payments arising from the lease. Lease liabilities are recognized at the commencement date based on the present value of expected lease payments over the lease term, less any lease incentives. Interest expense is recognized ratably over the contract term.

The lease term may include options to extend or terminate the lease when it is reasonably certain that the County will exercise that option.

The County recognized payments for short-term leases with a lease term of 12 months or less as expenses are incurred, and these leases are not included as lease liabilities or right-to-use lease assets on the statements of net position.

Significant lease terms are disclosed in Note 7.

The County accounts for contracts containing both lease and nonlease components as separate contracts when possible. In cases where the contract does not provide separate price information for lease and nonlease components, and it is impractical to estimate the price of such components, the County treats the components as a single lease unit.

Lessor Arrangements

The County determines if an arrangement is a lease at inception. Leases are included in lease receivables and deferred inflows of resources in the statements of net position and fund financial statements.

Lease receivables represent the County's claim to receive lease payments over the lease term, as specified in the contract, in an exchange or exchange-like transaction. Lease receivables are recognized at commencement date based on the present value of expected lease payments over the lease term, reduced by any provision for estimated uncollectible amounts. Interest revenue is recognized ratably over the contract term.

Deferred inflows of resources related to leases are recognized at the commencement date based on the initial measurement of the lease receivable, plus any payments received from the lessee at or before the commencement of the lease term that relate to future periods, less any lease incentives paid to, or on behalf of, the lessee at or before the commencement of the lease term. The deferred inflows related to leases are recognized as lease revenue in a systematic and rational manner over the lease term.

Amounts to be received under residual value guarantees that are not fixed in substance are recognized as a receivable and an inflow of resources if (a) a guarantee payment is required and (b) the amount can be reasonably estimated. Amounts received for the exercise price of a purchase option or penalty for lease termination are recognized as a receivable and an inflow of resources when those options are exercised.

POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases (Continued)

Lessor Arrangements (Continued)

The County recognized payments received for short-term leases with a lease term of 12 months or less as revenue as the payments are received. These leases are not included as lease receivables or deferred inflows on the statements of net position and fund financial statements.

Significant lease terms are disclosed in Note 7.

The County accounts for contracts containing both lease and nonlease components as separate contracts when possible. In cases where the contract does not provide separate price information for lease and nonlease components, and it is impractical to estimate the price of such components, the County treats the components as a single lease unit.

Subscription-Based Information Technology Arrangements (SBITAs)

The County determines if an arrangement is a SBITA at inception. SBITAs are included in SBITA assets and SBITA liabilities in the statements of net position.

SBITA assets represent the County's control of the right to use an underlying asset for the SBITA term, as specified in the contract, in an exchange or exchange-like transaction. SBITA assets are recognized at the commencement date based on the initial measurement of the SBITA liability, plus any payments made at or before the commencement of the SBITA term and certain direct costs. SBITA assets are amortized in a systematic and rational manner over the shorter of the SBITA term or the useful life of the underlying asset.

SBITA liabilities represent the County's obligation to make SBITA payments arising from the SBITA. SBITA liabilities are recognized at the commencement date based on the present value of expected SBITA payments over the SBITA term, less any SBITA incentives. Interest expense is recognized ratably over the contract term.

The SBITA term may include options to extend or terminate the lease when it is reasonably certain that the County will exercise that option.

The County recognized payments for short-term SBITAs with a subscription term of 12 months or less as expenses are incurred, and these subscriptions are not included as SBITA liabilities or SBITA assets on the statements of net position.

Significant SBITA terms are disclosed in Note 8.

The County accounts for contracts containing both subscription and nonsubscription components as separate contracts when possible. In cases where the contract does not provide separate price information for subscription and nonsubscription components, and it is impractical to estimate the price of such components, the County treats the components as a single subscription unit.

POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Unearned Revenue

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

Amortization

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

Contributions

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

Use of Estimates

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

Fund Balance and Spending Policies

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

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

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

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

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

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance and Spending Policies (Continued)

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

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

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

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

New GASB Pronouncement

In May 2020, the Governmental Accounting Standards Board issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*. This standard defines a subscription-based information technology arrangement (SBITA); establishes that a SBITA results in a right-to-use subscription asset (an intangible asset) and a corresponding subscription liability; provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and requires note disclosures regarding a SBITA.

The County adopted the requirements of the guidance effective October 1, 2022, and has elected to apply the provisions of this standard to the beginning of the earliest comparative period presented. The County has implemented this Statement for fiscal year 2023.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 2 BUDGETS AND BUDGETARY ACCOUNTING

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

- 1) Prior to July 15, the County Manager, as County Budget Officer, submits to the Board of County Commissioners a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
- 2) Public hearings are conducted to obtain taxpayer comments.
- 3) Prior to October 1, the budget is legally enacted through passage of a resolution.
- 4) Formal budgetary integration is employed as a management control device during the year for the general fund, special revenue funds, debt service funds and capital projects funds.
- 5) Budgets for the general, certain special revenue, debt service and capital projects funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP).
- 6) The County Manager (or his designee) approves budget transfers at the department level within a fund. Budget amendments at the fund level are approved by the Board.
- 7) Section 129.07, *Florida Statutes*, provides that expenditures in excess of total fund budgets are unlawful. When supplemental appropriations are necessary, the budget is amended by the Board in a legally permissible manner. The budgetary data presented herein reflects the original adopted budget and the final budget after all amendments were made.
- 8) Unused appropriations lapse at the end of each fiscal year. However, some amounts may be carried forward to the following fiscal year in the form of a new appropriation which must be approved by the County Commission.

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

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

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

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 2 BUDGETS AND BUDGETARY ACCOUNTING (CONTINUED)

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

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

NOTE 3 POOLED CASH AND INVESTMENTS

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

Investment risk is managed in the following forms:

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

Custodial Credit Risk

To manage custodial credit risk for deposits, the County's investment policy requires that all demand and time deposits, including money market accounts, are insured and fully collateralized. The County's bank balances are insured by the Federal Deposit Insurance Corporation (FDIC) in the amount of \$250,000 for each banking relationship. The remaining balances are insured and collateralized in accordance with Chapter 280, *Florida Statutes*, which established the Public Deposit Security Trust Fund, a multiple financial institution collateral pool. Section 280.08, *Florida Statutes*, provides for assessments against the members of the pool on a pro rata basis in the event that the collateral pool is insufficient to cover the losses of a member financial institution that fails. As such, all deposits covered by the collateral pool are considered to be fully insured. As of September 30, 2023, the County's book balance of cash was \$73,837,556 and the bank balance was \$92,942,595.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 3 POOLED CASH AND INVESTMENTS (CONTINUED)

Custodial Credit Risk (Continued)

The County may also enter into overnight repurchase agreements with a local banking institution. On any given banking day, the County may authorize the bank to “sweep” their account for the purpose of entering into repurchase agreements and other investments. The next day the same account is credited for the principal amount of the previous day’s sweep, plus interest earned. As such, the balance is included as part of the deposit total for purposes of financial statement presentation. The amounts are fully collateralized by U.S. government treasury and/or agency securities. There were no outstanding amounts on September 30, 2023.

Investment in State Investment Pool

The County participates in the State of Florida Local Government Surplus Funds Trust Fund (LGIP), also known as Florida Prime administered by the State Board of Administration (SBA), under the regulatory oversight of the state of Florida. The purpose of this pool is to promote, through state assistance, the maximization of net interest earnings on invested surplus funds of local units of government. The LGIP is a 2a-7 like external investment pool and therefore uses amortized cost which is reported at a stable Net Asset Value (NAV), typically \$1.00 per share. Therefore, the account balance should be considered the fair value of the investment. As of September 30, 2023, the LGIP, now known as Florida Prime, is rated AAAM for Credit Quality by Standard & Poor’s Rating Agency and had a weighted average maturity (WAM) of 35 days, and had a weighted average life (WAL) of 75 days.

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

In accordance with GASB Statement No. 79, as a participant in a qualifying external investment pool, the County should disclose the presence of any limitations or restrictions on withdrawals (such as redemption notice periods, maximum transaction amounts, and the qualifying external investment pool’s authority) to impose liquidity fees or redemption gates in the notes to the financial statements.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 3 POOLED CASH AND INVESTMENTS (CONTINUED)

Custodial Credit Risk (Continued)

Investment in State Investment Pool (Continued)

With regard to redemption gates, Section 218.409(8)(a), *Florida Statutes*, states that "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the monies in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest monies entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The trustees shall convene an emergency meeting as soon as practicable from the time the executive director has instituted such measures and review the necessity of those measures. If the trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the executive director until the trustees are able to meet to review the necessity for the moratorium. If the trustees agree with such measures, the trustees shall vote to continue the measures for up to an additional 15 days. The trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the trustees exceed 15 days."

With regard to liquidity fees, Section 218.409(4), *Florida Statutes*, provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made. As of September 30, 2023, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100% of their account value.

In addition, the County participates in the Florida Trust, formerly known as the Florida Local Government Investment Trust, which is administered by a board of trustees appointed by the Florida Association of Court Clerks and County Comptrollers, and the Florida Association of Counties, Inc. The Florida Trust was created in December 1991 to provide a means for public entities to pool surplus funds to maximize net earnings. As of September 30, 2023, all noncash investments held by the Florida Trust were money market, U.S. Treasury Notes, Commercial Paper, Repurchase Agreements, Asset-Backed Securities, Corporate Notes, Government Related securities, Agency Notes, and Municipal Notes. The Florida Trust reports share all information at Net Asset Value and reflects share value, in accordance with GASB Statement No. 31. As of September 30, 2023, the Florida Trust was rated AAAM for Credit Quality and S1 for Bond Fund Volatility by Fitch Ratings and had an effective duration of 1.76.

In relation to the FLGIT Day to Day Fund, at September 30, 2023, the average maturity in days was 38 days. The investments in the Day to Day Fund meet all of the necessary criteria to elect to measure all of the investments at amortized cost, as a cash equivalent.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 3 POOLED CASH AND INVESTMENTS (CONTINUED)

Custodial Credit Risk (Continued)

Investment in State Investment Pool (Continued)

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

Credit Risk

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

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 3 POOLED CASH AND INVESTMENTS (CONTINUED)

Rating Concentration Matrix

TYPE / RATING	AAAf ¹ AAA ^{m2}	AAA	AA	A	BBB	A-1	NR ³	Totals
U.S. Treasury								
Bills	-	-	0.70 %	-	-	-	-	0.70 %
Notes	-	-	12.24	-	-	-	-	12.24
Corporates								
Fixed	-	-	0.19	0.69	-	-	-	0.88
Adjustable Rates	-	-	1.33	2.36	0.35	-	-	4.04
CMOs								
Fixed	-	-	7.72	-	-	-	-	7.72
Adjustable Rates	-	-	0.03	-	-	-	-	0.03
GSEs								
Fixed	-	-	7.94	-	-	-	-	7.94
Adjustable Rates	-	-	9.16	-	-	-	-	9.16
MBS								
Fixed	-	-	8.10	-	-	-	-	8.10
Adjustable Rates	-	-	0.28	-	-	-	-	0.28
Municipal								
Fixed	-	2.39	8.70	0.87	-	-	-	11.96
Asset Backed								
Fixed	-	9.91	-	-	-	0.57	-	10.48
CMBS								
Fixed	-	-	2.71	-	-	-	-	2.71
Adjustable Rates	-	-	1.96	-	-	-	-	1.96
CDs								
Fixed	-	-	-	-	-	-	0.72	0.72
Other								
FL Trust (FLGIT) ¹	3.06	-	-	-	-	-	-	3.06
Wells Fargo- WFFXX2	7.24	-	-	-	-	-	-	7.24
FL Prime (SBA) ²	1.46	-	-	-	-	-	-	1.46
FL Trust Day to Day ¹	1.92	-	-	-	-	-	-	1.92
Bank United (Money Market) ⁴	-	-	-	-	-	-	7.40	7.40
Total	<u>13.68 %</u>	<u>12.30 %</u>	<u>61.06 %</u>	<u>3.92 %</u>	<u>0.35 %</u>	<u>0.57 %</u>	<u>8.12 %</u>	<u>100.00 %</u>

¹ Florida Trust

² Florida Prime

³ Not Rated

⁴ Qualified Public Depository

Liquidity Risk

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

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 3 POOLED CASH AND INVESTMENTS (CONTINUED)

Concentration Risk

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

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

Interest Rate Risk

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

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

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 3 POOLED CASH AND INVESTMENTS (CONTINUED)

Interest Rate Risk (Continued)

The prepayments and anticipated interest rate changes can therefore affect the fair values of the respective investments. As of September 30, 2023, the County has the following investments and maturities:

Investment Type	Fair Value	Investment Maturities (in Years)		
		< 1 Year	1 - 5 Years	> 5 Years
U.S. Treasury Bills:				
Fixed Rates	\$ 9,944,145	\$ 9,944,145	\$ -	\$ -
U.S. Treasury Notes:				
Fixed	172,594,609	28,807,617	143,786,992	-
Corporates:				
Fixed	12,463,622	9,778,932	2,684,690	-
Adjustable Rates	57,049,308	11,931,934	45,117,374	-
CMOs:				
Fixed	108,854,073	76,302	1,846,962	106,930,809
Adjustable Rates	401,524	-	19,718	381,806
GSEs:				
Fixed	112,053,261	-	95,877,154	16,176,107
Adjustable Rates	129,271,495	39,144,363	90,127,132	-
MBS:				
Fixed	114,204,310	664	7,655,597	106,548,049
Adjustable Rates	3,919,378	-	3,032	3,916,346
Municipal:				
Fixed	168,613,319	41,806,984	71,188,167	55,618,168
Asset Backed:				
Fixed	147,853,566	8,096,743	139,756,823	-
CMBS:				
Fixed	38,230,723	32,995,147	-	5,235,576
Adjustable Rates	27,757,224	-	835,081	26,922,143
CDs:				
Fixed	10,089,889	10,089,889	-	-
FL Trust	43,155,931	43,155,931	-	-
WFFXX	102,066,406	102,066,406	-	-
Florida Prime (SBA)	20,582,331	20,582,331	-	-
FL Trust Day to Day	27,127,606	27,127,606	-	-
Bank United (Money Market)	104,367,501	104,367,501	-	-
Total	<u>\$ 1,410,600,221</u>	<u>\$ 489,972,495</u>	<u>\$ 598,898,722</u>	<u>\$ 321,729,004</u>

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 3 POOLED CASH AND INVESTMENTS (CONTINUED)

Fair Value Measurements

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

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

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

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

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

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

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 3 POOLED CASH AND INVESTMENTS (CONTINUED)

Fair Value Measurements (Continued)

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

The County has the following recurring fair value measurements as of September 30, 2023:

Investments by Fair Value Level	Fair Value Measurements			September 30, 2023
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Debt Securities				
U.S. Treasury Bills	\$ -	\$ 9,944,145	\$ -	\$ 9,944,145
U.S. Treasury Notes	-	172,594,609	-	172,594,609
Corporate - Fixed	-	12,463,622	-	12,463,622
Corporate - Adjustable	-	57,049,308	-	57,049,308
CMO - Fixed	-	108,854,073	-	108,854,073
CMO - Adjustable	-	401,524	-	401,524
GSE - Fixed	-	112,053,261	-	112,053,261
GSE - Adjustable	-	129,271,495	-	129,271,495
MBS - Fixed	-	114,204,310	-	114,204,310
MBS - Adjustable	-	3,919,378	-	3,919,378
Municipal - Fixed	-	168,613,319	-	168,613,319
Asset Backed - Fixed	-	147,853,566	-	147,853,566
CMBS -Fixed	-	38,230,723	-	38,230,723
CMBS - Adjustable	-	27,757,224	-	27,757,224
Total Investments by Fair Value Level	\$ -	\$ 1,103,210,557	\$ -	\$ 1,103,210,557
Investments Measured at the Net Asset Value (NAV)				
Florida Trust (FLGIT)				43,155,931
Total Investments Measured at the NAV				43,155,931
Investments Measured at \$1.00				
LGIP				
State Board of Administration - FL PRIME				20,582,331
FL Trust Day to Day				27,127,606
SEC Reg. Money Mkt Fund				
Wells Fargo-WFFXX				102,066,406
Qualified Public Deposits				
Money Market Deposits				104,367,501
Certificates of Deposit				10,089,889
Total Investments Measured at \$1.00				264,233,733
Total Investments				\$ 1,410,600,221

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

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

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

Restricted assets, liabilities, and net position as of September 30, 2023, consist of the following:

	Capital Projects	Renewal Replacement and Improvements	Customer Deposits	Total
<u>Utilities Fund</u>				
Cash and Investments	\$ (22,092)	\$ 1,000,000	\$ 8,082,672	\$ 9,060,580
Liabilities, Payable from Restricted Assets	-	-	(8,082,672)	(8,082,672)
Unspent Bond Proceeds	22,092	-	-	22,092
Restricted Net Position	<u>\$ -</u>	<u>\$ 1,000,000</u>	<u>\$ -</u>	<u>\$ 1,000,000</u>
	Landfill Closure	Customer Deposits	Other Liabilities	Total
<u>Waste and Recycling Fund</u>				
Cash and Investments	\$ 41,346,237	\$ 237,480	\$ 109,635	\$ 41,693,352
Liabilities, Payable from Restricted Assets	(41,346,237)	(237,480)	(109,635)	(41,693,352)
Restricted Net Position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 5 INTERFUND BALANCES

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

The composition of interfund balances as of September 30, 2023, was as follows:

Due to General Fund from:		
Coronavirus Relief Fund		\$ 4,865
Nonmajor Governmental Funds		60,036
Utilities Fund		2,768
Waste and Recycling Fund		241
Rohr Nursing Home Fund		1,329,818
Total		<u>\$ 1,397,728</u>
Due to Nonmajor Governmental Funds from:		
General Fund		\$ 2,984,599
Total		<u>\$ 2,984,599</u>
Due to Utilities Fund from:		
General Fund		\$ 1,988
Total		<u>\$ 1,988</u>
Due to Waste and Recycling Fund from:		
General Fund		\$ 349,400
Total		<u>\$ 349,400</u>
Due to Internal Service Funds from:		
General Fund		\$ 2,641,467
Total		<u>\$ 2,641,467</u>

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 6 CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2023, was as follows:

	October 1, 2022	Additions	Deletions	September 30, 2023
<u>Governmental Activities</u>				
Capital Assets Not Being Depreciated/Amortized:				
Land and Right of Way	\$ 970,925,903	\$ 37,408,494	\$ (95,255)	\$ 1,008,239,142
Intangibles - Easements	4,491,607	86,110	-	4,577,717
Construction in Process	105,512,794	78,832,448	(59,902,179)	124,443,063
Total Capital Assets Not Being Depreciated/Amortized	1,080,930,304	116,327,052	(59,997,434)	1,137,259,922
Capital Assets Being Depreciated/Amortized:				
Buildings and Improvements	460,001,220	37,100,939	(5,765)	497,096,394
Equipment	240,536,564	46,230,556	(28,632,032)	258,135,088
Infrastructure	3,877,340,184	32,843,605	(410,799)	3,909,772,990
Intangibles - Software	22,266,164	6,521,173	-	28,787,337
Total Capital Assets Being Depreciated/Amortized	4,600,144,132	122,696,273	(29,048,596)	4,693,791,809
Less Accumulated Depreciation/Amortization for:				
Buildings and Improvements	(245,246,549)	(10,275,284)	5,764	(255,516,069)
Equipment	(161,427,216)	(21,495,407)	14,682,145	(168,240,478)
Infrastructure	(2,018,966,431)	(79,800,785)	-	(2,098,767,216)
Intangibles - Software	(21,352,657)	(582,933)	-	(21,935,590)
Total Accumulated Depreciation/Amortization	(2,446,992,853)	(112,154,409)	14,687,909	(2,544,459,353)
Total Capital Assets Being Depreciated/Amortized, Net	2,153,151,279	10,541,864	(14,360,687)	2,149,332,456
Right-to-Use Capital Assets Being Depreciated/Amortized:				
Right-to-Use Buildings	8,389,528	3,057,926	(654,673)	10,792,781
Right-to-Use Equipment	1,955,973	105,266	(1,131,075)	930,164
Total Capital Assets Being Depreciated/Amortized	10,345,501	3,163,192	(1,785,748)	11,722,945
Less Accumulated Depreciation/Amortization for:				
Right-to-Use Buildings	(1,165,941)	(1,193,492)	613,342	(1,746,091)
Right-to-Use Equipment	(846,411)	(1,207,761)	1,127,519	(926,653)
Total Accumulated Depreciation/Amortization	(2,012,352)	(2,401,253)	1,740,861	(2,672,744)
Total Right-to-Use Capital Assets Being Depreciated/Amortized, Net	8,333,149	761,939	(44,887)	9,050,201
Subscription-Based Information Technology Arrangements Being Depreciated/Amortized:				
Subscription-Based Information Technology Arrangements	9,952,931	9,645,218	-	19,598,149
Less Accumulated Depreciation/Amortization for:				
Subscription-Based Information Technology Arrangements	-	(4,265,256)	-	(4,265,256)
Total Subscription-Based Information Technology Arrangements Being Depreciated/Amortized, Net	9,952,931	5,379,962	-	15,332,893
Total Capital Assets Being Depreciated/Amortized, Net	2,171,437,359	16,683,765	(14,405,574)	2,173,715,550
Governmental Activities Capital Assets, Net	<u>\$ 3,252,367,663</u>	<u>\$ 133,010,817</u>	<u>\$ (74,403,008)</u>	<u>\$ 3,310,975,472</u>

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 6 CAPITAL ASSETS (CONTINUED)

<u>Business-Type Activities:</u>	October 1, 2022	Additions	Deletions	September 30, 2023
Capital Assets Not Being Depreciated/Amortized:				
Land and Right of Way	\$ 19,535,182	\$ 989,330	\$ (657,915)	\$ 19,866,597
Intangibles - Easements	2,697,433	513,630	(47,857)	3,163,206
Construction in Progress	84,678,380	38,883,925	(24,261,331)	99,300,974
Total Capital Assets Not Being Depreciated/Amortized	106,910,995	40,386,885	(24,967,103)	122,330,777
Capital Assets Being Depreciated/Amortized:				
Buildings and Improvements	914,048,864	39,321,811	(390,874)	952,979,801
Equipment	18,030,298	3,352,614	(2,668,748)	18,714,164
Infrastructure	95,783	3,718,754	-	3,814,537
Intangibles - Software	7,216,598	64,372	-	7,280,970
Total Capital Assets Being Depreciated/Amortized	939,391,543	46,457,551	(3,059,622)	982,789,472
Less Accumulated Depreciation/Amortization for:				
Buildings and Improvements	(291,793,004)	(21,722,634)	312,699	(313,202,939)
Equipment	(13,021,312)	(1,435,755)	1,611,320	(12,845,747)
Infrastructure	(85,530)	(1,295)	-	(86,825)
Intangibles - Software	(7,156,656)	(61,017)	-	(7,217,673)
Total Accumulated Depreciation/Amortization	(312,056,502)	(23,220,701)	1,924,019	(333,353,184)
Total Capital Assets Being Depreciated/ Amortized, Net	627,335,041	23,236,850	(1,135,603)	649,436,288
Right-to-Use Capital Assets Being Depreciated/Amortized:				
Right-to-Use Equipment	88,880	47,909	(22,168)	114,621
Less Accumulated Depreciation/Amortization for:				
Right-to-Use Equipment	(33,652)	(33,831)	17,324	(50,159)
Total Right-to-Use Capital Assets Being Depreciated/Amortized, Net	55,228	14,078	(4,844)	64,462
Total Capital Assets Being Depreciated/ Amortized, Net	627,390,269	23,250,928	(1,140,447)	649,500,750
Business-Type Activities Capital Assets, Net	<u>\$ 734,301,264</u>	<u>\$ 63,637,813</u>	<u>\$ (26,107,550)</u>	<u>\$ 771,831,527</u>

The beginning balance was restated due to implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 6 CAPITAL ASSETS (CONTINUED)

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

Governmental Activities:		
General Government	\$	9,104,470
Public Safety		18,307,901
Physical Environment		605,868
Transportation		74,430,789
Economic Environment		528,974
Human Services		1,591,975
Culture/Recreation		3,582,438
Capital Assets Held by Internal Service Funds		<u>10,668,503</u>
Total Additions to Accumulated Depreciation/Amortization		<u><u>\$ 118,820,918</u></u>
Business-Type Activities:		
Utilities	\$	20,330,530
Waste and Recycling		2,734,702
Rohr Nursing Home		<u>189,300</u>
Total Additions to Accumulated Depreciation/Amortization		<u><u>\$ 23,254,532</u></u>

NOTE 7 LEASES

Lessee Arrangements

The County leases equipment as well as certain operating and office facilities for various terms under long-term, noncancelable lease agreements. The leases expire at various dates through 2040.

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

	Governmental Activities		Business-Type Activities		Total
	Principal	Interest	Principal	Interest	
2024	\$ 1,579,901	\$ 329,234	\$ 34,901	\$ 1,767	\$ 1,945,803
2025	1,480,741	279,817	4,320	608	1,765,486
2026	1,096,069	232,927	4,676	252	1,333,924
2027	367,472	20,170	2,085	101	389,828
2028	319,981	205,492	-	-	525,473
2029-2033	1,947,226	782,151	-	-	2,729,377
2034-2038	2,122,483	46,524	-	-	2,169,007
2039 and Thereafter	561,862	32,915	-	-	594,777
Total Minimum Lease Payments	<u>\$ 9,475,735</u>	<u>\$ 1,929,230</u>	<u>\$ 45,982</u>	<u>\$ 2,728</u>	<u>\$ 11,453,675</u>

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 7 LEASES (CONTINUED)

Lessee Arrangements (Continued)

Right-to-use assets acquired through outstanding leases are shown below, by underlying asset class.

	<u>Governmental Activities</u>	<u>Business-Type Activities</u>
Equipment	\$ 930,164	\$ 114,621
Buildings	10,792,781	-
Less: Accumulated Amortization	<u>(2,672,744)</u>	<u>(50,159)</u>
Total	<u>\$ 9,050,201</u>	<u>\$ 64,462</u>

Lessor Arrangements

The County, acting as lessor, leases office space and cell towers under long-term, noncancelable lease agreements. The leases expire at various dates through 2033 and provide for renewal options ranging from three months to six years. During the year ended September 30, 2023, the County recognized \$1,073,871 and \$265,195 in lease revenue and interest revenue, respectively, pursuant to these contracts.

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

	<u>Governmental Activities</u>		<u>Total</u>
	<u>Principal</u>	<u>Interest</u>	
2024	\$ 1,442,921	\$ 248,827	\$ 1,691,748
2025	1,518,974	189,666	1,708,640
2026	1,592,122	128,817	1,720,939
2027	1,668,777	99,146	1,767,923
2028	509,792	70,170	579,962
2029-2033	95,079	54,417	149,496
Total Minimum Lease Receipts	<u>\$ 6,827,665</u>	<u>\$ 791,043</u>	<u>\$ 7,618,708</u>

NOTE 8 SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)

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

During the year ended September 30, 2023, the County entered into SBITAs in the amount of \$8,792,360. During the year ended September 30, 2023, the County's principal and interest payments on SBITAs totaled \$6,809,025.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

**NOTE 8 SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)
(CONTINUED)**

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

	Principal	Interest	Total
2024	\$ 4,689,883	\$ 329,411	\$ 5,019,294
2025	4,050,504	143,700	4,194,204
2026	1,143,880	19,742	1,163,622
2027	735,791	2,809	738,600
2028	553,573	90	553,663
2029-2033	1,214,135	52,079	1,266,214
Total Minimum Subscription Payments	\$ 12,387,766	\$ 547,831	\$ 12,935,597

NOTE 9 RISK MANAGEMENT

The County is exposed to various risk of loss related to theft of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. A self-insurance program is effectively maintained by the County to administer insurance activities related to workers' compensation insurance, general and employment practices liability, auto liability and health. The County's self-insurance program covers operations of the Board of County Commissioners and the constitutional officers. Under the program, the County has retention limits for each type of claim, which is covered by commercial insurance purchased by the County. Additional information regarding the self-insured employee health plan can be found in Note 10. The County also maintains fully-insured policies with several different carriers for property insurance with the total insured value for all properties estimated at \$993,188,626.

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

Litigation

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

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 9 RISK MANAGEMENT (CONTINUED)

Claim Type	County Coverage (Deductible / Self-insured Amount)	Excess Carrier's Coverage
Property	Deductible \$ 1,000,000 except for as below: <ul style="list-style-type: none"> • Named Windstorm 3% of TIV with \$ 5,000,000 Maximum \$ 1,000,000 Builders Risk 	\$ 20,000,000 Named Windstorm \$ 50,000,000 All Other Perils (AOP), except \$100,000,000 AOP losses sustained at Courthouse \$ 50,000,000 Builder's Risk \$ 25,000,000 Earthquake Aggregate \$ 20,000,000 Flood Aggregate \$ 10,000,000 Flood Aggregate (zones A & V)
General and Employment Practices Liability	\$ 1,500,000 Self-insurance Retention Sovereign immunity limits: \$ 200,000 Any One Person \$ 300,000 Any One Claim	\$ 5,000,000 Per Occurrence \$ 10,000,000 Aggregate
General and Auto Liability	\$ 1,500,000 Self-insured Retention Sovereign immunity limits: \$ 200,000 Any One Person \$ 300,000 Any One Claim	\$ 5,000,000 Per Occurrence
Employee Health	\$ 1,000,000 Self-insurance Retention	Unlimited Stop Loss
Workers Compensation	\$ 1,500,000 Self-insured Retention \$ 1,000,000 Employers Liability	Workers Compensation Statutory Employers Liability - No Excess Coverage

NOTE 10 SELF-INSURED EMPLOYEE HEALTH PLAN

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

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

Fiscal Year	Beginning Balance	Incurred Claims	Payments	Ending Balance
2023	\$ 5,760,000	\$ 38,007,627	\$ 38,017,627	\$ 5,750,000
2022	6,020,000	37,579,479	37,839,479	5,760,000

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 11 LONG-TERM LIABILITIES

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

	October 1, 2022	Additions	Deletions	September 30, 2023	Due Within One Year
Governmental Activities:					
Revenue Bonds Payable from					
Direct Borrowings	\$ 56,105,000	\$ -	\$ (2,915,000)	\$ 53,190,000	\$ 3,030,000
Plus Deferred Amounts:					
For Issuance Premium	3,336,238	-	(256,634)	3,079,604	256,634
Net Bonds Payable	59,441,238	-	(3,171,634)	56,269,604	3,286,634
Direct Borrowings:					
Interlocal Agreements	30,537,597	-	(1,976,842)	28,560,755	2,038,959
Notes Payable	72,319,903	-	(8,633,883)	63,686,020	8,832,478
Lease Liability	8,619,263	3,129,695	(2,273,223)	9,475,735	1,579,901
SBITA Liability	10,075,020	8,792,360	(6,479,614)	12,387,766	4,689,883
Compensated Absences	18,202,727	25,232,287	(24,184,042)	19,250,972	9,392,015
Self-Insurance Liability	11,460,000	6,187,025	(5,697,025)	11,950,000	5,150,000
Governmental Activities					
Long-Term Liabilities	<u>\$ 210,655,748</u>	<u>\$ 43,341,367</u>	<u>\$ (52,416,263)</u>	<u>\$ 201,580,852</u>	<u>\$ 34,969,870</u>
Business-Type Activities:					
Revenue Bonds Payable from					
Direct Borrowings	\$ 142,795,000	\$ -	\$ (4,425,000)	\$ 138,370,000	\$ 4,635,000
Plus Deferred Amounts:					
For Issuance Premium	21,363,793	-	(1,339,860)	20,023,933	1,339,860
Net Bonds Payable	164,158,793	-	(5,764,860)	158,393,933	5,974,860
Direct Borrowings:					
Interlocal Agreements	1,696,255	-	(201,218)	1,495,037	201,217
Contracts Payable	58,880	-	-	58,880	-
Closure and Long-Term Care	39,510,023	1,836,214	-	41,346,237	-
Lease Liability	54,933	47,912	(56,863)	45,982	34,901
Compensated Absences	1,012,535	1,763,799	(1,719,955)	1,056,379	1,056,379
Other Long-Term Liabilities	377,985	-	(351,386)	26,599	-
Business-Type Activities					
Long-Term Liabilities	<u>\$ 206,869,404</u>	<u>\$ 3,647,925</u>	<u>\$ (8,094,282)</u>	<u>\$ 202,423,047</u>	<u>\$ 7,267,357</u>

The beginning balance was restated due to implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*.

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

The self-insurance claims liability consists of \$11,950,000 for workers' compensation, general liability and employment practices, and automobile liability.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 11 LONG-TERM LIABILITIES (CONTINUED)

Revenue Bonds, Notes, and Interlocal Agreements

Revenue bonds payable and interlocal agreements at September 30, 2023, are comprised of the following individual issues:

<u>Business-Type Activities - Revenue Bonds Payable</u>	<u>Amount</u>
<p>\$43,815,000 in Utility System Revenue Refunding Bonds, Series 2012; due in annual installments of \$1,568,038 to \$4,818,000, including interest, through October 1, 2029, with principal payments beginning October 1, 2018; interest rate ranging from 3% to 5%; collateralized by an irrevocable senior lien on gross revenues derived from the operation of the system and certain connection charges.</p>	\$ 16,215,000
<p>\$53,630,000 in Utility System Revenue and Refunding Bonds, Series 2013; due in annual installments of \$1,954,715 to \$12,596,000, including interest through October 1, 2043; interest ranging from 1.75% to 5.0%; collateralized by an irrevocable senior lien on gross revenues derived from the operation of the system and certain connection charges.</p>	4,885,000
<p>\$41,740,000 in Utility System Revenue Refunding Bonds, Series 2014A, Utility System Revenue Refunding Bonds, Series 2014B and Utility System Revenue Refunding Bonds, Series 2014C (not being reoffered pursuant to a Tender and Purchase Agreement with Citibank); due in annual installments of \$904,058 to \$7,708,313, including interest through October 1, 2034; interest ranging from 0.58% to 5.0%; collateralized by an irrevocable senior lien on gross revenues derived from the operation of the system and certain connection charges.</p>	29,720,000
<p>\$87,550,000 in Utility System Revenue and Refunding Bonds, Series 2020; due in annual installments of \$3,108,750 to \$11,886,600, including interest through October 1, 2043; interest ranging from 1.75% to 5.0%; collateralized by an irrevocable senior lien on gross revenues derived from the operation of the system and certain connection charges.</p>	<u>87,550,000</u>
Total Business-Type Activities - Revenue Bonds Payable	<u>138,370,000</u>
<u>Business Type Activities - Interlocal Agreements</u>	
<p>\$4,050,046 interlocal agreement with the City of Bartow due in annual installments of \$201,217 through August 15, 2031, collateralized by a portion of operating revenue.</p>	<u>1,495,037</u>
Total Business-Type Activities - Interlocal Agreements	<u>1,495,037</u>
Total Business-Type Activities - Revenue Bonds Payable and Interlocal Agreement Payable	<u><u>\$ 139,865,037</u></u>

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 11 LONG-TERM LIABILITIES (CONTINUED)

Revenue Bonds, Notes, and Interlocal Agreements (Continued)

<u>Governmental Activities - Revenue Bonds Payable</u>	<u>Amount</u>
<p>\$71,510,000 in Public Facilities Revenue Refunding Bonds, Series 2014, due in annual installments of \$1,787,556 to \$5,453,600, including interest through December 1, 2035; interest ranging from 3.0% to 5.0%; collateralized by a pledge of revenues from the State Revenue Sharing Trust Funds, and 8.0% of the 10.0% public service tax accruing to the County under provisions of Chapter 210, <i>Florida Statutes</i>, Section 212.20 and Chapter 125, <i>Florida Statutes</i>; Chapter 218, Part II, <i>Florida Statutes</i>; Section 166.231, <i>Florida Statutes</i>.</p>	<p style="border-top: 1px solid black;">\$ 53,190,000</p>
<p>Total Governmental Activities - Revenue Bonds Payable</p>	<p style="border-top: 1px solid black;">53,190,000</p>
<p><u>Governmental Activities - Revenue Notes Payable</u></p> <p>\$18,157,000 in Public Facilities Revenue Refunding Note, Series 2015, due in annual installments of \$592,356 to \$2,151,780; including interest through December 1, 2026; interest of 2.14%; collateralized by a pledge of State Revenue Sharing Trust Funds and 8.0% of the 10.0% public service tax accruing to the County under provisions of Section 210, <i>Florida Statutes</i>, Section 212.20 and Chapter 125, <i>Florida Statutes</i>; Chapter 218, Part II, <i>Florida Statutes</i>; Section 166.231, <i>Florida Statutes</i>.</p>	<p style="border-top: 1px solid black;">8,090,000</p>
<p>\$27,062,000 in Promissory Note, Series 2020A, due in annual installments of \$648,285 to \$2,249,066; including interest through April 1, 2035; interest of 2.20%; collateralized by a non-ad valorem revenue.</p>	<p style="border-top: 1px solid black;">23,681,020</p>
<p>\$41,955,000 in Promissory Note, Series 2020C, due in annual installments of \$611,319 to \$5,741,775; including interest through December 1, 2029; interest of 1.95%; collateralized by non-ad valorem revenue.</p>	<p style="border-top: 1px solid black;">31,915,000</p>
<p>Total Governmental Activities - Revenue Notes Payable</p>	<p style="border-top: 1px solid black;">\$ 63,686,020</p>

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 11 LONG-TERM LIABILITIES (CONTINUED)

Revenue Bonds, Notes, and Interlocal Agreements (Continued)

<u>Governmental Activities - Interlocal Agreements</u>	<u>Amount</u>
\$5,500,000 interlocal agreement with the City of Auburndale due in annual installments not to exceed \$303,672, through October 2035; collateralized by a portion of the local 4% and 5% of the Tourist Development Tax.	\$ 3,250,000
\$13,616,000 interlocal agreement with the City of Lakeland (Joker Marchant Stadium) due in annual installments not to exceed \$1,044,561, through September 2036; collateralized by a portion of the Tourist Development Tax.	9,928,655
\$6,718,697 interlocal agreement with the City of Lakeland due in annual installments not to exceed \$537,016, through October 2032; collateralized by a portion of the local 4% and 5% of the Tourist Development Tax.	4,312,781
\$10,000,000 interlocal agreement with the City of Winter Haven (Chain of Lakes) due in annual installments not to exceed \$786,375, through September 2037.	7,895,000
\$3,500,000 interlocal agreement with the City of Auburndale due in annual installments not to exceed \$381,325, through December 2030; collateralized by a portion of the local 4% and 5% of the Tourist Development Tax.	<u>3,174,319</u>
Total Governmental Activities - Interlocal Agreements	<u>28,560,755</u>
Total Governmental Activities - Revenue Bonds Payable, Revenue Notes Payable, and Interlocal Agreements Payable	<u>\$ 145,436,775</u>

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 11 LONG-TERM LIABILITIES (CONTINUED)

Revenue Bonds, Notes, and Interlocal Agreements (Continued)

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

<u>Year Ending September 30,</u>	Governmental Activities			
	Bonds		Notes from Direct Borrowings	
	Principal	Interest	Principal	Interest
2024	\$ 3,030,000	\$ 2,341,200	\$ 10,871,437	\$ 2,158,006
2025	3,180,000	2,185,950	11,134,109	1,915,976
2026	3,340,000	2,022,950	11,413,797	1,667,742
2027	3,510,000	1,851,700	11,695,562	1,413,087
2028	3,685,000	1,671,825	7,664,458	1,196,146
2029-2033	21,325,000	5,423,550	28,885,130	3,554,791
2034-2038	15,120,000	923,000	10,582,282	759,820
Total	<u>\$ 53,190,000</u>	<u>\$ 16,420,175</u>	<u>\$ 92,246,775</u>	<u>\$ 12,665,568</u>

<u>Year Ending September 30,</u>	Business Type Activities			
	Bonds		Notes from Direct Borrowings	
	Principal	Interest	Principal	Interest
2024	\$ 4,635,000	\$ 5,986,500	\$ 201,217	\$ -
2025	4,865,000	6,754,750	201,217	-
2026	5,160,000	5,511,500	201,217	-
2027	5,225,000	5,260,375	201,217	-
2028	5,475,000	5,014,125	201,217	-
2029-2033	32,305,000	21,312,748	488,952	-
2034-2038	32,450,000	14,088,825	-	-
2039-2043	48,255,000	6,160,950	-	-
Total	<u>\$ 138,370,000</u>	<u>\$ 70,089,773</u>	<u>\$ 1,495,037</u>	<u>\$ -</u>

There are a number of limitations and restrictions contained in the various bond indentures. As of September 30, 2023, all funds are being maintained in accordance with the ordinances and resolutions.

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

POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 11 LONG-TERM LIABILITIES (CONTINUED)

Revenue Bonds – Pledged Future Revenues

Polk County Board of County Commissioners has pledged future water and sewer customer revenues, net of specified operating expenses, to repay \$138,370,000 in revenue bonds issued in, 2012, 2013, 2014, and 2020. Proceeds from the bonds were used to finance the cost of the acquisition and construction of additions, extensions and improvements to the System. Principal and interest on the bonds are payable through 2043, from the water and sewer gross revenues and connection charges. Annual principal and interest on the bonds are expected to require approximately 9% of such gross revenues and connection charges. Principal and interest paid for the year ended September 30, 2023, was \$10,617,557.

Revenue Bonds Refunding

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

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

Closure and Long-Term Care Costs

State and federal laws and regulations require that a final cover be placed on all landfill sites when they are no longer accepting waste and that certain maintenance and monitoring functions are performed at the respective sites for thirty years after closure. Although closure and long-term care costs will be paid only near or after the date that the landfill stops accepting waste, a portion of these closure and long-term care costs are reported as an operating expense in each period based on the landfill capacity used as of each balance sheet date. The \$41,346,237 payable from restricted assets reported as landfill closure and long-term care liability at September 30, 2023, represents the cumulative amount reported to date based on the use of 77.31% of the estimated capacity for all landfill sites. These amounts are estimated based on what it would cost to perform all closure and long-term care as of September 30, 2023. County landfills are permitted to remain open through 2038. One phase of the County's current landfill is not open yet and one phase is expected to close within the next 24 months. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 11 LONG-TERM LIABILITIES (CONTINUED)

Closure and Long-Term Care Costs (Continued)

State and federal laws and regulations require that annual contributions be made to a trust to finance closure and long-term care. At September 30, 2023, cash, investments and receivables of \$41,346,237 are held for these purposes; therefore, the County is in compliance with financial assurance requirements. These assets are reported as Restricted Assets on the statement of net position. Future inflation costs are expected to be paid from interest earnings on these annual contributions. However, if interest earnings are inadequate or additional long-term care requirements are determined (due to changes in technology or applicable laws or regulations, for example), these costs may need to be covered by charges to future landfill users or from future tax revenue.

Each year the Florida Department of Environmental Protection (FLDEP) requires the County to assess the estimate of post-closure costs for each landfill owned by the County. During the year ended September 30, 2023, the post-closure liability increased by \$1,836,214, for an ending balance of \$41,346,237.

