2023

Gadsden County, Florida

Financial Statements and Independent Auditor's Report

September 30, 2023

PURVIS GRAY

CERTIFIED PUBLIC ACCOUNTANTS

2023

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FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORTS

GADSDEN COUNTY, FLORIDA

SEPTEMBER 30, 2023

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AND
INDEPENDENT AUDITOR'S REPORTS

GADSDEN COUNTY, FLORIDA

SEPTEMBER 30, 2023

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INTRODUCTORY SECTION

GADSDEN COUNTY, FLORIDA

LIST OF ELECTED AND APPOINTED OFFICIALS

SERVING AS OF SEPTEMBER 30, 2023

ELECTED OFFICIALS

Commissioner – District 3, Chairperson	**Kimblin NeSmith**
Commissioner – District 1, Vice-Chairperson	**Eric Hinson**
Commissioner – District 2	**Alonzetta Simpkins**
Commissioner – District 4	**Brenda Holt**
Commissioner – District 5	**Ronterious Green**
Clerk of the Circuit Court/Comptroller	**Nicholas Thomas**
Tax Collector	**W. Dale Summerford**
Sheriff	**Morris A. Young**
Property Appraiser	**Reginald A. Cunningham**
Supervisor of Elections	**Shirley Green Knight**

APPOINTED OFFICIALS

County Administrator	**Edward Dixon**
County Attorney	**Clayton Knowles**

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable Board of County Commissioners
and Constitutional Officers
Gadsden County, Florida

Opinions
We have audited the accompanying financial statements of the governmental activities, each major fund, and aggregate remaining fund information of Gadsden County, Florida (the County) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the County's basic 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 the governmental activities, each major fund, and the aggregate remaining fund information of the County as of September 30, 2023, the respective changes in financial position, thereof, and the respective budgetary comparison of the general fund, the capital projects fund, and each major special revenue fund, for the year then ended in conformity 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. 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 County 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; this includes 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 of events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for twelve months beyond the financial statement date, including any known information that may raise substantial doubt shortly thereafter.

The Honorable Board of County Commissioners
and Constitutional Officers
Gadsden County, Florida

INDEPENDENT AUDITOR'S REPORT

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 opinion. 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 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, individually or in the aggregate, they could reasonably be expected to influence the judgment made by a reasonable user made on the basis of these 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 these 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 County'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 County'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.

Emphasis of Matter

As described in Note 2 to the financial statements, the County adopted Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*, as of October 1, 2022. Our opinions are not modified with respect to this matter.

The Honorable Board of County Commissioners
and Constitutional Officers
Gadsden County, Florida

INDEPENDENT AUDITOR'S REPORT

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, 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 GAAS, 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 inquires, 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 Information
Management is responsible for the other information included in the annual report. The other information comprises the introductory section and the combining non-major fund statements but does not include the basic financial statements and our auditor's report thereon. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and Chapter 10.550, *Rules of the Auditor General* of the State of Florida, is also not a required part of the basic financial statements. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

The combining non-major fund statements and the schedule of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the financial statements. This information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining individual non-major fund statements and the schedule of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the financial statements as a whole.

The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it.

The Honorable Board of County Commissioners
and Constitutional Officers
Gadsden County, Florida

INDEPENDENT AUDITOR'S REPORT

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued a report dated May 24, 2024, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. 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 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 County's internal control over financial reporting and compliance.



May 24, 2024
Tallahassee, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Gadsden County, Florida (the County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2023. We encourage readers to consider the information presented here in conjunction with the County's basic financial statements.

FINANCIAL HIGHLIGHTS

Government-Wide Statements

The government-wide assets (and deferred outflows of resources) of the County exceeded liabilities (and deferred inflows of resources) at the close of the 2022-2023 fiscal year by $65,309,503 *(net position)*. Of this amount, ($9,303,411) is considered unrestricted, $12,469,657 is restricted for specific purposes *(restricted net position),* and $62,143,257 is the County's *net investment in capital assets*.

Fund Statements

At September 30, 2023, the County's governmental funds reported combined ending fund balances of $27,051,535 an increase of $161,359 in comparison with the $26,890,176 ending fund balances on September 30, 2022. This increase is partly due to the County not spending as much money on projects that are taking longer to complete.

The general fund's unassigned fund balance at September 30, 2023, was $8,084,906, or 29.76% of total general fund expenditures excluding transfers. This indicates a 6.64% increase from the prior fiscal year, where unassigned fund balance was 23.12% of the total general fund expenditures. This primarily resulted from the closing of the Library Debt Service fund once the Library bonds were paid off and the subsequent transfer to the general fund.

