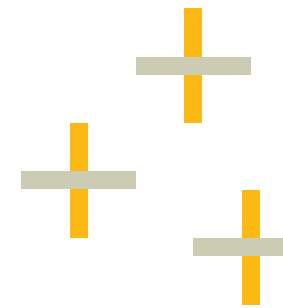


GREEN COVE SPRINGS

Audit Results for the
Fiscal Year Ended
September 30, 2023



Audit Engagement – What Did We Do?

Financial Audit

Financial Statements and Independent Auditor's Report

Federal and State Single Audits

Internal Controls and Compliance Affecting
Financial Reporting

Examination of Compliance with Florida Statute on
Investment of Public Funds



Auditor's Reports

Matter	Conclusion
Auditor's Opinion on Financial Statements and Notes	<ul style="list-style-type: none">Fairly stated in all material respectsUnmodified Opinion ("Clean" Opinion)
State of Florida Single Audit FDEP Federal Single Audit ARPA DOT	<ul style="list-style-type: none">One significant deficiency in internal control over complianceNo material instances of noncompliance or other matters
Internal Control, Compliance, and Other Matters required to be reported under <i>Government Auditing Standards</i>	<ul style="list-style-type: none">Three deficiencies in internal control over financial reportingOne instance of noncompliance or other matters

Auditor's Reports

Matter	Conclusion
Compliance with F.S. 218.415	<ul style="list-style-type: none">• The City complied, in all material respects, with compliance requirements for local government investments
Management Letter in accordance with Chapter 10.550, <i>Rules of the Auditor General</i>	<ul style="list-style-type: none">• Three current year recommendations• No finding of financial emergency

Significant Estimates and Judgments

Certain aspects of accounting are more qualitative and thus require more judgment and estimation by management. The following items represent the most significant estimates:

- Depreciation Expense and Accumulated Depreciation
- Collectability of Receivables
- Self Insurance Liability
- Net Pension Asset/Liability, and Pension Related Deferred Outflows and Inflows of Resources and Expense
- Net OPEB Liability and Related Deferred Outflows, Inflows and OPEB Expense

Significant Audit Matters

Matter	Conclusion
Accounting Policies	<ul style="list-style-type: none">• No new accounting matters were adopted during 2023• Have changed how cost allocations to enterprise funds are treated
Financial Statement Disclosures	<ul style="list-style-type: none">• The disclosures are neutral, consistent, and clear• Significant disclosures: Pension Plans
Adjustments Detected by the Audit Process	<ul style="list-style-type: none">• One significant audit adjustment as noted on the SAS letter• Prior Period Adjustments were identified by Management
Difficulties Encountered in Performing the Audit	<ul style="list-style-type: none">• No significant difficulties encountered in dealing with management or performing the audit

Financial Highlights – General Fund

	2023	2022	Change
Revenues			
Taxes	4,023,640	3,074,900	948,740
Licenses and Permits	76,744	9,248	67,496
Intergovernmental	4,983,016	4,047,122	935,894
Charges for Services	104,561	279,233	(174,672)
Fines and Forfeitures	816,018	1,148,049	(332,031)
Investment Income	157,437	17,287	140,150
Miscellaneous	75,633	61,636	13,997
Total Revenues	\$ 10,237,049	\$ 8,637,475	\$ 1,599,574
Expenditures			
General Government	2,121,901	1,447,037	674,864
Public Safety	4,249,009	3,445,150	803,859
Physical Environment	244,460	314,055	(69,595)
Transportation	1,232,501	1,159,261	73,240
Culture and Recreation	669,767	565,179	104,588
Capital Outlay	3,533,628	1,435,935	2,097,693
Total Expenditures	\$ 12,051,266	\$ 8,366,617	\$ 3,684,649
Net Transfer In (Out)	\$ 1,489,904	\$ 864,203	\$ 625,701
Net Change in Fund Balance	\$ (324,313)	\$ 1,135,061	\$ (1,459,374)