Compensated Absences

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

Self-Insurance

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

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 11 LONG-TERM LIABILITIES (CONTINUED)

Self-Insurance (Continued)

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

Year Ended September 30,	Beginning Balance	Current Year Claims and Changes in Estimates	Current Year Claims Payments	Ending Balance
2023:				
Worker's Compensation General and Employment Practices Liability	\$ 8,620,000	\$ 3,579,450	\$ 3,619,450	\$ 8,580,000
Automobile Liability	1,810,000	533,845	653,845	1,690,000
	1,030,000	2,073,730	1,423,730	1,680,000
Total Self-Insurance Liability	<u>\$ 11,460,000</u>	<u>\$ 6,187,025</u>	<u>\$ 5,697,025</u>	<u>\$ 11,950,000</u>
2022:				
Worker's Compensation General and Employment Practices Liability	\$ 9,240,000	\$ 3,858,574	\$ 4,478,574	\$ 8,620,000
Automobile Liability	2,510,000	(355,076)	344,924	1,810,000
	1,010,000	991,808	971,808	1,030,000
Total Self-Insurance Liability	<u>\$ 12,760,000</u>	<u>\$ 4,495,306</u>	<u>\$ 5,795,306</u>	<u>\$ 11,460,000</u>

Interlocal Agreements

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

Pension and Other Postemployment Benefits (OPEB)

The liabilities for pension and OPEB are liquidated in the fund in which an employee's payroll expense is normally recorded. The significant funds that have been used in prior years to liquidate these liabilities have been the General, Utilities, and Fire Rescue Funds. Additional disclosure for Pension and OPEB can be found in Note 12 and Note 13, respectively of the financial statements.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 12 RETIREMENT PLANS

Background

The Florida Retirement System (FRS) was created by Chapter 121, *Florida Statutes*, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, *Florida Statutes*, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any State-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the County are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, *Florida Statutes*; Chapter 112, Part IV, *Florida Statutes*; Chapter 238, *Florida Statutes*; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost sharing, multiple-employer defined benefit plans and other nonintegrated programs. An annual comprehensive financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' website (www.dms.myflorida.com).

The County's aggregate pension liability, deferred outflows of resources related to pensions, deferred inflows of resources related to pensions, and pension expense for all plans total \$482,287,856, \$102,299,607, \$24,652,374, and \$60,331,544, respectively.

Florida Retirement System Pension Plan

Plan Description

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

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

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 12 RETIREMENT PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Plan Description (Continued)

Employees enrolled in the FRS Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the FRS Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Employees enrolled in the FRS Plan may include up to four years of credit for military service toward creditable service. The FRS Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, *Florida Statutes*, permits employees eligible for normal retirement under the FRS Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 96 months after electing to participate, except that certain instructional personnel may participate for up to 120 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided

Benefits under the FRS Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the member's five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the member's 8 highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 12 RETIREMENT PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Benefits Provided (Continued)

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

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

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

Contributions

The Florida Legislature establishes contribution rates for participating employers and employees. Effective July 1, 2011, all FRS Plan members (except those in DROP) are required to make 3% employee contributions on a pretax basis. The employer contribution rates by job class for the periods from October 1, 2022, through June 30, 2023, and from July 1, 2023, through September 30, 2023, respectively, were as follows: Regular employees 11.92% and 13.57%; Special Risk employees 27.83% and 32.67%; County Elected Officials 57.00% and 58.68%; Senior Management Services 31.57% and 34.52%; and DROP participants 18.60% and 21.13%. The County's contributions to the FRS Plan were \$46,488,928 for the year ended September 30, 2023.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 12 RETIREMENT PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Pension Costs

At September 30, 2023, the County reported a liability of \$373,229,371 for its proportionate share of the FRS Plan's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The County's proportion of the net pension liability was based on the County's contributions received by FRS during the measurement period for employer payroll paid dates from July 1, 2022, through June 30, 2023, relative to the total employer contributions received from all of FRS's participating employers. At June 30, 2023, the County's proportion was 0.936660014%, which was an increase of 0.008038999% from its proportion measured as of June 30, 2022.

For the year ended September 30, 2023, the County recognized pension expense of \$75,350,252 for its proportionate share of the FRS Plan's pension expense. In addition, the County reported its proportionate share of the FRS Plan's deferred outflows of resources and deferred inflows of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual		
Economic Experience	\$ 35,043,017	\$ -
Changes in Actuarial Assumptions	24,330,187	-
Net Difference Between Projected and Actual		
Earnings on Pension Plan Investments	15,587,069	-
Changes in Proportion and Differences Between the County's Contributions and Proportionate Share of Contributions	6,224,701	13,812,373
County's Contributions Subsequent to the Measurement Date	12,958,512	-
Total	<u>\$ 94,143,486</u>	<u>\$ 13,812,373</u>

An amount of \$12,958,512 reported as deferred outflows of resources related to pensions resulting from County contributions to the FRS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

<u>Year Ending September 30,</u>	<u>Amount</u>
2024	\$ 7,735,414
2025	(6,957,011)
2026	58,672,554
2027	6,125,247
2028	1,796,397
Total	<u>\$ 67,372,601</u>

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 12 RETIREMENT PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Actuarial Assumptions

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

Inflation	2.40% Per Year
Salary Increases	3.25%, Average, Including Inflation
Investment Rate of Return	6.70%, Net of Pension Plan Expense

Mortality rates were based on the PUB-2010 base table which varies by member category and sex, projected generationally with Scale MP-2018. The actuarial assumptions used in the July 1, 2023 valuation for the June 30, 2023 measurement date were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

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

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

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0 %	2.9 %	2.9 %	1.1 %
Fixed Income	19.8	4.5	4.4	3.4
Global Equity	54.0	8.7	7.1	18.1
Real Estate (Property)	10.3	7.6	6.6	14.8
Private Equity	11.1	11.9	8.8	26.3
Strategic Investments	3.8	6.3	6.1	7.7
Totals	100.0 %			
Assumed Inflation - Mean			2.4	1.4

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 12 RETIREMENT PLANS (CONTINUED)

Florida Retirement System Pension Plan (Continued)

Discount Rate

The discount rate used to measure the total pension liability was 6.70% for the FRS Plan, which was no change from the rate as of June 30, 2022. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rate specified in statute. Based on that assumption, each of the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Pension Liability Sensitivity

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

Description	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
FRS Plan Discount Rate	5.70%	6.70%	7.70%
County's Proportionate Share of the FRS Plan Net Pension Liability	\$ 637,551,764	\$ 373,229,371	\$ 152,092,062

Pension Plan Fiduciary Net Position

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

Retiree Health Insurance Subsidy Program

Plan Description

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

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 12 RETIREMENT PLANS (CONTINUED)

Retiree Health Insurance Subsidy Program (Continued)

Benefits Provided

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

Contributions

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2023, the contribution rate was 1.66% of payroll pursuant to Section 112.363, *Florida Statutes*. The County contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled. The County's contributions to the HIS Plan were \$4,748,785 for the year ended September 30, 2023.

Pension Costs

At September 30, 2023, the County reported a liability of \$109,058,485 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2022, and update procedures were used to determine liabilities as of July 1, 2023. The County's proportion of the net pension liability was based on the County's contributions received during the measurement period for employer payroll paid dates from July 1, 2022, through June 30, 2023, relative to the total employer contributions received from all participating employers. At June 30, 2023, the County's proportion was 0.686708600%, which is a decrease of 0.003477397% from its proportion measured as of June 30, 2022.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 12 RETIREMENT PLANS (CONTINUED)

Retiree Health Insurance Subsidy Program (Continued)

Pension Costs (Continued)

For the year ended September 30, 2023, the County recognized pension expense of \$41,644,128 for its proportionate share of HIS's pension expense. In addition, the County reported its proportionate share of HIS's deferred outflows of resources and deferred inflows of resources from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual		
Economic Experience	\$ 1,596,541	\$ 255,977
Changes in Actuarial Assumptions	2,867,115	9,450,285
Net Difference Between Projected and Actual		
Earnings on HIS Program Investments	56,319	-
Changes in Proportion and Differences Between the County's Contributions and Proportionate Share of Contributions	2,260,998	1,133,739
County's Contributions Subsequent to the Measurement Date	1,375,148	-
Total	<u>\$ 8,156,121</u>	<u>\$ 10,840,001</u>

An amount of \$1,375,148 reported as deferred outflows of resources related to pensions resulting from County contributions to the HIS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2024. Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized as an increase (decrease) in pension expense as follows:

<u>Year Ending September 30,</u>	Amount
2024	\$ (317,495)
2025	(217,310)
2026	(667,184)
2027	(1,758,033)
2028	(1,006,420)
Thereafter	(92,586)
Total	<u>\$ (4,059,028)</u>

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 12 RETIREMENT PLANS (CONTINUED)

Retiree Health Insurance Subsidy Program (Continued)

Actuarial Assumptions

The total pension liability in the July 1, 2022 actuarial valuation for the June 30, 2023 measurement date was determined using the following actuarial assumptions, applied to all periods included in the measurement:

HIS Actuarial Assumptions

Inflation	2.40% Per Year
Salary Increases	3.25%, Average, Including Inflation
Municipal Bond Rate	3.65%

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2018. The actuarial assumptions used in the July 1, 2022 valuation for the June 30, 2023 measurement date were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018.

Discount Rate

The discount rate used to measure the total pension liability was 3.65% for the HIS Plan, which was a 0.11% increase from the 3.54% rate as of June 30, 2022. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan Sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Pension Liability Sensitivity

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

Description	1% Decrease in Discount Rate	Current Discount Rate	1% Increase in Discount Rate
HIS Plan Discount Rate	2.65%	3.65%	4.65%
County's Proportionate Share of the HIS Plan Net Pension Liability	\$ 124,418,710	\$ 109,058,485	\$ 96,325,889

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 12 RETIREMENT PLANS (CONTINUED)

Retiree Health Insurance Subsidy Program (Continued)

Pension Plan Fiduciary Net Position

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

FRS Investment Plan

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

As provided in Section 121.4501, *Florida Statutes*, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. District employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll and by forfeited benefits of plan members.

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2023, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the County.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 12 RETIREMENT PLANS (CONTINUED)

FRS Investment Plan (Continued)

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

The County's contributions to the Investment Plan totaled \$8,130,738 for the year ended September 30, 2023.

Employee contributions to the Investment Plan totaled \$1,453,656 for the year ended September 30, 2023.

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS

Plan Description

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

If an employee wishes to immediately continue group health insurance through the County, the appropriate paperwork must be submitted within 30 days of their employment termination date. A retired employee, who retired on or after November 20, 2018, has a one-time option to elect to cease participation in the group health insurance plan upon retirement, enter into inactive status, and enroll at a later date. A surviving spouse may also elect this one-time option. An employee who retires under a state retirement system or a state optional annuity or retirement program or is placed on disability retirement must immediately begin receiving retirement benefits after leaving County employment to qualify for this benefit. Any employee who retires under the Investment Plan must meet the age and service requirements set forth in Section 121.021(29), *Florida Statutes*, or attained the retirement age specified by Section 72(t)(2)AA)(i) of the Internal Revenue Code and have the years of service required for vesting as set forth in Section 121.021(45), *Florida Statutes*.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Plan Description (Continued)

However, an exception to this qualification is that some employees who did not retire, were employed with County government a minimum of 15 years and terminated their employment prior to January 1, 2012, qualified for participation in the Retiree Benefits Program based solely upon their years of service. Retirees age 65 and older and/or their Medicare eligible dependents participate in the fully-insured Medicare Advantage plan and must enroll in the Federal Medicare program (Part A & Part B) to be eligible for enrollment in this plan option. Retirees under the age of 65 may remain on the County's self-insured medical plan.

The premiums for the retirees and dependents participating in the County's health plans are the same as that of active employees. If a retiree was employed before January 1, 2009, elects to continue group health insurance, and was employed by County government for a minimum of ten years, or eight years for elected officials and senior management, the County contributes toward the payment of the premium for the employee only coverage. If an employee retired or entered DROP before January 1, 2012, the County contributes 3% of the retiree's premium for each full year of employment that the employee had with a Polk County agency affiliated with the County's health plan. The maximum contribution that the County will provide to a retiree at 3% per year is 75% of the premium. If an employee retires after January 1, 2012, the County contributes the lesser of \$20 per year of service, up to a maximum of \$500 or 3% per year of service up to a maximum of 75%. The County does not make a contribution toward premiums for any employee hired after December 31, 2008. The County also subsidizes the premium rates paid by non-Medicare eligible retirees and their dependents by allowing them to participate in the self-insured plans at the blended group (implicitly subsidized) premium rates for both active and non-Medicare eligible retired employees. These rates provide an implicit subsidy because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees.

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

Funding Policy

The County has not advance-funded or established a funding methodology for the annual Other Postemployment Benefit (OPEB) or the net OPEB obligation. Contribution requirements of the County are established and may be amended through the County. The plan is currently being funded on a pay-as-you-go basis. No trust fund has been established for the plan. The plan does not issue a separate financial report.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Employees Covered by Benefit Terms

At September 30, 2023, the following employees were covered by the benefit terms:

Plan Participants:	
Inactive Employees or Beneficiaries Currently Receiving Benefits	1,563
Active Plan Members	4,186
Total Participants	5,749

Total OPEB Liability

The County's Total OPEB liability was measured as of September 30, 2022 and was determined by an actuarial valuation as of September 30, 2022. The following table shows the County's total OPEB liability for the year ended September 30, 2023.

	Total OPEB Liability	Net OPEB Liability
Balance - October 1, 2022	\$ 208,784,936	\$ 208,784,936
Changes for the Year:		
Service Cost	5,180,152	5,180,152
Interest	4,592,364	4,592,364
Changes in Assumptions	(47,145,598)	(47,145,598)
Differences Between Expected and Actual Experience	1,611,336	1,611,336
Benefit Payments	(8,536,247)	(8,536,247)
Net Changes	(44,297,993)	(44,297,993)
Balance - September 30, 2023	\$ 164,486,943	\$ 164,486,943

Actuarial Assumptions

The total OPEB liability in the September 30, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	4.40 %
Inflation	2.50 %
Healthcare Cost Trend Rates	6.50 %

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

Mortality tables used for Regular Class and Special Risk Class members in the July 1, 2022 actuarial valuation of the Florida Retirement System. They are based on the results of a statewide experience study covering the period 2013 through 2018.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

Actuarial Assumptions (Continued)

For plans that do not have formal assets, the discount rate should equal the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. For the purpose of this actuarial roll forward, the municipal bond rate is 4.40% (based on the daily rate of Fidelity's "20-Year Municipal GO AA Index" closest to but not later than the measurement date). The discount rate was 2.19% as of the previous measurement date.

Discount Rate Sensitivity

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

Description	1% Decrease in Discount Rate	Discount Rate	1% Increase in Discount Rate
OPEB Plan Discount Rate	3.40 %	4.40 %	5.40 %
Total OPEB Liability	\$ 182,293,751	\$ 164,486,943	\$ 149,115,208

Healthcare Trend Rate Sensitivity

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

Description	1% Decrease in Healthcare Cost Trend Rate	Healthcare Cost Trend Rate	1% Increase in Healthcare Cost Trend Rate
OPEB Plan Healthcare Cost Rate	5.50 %	6.50 %	7.50 %
Total OPEB Liability	\$ 150,734,769	\$ 164,486,943	\$ 180,264,899

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

For the year ended September 30, 2023, the County recognized OPEB expense of \$1,392,838. In addition, the County reported deferred inflows of resources from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 1,475,276	\$ 2,074,365
Changes of Assumptions	16,514,018	72,063,904
County's Contributions Subsequent to the Measurement Date	8,665,948	-
Total	<u>\$ 26,655,242</u>	<u>\$ 74,138,269</u>

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 13 OTHER POSTEMPLOYMENT BENEFITS (CONTINUED)

**Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB
(Continued)**

An amount of \$8,665,948 reported as deferred outflows of resources related to OPEB resulting from County Contributions subsequent to measurement date will be recognized as reduction of the total OPEB liability in the year ending September 30, 2024. Amounts reported as deferred inflows and outflows of resources related to OPEB will be amortized over five years and will be recognized as follows:

<u>Year Ending September 30.</u>	<u>Amount</u>
2024	\$ (8,379,678)
2025	(8,379,678)
2026	(8,379,678)
2027	(7,858,640)
2028	(2,888,265)
Thereafter	<u>(20,263,036)</u>
Total	<u>\$ (56,148,975)</u>

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 14 GOVERNMENTAL FUND BALANCE CLASSIFICATIONS

The County's governmental fund balances as of September 30, 2023, were classified as follows:

	General Fund	Coronavirus Relief Fund	Impact Fees Fund	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:					
Prepays	\$ 1,250,235	\$ -	\$ -	\$ 250,047	\$ 1,500,282
Advances	249,543	-	-	-	249,543
Inventories	935,738	-	-	-	935,738
Total Nonspendable	<u>2,435,516</u>	-	-	250,047	<u>2,685,563</u>
Restricted:					
Economic Development	2,185,874	-	-	-	2,185,874
Human Services Multi-Purpose Centers and Healthy Families Program	11,393	-	-	-	11,393
Roadway Maintenance, Operations, and Capital	-	-	-	110,836,492	110,836,492
Community Redevelopment Areas	-	-	-	903,448	903,448
Emergency Services	-	-	-	19,039,325	19,039,325
Libraries, Museums and Parks, Maintenance Operations and Capital	126,923	-	-	25,095,278	25,222,201
Law Enforcement	936,530	-	-	5,762,061	6,698,591
Court Related Operation/Technology	-	-	-	6,882,984	6,882,984
Opioid and Other Drug Prevention	-	-	-	7,106,583	7,106,583
Debt Service	-	-	-	6,606,292	6,606,292
Tourism Development	-	-	-	16,454,429	16,454,429
Indigent Healthcare	-	-	-	89,730,020	89,730,020
Impact Fees	-	-	121,491,358	-	121,491,358
Building Code Enforcement	1,866,930	-	-	14,399,011	16,265,941
Election Activities	-	-	-	334,820	334,820
Total Restricted	<u>5,127,650</u>	-	121,491,358	303,150,743	<u>429,769,751</u>
Committed:					
Roadway Maintenance, Operations, and Capital	115,571	-	-	57,084,129	57,199,700
Environmental Lands Acquisition and Maintenance	-	-	-	37,854,038	37,854,038
Emergency Medical Services	-	-	-	26,575,172	26,575,172
Total Committed	<u>115,571</u>	-	-	121,513,339	<u>121,628,910</u>
Assigned:					
Roadway Maintenance, Operations, and Capital	-	-	-	2,236,313	2,236,313
Debt Service	-	-	-	5,488,547	5,488,547
General Capital Improvement Projects	-	-	-	96,825,472	96,825,472
Total Assigned	<u>-</u>	-	-	104,550,332	<u>104,550,332</u>
Unassigned	<u>134,928,575</u>	-	-	(353,639)	<u>134,574,936</u>
Total Fund Balances	<u>\$ 142,607,312</u>	<u>\$ -</u>	<u>\$ 121,491,358</u>	<u>\$ 529,110,822</u>	<u>\$ 793,209,492</u>

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 15 PROPERTY TAX REVENUES

Taxable values for all property are established as of January 1, which is the date of lien, for the fiscal year starting October 1. Property tax revenues recognized for the year ended September 30, 2023, were levied in January 2022. All taxes are payable on November 1 and due by March 31, or as soon as the assessments roll is certified and delivered to the Tax Collector. Discounts are allowed for early payment at the rate of 4% in November, 3% in December, 2% in January, and 1% in February. Taxes paid in March are without discount. All unpaid taxes become delinquent as of April 1. Virtually all unpaid taxes are collected via the sale of tax certificates on or prior to June 1; therefore, there were no material taxes receivable at fiscal year-end. Any prepaid taxes paid in June through September are accrued as deferred inflows at the fiscal year-end.

NOTE 16 REHABILITATION AND HOMEOWNERSHIP LOAN PROGRAMS

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

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

**NOTE 17 PROPERTY TAX REVENUES AFFORDABLE HOUSING ASSISTANCE TRUST FUND
STATE HOUSING INITIATIVE PARTNERSHIP PROGRAM (SHIP)**

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

ASSETS

Cash and Investments	\$ 9,432,245
Accounts Receivable	10
Interest Receivable	<u>20,905</u>
Total Assets	<u><u>\$ 9,453,160</u></u>

LIABILITIES AND FUND BALANCE

LIABILITIES

Vouchers Payable	\$ 169,945
Unearned Revenue	<u>9,283,215</u>
Total Liabilities	9,453,160

FUND BALANCE

Total Liabilities and Fund Balance	<u><u>\$ 9,453,160</u></u>
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	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 9,757,559	\$ 9,757,559	\$ 3,066,846	\$ (6,690,713)
Interest Income	50,000	50,000	151,754	101,754
Miscellaneous Revenues	250,000	250,000	906,003	656,003
Total Revenues	<u>10,057,559</u>	<u>10,057,559</u>	<u>4,124,603</u>	<u>(5,932,956)</u>
EXPENDITURES				
Economic Environment	<u>10,057,559</u>	<u>10,057,559</u>	<u>4,124,603</u>	<u>5,932,956</u>
Total Expenditures	<u>10,057,559</u>	<u>10,057,559</u>	<u>4,124,603</u>	<u>5,932,956</u>
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 18 COMMITMENTS AND CONTINGENCIES

Federal Grant Programs

The County participates in a number of federal programs. Grant programs are subject to financial and compliance audits by the grantors or their representatives. The grantor audits of all programs for or including the year ended September 30, 2023, have not been completed. Accordingly, the County's compliance with applicable grant requirements will be established at some future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

Litigation

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

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

**Polk Regional Water Cooperative
Background**

The Polk Regional Water Cooperative (PRWC) was created on April 1, 2016 by an interlocal agreement between the City of Lake Alfred, City of Auburndale, City of Bartow, City of Davenport, City of Eagle Lake, City of Fort Meade, City of Frostproof, Haines City, City of Lakeland, City of Lake Wales, City of Mulberry, Polk City, City of Winter Haven, Town of Dundee, Town of Lake Hamilton and Polk County in accordance with Chapters 163 and 373 of the Florida Statutes. These local government units are collectively considered the Member Governments. The PRWC is a separate legal entity organized under the laws and the state of Florida, and the Member Governments have no equity ownership and no rights to the assets or obligations to satisfy liabilities of PRWC.

The PRWC is devoted to encouraging the development of fully integrated robust public water supply systems comprised of diverse sources managed in a manner that take full advantage of Florida's intense climatic cycles to ensure reliable, sustainable and drought resistant systems which maximize the use of alternative water supplies to the greatest extent practicable. The PRWC will evaluate, plan and implement water projects and coordinate partnerships with other water users.

Commitments to Membership Fees

The terms of the interlocal agreement require each Member Government to contribute their proportionate share of the PRWC's annual working capital needs which are established annually by a resolution of the PRWC's Board of Directors.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 18 COMMITMENTS AND CONTINGENCIES (CONTINUED)

Large Contractual Commitments

The County has contractual commitments at September 30, 2023 for the following:

Project	Estimated Amount
West Pipkin Road Widening Construction Project	\$ 23,652,199
North Central Landfill Wetlands Construction	10,992,672
Lake Wilson Road Widening	8,739,232
Construction Services For The Sheriff's Office New Burnham McCall Training Center - Phase II	6,832,695
Moore Road Fire Rescue Station Projects	6,124,326
Crooked Lake Park Inflow & Infiltration Reduction Improvement Projects	5,090,717
Masterpiece Road Fire Rescue Station Project	5,007,664
Engineering Services In Connection With The Thompson Nursery Road Project	4,713,469
Crooked Lake Park Receivership Lift Station Force Main Improvements Project	4,639,477
Eaton Park Fire Rescue Station Project	4,201,712
Infrastructure & Impact Fee Credit Agreement -Thompson Nursery Rd Extension-Phase 1/Seg 3	4,013,265
Construction Services For Watkins Road Fire Rescue Station	3,555,378
Professional Services Agreement For Stormwater Infrastructure Improvement Project	2,927,071
Ernie Caldwell Blvd Water Main Improvements - Phase 1 Project	2,915,538
Rifle Range Road Drainage Improvement Project	2,211,140
Astro 25 Virtual Prime And Three Channel Addition	2,100,000
Inpatient Psychiatric Services For Qualified Polk County Residents At Or Below 200% Of The Federal Poverty Level	2,000,000
American Rescue Plan Funds For Multi-family Rental Development	2,000,000
Primary Care Services For Qualified Polk County Residents At Or Below 200% Of The Federal Poverty Level	1,847,699
Imperial Lakes Country Club Loop Rehabilitation	1,591,318
Utilities Customer Information System	1,529,711
Professional Engineering Services For Cr 557 (Buena Vista Dr.) Widening	1,492,569
Provide Oracle SAAS ERP Services And Implementation Services	1,225,767
Reimbursement Agreement For Relocation Of City's Facilities For The W Pipkin Rd Widening Project	1,141,198
Engineering And Inspection Services In Connection With The Road Widening Project For West Pipkin Rd From Medulla Rd To SR 37	1,067,825
Provide Primary Care Services To Qualified Residents Of Polk County	989,595
Construction And Installation For The Central County Jail Auxiliary Generator	973,350
Gibson Oaks Water Productions Facility	950,974
NBTC Men's Residential And Intensive Outpatient Treatment Program	909,060
Jpv Potable Wm Pipe Burst - Ph 2 (Fern, Taylor, Sidney)	861,904
Auxiliary Power And Relocation Lift Station No. 5	842,200
Quality Behavioral Health Care Services For Qualified Polk County Residents At Or Below 200% Of Federal Poverty Level	834,255
Radio Purchases (Over 5 Years)	774,465
Architectural/Engineering Services For The Fire Rescue Training Center	770,250
Substance Abuse And Mental Health Services Admin Grant-Subrecipient Agreement	731,978
Professional Services With Construction Engineering And Inspection Services For Lake Wilson Rd Widening Project	710,467
Marigold Ave & CR 580 (Cypress Parkway) Widening	700,456
Single Phase LS Scada Upgrades (10 Sites And 1 Temp Panel)	695,728
Services For North Central Landfill Wetlands Construction Project	691,804
Combeewood Lift Station And Force Main	690,199
Behavioral Health Services	670,944
CR 655 (Rifle Range) Street Lighting	665,553
Dental Care Services For Qualified Polk County Residents At Or Below 200% Of The Federal Poverty Level	656,290
Appraisal Services - Eminent Domain	636,485
North Central Landfill Phase VI Expansion	630,292
Polk County SWRWWTF Ops Building Annex	623,046
Sub Total	\$ 127,621,937

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 18 COMMITMENTS AND CONTINGENCIES (CONTINUED)

Large Contractual Commitments (Continued)

Project	Estimated Amount
Northwest Regional Utility Service Area Cherry Hill Water Production Facility	\$ 609,813
Primary Care Services For Qualified Polk County Residents At Or Below 200% Of The Federal Poverty Level	600,375
Cherry Hill WPF Construction	594,255
American Recovery Plan Local Fiscal Recovery Funding Agreement	547,667
Bone Valley ATV Park Bridge	546,563
Provide Dental Care Services To Qualified Residents Of Polk County	522,117
American Recovery Plan Local Fiscal Recovery Funding Agreement	520,092
Construction & Installation Of 18 FR Stations & Emergency Stations Auxiliary Power Generators (FEMA)	517,358
Lift Station No. 253 Upgrade (Providence)	515,130
	<u>4,973,370</u>
Total	<u>\$ 132,595,307</u>

NOTE 19 TRANSFERS

Transfers for the year ended September 30, 2023, consisted of the following:

Transfers to General Fund from:

Nonmajor Governmental Funds	\$ 6,129,787
Utilities Fund	2,254,731
Impact Fees	9,577
Waste and Recycling Fund	4,743,293
Total	<u>\$ 13,137,388</u>

Transfers to Nonmajor Governmental Funds from:

General Fund	\$ 82,840,691
Impact Fees Fund	1,550,000
Nonmajor Governmental Funds	14,852,604
Utilities Fund	513,791
Total	<u>\$ 99,757,086</u>

Transfer to Waste and Recycling Fund from:

Internal Service Funds	\$ 3,251,986
Total	<u>\$ 3,251,986</u>

Transfers to Impact Fees from:

Nonmajor Governmental Funds	\$ 110,772
Total	<u>\$ 110,772</u>

Transfers to Internal Service from:

Nonmajor Governmental Funds	\$ 805,000
Total	<u>\$ 805,000</u>

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

POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

NOTE 20 DEFICIT FUND BALANCES

At September 30, 2023, the Information Technology Fund, Lighting District Fund, and Clerk of the Circuit Courts Court Fund had a net position deficit of \$1,473,908, \$63,636, and \$163,000 respectively. The deficit in the Information Technology Fund will be eliminated through future charges to other funds. The deficit in the Lighting District Fund will be eliminated through the review and annual adjustments to the non-ad valorem assessments for each individual lighting district. The deficit in the Court Fund is a result of the September 2023 Title IV-D grant reimbursement not being received within 60 days of fiscal year end. The deficit balance was corrected when the grant reimbursement was received in December 2023.

NOTE 21 POLK COUNTY ECONOMIC DEVELOPMENT AD VALOREM TAX EXEMPTION PROGRAM

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

The ad valorem tax exemption program currently recognizes three categories of businesses for eligibility: new businesses in qualified target industries (QTI), existing businesses in QTI seeking to expand, and manufacturing expansion. Qualified applicants are eligible to receive ad valorem tax exemptions for up to 100% of the assessed value of the property for a maximum of 10 years. There were 29 businesses participating in the ad valorem tax exemption program for year ended September 30, 2023. The mutual agreement provides financial incentives to the companies and economic job growth for the County. The County assesses compliance with these agreements on an annual basis. The exemptions offered by the County do not apply to taxes levied by the Polk County School Board, Southwest Florida Water Management District, or any other taxing authorities not governed by the County. The County did not set a threshold for disclosure and therefore all are disclosed.

**POLK COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 21 POLK COUNTY ECONOMIC DEVELOPMENT AD VALOREM TAX EXEMPTION PROGRAM (CONTINUED)

The following is a schedule of tax assessments and exemptions by exemption type for year ended September 30, 2023:

Taxable Value Summary - New Business QTI	
Assessed Taxes Without Abatements	\$ 4,021,058
Tax Revenue Abated	3,550,875
Tax Revenue to County	<u>\$ 470,183</u>
Tax Revenue Summary - New Business NonQTI	
Assessed Taxes Without Abatements	\$ 3,516,959
Tax Revenue Abated	3,122,984
Tax Revenue to County	<u>\$ 393,975</u>
Taxable Value Summary - Existing Business QTI	
Assessed Taxes Without Abatements	\$ 1,613,378
Tax Revenue Abated	998,141
Tax Revenue to County	<u>\$ 615,237</u>
Taxable Value Summary - Manufacturing Expansion	
Assessed Taxes Without Abatements	\$ 166,611
Tax Revenue Abated	61,291
Tax Revenue to County	<u>\$ 105,320</u>
Taxable Value Summary - AVTE Expansion	
Assessed Taxes Without Abatements	\$ 716,311
Tax Revenue Abated	419,159
Tax Revenue to County	<u>\$ 297,152</u>
Tax Revenue Summary - Expansion NonQTI	
Assessed Taxes Without Abatements	\$ 1,245,943
Tax Revenue Abated	747,566
Tax Revenue to County	<u>\$ 498,377</u>

REQUIRED SUPPLEMENTARY INFORMATION

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

	2023	2022	2021	2020	2019	2018
Total OPEB Liability						
Service Cost	\$ 5,180,152	\$ 4,871,937	\$ 5,010,354	\$ 4,515,181	\$ 5,016,274	\$ 5,521,352
Interest	4,592,364	4,513,869	5,482,702	6,618,093	6,957,959	6,311,071
Difference Between Expected and Actual Experience	1,611,336	4,501,038	(3,062,160)	-	-	42,401
Changes of Assumptions	(47,145,598)	16,434,859	(11,669,908)	23,137,736	(37,082,312)	(13,232,965)
Benefit Payments	(8,536,247)	(7,924,382)	(7,467,966)	(8,914,773)	(9,675,173)	(7,893,882)
Net Change in Total OPEB Liability	(44,297,993)	22,397,321	(11,706,978)	25,356,237	(34,783,252)	(9,252,023)
Total OPEB Liability - Beginning	208,784,936	186,387,615	198,094,593	172,738,356	207,521,608	216,773,631
Total OPEB Liability - Ending	<u>\$ 164,486,943</u>	<u>\$ 208,784,936</u>	<u>\$ 186,387,615</u>	<u>\$ 198,094,593</u>	<u>\$ 172,738,356</u>	<u>\$ 207,521,608</u>
County's Covered-Employee Payroll	\$ 220,293,721	\$ 216,549,962	\$ 209,227,016	\$ 278,386,886	\$ 268,972,837	\$ 201,726,831
County's Total OPEB Liability as a Percentage of Covered-Employee Payroll	74.67 %	96.41 %	89.08 %	71.16 %	64.22 %	102.87 %
OPEB Plan's Fiduciary Net Position	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
OPEB Plan's Fiduciary Net Position as a Percentage of Total OPEB Liability	N/A	N/A	N/A	N/A	N/A	N/A

Notes to Schedule:

Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the County will present information for only those years for which information is available. There are no assets accumulated in a trust to pay for OPEB.

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

- The discount rate was changed from 2.19% as of the previous measurement date to 4.40% as of September 30, 2022.
- Per capita costs and premiums were updated based on information provided.
- The healthcare cost trend assumption was updated.

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

	2023	2022	2021	2020
County's Proportion of the Net Pension Liability	0.936660014%	0.928621015%	0.933778505%	1.006785508%
County's Proportionate Share of the Net Pension Liability	\$ 373,229,371	\$ 345,521,643	\$ 70,536,352	\$ 436,355,676
County's Covered Payroll ²	\$ 262,445,203	\$ 202,292,985	\$ 196,292,168	\$ 195,548,909
County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	142.21%	170.80%	35.93%	223.14%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.38%	82.89%	96.40%	78.85%

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

¹ Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the County will present information for only those years for which information is available.

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

2019	2018	2017	2016	2015
0.984599641%	0.979972181%	0.957941800%	0.941256310%	0.857017154%
\$ 339,082,409	\$ 295,172,700	\$ 283,352,754	\$ 237,667,957	\$ 110,695,258
\$ 187,983,897	\$ 187,511,944	\$ 172,448,583	\$ 175,979,949	\$ 162,213,496
180.38%	157.42%	164.31%	135.05%	68.24%
82.61%	84.26%	83.89%	84.88%	92.00%

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

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually Required Contribution	\$ 46,488,928	\$ 40,763,758	\$ 36,676,127	\$ 34,117,293
Contributions in Relation to the Contractually Required Contribution	<u>(46,488,928)</u>	<u>(40,763,758)</u>	<u>(36,676,127)</u>	<u>(34,117,293)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's Covered Payroll	\$ 267,733,163	\$ 205,226,995	\$ 197,335,827	\$ 195,101,781
Contributions as a Percentage of Covered Payroll	17.36%	19.86%	18.59%	17.49%

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

¹ Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the County will present information for only those years for which information is available.

2019	2018	2017	2016	2015
\$ 31,176,804	\$ 28,567,372	\$ 25,519,776	\$ 24,584,511	\$ 21,103,282
<u>(31,176,804)</u>	<u>(28,567,372)</u>	<u>(25,519,776)</u>	<u>(24,584,511)</u>	<u>(21,103,282)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 189,658,115	\$ 189,552,917	\$ 176,635,169	\$ 180,312,824	\$ 171,452,221
16.44%	15.07%	14.45%	13.63%	12.31%

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

	2023	2022	2021	2020
County's Proportion of the Net Pension Liability	0.686708600%	0.690185997%	0.689358050%	0.682123618%
County's Proportionate Share of the Net Pension Liability	\$ 109,058,485	\$ 73,101,721	\$ 84,560,128	\$ 83,286,183
County's Covered Payroll ²	\$ 262,445,203	\$ 244,016,805	\$ 236,133,101	\$ 231,129,920
County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	41.55%	29.96%	35.81%	36.03%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	4.12%	4.81%	3.56%	3.00%

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

¹ Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the County will present information for only those years for which information is available.

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

2019	2018	2017	2016	2015
0.671150490%	0.668910157%	0.647821000%	0.640800865%	0.625554561%
\$ 75,095,024	\$ 70,798,201	\$ 69,268,011	\$ 74,682,686	\$ 63,796,725
\$ 219,181,243	\$ 218,394,455	\$ 194,438,570	\$ 197,293,241	\$ 190,065,812
34.26%	32.42%	35.62%	37.85%	33.57%
2.63%	21.50%	1.64%	0.97%	0.50%

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

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>
Contractually Required Contribution	\$ 4,748,785	\$ 4,227,855	\$ 4,093,103	\$ 3,973,874
Contributions in Relation to the Contractually Required Contribution	<u>(4,748,785)</u>	<u>(4,227,855)</u>	<u>(4,093,103)</u>	<u>(3,973,874)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's Covered Payroll	\$ 267,733,163	\$ 247,125,157	\$ 238,317,179	\$ 231,767,620
Contributions as a Percentage of Covered Payroll	1.77%	1.71%	1.72%	1.71%

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

¹ Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the County will present information for only those years for which information is available.

2019	2018	2017	2016	2015
\$ 3,767,613	\$ 3,643,123	\$ 3,492,346	\$ 3,424,007	\$ 2,391,259
<u>(3,767,613)</u>	<u>(3,643,123)</u>	<u>(3,492,346)</u>	<u>(3,424,007)</u>	<u>(2,391,259)</u>
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
\$ 221,501,919	\$ 219,482,843	\$ 203,529,598	\$ 202,834,766	\$ 189,492,682
1.70%	1.66%	1.72%	1.69%	1.26%

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023**

SPECIAL REVENUE FUNDS

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

Special Revenue Grants Fund

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

County Transportation Trust Fund

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

Tourist Development Tax Fund

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

Lake and River Enhancement Fund

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

Lighting Districts Fund

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

Stormwater MSTU Fund

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

Fire Rescue Fund

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

Emergency 911 Fund

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

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
SEPTEMBER 30, 2023**

SPECIAL REVENUE FUNDS (CONTINUED)

Hazardous Waste Fund

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

Radio Communications Fund

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

Law Enforcement Trust Fund

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

Land Management Trust Fund

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

Building Fund

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

Local Provider Participation Fund

Funding is generated through levying a non-ad valorem special assessment on public and private hospitals. Revenue is used for intergovernmental transfers to draw down additional State and Federal funds to close the gap in Medicaid reimbursements.

Opioid Settlement Fund

Funding is generated through settlement proceeds resulting from legal action filed by the State (re: National Prescription Opiate Litigation, MDL No. 2804). Proceeds are used to fund and implement the Polk County Florida Opioid Abatement Plan.

Indigent Healthcare Fund

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

Harden/Parkway CRA Fund

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

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
SEPTEMBER 30, 2023**

SPECIAL REVENUE FUNDS (CONTINUED)

Leisure Services MSTU Fund

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

Libraries MSTU Fund

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

Rancho Bonito MSTU Fund

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

Transportation Millage Fund

This fund accounts for 1.2 mill of ad valorem revenue levied county-wide. In addition, the Board of Commissioners has assigned a portion of the Public Service Tax, assessed on the purchase of utilities such as electricity, water, natural gas, and petroleum gas, to the fund. The primary purpose of the fund is for pavement management, roadway drainage, road capacity, road safety, and general roadway improvements.

Eloise CRA Fund

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

Emergency Medical Millage Fund

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

Clerk of the Circuit Courts – Court Fund

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

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
SEPTEMBER 30, 2023**

SPECIAL REVENUE FUNDS (CONTINUED)

Unbudgeted Other Special Revenue Funds

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

DEBT SERVICE FUNDS

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

Public Facilities Revenue Refunding Bonds, Series 2014 Fund

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

Public Facilities Revenue Refunding Note, Series 2015 Fund

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

Promissory Note, Series 2020A Fund

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

Promissory Note, Series 2020C Fund

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

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS (CONTINUED)
SEPTEMBER 30, 2023**

CAPITAL PROJECT FUNDS

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

General Capital Improvements Fund

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

Capital Improvements Projects Fund

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

Northeast Polk Roadway Fund

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

Environmental Lands Acquisition Fund

This fund is used to account for the purchase of environmentally sensitive lands which are funded by a 0.2 mill ad valorem tax levy that sunset in 2015.