OVERVIEW OF THE FINANCIAL STATEMENTS

The Management's Discussion and Analysis (MD&A) is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements include three components:

(1) Government-wide financial statements

(2) Fund financial statements

(3) Notes to the basic financial statements

A brief description of the different financial statements follows.

Government-Wide Financial Statements

The government-wide financial statements (statement of net position and statement of activities found on pages 15-16 concentrate on the County as a whole and do not emphasize fund types. The governmental activities comprise the primary government. Fiduciary funds are not included in the government-wide financial statements. The County does not have any business-type activities.

General governmental and intergovernmental revenues support the governmental activities, along with user fees and charges for services. The purpose of the government-wide financial statements is to allow the user to be able to analyze the County's total financial position. Over time, increases or decreases in net position are indicators of whether the County's financial health is improving or deteriorating.

The statement of activities reflects the expenses of a given function or program, which are offset by program revenues. In order to better understand the County's operations, governmental activities expenses include, among others, general government services, public safety, culture and recreation, transportation, and economic environment. Program revenues are defined as charges for services, operating grants and contributions, and capital grants and contributions directly associated with a given function. Taxes, state shared revenues, and investment earnings are reported under general revenue. The effect of the interfund activity has been removed from the government-wide financial statements.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific purposes or objectives. Individual funds have been established by the County to account for revenues that are restricted to certain uses, to comply with legal requirements, or to account for the use of Federal and State grants. The three major categories of funds found in the County's fund financial statements include: governmental funds, proprietary funds, and fiduciary funds. The County's major funds are presented in separate columns on the fund financial statements. The definition of a major fund is one that meets the certain criteria set forth in Governmental Accounting Standards Board Statement No. 34. The funds that do not meet the criteria of a major fund are considered non-major funds and are combined into a single column on the fund financial statements.

Fund financial statements for all governmental funds include a **balance sheet** and a **statement of revenues, expenditures, and changes in fund balance**. The County's general fund and major special revenue funds include a **statement of revenues**, **expenditures, and changes in fund balance-budget and actual**. A **statement of fiduciary net position** is presented for the County's agency fund.

Governmental Fund Financial Statements

Governmental fund financial statements are prepared on the modified accrual basis using the current financial resources measurement focus. Under the modified accrual basis, revenues are recognized when they become measurable and available as net current assets.

The fund financial statements provide a presentation of the County's major funds, along with a column for all non-major funds. In the case of governmental activities, outlays for long lived assets are reported as expenditures, and long-term liabilities - such as general obligation bonds - are not included in the fund financial statements. To facilitate a comparison between the fund financial statements and the government-wide financial statements, a reconciliation of the balance sheet to the statement of net position and a reconciliation of the statement of revenues, expenditures, and changes in fund balances to the statement of activities are presented on pages 18 and 21, respectively.

Fiduciary Fund Financial Statements

The fiduciary fund financial statement is not included in the government-wide financial statements because the resources of these funds are not available to support the County's programs. Agency funds, the only type of fiduciary funds the County maintains, are used to account for assets held by the County as an agent for individuals and other governments.

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data presented in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 28-60 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following schedule provides a summary of assets, deferred outflows, liabilities, deferred inflows, and net position of the County for fiscal years ended September 30, 2023 and 2022.

The largest portion of the County's net position, 95%, reflects its investment in capital assets (land, buildings, improvements, equipment, furniture, vehicles, construction in progress, and infrastructure) less any related debt to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

Gadsden County Florida
Summary of Net Position

	Governmental Activities	
	2023	**2022**
Assets		
Current Assets	$ 37,561,716	$ 36,276,281
Non-Current Assets	77,941,962	75,159,493
Total Assets	115,503,678	111,435,774
Deferred Outflows of Resources:		
Pension Related	6,359,223	6,545,849
OPEB Related	113,200	151,500
Total Deferred Outflows of Resources	6,472,423	6,697,349
Liabilities		
Current Liabilities	11,334,472	10,109,304
Non-Current Liabilities	40,584,920	38,670,914
Total Liabilities	51,919,392	48,780,218
Deferred Inflows of Resources:		
Pension Related	2,075,273	2,693,838
OPEB Related	411,500	148,000
Lease Related	2,260,433	2,346,478
Total Deferred Inflows of Resources	4,747,206	5,188,316
Net Position		
Net Investment in Capital Assets	62,143,257	58,128,699
Restricted	12,469,657	15,422,567
Unrestricted	(9,303,411)	(9,386,677)
Total Net Position	$ 65,309,503	$ 64,164,589

The following schedule provides a summary of the changes in Net Position.

