

CHARLOTTE COUNTY  
TAX COLLECTOR

SEPTEMBER 30, 2024

FINANCIAL STATEMENTS  
TOGETHER WITH REPORTS OF INDEPENDENT AUDITORS

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## **Independent Auditor's Report**

Honorable Vickie L. Potts  
Tax Collector  
Charlotte County, Florida

### **Report on the Financial Statements**

We have audited the accompanying financial statements of each major fund, the aggregate remaining fund information, and the fiduciary fund of the Charlotte County, Florida Tax Collector (the "Tax Collector"), as of and the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Tax Collector's special purpose financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund, the aggregate remaining fund information of Tax Collector, as of September 30, 2024, and for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis of Opinions**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Tax Collector, 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 these 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 Tax Collector's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Tax Collector'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 Tax Collector'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 general fund budgetary comparison information, as listed in the table of contents, be presented to supplement the financial statements. Such information, although not a required part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the 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.

## **Emphasis of Matter**

### *Basis of Presentation*

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the "Rules"). In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the major funds, and the aggregate remaining fund information, only for that portion of each major funds and the aggregate remaining fund information, of Charlotte County that is attributable to the Tax Collector. They do not purport to, and do not, present fairly the financial position of Charlotte County as of September 30, 2024, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to these matters.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards* , we have also issued our report dated March 13, 2025, on our consideration of the Tax Collector's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts, and grant agreements and other matters under the heading INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF THE FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tax Collector's internal control over financial reporting and compliance.

*Ashley Brown & Smith, CPAs*

Punta Gorda, Florida  
March 13, 2025

CHARLOTTE COUNTY, FLORIDA  
TAX COLLECTOR  
BALANCE SHEET  
GOVERNMENTAL FUND  
SEPTEMBER 30, 2024

Assets	<u>General</u>
Cash and cash equivalents	\$ 4,747,171
Due from other governmental agencies	2,605
Prepaid expenses	15,771
Other assets	3,023
Total assets	<u>\$ 4,768,570</u>
Liabilities	
Accounts and vouchers payable	\$ 44,096
Accrued liabilities	102,896
Due to other constitutional officers	
Board of County Commissioners	4,139,561
Due to other governmental agencies	482,017
Total liabilities	<u>\$ 4,768,570</u>

See accompanying notes.

CHARLOTTE COUNTY, FLORIDA  
TAX COLLECTOR  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE  
GOVERNMENTAL FUND  
For the Fiscal Year Ended September 30, 2024

	<u>General</u>
Revenues:	
Charges for services	\$ 13,084,372
Miscellaneous	165,114
Total revenues	<u>13,249,486</u>
Expenditures:	
Current	
General government	10,287,804
Total expenditures	<u>10,287,804</u>
Excess of revenues over expenditures	<u>2,961,682</u>
Other financing sources (uses):	
Issuance of agreements	86,291
Transfers out	(3,047,973)
Total other financing sources (uses)	<u>(2,961,682)</u>
Excess of revenues and other sources over/(under) expenditures and other uses	-
Fund balance, October 1, 2023	-
Fund balance, September 30, 2024	<u>\$ -</u>

See accompanying notes.

CHARLOTTE COUNTY, FLORIDA  
TAX COLLECTOR  
STATEMENT OF CUSTODIAL FUNDS NET POSITION  
SEPTEMBER 30, 2024

Assets	Custodial Funds
Cash and cash equivalents	\$ 10,483,026
Due from other governments	16,790
Due from individuals	7,196
Total assets	<u>10,507,012</u>
Liabilities	
Due to other constitutional officers:	
Board of County Commissioners	\$ 528,856
Total due to other constitutional officers	<u>528,856</u>
Due to other governments	340,961
Due to individuals	1,002,996
Deposits	8,629,921
Total liabilities	<u>10,502,734</u>
Net position	
Restricted for:	
Individuals, organizations and other governments	<u>\$ 4,278</u>

See accompanying notes.