Drainage and Water Quality Fund

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

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
SEPTEMBER 30, 2023**

	Special Revenue			
	Special Revenue Grants	County Transportation Trust	Tourist Development Tax	Lake and River Enhancement
ASSETS				
Cash and Investments	\$ 504,191	\$ 104,021,718	\$ 16,372,082	\$ 3,182,277
Cash and Investments with Fiscal Agent	-	-	-	-
Accounts Receivable	1,500,010	269	102	-
Interest Receivable	20,905	233,523	38,183	7,098
Lease Receivable	-	-	-	-
Due from Other Governments	14,058,198	3,781,163	-	-
Due from Other Funds	-	-	1,034,969	31,388
Other Assets	-	-	-	-
Total Assets	<u>\$ 16,083,304</u>	<u>\$ 108,036,673</u>	<u>\$ 17,445,336</u>	<u>\$ 3,220,763</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Vouchers Payable	\$ 4,534,426	\$ 5,286,900	\$ 876,656	\$ 10,969
Accrued Liabilities	364,864	325,244	90,082	14
Customer Deposits	-	-	-	-
Due to Other Governments	104,099	92,849	-	-
Due to Other Funds	-	-	4,059	-
Unearned Revenue	11,079,915	165,222	20,110	3,738
Total Liabilities	<u>16,083,304</u>	<u>5,870,215</u>	<u>990,907</u>	<u>14,721</u>
DEFERRED INFLOWS OF RESOURCES				
Taxes Received in Advance	-	-	-	-
Leases	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	102,166,458	16,454,429	3,206,042
Committed	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>-</u>	<u>102,166,458</u>	<u>16,454,429</u>	<u>3,206,042</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 16,083,304</u>	<u>\$ 108,036,673</u>	<u>\$ 17,445,336</u>	<u>\$ 3,220,763</u>

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
SEPTEMBER 30, 2023**

Special Revenue

Lighting Districts	Stormwater MSTU	Fire Rescue	Emergency 911	Hazardous Waste	Radio Communications	Law Enforcement Trust
\$ 172,570	\$ 8,651,746	\$ 14,966,661	\$ 5,059,580	\$ 8,535	\$ 1,681,840	\$ 926,500
-	-	-	-	-	-	-
635	21,079	33,927	-	-	10,065	-
-	-	40,967	10,842	34	-	1,991
-	-	-	-	-	531,186	-
-	207,669	-	309,968	-	-	-
1,325	16,432	645,934	-	-	40,211	522,890
-	16,426	-	-	-	-	-
<u>\$ 174,530</u>	<u>\$ 8,913,352</u>	<u>\$ 15,687,489</u>	<u>\$ 5,380,390</u>	<u>\$ 8,569</u>	<u>\$ 2,263,302</u>	<u>\$ 1,451,381</u>
\$ 237,832	\$ 201,261	\$ 523,064	\$ 249,174	\$ -	\$ 20,525	\$ -
-	15,032	2,248,738	34,934	9	31,523	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	75	31,081	-	-	-	-
334	11,102	21,576	5,710	18	-	1,048
<u>238,166</u>	<u>227,470</u>	<u>2,824,459</u>	<u>289,818</u>	<u>27</u>	<u>52,048</u>	<u>1,048</u>
-	15,848	638,621	-	-	-	-
-	-	-	-	-	495,452	-
-	15,848	638,621	-	-	495,452	-
-	-	-	-	-	-	-
-	8,670,034	12,224,409	5,090,572	8,542	1,715,802	1,450,333
-	-	-	-	-	-	-
-	-	-	-	-	-	-
(63,636)	-	-	-	-	-	-
<u>(63,636)</u>	<u>8,670,034</u>	<u>12,224,409</u>	<u>5,090,572</u>	<u>8,542</u>	<u>1,715,802</u>	<u>1,450,333</u>
<u>\$ 174,530</u>	<u>\$ 8,913,352</u>	<u>\$ 15,687,489</u>	<u>\$ 5,380,390</u>	<u>\$ 8,569</u>	<u>\$ 2,263,302</u>	<u>\$ 1,451,381</u>

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
SEPTEMBER 30, 2023**

	Special Revenue			
	Land Management Trust	Building	Local Provider Participation	Opioid Settlement
ASSETS				
Cash and Investments	\$ 35,566,464	\$ 16,545,913	\$ 6,675,585	\$ 4,066,611
Cash and Investments with Fiscal Agent	-	-	-	-
Accounts Receivable	-	146,165	-	-
Interest Receivable	77,420	36,091	14,393	8,775
Lease Receivable	-	-	-	-
Due from Other Governments	4,000	3,443	-	7,422,583
Due from Other Funds	14,627	-	-	-
Other Assets	-	-	-	-
Total Assets	<u>\$ 35,662,511</u>	<u>\$ 16,731,612</u>	<u>\$ 6,689,978</u>	<u>\$ 11,497,969</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES				
LIABILITIES				
Vouchers Payable	\$ 77,449	\$ 193,544	\$ -	\$ 36
Accrued Liabilities	22,825	2,120,049	-	2,401
Customer Deposits	-	-	-	-
Due to Other Governments	-	-	-	-
Due to Other Funds	-	-	-	-
Unearned Revenue	40,775	19,008	7,580	11,071,347
Total Liabilities	<u>141,049</u>	<u>2,332,601</u>	<u>7,580</u>	<u>11,073,784</u>
DEFERRED INFLOWS OF RESOURCES				
Taxes Received in Advance	14,618	-	-	-
Leases	-	-	-	-
Total Deferred Inflows of Resources	<u>14,618</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted	-	14,399,011	6,682,398	424,185
Committed	35,506,844	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	<u>35,506,844</u>	<u>14,399,011</u>	<u>6,682,398</u>	<u>424,185</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 35,662,511</u>	<u>\$ 16,731,612</u>	<u>\$ 6,689,978</u>	<u>\$ 11,497,969</u>

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
SEPTEMBER 30, 2023**

Special Revenue

Indigent Healthcare	Harden / Parkway CRA	Leisure Services MSTU	Libraries MSTU	Rancho Bonito MSTU	Transportation Millage	Eloise CRA
\$ 88,934,498	\$ 72,586	\$ 20,353,572	\$ 2,400,377	\$ 56,508	\$ 66,954,260	\$ 831,004
500,000	-	-	-	-	-	-
173,824	-	15,890	-	-	15,079	-
196,876	547	45,873	5,200	122	148,948	1,792
-	-	79,046	-	-	68,266	-
8,824,874	-	-	-	-	7,326	-
-	-	92,329	34,673	-	352,912	-
-	-	-	-	-	80,226	-
<u>\$ 98,630,072</u>	<u>\$ 73,133</u>	<u>\$ 20,586,710</u>	<u>\$ 2,440,250</u>	<u>\$ 56,630</u>	<u>\$ 67,627,017</u>	<u>\$ 832,796</u>
\$ 6,252,451	\$ -	\$ 370,798	\$ 120,183	\$ -	\$ 5,846,819	\$ 17
2,543,912	-	420,056	-	-	316,346	1,232
-	-	-	-	-	139,499	-
-	-	-	-	-	-	-
-	-	421	158	746	19,377	-
103,689	288	24,160	2,739	64	3,804,861	944
<u>8,900,052</u>	<u>288</u>	<u>815,435</u>	<u>123,080</u>	<u>810</u>	<u>10,126,902</u>	<u>2,193</u>
-	-	89,031	33,433	-	350,828	-
-	-	76,745	-	-	65,958	-
-	-	165,776	33,433	-	416,786	-
-	-	-	-	-	80,226	-
89,730,020	72,845	19,605,499	2,283,737	55,820	-	830,603
-	-	-	-	-	57,083,329	-
-	-	-	-	-	-	-
-	-	-	-	-	(80,226)	-
<u>89,730,020</u>	<u>72,845</u>	<u>19,605,499</u>	<u>2,283,737</u>	<u>55,820</u>	<u>57,083,329</u>	<u>830,603</u>
<u>\$ 98,630,072</u>	<u>\$ 73,133</u>	<u>\$ 20,586,710</u>	<u>\$ 2,440,250</u>	<u>\$ 56,630</u>	<u>\$ 67,627,017</u>	<u>\$ 832,796</u>

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
SEPTEMBER 30, 2023**

	Special Revenue		
	Emergency Medical Millage	Clerk of the Circuit Courts Court Fund	Unbudgeted Other Special Revenue Funds
ASSETS			
Cash and Investments	\$ 27,228,493	\$ 7,775,675	\$ 11,730,520
Cash and Investments with Fiscal Agent	-	-	-
Accounts Receivable	-	43,748	21,903
Interest Receivable	59,714	-	-
Lease Receivable	-	-	-
Due from Other Governments	-	163,000	76,766
Due from Other Funds	73,523	-	79,497
Other Assets	-	-	169,821
Total Assets	<u>\$ 27,361,730</u>	<u>\$ 7,982,423</u>	<u>\$ 12,078,507</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Vouchers Payable	\$ 380,311	\$ 18,899	\$ 316,720
Accrued Liabilities	297,593	218,939	66,500
Customer Deposits	-	5,170,404	-
Due to Other Governments	-	2,574,181	179
Due to Other Funds	4,114	-	5
Unearned Revenue	31,450	-	75,214
Total Liabilities	<u>713,468</u>	<u>7,982,423</u>	<u>458,618</u>
DEFERRED INFLOWS OF RESOURCES			
Taxes Received in Advance	73,090	-	-
Leases	-	163,000	-
Total Deferred Inflows of Resources	<u>73,090</u>	<u>163,000</u>	<u>-</u>
FUND BALANCES			
Nonspendable	-	-	169,821
Restricted	-	-	11,473,712
Committed	26,575,172	-	-
Assigned	-	-	23,133
Unassigned	-	(163,000)	(46,777)
Total Fund Balances	<u>26,575,172</u>	<u>(163,000)</u>	<u>11,619,889</u>
Total Liabilities, Deferred Inflows of Resources and Fund Balances	<u>\$ 27,361,730</u>	<u>\$ 7,982,423</u>	<u>\$ 12,078,507</u>

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
SEPTEMBER 30, 2023**

Debt Service				Capital Projects		
Public Facilities Revenue Refunding Bonds Series 2014	Public Facilities Revenue Refunding Note Series 2015	Promissory Note Series 2020A	Promissory Note Series 2020C	General Capital Improvements	Capital Improvement Projects	Northeast Polk Roadway
\$ 3,369,305	\$ 1,716,211	\$ 2,292,956	\$ 4,705,771	\$ 97,308,002	\$ -	\$ 800
-	-	-	-	-	-	-
6,213	3,148	4,277	8,748	216,208	-	-
-	-	-	-	-	-	-
-	-	-	-	35	-	-
<u>\$ 3,375,518</u>	<u>\$ 1,719,359</u>	<u>\$ 2,297,233</u>	<u>\$ 4,714,519</u>	<u>\$ 97,524,245</u>	<u>\$ -</u>	<u>\$ 800</u>
-	-	-	-	576,872	-	-
-	-	-	-	8,031	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
3,272	1,658	2,253	4,607	113,870	-	-
<u>3,272</u>	<u>1,658</u>	<u>2,253</u>	<u>4,607</u>	<u>698,773</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
3,175,800	1,537,717	1,485,229	407,546	-	-	-
-	-	-	-	-	-	800
196,446	179,984	809,751	4,302,366	96,825,472	-	-
<u>3,372,246</u>	<u>1,717,701</u>	<u>2,294,980</u>	<u>4,709,912</u>	<u>96,825,472</u>	<u>-</u>	<u>800</u>
<u>\$ 3,375,518</u>	<u>\$ 1,719,359</u>	<u>\$ 2,297,233</u>	<u>\$ 4,714,519</u>	<u>\$ 97,524,245</u>	<u>\$ -</u>	<u>\$ 800</u>

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (CONTINUED)
SEPTEMBER 30, 2023**

	Capital Projects		
	Environmental Lands Acquisition	Drainage and Water Quality	Total Nonmajor Governmental Funds
	-	-	-
ASSETS			
Cash and Investments	\$ 2,344,799	\$ 2,261,134	\$ 558,738,744
Cash and Investments with Fiscal Agent	-	-	500,000
Accounts Receivable	-	-	1,960,982
Interest Receivable	5,061	4,871	1,219,534
Lease Receivable	-	-	678,498
Due from Other Governments	-	-	34,858,990
Due from Other Funds	43,854	-	2,984,599
Other Assets	-	-	266,473
Total Assets	\$ 2,393,714	\$ 2,266,005	\$ 601,207,820
 LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
LIABILITIES			
Vouchers Payable	\$ -	\$ 10,188	\$ 26,105,094
Accrued Liabilities	-	40,072	9,168,396
Customer Deposits	-	-	5,309,903
Due to Other Governments	-	-	2,771,308
Due to Other Funds	-	-	60,036
Unearned Revenue	2,666	2,565	26,621,783
Total Liabilities	2,666	52,825	70,036,520
 DEFERRED INFLOWS OF RESOURCES			
Taxes Received in Advance	43,854	-	1,259,323
Leases	-	-	801,155
Total Deferred Inflows of Resources	43,854	-	2,060,478
 FUND BALANCES			
Nonspendable	-	-	250,047
Restricted	-	-	303,150,743
Committed	2,347,194	-	121,513,339
Assigned	-	2,213,180	104,550,332
Unassigned	-	-	(353,639)
Total Fund Balances	2,347,194	2,213,180	529,110,822
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 2,393,714	\$ 2,266,005	\$ 601,207,820

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
YEAR ENDED SEPTEMBER 30, 2023**

	Special Revenue			
	Special Revenue Grants	County Transportation Trust	Tourist Development Tax	Lake and River Enhancement
REVENUES				
Taxes	\$ -	\$ 27,748,025	\$ 24,313,354	\$ -
Licenses and Permits	-	-	-	131,215
Intergovernmental	33,499,529	12,258,220	-	-
Charges for Services	-	-	-	340,596
Fines and Forfeitures	-	-	-	-
Special Assessments	-	-	-	-
Interest Income	180,701	2,834,021	437,843	84,708
Net Change in Fair Value of Investments	-	184,354	30,143	5,604
Miscellaneous Revenue	3,199,078	277,542	287,292	4
Total Revenues	<u>36,879,308</u>	<u>43,302,162</u>	<u>25,068,632</u>	<u>562,127</u>
EXPENDITURES				
Current:				
General Government	20,657,934	-	-	-
Public Safety	2,953,273	-	-	-
Physical Environment	3,668,354	-	-	124,106
Transportation	709,885	46,505,757	-	-
Economic Environment	10,355,256	-	15,855,825	-
Human Services	142,495	-	-	-
Culture and Recreation	1,482,451	-	-	333,383
Debt Service:				
Principal Retirements	7,591	6,886	2,050,175	3,026
Interest and Fiscal Charges	1,109	537	992,137	252
Capital Projects	7,035	-	-	6,194
Total Expenditures	<u>39,985,383</u>	<u>46,513,180</u>	<u>18,898,137</u>	<u>466,961</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(3,106,075)	(3,211,018)	6,170,495	95,166
OTHER FINANCING SOURCES (USES)				
Transfers In	3,600,054	-	-	-
Transfers Out	(501,014)	(4,300,000)	(6,146,000)	-
Proceeds from Sale of Capital Assets	-	-	-	-
Issuance of Lease Liability	7,035	-	-	6,194
Issuance of SBITA Liability	-	-	-	-
Total Other Financing Sources (Uses)	<u>3,106,075</u>	<u>(4,300,000)</u>	<u>(6,146,000)</u>	<u>6,194</u>
NET CHANGE IN FUND BALANCES	-	(7,511,018)	24,495	101,360
Fund Balances - Beginning of Year	-	109,677,476	16,429,934	3,104,682
FUND BALANCES - END OF YEAR	<u>\$ -</u>	<u>\$ 102,166,458</u>	<u>\$ 16,454,429</u>	<u>\$ 3,206,042</u>

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023**

Special Revenue

Lighting Districts	Stormwater MSTU	Fire Rescue	Emergency 911	Hazardous Waste	Radio Communications	Law Enforcement Trust
\$ -	\$ 2,831,205	\$ -	\$ -	\$ 102,752	\$ -	\$ -
-	-	-	-	-	-	-
-	-	88,761	-	-	-	-
-	-	1,051,749	3,687,604	-	3,756,708	-
-	-	-	-	-	461,632	590,025
3,198,612	-	55,833,784	-	-	-	-
31,790	259,762	775,282	130,970	822	15,203	25,764
501	16,641	32,341	8,559	27	-	1,572
-	292,832	-	117,563	-	147,767	-
<u>3,230,903</u>	<u>3,400,440</u>	<u>57,781,917</u>	<u>3,944,696</u>	<u>103,601</u>	<u>4,381,310</u>	<u>617,361</u>
-	-	-	-	-	-	-
-	-	57,446,930	3,579,849	-	4,228,692	52,245
-	1,239,332	-	-	101,443	-	-
3,261,871	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	45,888	661	201	62,523	-
-	-	7,207	168	53	5,525	-
-	-	18,983	3,007	1,860	3,873	-
<u>3,261,871</u>	<u>1,239,332</u>	<u>57,519,008</u>	<u>3,583,685</u>	<u>103,557</u>	<u>4,300,613</u>	<u>52,245</u>
(30,968)	2,161,108	262,909	361,011	44	80,697	565,116
-	200,000	2,992,340	-	-	-	-
-	(1,457,171)	(1,876,794)	-	-	-	-
-	-	-	-	-	-	-
-	-	18,983	3,007	1,860	3,873	-
-	-	-	-	-	-	-
-	(1,257,171)	1,134,529	3,007	1,860	3,873	-
(30,968)	903,937	1,397,438	364,018	1,904	84,570	565,116
(32,668)	7,766,097	10,826,971	4,726,554	6,638	1,631,232	885,217
<u>\$ (63,636)</u>	<u>\$ 8,670,034</u>	<u>\$ 12,224,409</u>	<u>\$ 5,090,572</u>	<u>\$ 8,542</u>	<u>\$ 1,715,802</u>	<u>\$ 1,450,333</u>

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023**

	Special Revenue			
	Land Management Trust	Building	Local Provider Participation	Opioid Settlement
REVENUES				
Taxes	\$ 40	\$ -	\$ -	\$ -
Licenses and Permits	-	10,644,897	-	-
Intergovernmental	-	-	-	-
Charges for Services	-	817,448	29,827,904	-
Fines and Forfeitures	-	2,848	-	-
Special Assessments	-	-	-	-
Interest Income	937,833	387,787	311,157	63,592
Net Change in Fair Value of Investments	61,118	28,492	11,362	6,927
Miscellaneous Revenue	92,943	1,894	-	396,030
Total Revenues	<u>1,091,934</u>	<u>11,883,366</u>	<u>30,150,423</u>	<u>466,549</u>
EXPENDITURES				
Current:				
General Government	-	-	23,468,025	42,364
Public Safety	-	9,324,641	-	-
Physical Environment	1,956,461	-	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal Retirements	99,403	685,737	-	-
Interest and Fiscal Charges	733	46,704	-	-
Capital Projects	105,484	343,299	-	-
Total Expenditures	<u>2,162,081</u>	<u>10,400,381</u>	<u>23,468,025</u>	<u>42,364</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,070,147)	1,482,985	6,682,398	424,185
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	-	-
Transfers Out	(61,244)	-	-	-
Proceeds from Sale of Capital Assets	-	-	-	-
Issuance of Lease Liability	15,484	-	-	-
Issuance of SBITA Liability	90,000	343,299	-	-
Total Other Financing Sources (Uses)	<u>44,240</u>	<u>343,299</u>	<u>-</u>	<u>-</u>
NET CHANGE IN FUND BALANCES	(1,025,907)	1,826,284	6,682,398	424,185
Fund Balances - Beginning of Year	<u>36,532,751</u>	<u>12,572,727</u>	<u>-</u>	<u>-</u>
FUND BALANCES - END OF YEAR	<u>\$ 35,506,844</u>	<u>\$ 14,399,011</u>	<u>\$ 6,682,398</u>	<u>\$ 424,185</u>

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023**

Special Revenue

Indigent Healthcare	Harden / Parkway CRA	Leisure Services MSTU	Libraries MSTU	Rancho Bonito MSTU	Transportation Millage	Eloise CRA
\$ 77,060,561	\$ 641,561	\$ 15,907,124	\$ 5,971,794	\$ 8,804	\$ 59,685,156	\$ -
-	-	-	-	-	168,787	-
553,686	-	1,164,853	-	-	64,260	-
-	-	-	-	-	-	-
2,140,492	17,710	620,100	108,178	1,432	2,155,360	21,938
155,422	432	36,214	4,105	96	117,585	1,414
617,375	-	174,735	-	-	2,869,190	-
<u>80,527,536</u>	<u>659,703</u>	<u>17,903,026</u>	<u>6,084,077</u>	<u>10,332</u>	<u>65,060,338</u>	<u>23,352</u>
-	-	-	-	-	-	-
104,419	-	-	-	1,688	-	-
-	-	-	-	-	-	-
-	-	-	-	-	54,963,531	-
66,967,665	-	-	-	-	-	58,128
-	-	16,274,235	5,294,981	-	-	13,905
40,052	-	61,450	-	-	179,507	-
2,837	-	5,434	-	-	3,265	-
11,901	-	160,005	-	-	5,359	-
<u>67,126,874</u>	<u>-</u>	<u>16,501,124</u>	<u>5,294,981</u>	<u>1,688</u>	<u>55,151,662</u>	<u>72,033</u>
13,400,662	659,703	1,401,902	789,096	8,644	9,908,676	(48,681)
-	838,063	6,020,000	-	-	112,418	129,763
-	(1,450,000)	(1,496,612)	(312,748)	(453)	(3,466,836)	(5,500)
-	-	-	-	-	-	-
11,901	-	72,865	-	-	5,359	-
-	-	87,140	-	-	-	-
<u>11,901</u>	<u>(611,937)</u>	<u>4,683,393</u>	<u>(312,748)</u>	<u>(453)</u>	<u>(3,349,059)</u>	<u>124,263</u>
13,412,563	47,766	6,085,295	476,348	8,191	6,559,617	75,582
76,317,457	25,079	13,520,204	1,807,389	47,629	50,523,712	755,021
<u>\$ 89,730,020</u>	<u>\$ 72,845</u>	<u>\$ 19,605,499</u>	<u>\$ 2,283,737</u>	<u>\$ 55,820</u>	<u>\$ 57,083,329</u>	<u>\$ 830,603</u>

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023**

	Special Revenue		
	Emergency Medical Millage	Clerk of the Circuit Courts Court Fund	Unbudgeted Other Special Revenue Funds
REVENUES			
Taxes	\$ 12,435,288	\$ -	\$ -
Licenses and Permits	-	-	-
Intergovernmental	-	957,286	435,945
Charges for Services	-	5,330,542	680,463
Fines and Forfeitures	-	6,026,667	86,546
Special Assessments	-	-	1,857,449
Interest Income	749,312	796,027	505,687
Net Change in Fair Value of Investments	47,141	-	-
Miscellaneous Revenue	-	37,797	1,227,924
Total Revenues	<u>13,231,741</u>	<u>13,148,319</u>	<u>4,794,014</u>
EXPENDITURES			
Current:			
General Government	-	13,308,372	2,759,918
Public Safety	7,476,290	-	3,071,804
Physical Environment	-	-	-
Transportation	-	-	-
Economic Environment	-	-	-
Human Services	-	-	-
Culture and Recreation	-	-	-
Debt Service:			
Principal Retirements	-	-	-
Interest and Fiscal Charges	-	136,994	-
Capital Projects	-	6,838	-
Total Expenditures	<u>7,476,290</u>	<u>13,452,204</u>	<u>5,831,722</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	5,755,451	(303,885)	(1,037,708)
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	196,662
Transfers Out	(676,697)	-	-
Proceeds from Sale of Capital Assets	-	-	-
Issuance of Lease Liability	-	140,885	-
Issuance of SBITA Liability	-	-	-
Total Other Financing Sources (Uses)	<u>(676,697)</u>	<u>140,885</u>	<u>196,662</u>
NET CHANGE IN FUND BALANCES	5,078,754	(163,000)	(841,046)
Fund Balances - Beginning of Year	<u>21,496,418</u>	<u>-</u>	<u>12,460,935</u>
FUND BALANCES - END OF YEAR	<u>\$ 26,575,172</u>	<u>\$ (163,000)</u>	<u>\$ 11,619,889</u>

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023**

Debt Service				Capital Projects		
Public Facilities Revenue Refunding Bonds Series 2014	Public Facilities Revenue Refunding Note Series 2015	Promissory Note Series 2020A	Promissory Note Series 2020C	General Capital Improvements	Capital Improvement Projects	Northeast Polk Roadway
\$ -	\$ -	\$ -	\$ -	824	\$ -	\$ -
-	-	-	-	-	-	-
2,381,941	-	-	2,037,922	1,176,865	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
80,610	22,614	34,145	64,293	2,108,914	2,343	-
4,905	2,485	3,377	6,906	170,683	-	-
-	-	-	-	-	-	-
<u>2,467,456</u>	<u>25,099</u>	<u>37,522</u>	<u>2,109,121</u>	<u>3,457,286</u>	<u>2,343</u>	<u>-</u>
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
2,915,000	1,855,000	1,708,883	5,070,000	-	-	-
2,476,000	192,975	539,778	671,774	-	-	-
-	-	-	-	19,028,420	-	-
<u>5,391,000</u>	<u>2,047,975</u>	<u>2,248,661</u>	<u>5,741,774</u>	<u>19,028,420</u>	<u>-</u>	<u>-</u>
(2,923,544)	(2,022,876)	(2,211,139)	(3,632,653)	(15,571,134)	2,343	-
1,050,000	2,050,000	2,470,777	3,700,000	76,249,928	147,081	-
-	-	-	-	(147,094)	-	-
-	-	-	-	4,300,000	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
<u>1,050,000</u>	<u>2,050,000</u>	<u>2,470,777</u>	<u>3,700,000</u>	<u>80,402,834</u>	<u>147,081</u>	<u>-</u>
(1,873,544)	27,124	259,638	67,347	64,831,700	149,424	-
5,245,790	1,690,577	2,035,342	4,642,565	31,993,772	(149,424)	800
<u>\$ 3,372,246</u>	<u>\$ 1,717,701</u>	<u>\$ 2,294,980</u>	<u>\$ 4,709,912</u>	<u>\$ 96,825,472</u>	<u>\$ -</u>	<u>\$ 800</u>

**POLK COUNTY, FLORIDA
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023**

	Capital Projects		Total All Nonmajor Governmental Funds
	Environmental Lands Acquisition	Drainage and Water Quality	
REVENUES			
Taxes	\$ 27	\$ -	\$ 226,706,515
Licenses and Permits	-	-	10,944,899
Intergovernmental	-	-	52,836,469
Charges for Services	-	-	47,275,813
Fines and Forfeitures	-	-	7,167,718
Special Assessments	-	-	60,889,845
Interest Income	62,998	64,910	16,034,298
Net Change in Fair Value of Investments	3,996	3,845	946,247
Miscellaneous Revenue	-	-	9,739,966
Total Revenues	<u>67,021</u>	<u>68,755</u>	<u>432,541,770</u>
EXPENDITURES			
Current:			
General Government	-	-	60,236,613
Public Safety	-	-	88,239,831
Physical Environment	-	-	7,089,696
Transportation	-	-	105,441,044
Economic Environment	-	-	26,269,209
Human Services	-	-	67,124,065
Culture and Recreation	-	-	23,385,050
Debt Service:			
Principal Retirements	-	-	14,791,983
Interest and Fiscal Charges	-	-	5,083,482
Capital Projects	275,626	572,941	20,550,825
Total Expenditures	<u>275,626</u>	<u>572,941</u>	<u>418,211,798</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(208,605)	(504,186)	14,329,972
OTHER FINANCING SOURCES (USES)			
Transfers In	-	-	99,757,086
Transfers Out	-	-	(21,898,163)
Proceeds from Sale of Capital Assets	-	-	4,300,000
Issuance of Lease Liability	-	-	287,446
Issuance of SBITA Liability	-	-	520,439
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>82,966,808</u>
NET CHANGE IN FUND BALANCES	(208,605)	(504,186)	97,296,780
Fund Balances - Beginning of Year	<u>2,555,799</u>	<u>2,717,366</u>	<u>431,814,042</u>
FUND BALANCES - END OF YEAR	<u>\$ 2,347,194</u>	<u>\$ 2,213,180</u>	<u>\$ 529,110,822</u>

**POLK COUNTY, FLORIDA
SPECIAL REVENUE GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 65,588,923	\$ 92,910,524	\$ 33,499,529	\$ (59,410,995)
Interest Income	50,000	50,000	180,701	130,701
Miscellaneous Revenue	5,500,238	4,258,837	3,199,078	(1,059,759)
Total Revenues	<u>71,139,161</u>	<u>97,219,361</u>	<u>36,879,308</u>	<u>(60,340,053)</u>
EXPENDITURES				
Current:				
General Government	22,936,474	45,572,362	20,657,934	24,914,428
Public Safety	17,288,182	17,288,182	2,953,273	14,334,909
Physical Environment	1,281,223	1,474,223	3,668,354	(2,194,131)
Transportation	10,586,444	7,845,043	709,885	7,135,158
Economic Environment	14,686,489	14,920,556	10,355,256	4,565,300
Human Services	469,135	454,065	142,495	311,570
Culture and Recreation	10,093,995	17,285,243	1,482,451	15,802,792
Debt Service:				
Principal Retirement	-	7,591	7,591	-
Interest and Fiscal Charges	-	1,109	1,109	-
Capital Projects	-	-	7,035	(7,035)
Total Expenditures	<u>77,341,942</u>	<u>104,848,374</u>	<u>39,985,383</u>	<u>64,862,991</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(6,202,781)	(7,629,013)	(3,106,075)	4,522,938
OTHER FINANCING SOURCES (USES)				
Transfers In	4,010,854	5,402,255	3,600,054	(1,802,201)
Transfers Out	-	-	(501,014)	(501,014)
Issuance of Lease Liability	-	7,036	7,035	(1)
Total Other Financing Sources (Uses)	<u>4,010,854</u>	<u>5,409,291</u>	<u>3,106,075</u>	<u>(2,303,216)</u>
NET CHANGE IN FUND BALANCE	(2,191,927)	(2,219,722)	-	2,219,722
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ (2,191,927)</u>	<u>\$ (2,219,722)</u>	<u>\$ -</u>	<u>\$ 2,219,722</u>

**POLK COUNTY, FLORIDA
COUNTY TRANSPORTATION TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 24,565,886	\$ 24,565,886	\$ 27,748,025	\$ 3,182,139
Intergovernmental	11,142,927	11,142,927	12,258,220	1,115,293
Interest Income	543,668	543,668	2,834,021	2,290,353
Net Change in Fair Value of Investments	-	-	184,354	184,354
Miscellaneous Revenue	28,000	28,000	277,542	249,542
Total Revenues	<u>36,280,481</u>	<u>36,280,481</u>	<u>43,302,162</u>	<u>7,021,681</u>
EXPENDITURES				
Current:				
Transportation	64,356,319	66,706,248	46,505,757	20,200,491
Debt Service:				
Principal Retirement	-	6,886	6,886	-
Interest and Fiscal Charges	-	537	537	-
Total Expenditures	<u>64,356,319</u>	<u>66,713,671</u>	<u>46,513,180</u>	<u>20,200,491</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(28,075,838)	(30,433,190)	(3,211,018)	27,222,172
OTHER FINANCING SOURCES (USES)				
Transfers In	26,000,000	26,000,000	-	(26,000,000)
Transfers Out	<u>(30,300,000)</u>	<u>(30,300,000)</u>	<u>(4,300,000)</u>	<u>26,000,000</u>
Total Other Financing Sources (Uses)	<u>(4,300,000)</u>	<u>(4,300,000)</u>	<u>(4,300,000)</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(32,375,838)	(34,733,190)	(7,511,018)	27,222,172
Fund Balance - Beginning of Year	<u>109,677,476</u>	<u>109,677,476</u>	<u>109,677,476</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 77,301,638</u>	<u>\$ 74,944,286</u>	<u>\$ 102,166,458</u>	<u>\$ 27,222,172</u>

**POLK COUNTY, FLORIDA
TOURIST DEVELOPMENT TAX FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 21,188,477	\$ 21,188,477	\$ 24,313,354	\$ 3,124,877
Interest Income	41,259	41,259	437,843	396,584
Net Change in Fair Value of Investments	-	-	30,143	30,143
Miscellaneous Revenue	170,000	170,000	287,292	117,292
Total Revenues	<u>21,399,736</u>	<u>21,399,736</u>	<u>25,068,632</u>	<u>3,668,896</u>
EXPENDITURES				
Current:				
Economic Environment	23,359,222	23,537,618	15,855,825	7,681,793
Debt Service:				
Principal Retirement	1,976,843	2,050,178	2,050,175	3
Interest and Fiscal Charges	989,503	992,064	992,137	(73)
Total Expenditures	<u>26,325,568</u>	<u>26,579,860</u>	<u>18,898,137</u>	<u>7,681,723</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(4,925,832)	(5,180,124)	6,170,495	11,350,619
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(6,054,000)</u>	<u>(6,054,000)</u>	<u>(6,146,000)</u>	<u>(92,000)</u>
NET CHANGE IN FUND BALANCE	(10,979,832)	(11,234,124)	24,495	11,258,619
Fund Balance - Beginning of Year	<u>16,429,934</u>	<u>16,429,934</u>	<u>16,429,934</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 5,450,102</u>	<u>\$ 5,195,810</u>	<u>\$ 16,454,429</u>	<u>\$ 11,258,619</u>

**POLK COUNTY, FLORIDA
LAKE AND RIVER ENHANCEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Licenses and Permits	\$ 145,907	\$ 145,907	\$ 131,215	\$ (14,692)
Charges for Services	344,490	344,490	340,596	(3,894)
Interest Income	46,789	46,789	84,708	37,919
Net Change in Fair Value of Investments	-	-	5,604	5,604
Miscellaneous Revenue	-	-	4	4
Total Revenues	<u>537,186</u>	<u>537,186</u>	<u>562,127</u>	<u>24,941</u>
EXPENDITURES				
Current:				
Physical Environment	307,310	310,225	124,106	186,119
Culture and Recreation	3,072,899	3,072,899	333,383	2,739,516
Debt Service:				
Principal Retirement	-	3,026	3,026	-
Interest and Fiscal Charges	-	253	252	1
Capital Projects	-	-	6,194	(6,194)
Total Expenditures	<u>3,380,209</u>	<u>3,386,403</u>	<u>466,961</u>	<u>2,919,442</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,843,023)	(2,849,217)	95,166	2,944,383
OTHER FINANCING SOURCES (USES)				
Issuance of Lease Liability	-	6,194	6,194	-
NET CHANGE IN FUND BALANCE	(2,843,023)	(2,843,023)	101,360	2,944,383
Fund Balance - Beginning of Year	<u>3,104,682</u>	<u>3,104,682</u>	<u>3,104,682</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 261,659</u>	<u>\$ 261,659</u>	<u>\$ 3,206,042</u>	<u>\$ 2,944,383</u>

**POLK COUNTY, FLORIDA
LIGHTING DISTRICTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Special Assessments	\$ 2,980,017	\$ 3,040,517	\$ 3,198,612	\$ 158,095
Interest Income	15,000	15,000	31,790	16,790
Net Change in Fair Value of Investments	-	-	501	501
Total Revenues	<u>2,995,017</u>	<u>3,055,517</u>	<u>3,230,903</u>	<u>175,386</u>
EXPENDITURES				
Current:				
Transportation	<u>3,245,017</u>	<u>3,305,517</u>	<u>3,261,871</u>	<u>43,646</u>
Total Expenditures	<u>3,245,017</u>	<u>3,305,517</u>	<u>3,261,871</u>	<u>43,646</u>
NET CHANGE IN FUND BALANCE	(250,000)	(250,000)	(30,968)	219,032
Fund Balance - Beginning of Year	<u>(32,668)</u>	<u>(32,668)</u>	<u>(32,668)</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ (282,668)</u>	<u>\$ (282,668)</u>	<u>\$ (63,636)</u>	<u>\$ 219,032</u>

**POLK COUNTY, FLORIDA
STORMWATER MSTU FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 2,781,825	\$ 2,781,825	\$ 2,831,205	\$ 49,380
Interest Income	136,070	136,070	259,762	123,692
Net Change in Fair Value of Investments	-	-	16,641	16,641
Miscellaneous Revenue	499,331	499,331	292,832	(206,499)
Total Revenues	<u>3,417,226</u>	<u>3,417,226</u>	<u>3,400,440</u>	<u>(16,786)</u>
EXPENDITURES				
Current:				
Physical Environment	5,660,968	4,269,567	1,239,332	3,030,235
Total Expenditures	<u>5,660,968</u>	<u>4,269,567</u>	<u>1,239,332</u>	<u>3,030,235</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,243,742)	(852,341)	2,161,108	3,013,449
OTHER FINANCING SOURCES (USES)				
Transfers In	200,000	200,000	200,000	-
Transfers Out	<u>(533,848)</u>	<u>(1,925,249)</u>	<u>(1,457,171)</u>	<u>468,078</u>
Total Other Financing Sources (Uses)	<u>(333,848)</u>	<u>(1,725,249)</u>	<u>(1,257,171)</u>	<u>468,078</u>
NET CHANGE IN FUND BALANCE	(2,577,590)	(2,577,590)	903,937	3,481,527
Fund Balance - Beginning of Year	<u>7,766,097</u>	<u>7,766,097</u>	<u>7,766,097</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 5,188,507</u>	<u>\$ 5,188,507</u>	<u>\$ 8,670,034</u>	<u>\$ 3,481,527</u>

**POLK COUNTY, FLORIDA
FIRE RESCUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 59,000	\$ 59,000	\$ 88,761	\$ 29,761
Charges for Services	292,910	292,910	1,051,749	758,839
Special Assessments	54,648,885	54,648,885	55,833,784	1,184,899
Interest Income	82,907	82,907	775,282	692,375
Net Change in Fair Value of Investments	-	-	32,341	32,341
Total Revenues	<u>55,083,702</u>	<u>55,083,702</u>	<u>57,781,917</u>	<u>2,698,215</u>
EXPENDITURES				
Current:				
Public Safety	59,917,101	59,890,262	57,446,930	2,443,332
Debt Service:				
Principal Retirement	-	45,891	45,888	3
Interest and Fiscal Charges	-	7,209	7,207	2
Capital Projects	-	-	18,983	(18,983)
Total Expenditures	<u>59,917,101</u>	<u>59,943,362</u>	<u>57,519,008</u>	<u>2,424,354</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(4,833,399)	(4,859,660)	262,909	5,122,569
OTHER FINANCING SOURCES (USES)				
Transfers In	2,992,340	2,992,340	2,992,340	-
Transfers Out	(1,405,274)	(1,446,774)	(1,876,794)	(430,020)
Issuance of Lease Liability	-	18,985	18,983	(2)
Total Other Financing Sources (Uses)	<u>1,587,066</u>	<u>1,564,551</u>	<u>1,134,529</u>	<u>(430,022)</u>
NET CHANGE IN FUND BALANCE	(3,246,333)	(3,295,109)	1,397,438	4,692,547
Fund Balance - Beginning of Year	<u>10,826,971</u>	<u>10,826,971</u>	<u>10,826,971</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 7,580,638</u>	<u>\$ 7,531,862</u>	<u>\$ 12,224,409</u>	<u>\$ 4,692,547</u>

**POLK COUNTY, FLORIDA
EMERGENCY 911 FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$ 2,458,974	\$ 2,458,974	\$ 3,687,604	\$ 1,228,630
Interest Income	37,019	37,019	130,970	93,951
Net Change in Fair Value of Investments	-	-	8,559	8,559
Miscellaneous Revenue	-	-	117,563	117,563
Total Revenues	<u>2,495,993</u>	<u>2,495,993</u>	<u>3,944,696</u>	<u>1,448,703</u>
EXPENDITURES				
Current:				
Public Safety	3,943,147	3,945,323	3,579,849	365,474
Debt Service:				
Principal Retirement	-	662	661	1
Interest and Fiscal Charges	-	169	168	1
Capital Projects	-	-	3,007	(3,007)
Total Expenditures	<u>3,943,147</u>	<u>3,946,154</u>	<u>3,583,685</u>	<u>362,469</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,447,154)	(1,450,161)	361,011	1,811,172
OTHER FINANCING SOURCES (USES)				
Issuance of Lease Liability	-	3,007	3,007	-
NET CHANGE IN FUND BALANCE	(1,447,154)	(1,447,154)	364,018	1,811,172
Fund Balance - Beginning of Year	<u>4,726,554</u>	<u>4,726,554</u>	<u>4,726,554</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 3,279,400</u>	<u>\$ 3,279,400</u>	<u>\$ 5,090,572</u>	<u>\$ 1,811,172</u>

**POLK COUNTY, FLORIDA
HAZARDOUS WASTE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 95,000	\$ 95,000	\$ 102,752	\$ 7,752
Interest Income	456	456	822	366
Net Change in Fair Value of Investments	-	-	27	27
Total Revenues	<u>95,456</u>	<u>95,456</u>	<u>103,601</u>	<u>8,145</u>
EXPENDITURES				
Current:				
Physical Environment	103,162	104,768	101,443	3,325
Debt Service:				
Principal Retirement	-	201	201	-
Interest and Fiscal Charges	-	53	53	-
Capital Projects	-	-	1,860	(1,860)
Total Expenditures	<u>103,162</u>	<u>105,022</u>	<u>103,557</u>	<u>1,465</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(7,706)</u>	<u>(9,566)</u>	<u>44</u>	<u>9,610</u>
OTHER FINANCING SOURCES (USES)				
Issuance of Lease Liability	-	1,860	1,860	-
NET CHANGE IN FUND BALANCE	(7,706)	(7,706)	1,904	9,610
Fund Balance - Beginning of Year	<u>6,638</u>	<u>6,638</u>	<u>6,638</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ (1,068)</u>	<u>\$ (1,068)</u>	<u>\$ 8,542</u>	<u>\$ 9,610</u>

**POLK COUNTY, FLORIDA
RADIO COMMUNICATIONS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Charges for Services	\$ 3,824,688	\$ 3,824,688	\$ 3,756,708	\$ (67,980)
Fines and Forfeitures	500,000	500,000	461,632	(38,368)
Interest Income	3,081	3,081	15,203	12,122
Miscellaneous Revenue	236,000	236,000	147,767	(88,233)
Total Revenues	<u>4,563,769</u>	<u>4,563,769</u>	<u>4,381,310</u>	<u>(182,459)</u>
EXPENDITURES				
Current:				
Public Safety	4,758,564	4,736,371	4,228,692	507,679
Debt Service:				
Principal Retirement	-	62,524	62,523	1
Interest and Fiscal Charges	-	5,526	5,525	1
Capital Projects	-	-	3,873	(3,873)
Total Expenditures	<u>4,758,564</u>	<u>4,762,437</u>	<u>4,300,613</u>	<u>461,824</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(194,795)	(198,668)	80,697	279,365
OTHER FINANCING SOURCES (USES)				
Issuance of Lease Liability	-	3,873	3,873	-
NET CHANGE IN FUND BALANCE	(194,795)	(194,795)	84,570	279,365
Fund Balance - Beginning of Year	<u>1,631,232</u>	<u>1,631,232</u>	<u>1,631,232</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 1,436,437</u>	<u>\$ 1,436,437</u>	<u>\$ 1,715,802</u>	<u>\$ 279,365</u>

**POLK COUNTY, FLORIDA
LAW ENFORCEMENT TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Fines and Forfeitures	\$ -	\$ -	\$ 590,025	\$ 590,025
Interest Income	45,068	45,068	25,764	(19,304)
Net Change in Fair Value of Investments	-	-	1,572	1,572
Total Revenues	<u>45,068</u>	<u>45,068</u>	<u>617,361</u>	<u>572,293</u>
EXPENDITURES				
Current:				
Public Safety	<u>1,051,807</u>	<u>1,051,807</u>	<u>52,245</u>	<u>999,562</u>
Total Expenditures	<u>1,051,807</u>	<u>1,051,807</u>	<u>52,245</u>	<u>999,562</u>
NET CHANGE IN FUND BALANCE	(1,006,739)	(1,006,739)	565,116	1,571,855
Fund Balance - Beginning of Year	<u>885,217</u>	<u>885,217</u>	<u>885,217</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ (121,522)</u>	<u>\$ (121,522)</u>	<u>\$ 1,450,333</u>	<u>\$ 1,571,855</u>

**POLK COUNTY, FLORIDA
LAND MANAGEMENT TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ -	\$ -	\$ 40	\$ 40
Interest Income	564,425	564,425	937,833	373,408
Net Change in Fair Value of Investments	-	-	61,118	61,118
Miscellaneous Revenue	101,052	101,052	92,943	(8,109)
Total Revenues	<u>665,477</u>	<u>665,477</u>	<u>1,091,934</u>	<u>426,457</u>
EXPENDITURES				
Current:				
Physical Environment	2,049,195	2,054,542	1,956,461	98,081
Debt Service:				
Principal Retirement	-	99,403	99,403	-
Interest and Fiscal Charges	-	734	733	1
Capital Projects	-	-	105,484	(105,484)
Total Expenditures	<u>2,049,195</u>	<u>2,154,679</u>	<u>2,162,081</u>	<u>(7,402)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,383,718)	(1,489,202)	(1,070,147)	419,055
OTHER FINANCING SOURCES (USES)				
Transfers Out	-	-	(61,244)	(61,244)
Issuance of Lease Liability	-	15,484	15,484	-
Issuance of SBITA Liability	-	90,000	90,000	-
Total Other Financing Sources (Uses)	<u>-</u>	<u>105,484</u>	<u>44,240</u>	<u>(61,244)</u>
NET CHANGE IN FUND BALANCE	(1,383,718)	(1,383,718)	(1,025,907)	357,811
Fund Balance - Beginning of Year	<u>36,532,751</u>	<u>36,532,751</u>	<u>36,532,751</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 35,149,033</u></u>	<u><u>\$ 35,149,033</u></u>	<u><u>\$ 35,506,844</u></u>	<u><u>\$ 357,811</u></u>

