

**Monroe County Comprehensive
Plan Land Authority**
(A Component Unit of Monroe County, Florida)

Financial Report
September 30, 2023

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RSM US LLP

Independent Auditor's Report

Governing Board Monroe County Comprehensive Plan Land Authority
Monroe County, FL

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 Monroe County Comprehensive Plan Land Authority (the Authority), a component unit of Monroe County, Florida, as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and the major fund of the Authority, a component unit of Monroe County, Florida, 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 (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Authority and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 Authority's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events considered in the aggregate, that raise substantial doubt about the Authority's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also Issued our report dated March 28, 2024, on our consideration of the Authority's Internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of Internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Authority's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Authority's internal control over financial reporting and compliance.

RSM US LLP

Fort Lauderdale, Florida
March 28, 2024

**Monroe County Comprehensive Plan Land Authority
(A Comprehensive Unit of Monroe County, Florida)**

Management's Discussion and Analysis

As management of the Monroe County Comprehensive Plan Land Authority (the Authority), we offer readers of the Authority's financial statements this narrative overview and analysis of the Authority's financial activities for the fiscal year ended September 30, 2023.

Overview of the Financial Statements

This discussion and analysis serve as an Introduction and guide to the Authority's basic financial statements. The Authority's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. Following the notes is the required supplementary information. This section contains funding information about the Authority's pension plans.

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private-sector business.

The Statement of Net Position presents information on all of the Authority's assets, deferred outflows of resources, liabilities, and deferred Inflows of resources, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The Statement of Activities presents information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Compensated absences, depreciation expense, purchase of capital assets and pension related items do not use current financial resources and, therefore, are not reported as expenditures in the General Fund.

Fund Financial Statements. The General Fund is used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the General Fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. This information is useful in evaluating the Authority's ability to fund new acquisitions in the near-term.

Since the focus of the General Fund is narrower than that of the government-wide financial statements, it is useful to compare the information presented for the General Fund with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term Impact of the government's near-term financing decisions. Both the General Fund Balance Sheet and the General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance provide a reconciliation to facilitate this comparison between fund level and government-wide activities.

The Authority adopts an annual appropriated budget. A budgetary comparison statement has been provided to demonstrate compliance with this budget.

Notes to the Financial Statements. The notes contained in this report provide additional information that is essential to a full understanding of the data provided. The notes are an integral part of the basic financial statements.

Other Information. In addition to financial statements and accompanying notes, this report also presents supplementary information required by the Governmental Accounting Standards Board.

**Monroe County Comprehensive Plan Land Authority
(A Comprehensive Unit of Monroe County, Florida)**

Management's Discussion and Analysis

Government-Wide Financial Analysis

Statement of Net Position. In the Statement of Net Position, the Authority's assets total \$89,730,320 and include cash and investments, amounts due from other governments for tourist impact tax and park surcharge fees, mortgages receivable, deposits, capital assets in the form of acquired land, equipment, and intangible assets in the form of affordable housing restrictions. The mortgage receivables consist of ten long-term balloon loans issued for the acquisition of affordable housing sites as described in Note 3, three of which are forgivable.

Cash and investments are the assets typically of most importance to the Authority's Board of Directors and to the public, as these assets are the resources most readily available to meet current and future needs for property acquisition. The Authority's cash and investments total \$26,360,389. This amount compares with \$20,585,142 at the end of the previous fiscal year, an increase of \$5,775,247. This is largely due to the current year excess of revenues over expenditures. Approximately 61% of the Authority's assets consist of land and intangible assets acquired for specific public purposes, approximately 8% consist of mortgages and approximately 29% are categorized as cash and investments.

The Authority's current liabilities consist of accounts payable, accrued wages, and compensated absences (annual leave and sick leave) forecasted to be used during the upcoming year. The Authority's noncurrent liabilities consist of compensated absences that are forecasted not to be used during the upcoming year, as well as net pension and total other post-employment benefits (OPEB) liabilities. Total liabilities are \$1,302,095.

The Authority's resulting net position is categorized as net investment in capital assets, restricted specifically for the acquisition of land or the activities described in Section 380.0666, Florida Statutes (listed as restricted), and amounts which may be used for all purposes authorized by the Authority's enabling legislation (listed as unrestricted). The Authority's total net position is \$88,826,139, an increase of \$5,987,409 from prior year. Of this total, \$54,762,026 is invested in capital assets, \$12,550,316 is restricted, and \$21,513,797 is unrestricted.

The following table provides a condensed comparison of the Authority's Statement of Net Position at year-end for 2023 and 2022:

	2023	2022
Cash and investments	\$ 26,360,389	\$ 20,585,142
Other assets	8,607,905	8,843,496
Capital assets	54,762,026	54,045,870
Total assets	<u>89,730,320</u>	<u>83,474,508</u>
Deferred outflows of resources	<u>435,195</u>	<u>383,721</u>
Current liabilities	86,135	60,456
Noncurrent liabilities	1,215,960	906,205
Total liabilities	<u>1,302,095</u>	<u>966,661</u>
Deferred inflows of resources	<u>37,281</u>	<u>52,838</u>
Net Position:		
Investment in capital assets	54,762,026	54,045,870
Restricted	12,550,316	12,449,964
Unrestricted	21,513,797	16,342,896
Total Net Position	<u><u>\$ 88,826,139</u></u>	<u><u>\$ 82,838,730</u></u>

**Monroe County Comprehensive Plan Land Authority
(A Comprehensive Unit of Monroe County, Florida)**

Management's Discussion and Analysis

Statement of Activities. In the Statement of Activities, the Authority's revenues total \$13,976,127 and include intergovernmental revenue consisting of tourist impact tax and park surcharge fees and investment income consisting of interest on cash and investment accounts. Tourism impact tax represents a 1% tourist impact tax charged on short term rentals remitted back from the State of Florida Department of Revenue as a result of areas of critical state concern identified by the State of Florida within Monroe County. Park surcharge fees are fees that are remitted back from the State of Florida Department of Environmental Protection as a result of a surcharge for individuals attending state parks in identified areas of critical state concern within Monroe County, as enacted by Florida Statute 380.0685. The Authority's general revenues increased by \$3,651,149 compared to the prior year. The increases in revenue from 2022 to 2023 were due primarily to increased miscellaneous income from various land sales.

The program expenses in the Statement of Activities total \$7,988,718 and consist of amounts paid as a result of general government expenses and land purchases. The \$2,443,102 in general government expenses includes the Authority's personnel and operating expenses plus the amount by which compensated absences, pension and OPEB increased during the current year. Total program expenses for fiscal year 2023 compared to fiscal year 2022 increased by \$840,733 compared to the prior year.

The following table provides a condensed comparison of the Authority's governmental activities at year-end for 2023 and 2022:

	2023	2022
General revenues:		
Intergovernmental	\$ 8,395,062	\$ 9,438,516
Investment income	1,087,457	182,129
Miscellaneous income	4,490,558	684,032
Land contributions	3,050	20,301
Total general revenues	13,976,127	10,324,978
Program expenses:		
General government	2,443,102	5,609,911
Costs of land sold	5,071,658	889,826
Land contribution conveyances	473,958	648,248
Total program expenses	7,988,718	7,147,985
Increase in net position	5,987,409	3,176,993
Net Position, beginning of year	82,838,730	79,661,737
Net Position, end of year	\$ 88,826,139	\$ 82,838,730

**Monroe County Comprehensive Plan Land Authority
(A Comprehensive Unit of Monroe County, Florida)
Management's Discussion and Analysis**

Financial Analysis of the General Fund

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

The Authority's General Fund financial statements provide information on near-term inflows, outflows and balances of spendable resources. This information can be useful in assessing the Authority's ability to fund new acquisitions in the near-term.

