

# **Broward County, Florida**

Reports in Accordance with *Government Auditing Standards* and Chapter 10.550, Rules of the Auditor General of the State of Florida  
Fiscal Year Ended September 30, 2024

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RSM US LLP

**Report on Internal Control Over Financial Reporting and on  
Compliance and Other Matters Based on an Audit of Financial  
Statements Performed in Accordance With  
Government Auditing Standards**

**Independent Auditor's Report**

Board of County Commissioners  
Broward 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 (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund and the aggregate remaining fund information of Broward County, Florida (the County), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 27, 2025. Our report has an emphasis of matter for the correction of an error in the financial statements of the Clerk of the Circuit and County Courts, a discretely presented component unit. Our opinions are not modified with respect to this matter.

Our report includes a reference to other auditors who audited the financial statements of: (1) Clerk of the Circuit and County Courts (a discretely presented component unit), (2) Broward County Housing Finance Authority (a discretely presented component unit), (3) Broward County Supervisor of Elections (reported as part of the County's General Fund), and (4) Broward County Property Appraiser (reported as part of the County's General Fund), as described in our report on the County's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

**Report on Internal Control over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified certain deficiencies in internal control, as discussed below, that we considered to be a significant deficiency.

### Passenger Facility Charges (PFCs) Completeness

#### Criteria:

Management is responsible for preparing financial statements that comply with accounting principles generally accepted in the United State of America (GAAP). Because Broward County Aviation Department (BCAD) is an enterprise fund of the County, the financial statements are required to be presented using the economic resources measurement focus and the accrual basis of accounting.

#### Condition and effect:

Management failed to accrue September 2024 Passenger Facility Charges received in November 2024, thus only capturing 11 months of PFC revenue in the fiscal year ending 9/30/24. This resulted in a \$5,433,000 understatement to PFC revenue and receivables which management subsequently corrected.

#### Cause:

Management indicated this occurred because the year-end accruals were not sufficiently reviewed.

### Recommendation

RSM recommends that BCAD review periods subsequent to year end to ensure cutoff of revenue is proper. We also recommend that all year-end accruals are reviewed including a comparison to the prior year to ensure no accruals are missed.

### Management's response

Management agrees with finding and will review subsequent periods for proper cutoff going forward. Additionally, BCAD will be incorporating PFC Cutoff reconciliation into year-end checklist to ensure a full twelve months of activity is recognized in the appropriate period.

### Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County'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*.

### County's Response to Findings

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

**Purpose of this Report**

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

*RSM US LLP*

Fort Lauderdale, Florida  
March 27, 2025



RSM US LLP

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

Honorable Mayor and Chairman and  
Members of the Board of County Commissioners  
Broward County, Florida

We have examined Broward County's (the County) compliance with Section 218.415, *Florida Statutes*, *Local Government Investment Policies* (the specified requirements) during the period October 1, 2023 to September 30, 2024. Management of the County is responsible for the County's compliance with the specified requirements. Our responsibility is to express an opinion on the County's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the County complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the County complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the County'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 County complied, in all material respects, with the specified requirements during the period October 1, 2023 to September 30, 2024.

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

**RSM US LLP**

Fort Lauderdale, Florida  
March 27, 2025



RSM US LLP

**Independent Accountant's Report on Compliance  
With Section 365.172 and 365.173, Florida Statutes**

Honorable Mayor and Chairman and  
Members of the Board of County Commissioners  
Broward County, Florida

We have examined Broward County's (the County) compliance with Sections 365.172 and 365.173, *Florida Statutes, Emergency Communications Number E911 System Fund* (the specified requirements) during the period October 1, 2023 to September 30, 2024. Management of the County is responsible for the County's compliance with the specified requirements. Our responsibility is to express an opinion on the County's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the County complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the County complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the County'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 County complied, in all material respects, with the specified requirements during the period October 1, 2023 to September 30, 2024.

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

**RSM US LLP**

Fort Lauderdale, Florida  
March 27, 2025



RSM US LLP

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

Board of County Commissioners  
Broward County, Florida

**Report on the Financial Statements**

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of Broward County, Florida (the County) as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated March 27, 2025. Our report has an emphasis of matter for the correction of an error in the financial statements of the Clerk of the Circuit and County Courts, a discretely presented component unit. Our opinions are not modified with respect to this matter.