**POLK COUNTY, FLORIDA
BUILDING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Licenses and Permits	\$ 11,540,443	\$ 11,540,443	\$ 10,644,897	\$ (895,546)
Charges for Services	76,890	76,890	817,448	740,558
Fines and Forfeitures	-	-	2,848	2,848
Interest Income	122,511	122,511	387,787	265,276
Net Change in Fair Value of Investments	-	-	28,492	28,492
Miscellaneous Revenue	4,392	4,392	1,894	(2,498)
Total Revenues	<u>11,744,236</u>	<u>11,744,236</u>	<u>11,883,366</u>	<u>139,130</u>
EXPENDITURES				
Current:				
Public Safety	13,108,852	14,116,268	9,324,641	4,791,627
Debt Service:				
Principal Retirement	-	760,395	685,737	74,658
Interest and Fiscal Charges	-	49,379	46,704	2,675
Capital Projects	-	-	343,299	(343,299)
Total Expenditures	<u>13,108,852</u>	<u>14,926,042</u>	<u>10,400,381</u>	<u>4,525,661</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	<u>(1,364,616)</u>	<u>(3,181,806)</u>	<u>1,482,985</u>	<u>4,664,791</u>
OTHER FINANCING SOURCES (USES)				
Issuance of SBITA Liability	-	1,817,190	343,299	(1,473,891)
NET CHANGE IN FUND BALANCE	(1,364,616)	(1,364,616)	1,826,284	3,190,900
Fund Balance - Beginning of Year	<u>12,572,727</u>	<u>12,572,727</u>	<u>12,572,727</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 11,208,111</u>	<u>\$ 11,208,111</u>	<u>\$ 14,399,011</u>	<u>\$ 3,190,900</u>

**POLK COUNTY, FLORIDA
LOCAL PROVIDER PARTICIPATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget
	Original	Final		Positive (Negative)
REVENUES				
Charges for Services	\$ -	\$ -	\$ 29,827,904	\$ 29,827,904
Interest Income	-	-	311,157	311,157
Net Change in Fair Value of Investments	-	-	11,362	11,362
Miscellaneous Revenue	40,000,000	40,000,000	-	(40,000,000)
Total Revenues	<u>40,000,000</u>	<u>40,000,000</u>	<u>30,150,423</u>	<u>(9,849,577)</u>
EXPENDITURES				
Current:				
General Government	<u>40,000,000</u>	<u>40,000,000</u>	<u>23,468,025</u>	<u>16,531,975</u>
NET CHANGE IN FUND BALANCE	-	-	6,682,398	6,682,398
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>	<u><u>\$ 6,682,398</u></u>	<u><u>\$ 6,682,398</u></u>

**POLK COUNTY, FLORIDA
OPIOID SETTLEMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest Income	\$ -	\$ -	\$ 63,592	\$ 63,592
Net Change in Fair Value of Investments	-	-	6,927	6,927
Miscellaneous Revenue	1,000,000	1,000,000	396,030	(603,970)
Total Revenues	<u>1,000,000</u>	<u>1,000,000</u>	<u>466,549</u>	<u>(533,451)</u>
EXPENDITURES				
Current:				
General Government	1,000,000	1,000,000	42,364	957,636
NET CHANGE IN FUND BALANCE	-	-	424,185	424,185
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 424,185</u>	<u>\$ 424,185</u>

**POLK COUNTY, FLORIDA
INDIGENT HEALTHCARE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 67,971,090	\$ 67,971,090	\$ 77,060,561	\$ 9,089,471
Charges for Services	870,590	870,590	553,686	(316,904)
Interest Income	958,195	958,195	2,140,492	1,182,297
Net Change in Fair Value of Investments	-	-	155,422	155,422
Miscellaneous Revenue	744,876	744,876	617,375	(127,501)
Total Revenues	<u>70,544,751</u>	<u>70,544,751</u>	<u>80,527,536</u>	<u>9,982,785</u>
EXPENDITURES				
Current:				
Public Safety	105,491	105,491	104,419	1,072
Human Services	77,780,056	77,783,163	66,967,665	10,815,498
Debt Service:				
Principal Retirement	-	40,056	40,052	4
Interest and Fiscal Charges	-	2,838	2,837	1
Capital Projects	-	-	11,901	(11,901)
Total Expenditures	<u>77,885,547</u>	<u>77,931,548</u>	<u>67,126,874</u>	<u>10,804,674</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(7,340,796)	(7,386,797)	13,400,662	20,787,459
OTHER FINANCING SOURCES (USES)				
Issuance of Lease Liability	-	11,902	11,901	(1)
NET CHANGE IN FUND BALANCE	(7,340,796)	(7,374,895)	13,412,563	20,787,458
Fund Balance - Beginning of Year	<u>76,317,457</u>	<u>76,317,457</u>	<u>76,317,457</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 68,976,661</u>	<u>\$ 68,942,562</u>	<u>\$ 89,730,020</u>	<u>\$ 20,787,458</u>

**POLK COUNTY, FLORIDA
HARDEN / PARKWAY CRA FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 629,423	\$ 629,423	\$ 641,561	\$ 12,138
Interest Income	3,993	3,993	17,710	13,717
Net Change in Fair Value of Investments	-	-	432	432
Total Revenues	<u>633,416</u>	<u>633,416</u>	<u>659,703</u>	<u>26,287</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	633,416	633,416	659,703	26,287
OTHER FINANCING SOURCES (USES)				
Transfers In	842,419	842,419	838,063	(4,356)
Transfers Out	<u>(1,450,000)</u>	<u>(1,450,000)</u>	<u>(1,450,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(607,581)</u>	<u>(607,581)</u>	<u>(611,937)</u>	<u>(4,356)</u>
NET CHANGE IN FUND BALANCE	25,835	25,835	47,766	21,931
Fund Balance - Beginning of Year	<u>25,079</u>	<u>25,079</u>	<u>25,079</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 50,914</u></u>	<u><u>\$ 50,914</u></u>	<u><u>\$ 72,845</u></u>	<u><u>\$ 21,931</u></u>

**POLK COUNTY, FLORIDA
LEISURE SERVICES MSTU FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 15,629,839	\$ 15,629,839	\$ 15,907,124	\$ 277,285
Charges for Services	661,318	661,318	1,164,853	503,535
Interest Income	384,230	384,230	620,100	235,870
Net Change in Fair Value of Investments	-	-	36,214	36,214
Miscellaneous Revenue	24,578	24,578	174,735	150,157
Total Revenues	<u>16,699,965</u>	<u>16,699,965</u>	<u>17,903,026</u>	<u>1,203,061</u>
EXPENDITURES				
Current:				
Culture and Recreation	26,478,487	26,590,869	16,274,235	10,316,634
Debt Service:				
Principal Retirement	-	61,453	61,450	3
Interest and Fiscal Charges	-	5,436	5,434	2
Capital Projects	-	-	160,005	(160,005)
Total Expenditures	<u>26,478,487</u>	<u>26,657,758</u>	<u>16,501,124</u>	<u>10,156,634</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(9,778,522)	(9,957,793)	1,401,902	11,359,695
OTHER FINANCING SOURCES (USES)				
Transfers In	9,020,000	9,020,000	6,020,000	(3,000,000)
Transfers Out	(4,516,699)	(4,516,699)	(1,496,612)	3,020,087
Issuance of Lease Liability	-	72,865	72,865	-
Issuance of SBITA Liability	-	87,141	87,140	(1)
Total Other Financing Sources (Uses)	<u>4,503,301</u>	<u>4,663,307</u>	<u>4,683,393</u>	<u>20,086</u>
NET CHANGE IN FUND BALANCE	(5,275,221)	(5,294,486)	6,085,295	11,379,781
Fund Balance - Beginning of Year	<u>13,520,204</u>	<u>13,520,204</u>	<u>13,520,204</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 8,244,983</u>	<u>\$ 8,225,718</u>	<u>\$ 19,605,499</u>	<u>\$ 11,379,781</u>

**POLK COUNTY, FLORIDA
LIBRARIES MSTU FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 5,867,642	\$ 5,867,642	\$ 5,971,794	\$ 104,152
Interest Income	45,587	45,587	108,178	62,591
Net Change in Fair Value of Investments	-	-	4,105	4,105
Miscellaneous Revenue	-	-	-	-
Total Revenues	<u>5,913,229</u>	<u>5,913,229</u>	<u>6,084,077</u>	<u>170,848</u>
EXPENDITURES				
Current:				
Culture and Recreation	<u>5,329,502</u>	<u>5,329,502</u>	<u>5,294,981</u>	<u>34,521</u>
Total Expenditures	<u>5,329,502</u>	<u>5,329,502</u>	<u>5,294,981</u>	<u>34,521</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	583,727	583,727	789,096	205,369
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(320,289)</u>	<u>(320,289)</u>	<u>(312,748)</u>	<u>7,541</u>
NET CHANGE IN FUND BALANCE	263,438	263,438	476,348	212,910
Fund Balance - Beginning of Year	<u>1,807,389</u>	<u>1,807,389</u>	<u>1,807,389</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u><u>\$ 2,070,827</u></u>	<u><u>\$ 2,070,827</u></u>	<u><u>\$ 2,283,737</u></u>	<u><u>\$ 212,910</u></u>

**POLK COUNTY, FLORIDA
RANCHO BONITO MSTU FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 8,685	\$ 8,685	\$ 8,804	\$ 119
Interest Income	773	773	1,432	659
Net Change in Fair Value of Investments	-	-	96	96
Total Revenues	<u>9,458</u>	<u>9,458</u>	<u>10,332</u>	<u>874</u>
EXPENDITURES				
Current:				
Public Safety	20,942	20,942	1,688	19,254
Total Expenditures	<u>20,942</u>	<u>20,942</u>	<u>1,688</u>	<u>19,254</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(11,484)	(11,484)	8,644	20,128
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(467)</u>	<u>(467)</u>	<u>(453)</u>	<u>14</u>
NET CHANGE IN FUND BALANCE	(11,951)	(11,951)	8,191	20,142
Fund Balance - Beginning of Year	<u>47,629</u>	<u>47,629</u>	<u>47,629</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 35,678</u>	<u>\$ 35,678</u>	<u>\$ 55,820</u>	<u>\$ 20,142</u>

**POLK COUNTY, FLORIDA
TRANSPORTATION MILLAGE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 58,585,912	\$ 58,585,912	\$ 59,685,156	\$ 1,099,244
Licenses and Permits	-	-	168,787	168,787
Charges for Services	-	-	64,260	64,260
Interest Income	686,845	686,845	2,155,360	1,468,515
Net Change in Fair Value of Investments	-	-	117,585	117,585
Miscellaneous Revenue	1,184,025	1,184,025	2,869,190	1,685,165
Total Revenues	<u>60,456,782</u>	<u>60,456,782</u>	<u>65,060,338</u>	<u>4,603,556</u>
EXPENDITURES				
Current:				
Transportation	78,985,920	80,108,712	54,963,531	25,145,181
Debt Service:				
Principal Retirement	-	179,510	179,507	3
Interest and Fiscal Charges	-	3,269	3,265	4
Capital Projects	-	-	5,359	(5,359)
Total Expenditures	<u>78,985,920</u>	<u>80,291,491</u>	<u>55,151,662</u>	<u>25,139,829</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(18,529,138)	(19,834,709)	9,908,676	29,743,385
OTHER FINANCING SOURCES (USES)				
Transfers In	5,500	5,500	112,418	106,918
Transfers Out	(3,520,640)	(3,520,640)	(3,466,836)	53,804
Issuance of Lease Liability	-	5,359	5,359	-
Total Other Financing Sources (Uses)	<u>(3,515,140)</u>	<u>(3,509,781)</u>	<u>(3,349,059)</u>	<u>160,722</u>
NET CHANGE IN FUND BALANCE	(22,044,278)	(23,344,490)	6,559,617	29,904,107
Fund Balance - Beginning of Year	<u>50,523,712</u>	<u>50,523,712</u>	<u>50,523,712</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 28,479,434</u>	<u>\$ 27,179,222</u>	<u>\$ 57,083,329</u>	<u>\$ 29,904,107</u>

**POLK COUNTY, FLORIDA
ELOISE CRA FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest Income	\$ 3,031	\$ 3,031	\$ 21,938	\$ 18,907
Net Change in Fair Value of Investments	-	-	1,414	1,414
Total Revenues	<u>3,031</u>	<u>3,031</u>	<u>23,352</u>	<u>20,321</u>
EXPENDITURES				
Current:				
Economic Environment	29,285	29,285	58,128	(28,843)
Human Services	45,000	227,912	13,905	214,007
Total Expenditures	<u>74,285</u>	<u>257,197</u>	<u>72,033</u>	<u>185,164</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(71,254)	(254,166)	(48,681)	205,485
OTHER FINANCING SOURCES (USES)				
Transfers In	130,496	130,496	129,763	(733)
Transfers Out	<u>(5,500)</u>	<u>(5,500)</u>	<u>(5,500)</u>	-
Total Other Financing Sources (Uses)	<u>124,996</u>	<u>124,996</u>	<u>124,263</u>	<u>(733)</u>
NET CHANGE IN FUND BALANCE	53,742	(129,170)	75,582	204,752
Fund Balance - Beginning of Year	<u>755,021</u>	<u>755,021</u>	<u>755,021</u>	-
FUND BALANCE - END OF YEAR	<u>\$ 808,763</u>	<u>\$ 625,851</u>	<u>\$ 830,603</u>	<u>\$ 204,752</u>

**POLK COUNTY, FLORIDA
EMERGENCY MEDICAL MILLAGE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 12,205,399	\$ 12,205,399	\$ 12,435,288	\$ 229,889
Interest Income	375,163	375,163	749,312	374,149
Net Change in Fair Value of Investments	-	-	47,141	47,141
Total Revenues	<u>12,580,562</u>	<u>12,580,562</u>	<u>13,231,741</u>	<u>651,179</u>
EXPENDITURES				
Current:				
Public Safety	<u>20,584,022</u>	<u>22,204,070</u>	<u>7,476,290</u>	<u>14,727,780</u>
Total Expenditures	<u>20,584,022</u>	<u>22,204,070</u>	<u>7,476,290</u>	<u>14,727,780</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(8,003,460)	(9,623,508)	5,755,451	15,378,959
OTHER FINANCING SOURCES (USES)				
Transfers Out	<u>(691,802)</u>	<u>(691,802)</u>	<u>(676,697)</u>	<u>15,105</u>
NET CHANGE IN FUND BALANCE	(8,695,262)	(10,315,310)	5,078,754	15,394,064
Fund Balance - Beginning of Year	<u>21,496,418</u>	<u>21,496,418</u>	<u>21,496,418</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 12,801,156</u>	<u>\$ 11,181,108</u>	<u>\$ 26,575,172</u>	<u>\$ 15,394,064</u>

**POLK COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURTS – COURT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 506,773	\$ 709,773	\$ 957,286	\$ 247,513
Charges for Services	8,013,190	8,013,190	5,330,542	(2,682,648)
Fines and Forfeitures	5,957,727	5,957,727	6,026,667	68,940
Interest Income	221,383	521,383	796,027	274,644
Miscellaneous Revenue	-	30,000	37,797	7,797
Total Revenues	<u>14,699,073</u>	<u>15,232,073</u>	<u>13,148,319</u>	<u>(2,083,754)</u>
EXPENDITURES				
Current:				
General Government	13,133,426	13,771,427	13,308,372	463,055
Debt Service:				
Principal Retirement	-	40,000	136,994	(96,994)
Interest and Fiscal Charges	-	-	6,838	(6,838)
Total Expenditures	<u>13,133,426</u>	<u>13,811,427</u>	<u>13,452,204</u>	<u>359,223</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,565,647	1,420,646	(303,885)	(1,724,531)
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,565,647)	(1,565,647)	-	1,565,647
Issuance of Lease Liability	-	145,001	140,885	(4,116)
Total Other Financing Sources (Uses)	<u>(1,565,647)</u>	<u>(1,420,646)</u>	<u>140,885</u>	<u>1,561,531</u>
NET CHANGE IN FUND BALANCE	-	-	(163,000)	(163,000)
Fund Balance - Beginning of Year	-	-	-	-
FUND BALANCE - END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (163,000)</u>	<u>\$ (163,000)</u>

**POLK COUNTY, FLORIDA
PUBLIC FACILITIES REVENUE REFUNDING BONDS, SERIES 2014 FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ 4,395,000	\$ 4,395,000	\$ 2,381,941	\$ (2,013,059)
Interest Income	5,000	5,000	80,610	75,610
Net Change in Fair Value of Investments	-	-	4,905	4,905
Total Revenues	<u>4,400,000</u>	<u>4,400,000</u>	<u>2,467,456</u>	<u>(1,932,544)</u>
EXPENDITURES				
Debt Service:				
Principal Retirement	2,915,000	2,915,000	2,915,000	-
Interest and Fiscal Charges	<u>2,478,250</u>	<u>2,478,250</u>	<u>2,476,000</u>	<u>2,250</u>
Total Expenditures	<u>5,393,250</u>	<u>5,393,250</u>	<u>5,391,000</u>	<u>2,250</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(993,250)	(993,250)	(2,923,544)	(1,930,294)
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>1,050,000</u>	<u>1,050,000</u>	<u>1,050,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	56,750	56,750	(1,873,544)	(1,930,294)
Fund Balance - Beginning of Year	<u>5,245,790</u>	<u>5,245,790</u>	<u>5,245,790</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 5,302,540</u>	<u>\$ 5,302,540</u>	<u>\$ 3,372,246</u>	<u>\$ (1,930,294)</u>

**POLK COUNTY, FLORIDA
PUBLIC FACILITIES REVENUE REFUNDING NOTE, SERIES 2015 FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest Income	\$ 4,483	\$ 4,483	\$ 22,614	\$ 18,131
Net Change in Fair Value of Investments	-	-	2,485	2,485
Total Revenues	4,483	4,483	25,099	20,616
EXPENDITURES				
Debt Service:				
Principal Retirement	1,855,000	1,855,000	1,855,000	-
Interest and Fiscal Charges	194,475	194,475	192,975	1,500
Total Expenditures	2,049,475	2,049,475	2,047,975	1,500
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,044,992)	(2,044,992)	(2,022,876)	22,116
OTHER FINANCING SOURCES (USES)				
Transfers In	2,050,000	2,050,000	2,050,000	-
NET CHANGE IN FUND BALANCE	5,008	5,008	27,124	22,116
Fund Balance - Beginning of Year	1,690,577	1,690,577	1,690,577	-
FUND BALANCE - END OF YEAR	\$ 1,695,585	\$ 1,695,585	\$ 1,717,701	\$ 22,116

POLK COUNTY, FLORIDA
PROMISSORY NOTE, SERIES 2020A FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023

	Budget		Actual	Variance with
	Original	Final		Final Budget
				Positive (Negative)
REVENUES				
Interest Income	\$ 10,808	\$ 10,808	\$ 34,145	\$ 23,337
Net Change in Fair Value of Investments	-	-	3,377	3,377
Total Revenues	<u>10,808</u>	<u>10,808</u>	<u>37,522</u>	<u>26,714</u>
EXPENDITURES				
Debt Service:				
Principal Retirement	1,708,883	1,708,883	1,708,883	-
Interest and Fiscal Charges	<u>541,779</u>	<u>541,779</u>	<u>539,778</u>	<u>2,001</u>
Total Expenditures	<u>2,250,662</u>	<u>2,250,662</u>	<u>2,248,661</u>	<u>2,001</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(2,239,854)	(2,239,854)	(2,211,139)	28,715
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>2,470,777</u>	<u>2,470,777</u>	<u>2,470,777</u>	-
NET CHANGE IN FUND BALANCE	230,923	230,923	259,638	28,715
Fund Balance - Beginning of Year	<u>2,035,342</u>	<u>2,035,342</u>	<u>2,035,342</u>	-
FUND BALANCE - END OF YEAR	<u><u>\$ 2,266,265</u></u>	<u><u>\$ 2,266,265</u></u>	<u><u>\$ 2,294,980</u></u>	<u><u>\$ 28,715</u></u>

**POLK COUNTY, FLORIDA
PROMISSORY NOTE, SERIES 2020C FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 2,037,922	\$ 2,037,922
Interest Income	27,512	27,512	64,293	36,781
Net Change in Fair Value of Investments	-	-	6,906	6,906
Total Revenues	<u>27,512</u>	<u>27,512</u>	<u>2,109,121</u>	<u>2,081,609</u>
EXPENDITURES				
Debt Service:				
Principal Retirement	5,070,000	5,070,000	5,070,000	-
Interest and Fiscal Charges	673,775	673,775	671,774	2,001
Total Expenditures	<u>5,743,775</u>	<u>5,743,775</u>	<u>5,741,774</u>	<u>2,001</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(5,716,263)	(5,716,263)	(3,632,653)	2,083,610
OTHER FINANCING SOURCES (USES)				
Transfers In	<u>3,700,000</u>	<u>3,700,000</u>	<u>3,700,000</u>	<u>-</u>
NET CHANGE IN FUND BALANCE	(2,016,263)	(2,016,263)	67,347	2,083,610
Fund Balance - Beginning of Year	<u>4,642,565</u>	<u>4,642,565</u>	<u>4,642,565</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 2,626,302</u>	<u>\$ 2,626,302</u>	<u>\$ 4,709,912</u>	<u>\$ 2,083,610</u>

**POLK COUNTY, FLORIDA
GENERAL CAPITAL IMPROVEMENTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ -	\$ -	\$ 824	\$ 824
Intergovernmental	2,700,000	2,700,000	1,176,865	(1,523,135)
Interest Income	123,647	123,647	2,108,914	1,985,267
Net Change in Fair Value of Investments	-	-	170,683	170,683
Total Revenues	<u>2,823,647</u>	<u>2,823,647</u>	<u>3,457,286</u>	<u>633,639</u>
EXPENDITURES				
Capital Projects	<u>79,719,917</u>	<u>85,718,519</u>	<u>19,028,420</u>	<u>66,690,099</u>
Total Expenditures	<u>79,719,917</u>	<u>85,718,519</u>	<u>19,028,420</u>	<u>66,690,099</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(76,896,270)	(82,894,872)	(15,571,134)	67,323,738
OTHER FINANCING SOURCES (USES)				
Transfers In	76,249,928	76,249,928	76,249,928	-
Transfers Out	-	(15)	(147,094)	(147,079)
Proceeds from Sale Of Capital Assets	-	-	<u>4,300,000</u>	<u>4,300,000</u>
Total Other Financing Sources (Uses)	<u>76,249,928</u>	<u>76,249,913</u>	<u>80,402,834</u>	<u>4,152,921</u>
NET CHANGE IN FUND BALANCE	(646,342)	(6,644,959)	64,831,700	71,476,659
Fund Balance - Beginning of Year	<u>31,993,772</u>	<u>31,993,772</u>	<u>31,993,772</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 31,347,430</u>	<u>\$ 25,348,813</u>	<u>\$ 96,825,472</u>	<u>\$ 71,476,659</u>

**POLK COUNTY, FLORIDA
CAPITAL IMPROVEMENTS PROJECTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest Income	\$ 6,128	\$ 6,128	\$ 2,343	\$ (3,785)
Total Revenues	6,128	6,128	2,343	(3,785)
EXPENDITURES				
Capital Projects	496,398	496,398	-	496,398
Total Expenditures	496,398	496,398	-	496,398
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(490,270)	(490,270)	2,343	492,613
OTHER FINANCING SOURCES (USES)				
Transfers In	-	-	147,081	147,081
NET CHANGE IN FUND BALANCE	(490,270)	(490,270)	149,424	639,694
Fund Balance - Beginning of Year	(149,424)	(149,424)	(149,424)	-
FUND BALANCE - END OF YEAR	<u>\$ (639,694)</u>	<u>\$ (639,694)</u>	<u>\$ -</u>	<u>\$ 639,694</u>

**POLK COUNTY, FLORIDA
 NORTHEAST POLK ROADWAY FUND
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
 BUDGET (GAAP BASIS) AND ACTUAL
 YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES	\$ -	\$ -	\$ -	\$ -
EXPENDITURES	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	-	-
Fund Balance - Beginning of Year	800	800	800	-
FUND BALANCE - END OF YEAR	<u>\$ 800</u>	<u>\$ 800</u>	<u>\$ 800</u>	<u>\$ -</u>

**POLK COUNTY, FLORIDA
ENVIRONMENTAL LANDS ACQUISITION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ -	\$ -	\$ 27	\$ 27
Interest Income	40,109	40,109	62,998	22,889
Net Change in Fair Value of Investments	-	-	3,996	3,996
Total Revenues	<u>40,109</u>	<u>40,109</u>	<u>67,021</u>	<u>26,912</u>
EXPENDITURES				
Capital Projects	1,950,237	1,950,237	275,626	1,674,611
Total Expenditures	<u>1,950,237</u>	<u>1,950,237</u>	<u>275,626</u>	<u>1,674,611</u>
NET CHANGE IN FUND BALANCE	(1,910,128)	(1,910,128)	(208,605)	1,701,523
Fund Balance - Beginning of Year	<u>2,555,799</u>	<u>2,555,799</u>	<u>2,555,799</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 645,671</u>	<u>\$ 645,671</u>	<u>\$ 2,347,194</u>	<u>\$ 1,701,523</u>

**POLK COUNTY, FLORIDA
DRAINAGE AND WATER QUALITY FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET (GAAP BASIS) AND ACTUAL
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Interest Income	\$ 9,491	\$ 9,491	\$ 64,910	\$ 55,419
Net Change in Fair Value of Investments	-	-	3,845	3,845
Total Revenues	<u>9,491</u>	<u>9,491</u>	<u>68,755</u>	<u>59,264</u>
EXPENDITURES				
Capital Projects	<u>1,588,000</u>	<u>1,588,000</u>	<u>572,941</u>	<u>1,015,059</u>
Total Expenditures	<u>1,588,000</u>	<u>1,588,000</u>	<u>572,941</u>	<u>1,015,059</u>
NET CHANGE IN FUND BALANCE	(1,578,509)	(1,578,509)	(504,186)	1,074,323
Fund Balance - Beginning of Year	<u>2,717,366</u>	<u>2,717,366</u>	<u>2,717,366</u>	-
FUND BALANCE - END OF YEAR	<u>\$ 1,138,857</u>	<u>\$ 1,138,857</u>	<u>\$ 2,213,180</u>	<u>\$ 1,074,323</u>

**POLK COUNTY, FLORIDA
INTERNAL SERVICE FUNDS
YEAR ENDED SEPTEMBER 30, 2023**

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

FLEET MANAGEMENT FUND

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

EMPLOYEE HEALTH INSURANCE FUND

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

INFORMATION TECHNOLOGY FUND

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

**POLK COUNTY, FLORIDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF FUND NET POSITION
SEPTEMBER 30, 2023**

	Fleet Management	Employee Health Insurance	Information Technology	Total
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES				
CURRENT ASSETS				
Cash and Investments	\$ 28,237,998	\$ 33,174,332	\$ 3,678,411	\$ 65,090,741
Accounts Receivable	860,977	919,034	159	1,780,170
Interest Receivable	58,170	70,867	7,670	136,707
Due from Other Funds	199,923	2,441,544	-	2,641,467
Inventory	584,386	-	-	584,386
Other Assets	188,230	-	-	188,230
Total Current Assets	<u>30,129,684</u>	<u>36,605,777</u>	<u>3,686,240</u>	<u>70,421,701</u>
NONCURRENT ASSETS				
Capital Assets:				
Buildings and Improvements	2,375,309	-	6,666,322	9,041,631
Equipment	109,022,114	3,757	4,794,231	113,820,102
Intangibles	213,825	-	6,934,673	7,148,498
SBITAs	6,168	6,806	8,653,153	8,666,127
Less: Accumulated Depreciation	<u>(74,736,280)</u>	<u>(7,074)</u>	<u>(18,296,845)</u>	<u>(93,040,199)</u>
Total Capital Assets, Net of Accumulated Depreciation	<u>36,881,136</u>	<u>3,489</u>	<u>8,751,534</u>	<u>45,636,159</u>
Total Assets	67,010,820	36,609,266	12,437,774	116,057,860
DEFERRED OUTFLOWS OF RESOURCES				
Deferred Amounts on Pension	614,101	86,734	1,069,859	1,770,694
Deferred Amounts on OPEB	217,110	36,463	322,326	575,899
Total Deferred Outflows of Resources	<u>831,211</u>	<u>123,197</u>	<u>1,392,185</u>	<u>2,346,593</u>
LIABILITIES AND DEFERRED INFLOWS OF RESOURCES				
CURRENT LIABILITIES				
Vouchers Payable	1,719,473	965,984	579,877	3,265,334
Accrued Liabilities	147,457	20,710	376,506	544,673
Unearned Revenue	-	375,961	-	375,961
SBITA Liability, Current	1,524	1,130	2,633,859	2,636,513
Accrued Compensated Absences	174,660	15,261	294,107	484,028
Claims Payable	-	5,750,000	-	5,750,000
Total Current Liabilities	<u>2,043,114</u>	<u>7,129,046</u>	<u>3,884,349</u>	<u>13,056,509</u>
NONCURRENT LIABILITIES				
Total OPEB Liability	1,417,364	238,045	2,104,242	3,759,651
SBITA Liability	2,739	-	2,508,929	2,511,668
Net Pension Liability	3,163,460	451,265	5,538,053	9,152,778
Total Noncurrent Liabilities	<u>4,583,563</u>	<u>689,310</u>	<u>10,151,224</u>	<u>15,424,097</u>
Total Liabilities	6,626,677	7,818,356	14,035,573	28,480,606
DEFERRED INFLOWS OF RESOURCES				
Deferred Amounts on Pension	181,711	26,226	319,938	527,875
Deferred Amounts on OPEB	638,789	107,284	948,356	1,694,429
Total Deferred Inflows of Resources	<u>820,500</u>	<u>133,510</u>	<u>1,268,294</u>	<u>2,222,304</u>
NET POSITION				
Net Investment in Capital Assets	36,881,136	3,489	8,751,534	45,636,159
Unrestricted (Deficit)	<u>23,513,718</u>	<u>28,777,108</u>	<u>(10,225,442)</u>	<u>42,065,384</u>
Total Net Position	<u>\$ 60,394,854</u>	<u>\$ 28,780,597</u>	<u>\$ (1,473,908)</u>	<u>\$ 87,701,543</u>

**POLK COUNTY, FLORIDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
YEAR ENDED SEPTEMBER 30, 2023**

	Fleet Management	Employee Health Insurance	Information Technology	Total
OPERATING REVENUES				
Charges for Services	\$ 20,540,276	\$ 71,107,433	\$ 15,063,830	\$ 106,711,539
Other Revenue	92,369	5,857,226	7,787	5,957,382
Total Operating Revenues	<u>20,632,645</u>	<u>76,964,659</u>	<u>15,071,617</u>	<u>112,668,921</u>
OPERATING EXPENSES				
Personnel Services	3,970,570	549,075	7,038,268	11,557,913
Operations and Maintenance	6,106,818	4,578,940	3,963,777	14,649,535
Indirect	434,922	228,051	593,857	1,256,830
Depreciation/Amortization	8,052,192	2,933	2,613,378	10,668,503
Healthcare Program	-	64,569,282	-	64,569,282
Other Expense	2,012	252	(871,254)	(868,990)
Total Operating Expenses	<u>18,566,514</u>	<u>69,928,533</u>	<u>13,338,026</u>	<u>101,833,073</u>
OPERATING INCOME (LOSS)	2,066,131	7,036,126	1,733,591	10,835,848
NONOPERATING REVENUES (EXPENSES)				
Interest Income	684,262	782,221	85,157	1,551,640
Net Change in Fair Value of Investments	45,921	55,945	6,055	107,921
Gain (Loss) on Disposal of Equipment	743,166	-	(2,498)	740,668
Transfer of Capital Assets	6,887,090	-	(32,188)	6,854,902
Total Nonoperating Revenues	<u>8,360,439</u>	<u>838,166</u>	<u>56,526</u>	<u>9,255,131</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS AND TRANSFERS	10,426,570	7,874,292	1,790,117	20,090,979
CAPITAL CONTRIBUTIONS AND TRANSFERS				
Transfers In	805,000	-	-	805,000
Transfers Out	(3,251,986)	-	-	(3,251,986)
Total Capital Contributions and Transfers	<u>(2,446,986)</u>	<u>-</u>	<u>-</u>	<u>(2,446,986)</u>
CHANGE IN NET POSITION	7,979,584	7,874,292	1,790,117	17,643,993
Net Position - Beginning of Year	<u>52,415,270</u>	<u>20,906,305</u>	<u>(3,264,025)</u>	<u>70,057,550</u>
NET POSITION - END OF YEAR	<u>\$ 60,394,854</u>	<u>\$ 28,780,597</u>	<u>\$ (1,473,908)</u>	<u>\$ 87,701,543</u>

**POLK COUNTY, FLORIDA
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
YEAR ENDED SEPTEMBER 30, 2023**

	Fleet Management	Employee Health Insurance	Information Technology	Total
CASH FLOWS PROVIDED (USED) BY OPERATING ACTIVITIES				
Cash Received from Customers	\$ 2,142,019	\$ -	\$ -	\$ 2,142,019
Cash Received from Internal Services	18,168,344	70,962,642	15,063,830	104,194,816
Cash Paid to Suppliers for Goods and Services	(4,735,762)	(69,837,745)	(3,611,578)	(78,185,085)
Cash Paid to Employees for Services	(3,580,441)	(515,237)	(896,545)	(4,992,223)
Cash Received from Other Sources	92,369	5,857,226	7,787	5,957,382
Net Cash Provided (Used) by Operating Activities	<u>12,086,529</u>	<u>6,466,886</u>	<u>10,563,494</u>	<u>29,116,909</u>
RELATED CASH FLOWS PROVIDED (USED) BY NONCAPITAL AND FINANCING ACTIVITIES				
Transfers from Other Funds	(2,470,372)	-	-	(2,470,372)
Net Cash Provided (Used) by Noncapital and Related Financing Activities	<u>(2,470,372)</u>	<u>-</u>	<u>-</u>	<u>(2,470,372)</u>
CASH FLOWS PROVIDED (USED) BY CAPITAL AND FINANCING ACTIVITIES				
Acquisition and Construction of Capital Assets	(9,951,498)	(5,260)	(9,278,686)	(19,235,444)
Proceeds from Sale of Capital Assets	1,641,300	-	-	1,641,300
Net Cash Provided (Used) by Capital and Related Financing Activities	<u>(8,310,198)</u>	<u>(5,260)</u>	<u>(9,316,208)</u>	<u>(17,631,666)</u>
CASH FLOWS PROVIDED (USED) BY INVESTING ACTIVITIES				
Interest and Dividends on Investments	722,278	816,377	94,657	1,633,312
Net Cash Provided (Used) by Investing Activities	<u>722,278</u>	<u>816,377</u>	<u>94,657</u>	<u>1,633,312</u>
NET CHANGE IN CASH AND INVESTMENTS				
	2,028,237	7,278,003	1,341,943	10,648,183
Cash and Investments - Beginning of Year	<u>26,209,761</u>	<u>25,896,329</u>	<u>2,336,468</u>	<u>54,442,558</u>
CASH AND INVESTMENTS - END OF YEAR	<u>\$ 28,237,998</u>	<u>\$ 33,174,332</u>	<u>\$ 3,678,411</u>	<u>\$ 65,090,741</u>
RECONCILIATION OF NET OPERATING INCOME (LOSS) TO NET CASH FROM OPERATING ACTIVITIES				
Net Income (Loss) from Operations	\$ 2,066,131	\$ 7,036,126	\$ 1,733,591	\$ 10,835,848
Adjustments to Reconcile Net Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Depreciation/Amortization	8,052,192	2,933	2,613,378	10,668,503
(Increase) Decrease in Assets and Deferred Outflows:				
Accounts Receivable, Net of Allowance	(229,913)	38,887	-	(191,026)
Due from Other Funds	-	(212,568)	-	(212,568)
Inventory	6,455	-	-	6,455
Other Assets	1,591,846	-	-	1,591,846
Deferred Outflows of Pension	64,946	19,088	107,400	191,434
Deferred Outflows of OPEB	32,159	4,355	32,261	68,775
Increase (Decrease) in Liabilities and Deferred Outflows:				
Vouchers Payable	209,689	(448,560)	74,802	(164,069)
Accrued Liabilities	(11,610)	(2,660)	114,892	100,622
SBITAs	4,263	1,130	5,142,788	5,148,181
Unearned Revenue	-	28,890	-	28,890
Claims Payable	-	(10,000)	-	(10,000)
Accrued Compensated Absences	9,782	1,883	33,673	45,338
Total OPEB Liability	(437,224)	(65,644)	(533,911)	(1,036,779)
Net Pension Liability	472,278	30,643	854,728	1,357,649
Deferred Inflows of Pension	(41,131)	(8,878)	(71,794)	(121,803)
Deferred Inflows of OPEB	296,666	51,261	461,686	809,613
Total Adjustments	<u>10,020,398</u>	<u>(569,240)</u>	<u>8,829,903</u>	<u>18,281,061</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 12,086,529</u>	<u>\$ 6,466,886</u>	<u>\$ 10,563,494</u>	<u>\$ 29,116,909</u>
NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES				
Contribution and Transfers of Capital Assets	<u>\$ 6,887,090</u>	<u>\$ -</u>	<u>\$ (32,188)</u>	<u>\$ 6,854,902</u>

**POLK COUNTY, FLORIDA
CUSTODIAL FUNDS
YEAR ENDED SEPTEMBER 30, 2023**

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

COUNTY COURT FUND

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

REGISTRY OF COURT FUND

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

JURY AND WITNESS FUND

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

DOMESTIC RELATIONS FUND

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

TAX DEED FUND

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

INTANGIBLE TAX AND DOCUMENTARY STAMP FUND

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

COUNTY COURT/CIVIL COURT FUND

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

CASH BONDS FUND

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

OTHER CUSTODIAL FUND

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

FEES AND SUSPENSE FUND

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

**POLK COUNTY, FLORIDA
CUSTODIAL FUNDS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023**

FINES AND DRD FUND

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

INMATE FUND

This fund accounts for monies collected from inmates who have money in their possession at the time of their arrest and subsequent deposits to their accounts during incarceration.