Balance Sheet. The General Fund Balance Sheet lists the Authority's assets and liabilities in a manner similar to the government-wide Statement of Net Position. However, since the General Fund Balance Sheet is a fund-level presentation providing a near-term perspective, the assets section excludes the Authority's capital assets, the liability section excludes compensated absences and net pension and other postemployment benefits (OPEB) liabilities and deferred outflows, and inflows related to pensions and OPEB are excluded. Presented in this manner, the Authority's assets are \$34,968,294 and its liabilities are \$54,908.

This statement identifies \$34,913,386 of total fund balance. Of this total, \$7,419,025 is attributable to funds the Authority may receive in the future from the repayment of mortgage loans and is, therefore, classified as nonspendable; \$12,550,316 is attributable to funds restricted for land acquisition and is, therefore, classified as restricted; \$4,293,248 is attributable to funds assigned for reserves; and \$10,650,797 is attributable to funds which may be used for all purposes authorized by the Authority's enabling legislation and is, therefore, classified as unassigned. The Authority budgets its assigned for reserves fund balance based on contingency needs, end of year cash balance, and Rate of Growth Ordinance (ROGO) Administrative Relief.

Statement of Revenues, Expenditures and Changes in Fund Balance. The General Fund Statement of Revenues, Expenditures, and Changes in Fund Balance lists the Authority's revenues and expenditures in a manner similar to the government-wide Statement of Activities. However, in this format the expenditures include land purchases (as capital outlay) and excludes pension related items, and compensated absences. Presented in this manner, the Authority's revenues are \$13,973,077 and its expenditures are \$8,437,578.

General Fund Budgetary Highlights. The Authority budgets its revenues and expenditures on the same basis of accounting as presented in the basic financial statements of the General Fund, except that mortgage assistance cash outlays and receipts are budgeted as operating activities and compensated absences are not budgeted in personnel expenditures. There were no supplemental appropriations to amounts originally budgeted for fiscal year 2023.

As shown in the Budget and Actual schedule, the Authority operated within the limits established by its adopted budget. Actual revenues were more than the budgeted amount by \$3,398,402, while actual expenditures are \$22,500,985 less than budget. Most of the revenue surplus consists of an increase in intergovernmental revenue and interest income. The investment income of \$1,087,457 consists of interest. The majority of the expenditure surplus is due to fewer land acquisitions than budgeted. The schedule's positive expenditure variance includes budgeted reserves held for specific acquisition projects.

**Monroe County Comprehensive Plan Land Authority
(A Comprehensive Unit of Monroe County, Florida)
Management's Discussion and Analysis**

Capital Asset Administration

As shown in Note 4, the Authority's investment in capital assets amounts to \$54,762,026, an increase of \$716,156, compared to the prior year. The increase was the net result of land and intangible asset acquisitions less depreciation, conveyances, contributions, and write offs.

Long-Term Debt. The Authority's long-term debt consists of compensated absences, pension, and OPEB liabilities. During the year, the Authority's long-term debt increased by \$313,306, primarily due to an increase in the net pension liability.

Requests for Information

This financial report is designed to provide a general overview of the Authority's finances for all those with an interest in the government's finances. Questions concerning any of the information should be addressed to the Authority's Executive Director at 1200 Truman Avenue, Suite 207, Key West, FL 33040.

BASIC FINANCIAL STATEMENTS

**Monroe County Comprehensive Plan Land Authority
(A Component Unit of Monroe County, Florida)**

**Statement of Net Position
September 30, 2023**

Assets and Deferred Outflows of Resources

Assets:

Cash and investments	\$ 26,360,389
Due from BOCC	991,477
Due from state of Florida	17,903
Mortgages receivable, net of allowance	7,419,025
Deposits	179,500
Capital assets - Equipment, net of accumulated depreciation	13,466
Capital assets – land	39,048,754
Intangible assets	15,699,806
Total assets	<u>89,730,320</u>

Deferred outflows of resources:

Pension related items	424,269
Other postemployment benefits related items	10,926
Total deferred outflows	<u>435,195</u>

Liabilities, Deferred Inflows of Resource and Net Position

Current liabilities:

Accounts payable	12,504
Accrued wages	42,404
Compensated absences	31,227
Total current liabilities	<u>86,135</u>

Noncurrent liabilities:

Compensated absences	221,043
Net pension liability	929,746
Other postemployment benefits liability	65,171
Total noncurrent liabilities	<u>1,215,960</u>

Total liabilities

1,302,095

Deferred inflows of resources:

Pension related items	15,972
Other postemployment benefits related items	21,309
Total deferred inflows	<u>37,281</u>

Net position:

Net investment in capital assets	54,762,026
Restricted	12,550,316
Unrestricted	21,513,797
Total net position	<u>\$ 88,826,139</u>

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

**Monroe County Comprehensive Plan Land Authority
(A Component Unit of Monroe County, Florida)**

**Statement of Activities
Year Ended September 30, 2023**

General revenues:	
Intergovernmental	\$ 8,395,062
Investment income	1,087,457
Miscellaneous income	4,490,558
Land contributions	3,050
Total general revenues	<u>13,976,127</u>
Program expenses:	
General government	2,443,102
Cost of land sold	5,071,658
Land contribution conveyances	473,958
Total program expenses	<u>7,988,718</u>
Increase in net position	5,987,409
Net position, beginning of year	<u>82,838,730</u>
Net position, end of year	<u>\$ 88,826,139</u>

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

**Monroe County Comprehensive Plan Land Authority
(A Component Unit of Monroe County, Florida)**

**Balance Sheet – General Fund
September 30, 2023**

Assets	
Cash and investments	\$ 26,360,389
Due from BOCC	991,477
Due from state of Florida	17,903
Mortgages receivable, net of allowance	7,419,025
Deposits	179,500
Total assets	<u><u>\$ 34,968,294</u></u>
Liabilities and Fund Balance	
Liabilities:	
Accounts payable	\$ 12,504
Accrued wages	42,404
Total liabilities	<u><u>54,908</u></u>
Fund balance:	
Nonspendable, mortgage loans	7,419,025
Restricted, land acquisition	12,550,316
Assigned, reserves	4,293,248
Unassigned	10,650,797
Total fund balance	<u><u>34,913,386</u></u>
Total liabilities and fund balance	<u><u>\$ 34,968,294</u></u>
Amounts reported in the statement of net position differ from amounts reported above as follows:	
Fund balance – total governmental funds	\$ 34,913,386
Capital assets used in governmental activities are not financial resources and, therefore, are not reported above	54,762,026
Deferred outflows of resources related to pensions	424,269
Deferred outflows of resources related to other postemployment benefits	10,926
Compensated absences are not due and payable in the current period and, therefore, are not reported in the governmental funds	(252,270)
Net pension liability	(929,746)
Other postemployment benefits liability	(65,171)
Deferred inflows of resources related to pensions	(15,972)
Deferred inflows of resources related to other postemployment benefits	(21,309)
Net position of governmental activities	<u><u>\$ 88,826,139</u></u>

