

**AUCILLA AREA SOLID WASTE
ADMINISTRATION**

**LANDFILL MANAGEMENT ESCROW ACCOUNT
SCHEDULE OF ACTIVITY**

Fiscal Year Ended September 30, 2024



INDEPENDENT AUDITOR'S REPORT

To the Honorable Board of Aucilla
Area Solid Waste Administration
Greenville, Florida

Opinion

We have audited the accompanying Schedule of Activity (the "Schedule") for the Landfill Management Escrow Account of the Aucilla Area Solid Waste Administration (the "Administration"), as of September 30, 2024 and for the fiscal year then ended.

In our opinion, the Schedule referred to above presents fairly, in all material respects, the balance of and activity in the Landfill Management Escrow Account of the Aucilla Area Solid Waste Administration as of September 30, 2024, and for the fiscal year then ended, in accordance with the escrow agreement dated July 14, 2014, and in conformity with Section 62-701.630(5)(c) of the Florida Administrative Code.

Basis for Opinion

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 Schedule section of our report. We are required to be independent of the Administration, 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 Schedule

Management is responsible for the preparation and fair presentation of this financial schedule in accordance with the financial reporting provisions of the Florida Department of Environmental Protection. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements and schedules that are free of material misstatement whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Schedule

Our objectives are to obtain reasonable assurance about whether the Schedule as a whole is 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 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 we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the Schedule, 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.

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.

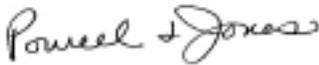
We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis of Accounting

We draw attention to Note 1 of the financial schedule, which describes the basis of accounting. The financial schedule is prepared on the basis of the financial reporting provisions of the Florida Department of Environmental Protection, which is a basis of accounting other than accounting principles generally accepted in the United States of America, to comply with the requirements of the Florida Department of Environmental Protection. Our opinion is not modified with respect to this matter.

Restrictions on Use

This report is intended solely for the information and use of the Board of County Commissioners and management of Aucilla Area Solid Waste Administration and the Florida Department of Environmental Protection, and is not intended to be and should not be used by anyone other than these specified parties.



POWELL AND JONES CPA

Lake City, Florida

March 3, 2025

AUCILLA AREA SOLID WASTE ADMINISTRATION
SCHEDULE OF LANDFILL MANAGEMENT ESCROW ACCOUNT ACTIVITY

For the Fiscal year Ended September 30, 2024

Cash and investments, September 30, 2023	\$ 10,057,569
Deposits	-
Fiduciary fees	(10,023)
Investment income (loss)	<u>575,014</u>
Cash and investments, September 30, 2024	10,622,560
Required balance, September 30, 2024	3,787,061
Funding in excess of requirements	<u><u>\$ 6,835,499</u></u>

See accompanying notes to schedule.

AUCILLA AREA SOLID WASTE ADMINISTRATION

NOTES TO SCHEDULE OF LANDFILL MANAGEMENT ESCROW ACCOUNT ACTIVITY

September 30, 2024

NOTE 1. REPORTING ENTITY

The Aucilla Area Solid Waste Administration (the Administration) is an organization established by an interlocal agreement between Taylor County, Florida, Madison County, Florida, Jefferson County, Florida and Dixie County, Florida. The purpose of this entity is to facilitate, through the collective effort of the counties involved, solid waste disposal through the establishment and operation of a joint solid waste disposal facility. The entity began accepting solid waste in December, 1992.

The governing board of this entity is composed of four county commissioners, one representing each county. The board elects its officers and manages the Aucilla Area Solid Waste Administration.

The “Schedule of Landfill Management Escrow Account” of the Aucilla Area Solid Waste Administration (the “Schedule”) is prepared and submitted to the State of Florida Department of Environmental Protection (FDEP) pursuant to Section 62-701.630 (5)(c) of the Florida Administrative Code (the “Code”). The Schedule contains only the escrow balances required by the Code and it is not intended to present the financial position of the Aucilla Area Solid Waste Administration.

NOTE 2. LANDFILL MANAGEMENT ESCROW

The Administration records the landfill management escrow as restricted cash to fund closing costs of the Class I (Cells 1-4) and Class III (Cells 1-2) landfills. These escrows are calculated based on estimates made annually by a Registered Professional Engineer. At September 30, 2024, these escrows were based on the following estimates:

	Cells 1-4 Class I Landfill	Cells 1-2 Class III Landfill
Cost of closing	\$ 6,892,921	\$ 1,650,575
Estimated design life (years)	72	73
Design life expended	32	32
Required balance at September 30, 2024 (Balances are for closing only)	3,063,521	723,540
Additional required deposit into landfill management escrow account (current deposits exceed requirements)	-	-
Estimated date of landfill closure of current cells	September 30, 2064	September 30, 2031

The escrow accounts were comprised of the following estimated components as of September 30, 2024:

	Closing Costs		Long-Term Care		Total
	Class I	Class III	Class I	Class III	
Current cost of closing	\$6,892,921	\$1,650,575	\$ -	\$ -	\$ 8,543,497
Future cost of long-term care	-	-	5,651,613	2,103,604	7,755,217
Total estimated closing and long-term care costs	<u>\$6,892,921</u>	<u>\$1,650,575</u>	<u>\$5,651,613</u>	<u>\$ 2,103,604</u>	<u>\$ 16,298,714</u>
Escrow balance	\$6,892,921	\$1,650,575	\$1,515,117	\$ 563,946	\$ 10,622,560
Required minimum escrow	3,063,521	723,540	-	-	3,787,061
Excess (deficiency) in escrow	<u>\$3,829,400</u>	<u>\$ 927,035</u>	<u>\$1,515,117</u>	<u>\$ 563,946</u>	<u>\$ 6,835,499</u>

The escrow agreement was approved by the Administration on July 7th, 2014. This agreement restricted several cash and investment account balances to fund closure, long term care, and corrective action required for the landfill. As of September 30, 2024, the Administration had the following balances in its Landfill Management Escrow account:

Bank of America CD	\$ 265,950
Capital City Trust Company	6,977,695
State Board of Administration Local Government	
Surplus Funds Trust Fund Investment Pool	1,533,467
Surplus Funds Trust Fund Investment Pool	40,028
Surplus Funds Trust Fund Investment Pool	166,265
Surplus Funds Trust Fund Investment Pool	<u>1,639,155</u>
Total State Board of Administration Local Government	<u>3,378,915</u>
Total Landfill Management Escrow Account Balance	\$ 10,622,560

No deposits were made or required for the year ended September 30, 2024. There were no withdrawals for the year ended September 30, 2024. The Administration is in compliance with the annual depositing requirements.

The County engineer estimates the annual long-term care cost to be \$188,387 for the Class I (Cells 1-4) and \$70,120 for the Class III (Cells 1-2) landfills. In accordance with current state regulations, long-term care costs are not required to be included in the escrow account for active government owned landfills. Instead, long-term care costs shall be funded after the landfill is closed.