CHARLOTTE COUNTY, FLORIDA  
TAX COLLECTOR  
STATEMENT OF CHANGES IN CUSTODIAL FUNDS NET POSITION  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

	Custodial Funds
Additions:	
Property taxes and fees collected	\$ 620,358,500
Licenses and tag fees collected	31,247,209
Tourist development fees collected	9,131,951
Employee contributions to charities collected	7,613
Total additions:	<u>660,745,273</u>
 Deductions:	
Property taxes and fees collected	620,358,500
Licenses and tag fees collected	31,247,209
Tourist development fees collected	9,131,951
Employee contributions to charities collected	8,447
Total deductions:	<u>660,746,107</u>
 Change in Net Position	 (834)
 Net Position, beginning	 <u>5,112</u>
Net Position, ending	<u><u>\$ 4,278</u></u>

See accompanying notes.

CHARLOTTE COUNTY, FLORIDA  
TAX COLLECTOR  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2024

**Note 1. Summary of Significant Accounting Policies**

The following is a summary of the more significant accounting principles and policies:

(a) Defining the Governmental Reporting Entity

The Tax Collector, as an elected constitutional officer, was established by the Constitution of the State of Florida, Article VIII, Section 1(d). As such, the Tax Collector's special purpose financial statements are included in the government wide financial statements of Charlotte County, the primary government. A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable. Based on the criteria established by Statement of Governmental Accounting Standards Board Number 14, "Financial Reporting Entity", there are no component units included in the Tax Collector's financial statements.

(b) Fund Accounting

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

The following funds are used by the Tax Collector:

General Fund – The General Fund is used to account for all revenues and expenditures applicable to the general operations of the Tax Collector, which are not properly accounted for in another fund. All operating revenues, which are not specifically restricted or designated as to use, are recorded in the General Fund. Excess revenues at the end of the year, due back to the Board of County Commissioners, are shown as operating transfers out.

Custodial Funds – Custodial Funds are used to account for assets held by public officials in a trustee capacity or as a custodian for individuals, private organizations, other governments and/or other funds. Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds.

(c) Measurement Focus

General Fund – The General Fund is accounted for on a "spending" or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on the balance sheet. Accordingly, the reported undesignated fund balance (net current assets) is considered a measure of available, spendable or appropriable resources. General operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Custodial Funds – Custodial funds are accounted for using an economic resource measurement focus requiring a resource flow statement.

CHARLOTTE COUNTY, FLORIDA  
TAX COLLECTOR  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2024

**Note 1. Summary of Significant Accounting Policies, Continued**

(d) Basis of Accounting

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

The modified accrual basis of accounting is followed by the General Fund. The modification in such method from the accrual basis is that revenues are recorded when they become measurable and available to finance operations of the current year.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include:

- (1) Principal and interest on general long-term debt, which is recognized when due; and
- (2) Expenditures are not divided between years by the recording of prepaid expenses.

Custodial Funds are accounted for using the accrual basis of accounting.

(e) Budgetary Process

Chapter 195, Florida Statutes, governs the preparation, adoption and amendment process of the Tax Collector's annual budget. A budget is only required to be prepared for the General Fund. The Tax Collector's budget and amendments are prepared independently of the Board of County Commissioners and are approved by the State of Florida Department of Revenue. A copy of the approved budget is provided to the Board of County Commissioners.

The budget for the General Fund is prepared on the modified accrual basis. The annual budget serves as the legal authorization for expenditures. The level of control for appropriations is exercised at the functional level.

(f) Capital Assets

Acquisitions of tangible personal property are recorded as expenditures in the General Fund at the time of purchase. These assets are reported to the Charlotte County, Florida, Board of County Commissioners and are recorded in the government-wide financial statements.

(g) Compensated Absences

The Tax Collector's employees accumulate sick and annual leave based on the number of years of continuous service and other criteria. Upon termination of employment, employees generally receive payment for accumulated leave.