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

**Monroe County Comprehensive Plan Land Authority
(A Component Unit of Monroe County, Florida)**

**Statement of Revenues, Expenditures and Changes in Fund Balance – General Fund
Year Ended September 30, 2023**

Revenues:	
Intergovernmental	\$ 8,395,062
Miscellaneous income	4,490,558
Investment income	1,087,457
Total revenues	<u>13,973,077</u>
Expenditures:	
Current:	
Personnel	677,673
Operating	1,510,190
Capital outlay	6,262,235
Total expenditures	<u>8,450,098</u>
Excess of revenues over expenditures	5,522,979
Fund balance, beginning of year	29,390,407
Fund balance, end of year	<u>\$ 34,913,386</u>
Amounts reported for governmental activities in the statement of activities are different because:	
Net change in fund balance-total governmental fund	\$ 5,522,979
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is capitalized net of accumulated depreciation of \$3,513.	6,258,722
Land contributions, conveyances and sales are not reported in government funds; this is the amount of land conveyances, land contributions and land sold during the fiscal year 2023	(5,542,566)
Some expenses do not use current financial resources and, therefore, are not reported as expenditures in government funds:	
Compensated absences	(63,228)
Change in pension accounts	(188,949)
Change in other postemployment benefits accounts	451
Change in net position of governmental activities	<u>\$ 5,987,409</u>

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

**Monroe County Comprehensive Plan Land Authority
(A Component Unit of Monroe County, Florida)**

Notes to Financial Statements

Note 1. Nature of Organization and Significant Accounting Policies

Reporting Entity – The Monroe County Comprehensive Plan Land Authority (the Authority) is a legally separate entity from Monroe County, Florida (the County). However, the Monroe County Board of County Commissioners serves as the governing board of the Authority; therefore, for financial reporting purposes, the Authority is considered a component unit of Monroe County, Florida. The financial statements of the Authority are included as a discretely presented component unit in the Monroe County, Florida Annual Comprehensive Financial Report.

The Authority was established under Monroe County, Florida Ordinance 031-1986 pursuant to Florida Statute 380. Its purpose is to operate a land acquisition program in Monroe County, to implement the Monroe County Comprehensive Plan and address issues created by it.

Basis of Accounting – Government fund financial statements are organized for reporting purposes on the basis of a General Fund, the Authority’s major fund, which accounts for all activities of the Authority and is accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. “Measurable” means the amount of the transaction can be determined and available means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Authority considers all revenues available if collected within 60 days after year-end. Expenditures are recognized when the related fund liability is incurred.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows.

Budget – Prior to, or on September 30, the Authority’s budget is legally enacted through passage of a resolution. Budgeted to Actual Expenditure reports are employed as a management control device during the year for the fund. The budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America (U.S. GAAP), except that mortgage assistance cash outlays and receipts are budgeted as operating activities and compensation accruals are not budgeted. In addition, wages payable are recorded in the budget on a cash basis. For the fiscal year 2023, the following adjustments were necessary to present the actual data on a budgetary basis for the General Fund excess of revenues over expenditures:

U.S. GAAP basis - net change in fund balance	\$ 5,522,979
Compensation accrual difference	12,520
Non-U.S. GAAP budgetary basis - net change in fund balance	<u>\$ 5,535,499</u>

Capital Assets – Capital assets are defined by the Authority as land and those assets with an initial, individual cost of \$1,000 or more and an estimated useful life in excess of two years. Such assets consist of land and equipment which, when purchased, are recorded at the Authority’s cost. Where land was acquired by donation on or prior to September 30, 2010, the asset was recorded at the Authority’s transaction cost plus the higher of the tax assessed value at the time of donation or 115% of the 1986 tax assessed value. Where land was acquired by donation after September 30, 2010, the asset is recorded at estimated acquisition cost, derived from the Authority’s transaction cost plus the tax assessed value at the time of donation. Land is not depreciated since it does not have a determinable useful life. Equipment is depreciated using the straight-line method over the useful life of the equipment.

**Monroe County Comprehensive Plan Land Authority
(A Component Unit of Monroe County, Florida)**

Notes to Financial Statements

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

Deferred Outflows and Inflows of Resources – In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The Authority has several items that meet this criterion – pension and other postemployment benefits (OPEB) related deferrals and contributions made to the plans subsequent to the measurement date. The statement of financial position also reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as revenue until then. The Authority has several items that meet this criterion – pension and OPEB related deferrals.

Long-Term Obligations – In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities.

Compensated Absences – The Authority's policy grants employees annual leave and sick leave in varying amounts. Upon termination of employment, employees with six months or more of credited service can receive payment for accumulated annual leave. In general, sick leave payments are granted upon termination of employment to employees with five years or more of credited service. The maximum payment is subject to percentage and maximum hour limitations. The amount of vested accumulated compensated absences payable based on the Authority's annual and sick leave policies, is reported as a liability in the government-wide financial statements. That liability includes earned but unused vacation and sick leave. Vacation leave is accrued based on length of employment. Sick time is paid out based on length of employment up to one half of all accrued sick leave, with a maximum of 120 days with 15 or more years of service.

Net Position – Net position in the government-wide fund financial statements is classified as net investment in capital assets; restricted and unrestricted. Restricted net position represents constraints on resources that are either externally imposed by creditors, grantors, contributors or laws or regulations of other governments imposed by law through state statute.

Fund Balances – In the governmental fund financial statements, fund balance is composed of five classifications designated to disclose the hierarchy of constraints placed on how fund balance can be spent. The government fund types classify fund balances as follows:

Nonspendable – Include amounts that cannot be spent because they are either not in spendable form, or for legal or contractual reasons, must be kept intact. This classification includes inventories, prepaid amounts, assets held for sale, and long-term receivables.

Restricted – Constraints placed on the use of these resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or other governments; or are imposed by law (through constitutional provisions or enabling legislation).

Committed – Amounts that can only be used for specific purposes because of formal action (resolution or ordinance) by the government's highest level of decision-making authority.

**Monroe County Comprehensive Plan Land Authority
(A Component Unit of Monroe County, Florida)**

Notes to Financial Statements

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

Assigned – Amounts that are constrained by the Authority’s intent to be used for specific purposes, but do not meet the criteria to be classified as restricted or committed. Intent can be stipulated by the governing body, another body (such as a Finance Committee), or by the Executive Director to whom that authority has been given. With the exception of the General Fund, this is the residual fund balance classification for all governmental funds with positive balances.

Unassigned – This is the residual classification of the General Fund.

Cash and Investments – The Authority’s cash and investments consist of demand deposits and highly liquid investments with maturities of 90 days or less when purchased.

Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from estimates.

Subsequent Events – The Authority has evaluated subsequent events through March 28, 2024, in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued.

New Governmental Accounting Standards Board (GASB) pronouncements –The following are new accounting pronouncements that have been issued but are not yet effective:

GASB Statement No. 99, *Omnibus 2022*. The requirements of this statement are effective as follows:

The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.

The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged and is permitted by topic.

GASB Statement No. 100, *Accounting Changes and Error Corrections – an amendment of GASB Statement No. 62*. The primary objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. Effective Date: For fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

**Monroe County Comprehensive Plan Land Authority
(A Component Unit of Monroe County, Florida)**

Notes to Financial Statements

Note 1. Nature of Organization and Significant Accounting Policies (Continued)

GASB Statement No. 101, *Compensated Absences*. The objective of this statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. Effective Date: The requirements of this statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter.