Financial Highlights – General Fund

	2023	2022	Change
Total Assets	\$ 7,428,729	\$ 6,713,630	\$ 715,099
Total Liabilities and Deferred Inflows	\$ 5,444,923	\$ 4,005,973	\$ 1,438,950
Fund Balance			
Nonspendable	265,791	642,755	(376,964)
Restricted	3,292,854	2,975,319	317,535
Assigned	-	-	-
Unassigned	(1,574,839)	(910,417)	(664,422)
Total Fund Balance	\$ 1,983,806	\$ 2,707,657	\$ (723,851)
Unassigned FB as a % of			
Total Expenditures	-13%	-11%	

Financial Highlights – Enterprise Funds

	2023	2022	Change
Revenues			
Electric	13,734,605	15,567,484	(1,832,879)
Water	2,076,247	1,994,215	82,032
Wastewater	3,325,164	3,241,940	83,224
Solid Waste	877,653	851,437	26,216
Stormwater	696,494	832,864	(136,370)
Total Revenues	\$ 20,710,163	\$ 22,487,940	\$ (1,777,777)
Expenses			
Purchased Power	10,318,766	11,635,835	(1,317,069)
Personnel	5,191,107	3,343,949	1,847,158
Other Operating Costs	4,149,444	3,711,829	437,615
Depreciation	3,294,372	3,143,816	150,556
Total Expenses	\$ 22,953,689	\$ 21,835,429	\$ 1,118,260
Operating Income	\$ (2,243,526)	\$ 652,511	\$ (2,896,037)
Nonoperating Revenue (Expense)	\$ 218,788	\$ (89,872)	\$ 308,660
Chng in NP Before Capital Contributions	\$ (2,024,738)	\$ 562,639	\$ (2,587,377)
Capital Grants and Contributions	462,098	1,702,329	\$ (1,240,231)
Net Transfers In (Out)	\$ (1,204,275)	\$ (1,105,000)	\$ (99,275)
Change in Net Position	\$ (2,766,915)	\$ 1,159,968	\$ (3,926,883)

Financial Highlights – Enterprise Funds

	2023	2022	Change
Assets			
Current Assets	14,184,567	18,559,626	(4,375,059)
Capital Assets, Net & Deferred Outflows	53,754,833	50,590,275	3,164,558
Total Assets and Deferred Outflows	\$ 67,939,400	\$ 69,149,901	\$ (1,210,501)
Current Liabilities	4,187,185	4,083,219	103,966
Noncurrent Liabilities and Deferred Inflows	26,172,632	24,465,854	1,706,778
Total Liabilities and Deferred Inflows	\$ 30,359,817	\$ 28,549,073	\$ 1,810,744
Net Position			
Net Investment in Capital Assets	28,604,210	27,371,724	1,232,486
Restricted	2,378,489	2,845,106	(466,617)
Unrestricted	6,596,884	10,383,998	(3,787,114)
Total Net Position	\$ 37,579,583	\$ 40,600,828	\$ (3,021,245)

Unrestricted NP as a
% of Total Expenses

28.7%

47.6%

Financial Highlights – Pensions

	<u>Police</u>
Assets	
Cash and Investments	8,488,492
Other Assets	12,436
Total Assets	\$ 8,500,928
Total Liabilities	\$ -
Net Assets Held for Pension Benefits	\$ 8,500,928
Total Pension Liability at 9/30/23	\$ 7,692,901
Funded % at 9/30/23	110.5%

Financial Highlights – Pensions

	<u>Police</u>
Additions	
Contributions	524,714
Investment Earnings	622,570
Total Additions	\$ 1,147,284
Deductions	
Benefit Payments	70,559
Refunds	-
Administrative Expenses	18,569
Total Deductions	\$ 89,128
Change Net Position	\$ 1,058,156
Investment Rate of Return	8.36%
Actuarial Rate of Return	7.00%

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