As of September 30, 2024, the Tax Collector had \$725,980 in compensated absences payable, of which \$402,540 is short-term in nature.

This amount is reported in the government-wide financial statements of Charlotte County, Florida.

CHARLOTTE COUNTY, FLORIDA  
TAX COLLECTOR  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2024

**Note 2. Deposits and Investments**

**Deposits**

The Tax Collector's policy allows for deposits to be held in demand deposits, savings accounts, certificates of deposit, money market accounts and overnight repurchase agreements. At September 30, 2024, the Tax Collector maintained deposits in a cash pool and overnight repurchase agreements for all fund types.

At September 30, 2024, the bank balance of \$14,078,269 is the total balance for all Tax Collector funds as participants of the pool and cannot be segregated by fund. The book balance was \$15,230,197, of which \$27,400 was cash on hand as of September 30, 2024.

The deposits whose values exceed the limits of federal depository insurance are entirely insured or collateralized pursuant to the Public Depository Security Act of the State of Florida, Chapter 280 of the Florida Statutes.

**Note 3. Retirement System**

**Plan Description**

The Tax Collector's employees participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Service, 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.

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 Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida Legislature.

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 regular class members with less than 30 years of service may retire before age 62 and are entitled to a retirement benefit payable monthly also equal to 1.6% of their final average compensation for each year of credited service based on the five highest years of salary, with a 5% reduction for each year under age 62. Substantial changes were made to the Pension Plan during fiscal year 2011, affecting new members enrolled on or after July 1, 2011 by extending the vesting requirement to eight years of credited service and increasing normal retirement to age 65 or 33 years of service regardless of age. Also, the final average compensation for these members is based on the eight highest years of salary.

CHARLOTTE COUNTY, FLORIDA  
TAX COLLECTOR  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2024

**Note 3. Retirement System, continued**

**Funding Policy**

All enrolled members of the FRS Pension Plan are required to contribute 3.0% of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on statewide contribution rates. The employer contribution rates by job class for the periods from October 1, 2023 through June 30, 2024 and July 1, 2024 through September 30, 2024, respectively, were as follows: regular 13.57% and 13.63%; county elected officers 58.68% and 58.68%; senior management 34.52% and 34.52%; and DROP participants 21.13% and 21.13%. During the fiscal year ended September 30, 2024, the Tax Collector contributed to the plan an amount equal to 19.8% of covered payroll.

The HIS Plan provides a monthly benefit to assist retirees in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement. Eligible retirees and beneficiaries receive a monthly health insurance subsidy payment of \$7.50 for each year of creditable service, with a minimum payment of \$45 and a maximum payment of \$225 per month. The HIS Plan is funded by required contributions from FRS participating employees as set forth by Florida Legislature, based on a percentage of gross compensation for all active FRS members.

For those members who elect participation in the Investment Plan, rather than the Pension Plan, vesting occurs at one year of service. These participants receive a contribution for self-direction in an investment product with a third-party administrator selected by the State Board of Administration. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members.

The Tax Collector recognizes pension expenditures in an amount equal to amounts paid to the Pension Plan, the HIS Plan and the defined contribution plan, amounting to \$662,710, \$111,019, and \$291,180 respectively, for the fiscal year ended September 30, 2024. The Tax Collector's payments after June 30, 2024, the measurement date used to determine the net pension liability associated with the Pension Plan and HIS Plan, amounted to \$194,686 and \$20,015, respectively. The Tax Collector is not legally required to and does not accumulate expendable available resources to liquidate the retirement obligation related to its employees. Accordingly, the net pension liability and associated deferred outflows and deferred inflows are presented on the government-wide financial statements of the County, following requirements of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - and amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - and amendment of GASB Statement No. 68*, effective October 1, 2014.

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.ams.myflorida.com/retirement](http://www.ams.myflorida.com/retirement).