GASB Statement No. 102, *Credit Risk Disclosures*. The state and local governments face a variety of risks that could negatively affect the level of service they provide or their ability to meet obligations as they come due. Although governments are required to disclose information about their exposure to some of those risks, essential information about other risks that are prevalent among state and local governments is not routinely disclosed because it is not explicitly required. The objective of this statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This statement defines a *concentration* as a lack of diversity related to an aspect of a significant inflow of resources or outflow of resources. A *constraint* is a limitation imposed on a government by an external party or by formal action of the government's highest level of decision-making authority. Concentrations and constraints may limit a government's ability to acquire resources or control spending. Effective Date: The requirements of this statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

Management is in the process of determining what impact, if any, implementation of the above statements may have on the financial statements of the Authority.

Note 2. Deposits and Investments

As of September 30, 2023, the Authority has the following deposits and investments:

Demand deposits	\$ 1,364,227
Local Governmental Surplus Trust Florida PRIME	24,996,162
Total deposits and investments	<u>\$ 26,360,389</u>

The Authority places its cash and investments on deposit with financial institutions in the United States. The Federal Deposit Insurance Corporation covers \$250,000 for substantially all depository accounts. The Authority, from time to time, may have amounts on deposit in excess of the insured limits and the remaining balances are insured 100% by the state of Florida collateral pool, a multiple-financial institution pool with the ability to assess its members for collateral shortfalls if a member institution fails. As of September 30, 2023, the demand deposits have a bank balance of \$1,375,332.

The Authority's investment policy is in accordance with Florida Statute 218.415. This policy authorizes investments in demand deposits, the Local Government Surplus Trust Fund, money market funds with the highest credit quality rating from a nationally recognized agency, or direct obligations of the United States Treasury.

As of September 30, 2023, the Authority had \$24,996,162 invested in the Local Government Surplus Trust Fund, all of which is invested in Florida PRIME. Florida PRIME is a qualifying external investment pool presented at amortized cost, which approximates fair value. There are no restrictions or limitations on withdrawals; however, Florida PRIME may, on the occurrence of an event that has a material impact on liquidity or operations, impose restrictions on withdrawals for up to 48 hours.

**Monroe County Comprehensive Plan Land Authority
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Notes to Financial Statements

Note 2. Deposits and Investments (Continued)

The Florida PRIME is rated by Standard & Poor's. The current rating is AAAm. The weighted average days to maturity (WAM) of the Florida PRIME at September 30, 2023, is 35 days. Next interest rate reset days for floating rate securities are used in the calculation of the WAM. The weighted average life (WAL) of Florida PRIME at September 30, 2023, is 75 days. The Florida PRIME was not exposed to any foreign currency risk during the period from October 1, 2022 through September 30, 2023. The Florida PRIME did not participate in any securities lending program in the period October 1, 2022 through September 30, 2023.

**Monroe County Comprehensive Plan Land Authority
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Notes to Financial Statements

Note 3. Mortgages Receivable

Mortgages receivable as of September 30, 2023, are as follows:

Second mortgage due from governmental agency, collateralized by land, payable in full November 2034, interest free (OR 1697-2076) and (as amended at OR 2442-1497).	\$ 1,500,000
Second mortgage due from governmental agency, collateralized by land, payable in full January 2034, interest free (OR 1965-1039).	2,210,000
First mortgage due from governmental agency, collateralized by land, payable in full September 2045, interest free (OR 1395-1409).	59,025
Third mortgage due from private company, collateralized by land, payable in full May 2050, interest free (OR 1749-2340).	1,089,000
Third mortgage due from private company, collateralized by land, payable in full September 2053, interest free (OR 1939-405).	1,500,000
Second mortgage due from governmental agency, collateralized by land, payable in full July 2040, interest free (OR 2475-1762).	836,000
Third mortgage due from governmental agency, collateralized by land, forgivable July 2040, interest free (OR 2475-1767).	800,000
Second mortgage due from governmental agency, collateralized by land, payable in full November 2041, interest free (OR 2541-877/884).	225,000
Third mortgage due from governmental agency, collateralized by land, forgivable November 2041, interest free (OR 2541-885/895).	550,000
First mortgage due from private company, collateralized by land and building, forgivable June 2027, interest free (OR 3177-673/677)	<u>400,000</u>
Total mortgages receivable	9,169,025
Allowance for forgivable mortgages receivable	<u>(1,750,000)</u>
Total mortgages receivables, net	<u><u>\$ 7,419,025</u></u>

The mortgages receivable are presented as nonspendable fund balance, which indicates they do not constitute "available spendable resources," even though they are a component of total assets.

**Monroe County Comprehensive Plan Land Authority
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Notes to Financial Statements

Note 4. Capital Assets

A summary of changes in capital assets is as follows:

	Balance September 30, 2022	Additions	Deductions	Balance September 30, 2023
Capital assets, not depreciated:				
Land	\$ 38,337,051	\$ 6,257,319	\$ (5,545,616)	\$ 39,048,754
Intangible assets	15,699,806	-	-	15,699,806
Total capital assets, not depreciated	<u>54,036,857</u>	<u>6,257,319</u>	<u>(5,545,616)</u>	<u>54,748,560</u>
Capital assets, depreciated:				
Equipment	23,486	7,966	(2,744)	28,708
Total capital assets, depreciated	<u>23,486</u>	<u>7,966</u>	<u>(2,744)</u>	<u>28,708</u>
Less accumulated	<u>(14,473)</u>	<u>(3,513)</u>	<u>2,744</u>	<u>(15,242)</u>
Total capital assets, depreciated, net	<u>9,013</u>	<u>4,453</u>	<u>-</u>	<u>13,466</u>
Total capital assets, net	<u>\$ 54,045,870</u>	<u>\$ 6,261,772</u>	<u>\$ (5,545,616)</u>	<u>\$ 54,762,026</u>

Monroe County provides the Authority's office space at no rental cost; however, the Authority pays for utilities. The intangible assets referenced in the above table consist of affordable housing restrictions that run in favor of the Authority.

Note 5. Long-Term Debt

The following is a summary of changes in the Authority's long-term obligations for the fiscal year ended September 30, 2023:

	October 1, 2022	Increases	Decreases	Balance September 30, 2023	Current Portion of Balance
Compensated absences	\$ 189,042	\$ 94,455	\$ (31,227)	\$ 252,270	\$ 31,227
Net pension liability	684,388	245,358	-	929,746	-
Total OPEB liability	60,451	4,720	-	65,171	-
	<u>\$ 933,881</u>	<u>\$ 344,533</u>	<u>\$ (31,227)</u>	<u>\$ 1,247,187</u>	<u>\$ 31,227</u>

**Monroe County Comprehensive Plan Land Authority
(A Component Unit of Monroe County, Florida)**

Notes to Financial Statements

Note 6. Other Postemployment Benefits (OPEB) Plan

General Information about the Other Postemployment Benefits:

Plan Description – The Authority participates in the single-employer, defined benefits healthcare plan (the Plan) administered by Monroe County, Florida, (the County). Section 112.0801, Florida Statutes, requires the Authority to provide retirees and their eligible dependents with the option to participate in the Plan if the Authority provides health insurance to its active employees and their eligible dependents. The Plan provides medical coverage, prescription drug benefits, and life insurance to both active and eligible retired employees. The Plan does not issue a publicly available financial report. No assets are accumulated in a trust that meets the criteria as set forth in GASB Statement No. 75 *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*.