Our report includes a reference to other auditors who audited the financial statements of the: (1) Clerk of Circuit and County Courts (a discretely presented component unit), (2) Broward County Housing Finance Authority (a discretely presented component unit), (3) Broward County Supervisor of Elections (reported as part of the County's general fund), and (4) Broward County Property Appraiser (reported as part of the County's general fund). This report does not include the findings and recommendations of the other auditors' that are reported on separately by those auditors.

**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 27, 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. No recommendations were made in the preceding 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) of Chapter 10.550, *Rules of the Auditor General*, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the County met one or more of the conditions described in Section 218.503(1), *Florida Statutes*, and to identify the specific condition(s) met. In connection with our audit, we determined that the County did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8) of Chapter 10.550, *Rules of the Auditor General*, we applied financial condition assessment procedures for the County. It is management's responsibility to monitor the County's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. Internal control deficiencies have been reported in 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*, issued on separate cover.

### Special District Component Units

Section 10.554(1)(i)5.c of Chapter 10.550, *Rules of the Auditor General*, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality or special district in accordance with Section 218.39(3)(b), *Florida Statutes*. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), *Florida Statutes*.

As required by Section 218.39(3)(c), *Florida Statutes*, and Section 10.554(1)(i)6, *Rules of the Auditor General*, each dependent special district reported (unaudited):

- a. The total number of district employees compensated in the last pay period of the district's fiscal year as

• The Broward County Water Control District No. 2	0
• The Broward County Water Control District No. 3	0
• The Broward County Water Control District No. 4	0
• The Cocomar Water Control District	0
• The Broward County Community Redevelopment Agency	0
• The Broward County Educational Facilities Authority	0
• The Broward County Solid Waste Disposal District	0
• The Broward County Health Facilities Authority	0
• The Broward County Housing Finance Authority	6

- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year as 0.

- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as

• The Broward County Water Control District No. 2	0
• The Broward County Water Control District No. 3	0
• The Broward County Water Control District No. 4	0
• The Cocomar Water Control District	0
• The Broward County Community Redevelopment Agency	0
• The Broward County Educational Facilities Authority	0
• The Broward County Solid Waste Disposal District	0
• The Broward County Health Facilities Authority	0
• The Broward County Housing Finance Authority	\$604,515.68

- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency as 0.
- e. Each construction project with a total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as none.
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, as
  - The Broward County Water Control District No. 2  
A budget variance based on the budget adopted under Section 189.016(4), *Florida Statutes*, before the beginning of the fiscal year being reported if the district amends final adopted budget under Section 189.016(6), *Florida Statutes*, as follows: the district's original budget totaled \$842,000 and was amended by the total amount of \$21,000, for final budgeted expenditures of \$863,000.
  - The Broward County Water Control District No. 3  
A budget variance based on the budget adopted under Section 189.016(4), *Florida Statutes*, before the beginning of the fiscal year being reported if the district amends final adopted budget under Section 189.016(6), *Florida Statutes*, as follows: the district's original budget totaled \$588,460 and was amended by the total amount of \$70,210, for final budgeted expenditures of \$658,670.
  - The Broward County Water Control District No. 4  
A budget variance based on the budget adopted under Section 189.016(4), *Florida Statutes*, before the beginning of the fiscal year being reported if the district amends final adopted budget under Section 189.016(6), *Florida Statutes*, as follows: the district's original budget totaled \$485,570 and was amended by the total amount of \$0, for final budgeted expenditures of \$485,570.
  - The Cocomar Water Control District  
A budget variance based on the budget adopted under Section 189.016(4), *Florida Statutes*, before the beginning of the fiscal year being reported if the district amends final adopted budget under Section 189.016(6), *Florida Statutes*, as follows: the district's original budget totaled \$1,431,090 and was amended by the total amount of \$1,263,970, for final budgeted expenditures of \$2,695,060.
  - The Broward County Community Redevelopment Agency \*
  - The Broward County Educational Facilities Authority \*
  - The Broward County Solid Waste Disposal District \*
  - The Broward County Health Facilities Authority  
Original budget totaled \$88,659 and was amended by the total amount of 0, for final budgeted expenditures of \$88,659.
  - The Broward County Housing Finance Authority  
Refer to the RSI in the Broward County Housing Finance Authority September 30, 2024 financial statements.

\* The component is inactive. Accordingly, a budget was not prepared.

**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, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

*RSM VS LLP*

Fort Lauderdale, Florida  
March 27, 2025