CHARLOTTE COUNTY, FLORIDA  
TAX COLLECTOR  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2024

**Note 4. General Long-Term Debt**

The following changes in general long-term debt occurred during the year ended September 30, 2024:

Long-term debt payable at October 1, 2023	\$ 744,284
Increase in accrued compensated absences	830,013
Decrease in accrued compensated absences	<u>(848,317)</u>
Long-term debt payable at September 30, 2024	<u>\$ 725,980</u>

General long-term debt is comprised of the following:

Noncurrent portion of compensated absences	
Employees of the Tax Collector are entitled to paid sick and annual leave, based on length of service and job classifications	<u>\$ 323,440</u>

**Note 5. Risk Management**

The Tax Collector participates in the countywide self-insurance and health insurance programs. Under these programs, the Self Insurance Fund provides coverage for up to a maximum of \$300,000 for each worker's compensation claim, \$350,000 for each general liability claim, \$5,000 for all other perils other than windstorm per location per loss and a 3% windstorm deductible per location per loss. The County purchases commercial insurance for claims in excess of coverage provided by the funds and for all other risks of loss. The excess coverage for general liability and workers' compensation is \$1,200,000 and the excess for property is \$150,000,000. In April of 2009, the County opened an employee health center for use by employees participating in the County's Health Insurance Program. The main purpose was to help contain health insurance costs. In August of 2011, the County became self-insured for its health insurance. Under this program, the Health Insurance Trust Fund provides coverage for up to \$1,000,000 per claim. The County has excess medical insurance to pay for claim costs that exceed this amount.

Charges to operating departments are based upon amounts believed by management to meet the required annual payout during the fiscal year and to pay for the estimated operating costs of the program. For fiscal year ended September 30, 2024, the Tax Collector was charged \$60,077 for the self-insurance program and \$1,792,851 for life and health insurance which includes the retiree subsidy.

**Note 6. Contingencies**

The Tax Collector is involved from time to time in certain routine litigation, the substance of which as other liabilities or recoveries, would not materially affect the financial position of the Tax Collector.

CHARLOTTE COUNTY, FLORIDA  
TAX COLLECTOR  
NOTES TO FINANCIAL STATEMENTS  
SEPTEMBER 30, 2024

**Note 7. Other Post Employment Benefits**

**Plan Description**

The Tax Collector participates in the County's employee group health insurance and stipend programs. In accordance with Section 112.0801, Florida Statutes, because the Tax Collector provides medical plans to employees of the Tax Collector and their eligible dependents, the Tax Collector is also required to provide retirees the opportunity to participate in the group employee health plan. Although not required by Florida Law, the County has opted to pay a portion of the cost of such participated for retired Tax Collector employees.

Retired employees (retired on or after 1/1/2004) of the County and all constitutional officers who retire after 30 years of service, or after the age of 55 with eight years, or six years prior to October 1, 2012, of credited service with the County, and who had continuous medical coverage verified annually, are entitled to participation in the Plan.

Currently, for employees who have completed 20 years of service with the County who are collecting FRS monthly benefit plans, the health benefit under the Plan provides for the County to contribute a per month supplement. The monthly supplement is \$10.00 per year of service up to \$300.00 per month. For County employees whose date of retirement was prior to 10/1/2008 the monthly supplement is \$5.00 per year of service up to \$150.00 per month. The Tax Collector has contributed \$3,600 during the year.

The Tax Collector's OPEB is calculated as a part of a County-wide actuarial valuation.

**Note 8. Subscription-Based Information Technology Arrangements**

The Tax Collector has entered into various agreements that meet the definition of subscription-based information technology arrangements (SBITAs) under GASB Statement 96. Detailed information about the Tax Collector's SBITAs can be found in the County-wide financial statements.