The County may amend the Plan design, with changes to the benefits, premiums and/or levels of participant contribution at any time. In an open session, on at least an annual basis and prior to the annual enrollment process, the County approves the rates for the coming calendar year for the retiree and Authority contributions.

The Authority is responsible for funding all obligations and the following disclosures are based on the Authority's net OPEB obligation.

Benefits Provided – Employees who retire as active participants in the Plan and were hired on or after October 1, 2002, may continue to participate in the Plan by paying the monthly premium established annually by the County. Employees who retire as active participants in the Plan, were hired before October 1, 2002, have at least 10 years of full-time service with the Authority and meet the retirement criteria of the Florida Retirement System (FRS) but are not eligible for Medicare, may maintain group insurance benefits with the Authority following retirement, provided the retiring employee contributes the amounts as shown in the following table.

Plan Year	Contribution as Percentage of Annual Actuarial Rate (1)		
	Years of Service with Monroe County		
	25+	20-24	10-19
2022 and thereafter	HIS	25%	50%

(1) Participation in the Plan is at a cost equal to the FRS Health Insurance Subsidy (HIS) for 10 years of service (currently \$5 per month for each year of service credit at retirement with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month).

Retirees who have met the requirements for early retirement, have not achieved age 60, and whose age and years of service do not equal 70 (rule of 70), must pay the standard monthly premium until the age criteria or the rule of 70 is met. At that time, the retiree's cost of participation will be based on the preceding table. Surviving spouses and dependents of participating retirees may continue in the Plan if eligibility criteria specific to those classes are met.

**Monroe County Comprehensive Plan Land Authority
(A Component Unit of Monroe County, Florida)**

Notes to Financial Statements

Note 6. Other Postemployment Benefits (OPEB) Plan (Continued)

An employee who retires as an active participant in the Plan, was hired prior to October 1, 2001, has at least 10 years of full-time service with the Authority, meets the retirement criteria of the FRS, and is eligible for Medicare at the time of retirement or becomes eligible for Medicare following retirement, may maintain group health insurance benefits with the Authority following retirement, provided the retiring employee contributes the Actuarial Rate for Medicare retirees as determined by the actuarial firm engaged by the County, less a \$250 per month Authority subsidy. Alternatively, retirees meeting these criteria may elect to leave the Authority health plan and receive a \$250 per month payment from the Authority, payable for the lifetime of the retiree.

Employees Covered by Benefit Terms – Eligibility for postemployment participation in the Plan is limited to full-time employees of the Authority. At September 30, 2023, there were no terminated employees entitled to deferred benefits. The membership of the Authority’s medical plan as of the actuarial valuation date of 9/30/22 consisted of:

Active employees	3
Retirees and beneficiaries currently receiving benefit	-
Total memberships	3

Contributions – The County establishes, and may amend, the contribution requirements of Plan members. The required contribution is based on pay-as-you-go financing requirements, net of member contributions.

Total OPEB Liability:

The Authority’s total OPEB liability of \$65,171 was measured as of September 30, 2023 and was determined by an actuarial valuation as of September 30, 2022 that was rolled forward to September 30, 2023 by updating the discount rate from 4.02% to 4.06%, no other actuarial assumptions changed from FY 22 report.

Actuarial Methods and Assumptions – The valuation dated September 30, 2023, was prepared using generally accepted actuarial principles and practices, and relied on unaudited census data and medical claims data reported by the board.

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

**Monroe County Comprehensive Plan Land Authority
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Notes to Financial Statements

Note 6. Other Postemployment Benefits (OPEB) Plan (Continued)

Actuarial Cost Method	Entry Age Normal based on level of percentage of projected salary.
Inflation Rate	2.5% per annum
Salary Increase Rate	3.5% per annum
Discount Rate	4.02% per annum (Beginning of Year) 4.06% per annum (End of Year)
Source	Bond Buyer 20-Bond GO Index
Marriage Rate	The assumed percentage of eligible dependents was based on the current proportions of single and family contracts in the census provided.
Spouse Age	Spouse dates of birth were provided by the Authority. Where this information was missing, male spouses were assumed to be three years older than female spouses.
Medicare Eligibility	All current and future retirees were assumed to be eligible for Medicare at age 65.
Amortization Method	Experience/Assumptions gains and losses were amortized over a closed period of 11.3 years starting on October 1, 2019, equal to the average remaining service of active and inactive plan members (who have no future service).
Plan Participation Percentage	The assumptions for participation of eligible retirees in the Authority's postemployment benefit plan are: Retirees with 25+ Years of Service: 100% Retirees with 20-24 Years of Service: 75% Retirees with < 20 Years of Service: 50%

The actuarial assumptions include an annual healthcare cost trend rate of 7% initially, reduced by decrements of 0.25% to an ultimate rate of 4%. The assumptions included a discount rate tied to the return expected on the funds used to pay the benefits, and assumes for an unfunded plan, that the benefits continue to be funded on a pay-as-you-go basis.

Mortality rates were based on the Pub-2010 projected forward using the SOA scale MP-2021.

Expected retiree claim costs were developed using 24 months historical claim experience through July 2022.

**Monroe County Comprehensive Plan Land Authority
(A Component Unit of Monroe County, Florida)**

Notes to Financial Statements

Note 6. Other Postemployment Benefits (OPEB) Plan (Continued)

Changes in the Total OPEB Liability:

	<u>Total OPEB Liability</u>
Balance at the beginning of the year	\$ 55,273
Changes for the year:	
Service cost	2,923
Interest cost	2,538
Changes in assumptions or other inputs	4,901
Benefit payment	(464)
Net change in total OPEB liability	<u>9,898</u>
Balance at the end of the year	<u>\$ 65,171</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.06%) or 1-percentage-point higher (5.06%) than the current discount rate:

	1% Decrease 3.06%	Current Discount Rate 4.06%	1% Increase 5.06%
Total OPEB liability	\$ 74,000	\$ 65,171	\$ 59,000

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following presents the total OPEB liability of the Authority, as well as what the Authority's total OPEB liability would be if it were calculated using a healthcare cost trend rates that are one-percentage-point lower (5% decreasing to 4%) or one-percentage-point higher (7% decreasing to 6%) than the current healthcare cost trend rates:

	1% Decrease (5% Decreasing to 4%)	Current Trend (6% Decreasing to 5%)	1% Increase (7% Decreasing to 6%)
Total OPEB liability	\$ 64,000	\$ 65,171	\$ 67,000

**Monroe County Comprehensive Plan Land Authority
(A Component Unit of Monroe County, Florida)**

Notes to Financial Statements

Note 6. Other Postemployment Benefits (OPEB) Plan (Continued)

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

For the year ended September 30, 2023, the Authority recognized a credit to OPEB expense of \$451. At September 30, 2023, the Authority reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 4,015	\$ 13,192
Changes of assumptions or other inputs	6,911	8,117
	<u>\$ 10,926</u>	<u>\$ 21,309</u>

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

	<u>OPEB Amount</u>
Years ending June 30:	
2024	\$ (11,129)
2025	246
2026	180
2027	584
2028	(248)
Thereafter	(16)
	<u>\$ (10,383)</u>

Note 7. Florida Retirement System Retirement Plans

General Information – All of the Authority’s employees participate in the FRS. As provided by Chapters 121 and 112, Florida Statute, the FRS provides two cost-sharing, multiple-employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement including the FRS Pension Plan (Pension Plan), and the Retiree Health Insurance Subsidy (HIS Plan). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan (Investment Plan) alternative to the FRS Pension Plan, which is administered by the State Board of Administration (SBA). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the state of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries.