**POLK COUNTY, FLORIDA
CUSTODIAL FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION
ALL CUSTODIAL FUNDS
SEPTEMBER 30, 2023**

	County Court	Registry of Court	Jury and Witness	Domestic Relations	Tax Deed
ASSETS					
Cash and Cash Equivalents	\$ 2,519,324	\$ 15,277,943	\$ 37,970	\$ 352,870	\$ 7,343,955
Due from Individuals and Businesses	-	-	-	-	-
Due from Other Governments	-	-	-	-	-
Total Assets	\$ 2,519,324	\$ 15,277,943	\$ 37,970	\$ 352,870	\$ 7,343,955
LIABILITIES AND FIDUCIARY NET POSITION					
LIABILITIES					
Due to State of Florida	\$ 1,054,189	\$ -	\$ -	\$ -	\$ -
Due to Municipalities	177,773	-	-	-	-
Due to Others	1,287,362	-	-	352,870	7,343,955
Due to Individuals and Businesses	-	-	-	-	-
Deposits, Registry of the Court	-	4,299,988	-	-	-
Deposits, Witness Fees	-	-	37,970	-	-
Deposits, Other	-	-	-	-	-
Total Liabilities	2,519,324	4,299,988	37,970	352,870	7,343,955
FIDUCIARY NET POSITION					
Restricted for Individuals, Organizations, and Other Governments	-	10,977,955	-	-	-
Total Liabilities and Fiduciary Net Position	\$ 2,519,324	\$ 15,277,943	\$ 37,970	\$ 352,870	\$ 7,343,955

**POLK COUNTY, FLORIDA
CUSTODIAL FUNDS
COMBINING STATEMENT OF FIDUCIARY NET POSITION (CONTINUED)
ALL CUSTODIAL FUNDS
SEPTEMBER 30, 2023**

Intangible Tax and Documentary Stamp	County Court/ Civil Court	Cash Bonds	Other Custodial Funds	Fees and Suspense	Fines and DRDs	Inmate	Total Custodial Funds
\$ 338,160	\$ 12,899	\$ 3,554,065	\$ 828,650	\$ 293,288	\$ -	\$ 162,553	\$ 30,721,677
-	-	-	-	342,135	-	16,573	358,708
-	-	-	-	9,850	-	-	9,850
<u>\$ 338,160</u>	<u>\$ 12,899</u>	<u>\$ 3,554,065</u>	<u>\$ 828,650</u>	<u>\$ 645,273</u>	<u>\$ -</u>	<u>\$ 179,126</u>	<u>\$ 31,090,235</u>
\$ 338,160	\$ -	\$ -	\$ 279,312	\$ -	\$ -	\$ -	\$ 1,671,661
-	-	-	-	-	-	-	177,773
-	-	-	549,338	12,853	-	-	9,546,378
-	-	-	-	-	-	173	173
-	-	-	-	-	-	-	4,299,988
-	-	-	-	-	-	-	37,970
-	-	-	-	510,469	-	-	510,469
338,160	-	-	828,650	523,322	-	173	16,244,412
-	12,899	3,554,065	-	121,951	-	178,953	14,845,823
<u>\$ 338,160</u>	<u>\$ 12,899</u>	<u>\$ 3,554,065</u>	<u>\$ 828,650</u>	<u>\$ 645,273</u>	<u>\$ -</u>	<u>\$ 179,126</u>	<u>\$ 31,090,235</u>

**POLK COUNTY, FLORIDA
CUSTODIAL FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
ALL CUSTODIAL FUNDS
YEAR ENDED SEPTEMBER 30, 2023**

	County Court	Registry of Court	Jury and Witness	Domestic Relations	Tax Deed
ADDITIONS					
Fines, Taxes and Fees Collections:					
Individuals and Businesses	\$ 913,945	\$ -	\$ 75,000	\$ 2,771,706	\$ 8,409,490
Other Governments	2,917,406	40,430,849	-	-	-
Licenses and Fees Collected from State Agencies	9,903,350	-	-	-	-
Contributions:					
Individuals and Businesses	-	-	-	-	-
Total Additions	<u>13,734,701</u>	<u>40,430,849</u>	<u>75,000</u>	<u>2,771,706</u>	<u>8,409,490</u>
DEDUCTIONS					
Payments of Fines and Fees	-	-	-	-	-
Payments of Property Tax:					
Individuals and Businesses	-	2,728,939	75,000	2,771,706	-
Other Governments	3,889,960	41,073,462	-	-	8,409,490
Canteen Purchases	-	-	-	-	-
Inmate Spending	-	-	-	-	-
Payments to State Agencies	9,844,741	70,793	-	-	-
Miscellaneous Charges	-	-	-	-	-
Total Deductions	<u>13,734,701</u>	<u>43,873,194</u>	<u>75,000</u>	<u>2,771,706</u>	<u>8,409,490</u>
NET INCREASE (DECREASE) IN FIDUCIARY NET POSITION	-	(3,442,345)	-	-	-
Net Position - Beginning of Year	-	14,420,300	-	-	-
FIDUCIARY NET POSITION - END OF YEAR	<u>\$ -</u>	<u>\$ 10,977,955</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**POLK COUNTY, FLORIDA
CUSTODIAL FUNDS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION (CONTINUED)
ALL CUSTODIAL FUNDS
YEAR ENDED SEPTEMBER 30, 2023**

Intangible Tax and Documentary Stamp	County Court/ Civil Court	Cash Bonds	Other Custodial Funds	Fees and Suspense	Fines and DRDs	Inmate	Total Custodial Funds
\$ 108,500,792	\$ -	\$ 5,352,607	\$ 545,341	\$ 1,399,371	\$ -	\$ -	\$ 127,968,252
-	-	9,938	330	68,496	61,136	-	43,488,155
107,964,741	-	-	3,846,385	-	-	-	121,714,476
-	-	-	-	-	-	5,008,498	5,008,498
216,465,533	-	5,362,545	4,392,056	1,467,867	61,136	5,008,498	298,179,381
-	-	-	-	1,450,822	61,136	-	1,511,958
-	-	-	-	-	-	-	5,575,645
107,966,432	-	3,422,652	566,163	-	-	-	165,328,159
-	-	-	-	-	-	2,832,422	2,832,422
-	-	-	-	-	-	836,288	836,288
108,499,101	-	-	3,825,893	-	-	-	122,240,528
-	-	-	-	-	-	1,354,948	1,354,948
216,465,533	-	3,422,652	4,392,056	1,450,822	61,136	5,023,658	299,679,948
-	-	1,939,893	-	17,045	-	(15,160)	(1,500,567)
-	12,899	1,614,172	-	104,906	-	194,113	16,346,390
\$ -	\$ 12,899	\$ 3,554,065	\$ -	\$ 121,951	\$ -	\$ 178,953	\$ 14,845,823

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STATISTICAL SECTION (UNAUDITED)

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

Contents

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

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

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

	Fiscal Year			
	2014	2015	2016	2017
Governmental Activities				
Net Invested in Capital Assets	\$ 3,295,884,984	\$ 3,254,563,988	\$ 3,222,781,761	\$ 3,177,524,066
Restricted	153,476,375	118,288,655	133,940,651	155,163,331
Unrestricted	(15,116,546)	(163,365,832)	(199,386,710)	(244,108,343)
Total Governmental Activities Net Position	\$ 3,434,244,813	\$ 3,209,486,811	\$ 3,157,335,702	\$ 3,088,579,054
Business-Type Activities				
Net Invested in Capital Assets	\$ 320,023,881	\$ 322,060,952	\$ 342,297,477	\$ 352,745,164
Restricted	18,664,740	16,734,479	18,524,034	30,141,818
Unrestricted	134,980,905	154,786,344	162,680,642	184,654,457
Total Business-Type Activities Net Position	\$ 473,669,526	\$ 493,581,775	\$ 523,502,153	\$ 567,541,439
Primary Government				
Net Invested in Capital Assets	\$ 3,615,908,865	\$ 3,576,624,940	\$ 3,565,079,238	\$ 3,530,269,230
Restricted	172,141,115	135,023,134	152,464,685	185,305,149
Unrestricted	119,864,359	(8,579,488)	(36,706,068)	(59,453,886)
Total Primary Government Net Position	\$ 3,907,914,339	\$ 3,703,068,586	\$ 3,680,837,855	\$ 3,656,120,493

Fiscal Year

2018	2019	2020	2021	2022	2023
\$ 3,114,700,553	\$ 3,076,238,733	\$ 3,117,488,139	\$ 3,128,287,504	\$ 3,124,788,127	\$ 3,187,627,404
191,429,236	241,349,528	248,098,983	343,343,919	392,226,812	439,578,000
(279,518,937)	(274,232,722)	(307,653,435)	(284,548,518)	(260,514,028)	(225,560,665)
<u>\$ 3,026,610,852</u>	<u>\$ 3,043,355,539</u>	<u>\$ 3,057,933,687</u>	<u>\$ 3,187,082,905</u>	<u>\$ 3,256,500,911</u>	<u>\$ 3,401,644,739</u>
\$ 377,253,771	\$ 429,136,625	\$ 520,040,556	\$ 550,645,838	\$ 585,854,572	\$ 618,304,327
36,663,476	30,634,059	1,000,000	1,000,000	1,000,000	1,000,000
156,431,318	183,604,397	127,025,788	210,144,678	225,640,484	229,247,723
<u>\$ 570,348,565</u>	<u>\$ 643,375,081</u>	<u>\$ 648,066,344</u>	<u>\$ 761,790,516</u>	<u>\$ 812,495,056</u>	<u>\$ 848,552,050</u>
\$ 3,491,954,324	\$ 3,505,375,358	\$ 3,637,528,695	\$ 3,678,933,342	\$ 3,710,642,699	\$ 3,805,931,731
228,092,712	271,983,587	249,098,983	344,343,919	393,226,812	440,578,000
(123,087,619)	(90,628,325)	(180,627,647)	(74,403,840)	(34,873,544)	3,687,058
<u>\$ 3,596,959,417</u>	<u>\$ 3,686,730,620</u>	<u>\$ 3,706,000,031</u>	<u>\$ 3,948,873,421</u>	<u>\$ 4,068,995,967</u>	<u>\$ 4,250,196,789</u>

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

	Fiscal Year			
	2014	2015	2016	2017
Expenses				
Governmental Activities:				
General Government	\$ 103,142,641	\$ 106,269,143	\$ 112,588,018	\$ 122,095,397
Public Safety	225,028,502	219,642,284	255,382,758	280,780,239
Physical Environment	7,192,813	8,849,680	7,404,169	7,274,077
Transportation	134,520,164	120,607,902	124,866,353	114,415,680
Economic Environment	16,486,708	20,970,749	28,564,232	33,536,843
Human Services	44,615,646	43,438,103	47,792,049	53,221,121
Culture and Recreation	16,037,738	15,891,522	15,324,797	15,858,425
Debt Service:				
Interest on Long-Term Debt	11,389,933	7,512,970	6,859,878	6,970,445
Other Debt Service	260,000	-	-	-
Total Governmental Activities	<u>558,674,145</u>	<u>543,182,353</u>	<u>598,782,254</u>	<u>634,152,227</u>
Business-Type Activities:				
Water and Sewer	53,800,262	53,461,214	54,859,927	56,680,180
Garbage Collection/Disposal	29,549,650	30,053,873	26,138,255	17,791,119
Rohr Nursing Home	5,651,668	5,591,712	5,405,268	5,759,243
Total Business-Type Activities Expenses	<u>89,001,580</u>	<u>89,106,799</u>	<u>86,403,450</u>	<u>80,230,542</u>
Total Primary Government Expenses	<u>\$ 647,675,725</u>	<u>\$ 632,289,152</u>	<u>\$ 685,185,704</u>	<u>\$ 714,382,769</u>
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	\$ 30,626,565	\$ 36,236,245	\$ 34,560,775	\$ 37,585,325
Public Safety	69,117,893	73,064,996	82,858,025	84,436,135
Physical Environment	1,477,612	1,864,546	948,514	934,766
Transportation	5,296,043	4,401,814	7,182,673	11,477,984
Economic Environment	363,684	317,089	727,661	1,799,119
Human Services	1,937,828	1,843,022	3,305,504	2,328,155
Culture and Recreation	585,083	624,396	598,052	894,608
Operating Grants and Contributions	28,545,720	23,844,332	19,573,115	14,941,900
Capital Grants and Contributions	9,913,802	5,719,753	15,009,142	5,792,061
Total Governmental Activities Program Revenues	<u>147,864,230</u>	<u>147,916,193</u>	<u>164,763,461</u>	<u>160,190,053</u>
Business-Type Activities:				
Charges for Services:				
Water and Sewer	59,018,202	65,041,048	68,436,965	77,895,390
Garbage Collection/Disposal	34,308,297	36,590,939	35,638,509	35,898,865
Rohr Nursing Home	5,194,508	5,428,674	5,122,598	5,938,925
Operating Grants and Contributions	1,400,308	635,427	1,906	57,874
Capital Grants and Contributions	751,712	4,311,391	7,046,400	6,157,649
Total Business-Type Activities Program Revenues	<u>100,673,027</u>	<u>112,007,479</u>	<u>116,246,378</u>	<u>125,948,703</u>
Total Primary Government Program Revenues	<u>\$ 248,537,257</u>	<u>\$ 259,923,672</u>	<u>\$ 281,009,839</u>	<u>\$ 286,138,756</u>
Net (Expense) / Revenue				
Governmental Activities	\$ (410,809,915)	\$ (395,266,160)	\$ (434,018,793)	\$ (473,962,174)
Business-Type Activities	11,671,447	22,900,680	29,842,928	45,718,161
Total Primary Government Net Expense	<u>\$ (399,138,468)</u>	<u>\$ (372,365,480)</u>	<u>\$ (404,175,865)</u>	<u>\$ (428,244,013)</u>

Fiscal Year						
2018	2019	2020	2021	2022	2023	
\$ 128,375,707	\$ 135,675,718	\$ 140,265,715	\$ 134,649,163	\$ 139,983,355	\$ 215,577,955	
284,730,743	335,481,293	436,191,212	349,746,313	378,924,840	434,234,689	
7,237,187	7,816,153	7,911,423	9,075,217	9,100,379	5,028,552	
123,289,846	116,998,337	108,772,258	115,738,091	122,981,425	131,815,167	
14,107,210	16,759,484	17,734,331	27,677,491	24,781,982	26,735,124	
57,083,269	64,839,994	63,368,523	60,562,584	56,446,406	73,404,530	
16,559,029	17,896,996	17,674,837	18,765,150	24,125,204	20,898,429	
6,843,112	6,717,274	4,080,074	4,645,475	4,347,963	4,011,489	
-	-	-	-	-	-	
<u>638,226,103</u>	<u>702,185,249</u>	<u>795,998,373</u>	<u>720,859,484</u>	<u>760,691,554</u>	<u>911,705,935</u>	
62,274,176	63,590,688	70,087,866	69,848,512	74,009,120	89,495,651	
58,080,819	32,976,015	79,928,258	(18,211,417)	36,770,767	71,706,394	
5,979,361	4,597,940	6,888,565	4,253,588	3,516,974	3,359,591	
<u>126,334,356</u>	<u>101,164,643</u>	<u>156,904,689</u>	<u>55,890,683</u>	<u>114,296,861</u>	<u>164,561,636</u>	
<u>\$ 764,560,459</u>	<u>\$ 803,349,892</u>	<u>\$ 952,903,062</u>	<u>\$ 776,750,167</u>	<u>\$ 874,988,415</u>	<u>\$ 1,076,267,571</u>	
\$ 38,882,736	\$ 37,638,881	\$ 34,490,169	\$ 39,020,958	\$ 38,539,510	\$ 64,520,660	
92,282,419	97,192,071	106,854,138	122,656,594	131,825,216	148,833,584	
863,975	948,197	879,178	1,371,577	967,880	785,934	
17,145,175	20,082,007	28,036,302	32,686,102	35,313,595	33,057,200	
867,523	462,696	760,666	1,503,920	299,652	247,851	
2,237,569	2,721,805	1,887,371	2,177,281	2,445,240	1,830,605	
1,480,703	1,729,061	2,373,720	4,065,775	4,327,575	4,237,032	
14,538,931	53,550,395	104,462,284	59,038,691	12,021,396	19,525,739	
2,017,716	3,097,922	18,365,891	19,724,709	35,388,687	42,622,081	
<u>170,316,747</u>	<u>217,423,035</u>	<u>298,109,719</u>	<u>282,245,607</u>	<u>261,128,751</u>	<u>315,660,686</u>	
80,010,629	87,165,566	92,061,354	102,906,183	119,094,458	116,659,653	
43,612,417	42,727,872	44,373,805	46,011,180	51,406,018	50,802,329	
5,742,733	5,435,686	5,070,388	4,244,876	3,428,189	2,624,954	
-	-	-	-	-	-	
3,032,456	12,150,138	14,514,812	19,659,222	17,776,346	20,605,145	
<u>132,398,235</u>	<u>147,479,262</u>	<u>156,020,359</u>	<u>172,821,461</u>	<u>191,705,011</u>	<u>190,692,081</u>	
<u>\$ 302,714,982</u>	<u>\$ 364,902,297</u>	<u>\$ 454,130,078</u>	<u>\$ 455,067,068</u>	<u>\$ 452,833,762</u>	<u>\$ 506,352,767</u>	
\$ (467,909,356)	\$ (484,762,214)	\$ (497,888,654)	\$ (438,613,877)	\$ (499,562,803)	\$ (596,045,249)	
6,063,879	46,314,619	(884,330)	116,930,778	77,408,150	26,130,445	
<u>\$ (461,845,477)</u>	<u>\$ (438,447,595)</u>	<u>\$ (498,772,984)</u>	<u>\$ (321,683,099)</u>	<u>\$ (422,154,653)</u>	<u>\$ (569,914,804)</u>	

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

	Fiscal Year			
	2014	2015	2016	2017
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes:				
Property Taxes	\$ 171,248,724	\$ 181,626,076	\$ 190,279,026	\$ 202,427,517
Fuel Taxes	29,600,822	30,557,569	32,198,727	33,100,879
Sales Tax	65,293,550	69,160,414	74,798,881	77,192,196
Services Taxes	40,607,851	41,060,278	41,409,750	42,214,128
Other Taxes	10,123,215	11,182,147	12,204,723	12,992,572
State Shared Revenues	12,422,530	13,554,377	13,999,363	14,712,512
Investment Earnings	5,341,795	5,352,754	6,767,080	9,157,906
Net Change in Fair Value of Investments	2,685,845	(858,747)	(1,242,549)	(4,034,397)
Gain/(Loss) on Sale of Capital Assets	804,830	1,290,814	-	1,993,156
Miscellaneous	7,817,205	5,970,833	4,448,071	7,111,146
Transfers	572,179	625,593	7,004,612	8,337,911
Total Governmental Activities	<u>\$ 346,518,546</u>	<u>\$ 359,522,108</u>	<u>\$ 381,867,684</u>	<u>\$ 405,205,526</u>
Business-Type Activities:				
Investment Earnings	\$ 3,203,378	\$ 3,821,568	\$ 4,635,458	\$ 6,583,564
Net Change in Fair Value of Investments	2,295,784	(759,805)	(989,160)	(3,270,174)
Gain on Sale of Capital Assets	22,267	-	-	-
Miscellaneous	3,888,995	3,425,590	3,435,764	3,345,646
Transfers	(572,179)	(625,593)	(7,004,612)	(8,337,911)
Total Business-Type Activities	<u>\$ 8,838,245</u>	<u>\$ 5,861,760</u>	<u>\$ 77,450</u>	<u>\$ (1,678,875)</u>
Total Primary Government	<u>\$ 355,356,791</u>	<u>\$ 365,383,868</u>	<u>\$ 381,945,134</u>	<u>\$ 403,526,651</u>
Change in Net Position				
Governmental Activities	\$ (64,291,369)	\$ (35,744,052)	\$ (52,151,109)	\$ (68,756,648)
Business-Type Activities	20,509,692	28,762,440	29,920,378	44,039,286
Total Primary Government	<u>\$ (43,781,677)</u>	<u>\$ (6,981,612)</u>	<u>\$ (22,230,731)</u>	<u>\$ (24,717,362)</u>

Fiscal Year						
2018	2019	2020	2021	2022	2023	
\$ 222,886,089	\$ 255,492,946	\$ 274,652,227	\$ 288,136,760	\$ 314,541,874	\$ 358,229,192	
34,443,610	36,253,973	33,636,639	37,019,381	38,548,037	40,081,029	
82,123,979	89,132,246	89,644,741	106,416,346	125,048,030	130,647,436	
42,546,116	44,555,971	45,984,840	47,365,436	53,707,137	52,183,746	
15,392,857	15,908,728	12,276,880	17,960,767	24,306,986	26,121,857	
15,571,560	16,524,279	15,573,361	18,357,148	24,048,547	25,828,288	
11,814,141	17,408,065	15,592,580	11,949,172	11,160,952	29,724,224	
(5,918,987)	3,878,545	3,066,138	(8,826,493)	(75,789,166)	1,903,148	
911,451	1,075,990	1,582,402	2,581,111	1,462,130	6,100,448	
10,582,958	33,766,841	14,068,297	40,075,684	44,916,670	67,368,424	
8,233,201	(12,490,683)	6,388,697	6,727,783	7,029,612	3,001,285	
<u>\$ 438,586,975</u>	<u>\$ 501,506,901</u>	<u>\$ 512,466,802</u>	<u>\$ 567,763,095</u>	<u>\$ 568,980,809</u>	<u>\$ 741,189,077</u>	
\$ 7,871,778	\$ 8,373,962	\$ 7,183,878	\$ 4,641,628	\$ 3,780,172	\$ 8,785,432	
(4,199,272)	2,223,317	1,555,988	(3,736,316)	(26,069,872)	572,652	
-	-	-	-	-	-	
3,644,542	3,623,935	3,224,424	2,615,865	2,615,702	3,569,750	
(8,233,201)	12,490,683	(6,388,697)	(6,727,783)	(7,029,612)	(3,001,285)	
<u>\$ (916,153)</u>	<u>\$ 26,711,897</u>	<u>\$ 5,575,593</u>	<u>\$ (3,206,606)</u>	<u>\$ (26,703,610)</u>	<u>\$ 9,926,549</u>	
<u>\$ 437,670,822</u>	<u>\$ 528,218,798</u>	<u>\$ 518,042,395</u>	<u>\$ 564,556,489</u>	<u>\$ 542,277,199</u>	<u>\$ 751,115,626</u>	
\$ (29,322,381)	\$ 16,744,687	\$ 14,578,148	\$ 129,149,218	\$ 69,418,006	\$ 145,143,828	
5,147,726	73,026,516	4,691,263	113,724,172	50,704,540	36,056,994	
<u>\$ (24,174,655)</u>	<u>\$ 89,771,203</u>	<u>\$ 19,269,411</u>	<u>\$ 242,873,390</u>	<u>\$ 120,122,546</u>	<u>\$ 181,200,822</u>	

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

	Fiscal Year			
	2014	2015	2016	2017
General Fund				
Nonspendable	\$ 2,422,318	\$ 2,529,876	\$ 2,375,422	\$ 5,009,020
Restricted	3,834,633	3,927,059	3,632,172	3,599,854
Committed	859,383	5,140,246	3,699,649	3,167,473
Assigned	12,650,559	19,542,951	21,609,306	21,507,052
Unassigned	41,990,434	40,379,474	42,922,323	31,152,780
Total General Fund	<u>\$ 61,757,327</u>	<u>\$ 71,519,606</u>	<u>\$ 74,238,872</u>	<u>\$ 64,436,179</u>
All Other Governmental Funds				
Unreserved, reported in:				
Nonspendable	\$ 1,950	\$ 92,697	\$ 77,390	\$ 75,376
Restricted	149,641,742	114,361,596	130,308,479	151,563,477
Committed	62,420,804	91,236,101	88,860,554	84,457,383
Assigned	17,312,112	15,324,433	13,405,998	19,608,186
Unassigned	(1,368,997)	(1,494,427)	(1,555,075)	(1,479,663)
Total all Other Governmental Funds	<u>\$ 228,007,611</u>	<u>\$ 219,520,400</u>	<u>\$ 231,097,346</u>	<u>\$ 254,224,759</u>

Fiscal Year					
2018	2019	2020	2021	2022	2023
\$ 2,749,680	\$ 1,901,571	\$ 2,630,495	\$ 2,120,659	\$ 2,645,580	\$ 2,435,516
4,143,272	4,778,557	4,511,609	4,050,909	6,133,948	5,127,650
2,164,342	1,002,823	2,553,751	1,634,012	90,481	115,571
20,076,216	22,544,776	14,234,587	7,950,335	160,826	-
40,198,772	74,544,016	95,868,165	123,868,333	124,841,876	134,928,575
<u>\$ 69,332,282</u>	<u>\$ 104,771,743</u>	<u>\$ 119,798,607</u>	<u>\$ 139,624,248</u>	<u>\$ 133,872,711</u>	<u>\$ 142,607,312</u>
\$ 81,744	\$ 70,724	\$ 84,624	\$ 2,123,716	\$ 6,101,098	\$ 250,047
187,285,964	236,570,971	268,432,191	340,720,749	387,431,247	424,642,101
90,099,475	100,439,327	105,469,594	101,838,418	111,109,480	121,513,339
21,303,773	27,817,695	46,510,873	37,918,101	37,576,142	104,550,332
(1,057,420)	(104,125)	(40,866)	(2,070,477)	(6,221,673)	(353,639)
<u>\$ 297,713,536</u>	<u>\$ 364,794,592</u>	<u>\$ 420,456,416</u>	<u>\$ 480,530,507</u>	<u>\$ 535,996,294</u>	<u>\$ 650,602,180</u>

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

	Fiscal Year			
	2014	2015	2016	2017
Revenues				
Taxes	\$ 275,706,614	\$ 291,087,882	\$ 306,847,583	\$ 322,833,252
Licenses and Permits	6,174,865	6,978,955	8,358,141	12,959,957
Intergovernmental	97,581,268	93,179,130	81,248,105	81,963,799
Charges for Services	56,220,978	58,401,444	70,253,115	66,257,353
Fines and Forfeitures	3,257,819	4,189,585	8,028,945	8,502,029
Special Assessments	33,104,295	33,796,129	42,087,216	48,017,524
Interest Income	4,261,157	4,855,159	5,841,347	8,366,192
Net Change in Fair Value of Investments	2,685,845	(858,747)	(1,103,804)	(3,684,893)
Miscellaneous Revenues	19,103,451	16,543,834	23,798,542	14,398,334
Total Revenues	\$ 498,096,292	\$ 508,173,371	\$ 545,359,190	\$ 559,613,547
Expenditures				
General Government	\$ 107,534,693	\$ 104,451,127	\$ 107,648,727	\$ 116,151,355
Public Safety	213,962,474	219,647,997	233,135,166	258,082,607
Physical Environment	6,618,272	8,812,990	5,726,659	6,636,846
Transportation	78,258,427	74,876,102	72,143,469	52,239,447
Economic Environment	16,933,435	15,490,020	15,722,753	17,720,365
Human Services	44,615,033	43,962,121	45,894,042	52,139,093
Culture and Recreation	17,022,284	15,195,820	15,105,961	18,358,446
Debt Service				
Principal Retirement	9,183,411	9,597,734	10,152,382	11,214,379
Interest and Fiscal Charges	8,765,533	8,023,335	7,366,054	7,381,218
Capital Projects	5,552,909	7,698,275	24,971,025	13,286,713
Total Expenditures	\$ 508,446,471	\$ 507,755,521	\$ 537,866,238	\$ 553,210,469
Excess (Deficiency) of Revenues Over (Under) Expenditures	\$ (10,350,179)	\$ 417,850	\$ 7,492,952	\$ 6,403,078
Other Financing Sources (Uses)				
Payments to Escrow Agent	\$ -	\$ -	\$ (17,375,000.00)	\$ -
Proceeds from Issuance of Debt	-	-	17,375,000	-
Transfers In	22,165,824	63,404,033	29,345,881	32,608,319
Transfers Out	(20,608,881)	(62,778,440)	(22,716,269)	(25,686,677)
Distribution of Excess Fees to State of Florida	-	-	-	-
Proceeds from the Sale of Capital Assets	152,739	231,625	173,648	-
Proceeds from Issuance of Bonds (Refunding)	525,772	-	-	-
Lease Proceeds	-	-	-	-
Issuance of Lease Liability	-	-	-	-
Issuance of SBITA Liability	-	-	-	-
Total Other Financing Sources (Uses)	\$ 2,235,454	\$ 857,218	\$ 6,803,260	\$ 6,921,642
Net Change in Fund Balance	\$ (8,114,725)	\$ 1,275,068	\$ 14,296,212	\$ 13,324,720
Debt service as a Percentage of Noncapital Expenditures	3.2%	3.2%	2.9%	3.1%

Fiscal Year						
2018	2019	2020	2021	2022	2023	
\$ 349,858,666	\$ 390,916,577	\$ 407,578,456	\$ 439,499,591	\$ 492,344,708	\$ 540,959,839	
15,674,897	15,779,022	15,583,451	19,487,200	19,730,664	18,877,839	
79,300,969	122,827,934	168,725,922	154,334,238	129,260,014	143,998,348	
72,482,432	75,188,117	73,848,556	80,132,221	88,139,236	132,717,559	
9,646,150	9,443,719	7,466,270	9,045,174	9,560,205	9,589,950	
56,998,654	63,016,004	75,556,362	93,678,656	97,698,811	96,620,124	
10,840,720	16,181,405	13,262,025	11,775,072	10,381,259	27,562,706	
(5,539,447)	3,878,545	2,770,526	(8,282,607)	(71,344,897)	1,795,227	
13,428,182	17,511,034	18,510,302	17,381,538	16,485,259	15,784,098	
<u>\$ 602,691,223</u>	<u>\$ 714,742,357</u>	<u>\$ 783,301,870</u>	<u>\$ 817,051,083</u>	<u>\$ 792,255,259</u>	<u>\$ 987,905,690</u>	
\$ 119,154,121	\$ 124,216,179	\$ 129,770,926	\$ 130,659,522	\$ 141,410,218	\$ 203,760,931	
266,563,228	288,697,783	384,566,278	366,848,814	354,341,552	369,915,894	
6,194,328	8,505,454	8,266,198	9,831,827	9,449,758	16,218,330	
54,177,825	56,832,511	76,879,253	79,914,536	97,879,764	126,614,922	
15,580,153	18,027,947	20,280,745	25,852,770	25,504,734	28,185,068	
56,004,142	63,035,349	61,597,939	60,083,798	55,206,303	71,867,365	
14,323,400	16,014,337	17,295,220	18,589,100	28,034,904	24,036,653	
9,878,081	10,755,256	21,675,383	6,880,305	14,652,767	18,561,999	
7,050,973	6,944,149	5,760,654	5,291,565	5,459,057	5,817,680	
9,321,424	6,794,693	18,086,514	37,251,220	26,255,589	20,550,825	
<u>\$ 558,247,675</u>	<u>\$ 599,823,658</u>	<u>\$ 744,179,110</u>	<u>\$ 741,203,457</u>	<u>\$ 758,194,646</u>	<u>\$ 885,529,667</u>	
\$ 44,443,548	\$ 114,918,699	\$ 39,122,760	\$ 75,847,626	\$ 34,060,613	\$ 102,376,023	
\$ -	\$ -	\$ (41,955,000.00)	\$ -	\$ -	\$ -	
-	-	69,017,000	-	-	-	
30,831,263	45,991,151	40,350,259	56,359,431	68,932,858	113,005,246	
(23,844,969)	(58,860,536)	(36,316,030)	(52,657,425)	(62,628,246)	(106,298,431)	
(3,098,522)	-	-	-	-	-	
53,560	471,203	469,699	350,100	1,904,304	6,920,470	
-	-	-	-	-	-	
-	-	-	-	7,444,721	-	
-	-	-	-	-	3,125,403	
-	-	-	-	-	4,211,776	
<u>\$ 3,941,332</u>	<u>\$ (12,398,182)</u>	<u>\$ 31,565,928</u>	<u>\$ 4,052,106</u>	<u>\$ 15,653,637</u>	<u>\$ 20,964,464</u>	
<u>\$ 48,384,880</u>	<u>\$ 102,520,517</u>	<u>\$ 70,688,688</u>	<u>\$ 79,899,732</u>	<u>\$ 49,714,250</u>	<u>\$ 123,340,487</u>	
2.9%	3.9%	4.2%	1.8%	2.9%	2.9%	

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

Real Property - Just Value (1)					
Fiscal Year	Residential Property	Commercial Property	Industrial Property	Agriculture Property	Other Property
2014	\$ 19,419,985,594	\$ 3,966,947,491	\$ 1,562,887,796	\$ 1,710,090,900	\$ 3,141,635,466
2015	21,763,758,795	4,043,574,880	1,618,218,236	1,837,078,764	3,194,730,439
2016	23,766,289,395	4,232,146,151	1,763,558,817	1,957,205,668	3,347,415,960
2017	25,609,401,296	4,544,498,571	2,010,226,111	2,072,680,851	3,539,046,146
2018	28,142,177,270	4,932,218,735	2,660,960,875	2,037,710,078	3,782,515,217
2019	31,491,549,535	5,224,662,742	2,895,915,541	2,174,082,401	3,885,576,723
2020	34,679,011,304	5,453,958,695	3,126,546,938	2,202,656,452	4,109,445,636
2021	38,819,346,348	5,671,072,305	3,406,250,226	2,189,637,444	4,463,218,388
2022	42,834,602,362	5,803,370,420	3,798,265,234	2,281,778,406	4,564,400,972
2023	57,577,648,341	6,701,545,653	5,036,306,142	2,428,422,019	5,208,579,508

Source: Polk County Property Appraiser

Note:

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

	Total Just Value	Personal Property	Total Real and Personal Property	Less: Tax-exempt Property	Total Taxable Value	Total Direct Tax Rate
\$	29,801,547,247	\$ 5,853,800,018	\$ 35,655,347,265	\$ 11,619,884,272	\$ 24,035,462,993	6.8665
	32,457,361,114	5,856,412,000	38,313,773,114	13,016,657,541	25,297,115,573	6.8665
	35,066,615,991	6,162,668,197	41,229,284,188	14,461,786,021	26,767,498,167	6.7815
	37,775,852,975	6,065,867,091	43,841,720,066	15,413,687,057	28,428,033,009	6.7815
	41,555,582,175	6,585,670,352	48,141,252,527	16,830,858,281	31,310,394,246	6.7815
	45,671,786,942	7,241,147,914	52,912,934,856	18,737,212,914	34,175,721,942	7.1565
	49,571,619,025	7,385,098,440	56,956,717,465	20,151,089,547	36,805,627,918	7.1565
	54,549,524,711	6,028,228,580	60,577,753,291	20,551,011,112	40,026,742,179	6.8990
	59,282,417,394	6,310,824,117	65,593,241,511	21,841,302,474	43,751,939,037	6.8990
	76,952,501,663	6,891,430,176	83,843,931,839	32,356,607,005	51,487,324,834	6.6920

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

	Year Taxes Are Payable									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
County Direct Rates										
General Fund	6.8665	6.8665	6.7815	6.7815	6.7815	7.1565	7.1565	6.8990	6.8990	6.6920
Total direct rate	6.8665	6.8665	6.7815	6.7815	6.7815	7.1565	7.1565	6.8990	6.8990	6.6920
City Rates										
Auburndale	4.2657	4.2657	4.2657	4.2657	4.2657	4.2515	4.2515	4.2515	4.2515	4.2515
Bartow	3.9960	3.9075	3.8387	3.8044	3.6541	3.5378	3.2768	3.0862	4.0000	4.6080
Davenport	7.7500	7.5000	7.5000	7.5000	7.5000	7.5000	7.5000	7.5000	7.5000	7.5000
Dundee	7.9495	7.9495	7.9000	7.9000	7.9000	7.9000	7.9000	7.9000	7.9000	7.9000
Eagle Lake	7.6516	7.6516	7.6516	7.6516	7.6516	7.6516	7.6516	7.6516	7.6516	7.6516
Ft Meade	5.6484	5.6484	5.6484	6.2458	6.8704	6.8704	7.8899	7.8899	8.6306	8.0000
Frostproof	8.0587	8.0587	8.0587	7.7716	7.4978	7.3045	6.9705	6.5530	6.5530	6.5530
Haines City	7.7900	7.7900	7.7900	7.5895	7.5895	7.5895	7.5895	7.5895	7.5895	7.5895
Highland Park	9.9759	9.9759	9.9759	9.9759	9.9759	9.9759	9.9759	9.9759	9.9759	9.9759
Hillcrest Heights	1.5000	1.4131	1.3788	1.2726	1.1932	1.1050	0.9807	0.9129	0.8580	0.7981
Lake Alfred	7.5890	7.5890	7.4890	7.2390	7.2390	7.2390	7.2390	7.2390	7.2390	6.9890
Lake Hamilton	8.4276	8.4276	8.4276	8.4276	8.4276	8.4276	8.4276	8.4276	8.4276	8.4276
Lake Wales	8.5866	8.3638	7.3638	7.3273	7.0438	7.0438	6.9339	6.7974	6.7697	6.3626
Lakeland	4.6644	4.6644	5.5644	5.5644	5.5644	5.4644	5.4644	5.4644	5.4323	5.4323
Mulberry	8.4000	7.6500	7.2900	6.7900	6.5900	6.4400	6.4400	6.4400	6.4400	6.4400
Polk City	8.6547	8.6000	8.2500	8.0000	7.4877	7.2500	6.0000	6.0000	5.7000	5.5000
Winter Haven	5.7900	5.7900	5.7900	5.7900	5.7900	6.7900	6.7900	6.7900	6.7900	6.5900
County School District										
Local	2.2480	2.2480	2.2480	2.2480	2.2480	2.2480	2.2480	2.2480	2.2480	2.2480
State	5.2990	4.9600	4.9010	4.5490	4.2660	4.0030	3.8380	3.6870	3.5810	3.2710
Unincorporated County MSTU										
Parks	0.4219	0.4219	0.5619	0.5619	0.5619	0.5619	0.5619	0.5619	0.5619	0.5450
Library	0.2109	0.2109	0.2109	0.2109	0.2109	0.2109	0.2109	0.2109	0.2109	0.2046
Storm	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.1000	0.0970
Rancho Bonito Area MSTU	-	9.2672	9.1272	9.1272	9.1272	9.1272	9.1272	9.1272	9.1272	9.1272
Special Districts:										
Everglades Construction	0.0587	0.0548	0.0506	0.0471	0.0441	0.0417	0.0397	0.0380	0.0365	0.0327
Lake Region LMD	0.4924	0.4924	0.4715	0.4512	0.4214	0.4214	0.4214	0.4100	0.4100	0.4100
Lakeland Mass/Transit	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
South FL WMD	0.1685	0.1577	0.1459	0.1359	0.1275	0.1209	0.1152	0.2669	0.1061	0.0948
SW FLA WMD	0.3818	0.3658	0.3488	0.3317	0.3131	0.2955	0.2801	0.2801	0.2535	0.2260

Source: Polk County Tax Collector's Office

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

Taxpayer	2023			2014		
	Taxable Value	Rank	Percentage of Total County Taxable Value	Taxable Value	Rank	Percentage of Total County Taxable Value
Duke Energy/Florida Power	\$ 1,273,583,215	1	2.47%	\$ 975,272,163	1	4.06%
Tampa Electric	1,153,107,012	2	2.24%	555,679,683	2	2.31%
Mosaic /Streamsong/Stillwaters	853,183,035	3	1.66%	507,133,974	3	2.11%
Publix Supermarkets	542,946,700	4	1.05%	301,552,829	4	1.25%
Amazon	346,185,977	5	0.67%	-	-	-
Invitation Homes	337,123,133	6	0.65%	-	-	-
Walmart	263,769,908	7	0.51%	133,176,420	9	0.55%
Coca Cola	223,593,248	8	0.43%	237,459,217	5	0.99%
Florida Southeast Connection LLC	173,275,208	9	0.34%	-	-	-
Frontier	166,239,342	10	0.32%	-	-	-
Verizon Florida	-	-	-	232,812,603	6	0.97%
Gulfstream Natural Gas	-	-	-	153,787,896	8	0.64%
Calpine Construction Finance	-	-	-	156,310,437	7	0.65%
Cutrale Citrus Juice Inc USA	-	-	-	115,911,913	10	0.48%
Total	\$ 5,333,006,778		10.36%	\$ 3,369,097,135		14.02%
Total Taxable Value:	\$ 51,487,324,834			\$ 24,035,462,993		

Source: Polk County Property Appraiser

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

Fiscal Year	Total Tax Levy (1)	Current Tax Collections (2)	Current Tax Collections as a percent(%) of Total Levy	Collections in Subsequent Years (2)	Total Tax Collections	Total Tax Collections as a percent(%) of Total Levy
2014	\$ 165,896,955	\$ 159,591,391	96.20%	\$ 813,947	\$ 160,405,338	96.69%
2015	174,474,047	167,845,853	96.20%	1,016,823	168,862,676	96.78%
2016	182,495,617	175,460,063	96.14%	820,373	176,280,436	96.59%
2017	193,788,188	186,687,885	96.34%	814,715	187,502,600	96.76%
2018	213,109,132	205,408,483	96.39%	731,151	206,139,634	96.73%
2019	245,433,478	236,523,625	96.37%	669,318	237,192,943	96.64%
2020	264,558,943	254,714,582	96.28%	872,911	255,587,493	96.61%
2021	277,318,756	266,789,705	96.20%	712,402	267,502,107	96.46%
2022	302,693,318	291,055,941	96.16%	607,861	291,663,802	96.36%
2023	345,438,547	330,934,707	95.80%	1,480,269	332,414,976	96.23%

Source: Polk County Tax Collector's Office

Notes:

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

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

Fiscal Year	Governmental Activities				
	Sales Tax Increment Bonds	Constitutional Fuel Tax Bonds (1)	Local Option Fuel Tax / Public Service Tax Bonds	Public Service Tax Bonds/Revenue Sharing Monies Tax Bonds	Deferred Amounts: Premium/Discount
2014	\$ 27,640,000	\$ 25,990,000	\$ 47,320,000	\$ 75,610,000	\$ 9,849,122
2015	25,975,000	23,385,000	45,245,000	73,600,000	9,210,852
2016	24,260,000	3,200,000	43,090,000	71,405,000	7,828,387
2017	22,490,000	225,000	40,850,000	69,125,000	7,203,635
2018	20,645,000	-	38,495,000	66,750,000	6,709,928
2019	18,720,000	-	36,025,000	64,255,000	6,216,221
2020	-	-	-	61,660,000	3,849,502
2021	-	-	-	58,940,000	3,592,872
2022	-	-	-	56,105,000	3,336,238
2023	-	-	-	53,190,000	3,079,604

Notes:

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

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

Governmental Activities

Net Bonds Payable	Notes Payable	Interlocal Agreements	Leases (4)	SBITA (5)	Total Governmental Debt
\$ 186,409,122	\$ -	\$ 7,913,127	\$ -	\$ -	\$ 194,322,249
177,415,852	-	12,170,393	-	-	189,586,245
149,783,387	18,157,000 (2)	23,503,334	-	-	191,443,721
139,893,635	17,951,000	38,478,800	-	-	196,323,435
132,599,928	16,709,000	36,642,719	-	-	185,951,647
125,216,221	15,137,000	34,349,463	-	-	174,702,684
65,509,502	82,482,000 (3)	31,988,143	-	-	179,979,645
62,532,872	80,752,000	33,057,838	3,021,674	-	179,364,384
59,441,238	72,319,903	30,537,597	8,619,263	10,075,020	180,993,021
56,269,604	63,686,020	28,560,755	9,475,735	12,387,766	170,379,880

(4) In FY 2022, Leases were added due to the implementation of GASB Statement No. 87, *Leases*.

(5) SBITA has been added due to the implementation of GASB Statement No. 96, *Subscription Based Information Technology Arrangements (SBITA)*

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

Business-Type Activities					
Fiscal Year	Water and Sewer Bonds (1)	Deferred Amounts: Premium/Discount	Net Bonds Payable	Contracts Payable	Interlocal Agreements
2014	\$ 188,175,000	\$ 8,179,037	\$ 196,354,037	\$ 71,842	\$ 3,305,990
2015	185,000,000	7,560,715	192,560,715	71,842	3,104,773
2016	181,485,000	7,045,425	188,530,425	58,880	2,903,556
2017	177,950,000	6,524,534	184,474,534	58,880	2,702,339
2018	174,320,000	6,003,643	180,323,643	58,880	2,501,122
2019	170,530,000	5,482,752	176,012,752	58,880	2,299,905
2020	151,130,000	24,043,511	175,173,511	58,880	2,098,688
2021	147,025,000	22,703,652	169,728,652	58,880	1,897,472
2022	142,795,000	21,363,793	164,158,793	58,880	1,696,255
2023	138,370,000	20,023,933	158,393,933	58,880	1,495,037

Notes:

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

(1) Total consists of more than one issuance.

(2) In FY 2022, Leases were added due to the implementation of GASB Statement No. 87, *Leases*.