SBITAs entered into by the Tax Collector are included in the County-wide financial statements as other financing sources and capital outlay expenditures in the Statement of Revenues, Expenditures, and Changes in Fund Balance in the year of inception. Any payments made are reported in the County-wide financial statements as debt service expenditures in the Statement of Revenues, Expenditures, and Changes in Fund Balance as they are incurred. In the Tax Collector financial statements, these payments are included in operating expenditures.

**SUPPLEMENTAL  
INFORMATION**



CHARLOTTE COUNTY, FLORIDA  
TAX COLLECTOR  
GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL  
For the Fiscal Year Ended September 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues:				
Charges for services	\$ 10,794,036	\$ 10,805,140	\$ 13,084,372	\$ 2,279,232
Miscellaneous	-	-	165,114	165,114
Total revenues	<u>10,794,036</u>	<u>10,805,140</u>	<u>13,249,486</u>	<u>2,444,346</u>
Expenditures:				
Current				
General government				
Non-court related				
Personal services	8,814,840	8,825,944	8,677,343	148,601
Operating expenditures	1,979,196	1,979,196	1,610,461	368,735
Capital expenditures	-	-	-	-
Total general government	<u>10,794,036</u>	<u>10,805,140</u>	<u>10,287,804</u>	<u>517,336</u>
Total expenditures	<u>10,794,036</u>	<u>10,805,140</u>	<u>10,287,804</u>	<u>517,336</u>
Excess of revenues over/(under) expenditures	<u>-</u>	<u>-</u>	<u>2,961,682</u>	<u>2,961,682</u>
Other financing sources (uses):				
Issuance of agreements	-	-	86,291	86,291
Transfers out	-	-	(3,047,973)	(3,047,973)
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(2,961,682)</u>	<u>(2,961,682)</u>
Excess of revenues and other sources over/(under) expenditures and other uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance, October 1, 2023	-	-	-	-
Fund balance, September 30, 2024	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



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**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***

Honorable Vickie L. Potts  
 Tax Collector  
 Charlotte County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund, and the aggregate remaining fund information of the Charlotte County, Florida Tax Collector (the "Tax Collector"), as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise Tax Collector's special purpose financial statements, and have issued our report thereon dated March 13, 2025.

**Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Tax Collector'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 Tax Collector's internal control. Accordingly, we do not express an opinion on the effectiveness of the Tax Collector'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 Tax Collector's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## **Purpose of This Report**

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

This report is intended solely for the information and use of the Tax Collector's management, the Charlotte County, Florida, Board of County Commissioners, and the Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

*Ashley, Brown & Smith, CPAs*

Punta Gorda, Florida  
March 13, 2025

## **Independent Auditor's Management Letter**

Honorable Vickie L. Potts  
Tax Collector  
Charlotte County, Florida

### **Report on the Financial Statements**

We have audited the financial statements of the Charlotte County, Florida, Tax Collector (the "Tax Collector") as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated March 13, 2025.

### **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 the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated March 13, 2025, 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 annual financial audit report.

### **Official Title and Legal Authority**

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

### **Financial Management**

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

### **Additional Matters**

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

### **Purpose of this Letter**

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

*Ashley, Brown & Smith, CPAs*

Punta Gorda, Florida  
March 13, 2025



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AshleyBrownCPAS.com

### **Independent Accountant's Report**

Honorable Vickie L. Potts  
Tax Collector  
Charlotte County, Florida

We have examined the Charlotte County, Florida, Tax Collector's (the "Tax Collector") compliance Sections 28.415, Florida Statutes, Local Government Investment Policies, for the year ended September 30, 2024. Management is responsible for the Tax Collector's compliance with those requirements. Our responsibility is to express an opinion on the Tax Collector's compliance 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 Tax Collector complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Tax Collector complied with the specified requirements. The nature, timing and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

In our opinion, the Tax Collector complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2024.

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

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Tax Collector, and applicable management, and the Board of County Commissioners of Charlotte County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

*Ashley, Brown & Smith, CPAs*

Punta Gorda, Florida  
March 13, 2025