Benefits are established by Chapter 121, Florida Statute, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

**Monroe County Comprehensive Plan Land Authority
(A Component Unit of Monroe County, Florida)**

Notes to Financial Statements

Note 7. Florida Retirement System Retirement Plans (Continued)

The state of Florida annually issues a publicly available financial report that includes financial statements and required supplementary Information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the Web site: www.dms.myflorida.com/workforce/operations/retirement/publications.

Pension Plan:

Plan Description – The Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees.

Benefits Provided – Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits.

Special Risk Administrative Support class members who retire at or after age 55 with at least six years of credited service or 25 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least six years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service.

Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service.

Elected Officers class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% (3.33% for judges and justices) of their final average compensation based on the five highest years of salary for each year of credited service.

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credited service for all these members and increasing normal retirement to age 65 or 33 years of service regardless of age for Regular, Senior Management Service, and Elected Officers class members, and to age 60 or 30 years of service regardless of age for Special Risk and Special Risk Administrative Support class members. Also, the final average compensation for all these members will be based on the eight highest years of salary.

**Monroe County Comprehensive Plan Land Authority
(A Component Unit of Monroe County, Florida)**

Notes to Financial Statements

Note 7. Florida Retirement System Retirement Plans (Continued)

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the Pension Plan 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%. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with an FRS employer for a period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants.

Contributions – Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute 3% of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. 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-11.91% and 13.57%; Special Risk Administrative Support – 38.65% and 39.82%; Special Risk-27.83% and 32.67%; Senior Management Service-31.57% and 34.52%; Elected Officers-57.00% and 58.68%; and DROP participants – 18.60% and 21.13%. These employer contribution rates include 1.66% and 1.66% HIS Plan subsidy for the periods October 1, 2022, through June 30, 2023, and from July 1, 2023, through September 30, 2023, respectively.

The Authority's contributions to the Pension Plan totaled \$90,972 for the fiscal year ended September 30, 2023.

Pension Liability, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2023, the Authority reported a liability of \$753,529 for its proportionate share of the Pension 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 as determined by an actuarial valuation as of July 1, 2023. The Authority's proportionate share of the net pension liability was based on the Authority's fiscal year 2023 contributions relative to the fiscal year 2023 contributions of all participating members. At June 30, 2023, the Authority's proportionate share was .001891%, which was an increase of .000330% from its proportionate share measured as of June 30, 2022.

**Monroe County Comprehensive Plan Land Authority
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Notes to Financial Statements

Note 7. Florida Retirement System Retirement Plans (Continued)

For the fiscal year ended September 30, 2023, the Authority recognized pension expense of \$188,949. In addition, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 70,750	\$ -
Changes of assumptions	49,121	-
Net difference between projected and actual earnings on Pension Plan investments	31,469	-
Changes in proportion and differences between Authority Pension Plan contributions and proportionate share of contributions	216,145	-
Authority Pension Plan contributions subsequent to the measurement date	25,672	-
	\$ 393,157	\$ -

The deferred outflows of resources related to the Pension Plan, totaling \$25,672, resulting from Authority contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred Inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Years ending June 30:	
2023	\$ 82,841
2024	50,921
2025	178,633
2026	46,413
2027	8,677
Thereafter	-
	\$ 367,485

Actuarial Assumptions - The total pension liability in the June 30, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary Increases	3.25%, average, including inflation
Investment Rate of Return	6.70%, net of Pension Plan investment expense, including inflation

Mortality rates were based on the PUB2010, base table varies by member category and sex, projected generationally with Scale MP-2018 details in the valuation report. The actuarial assumptions used in the July 1, 2023, valuation were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

**Monroe County Comprehensive Plan Land Authority
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Notes to Financial Statements

Note 7. Florida Retirement System Retirement Plans (Continued)

The long-term expected rate of return on Pension Plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.9%	2.7%	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%
	100.0%			
Assumed inflation - Mean			2.4%	1.4%

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

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

1% Decrease 5.70%	Current Discount Rate 6.70%	1% Increase 7.70%
\$ 1,287,181	\$ 753,529	\$ 307,065

Pension Plan Fiduciary Net Position – Detailed information regarding the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report.

**Monroe County Comprehensive Plan Land Authority
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Notes to Financial Statements

Note 7. Florida Retirement System Retirement Plans (Continued)

HIS Plan:

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

Benefits Provided – For the fiscal year ended September 30, 2023, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month. To be eligible to receive these benefits, 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 September 30, 2023, the HIS contribution for the period October 1, 2022 through September 30, 2023, was 1.57%. The Authority 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 legislative appropriation or available funds fall to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The Authority's contributions to the HIS Plan totaled \$7,299 for the fiscal year ended September 30, 2023.

Pension Liability Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2023, the Authority reported a liability of \$176,217 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. The Authority's proportionate share of the net pension liability was based on the Authority's 2023 fiscal year contributions relative to the 2023 fiscal year contributions of all participating members. At June 30, 2023, the Authority's proportionate share was .001110%, which was an increase of .000132% from its proportionate share measured as of June 30, 2022.

**Monroe County Comprehensive Plan Land Authority
(A Component Unit of Monroe County, Florida)**

Notes to Financial Statements

Note 7. Florida Retirement System Retirement Plans (Continued)

For the fiscal year ended September 30, 2023, the Authority recognized pension expense of \$3,648. In addition, the Authority reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 2,580	\$ 414
Changes of assumptions	4,633	15,270
Net difference between projected and actual earnings on Pension Plan investments	90	-
Changes in proportion and differences between Authority Pension Plan contributions and proportionate share of contributions	21,434	288
Authority Pension Plan contributions subsequent to the measurement date	2,375	-
	<u>\$ 31,112</u>	<u>\$ 15,972</u>

The deferred outflows of resources related to the HIS Plan, totaling \$2,375, resulting from Authority contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2024.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Years ending June 30:	
2024	\$ 5,268
2025	5,062
2026	3,600
2027	55
2028	(958)
Thereafter	(262)
	<u>\$ 12,765</u>

Actuarial Assumptions – The total pension liability in the July 1, 2022, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary increases	3.25% average, including inflation
Municipal bond rate	3.65%

The actuarial assumptions used in the July 1, 2022, valuation were based on the results of an actuarial experience study for the period July 1, 2013, through June 30, 2018. The municipal rate used to determine total pension liability increased from 3.54% to 3.65%.

**Monroe County Comprehensive Plan Land Authority
(A Component Unit of Monroe County, Florida)**

Notes to Financial Statements

Note 7. Florida Retirement System Retirement Plans (Continued)

Discount Rate – The discount rate used to measure the total pension liability was 3.65%. 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.