Business-Type Activities

Other Long-Term Liability	Leases (2)	Total Business-Type Debt	Total Primary Government	Percentage of Personal Income	Per Capita
\$ 1,300,455	\$ -	\$ 201,032,324	\$ 395,354,573	1.94%	634
1,300,455	-	197,037,785	386,624,030	1.81%	611
377,985	-	191,870,846	383,314,567	1.73%	592
377,985	-	187,613,738	383,937,173	1.70%	580
377,985	-	183,261,630	369,213,277	1.60%	549
377,985	-	178,749,522	353,452,206	1.40%	512
377,985	-	177,709,064	357,688,709	1.24%	493
377,985	88,877	172,151,866	351,516,250	1.08%	470
377,985	54,933	166,346,846	347,339,868	1.04%	451
26,599	45,980	160,020,429	330,400,309	0.96%	414

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

<u>Fiscal Year</u>	<u>Sales Taxes</u>	<u>Debt Service</u>		<u>Total</u>	<u>Coverage</u>
		<u>Principal</u>	<u>Interest</u>		
2014	\$ 28,968,235	\$ 1,620,000	\$ 1,138,900	\$ 2,758,900	10.50
2015	30,519,501	1,665,000	1,089,625	2,754,625	11.08
2016	33,321,558	1,715,000	1,038,925	2,753,925	12.10
2017	34,091,310	1,770,000	974,950	2,744,950	12.42
2018	36,094,105	1,845,000	896,075	2,741,075	13.17
2019	38,560,203	1,925,000	807,325	2,732,325	14.11
2020	38,190,238 (1)	2,025,000	379,600	2,404,600	15.88
2021	-	-	-	-	-
2022	-	-	-	-	-
2023	-	-	-	-	-

Note:

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

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

**POLK COUNTY, FLORIDA
 PLEDGED REVENUE COVERAGE
 NON-AD VALOREM REVENUES
 LAST TEN YEARS**

<u>Fiscal Year</u>	<u>Non-Ad Valorem</u>	<u>Average Amount of Non-Ad Valorem Revenues Available for Debt</u>	<u>Maximum Annual Debt Service for All Debt Secured by Non-Ad Valorem Revenues</u>	<u>Coverage</u>
2021	\$ 257,451,457	\$ 265,364,097	\$ 15,501,148	17.12
2022	188,001,238	222,726,348	15,501,148	14.37
2023	342,615,663	265,308,451	15,501,148	17.12

Note:

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

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

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

<u>Fiscal Year</u>	<u>Local Option Fuel Taxes(1)</u>	<u>Public Service Tax (1)</u>	<u>Debt Service</u>		<u>Total</u>	<u>Coverage</u>
			<u>Principal</u>	<u>Interest</u>		
2014	\$ 6,953,052	\$ 5,996,762	\$ 2,015,000	\$ 2,129,050	\$ 4,144,050	3.12
2015	7,236,822	6,188,069	2,075,000	2,059,450	4,134,450	3.25
2016	7,653,503	6,330,937	2,155,000	1,976,975	4,131,975	3.38
2017	7,898,728	6,523,435	2,240,000	1,877,875	4,117,875	3.50
2018	8,141,473	6,582,019	2,355,000	1,763,000	4,118,000	3.58
2019	8,669,540	7,070,593	2,470,000	1,647,800	4,117,800	3.82
2020	8,247,849 (2)	7,347,384	2,585,000	795,738	3,380,738	4.61
2021	-	-	-	-	-	-
2022	-	-	-	-	-	-
2023	-	-	-	-	-	-

Notes:

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

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

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

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

Fiscal Year	Public Service Tax (1)	Revenue Sharing Monies (2)	Debt Service Requirements			Coverage
			Principal	Interest	Total	
2014	\$ 23,986,521	\$ 5,799,624	\$ 1,935,000	\$ 3,458,053	\$ 5,393,053	5.52
2015	24,751,615	6,211,265	2,010,000	3,497,194	5,507,194	5.62
2016	25,323,175	6,777,189	105,000	3,378,945	3,483,945	9.21
2017	26,093,209	6,999,682	2,486,000	3,507,656	5,993,656	5.52
2018	26,327,452	7,356,256	3,617,000	3,387,187	7,004,187	4.81
2019	28,281,821	7,785,780	4,067,000	3,247,802	7,314,802	4.93
2020	29,389,485	8,262,140	4,267,000	3,247,802	7,514,802	5.01
2021	30,854,174	7,786,681	4,450,000	2,942,640	7,392,640	5.23
2022	35,509,667	9,178,574	4,625,000	2,808,051	7,433,051	6.01
2023	33,694,413	12,014,797	4,770,000	2,668,225	7,438,225	6.15

Notes:

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

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

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

Fiscal Year	Gross Revenues (1)	Operating Expenses (2)	Net Revenues Available for Debt Service	Debt Service			Coverage
				Principal	Interest	Total	
2014	\$ 53,604,980	\$ 32,339,999	\$ 21,264,981	\$ 2,790,000	\$ 8,798,252	\$ 11,588,252	1.84
2015	58,422,466	32,968,618	25,453,848	3,175,000	8,967,711	12,142,711	2.10
2016	60,133,329	30,439,008	29,694,321	3,515,000	8,819,861	12,334,861	2.41
2017	65,320,604	33,247,543	32,073,061	3,535,000	8,792,805	12,327,805	2.60
2018	67,868,397	37,334,208	30,534,189	3,630,000	8,739,147	12,369,147	2.47
2019	72,156,630	36,266,287	35,890,343	3,790,000	8,582,097	12,372,097	2.90
2020	76,377,766	48,589,167	27,788,599	3,955,000	4,954,594	8,909,594	3.12
2021	82,323,949	44,777,913	37,546,036	4,105,000	6,513,556	10,618,556	3.54
2022	85,656,830	49,539,748	36,117,082	4,230,000	6,390,406	10,620,406	3.40
2023	95,961,717	65,626,087	30,335,630	4,425,000	6,192,556	10,617,556	2.86

Notes:

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

(2) Expenses are exclusive of depreciation.

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

Year	Population (1)	Personal Income (in thousands)	Per Capita Personal Income	Public School Enrollment (2)	Unemployment Rate
2014	623,174	\$ 20,347,877	\$ 32,652	99,728	7.3%
2015	633,052	21,348,413	33,723	97,953	6.2%
2016	646,989	22,126,377	34,199	99,247	5.9%
2017	661,645	22,636,860	34,213	101,050	4.1%
2018	673,028	23,867,592	35,463	104,136	3.5%
2019	690,606	25,310,019	36,649	108,330	3.5%
2020	725,046 (4)	28,827,829	39,760	107,696	7.9%
2021	748,365	32,595,786	43,556	105,368	4.9%
2022	770,019	33,282,531	43,223 (3)	110,253	3.2%
2023	797,616	34,475,356	43,223 (3)	114,483	3.8%

Notes:

(1) Data provided by the Office of Economic and Demographic Research

(2) Florida Department of Education

(3) Data provided by U.S. Bureau of Economic Analysis. Per capita personal income was not available for 2023. The 2022 per capita income information was used, along with 2023 population data to determine the personal income data.

(4) 2020 Census data

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

Employer	2023			2014		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
Publix Super Markets	15,361	1	4.36%	10,542	2	3.77%
Polk County School Board	13,459	2	3.82%	13,121	1	4.70%
Lakeland Regional Health	6,942	3	1.97%	4,500	5	1.61%
Walmart	5,523	4	1.57%	5,100	3	1.83%
Amazon	5,500	5	1.56%			
Polk County Government	4,938	6	1.40%	4,500	4	1.61%
Geico	3,800	7	1.08%	2,300	10	0.82%
Baycare	2,614	8	0.74%	-	-	0.00%
City of Lakeland	2,000	9	0.57%	2,600	8	
Watson Clinic	1,797	10	0.51%			
State of Florida				4,300	6	1.54%
Winter Haven Hospital				2,500	9	0.89%
Mosaic				3,000	7	1.07%
Total	61,934		17.58%	52,463		18.78%
Average Annual Labor Force :	352,249			279,414		

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

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

	Fiscal Year			
	2014	2015	2016	2017
General Government				
Business Licenses	34,037	34,737	35,008	33,728
County Attorney				
Request for legal service	1,137	1,153	1,506	1,355
Land Development				
Residential plans submitted for approval	1,393	1,766	1,405	2,666
Non-Residential plans submitted for approval	310	367	326	433
Conditional uses/planned developments	40	51	50	49
Land Use Hearing Cases	*	*	*	*
Planning Commission Cases	*	*	*	*
Public Safety				
Fire Rescue				
Responses per year	79,385	81,429	87,441	92,536
Average response time (minutes)	6.9	7.2	7.4	7.4
Sheriff				
Average Inmate Population	2,463	2,423	2,520	2,592
% Crime Rate per Capita	2.1%	2.0%	1.87%	1.64%
Calls for Service	305,660	315,097	150,629	151,055
911 Calls	422,009	430,472	394,362	332,025
Building Permits				
Residential New - Single-Family	1,317	1,524	1,722	2,162
Commercial New	242	233	315	257
Physical Environment				
Utilities - Number of customers				
Water	60,147	61,086	62,941	65,306
Sewer	43,318	44,177	46,074	48,329
Re-use	4,832	5,252	7,594	9,314
Waste and Recycling				
Tons Collected	602,564	622,322	613,289	606,424
Tons Recycled	15,271	17,886	17,517	17,170
Environmental Lands				
Acres acquired	117	70	1	8.66
Transportation				
Transportation				
Lane miles of roads resurfaced	166	171	188	248
Roadway Maintenance				
Mowing (Acres)	37,484	49,320	35,036	34,796
Chemical Mowing (Acres)	9,236	6,750	4,695	3,908
Shoulders Maintained (Feet)	834,208	925,294	995,313	556,908
Drainage Ditches Cleaned (Feet)	966,070	468,376	408,756	269,517

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

Notes:

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

Fiscal Year						
2018	2019	2020	2021	2022	2023	
35,290	35,693	35,838	34,595	35,852	38,376	
1,405	1,621	2,141	684	*	*	
*	*	*	*	101	93	
*	*	*	218	221	247	
*	*	55	37	75	68	
*	*	148	119	121	131	
*	*	118	141	200	80	
94,699	97,697	102,781	116,895	122,472	125,352	
7.3	7.6	7.6	8.1	8.4	8.3	
2,612	2,556	2,363	2,790	2,939	2,613	
1.52%	1.40%	1.26%	1.18%	1.02%	1.06%	
153,680	151,847	152,917	164,035	163,446	166,529	
320,684	281,585	289,038	318,685	303,066	345,546	
2,574	2,856	2,875	4,338	4,060	2,709	
249	202	263	294	231	240	
66,920	68,482	70,413	74,213	77,658	80,142	
49,673	51,083	52,776	56,138	59,418	61,872	
10,230	11,138	12,026	13,803	14,874	16,566	
655,779	644,231	633,579	641,266	689,986	753,158	
11,717	11,545	20,277	22,165	38,133	24,208	
24.15	70.52	63.34	251.29	105.55	118.18	
271	104	132	96	111	98	
30,120	41,965	50,866	50,577	41,350	783,360	
1,026	2,371	3,292	5,984	2,194	21,018	
386,575	422,035	464,653	263,453	321,780	1,613,757	
242,472	413,591	373,303	289,606	187,489	556,402	

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

	Fiscal Year			
	2014	2015	2016	2017
Economic Environment				
Business Development				
Businesses Recruited	11	8	10	6
Jobs Created	1,308	1,614	605	942
Sports Marketing				
Number of events assisted or managed	216	229	225	246
Human Services				
Veterans Services				
Veterans Assisted	2,535	2,618	3,472	3,458
Outreach Events	26	19	28	13
Elderly Services				
In-home Nutrition Meals (1)	111,030	118,030	79,093	66,659
Congregate meals served (1)	106,340	88,839	86,053	65,536
In-Home Service (clients) (1)	471	151	131	1,316
Medicaid Waiver Programs (clients) (2)	-	-	-	-
Elderly Day Care Participants (3)	*	*	*	*
Number of hours of direct service	*	*	*	*
Culture and Recreation				
Parks and Recreation				
Special Events patrons	64,012	57,903	64,735	60,513
Summer Camp attendees (4)	520	477	346	324
Campground rentals	9,415	9,873	11,300	10,225
Homeland Heritage Park patrons	5,263	5,916	5,717	6,847
Historical Museum				
Total patrons	40,107	39,581	37,883	38,331
Historical Library				
Total patrons (walk-in and online viewers)	102,439	79,721	81,415	56,236

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

Notes:

* Information not available

- Operating indicator was not performed during fiscal year.

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

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

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

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

Fiscal Year						
2018	2019	2020	2021	2022	2023	
8	6	7	7	7	8	
1,386	1,581	1,650	598	898	483	
261	276	220	270	280	308	
10,729	11,377	7,280	7,253	9,557	9,358	
12	*	*	*	8	10	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
94	104	55	-	-	-	
60,049	53,208	20,285	-	-	-	
58,727	59,216	4,340	6,100	6,718	10,865	
336	328	-	63	69	85	
10,539	11,214	7,270	11,232	13,300	17,864	
5,235	6,124	4,985	9,363	9,865	3,245	
34,439	36,637	25,210	21,342	27,275	34,315	
40,660	44,716	40,987	57,495	81,441	46,144	

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

Function	Full-time Equivalent Employees									
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Government	1,060	1,085	1,138	1,108	1,139	1,099	1,102	1,118	1,130	1,177
Public Safety	2,419	2,384	2,439	2,457	2,430	2,539	2,591	2,611	2,705	2,785
Physical Environment	59	59	50	50	43	45	45	47	47	47
Transportation	255	254	265	265	264	263	263	264	267	271
Economic Environment	31	31	23	23	23	23	26	26	27	28
Human Services	331	314	235	237	214	211	212	188	188	188
Culture and Recreation	82	82	81	82	93	94	97	100	101	110
Utilities	214	216	218	223	228	237	246	257	257	273
Waste and Recycling	46	47	44	48	50	56	56	56	56	59
Total	4,497	4,472	4,493	4,493	4,484	4,567	4,638	4,667	4,778	4,938

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

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

	Fiscal Year			
	2014	2015	2016	2017
General Government				
Square footage of Building Space	4,086,513	4,086,513	4,109,757	4,502,521
Public Safety				
Fire Rescue				
Stations	45	45	50	47
Vehicles	241	241	243	237
Physical Environment				
Utilities				
Miles of Sewer and Water Lines				
Water	928	931	973	1,000
Sewer	583	560	594	613
Re-use	195	194	207	221
Utility Plants				
Water	54	54	39	37
Sewer	7	7	7	7
Lift Stations	299	303	310	317
Potable Hydrants	3,538	3,622	3,668	3,720
Environmental Lands				
Number of purchased acres owned	18,453	18,523	18,524	18,533
Transportation				
Miles of Roads				
Paved	2,381	2,385	2,385	2,273
Unpaved	296	292	292	414
Economic Environment	1	1	1	1
Human Services				
Fixed-Route/WHAT Buses (1)	15	15	10	10
Paratransit Vans (1)	39	40	31	31
Culture and Recreation				
Recreational Parks	56	56	69	69
Boat Ramps/Launch Lanes	52	41	46	46
Historical Library	1	1	1	1
Historical Museum	1	1	1	1

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

Notes:

- No assets to report.

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

Fiscal Year						
2018	2019	2020	2021	2022	2023	
4,510,633	4,582,721	4,556,445	4,631,630	4,631,630	4,624,403	
44	46	46	45	46	46	
248	248	248	248	248	239	
986	858	875	886	903	948	
610	582	602	615	636	662	
225	216	236	246	265	295	
35	36	31	27	29	32	
7	7	7	8	8	8	
321	332	345	355	349	370	
3,893	3,923	4,052	4,211	4,308	4,470	
18,557	18,593	18,640	18,891	18,997	19,115	
2,280	2,341	2,356	2,355	2,364	2,391	
415	413	414	412	213	207	
1	1	1	1	1	1	
-	-	-	-	-	-	
-	-	-	-	-	-	
69	69	69	69	69	69	
46	46	46	46	46	46	
1	1	1	1	1	1	
1	1	1	1	1	1	

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**OTHER SUPPLEMENTAL SCHEDULES
(UNAUDITED)**

Revenue Promissory Notes, Series 2020A and 2020C

Continuing Disclosure

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

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

Continuing Disclosure

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

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

Continuing Disclosure

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

Required Central Florida Behavioral Health Network, Inc. Grant Audit Schedules

- Audit Schedule 1034 - Match
- Audit Schedule 1035 - Related Party Transactions
- Audit Schedule 1036 - Bed-Day Availability Payments
- Audit Schedule 1037 - Actual Operating Revenue and Expenditures

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

	FY 21	FY 22	FY 23
Revenues			
Total Governmental Funds			
Taxes	\$ 817,051,083	\$ 792,255,259	\$ 987,905,690
Less: Ad Valorem Revenues - Property Taxes	(288,136,760)	(314,541,874)	(358,229,192)
Total Non-Ad Valorem Revenues	\$ 528,914,323	\$ 477,713,385	\$ 629,676,498
Less: Restricted Non-Ad Valorem Revenues in Special Revenue Funds (Cannot Be Used to Pay Debt Service or Essential Expenditures)			
(Excluded SR Funds with Ad Valorem Funding)			
Special Revenue Grants	\$ (36,675,212)	\$ (32,372,095)	\$ (36,879,308)
Tourist Development Tax	(16,048,583)	(21,680,230)	25,068,632
Lake and River Enhancement	(537,825)	(277,990)	(562,127)
Lighting District	(2,515,730)	(2,563,685)	(3,230,903)
Hazardous Waste	(49,397)	(91,362)	(103,601)
Law Enforcement Trust	(367,951)	(318,698)	(617,361)
Local Provider Participation	-	-	(30,150,423)
Opioid Settlement	-	-	(466,549)
Indigent Healthcare	(63,392,791)	(70,050,084)	(80,527,536)
Clerk of Circuit Courts Court Fund	(11,212,745)	(12,974,340)	(13,148,319)
Total Restricted Non-Ad Valorem Revenues in Special Revenue Funds	\$ (130,800,234)	\$ (140,328,484)	\$ (140,617,495)
Adjusted Non-Ad Valorem Revenues	\$ 398,114,089	\$ 337,384,901	\$ 489,059,003
Essential Expenditures			
General Government	\$ 127,633,442	\$ 140,367,423	\$ 198,110,890
Public Safety	329,283,157	350,912,661	367,148,274
Total Essential Expenditures	\$ 456,916,599	\$ 491,280,084	\$ 565,259,164
Less Essential Expenditures Paid by Special Revenue Funds Not Included In Revenues			
General Government	\$ (11,230,424)	\$ (13,526,933)	\$ (57,476,695)
Public Safety	(16,886,783)	(13,827,614)	(3,109,937)
Total Essential Expenditures Paid by Special Revenue Funds Not Included in Revenues	(28,117,207)	(27,354,547)	(60,586,632)
Less Ad Valorem Revenues	(288,136,760)	(314,541,874)	(358,229,192)
Adjusted Essential Expenditures	\$ 140,662,632	\$ 149,383,663	\$ 146,443,340
Adjusted Net Non-Ad Valorem Revenues available for Debt Service	\$ 257,451,457	\$ 188,001,238	\$ 342,615,663
Average Amount of Non-Ad Valorem Revenues Avail for Debt Past 3 FYs	\$ 265,364,097	\$ 222,726,348	\$ 265,308,451
Maximum Annual Debt Service for All Debt Secured by Non-Ad Valorem Revenues	\$ 15,501,148	\$ 15,501,148	\$ 15,501,148
Coverage of Maximum Annual Debt Service (Minimum 1.50x)	17.12	14.37	17.12

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

Fiscal Years 2021, 2022 and 2023

FYE	2014 Pub Facs	2015 Pub Facs	2020 Prom. Note A	2020 Prom. Note C	Total
9/30/2023	\$ 5,390,250	\$ 2,047,975	\$ 2,248,663	\$ 5,741,775	\$ 15,428,663
9/30/2024	5,371,200	2,073,571	2,248,249	5,736,984	15,430,004
9/30/2025	5,365,950	2,097,756	2,247,827	5,735,291	15,446,824
9/30/2026	5,362,950	2,120,528	2,247,395	5,741,551	15,472,424
9/30/2027	5,361,700	2,151,780	2,246,953	5,740,715	15,501,148
9/30/2028	5,356,825		2,246,502	3,648,404	11,251,731
9/30/2029	5,348,075		2,246,041	3,649,959	11,244,075
9/30/2030	5,344,950		2,245,570	3,645,198	11,235,718
9/30/2031	5,341,825		2,245,088		7,586,913
9/30/2032	5,355,700		2,244,596		7,600,296
9/30/2033	5,358,000		2,244,093		7,602,093
9/30/2034	5,352,900		2,243,579		7,596,479
9/30/2035	5,345,300		2,243,143		7,588,443
9/30/2036	5,344,800				5,344,800
9/30/2037	5,344,800				5,344,800
	\$ 80,345,225	\$ 10,491,610	\$ 29,197,699	\$ 39,639,876	\$ 159,674,410

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

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

Breakdown of Revenues Total Governmental Funds	FY 21	FY 22	FY 23
Taxes			
Tourism	\$ 15,952,748	\$ 22,544,416	\$ 24,313,354
Fuel Taxes	25,602,799	26,859,179	27,748,025
Half-cent Sales Tax Surtax	61,228,306	73,314,653	77,060,561
Public Service Tax	38,567,983	44,387,083	42,118,016
Comm Srv Tax	8,797,454	9,320,054	10,065,730
Other Taxes	1,213,541	1,377,449	1,424,961
Total Taxes	\$ 151,362,831	\$ 177,802,834	\$ 182,730,647
Licenses and Permits			
Building	\$ 11,679,620	\$ 10,898,344	\$ 10,617,186
Other Licenses and Permits	7,807,580	8,832,320	8,260,653
Total Licenses and Permits	\$ 19,487,200	\$ 19,730,664	\$ 18,877,839
Intergovernmental			
State Revenue Sharing	\$ 18,357,148	\$ 24,029,593	\$ 25,828,287
Sales Tax	43,521,373	49,733,377	53,586,875
Constitutional Fuel Tax	7,426,856	7,906,618	8,144,888
County Gas Tax	3,290,625	3,450,172	3,622,429
Other Public Safety Grants (includes Covid Relief Revenues)	42,205,129	5,805,240	12,861,011
Other State Grants (Transp, Econ Envir, Human Serv, Culture/Rec)	3,166,661	4,631,172	8,841,165
Other Federal Grants (Transp, Econ Envir, Human Serv, Culture/Rec)	30,286,881	31,294,386	24,807,884
Other Intergovernmental	6,079,565	2,409,455	6,305,809
Total Intergovernmental	\$ 154,334,238	\$ 129,260,014	\$ 143,998,348
Charges for Services			
Ambulance Fees	\$ 25,846,018	\$ 29,136,036	\$ 44,466,502
911 Fees	3,214,470	3,651,172	3,687,605
BoCC Emergency Radio Fees	3,039,836	3,087,909	3,302,604
Sheriff	13,968,652	14,995,611	16,124,865
Clerk of Courts	9,161,904	9,837,288	10,684,607
Other Charges for Services	24,901,341	27,431,220	54,451,376
Total Charges for Services	\$ 80,132,221	\$ 88,139,236	\$ 132,717,559
Fines & Forfeitures	\$ 9,045,174	\$ 9,560,205	\$ 9,589,950
Special Assessments			
Fire Assessments	\$ 46,357,246	\$ 52,853,866	\$ 55,833,784
Impact Fees - Municipality/School	1,258,752	1,290,599	2,035,802
Impact Fees - Transportation	29,142,809	28,794,323	25,244,493
Impact Fees - Public Safety	6,275,147	5,738,722	5,433,256
Impact Fees - Cultural & Recreation	3,144,041	3,206,711	2,969,526
Other Special Assessments	7,500,661	5,814,589	5,103,264
Total Special Assessments	\$ 93,678,656	\$ 97,698,811	\$ 96,620,124
Interest Income	\$ 11,775,072	\$ 10,381,259	\$ 27,562,706
Net Change in Fair Value of Investments	\$ (8,282,607)	\$ (71,344,897)	\$ 1,795,227
Miscellaneous Revenue	\$ 17,381,538	\$ 16,485,259	\$ 15,784,098
Total Non-Ad Valorem Revenues	\$ 528,914,323	\$ 477,713,385	\$ 629,676,498

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

County Revenue Sharing Apportionment Factor Data

State Fiscal Year Ended June 30,	County Population (1)	Total Eligible Counties Population (1)	County Unincorporated Population (1)	State Unincorporated Population (1)	Annual Polk County Sales Tax Collections	Annual Statewide Sales Tax Collections
2019	658,517	20,363,867	404,995	10,005,605	\$ 612,581,427	\$ 24,795,239,840
2020	669,873	20,721,532	410,044	10,180,934	615,094,812	23,526,144,245
2021	687,343	21,091,609	420,233	10,369,520	705,228,351	25,632,924,121
2022	711,931	21,483,409	434,662	10,590,549	830,900,004	31,792,929,701
2023	745,439	21,802,278	452,781	10,800,425	995,440,564	38,000,718,276

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

	2019	2020	2021	2022	2023
Cigarette Tax	\$ 6,947,582	\$ 6,382,015	\$ 5,565,262	\$ 6,117,274	\$ 5,760,593
Sales Tax	516,134,986	487,488,999	551,304,721	714,254,670	747,703,889
Total Receipts	<u>\$ 523,082,568</u>	<u>\$ 493,871,014</u>	<u>\$ 556,869,983</u>	<u>\$ 720,371,944</u>	<u>\$ 753,464,482</u>
Guaranteed Entitlement for Florida Counties	\$ 30,329,957	\$ 30,329,957	\$ 30,329,957	\$ 30,329,957	\$ 30,329,957
Second Guaranteed Entitlement for Florida Counties	\$ 64,756,373	\$ 64,756,373	\$ 64,756,373	\$ 64,756,373	\$ 64,756,373

Source: Department of Revenue of the State of Florida

Note:

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

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

Pledged Revenue Share Monies

Fiscal Year Ended September 30,	Revenue Sharing Money (1)	Pledged Revenue Sharing Monies (Equals 50 % of Previous Fiscal Year's Revenue Sharing Monies) (2)
2019	\$ 16,524,279	\$ 7,785,780
2020	15,573,362	8,262,140
2021	18,357,148	7,786,681
2022	24,029,593	9,178,574
2023	25,828,287	12,014,797

Public Service Tax Revenue (3)

Fiscal Year Ended September 30,	Metered/ Bottled Gas	Electricity	Water	Total Amount
2019	\$ 520,272	\$ 23,645,416	\$ 4,116,133	\$ 28,281,821
2020	497,008	24,442,528	4,449,949	29,389,485
2021	619,419	25,523,459	4,711,296	30,854,174
2022	715,376	30,005,123	4,789,168	35,509,667
2023	710,671	27,535,861	5,447,881	33,694,413

Pro Forma Debt Service Coverage

Fiscal Year Ended September 30,	Pledged Public Service Tax Revenues	Pledged Revenue Sharing Monies	Total Pledged Funds	Maximum Annual Debt Service	Debt Service Coverage
2019	\$ 28,281,821	\$ 7,785,780	\$ 36,067,601	\$ 5,507,194	6.55x
2020	29,389,485	8,262,140	37,651,625	5,507,194	6.84x
2021	30,854,174	7,786,681	38,640,855	5,507,194	7.02x
2022	35,509,667	9,178,574	44,688,241	5,507,194	8.11x
2023	33,694,413	12,014,797	45,709,209	5,507,194	8.30x

Notes:

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

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

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

	2019	2020	2021	2022	2023
Gross Revenues (1)					
Charges for Services (2)	\$ 72,156,630	\$ 76,377,766	\$ 82,323,949	\$ 85,656,830	\$ 95,961,717
Miscellaneous Revenue (3)(4)	2,472,124	3,123,728	2,275,425	1,983,423	3,216,938
Sub-total Charges for Service & Miscellaneous Income	\$ 74,628,754	\$ 79,501,494	\$ 84,599,374	\$ 87,640,253	\$ 99,178,655
Interest Income (5)	3,514,561	2,605,212	1,684,448	1,493,327	3,705,510
Sub-total Operating and Non-operating Income	\$ 78,143,315	\$ 82,106,706	\$ 86,283,822	\$ 89,133,580	\$ 102,884,165
Less income from Connection Charges (6)	986,666	901,397	626,653	722,857	1,596,705
Total Gross Revenues	\$ 77,156,649	\$ 81,205,309	\$ 85,657,169	\$ 88,410,723	\$ 101,287,460
Cost of Operation and Maintenance (7)					
Personnel Services	\$ 11,531,800	\$ 19,946,803	\$ 15,271,272	\$ 15,653,654	\$ 21,164,272
Operations, Maintenance & Other Expenses (8)	25,087,197	27,789,528	29,312,694	31,991,682	42,676,212
Indirect (9)	2,056,711	1,959,910	1,966,089	2,029,914	1,785,603
Total Cost of Operation and Maintenance	\$ 38,675,708	\$ 49,696,241	\$ 46,550,055	\$ 49,675,250	\$ 65,626,087
Net Revenues Available for Debt Service(A)	\$ 38,480,941	\$ 31,509,068	\$ 39,107,114	\$ 38,735,473	\$ 35,661,373
Plus Available Connection Charges (B)(10)(11)					
Available Connection Charges	\$ 10,320,804	\$ 9,065,487	\$ 9,359,196	\$ 9,360,826	\$ 9,358,314
Interest Income - Connection Charges (6)	986,666	901,397	626,653	722,857	1,596,705
Total Available Connection Charges (B)	\$ 11,307,470	\$ 9,966,884	\$ 9,985,848	\$ 10,083,683	\$ 10,955,019
Net Revenues Plus Available Connection Charges Available for Debt Service (C)	\$ 49,788,411	\$ 41,475,952	\$ 49,092,963	\$ 48,819,156	\$ 46,616,392
Annual Bond Service Requirement (D) (12)	\$ 11,468,791	\$ 8,507,322	\$ 10,618,556	\$ 10,620,406	\$ 10,617,556
Test A					
Debt Service Coverage Ratio (A/D)	3.36	3.70	3.68	3.65	3.36
Excluding Available Connection Charges (1.10x Required)					
Or					
Test B					
Debt Service Coverage Ratio (A/D)	3.36	3.70	3.68	3.65	3.36
Excluding Available Connection Charges (1.00x Required)					
And					
Debt Service Coverage Ratio (C/D)	4.34	4.88	4.62	4.60	4.39
Including Expansion Projects Connection Charges (1.25x Required)					

Notes:

- (1) Gross Revenues and Cost of Operation and Maintenance for the fiscal years ended September 30, 2018 through and including 2022 are audited.
- (2) Charges for services increased from \$72.2 million in the fiscal year ended September 30, 2019 to \$96.0 million in the fiscal year ended September 30, 2023 or 33.0% based on a combination of growth in water, sewer, and reclaimed water customers. Connection Charges of \$15,008,936, \$15,683,589, \$20,582,235, \$33,449,681 and \$20,697,936.30 for fiscal years-ended September 30, 2019 through 2023, respectively, are excluded from Charges for Services.

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

Notes (continued):

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

Payments received for April 1, 2018 and October 1, 2018 were each \$449,727.12 which represented a 6.6 % reduction. Payments received for April 1, 2019 and October 1, 2019 were each \$451,653.14 which represented a 6.2 % reduction. Payment received for April 1, 2020 in the amount of \$453,097.66 which represented a 5.9% reduction.

No assurance can be given that legislative proposals may be introduced or enacted by Congress that would or might apply to, or have an adverse effect upon, the County's receipt of Subsidy Payments. Payment of debt service is not contingent upon receipt by the County of Subsidy Payments and the County does not expect that any such reduction in Subsidy Payments will affect its ability to pay debt service. Due to the implementation of amendments to the Resolution effective as of October 1, 2015, Subsidy Payments are excluded from Gross Revenues in fiscal years ended September 30, 2018 through and including 2020 and instead are netted against the amount of interest payable on Subsidy Bonds. Payment of \$453,097.66 was received for April 1, 2020. Due to the refunding of the Series 2010 bonds on March 12, 2020 with the Utility Revenue Refunding Bonds, Series 2020, Polk County will no longer receive Subsidy Payments.

- (4) Miscellaneous revenue decreased in fiscal year ended September 30, 2021 due to the County no longer receiving Subsidy Payments as a result of the refunding of the Utility Systems Revenue Bonds, Series 2010 in fiscal year 2020.
- (5) Amounts reflect interest and investment earnings on all accounts created by the Resolution, including investment income derived from Connection Charges on deposit, as reported by County staff. These amounts do not include any adjustments for the fair value of the investments.
- (6) Gross Revenues exclude income derived from Connection Charges, including investment income; however, such amount is includable in Test B of the rate covenant whereby Available Connection Charges and investment income derived from Available Connection Charges are added to Net Revenues.
- (7) Amounts exclude depreciation and amortization expenses, payments in lieu of taxes (PILOT) of \$1,810,597, \$1,953,665, \$2,055,011, \$2,137,633 and \$2,254,731 for the Fiscal Years 2019 through and including 2023, respectively, and capitalized labor. In Fiscal Year ended September 30, 2019, the decrease to personnel services is due to OPEB and pension adjustments which have resulted in an overall decrease of \$2 million in personnel services. In Fiscal Year ended September 30, 2020, personnel services increased by \$8.4 million due to OPEB and pension adjustments which resulted in an overall increase of \$7.8 million. In Fiscal Year ended in September 30, 2021, the decrease in personnel services is attributable to reduced adjustments to OPEB and vacant positions. In Fiscal Year ended September 30, 2023, personnel services increased by \$4.7 million due to OPEB and pension adjustments which resulted in an overall increase of \$5.5 million from the previous year. Includes payments to Polk Regional Water Cooperative in the amount of \$174,766.89, \$96,189.14, \$119,410.35, \$139,498.63 and \$55,851 for the fiscal years ended September 30, 2019, 2020, 2021, 2022 and 2023 respectively, and Water Cooperative of Central Florida in the amounts of \$22,000, \$26,000, \$10,000, \$20,000 and \$5000 for the fiscal years ended September 30, 2019 through and including 2023, respectively.
- (8) Includes all operating expenses and losses on disposition of equipment. Increase in Fiscal Year ending September 30, 2019, is due to a loss on disposition of equipment in the amount of \$2.4 million. Increase in Fiscal Year ending September 30, 2021, 2022 and 2023 largely due to an increase in other contractual services as some employee vacancies were filled by contracted electricians and mechanics as well as the new advanced metering infrastructure and the implementation of a computerized maintenance management system. In addition to the above increase in expenses, maintenance of equipment, utility services (electric) and operating supplies increased due to rising cost in Fiscal Year ending September 30, 2023.

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

- (9) Amount reflects an operating transfer from the Water and Sewer Fund to the General Fund to account for allocated operating and administrative expenses associated with utility services.
- (10) The Water Expansion Project Percentage and Sewer Expansion Project Percentage prior to issuance of the Series 2020 Bonds equal to 31.17% and 52.25%, respectively and following issuance of the Series 2020 Bonds is expected to equal approximately 39.59% and 48.55%, respectively.
- (11) Connection Charges have steadily increased over the last five years due to the increase in new development. Generally, under Florida law, fees such as the Connection Charges may be validly imposed against new construction or development in order to fund capital improvements or capacity which are necessitated by such new construction or development or to satisfy debt service for the bonds or other obligations issued for such purposes. Proceeds of such Connection Charges may generally be used only for the capital improvements or capacity attributable to the new construction or development or to pay debt service on indebtedness incurred to finance or refinance such capital improvements or capacity. Year ending September 30, 2022 increased significantly is due to the addition of multiple apartment complexes being built in the county during the year.
- (12) Subsidy payments received in FY 19 and FY 20 have been netted against interest payable and are excluded from the Annual Bond Service Requirement Amount.

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

Residential Water Rates

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

Residential Wastewater Rates

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

Residential Reclaimed Water Rates

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

Residential/ Commercial and Multi-Family PWRI/AWS Surcharge

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

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

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

Commercial/Multi-Family Water Rates

Effective Date	10/01/2016	10/01/2017	10/01/2018	10/01/2019
Indexing Rate	0 %	2.5 %	2.5 %	2.5 %
5/8" & 3/4" Base Charge	\$ 14.54	\$ 14.90	\$ 15.27	\$ 15.65
5/8" & 3/4" Usage Block Ranges (in thousands of gallons)				
0 - 15	\$ 2.45	\$ 2.51	\$ 2.57	\$ 2.63
16 - 30	4.86	4.98	5.10	5.23
31 - 60	9.73	9.97	10.22	10.48
over 60	17.05	17.48	17.92	18.37
1" Base Charge	\$ 24.22	\$ 24.83	\$ 25.45	\$ 26.09
1" Usage Block Ranges (in thousands of gallons)				
0 - 25	\$ 2.45	\$ 2.51	\$ 2.57	\$ 2.63
26 - 50	4.86	4.98	5.10	5.23
51 - 100	9.73	9.97	10.22	10.48
over 100	17.05	17.48	17.92	18.37
1-1/2" Base Charge	\$ 48.45	\$ 49.66	\$ 50.90	\$ 52.17
1- 1/2" Usage Block Ranges (in thousands of gallons)				
0 - 50	\$ 2.45	\$ 2.51	\$ 2.57	\$ 2.63
51 - 100	4.86	4.98	5.10	5.23
101 - 200	9.73	9.97	10.22	10.48
over 200	17.05	17.48	17.92	18.37
2" Base Charge	\$ 77.51	\$ 79.45	\$ 81.44	\$ 83.48
2" Usage Block Ranges (in thousands of gallons)				
0 - 80	\$ 2.45	\$ 2.51	\$ 2.57	\$ 2.63
81 - 160	4.86	4.98	5.10	5.23
161 - 320	9.73	9.97	10.22	10.48
over 320	17.05	17.48	17.92	18.37
3" Base Charge	\$ 145.32	\$ 148.95	\$ 152.67	\$ 156.49
3" Usage Block Ranges (in thousands of gallons)				
0 - 150	\$ 2.45	\$ 2.51	\$ 2.57	\$ 2.63
151 - 300	4.86	4.98	5.10	5.23
301 - 600	9.73	9.97	10.22	10.48
over 600	17.05	17.48	17.92	18.37
4" Base Charge	\$ 242.22	\$ 248.28	\$ 254.49	\$ 260.85
4" Usage Block Ranges (in thousands of gallons)				
0 - 250	\$ 2.45	\$ 2.51	\$ 2.57	\$ 2.63
251 - 500	4.86	4.98	5.10	5.23
501 - 1,000	9.73	9.97	10.22	10.48
over 1,000	17.05	17.48	17.92	18.37
6" Base Charge	\$ 484.43	\$ 496.54	\$ 508.95	\$ 521.67
6" Usage Block Ranges (in thousands of gallons)				
0 - 500	\$ 2.45	\$ 2.51	\$ 2.57	\$ 2.63
501 - 1,000	4.86	4.98	5.10	5.23
1,001 - 2,000	9.73	9.97	10.22	10.48
over 2,000	17.05	17.48	17.92	18.37

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

Commercial/Multi-Family Water Rates (continued)

Effective Date	10/01/2016	10/01/2017	10/01/2018	10/01/2019
Indexing Rate	0 %	2.5 %	2.5 %	2.5 %
8" Base Charge	\$ 775.10	\$ 794.48	\$ 814.34	\$ 834.70
8" Usage Block Ranges (in thousands of gallons)				
0 - 800	\$ 2.45	\$ 2.51	\$ 2.57	\$ 2.63
801 - 1,600	4.86	4.98	5.10	5.23
1,601 - 3,200	9.73	9.97	10.22	10.48
over 3,200	17.05	17.48	17.92	18.37
10" Base Charge	\$ 1,114.20	\$ 1,142.06	\$ 1,170.61	\$ 1,199.88
10" Usage Block Ranges (in thousands of gallons)				
0 - 1,150	\$ 2.45	\$ 2.51	\$ 2.57	\$ 2.63
1,151 - 2,300	4.86	4.98	5.10	5.23
2,301 - 4,600	9.73	9.97	10.22	10.48
over 4,600	17.05	17.48	17.92	18.37
12" Base Charge	\$ 2,084.41	\$ 2,136.52	\$ 2,189.93	\$ 2,244.68
12" Usage Block Ranges (in thousands of gallons)				
0 - 2,150	\$ 2.45	\$ 2.51	\$ 2.57	\$ 2.63
2,151 - 4,300	4.86	4.98	5.10	5.23
4,301 - 8,600	9.73	9.97	10.22	10.48
over 8,600	17.05	17.48	17.92	18.37

Commercial Wastewater Rates

Effective Date	10/01/2016	10/01/2017	10/01/2018	10/01/2019
Indexing Rate	0 %	0 %	0 %	0 %
Base Charge 5/8" & 3/4" Meter	\$ 54.20	\$ 54.20	\$ 54.20	\$ 54.20
Base Charge 1" Meter	90.34	90.34	90.34	90.34
Base Charge 1 - 1/2" Meter	180.66	180.66	180.66	180.66
Base Charge 2" Meter	289.08	289.08	289.08	289.08
Base Charge 3" Meter	542.03	542.03	542.03	542.03
Base Charge 4" Meter	903.38	903.38	903.38	903.38
Base Charge 6" Meter	1,806.76	1,806.76	1,806.76	1,806.76
Base Charge 8" Meter	2,890.80	2,890.80	2,890.80	2,890.80
Base Charge 10" Meter	4,155.53	4,155.53	4,155.53	4,155.53
Base Charge 12" Meter	7,768.89	7,768.89	7,768.89	7,768.89
Usage Charge Per 1,000 Gallons	\$ 6.48	\$ 6.48	\$ 6.48	\$ 6.48

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

Commercial/Multi-Family Reclaimed Water Rates

5/8 Inch & 3/4 Inch Rates					
Effective Date	10/01/2016	10/01/2017	10/01/2018	10/01/2019	
Indexing Rate	0 %	0 %	0 %	0 %	0 %
Reclaimed Water Base Charge	N/A	N/A	N/A	N/A	N/A
Usage Block Ranges (in thousands of gallons)					
0 - 30	\$ 1.41	\$ 1.41	\$ 1.41	\$ 1.41	\$ 1.41
31 - 45	4.22	4.22	4.22	4.22	4.22
45 - 60	5.63	5.63	5.63	5.63	5.63
Over 60	8.45	8.45	8.45	8.45	8.45
1 Inch Rates					
Effective Date	10/01/2016	10/01/2017	10/01/2018	10/01/2019	
Indexing Rate	0 %	0 %	0 %	0 %	0 %
Reclaimed Water Base Charge	N/A	N/A	N/A	N/A	N/A
Usage Block Ranges (in thousands of gallons)					
0 - 50	\$ 1.41	\$ 1.41	\$ 1.41	\$ 1.41	\$ 1.41
51 - 75	4.22	4.22	4.22	4.22	4.22
76 - 100	5.63	5.63	5.63	5.63	5.63
Over 100	8.45	8.45	8.45	8.45	8.45
1.5 Inch Rates					
Effective Date	10/01/2016	10/01/2017	10/01/2018	10/01/2019	
Indexing Rate	0 %	0 %	0 %	0 %	0 %
Reclaimed Water Base Charge	N/A	N/A	N/A	N/A	N/A
Usage Block Ranges (in thousands of gallons)					
0 - 50	\$ 1.41	\$ 1.41	\$ 1.41	\$ 1.41	\$ 1.41
51 - 75	4.22	4.22	4.22	4.22	4.22
76 - 100	5.63	5.63	5.63	5.63	5.63
Over 100	8.45	8.45	8.45	8.45	8.45
2 Inch Rates					
Effective Date	10/01/2016	10/01/2017	10/01/2018	10/01/2019	
Indexing Rate	0 %	0 %	0 %	0 %	0 %
Reclaimed Water Base Charge	N/A	N/A	N/A	N/A	N/A
Usage Block Ranges (in thousands of gallons)					
0 - 160	\$ 1.41	\$ 1.41	\$ 1.41	\$ 1.41	\$ 1.41
161 - 240	4.22	4.22	4.22	4.22	4.22
241 - 320	5.63	5.63	5.63	5.63	5.63
Over 320	8.45	8.45	8.45	8.45	8.45
Bulk Priority	\$ 1.05	\$ 1.05	\$ 1.05	\$ 1.05	\$ 1.05
Bulk Interruptible	0.45	0.45	0.45	0.45	0.45

Source: Polk County, Florida Utilities Department

**POLK COUNTY, FLORIDA
WATER AND WASTEWATER CONNECTION CHARGES
CONTINUING DISCLOSURE**

Residential Connection Fees

Effective Date	10/01/16- 10/01/19
Indexing Rate	0%
Type of Residence	
Single Family Detached Units on Lots of 1.0 Acres or Less	\$ 2,844.00
Single Family Detached Units on Lots of More than 1.0 Usable Acre	\$ 4,268.00
Multi-family Units Including Apartments, Condos, Duplexes, Triplexes, etc.	\$ 1,564.00
Mobile Homes of Lots of Less Than 6000 Square Feet	\$ 1,707.00
Mobile Homes on Lots of 6000 Square Feet or More	\$ 2,844.00
Park Model RVs	\$ 1,564.00
Destination RVs (1)	\$ 1,564.00
All other RVs Including Transient RVs	\$ 1,564.00

Wastewater Connections Fees

Effective Date	10/01/16- 10/01/19
Indexing Rate	0%
Type of Residence	
Single Family Detached Units on Lots of 1.0 Acres or Less	\$ 4,195.00
Single Family Detached Units on Lots of More than 1.0 Usable Acre	\$ 4,195.00
Multi-family Units Including Apartments, Condos, Duplexes, Triplexes, etc.	\$ 2,810.00
Mobile Homes of Lots of Less Than 6000 Square Feet	\$ 2,810.00
Mobile Homes on Lots of 6000 Square Feet or More	\$ 4,195.00
Park Model RVs	\$ 2,307.00
Destination RVs (1)	\$ 2,810.00
All other RVs Including Transient RVs	\$ 4,195.00

Source: Polk County, Florida Utilities Department

Note:

- (1) A Destination RV must be: (a) Sited on a lot owned in fee simple by the user; (b) Sited in a park that is platted subdivision; (c) Sited on a lot 3,000 square feet or larger; and (d) Sited in a park that does not have a dump station or undivided interest lot sales or time share lot sales. This category of user is subject to inspection by Polk County Utilities to ensure that Destination RV's are not Transient RV's. Destination RV lots used by Transient RVs will be subject to a 1.0 ERC sewer connection charge.