Sensitivity of the Authority’s Proportionate Share of the Net Position Liability to Changes in the Discount Rate – The following represents the Authority’s proportionate share of the HIS net pension liability calculated using the discount rate of 3.65%, as well as what the Authority’s proportionate share of the HIS net pension liability would be if it were calculated using a discount rate that is one-percentage-point lower (2.65%) or one-percentage-point higher (4.65%) than the current rate:

1% Decrease 2.65%	Current Discount Rate 3.65%	1% Increase 4.65%
\$ 201,036	\$ 176,217	\$ 155,643

HIS Plan Fiduciary Net Position - Detailed information regarding the HIS Plan’s fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Annual Comprehensive Financial Report.

Investment Plan:

The SBA administers the defined contribution plan officially titled the FRS 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. Authority 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 Authority Officers, etc.) as the Pension 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 Investment 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 the periods October 1, 2022 through September 30, 2023. Allocations to the investment member’s accounts for the periods from October 1, 2022 through June 30, 2023 and from July 1, 2023 through September 30, 2023, respectively, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows: Regular class 9.30% and 11.30%; Special Risk Administrative Support class 10.95% and 12.95%; Special Risk class 17.00% and 19.00%; Senior Management Service class 10.67% and 12.67% and Authority Elected Officers class 14.34% and 16.34%.

**Monroe County Comprehensive Plan Land Authority
(A Component Unit of Monroe County, Florida)**

Notes to Financial Statements

Note 7. Florida Retirement System Retirement Plans (Continued)

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

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 Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the Pension Plan or remain in the Investment Plan and rely upon that account balance for retirement income.

The Authority's Investment Plan pension expense totaled \$0 for the fiscal year ended September 30, 2023.

Note 8. Fund Balance

As a general rule, the Executive Director will select the most restricted resource permissible and available to fund a given activity. This practice will generally track the following hierarchy: miscellaneous funds consisting of grants restricted for specific purposes, State Park and Tourist Impact Tax funds, and lastly unrestricted sources such as interest income and unrestricted miscellaneous funds. In terms of fund balance classification, expenditures are generally to be spent from restricted fund balance first, followed in order by committed fund balance, assigned fund balance, and lastly unassigned fund balance as applicable. The Executive Director has the authority to deviate from this practice if it is in the best interest of the Authority.

The following schedule provides management and citizens with information on the position of the General Fund balance that is available for appropriation.

Total fund balance – General Fund	\$ 34,913,386
Less:	
Nonspendable, mortgage loans	7,419,025
Restricted for land acquisition and affordable housing	12,550,316
Assigned for reserves	4,293,248
Unassigned fund balance	<u>\$ 10,650,797</u>

**Monroe County Comprehensive Plan Land Authority
(A Component Unit of Monroe County, Florida)**

Notes to Financial Statements

Note 9. Risk Management

The Authority is exposed to various risks of loss related to tort; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Authority participates in the coverage provided by the County for Workers' Compensation, Group Insurance, and Risk Management internal service funds. Under these programs, workers' compensation provides \$500,000 coverage per claim for regular employees. Workers' compensation claims in excess of the self-insured coverage are covered by an excess insurance policy. Risk management has a \$5,000,000 excess insurance policy for general liability claims with a \$200,000 self-insured retention and building property damage is covered for the actual value of the buildings with a deductible of \$50,000. Deductibles for windstorm and flood vary by location. The County purchases commercial insurance for claims in excess of coverage provided by the funds and for all other risks of loss. Settled claims have not exceeded this commercial coverage in any of the past three years. The Authority makes payments to the Workers' Compensation, Group Insurance, and Risk Management Funds based on estimates of the amounts needed to pay prior and current year claims.

Note 10. Commitments

The Authority had \$1,084,782 of commitments to acquire various properties as of September 30, 2023.

REQUIRED SUPPLEMENTARY INFORMATION

**Monroe County Comprehensive Plan Land Authority
(A Component Unit of Monroe County, Florida)**

**Schedule of Changes in the Authority's Total OPEB Liability and Related Ratios
Last Ten Fiscal Years***

	2023	2022	2021	2020	2019	2018
Total OPEB liability:						
Service cost	\$ 2,923	\$ 3,577	\$ 3,461	\$ 4,845	\$ 3,658	\$ 3,511
Interest	2,538	1,239	1,166	2,759	3,577	6,887
Differences between expected and actual experience	4,901	5,868	-	(65,958)	-	(84,685)
Changes in assumptions or other inputs	-	(9,411)	329	9,083	11,167	(3,632)
Benefit payments	(464)	-	(486)	(125)	(2,802)	-
Net change in total OPEB liability	\$ 9,898	\$ 1,273	\$ 4,470	\$ (49,396)	\$ 15,600	\$ (77,919)
Total OPEB liability – beginning of year	\$ 55,273	\$ 54,000	\$ 49,530	\$ 98,926	\$ 83,326	\$ 161,245
Total OPEB liability – end of year	\$ 65,171	\$ 55,273	\$ 54,000	\$ 49,530	\$ 98,926	\$ 83,326
Covered-employee payroll:	\$ 410,000	\$ 397,669	\$ 314,000	\$ 305,163	\$ 263,000	\$ 253,896
Total OPEB liability as a percentage of covered-employee payroll	16%	14%	17%	16%	38%	33%

Notes to Schedule:

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Effective January 1, 2018, the Authority implemented cost-saving benefit changes for its other postemployment benefit plan. These included premium rates that are calculated based on expected retiree costs for Medicare retirees and lower premium subsidies for eligible retirees.

Changes include updating the mortality to be a generational table with updated projection scales as published by the Society of Actuaries, an interest rate using 20-year bond rates and a change in Actuarial Cost methodology to the Entry Age Normal method. The discount rate was updated in the current year from 4.02% to 4.06%.

This schedule should present information for the last 10 years. However, until a full 10 years of information can be compiled, information will be presented for years available.

Monroe County Comprehensive Plan Land Authority
(A Component Unit of Monroe County, Florida)

Required Supplementary Information
Last Ten Fiscal Years

Schedule of the Authority's Proportionate Share of Net Pension Plan Liability
Florida Retirement System Pension Plan

	Year Ended June 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Authority's proportion of the net pension liability	0.001891%	0.001561%	0.000881%	0.000796%	0.000773%	0.000620%	0.000609%	0.000473%	0.000454%	0.000455%
Authority's proportionate share of the net position liability	\$ 753,529	\$ 580,810	\$ 66,539	\$ 345,140	\$ 287,870	\$ 284,720	\$ 273,194	\$ 207,490	\$ 186,661	\$ 180,758
Authority's covered payroll	\$ 439,525	\$ 356,389	\$ 316,900	\$ 300,603	\$ 287,870	\$ 284,720	\$ 273,194	\$ 207,490	\$ 186,661	\$ 180,758
Authority's proportionate share of the net position liability as a percentage of its covered payroll	58.33%	61.36%	21.00%	114.82%	92.50%	65.54%	65.91%	57.58%	31.40%	15.37%
Plan fiduciary net position as a percentage of the total pension liability	82.38%	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%

Schedule of the Authority's Contributions to the Florida Retirement System Pension Plan

	Year Ended September 30,									
	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	\$ 90,972	\$ 66,610	\$ 33,882	\$ 28,221	\$ 25,151	\$ 18,759	\$ 16,323	\$ 12,914	\$ 11,462	\$ 9,002
Contributions in relation to the contractually required contribution	90,972	66,610	33,882	28,221	25,151	18,759	16,323	12,914	11,462	9,002
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Authority's covered payroll	\$ 464,566	\$ 370,115	\$ 314,669	\$ 303,763	\$ 294,194	\$ 282,358	\$ 276,221	\$ 227,265	\$ 193,209	\$ 182,750
Contributions as a percentage of covered payroll	19.58%	18.00%	10.77%	9.29%	8.55%	6.64%	5.91%	5.68%	5.93%	4.93%

Note: Information is presented as required by GASB 68.