**POLK COUNTY, FLORIDA
WATER AND WASTEWATER CONNECTION CHARGES (CONTINUED)
CONTINUING DISCLOSURE**

COMMERCIAL

Water Connection Fees

Commercial Water Connection Charges will be assessed as per Resolution No. 10-182 based upon fixture unit values as contained within the Florida Plumbing Code and in accordance with the Polk County Utilities Code. Estimated usage based on fixture unit values are divided by 360 gallons to calculate the Equivalent Residential Connection ("ERC"). The ERC will be multiplied by the current Connection Charge for a Single Family Detached Unit on lots one acre or less.

Wastewater Connection Fees

Commercial Sewer Connection Charges will be assessed as per Resolution No. 10-182 based upon fixture unit values as contained within the Florida Plumbing Code and in accordance with the Polk County Utilities Code. Estimated sewer flows based on fixture unit values are divided by 270 gallons to calculate the ERC. The ERC will be multiplied by the current Connection Charge for a Single Family Detached Unit on lots one acre or less.

Source: Polk County, Florida Utilities Department

**POLK COUNTY, FLORIDA
UTILITIES SERVICE CHARGES
CONTINUING DISCLOSURE**

Fees Description	Current Charge
New Account Charge	
3/4" - 2" meter	\$ 55.00
Larger than 2" meter	70.00
Deposit	
Residential	
Water	\$ 75.00
Sewer	110.00
Combined	185.00
Commercial	
Water	2.5 X Est. Monthly Bill
Sewer	2.5 X Est. Monthly Bill
Combined	2.5 X Est. Monthly Bill
Same Day Service (During Business Hours)	\$ 60.00
Same Day Service (After Business Hours)	80.00
Premise Visit	60.00
Return Check or Draft (1)	
Checks \$50 or less	\$ 25.00
Checks \$51 - \$300	\$ 30.00
Checks \$301 - \$800	\$ 40.00
Checks Greater than \$800	5% of the Face Value of the Check
Disconnect for Nonpayment	
Less than 2" meter	\$ 60.00
2" Meter and above	105.00
3/4" Temporary Absence Disconnect	60.00
3/4" Temporary Absence Reconnect	60.00
Service Restoration/Reconnection Charge	
Less than 2" meter	\$ 60.00
2" Meter and above	105.00
Water Audit or Disputed Meter Reading	\$75 (Not charged if meter is found to be in error)
Meter Installation/Reinstallation Charge	
3/4" Meter	\$ 450.00
1" Meter	550.00
1-1/2" Meter	900.00
2" Meter	1,415.00
Larger than 2" meter	Actual cost
Temporary Meter Installation	
2" Meter On Hydrant	\$ 105.00
Installation requiring Line Tap	195.00

Source: Polk County, Florida Utilities Department

Note:

(1) Return check fees are established by the Polk County Clerk of Courts Office and are adjusted from time to time.

**POLK COUNTY, FLORIDA
UTILITIES SERVICE CHARGES (CONTINUED)
CONTINUING DISCLOSURE**

Fees Description	Current Charge
Meter Test Charge (Field Test) (1)	
Less than 2" meter	\$ 90.00
2" Meter and above	Actual cost
Penalty for Meter Tampering/Theft of Service	
1st Infraction	\$ 100.00
2nd Infraction	500.00
3rd Infraction	1,000.00
Penalty for Obscured Meter	60.00
Penalty for Connection to Other Systems	500.00
Penalty for Cross Connection	500.00
Relocate Meter	
Less than 2" meter	\$ 175.00
2" Meter and above	Actual cost
Reclaimed Water Follow-up Inspection	60.00
Late Payment	\$6.00 or 5% of payment due, whichever is greater on balances over \$14.99
Backflow test (Municipal Charge)	
3/4" to 2" Meter	\$ 90.00
Larger than 2" Meter	Actual cost

Source: Polk County, Florida Utilities Department

Notes:

Surcharge for High Strength Industrial Wastes shall be calculated and applied pursuant to Section 30 (E), "Sewer Constituent Limitations", contained in Polk County Utilities Code Ordinance 10-081 as amended.

(1) This fee is waived if meter is not registering within AWWA standards.

**POLK COUNTY, FLORIDA
WATER SYSTEM PERMITTED CAPACITY AND ACTUAL DEMAND
CONTINUING DISCLOSURE**

REGIONAL UTILITY SERVICE AREAS <i>(Public Water Systems)</i>	PERMITTED CAPACITY "ANNUAL AVERAGE" (MGD) ^{1,2}	ACTUAL TOTAL FLOW "ANNUAL TOTAL" (MG) ^{1,3}	ACTUAL DAILY FLOW "ANNUAL AVERAGE" (MGD) ^{1,3}	PEAK MONTHLY DEMAND "PEAK MON AVG PER YR" (MGD) ^{1,4}	CONSUMPTION DEMAND COMMERCIAL RESIDENTIAL "ANNUAL PERCENTAGE" (%) ^{1,6}	
Central Regional Utility Service Area (CRUSA) <i>(Gordonville/Lake Garfield)</i>	2.003	482.850	1.323	1.448	9.85%	90.15%
East Regional Utility Service Area (ERUSA) <i>(Waverly/Sun Air/Timberlake/Lake Wales/Oak Acres)</i>	1.373	201.115	0.551	0.653	7.25%	92.75%
NE Regional Utility Service Area (NERUSA) ⁵	14.3647	3,983.927				
SWFWMD Permit Subtotal	10.9185	3,060.955				
SFWMD Permit Subtotal	5.0000	918.293				
Ovation Permit Subtotal - combined with Jordans Grove	0.0000	0.000				
Jordans Grove LLC Permit Subtotal (for augmentation)	0.4147	0.000				
Net (Import - Export) from Tohopekaliga Water Authority	0.0000	4.679	9.510	10.397	8.65%	91.35%
NW Regional Utility Service Area (NWRUSA) ⁷ <i>(North Lakeland/Country Class)</i>	5.700	1,087.700	2.980	3.485	6.22%	93.78%
SW Regional Utility Service Area (SWRUSA) <i>(Imperiallakes/TurnerRd/ValleyView/Bradley Junction)</i>	7.000	1,545.045	4.233	5.260	3.26%	96.74%
SE Regional Utility Service Area (SERUSA) <i>(Sun Ray/Lakeview/Little Sun Ray/Babson Park)</i>	1.367	254.770	0.698	0.803	54.83%	45.17%
Walk in Water (Isolated Permit and System)	0.094	19.345	0.053	0.066	0.00%	100.00%
TOTAL	31.903	7,574.797	19.348	N/A	8.74%	91.26%

(1) MGD is Million Gallons per Day

(2) From Water Management District Permits for entire Regional Utility Service Areas (Includes all water systems in region, by permit and interconnected systems.)

(3) As reported on operating reports to FDEP

(4) Based on highest monthly average daily flow during the year.

(5) The NERUSA service area is physically interconnected as one system. There is a 13.95 MGD cap between two of the permits (SWFWMD and SFWMD). Jordan's Grove/Ovation permits were combined in 2022.

(6) Consumption is based on water meter readings from October 1, 2022 to September 30, 2023.

(7) The NWRUSA Consumption data includes consecutive systems with the City of Lakeland. Imported quantities from Lakeland are not shown in permitted capacity.

**POLK COUNTY, FLORIDA
WASTEWATER SYSTEM PERMITTED CAPACITY AND ACTUAL FLOWS
CONTINUING DISCLOSURE**

WASTEWATER TREATMENT FACILITY	PERMITTED CAPACITY "ANNUAL AVERAGE" (MGD) ^{1,2}	ACTUAL TOTAL FLOW "ANNUAL TOTAL" (MG) ^{1,3}	ACTUAL DAILY FLOW "ANNUAL AVERAGE" (MGD) ^{1,3}	ACTUAL TOTAL PUBLIC ACCESS REUSE "ANNUAL TOTAL" (MG) ^{1,3,7}	CONSUMPTION DEMAND	
					COMMERCIAL "ANNUAL PERCENTAGE" (%) ^{1,4}	RESIDENTIAL "ANNUAL PERCENTAGE" (%) ^{1,4}
CENTRAL REGIONAL ⁵	N/A	311.345	0.853	N/A	5.39%	94.61%
HERITAGE PLACE	0.060	7.665	0.021	N/A	0.00%	100.00%
COMBEEWOODS	0.056	12.775	0.035	N/A	3.38%	96.62%
NE REGIONAL ^{6,7}	4.750	1,839.965	5.041	1,928.295	7.60%	92.40%
NW REGIONAL ^{6,7}	3.000	556.990	1.526	305.140	9.43%	90.57%
SW REGIONAL ^{6,7}	4.000	725.985	1.989	804.460	3.08%	96.92%
WAVERLY (East) ⁶	0.130	9.855	0.027	N/A	2.43%	97.57%
SUN AIR/POINCIANNA ⁸	0.053	27.375	0.075	N/A	1.74%	98.26%
SUN RAY (Southeast) ⁸	1.000	150.380	0.412	N/A	81.05%	18.95%
TOTAL	12.049	3,642.335	9.979	3,037.895	8.57%	91.43%

(1) MGD is Million Gallons per Day (Total MG divided by 365 days)

(2) From FDEP Operating permits for Annual Average Daily Flow (AADF)

(3) As reported on monthly operating reports or annual reuse report to FDEP or for Central Regional and Sun Air/Poincianna by flow meter records or billing information, respectively.

(4) Consumption is based on water meter readings from Polk County Utilities' billing records for the period of October 1, 2022 to September 30, 2023. Portions of SW Regional and all of Combeewoods is sewer only.

(5) Central Regional Wastewater Treatment Facility was removed from service on January 10, 2014. Flows have been diverted to the City of Bartow. Capacity per Agreement is 1.00 MGD.

(6) Northeast Regional, Northwest Regional, Southwest Regional, Sun Ray, and Waverly WWTFs Annual Total and Average values are based on Total Effluent flows.

(7) Total Public Access Reuse Flows are based on R002 (FLW-06, Calculated) for Northeast Regional, R001 (FLW-03) for Northwest Regional, and R001 (Calculated) for Southwest Regional.

(8) Sun Air/North Lake Pierce Wastewater Treatment Facility was removed from service in 2001. Flows have been diverted to Toho Water Authority/Poincianna. Capacity per Agreement is 0.053 MGD.

**POLK COUNTY, FLORIDA
TEN LARGEST WATER/SEWER CONSUMERS
CONTINUING DISCLOSURE**

Customer	Volume of Water Sold		Annual Revenue	
	Thousand Gallons	Percent of Total System (1)	Revenues	Percent of Total System (2)
Polk Co. Correctional Frostproof	97,412	1.53%	\$ 1,897,869	2.30%
Halston Four Corners Borrower	26,420	0.41%	\$ 455,968	0.55%
Carlton Arms of Lakeland	31,647	0.50%	\$ 437,346	0.53%
Bahama Bay Resort	26,277	0.41%	\$ 372,487	0.45%
GCI Residential LLC	26,890	0.42%	\$ 356,505	0.43%
Deer Creek RV G & C Club, Inc	24,607	0.39%	\$ 347,363	0.42%
Highlands Village MHP	20,431	0.32%	\$ 301,980	0.37%
Int. Bass Lk. Homeowners Asso.	20,210	0.32%	\$ 264,787	0.32%
Preserve at Champions Gate	17,667	0.28%	\$ 240,566	0.29%
TPAF IX Thrive LLC	16,558	0.26%	\$ 223,113	0.27%

Source: Polk County, Florida Utilities Department
County staff for the Fiscal Year ended September 30, 2023

Notes:

(1) Amounts based on actual water sales for Fiscal Year ended September 30, 2023, approximately 6.4 billion gallons of water.

(2) Amounts based on actual charges for service for Fiscal Year ended September 30, 2023, of approximately \$82.4 million.

**POLK COUNTY, FLORIDA
CENTRAL FLORIDA BEHAVIORAL HEALTH NETWORK, INC. GRANT
AUDIT SCHEDULE 1034 - MATCH**

**Schedule of State Earnings for
Fiscal Year 9/30/2023**

1	Total Expenditures	\$	134,490
2	Less Other State and Federal Funds		-
3	Less Non-Match SAMH Funds		-
4	Less Unallowable Costs per 65E-14, F.A.C.		-
5	Total Allowable Expenditures (Sum of lines 1, 2, 3, and 4)		134,490
6	Maximum Available Earnings		129,259
7	Amount of State Funds Requiring Match		129,259
8	Amount Due to Department (Subtract line 7 from line 6)	\$	-

Matching Requirements

Polk County receives a substantial portion of its support from various funding sources which required a local match. These funding sources include: the State of Florida Department of Children and Families, Central Florida Behavioral Health Network, Inc., and HUD under the Supportive Housing Program. The Organization has satisfied all matching requirements through local grants and by incurring sufficient eligible expenses.

**POLK COUNTY, FLORIDA
CENTRAL FLORIDA BEHAVIORAL HEALTH NETWORK, INC. GRANT
AUDIT SCHEDULE 1035 AND AUDIT SCHEDULE 1036**

AUDIT SCHEDULE 1035 - RELATED PARTY TRANSACTIONS

Please note Schedule 1035 is not applicable as there are no related party transactions to report.

AUDIT SCHEDULE 1036 - BED-DAY AVAILABILITY PAYMENTS

Please note Schedule 1036 is not applicable as there are no bed-day availability payments to report.

COMPLIANCE SECTION



INDEPENDENT ACCOUNTANTS' REPORT

Board of County Commissioners and the Florida Auditor General
Polk County, Florida

We have examined Polk County, Florida's (County) compliance with Section 218.415, Florida Statutes, regarding the investment of public funds and Section 365.172(10) and 365.173(2)(d), Florida Statutes, regarding emergency communications number E911 system fund during the year ended September 30, 2023. Management of the County is responsible for the County's compliance with the specified requirements. Our responsibility is to express an opinion on the County's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the County complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the County complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

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

In our opinion, the County complied, in all material respects, with Section 218.415, Florida Statutes, regarding the investment of public funds and Section 365.172(10) and 365.173(2)(d), Florida Statutes, regarding emergency communications number E911 system fund during the year ended September 30, 2023.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Lakeland, Florida
March 29, 2024



MANAGEMENT LETTER

Honorable Chairman and Members
Board of County Commissioners
Polk County, Florida

Report on the Financial Statements

We have audited the financial statements of Polk County, Florida (County), as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated March 29, 2024.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 29, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Board of County Commissioners
Polk County, Florida

Prior Year Findings		Current Year Status		Current Year Finding #
		Cleared	Not Cleared	
2022-001-Material Audit Adjustments	Material Weakness in Internal Control over Financial Reporting	X		
2022-002-Schedule of Expenditures of Federal Awards and State Financial Assistance	Material Weakness in Internal Control over Financial Reporting	X		
2022-003-FFATA Reporting	Significant Deficiency in Internal Control over Compliance	X		
2022-004-Controls Over Reporting	Significant Deficiency in Internal Control over Compliance	X		
2022-005-Reporting	Significant Deficiency in Internal Control over Compliance		X	2023-001
2022-006-Revenue Loss Calculation	Significant Deficiency in Internal Control over Compliance	X		

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The County was established by Constitution of the State of Florida; Article VIII, Section 1 (c). Polk County, Florida has two blended component units, Harden/Parkway and Eloise Community Redevelopment Agencies (CRAs), were created pursuant to Section 163.360 of the Florida Statutes and by County Ordinances 04-11 and 98-50, respectively.

Financial Condition and Management

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

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

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

Special District Component Units

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

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Harden Parkway Community Redevelopment Agency (CRA) reported the required information in its audit report and the Eloise Community Redevelopment Agency reported (we do not express an opinion or provide any assurance on the following information):

- a. The total number of district employees compensated in the last pay period of the district's fiscal year was 1.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year was 0.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency was \$21,487.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency was \$0.
- e. Each construction project with a total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project was \$-1-.
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, was \$75,581.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, there were three instances of noncompliance described in the accompanying schedule of findings and questioned costs as items 2023-001, 2023-002 and 2023-003.

Board of County Commissioners
Polk County, Florida

Purpose of this Letter

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Lakeland, Florida
March 29, 2024



**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**

Polk County Board of County Commissioners
Polk County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Polk County, Florida (the County), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 29, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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*.

Purpose of This Report

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



CliftonLarsonAllen LLP

Lakeland, Florida
March 29, 2024



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

Polk County Board of County Commissioners
Polk 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 Polk County, Florida's (the County) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement*, and the requirements described in the Florida Department of Financial Services' *State Project 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, 2023. The County's major federal programs and state projects are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2023.

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; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, Rules of the Auditor General for Local Governmental Entity Audits. Our responsibilities under those standards and the Uniform Guidance and Chapter 10.550 are further described in the Auditors' Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

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

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

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

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

Other Matters

The results of our auditing procedures disclosed instances of noncompliance, which are required to be reported in accordance with the Uniform Guidance and Chapter 10.550 and which are described in the accompanying schedule of findings and questioned costs as items 2023-001, 2023-002, and 2023-003. Our opinion on each major federal program and state project is not modified with respect to these matters.

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

Report on Internal Control Over Compliance

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

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program 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 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 that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2023-001, 2023-002, and 2023-003, to be significant deficiencies.

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.

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

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



CliftonLarsonAllen LLP

Lakeland, Florida
March 29, 2024

**POLK COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
YEAR ENDED SEPTEMBER 30, 2023**

Agency/Program	Assistance Listing Number	Pass-Through Identifying Number	Grant Identification	Expenditures	Transfers to Subrecipients
Federal Awards					
Corporation for National and Community Service					
Direct Programs:					
Retired and Senior Volunteer Program	94.002	N/A	22SRHFL008	\$ 86,739	\$ -
Total Program				<u>86,739</u>	<u>-</u>
Total Corporation for National and Community Service				<u>86,739</u>	<u>-</u>
Department of Health and Human Services					
Direct Programs:					
Congressional Directive Spending Projects	93.493	N/A	1H79FG000750-01	406,608	406,608
Health Center Program Cluster:					
COVID-19-Provider Relief Fund-ROHR Home	93.498	N/A	CARES Act (P.L. 116-136)	126,513	-
Passed through Florida Department of Children and Families:					
Block Grants for Community Mental Health Services	93.958	LH833	LH833	24,617	-
Passed through the Ounce of Prevention Fund of Florida and Healthy Families:					
Promoting Safe and Stable Families	93.556	LJ959	#20-25-05 (Amendment #6)	166,391	-
Promoting Safe and Stable Families	93.556	LJ959	#20-25-05 (Amendment #11)	46,438	-
Total Program				<u>212,829</u>	<u>-</u>
TANF Cluster:					
Passed through the Ounce of Prevention Fund of Florida and Healthy Families:					
Temporary Assistance for Needy Families	93.558	LJ959	#20-25-05 (Amendment #11)	85,013	-
Total TANF Cluster				<u>85,013</u>	<u>-</u>
CCDF Cluster:					
Passed through the Ounce of Prevention Fund of Florida and Healthy Families:					
Child Care and Development Block Grant	93.575	LJ959	#20-25-05 (Amendment #6)	304,611	-
Total CCDF Cluster				<u>304,611</u>	<u>-</u>
Passed through the Department of Revenue:					
Child Support Enforcement	93.563	COC53	COC53	298,336	-
Passed through Florida Department of Children and Families and Central Florida Behavioral Health Network, Inc.:					
Block Grants for Prevention and Treatment of Substance Abuse	93.959	QG038	QG038	129,259	-
Total Department of Health and Human Services				<u>1,587,786</u>	<u>406,608</u>

See accompanying Notes to the Schedule of Federal Awards and State Projects.

**POLK COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023**

Agency/Program	Assistance Listing Number	Pass-Through Identifying Number	Grant Identification	Expenditures	Transfers to Subrecipients
Department of Homeland Security					
Passed through Florida Division of Emergency Management:					
Disaster Grants - Public Assistance FEMA-4673-DR-FL	97.036	Z3179	Z3179	\$ 1,245,266	\$ -
Passed through Florida Division of Emergency Management:					
Hazard Mitigation Grant	97.039	H0164	H0164	351,367	-
Hazard Mitigation Grant	97.039	H0165	H0165	80,510	-
Hazard Mitigation Grant	97.039	H0245	H0245	724,961	-
Hazard Mitigation Grant	97.039	H0343	H0343	3,020	-
Hazard Mitigation Grant	97.039	H0349	H0349	18,844	-
Hazard Mitigation Grant	97.039	H0373	H0373	329,270	-
Hazard Mitigation Grant	97.039	H0370	H0370	158,998	-
Hazard Mitigation Grant	97.039	H0488	H0488	180,991	-
Hazard Mitigation Grant	97.039	H0510	H0510	850,787	-
Hazard Mitigation Grant	97.039	H0684	H0684	16,800	-
Hazard Mitigation Grant	97.039	H0890	H0890	37,500	-
Hazard Mitigation Grant	97.039	H0891	H0891	37,500	-
Hazard Mitigation Grant	97.039	H0892	H0892	37,500	-
Total Program				<u>2,828,048</u>	<u>-</u>
Passed through Florida Division of Emergency Management:					
Emergency Management Performance Grant	97.042	G0435	G0435	117,525	-
Total Department of Homeland Security				<u>4,190,839</u>	<u>-</u>
Department of Housing and Urban Development					
CDBG - Entitlement Grants Cluster					
Direct Programs:					
Community Development Block Grant	14.218	N/A	B-18-UC-12-0007	188,607	78,460
Community Development Block Grant	14.218	N/A	B-19-UC-12-0007	148,356	179,073
Community Development Block Grant	14.218	N/A	B-20-UC-12-0007	1,006,568	334,000
Community Development Block Grant	14.218	N/A	B-21-UC-12-0007	2,118,766	527,562
Community Development Block Grant	14.218	N/A	B-22-UC-12-0007	1,851,177	610,852
COVID-19 - Community Development Block Grant	14.218	N/A	B-20-UW-12-0007	877,878	788,635
Total CDBG - Entitlement Grants Cluster				<u>6,191,352</u>	<u>2,518,582</u>

See accompanying Notes to the Schedule of Federal Awards and State Projects.

**POLK COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023**

Agency/Program	Assistance Listing Number	Pass-Through Identifying Number	Grant Identification	Expenditures	Transfers to Subrecipients
<u>Department of Housing and Urban Development (continued)</u>					
Direct Programs:					
Emergency Solutions Grant Program	14.231	N/A	E-21-UC-12-0007	\$ 1,631	\$ 1,631
Emergency Solutions Grant Program	14.231	N/A	E-22-UC-12-0007	345,741	317,782
COVID-19 - Emergency Solutions Grant Program	14.231	N/A	E-20-UW-12-0007	85,181	-
COVID-19 - Emergency Solutions Grant Program	14.231	N/A	E-20-UW-12-0007	165,572	165,449
Emergency Solutions Grant Program - RUSH Funding	14.231	N/A	E-22-UW-12-0007	20,758	19,422
Total Program				<u>618,883</u>	<u>504,284</u>
Direct Programs:					
Home Investment Partnerships Program	14.239	N/A	M-20-UC-12-0218	255,315	-
Home Investment Partnerships Program	14.239	N/A	M-21-UC-12-0218	693,616	-
Home Investment Partnerships Program	14.239	N/A	M-22-UC-12-0218	33,124	-
COVID-19 - Home Investment Partnerships Program	14.239	N/A	M-21-UP-12-0218	2,513,728	-
Total Program				<u>3,495,783</u>	<u>-</u>
Total Department of Housing and Urban Development				<u>10,306,018</u>	<u>3,022,866</u>
<u>Department of the Interior</u>					
Passed through Florida Fish and Wildlife Conservation Commission:					
Partners for Fish and Wildlife Program	15.631	FWS 3-2455	FWS 3-2455	11,044	-
Total Department of the Interior				<u>11,044</u>	<u>-</u>
<u>Department of Justice</u>					
Direct Programs:					
Edward Byrne Memorial Justice Assistance Grant Program	16.738	N/A	2019-DJ-BX-0891	93,059	-
Direct Programs:					
Second Chance Act Reentry Initiative	16.812	N/A	15PBJA-21-GG-04042-SCAX	89,305	-
Total Department of Justice				<u>182,364</u>	<u>-</u>
<u>Department of Transportation</u>					
Highway Planning and Construction Cluster					
Passed through Florida Department of Transportation:					
Highway Planning and Construction-Local Agency Program	20.205	G1B41	G1B41	127,592	-
Highway Planning and Construction-Local Agency Program	20.205	G1984	G1984	390,160	-
Highway Planning and Construction-Local Agency Program	20.205	G1985	G1985	297	-
Highway Planning and Construction-Local Agency Program	20.205	G1986	G1986	737,606	-
Highway Planning and Construction-Local Agency Program	20.205	G2811	G2811	989,858	-
Total Program				<u>2,245,513</u>	<u>-</u>
Passed through Florida Department of Environmental Protection:					
Recreational Trails Program	20.219	T1920	T1920	1,000,000	-
Total Highway Planning and Construction Cluster				<u>3,245,513</u>	<u>-</u>

See accompanying Notes to the Schedule of Federal Awards and State Projects.

**POLK COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023**

<u>Agency/Program</u>	<u>Assistance Listing Number</u>	<u>Pass-Through Identifying Number</u>	<u>Grant Identification</u>	<u>Expenditures</u>	<u>Transfers to Subrecipients</u>
Department of Transportation (Continued)					
Passed through Florida Department of Transportation:					
FTA Section 5305(d), Metropolitan Planning Program	20.505	G2784	G2784	\$ 83,876	\$ -
Total Program				83,876	-
Total Department of Transportation				3,329,389	-
Department of Treasury					
Direct Programs:					
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	Z1890	12,861,012	512,061
Direct Programs:					
COVID-19 Emergency Rental Assistance	21.023	N/A	1505-0270	6,891,242	6,756,816
Total Department of Treasury				19,752,254	7,268,877
Elections Assistance Commission					
Passed through Florida Department of State:					
Help America Vote Act Requirements Payments	90.401	Specific Approp. 3134, 2012-2013	Specific Approp. 3134, 2012-2013	47,840	-
Help America Vote Act Requirements Payments	90.401	Specific Approp. 3106, 2013-2014	Specific Approp. 3106, 2013-2014	64,992	-
Help America Vote Act Requirements Payments	90.401	Specific Approp. 3097, 2014-2015	Specific Approp. 3097, 2014-2015	11,401	-
Total Program				124,233	-
Passed through Florida Department of State:					
HAVA Election Security Grants	90.404	ESF MOA#2022-23	ESF MOA#2022-23.e.es.100 POL	181,664	-
Total Elections Assistance Commission				305,897	-
Total Expenditures of Federal Awards				\$ 39,752,330	\$ 10,698,351

See accompanying Notes to the Schedule of Federal Awards and State Projects.

**POLK COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023**

Agency/Program	Assistance Listing Number	Pass-Through Identifying Number	Grant Identification	Expenditures	Transfers to Subrecipients
State Financial Assistance					
Department of Agriculture and Consumer Services					
Direct Programs:					
Mosquito Control	42.003	N/A	29365	\$ 78,579	\$ -
Off-Highway Vehicle Safety and Recreation (OHV)	42.020	N/A	29440	350,000	-
Agriculture Education and Promotional Facility	42.047	N/A	27954	111,330	-
Total Department of Agriculture and Consumer Services				539,909	-
Department of Children and Families					
Passed through Florida Department of Children and Families:					
Block Grants for Community Mental Health Services	60.115	LH833	LH833	160,203	-
Total Department of Children and Families				160,203	-
Department of Economic Opportunity					
Passed through Enterprise Florida, Inc.:					
Economic Development Partnerships	40.040	IWWF World Water Ski Show 2022	IWWF World Water Ski Show 2022	9,200	-
Economic Development Partnerships	40.040	Ironman Florida 2022	Ironman Florida 2022	7,000	-
Economic Development Partnerships	40.040	YBOA Boys Nationals 2023	YBOA Boys Nationals 2023	8,966	-
Total Department of Economic Opportunity				25,166	-
Department of Education					
Direct Programs:					
Coach Aaron Feis Guardian Program	48.140	N/A	96T-90210-3D001	252,196	-
Total Department of Education				252,196	-
Department of Environmental Protection					
Passed through Southwest Florida Water Management District:					
DOT Mitigation Projects	37.020	10-202-119X	10-202-119X	2,650	-
Passed through Southwest Florida Water Management District:					
Water Management Districts - Land Acquisition and Improvement	37.022	20-503-240X	20-503-240X	25,000	-
Water Management Districts - Land Acquisition and Improvement	37.022	20-503-104X	20-503-104X	12,673	-
Water Management Districts - Land Acquisition and Improvement	37.022	20-697-125X	20-697-125X	15,900	-
Total Program				53,573	-
Direct Programs:					
Statewide Water Quality Restoration Projects	37.039	N/A	LPR0019	75,000	-
Direct Programs:					
Mine Reclamation Grant	37.059	N/A	MR8330	99,604	-
Direct Programs:					
Resilient Florida Programs	37.098	N/A	22SRP74	2,991,400	-
Total Department of Environmental Protection				3,222,227	-

See accompanying Notes to the Schedule of Federal Awards and State Projects.

**POLK COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023**

Agency/Program	Assistance Listing Number	Pass-Through Identifying Number	Grant Identification	Expenditures	Transfers to Subrecipients
Department of Health					
Direct Programs:					
Emergency Medical Services County Grant Awards	64.003	N/A	M0046	\$ 168,750	\$ -
Direct Programs:					
Emergency Medical Services County Grant Awards	64.005	N/A	C0053	5,909	-
Emergency Medical Services County Grant Awards	64.005	N/A	C1053	7,750	-
Total Program				<u>13,659</u>	<u>-</u>
Total Department of Health				<u>182,409</u>	<u>-</u>
Department of Juvenile Justice					
Passed through University Area Community Development Corporation:					
Delinquency Prevention	80.029	10709-400	10709-400	41,083	-
Delinquency Prevention	80.029	10709-400	10709-400	11,867	-
Total Department of Juvenile Justice				<u>52,950</u>	<u>-</u>
Department of Law Enforcement					
Direct Programs:					
Polk County Medical Examiner's Emergency Generator Replacement	71.072	N/A	7G010	116,573	-
Total Department of Law Enforcement				<u>116,573</u>	<u>-</u>
Department of State					
Direct Programs:					
Cultural Facilities Grant Program	45.014	N/A	23.h.sc.100.014	39,730	-
Direct Programs:					
State Aid to Libraries	45.030	N/A	22-ST-72	141,911	-
Total Department of State				<u>181,641</u>	<u>-</u>
Department of Transportation					
Direct Programs:					
Commission for the Transportation Disadvantaged Planning	55.002	N/A	G2J13	6,985	-
Commission for the Transportation Disadvantaged Planning	55.002	N/A	G2974	31,683	-
Total Program				<u>38,668</u>	<u>-</u>
Direct Programs:					
Local Transportation Projects	55.039	N/A	G2L18	1,359	-
Total Department of Transportation				<u>40,027</u>	<u>-</u>
Executive Office of the Governor					
Direct Programs:					
Emergency Management Programs	31.063	N/A	A0301	70,413	-
Emergency Management Programs	31.063	N/A	A0365	20,077	-
Total Program				<u>90,490</u>	<u>-</u>
Local Emergency Management and Mitigation Initiatives	31.064	N/A	F0088	78,837	-
Emergency Management Projects					
Emergency Management Projects	31.067	N/A	T0085	9,860	-
Emergency Management Projects	31.067	N/A	T0163	8,343	-
Emergency Management Projects	31.067	N/A	T0214	1,328	-
Total Program				<u>19,531</u>	<u>-</u>
Total Executive Office of the Governor				<u>188,858</u>	<u>-</u>

See accompanying Notes to the Schedule of Federal Awards and State Projects.

**POLK COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023**

<u>Agency/Program</u>	<u>Assistance Listing Number</u>	<u>Pass-Through Identifying Number</u>	<u>Grant Identification</u>	<u>Expenditures</u>	<u>Transfers to Subrecipients</u>
<u>Florida Housing Finance Corporation</u>					
Direct Programs:					
State Housing Initiative Partnership Program (SHIP)	40.901	N/A	FY 20/21	\$ 269,198	\$ -
State Housing Initiative Partnership Program (SHIP)	40.901	N/A	FY 21/22	2,656,850	577,889
State Housing Initiative Partnership Program (SHIP)	40.901	N/A	FY 22/23	<u>1,198,555</u>	<u>601,742</u>
Total Florida Housing Finance Corporation				<u>4,124,603</u>	<u>1,179,631</u>
Total Expenditures of State Financial Assistance				<u>\$ 9,086,762</u>	<u>\$ 1,179,631</u>
Total Expenditures of Federal Awards and State Financial Assistance				<u>\$ 48,839,092</u>	<u>\$ 11,877,982</u>

See accompanying Notes to the Schedule of Federal Awards and State Projects.

POLK COUNTY, FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
YEAR ENDED SEPTEMBER 30, 2023

NOTE 1 GENERAL

The accompanying schedule of expenditures of federal awards and state financial assistance (the Schedule) presents the activity of all federal awards and state financial assistance of Polk County, Florida (the County). The County reporting entity is defined in Note 1 to the County's basic financial statements for the year ended September 30, 2023. The information in this Schedule is presented in accordance with the requirements of 2 CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)* and Chapter 691-5, Rules of the Florida Department of Financial Services. The Schedule presents only a selected portion of the operations of the County and is not intended to and does not present the financial position, changes in net position, or cash flows of the County. Therefore, some amounts presented in the Schedule may differ from amounts presented or used in the preparation of the basic financial statements for the fiscal year ended September 30, 2023.

NOTE 2 BASIS OF ACCOUNTING

The accompanying Schedule is presented using the modified accrual basis of accounting, which is described in Note 1 to the County's basic financial statements for the year ended September 30, 2023. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and Chapter 691-5, Rules of the Florida Department of Financial Services for all awards with the exception of Assistance Listing Numbers (formally CFDA) 21.019 and 21.027, which follow criteria determined by the Department of Treasury for allowability of costs. Under these principles, certain types of expenditures are not allowable or are limited as to reimbursement. Any negative amounts shown in the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

NOTE 3 INDIRECT COST RATE

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

POLK COUNTY, FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023

NOTE 4 OUNCE OF PREVENTION MATCH

In addition to the amounts listed on the Schedule, the County received additional funding from the state of Florida as a match for certain Federal programs. The amounts listed below represent the funding provided by the state of Florida as a match to the specified federal programs.

Agency/Program	Assistance Listing Number	Grant Identification	Expenditures
<u>State Matching Monies</u>			
Passed through the Ounce of Prevention Fund of Florida and Healthy Families:			
Promoting Safe and Stable Families	93.556	#20-25-05 (Amendment #6)	\$ 17,897
Promoting Safe and Stable Families	93.556	#20-25-05 (Amendment #11)	4,995
Total Program			<u>22,892</u>
Temporary Assistance for Needy Families	93.558	#20-25-05 (Amendment #11)	149,281
Child Care and Development Block Grant	93.575	#20-25-05 (Amendment #6)	<u>534,890</u>
Total State Matching Monies			<u>\$ 707,063</u>

NOTE 5 MATCH REQUIREMENT

The County receives a substantial portion of its support from various funding sources which required a local match. The County has satisfied all matching requirements through local grants and by incurring sufficient eligible expenses. As required under certain contracts, the County is required to match varying percentages of contract funds received. This match may be cash, in-kind, or a combination. For the year ended September 30, 2023, the County met its matching requirements for all related contracts.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

**POLK COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2023**

Section I – Summary of Auditors’ Results

Financial Statements

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

Federal Awards

1. Internal control over major federal programs:
- Material weakness identified? _____ yes X no
 - Significant deficiency identified? X yes _____ none reported
2. Type of auditors’ report issued on compliance for major federal programs: Unmodified
3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? X yes _____ no

Identification of Major Federal Programs

Assistance Listing Number	Name of Federal Program or Cluster
21.027	Coronavirus State & Local Fiscal Recovery Funds
21.023	Emergency Rental Assistance
97.039	Hazard Mitigation Grant
97.036	Disaster Grants - Public Assistance

- Dollar threshold used to distinguish between Type A and Type B programs: \$ 1,192,570
- Auditee qualified as low-risk auditee? _____ yes X no

**POLK COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023**

Part I – Summary of Auditors’ Results (Continued)

State Financial Assistance

1. Internal control over state projects:

- Material weakness identified? yes X no
- Significant deficiency identified? X yes none reported

2. Type of auditors' report issued on compliance for state projects: Unmodified

3. Any audit findings disclosed that are required to be reported in accordance with Chapter 10.550, Rules of the Auditor General? X yes no

Identification of Major State Projects

Catalog of State Financial Assistance	Name of State Project
40.901	State Housing Initiative Partnership
37.098	Resilient Florida

Dollar threshold used to distinguish between Type A and Type B state projects: \$ 750,000

**POLK COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023**

Part II – Financial Statement Findings

Part III – Findings and Questioned Costs – Major Federal Programs and State Projects

2023-001-Reporting

Federal Agency: U.S. Department of the Treasury

Federal Program Name: Covid-19 Coronavirus State and Local Fiscal Recovery Funds

Assistance Listing Number: 21.027

Federal Award Identification Number: Z1890

Award Period: March 3, 2021 through December 31, 2026

Type of Finding:

- Significant Deficiency in Internal Control over Compliance
- Other Matters

Criteria or specific requirement: The U.S. Treasury Department's current version of its Coronavirus State and Local Fiscal Recovery Funds Guidance on Recipient Compliance and Reporting Responsibilities (collectively, the "SLFRF Guidance") provides information on the reporting requirements of the program. During the audit period, quarterly Project and Expenditure Reports were required under this guidance.

The quarterly Project and Expenditure Reports contain key line items under the following three subcategories: 1) Obligations and Expenditures, 2) Subawards, and 3) Detailed information on any loans issued; contracts and grants awarded; transfers made to other government entities; and direct payments made by the recipient that are greater than \$50,000.

Condition: Certain reports reviewed had errors in the reporting as noted below:

Exception Type	Number of Items Tested	Number of Exceptions
Expenditure amount did not agree to schedule of expenditures	32	7
Expenditures were incorrectly classified	32	7
Obligated amounts per Organization's contract did not agree with value reported as obligated on quarterly reports	32	20

Questioned costs: N/A

Context: The auditors selected and tested a statistically valid sample of 8 organizations reported on the interim report and all 4 quarterly reports until a total sample of 32 items were tested.

Cause: The information reported to the Treasury was not supported by accurate information. In addition, the reporting errors were not identified in the review of the reports.

POLK COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023

*Part III – Findings and Questioned Costs – Major Federal Programs and State Projects
(Continued)*

2023 – 001- Reporting (Continued)

Effect: Inaccurate data is reported to the Treasury.

Repeat Finding: Yes.

Recommendation: We recommend corrections to quarterly reports be made in subsequent quarterly reports to ensure obligations match actuality. We recommend timely reconciliation of accounting transactions to allow for accurate reporting of expenditures through the quarter.

Views of responsible officials: There is no disagreement with the audit finding.

**POLK COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023**

***Part III – Findings and Questioned Costs – Major Federal Programs and State Projects
(Continued)***

2023-002-Reporting

Federal Agency: Department of Homeland Security

Federal Program Name: Hazard Mitigation Grant

Assistance Listing Number: 97.039

Federal Award Identification Number: See table below

Award Period: See table below

Contract Number	Contact Start Date	Contract End Date	Modification End Date #1	Modification End Date #2
H0684	06/29/2022	05/31/2024	N/A	N/A
H0890	01/20/2023	09/30/2023	12/31/2023	N/A
H0892	01/20/2023	09/30/2023	12/31/2023	N/A
H0891	01/24/2023	09/30/2023	12/31/2023	N/A
H0164	06/08/2019	03/31/2021	01/31/2023	04/30/2024
H0165	02/22/2019	07/31/2021	10/31/2023	N/A
H0387	05/13/2020	01/31/2021	08/31/2022	04/30/2024
H0245	01/14/2020	08/31/2021	10/31/2023	N/A
H0341	10/06/2020	01/31/2022	12/31/2023	N/A
H0343	07/07/2020	06/30/2021	03/31/2024	N/A
H0349	11/17/2020	12/31/2022	04/30/2024	N/A
H0510	10/28/2021	04/30/2023	05/31/2024	N/A
H0373	04/20/2020	02/28/2022	10/31/2023	N/A
H0370	02/19/2020	12/31/2021	10/31/2023	N/A
H0488	01/08/2021	11/30/2022	02/09/2024	N/A

Type of Finding:

- Significant Deficiency in Internal Control over Compliance
- Other Matters

**POLK COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023**

***Part III – Findings and Questioned Costs – Major Federal Programs and State Projects
(Continued)***

2023-002-Reporting (Continued)

Criteria or specific requirement: Consistent with 2 C.F.R. §200.328, the County shall provide the grantee with quarterly reports and a close-out report. These reports shall include the current status and progress by the County and all subcontractors in completing the work described in the County’s scope of work.

Quarterly reports are due to the grantee no later than fifteen (15) days after the end of each quarter of the program year and shall be sent each quarter until submission of the administrative close-out report. The ending dates for each quarter of the program year are March 31, June 30, September 30, and December 31.

Condition: Certain reports reviewed had errors in the reporting as noted below:

Exceptions Noted	Number of Items Tested	Number of Exceptions	Error Rate
Untimely submission of quarterly reports	19	11	58%
Quarterly report submitted with incorrect grant number	19	2	11%
Missing quarterly report	19	1	5%
Project expenditures were incorrectly stated, and no adequate documentation was provided.	19	15	79%
No review performed over the quarterly reports before it is submitted to Florida Division of Emergency Management.	19	19	100%

Questioned costs: N/A

Context: The auditors tested 5 reports and all four quarterly reports (if applicable) with a total sample of nineteen (19) items tested.