Monroe County Comprehensive Plan Land Authority
(A Component Unit of Monroe County, Florida)

Required Supplementary Information
Last Ten Fiscal Years

Schedule of the Authority's Proportionate Share of Net Pension Plan Liability
Health Insurance Subsidy Plan

	Year Ended June 30,									
	2023	2022	2021	2020	2019	2019	2017	2016	2015	2014
Authority's proportion of the net pension liability	0.001110%	0.000978%	0.000896%	0.000869%	0.000875%	0.000872%	0.000857%	0.000672%	0.000600%	0.000607%
Authority's proportionate share of the net position liability	\$ 176,217	\$ 103,578	\$ 109,872	\$ 106,069	\$ 97,882	\$ 92,265	\$ 91,644	\$ 78,333	\$ 61,262	\$ 56,796
Authority's covered payroll	\$ 439,525	\$ 356,389	\$ 316,900	\$ 300,603	\$ 287,870	\$ 284,720	\$ 273,194	\$ 207,490	\$ 186,661	\$ 180,758
Authority's proportionate share of the net position liability as a percentage of its covered payroll	40.09%	29.06%	34.67%	35.29%	34.00%	32.41%	33.55%	37.75%	32.82%	31.42%
Plan fiduciary net position as a percentage of the total pension liability	4.12%	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%

Schedule of the Authority's Contributions to the Health Insurance Subsidy Plan

	Year Ended September 30,									
	2023	2022	2021	2020	2019	2019	2017	2016	2015	2014
Contractually required contribution	\$ 7,299	\$ 5,917	\$ 5,228	\$ 5,058	\$ 4,885	\$ 4,766	\$ 4,586	\$ 3,774	\$ 2,643	\$ 2,097
Contributions in relation to the contractually required contribution	7,299	5,917	5,228	5,058	4,885	4,766	4,586	3,774	2,643	2,097
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Authority's covered payroll	\$ 464,566	\$ 370,115	\$ 314,669	\$ 303,763	\$ 294,194	\$ 282,358	\$ 276,221	\$ 227,265	\$ 193,209	\$ 182,750
Contributions as a percentage of covered payroll	1.57%	1.60%	1.66%	1.67%	1.66%	1.69%	1.66%	1.66%	1.37%	1.15%

*Data was unavailable prior to 2014.

Note: Information is presented as required by GASB 68.

**Monroe County Comprehensive Plan Land Authority
(A Component Unit of Monroe County, Florida)**

**Required Supplementary Information (Unaudited)
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual – General Fund (Budgetary Basis)
Year Ended September 30, 2023**

	Budget		Actual	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental	\$ 6,068,675	\$ 6,068,675	\$ 8,395,062	\$ 2,326,387
Miscellaneous income	4,481,000	4,481,000	4,490,558	9,558
Investment income	25,000	25,000	1,087,457	1,062,457
Total revenues	<u>10,574,675</u>	<u>10,574,675</u>	<u>13,973,077</u>	<u>3,398,402</u>
Expenditures:				
Personnel	807,100	807,100	665,153	141,947
Operating	171,100	1,575,089	1,510,190	64,899
Capital outlay	29,960,363	28,556,374	6,262,235	22,294,139
Total expenditures	<u>30,938,563</u>	<u>30,938,563</u>	<u>8,437,578</u>	<u>22,500,985</u>
Excess (deficiency) of revenues over (under) expenditures	(20,363,888)	(20,363,888)	5,535,499	25,899,387
Fund balance, beginning of year	22,001,266	22,001,266	22,001,266	-
Fund balance, end of year	<u>\$ 1,637,378</u>	<u>\$ 1,637,378</u>	<u>27,536,765</u>	<u>\$ 25,899,387</u>
Reconciliation of budgetary to full accrual basis:				
Reconciling items:				
Mortgages receivables			7,419,025	
Compensation accrual			(42,404)	
Fund balance, end of year (full accrual)			<u>\$ 34,913,386</u>	

OTHER REPORTS

**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***

Governing Board Monroe County Comprehensive Plan Land Authority
Monroe County, FL

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 (*Government Auditing Standards*), the financial statements of the governmental activities and the major fund of the Monroe County Comprehensive Plan Land Authority (the Authority), a component unit of Monroe County, Florida, as of and for the year ended September 30, 2023, and the related notes to the financial statements, and have issued our report thereon dated March 28, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Authority'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 Authority's internal control. Accordingly, we do not express an opinion on the effectiveness of the Authority's internal control.

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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 Authority's financial statements are free of 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.

RSM US LLP

Fort Lauderdale, Florida
March 28, 2024

**Monroe County, Florida
Comprehensive Plan Land Authority
(A Component Unit of Monroe County, Florida)**

Summary Schedule of Prior Year Findings

Status of Prior Year Audit Finding

- **Prior Year Finding**
IC 2022-001 Mortgage Receivables

- **Current Year Status**
Corrected

**Management Letter in Accordance with
Chapter 10.550, Rules of the Auditor General of the State of Florida**

Governing Board Monroe County Comprehensive Plan Land Authority
Monroe County, Florida

Report on the Financial Statements

We have audited the financial statements of the Monroe County Comprehensive Plan Land Authority (the Authority), a component unit of Monroe County, Florida, as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated March 28, 2024.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent 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* and our 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 28, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

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 Authority 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 Authority 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 Authority. It is management's responsibility to monitor the Authority'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.

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 Authority reported (unaudited):

- a. The total number of Authority employees compensated in the last pay period of the Authority's fiscal year was 4.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the Authority's fiscal year was 10.
- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency was \$478,069.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency was \$97,555.
- e. There is no construction project with a total cost of at least \$65,000 approved by the Authority that is scheduled to begin on or after October 1 of the fiscal year being reported.
- 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 Authority amends a final adopted budget under Section 189.016(6), Florida Statutes. This is disclosed as required supplementary information in the Authority's September 30, 2023 financial statements.

Additional Matters

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

Purpose of this Letter

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

RSM US LLP

Fort Lauderdale, Florida
March 28, 2024



RSM US LLP

**Independent Accountant's Report on Compliance
With Section 218.415, Florida Statutes**

Governing Board Monroe County Comprehensive Plan Land Authority
Monroe County, Florida

We have examined the Monroe County Comprehensive Plan Land Authority's (the Authority), a component unit of Monroe County, Florida, compliance with Section 218.415, *Florida Statutes* (the specified requirements), during the period of October 1, 2022 to September 30, 2023. Management of the Authority is responsible for the Authority's compliance with the specified requirements. Our responsibility is to express an opinion on the Authority'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 Authority complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Authority 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.

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

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

In our opinion, the Authority complied, in all material respects, with the specified requirements, during the period of October 1, 2022 to September 30, 2023.

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

RSM US LLP

Fort Lauderdale, Florida
March 28, 2024