Cause: An adequate review was not being performed over the quarterly reports.

Effect: Inaccurate reporting can cause the grantee to make inaccurate conclusions regarding the County’s grant programs.

Repeat Finding: No

Recommendation: We recommend that the quarterly reports be reviewed by an appropriate member of management. That review should be documented to ensure a complete audit trail. In addition, all reports should be stored in a centralized location for easy future access.

Views of responsible officials: There is no disagreement with the audit finding.

**POLK COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023**

***Part III – Findings and Questioned Costs – Major Federal Programs and State Projects
(Continued)***

2023-003-Reporting

State Agency: Department of Florida Environmental Protection

State Program Name: Resilient Florida Program

Catalog of State Financial Assistance Number: 37.098

State Award Identification Number: 22SRP74

Award Period: July 1, 2022 – June 30, 2025

Type of Finding:

- Significant Deficiency in Internal Control over Compliance
- Other Matters

Criteria or specific requirement: The County shall submit status reports quarterly describing the work performed during the reporting period, problems encountered, problem resolutions, scheduled updates, and proposed work for the next reporting period.

Quarterly status reports are due no later than twenty (20) days following the completion of the quarterly reporting period. For the purposes of this reporting requirement, the quarterly reporting periods end on March 31, June 30, September 30 and December 31. The grantee will review the required reports submitted by County within thirty (30) days.

Condition: See the chart below for identified exceptions.

Exception Type	Number of Items Tested	Number of Exceptions
Reports were not submitted within the 20-day requirement of quarter end	4	2
Reports had no documented review	4	4
Basis for report was not a quarterly report, but rather a different period of time	4	2

Questioned costs: N/A

Context: The auditors tested all 4 quarterly reports submitted to the grantee.

Cause: An adequate review was not being performed over the quarterly reports.

POLK COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2023

*Part III – Findings and Questioned Costs – Major Federal Programs and State Projects
(Continued)*

2023-003-Reporting (Continued)

Effect: Late reporting to the grantee could impact grantee's ability to make timely conclusions regarding the County's grant programs.

Repeat Finding: No.

Recommendation: We recommend that the quarterly reports be reviewed by an appropriate member of management. That review should be documented to ensure a complete audit trail.

Views of responsible officials: There is no disagreement with the audit finding.

**HARDEN / PARKWAY COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)**

FINANCIAL STATEMENTS

YEAR ENDED SEPTEMBER 30, 2023



CPAs | CONSULTANTS | WEALTH ADVISORS

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**HARDEN / PARKWAY COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)
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INDEPENDENT AUDITORS' REPORT

Board Members
Harden / Parkway Community Redevelopment Agency
Polk County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities and the major fund of the Harden / Parkway Community Redevelopment Agency (CRA), a component unit of Polk County, Florida, as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the entity's basic financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the CRA as of September 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

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

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 CRA'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' Responsibility for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 29, 2024 on our consideration of the CRA'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 CRA'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 CRA's internal control over financial reporting and compliance.



CliftonLarsonAllen LLP

Lakeland, Florida
March 29, 2024

**HARDEN / PARKWAY COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2023**

As management of the Harden / Parkway Community Redevelopment Agency (CRA), we offer the readers of the CRA's basic financial statements this narrative overview and analysis of the financial activities of the CRA for the year ended September 30, 2023. We encourage readers to consider the information presented here in conjunction with the CRA's financial statements.

Financial Highlights

- The assets of the CRA exceeded its liabilities as of September 30, 2023, by \$72,845 (net position).
- The CRA's total assets as of September 30, 2023, were \$73,133.
- The CRA's total revenue was \$659,703, consisting primarily of CRA Incremental Tax Revenue.
- The CRA's net transfers came to \$(611,937). The increase in net position was \$47,766.

Overview of Financial Statements

The CRA's government-wide financial statements include the following:

- **Governmental Fund Balance** — reports the CRA's assets, deferred outflows of resources, liabilities, deferred inflows of resources and net position at the end of the fiscal year and provides information about the nature and amounts of investment of resources and obligations to creditors.
- **Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balance and Statement of Activities** — reports the results of activity over the course of the fiscal year. It details the costs associated with operating the CRA and how those costs were funded. It also provides an explanation of the change in net position from the previous fiscal year-end to the current fiscal year-end.
- The basic financial statements also include notes that provide required disclosures and other information necessary to gather the full meaning of the material presented in the statements.

The analysis of net position, revenues, and expenses are detailed and provide a comprehensive portrayal of financial conditions and related trends. The analysis includes all assets and liabilities using the accrual basis of accounting.

Accrual accounting is similar to the accounting used by most private sector companies. Accrual accounting recognizes revenue and expenses when earned regardless of when cash is received or paid.

Our analysis presents the CRA's net position, which can be thought of as the difference between what the CRA owns (assets) and what the CRA owes (liabilities). The net position analysis will allow the reader to measure the health or financial position of the CRA.

Over time, significant changes in the CRA's net position are an indicator of whether its financial health is improving or deteriorating. To fully assess the financial health of any CRA, the reader must also consider other nonfinancial factors such as fluctuations in the local economy, fluctuations in fuel prices, and the physical condition of the CRA's capital assets.

**HARDEN / PARKWAY COMMUNITY REDEVELOPMENT AGENCY
 (A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 YEAR ENDED SEPTEMBER 30, 2023**

Net Position

The difference between an organization's assets and deferred outflows of resources and its liabilities and deferred inflows of resources equals its net position. The CRA's net position is classified as follows:

Net investment in capital assets — Capital assets, net of accumulated depreciation and reduced by debt attributable to the acquisition of those assets.

Restricted — Net position that can only be spent for specific purposes because of constraints imposed by external sources (such as grantors, bondholders, and higher levels of government), or imposed by constitutional provisions or enabling legislation.

Unrestricted — Net position that is not invested in capital assets or subject to restrictions.

Condensed Financial Information

Assets, Liabilities, and Net Position:

	2023	2022
ASSETS		
Current Assets	\$ 73,133	\$ 25,374
LIABILITIES		
Unearned Revenue	288	295
NET POSITION		
Restricted	\$ 72,845	\$ 25,079

Assets increased by \$47,759 from the prior year, while liabilities decreased by \$7 from the prior year, resulting in an increase in net position of \$47,766.

**HARDEN / PARKWAY COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
YEAR ENDED SEPTEMBER 30, 2023**

Condensed Financial Information (Continued)
Revenues, Expenses, and Changes in Net Position

	2023	2022
GENERAL REVENUES		
Taxes	\$ 641,561	\$ 601,214
Interest Income	17,710	6,773
Net Change in Fair Value of Investments	432	(21,227)
Total General Revenue	659,703	586,760
OTHER FINANCING SOURCES (USES)		
Transfers In	838,063	802,242
Transfers Out	(1,450,000)	(1,400,000)
Total Other Financing Sources (Uses)	(611,937)	(597,758)
CHANGE IN NET POSITION	47,766	(10,998)
Net Position - Beginning of Year	25,079	36,077
NET POSITION - END OF YEAR	\$ 72,845	\$ 25,079

Taxes and transfers in increased by \$40,347 and \$35,821, respectively. There was a favorable fair value adjustment on investments totaling \$432.

In fiscal year 2023, total general revenue was \$659,703, while total expenditures and transfers were \$611,937. This resulted in a positive change in net position of \$47,766.

Economic Factors and Next Year's Budgets and Rates

The Harden / Parkway Community Redevelopment Agency (CRA) is reported as a blended component unit of Polk County, Florida. Its Annual Budget was approved by Resolution 2022-113 on September 19, 2022. The detailed budgets are available for review upon request.

Requests for Information

This financial report is designed to provide a general overview of the CRA's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed as follows:

Comptroller Division of the Clerk of Circuit Court and County Comptroller
P.O. Box 988
Bartow, Florida 33831

Or

www.polkcountyclerk.net

**HARDEN / PARKWAY COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)
GOVERNMENTAL FUND BALANCE SHEET AND STATEMENT OF NET POSITION
SEPTEMBER 30, 2023**

	General Fund	Adjustments	Statement of Net Position
ASSETS			
Cash and Cash Equivalents	\$ 72,586	\$ -	\$ 72,586
Interest Receivable	547	-	547
Total Assets	73,133	-	73,133
LIABILITIES			
Unearned Revenue	288	-	288
Total Liabilities	288	-	288
FUND BALANCE / NET POSITION			
Fund Balance			
Restricted	72,845	(72,845)	-
Total Fund Balance	\$ 72,845	(72,845)	-
Net Position			
Restricted		72,845	72,845
Total Net Position		\$ 72,845	\$ 72,845

See accompanying Notes to Financial Statements.

**HARDEN / PARKWAY COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)
GOVERNMENTAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE AND STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2023**

	General Fund	Adjustments	Statement of Activities
GENERAL REVENUES			
Taxes	\$ 641,561	\$ -	\$ 641,561
Interest Income	17,710	-	17,710
Net Change in Fair Value of Investments	432	-	432
Total Revenues	<u>659,703</u>	<u>-</u>	<u>659,703</u>
OTHER FINANCING SOURCES (USES)			
Transfers In	838,063	(838,063)	-
Transfers Out	<u>(1,450,000)</u>	<u>1,450,000</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(611,937)</u>	<u>611,937</u>	<u>-</u>
TRANSFERS	<u>-</u>	<u>(611,937)</u>	<u>(611,937)</u>
NET CHANGE IN FUND BALANCE / NET POSITION	47,766	-	47,766
Fund Balance/Net Position - Beginning of Year	<u>25,079</u>	<u>-</u>	<u>25,079</u>
FUND BALANCE /NET POSITION - END OF YEAR	<u><u>\$ 72,845</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 72,845</u></u>

See accompanying Notes to Financial Statements.

**HARDEN / PARKWAY COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Polk County Board of County Commissioners approved the establishment of the Harden / Parkway Community Redevelopment Agency (CRA) by County ordinance 04-010 on June 20, 2004. The CRA board members include the Polk County Board of County Commissioners and the city manager and community development department director for the City of Lakeland, or their designees, to serve as two additional members of the CRA Board. The appointing authority is found in Resolution No. 04-010. The CRA Board holds meetings on an as-needed basis.

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, as applied to governmental units and present only the financial position of the CRA, a component unit of the Polk County, Florida (County), and not the County as a whole.

As defined by accounting principles generally accepted in the United States of America established by the Governmental Accounting Standards Board (GASB), the financial reporting entity consists of the primary government, as well as all component units, which are legally separate organizations for which elected officials of the primary government are financially accountable. Based on the application of these criteria, the CRA has determined there are no component units.

Basis of Presentation

GASB Statement No. 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of either fund category and (or) the governmental and enterprise combined) for the determination of major funds. The CRA has used GASB Statement No. 34 minimum criteria for major fund determination.

The accounts of the CRA 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 or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Currently, the CRA has only one fund, the General Fund. The General Fund is the general operating fund of the CRA. It is used to account for all financial resources and expenditures.

**HARDEN / PARKWAY COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., statement of net position and the statement of activities) report information on all activities of the CRA. The CRA reports only governmental activities; it does not have any business-type activities. Governmental activities are supported largely by tax increment funding.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those clearly identifiable with a specific function. Program revenues consist of grants and contributions that are restricted to meeting operational or capital requirements of a particular function. Payments received from taxes, insurance proceeds and other items not properly included as program revenues are reported as general revenues.

Separate financial information is provided for the governmental fund.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred regardless of the timing of the related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are 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 for the current period. For this purpose, the CRA considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting.

Budgets and Budgetary Data

The following are the procedures in establishing the budget:

The CRA's Executive Director prepares the annual fiscal operating budget. The proposed budget is then presented to the CRA's Board Members for changes and final approval. Once adopted, the budget serves as legal authorization for expenditures.

Formal budgetary integration is employed as a management control device during the year for all governmental fund types. Budgets for the general fund are adopted on a basis consistent with accounting principles generally accepted in the United States of America (GAAP). All appropriations lapse at the close of the fiscal year.

**HARDEN / PARKWAY COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Fund Balance

The classifications of fund balances are described as follows:

Nonspendable Fund Balance – Amounts that cannot be spent because they are either not in spendable form (such as inventories and prepaid amounts) or are legally or contractually required to be maintained intact.

Restricted Fund Balance – Amounts that can be spent only for specific purposes because of constraints imposed by external providers (such as grantors, bondholders, and higher levels of government), or imposed by constitutional provisions or enabling legislation.

Committed Fund Balance – Amounts that can be spent only for specific purposes determined by a formal action of the CRA's highest level of decision-making authority. The CRA has not established a policy regarding authorization to commit fund balance.

Assigned Fund Balance – Amounts the CRA intends to use for specific purposes that do not meet the criteria to be classified as restricted or committed. This intent can be expressed by the CRA's board or by the CRA's board delegating this responsibility to the CRA Coordinator through the budgeting process. The CRA has not established a formal policy regarding authorization to assign fund balance amounts for a specific purpose.

Unassigned Fund Balance – Amounts that are available for any purpose; these amounts can be reported only in the CRA's general fund.

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

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

**HARDEN / PARKWAY COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 2 CASH AND CASH EQUIVALENTS

The CRA participates in the pooled cash and investments program of the Polk County, Florida, Board of County Commissioners for the purpose of maximizing investment yields. The earnings of the pool are allocated on a monthly basis to the individual funds of the Board of County Commissioners and the CRA based upon their average monthly balance in the pool. For the purpose of these financial statements, the CRA pooled cash is primarily cash and cash equivalents.

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

Custodial Credit Risk

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

NOTE 3 RISK MANAGEMENT

The County is exposed to various risk of loss related to theft of, damage to and destruction of assets, errors and omissions, injuries to employees and natural disasters. A self-insurance program is effectively maintained by the County to administer insurance activities related to workers' compensation insurance, general and employment practices liability, auto liability and health. The County's self-insurance program covers operations of the Board of County Commissioners and the constitutional officers. Under the program, the County has retention limits for each type of claim, which is covered by commercial insurance purchased by the County.

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

**HARDEN / PARKWAY COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

NOTE 4 RELATED PARTY TRANSACTIONS

The members of the CRA board are also members of the Board of County Commissioners. Transactions between the CRA and the County for the year ending September 30, 2023, include \$838,063 in transfers in from other funds of the County and \$1,450,000 in transfers out to other funds of the County.

NOTE 5 COMMITMENTS AND CONTINGENCIES

Litigation

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

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

**HARDEN / PARKWAY COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 629,423	\$ 629,423	\$ 641,561	\$ 12,138
Interest Income	3,993	3,993	17,710	13,717
Net Change in Fair Value of Investments	-	-	432	432
Total Revenues	<u>633,416</u>	<u>633,416</u>	<u>659,703</u>	<u>26,287</u>
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	633,416	633,416	659,703	26,287
OTHER FINANCING SOURCES (USES)				
Transfers In	842,419	842,419	838,063	(4,356)
Transfers Out	<u>(1,450,000)</u>	<u>(1,450,000)</u>	<u>(1,450,000)</u>	<u>-</u>
Total Other Financing Sources (Uses)	<u>(607,581)</u>	<u>(607,581)</u>	<u>(611,937)</u>	<u>(4,356)</u>
NET CHANGE IN FUND BALANCE	25,835	25,835	47,766	21,931
Fund Balance - Beginning of Year	<u>25,079</u>	<u>25,079</u>	<u>25,079</u>	<u>-</u>
FUND BALANCE - END OF YEAR	<u>\$ 50,914</u>	<u>\$ 50,914</u>	<u>\$ 72,845</u>	<u>\$ 21,931</u>

**HARDEN / PARKWAY COMMUNITY REDEVELOPMENT AGENCY
(A BLENDED COMPONENT UNIT OF POLK COUNTY, FLORIDA)
NOTE TO BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
SEPTEMBER 30, 2023**

NOTE 1 BUDGETARY INFORMATION

Budgets are prepared and adopted annually for the general fund in accordance with procedures and time intervals prescribed by Florida Statutes. Accordingly, the Polk County Board of County Commissioners adopted an annual budget for the general fund for the fiscal year ended September 30, 2023.

The annual budget serves as the legal authorization for expenditures. Expenditures cannot legally exceed the total amount budgeted for each account. All budget amendments, which change the legally adopted appropriations, are approved by the board, and may be amended at any CRA meeting prior to 60 days after the fiscal year-end. The level of control for appropriations is exercised at the account level. Appropriations lapse at year-end. Budgets are prepared using the same modified accrual basis as is used to account for actual transactions.



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

Board Members
Harden / Parkway Community Redevelopment Agency
Polk County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and the major fund of Harden / Parkway Community Redevelopment Agency (CRA), a component unit of Polk County, Florida as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the CRA's basic financial statements, and have issued our report thereon dated March 29, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the CRA'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 CRA's internal control. Accordingly, we do not express an opinion on the effectiveness of the CRA's internal control.

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

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

Board of Commissioners
Polk County Board of County Commissioners
Harden / Parkway Community Redevelopment Agency

Report on Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the CRA'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 CRA's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



CliftonLarsonAllen LLP

Lakeland, Florida
March 29, 2024



MANAGEMENT LETTER

Board Members
Harden / Parkway Community Redevelopment Agency
Bartow, Florida

Report on the Financial Statements

We have audited the financial statements of Harden / Parkway Community Redevelopment Agency (CRA), a component unit of Polk County, Florida, as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated March 29, 2024.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; 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 March 29, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Condition and Management

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

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

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

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*. The CRA has no component units.

Specific Information

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Harden/Parkway Community Redevelopment Agency reported:

- a. The total number of district employees compensated in the last pay period of the district's fiscal year was 0.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year was 0.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency was \$0.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency was \$0.
- e. Each construction project with a total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project \$0.
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, was \$21,931.

Board Members
Harden /Parkway Community Redevelopment Agency

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. Matters identified in our audit are reported in the Independent Accountants' Report on our testing of compliance with Sections 163.387(6) and (7), Florida Statutes.

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 CRA's Board of Directors and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.



CliftonLarsonAllen LLP

Lakeland, Florida
March 29, 2024



INDEPENDENT ACCOUNTANTS' REPORT

Board Members
Harden / Parkway Community Redevelopment Agency
and the Florida Auditor General
Polk County, Florida

We have examined the Harden / Parkway Community Redevelopment Agency (CRA) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds, and Sections 163.387(6) and (7), *Florida Statutes*, regarding community redevelopment agencies, during the year ended September 30, 2023. Management of the CRA is responsible for the CRA's compliance with the specified requirements. Our responsibility is to express an opinion on the CRA's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the CRA complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the CRA complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

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

In our opinion, the CRA complied, in all material respects, with Section 218.415, *Florida Statutes*, regarding the investments of public funds; and Sections 163.387(6) and (7), *Florida Statutes*, regarding community redevelopment agencies; during the year ended September 30, 2023.

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

CliftonLarsonAllen LLP

CliftonLarsonAllen LLP

Lakeland, Florida

March 29, 2024

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Board of County Commissioners
Polk County, Florida
Bartow, Florida

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Polk County, Florida (the County) as of and for the year ended September 30, 2023, and have issued our report thereon dated March 29, 2024. We have also audited the financial statements of Harden/Parkway Community Redevelopment Agency Fund and the Eloise Community Redevelopment Fund in the accompanying combining and individual fund financial statements as of and for the year ended September 30, 2023. We have previously communicated to you information about our responsibilities under auditing standards generally accepted in the United States of America, *Government Auditing Standards*, and Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), Chapter 10.550, *Local Government Entity Audits*, as well as certain information related to the planned scope and timing of our audit in our Engagement Letter dated August 10, 2023. Professional standards also require that we communicate to you the following information related to our audit.

Significant audit findings or issues

Qualitative aspects of accounting practices

Accounting policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Polk County Board of County Commissioners are described in Note 1 to the financial statements.

As described in Note 1 to the financial statements, the County changed accounting policies related to subscription-based information technology arrangements (SBITAs) by adopting Statement of Governmental Accounting Standards Board (GASB Statement) No. 96 *Subscription-Based Information Technology Arrangements*, in 2023.

We noted no transactions entered into by the entity during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Management's estimate of the useful life of capital assets is based on estimated lives of the underlying assets. We evaluated the key factors and assumptions used to develop the useful lives in determining that it is reasonable in relation to the financial statements taken as a whole.

- Management's estimate of the allowance for doubtful accounts is based on historical sales, historical loss levels, and an analysis of the collectability of individual accounts. We evaluated the key factors and assumptions used to develop the allowance in determining that it is reasonable in relation to the financial statements taken as a whole.
- Management's estimates of claims payable associated with the risk management self-insurance, medical benefits self-insurance, and workers' compensation self-insurance are based on actuarial valuations. We evaluated the key factors and assumptions used to develop these estimates of claims in determining that they are reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the OPEB liability is based on computations performed by outside specialists, including actuarial computations and assumptions that were relied upon to determine the OPEB liability. We evaluated the key factors and assumptions used to develop the OPEB liability in determining that it is reasonable in relation to the financial statements as a whole.
- Management's estimate of the liability for closure and post closure costs of the County's landfills are based on an engineering estimate of total capacity of the landfill and the estimated capacity used to date. We evaluated the key factors and assumptions used to develop these estimates of closure and post closure costs in determining that they are reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the net pension liability is based on computations performed by outside specialists, including actuarial computations and assumptions that were relied upon. We evaluated the key factors and assumptions used to develop the net pension liability in determining that it is reasonable in relation to the financial statements taken as a whole.

Financial statement disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

- The disclosure of pooled cash and investments in Note 3 to the financial statements which addresses the various risk categories required by GASBS No. 40, *Deposit and Investment Risk Disclosures* and the Fair Value Measurements required by GASBS No. 72, *Fair Value Measurements and Application*.
- The disclosure of closure and post-closure costs of the County's landfills in Note 11 to the financial statements which provide information regarding the estimate of these costs and the estimate of the related liability.
- The disclosure of claims liability in Note 10 and Note 11 to the financial statements which discloses the estimate of self-insurance and health self-insurance claims payable.
- The disclosure of defined benefit pension plans in Note 12 to the financial statements is significant because it discloses the County's net pension liability. This note is significant to the County and the employees who participate in the plans. The disclosure also provides the funding information of the plans along with other relevant information.

- The disclosure of Other Postemployment Benefits (OPEB) as described in the Note 13 to the financial statements and includes the actuarial assumptions, such as future employment, mortality, and healthcare cost trends, to determine the estimated net OPEB obligation at the end of the fiscal year.

Significant unusual transactions

We identified no significant unusual transactions.

Difficulties encountered in performing the audit

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

Uncorrected misstatements

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. Management did not identify and we did not notify them of any uncorrected financial statement misstatements.

Corrected misstatements

Management did not identify and we did not notify them of any financial statement misstatements detected as a result of audit procedures.

Disagreements with management

For purposes of this communication, a disagreement with management is a disagreement on a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. No such disagreements arose during our audit.

Circumstances that affect the form and content of the auditors' report

As previously communicated to you, the report was modified to include an emphasis of matter paragraph to highlight the change in accounting principle related to the adoption of the new accounting guidance for leases as follows:

Change in accounting principle

As discussed in Note 1 to the financial statements, effective October 1, 2022, the County adopted new accounting guidance for subscription-based information technology arrangements (SBITAs). The guidance requires SBITAs to recognize a right-to-use asset and corresponding liability for all SBITAs with terms greater than 12 months. Our opinion is not modified with respect to this matter.

Management representations

We have requested certain representations from management that are included in the attached management representation letter dated March 29, 2024.

Management consultations with other independent accountants

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

Significant issues discussed with management prior to engagement

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

Significant findings or issues that were discussed, or the subject of correspondence, with management

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year. We have provided a separate letter to you dated March 29, 2024, communicating internal control related matters identified during the audit.

Required supplementary information

With respect to the required supplementary information (RSI) accompanying the financial statements, we made certain inquiries of management about the methods of preparing the RSI, including whether the RSI has been measured and presented in accordance with prescribed guidelines, whether the methods of measurement and preparation have been changed from the prior period and the reasons for any such changes, and whether there were any significant assumptions or interpretations underlying the measurement or presentation of the RSI. We compared the RSI for consistency with management’s responses to the foregoing inquiries, the basic financial statements, and other knowledge obtained during the audit of the basic financial statements. Because these limited procedures do not provide sufficient evidence, we did not express an opinion or provide any assurance on the RSI.

Supplementary information in relation to the financial statements as a whole

With respect to the schedule of expenditures of federal awards (SEFA) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the SEFA to determine that the SEFA complies with the requirements of the Uniform Guidance and Chapter 10.550, the method of preparing it has not changed from the prior period or the reasons for such changes, and the SEFA is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the SEFA to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated March 29, 2024.

With respect to the combining and individual fund statements and schedules (with the exception of the Harden/Parkway Community Redevelopment Agency and the Eloise Community Redevelopment Agency) accompanying the financial statements, on which we were engaged to report in relation to the financial statements as a whole, we made certain inquiries of management and evaluated the form, content, and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America, the method of preparing it has not changed from the prior period or the reasons for such changes, and the information is appropriate and complete in relation to our audit of the financial statements. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements or to the financial statements themselves. We have issued our report thereon dated March 29, 2024.

Other information included in annual reports

Other information (financial or nonfinancial information other than the financial statements and our auditors' report thereon) is being included in your annual report and is comprised of the introductory, statistical sections, and other supplemental information section. Our responsibility for other information included in your annual report does not extend beyond the financial information identified in our opinion on the financial statements. We have no responsibility for determining whether such other information is properly stated and do not have an obligation to perform any procedures to corroborate other information contained in your annual report. We are required by professional standards to read the other information included in your annual report and consider whether a material inconsistency exists between the other information and the financial statements because the credibility of the financial statements and our auditors' report thereon may be undermined by material inconsistencies between the audited financial statements and other information. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report. Our auditors' report on the financial statements includes a separate section, "Other Information," which states we do not express an opinion or any form of assurance on the other information included in the annual report. We did not identify any material inconsistencies between the other information and the audited financial statements.

* * *

This communication is intended solely for the information and use of the board of commissioners and management of Polk County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.



CliftonLarsonAllen LLP

Lakeland, Florida
March 29, 2024

March 29, 2024

CliftonLarsonAllen LLP
402 South Kentucky Avenue, Suite 600
Lakeland, Florida 33801-5354

This representation letter is provided in connection with your audits of the financial statements of Polk County Board of County Commissioners, which comprise the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information as well as the Harden/Parkway Community Redevelopment Agency Fund and the Eloise Community Redevelopment Agency Fund as of September 30, 2023, and the respective changes in financial position and, where applicable, cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing opinions on whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Certain representations in this letter are described as being limited to misstatements that are material. Misstatements, including omissions, are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

We confirm, to the best of our knowledge and belief, as of March 29, 2024, the following representations made to you during your audit of the financial statements as of and for the year ended September 30, 2023.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement agreement dated August 10, 2023, for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP. The financial statements include all properly classified funds and other financial information of the primary government and all component units required by generally accepted accounting principles to be included in the financial reporting entity.
2. We acknowledge and have fulfilled our responsibility 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.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
4. We have identified all accounting estimates that could be material to the financial statements, including the key factors and significant assumptions used in making those estimates, and we believe the estimates (including those measured at fair value) and the significant assumptions used in making those accounting estimates are reasonable.

5. Significant estimates have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP. Significant estimates are estimates at the financial statement date that could change materially within the next year.
6. Related party relationships and transactions, including, but not limited to, revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
7. No events, including instances of noncompliance, have occurred subsequent to the financial statement date and through the date of this letter that would require adjustment to, or disclosure in, the financial statements or in the schedule of findings and questioned costs.
8. We have not identified or been notified of any uncorrected financial statement misstatements. You have proposed adjusting journal entries that have been posted to the entity's accounts, including adjusting journal entries to convert our cash basis records to the accrual basis. We have reviewed and approved those adjusting journal entries and understand the nature of the changes and their impact on the financial statements. We are in agreement with those adjustments and accept responsibility for them.
9. We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP, or which would affect federal award programs, and we have not consulted a lawyer concerning litigation, claims, or assessments.
10. Guarantees, whether written or oral, under which the entity is contingently liable, if any, have been properly recorded or disclosed in accordance with U.S. GAAP.
11. Receivables recorded in the financial statements represent valid claims against debtors for transactions arising on or before the financial statement date, and the carrying amounts of those receivables and related allowances are determined in accordance with U.S. GAAP.
12. The methods and significant assumptions used to determine fair values of financial instruments are as follows: The fair value of investments is based on either quoted market price or the best available estimate. The methods and significant assumptions used result in a measure of fair value appropriate for financial statement measurement and disclosure purposes.
13. We have analyzed all lease contracts and have considered and recorded material embedded leases contained within other contracts in accordance with U.S. GAAP.
14. We have implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, during the audit period. We have implemented the new accounting standard in accordance with the transition guidance prescribed in the standard. We have sufficient and appropriate documentation supporting all estimates and judgments underlying the amounts recorded and disclosed in the financial statements.

15. We have no plans or intentions that may materially affect the carrying value or classification of assets, liabilities, or equity.
16. Capital assets have been evaluated for impairment as a result of significant and unexpected decline in service utility. Impairment loss and insurance recoveries have been properly recorded.
17. We believe that the actuarial assumptions and methods used to measure pension and other postemployment benefits (OPEB) liabilities and costs for financial accounting purposes are appropriate in the circumstances.
18. We do not plan to make frequent amendments to our pension or other postretirement benefit plans.

Information Provided

1. We have provided you with:
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements such as records (including information obtained from within and outside of the general and subsidiary ledgers), documentation, and other matters.
 - b. Additional information that you have requested from us for the purpose of the audit.
 - c. Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.
 - d. Complete minutes of the meetings of the governing board and related committees, or summaries of actions of recent meetings for which minutes have not yet been prepared.
 - e. All communications from regulatory agencies, grantors, lenders, and other funding sources concerning noncompliance with, or deficiencies in, financial reporting practices.
 - f. All communications from regulatory agencies, grantors, lenders, and other funding sources concerning noncompliance with the provisions of laws, regulations, contracts, and grant agreements.
 - g. Access to all audit or relevant monitoring reports, if any, received from funding sources.
2. All transactions have been recorded in the accounting records and are reflected in the financial statements and the schedule of expenditures of federal awards.
3. We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
4. We have no knowledge of any fraud or suspected fraud that affects the entity and involves:
 - a. Management;

- b. Employees who have significant roles in internal control; or
 - c. Others when the fraud could have a material effect on the financial statements.
5. We have no knowledge of any allegations of fraud, or suspected fraud, affecting the entity's financial statements communicated by employees, former employees, grantors, regulators, or others.
 6. We have no knowledge of any instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, and grant agreements, or waste or abuse whose effects should be considered when preparing financial statements.
 7. We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
 8. There are no other material liabilities or gain or loss contingencies that are required to be accrued or disclosed in accordance with U.S. GAAP.
 9. There are no known related-party relationships or transactions which need to be accounted for or disclosed in accordance with U.S. GAAP.
 10. The entity has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets, nor has any asset been pledged as collateral, except as made known to you and disclosed in the financial statements.
 11. We have taken timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or waste or abuse that you have reported to us.
 12. We have a process to track the status of audit findings and recommendations.
 13. We have identified to you any previous audits, attestation engagements, and other studies related to the audit objectives and whether related recommendations have been implemented.
 14. We have provided our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.
 15. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to the County, including tax or debt limits and debt contracts; and we have identified and disclosed to you all laws, regulations, and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
 16. There are no violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for

disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.

17. The entity has complied with all aspects of contractual or grant agreements that would have a material effect on the financial statements in the event of noncompliance.
18. We have followed all applicable laws and regulations in adopting, approving, and amending budgets.
19. The financial statements include all component units as well as joint ventures with an equity interest, and properly disclose all other joint ventures, jointly governed organizations, and other related organizations.
20. The financial statements properly classify all funds and activities.
21. All funds that meet the quantitative criteria in GASB Statement Nos. 34 and 37 for presentation as major are identified and presented as such and all other funds that are presented as major are particularly important to financial statement users.
22. Components of net position (net investment in capital assets; restricted; and unrestricted) and equity amounts are properly classified and, if applicable, approved.
23. Investments, derivative instruments, and land and other real estate held by endowments are properly valued.
24. Provisions for uncollectible receivables have been properly identified and recorded.
25. Expenses have been appropriately classified in or allocated to functions and programs in the statement of activities, and allocations have been made on a reasonable basis.
26. Revenues are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal.
27. Interfund, internal, and intra-entity activity and balances have been appropriately classified and reported.
28. Deposits and investment securities and derivative instruments are properly classified as to risk and are properly valued and disclosed.
29. Capital assets, including infrastructure and intangible assets, are properly capitalized, reported, and, if applicable, depreciated.
30. We have appropriately disclosed the entity's policy regarding whether to first apply restricted or unrestricted resources when an expense is incurred for purposes for which both restricted and unrestricted net position is available and have determined that net position is properly recognized under the policy.

31. We acknowledge our responsibility for the required supplementary information (RSI). The RSI is measured and presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
32. We acknowledge our responsibility for presenting the Combining and Individual Fund Schedule and Statements (the supplementary information) in accordance with U.S. GAAP, and we believe the supplementary information, including its form and content, is fairly presented in accordance with U.S. GAAP. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information. If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditors' report thereon.
33. We acknowledge our responsibility for presenting the Harden/ Parkway CRA Schedule of Revenues, Expenses, and Changes in Net Position (the supplementary information) in accordance with U.S. GAAP, and we believe the supplementary information, including its form and content, is fairly presented in accordance with U.S. GAAP. The methods of measurement and presentation of the supplementary information have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information. If the supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date we issue the supplementary information and the auditors' report thereon.
34. We acknowledge our responsibility for the preparation of the other information included in our annual report, which is comprised of the Statistical, Introductory Sections and other supplemental schedules (other information). The other information is consistent with the financial statements and does not contain any material misstatements. With regard to the other information that has not been provided to you, the final version of the documents will be provided to you when available, and prior to issuance of the annual report by the entity, so that you can complete your required procedures. We agree to correct material inconsistencies that you may identify.
35. As part of your audit, you prepared the draft financial statements, related notes, supplementary information, and schedule of expenditures of federal awards. We have designated an individual who possesses suitable skill, knowledge, and/or experience to understand and oversee your services; have made all management judgments and decisions; and have assumed all management responsibilities. We have evaluated the adequacy and results of the service. We have reviewed, approved, and accepted responsibility for those financial statements, related notes, supplementary information, and schedule of expenditures of federal awards. We have also ensured that the entity's data and records are complete and received sufficient information to oversee the service.
36. We understand that as part of your audit, you prepared the adjusting journal entries relating to OPEB and Pension and accepted responsibility for them. We have designated an individual who possesses

suitable skill, knowledge, and/or experience to understand and oversee your services; have made all management judgements and results of the service. We have reviewed, approved, and accepted responsibility for those financial statements and related notes and schedule of expenditures of federal awards.. We have also ensured that the entity's data and records are complete and received sufficient information to oversee the service.

37. With respect to federal and state award programs:

- a. We are responsible for understanding and complying with, and have complied with the 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 Chapter 10.550, Rules of the Auditor General for Local Governmental Entity Audits (Chapter 10.550) including requirements relating to preparation of the schedule of expenditures of federal awards.
- b. We acknowledge our responsibility for presenting the schedule of expenditures of federal awards and state financial assistance (SEFA) and related notes in accordance with the requirements of the Uniform Guidance and Chapter 69I-5, Rules of the Florida Department of Financial Services, Florida Administrative Code, and we believe the SEFA, including its form and content, is fairly presented in accordance with the Uniform Guidance and Chapter 69I-5, Rules of the Florida Department of Financial Services, Florida Administrative Code. The methods of measurement and presentation of the SEFA have not changed from those used in the prior period, and we have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the SEFA.
- c. We have identified and disclosed to you all of our government programs, projects and related activities subject to the Uniform Guidance and Chapter 69I-5, Rules of the Florida Department of Financial Services, Florida Administrative Code compliance audit, and included in the SEFA expenditures made during the audit period for all awards provided by federal agencies and all assistance provided by state agencies in the form of federal awards, state financial assistance, federal cost-reimbursement contracts, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other direct assistance.
- d. We are responsible for understanding and complying with, and have complied with, the requirements of federal statutes, state statutes, regulations, and the terms and conditions of federal awards and state financial assistance related to each of our federal programs and state projects and have identified and disclosed to you the requirements of federal statutes, state statutes, regulations, and the terms and conditions of federal awards and state financial assistance that are considered to have a direct and material effect on each major program and project.
- e. We are responsible for establishing and maintaining, and have established and maintained, effective internal control over compliance for federal programs and state projects that provides reasonable assurance that we are managing our federal awards and state financial assistance in

compliance with federal statutes, state statutes, regulations, and the terms and conditions of federal awards and state financial assistance that could have a material effect on our federal programs and state projects. We believe the internal control system is adequate and is functioning as intended

- f. We have made available to you all federal awards and state financial assistance (including amendments, if any) and any other correspondence with federal agencies and state agencies or pass-through entities relevant to federal programs, state projects and related activities.
- g. We have received no requests from a federal agency or state agency to audit one or more specific programs as a major program.
- h. We have complied with the direct and material compliance requirements (except for noncompliance disclosed to you), including when applicable, those set forth in the *OMB Compliance Supplement*, relating to federal awards and have identified and disclosed to you all amounts questioned and all known noncompliance with the direct and material compliance requirements of federal awards.
- i. We have disclosed to you any communications from federal awarding agencies and pass-through entities concerning possible noncompliance with the direct and material compliance requirements, including communications received from the end of the period covered by the compliance audit to the date of the auditors' report.
- j. We have disclosed to you the findings received and related corrective actions taken for previous audits, attestation engagements, and internal or external monitoring that directly relate to the objectives of the compliance audit, including findings received and corrective actions taken from the end of the period covered by the compliance audit to the date of the auditors' report.
- k. Amounts claimed or used for matching were determined in accordance with relevant guidelines in OMB's Uniform Guidance (2 CFR part 200, subpart E) relating to federal awards and the requirements described in the Department of Financial Services' State Projects Compliance Supplement relating to state financial assistance.
- l. We have disclosed to you our interpretation of compliance requirements that may have varying interpretations.
- m. We have made available to you all documentation related to compliance with the direct and material compliance requirements, including information related to federal program financial reports and claims for advances and reimbursements.
- n. We have disclosed to you the nature of any subsequent events that provide additional evidence about conditions that existed at the end of the reporting period affecting noncompliance during the reporting period.
- o. There are no known instances of noncompliance with direct and material compliance requirements that occurred subsequent to the period covered by the auditors' report.

- p. We have disclosed to you whether any changes in internal control over compliance or other factors that might significantly affect internal control, including any corrective action we have taken regarding significant deficiencies and/or material weaknesses in internal control over compliance, have occurred subsequent to the period covered by the auditors' report.
- q. Federal program and state financial reports and claims for advances and reimbursements are supported by the books and records from which the basic financial statements have been prepared.
- r. The copies of federal program and state financial assistance financial reports provided to you are true copies of the reports submitted, or electronically transmitted, to the respective federal agency or pass-through entity, as applicable.
- s. We have monitored subrecipients, as necessary, to determine that they have expended subawards in compliance with federal statutes, state statutes, regulations, and the terms and conditions of the subaward and have met the other pass-through entity requirements of the Uniform Guidance.
- t. We have issued management decisions for audit findings that relate to federal awards made to subrecipients and such management decisions have been issued within six months of acceptance of the audit report by the Federal Audit Clearinghouse. Additionally, we have followed-up ensuring that the subrecipient has taken timely and appropriate action on all deficiencies detected through audits, on-site reviews, and other means that pertain to the federal award provided to the subrecipient.
- u. We have considered the results of subrecipient audits and have made any necessary adjustments to our books and records.
- v. We have charged costs to federal awards in accordance with applicable cost principles.
- w. We are responsible for and have accurately prepared the summary schedule of prior audit findings to include all findings required to be included by the Uniform Guidance and Chapter 10.550, and we have provided you with all information on the status of the follow-up on prior audit findings by federal and state awarding agencies and pass-through entities, including all management decisions.
- x. We are responsible for and have ensured the reporting package does not contain protected personally identifiable information.
- y. We are responsible for and have accurately prepared the auditee section of the Data Collection Form as required by the Uniform Guidance.
- z. We are responsible for taking corrective action on each audit finding of the compliance audit and have developed a corrective action plan that meets the requirements of the Uniform Guidance and Section 215.97, Florida Statutes.

- aa. We have disclosed to you all contracts or other agreements with service organizations, and we have disclosed to you all communications from the service organizations relating to noncompliance at the service organizations.

Examination Services

In connection with your examination of the County's compliance with Section 218.415, Florida Statutes, regarding investments; and Section 365.172(10) and 365.172(2)(d), Florida Statutes, regarding emergency communications number E911 system fund; ("the specified requirements") for the year ended September 30, 2023, for the purpose of expressing an opinion on The County's compliance with the specified requirements, we confirm, to the best of our knowledge and belief, the following representations made to you during your engagement.

1. The County complied with the specified requirements for the year ended September 30, 2023.
2. We are responsible compliance with the specified requirements and for our assertion that we have complied with the specified requirements for the year ended September 30, 2023.
3. We are responsible for establishing and maintaining effective internal control over compliance.
4. We have performed an evaluation of the entity's compliance with the specified requirements.
5. All relevant matters are reflected in the evaluation of the compliance with the specified requirements.
6. Florida Statutes specifies the criteria. We are responsible for determining that such criteria are appropriate for our purposes.
7. There have been no matters contradicting, or that may contradict, the investments, specified requirements, and emergency communications number E911 and we have disclosed to you all communications from regulatory agencies affecting the investments and emergency communications number E911.
8. There have been no communications from regulatory agencies, internal auditors, and other independent practitioners or consultants relating to the investments, specified requirements or the emergency communications number E911 including communications received between September 30, 2023, and March 29, 2024.
9. We have provided access and made available to you all information, records, and personnel that we believe are relevant to the County compliance with the specified requirements.
10. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud and noncompliance with laws or regulations relevant to the investments and emergency communications number E911.
11. We are not aware of any deficiencies in internal control relevant to the specified requirements.

- 12. We have no knowledge of any actual, suspected, or alleged fraud or noncompliance with laws or regulations affecting the specified requirements involving management, employees who have significant roles in internal control, or others where the fraud or noncompliance could have an effect on the County's compliance with the specified requirements, including any communications from employees, former employees, analysts, regulators, or others.
- 13. We have responded fully to all inquiries made to us by you during the engagement.
- 14. No events have occurred subsequent to September 30, 2023 that would have a material effect on the investments or emergency communications number E911.

Your report is intended solely for the information and use of management, those charged with governance, and the Auditor General, State of Florida and is not intended to be and should not be used by anyone other than those specified parties.

DocuSigned by:

 83F842D9A10B460...

Signature: _____ Title: Clerk of the Circuit Court
And Comptroller

DocuSigned by:

 565B50556F834E7...

Signature: _____ Title: County Manager

DocuSigned by:

 0216B9950FEC407...

Signature: _____ Title: Comptroller to Polk County
Board of County Commissioners