Gadsden County Florida
Summary of Changes in Net Position

	Governmental Activities	
	2023	**2022**
Revenues		
Program Revenues:		
Charges for Services	$ 5,453,343	$ 5,423,486
Operating Grants and Contributions	8,217,084	4,557,311
Capital Grants and Contributions	5,509,219	5,291,197
Total Program Revenues	19,179,646	15,271,994
General Revenues		
Property Taxes	14,851,786	13,676,654
Sales Tax and State Shared Revenue	9,446,570	8,819,575
Local Option Taxes	8,114,972	8,111,417
Motor Fuel Tax	2,516,367	2,539,500
Other	2,122,171	1,550,992
Total General Revenues	37,051,866	34,698,138
Total Revenues	56,231,512	49,970,132
Expenses		
Program Expenses:		
General Government	14,377,403	10,276,114
Public Safety	20,757,932	16,843,195
Physical Environment	661,597	563,350
Transportation	8,790,702	8,198,284
Economic Environment	1,546,083	2,449,055
Human Services	4,553,286	3,588,541
Court Related	2,325,057	1,889,881
Culture/Recreation	1,694,888	1,369,505
Interest on Long-Term Debt	379,650	377,049
Total Expenses	55,086,598	45,554,974
Increase in Net Position	1,144,914	4,415,158
Net Position, Beginning of Year	64,164,589	59,749,431
Net Position, End of Year	$ 65,309,503	$ 64,164,589

FUND FINANCIAL ANALYSIS

Governmental Funds

The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. Unassigned fund balance may serve as a useful measure of the County's net resources available for spending at the close of a fiscal year.

As of the end of fiscal year 2023, the County's governmental funds reported combined ending fund balances of $27,051,535, an increase of $161,359 in comparison with the prior year. Of the approximately $27 million total fund balance, unassigned fund balance is $8.1 million and is available for spending at the County's discretion.

The General fund is the chief operating fund of the County and had an increase in fund balance of $3,230,653. The total general fund balance was $9,487,110 of which $8,084,906 is unassigned. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total general fund expenditures. Unassigned fund balance represents 29.76% of total general fund expenditures, excluding transfers.

GENERAL FUND BUDGETARY HIGHLIGHTS

The General fund's budgeted expenditures plus transfers increased during fiscal year 2022-2023 in the amount of $7,630,908 from the original budget. A major portion of the increase was from the transfer of remaining funds from a completed grant and the closing of the Library Debt Service Fund.

CAPITAL ASSETS AND DEBT MANAGEMENT

Capital Assets

The County's investment in capital assets for its governmental activities as of September 30, 2023, amounts to $75.8 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, and infrastructure, net of depreciation.

Capital asset events during the current fiscal year included the following:

- The County purchased land ($750k).
- The County purchased two new ambulances and other related vehicles and equipment totaling $776k using ARPA funds.
- Construction on various road projects within the County continued during the year. The most significant projects were Point Milligan Road ($1.3m), Fairbank Ferry Road ($1.7m), Scotland/Dover Roads ($849k), Iron Bridge Road ($478k), Havana School Sidewalk ($362k).

CAPITAL ASSETS AND DEBT MANAGEMENT

Capital Assets

Additional information regarding the County's capital assets is contained in Note 6 of the Financial Statements.

Capital assets at September 30, 2023 and 2022, are as follows:

Gadsden County Florida
Capital Assets
(Net of Depreciation)

	Governmental Activities	
	2023	**2022**
Land	$ 2,806,304	$ 2,054,225
Construction in Progress	2,209,150	3,598,144
Buildings	23,886,337	24,608,916
Improvements Other Than Buildings	6,614,180	6,382,424
Machinery and Equipment	9,897,728	9,578,523
Leased Assets	658,873	396,750
Subscription-Based IT Arrangements (SBITAs)	150,489	-
Infrastructure	29,604,027	26,296,344
Total	$ 75,827,088	$ 72,915,326

Debt Management

During fiscal year 2023, the County did not incur any new debt obligations other than some new leased vehicles at the Sheriff's office which totaled $222k.

As described in Note 2 of the financial statements, the County adopted a new accounting standard - GASB Statement No. 96, *Subscription Based Information Technology Arrangements,* effective October 1, 2022. This standard required the County to record certain software agreements with terms that exceed one year to be reported on the County's Statement of Net Position as a Right-to-Use Subscription Asset and corresponding Subscription liability. The implementation of this standard did not require a restatement of beginning net position. As such, 2022 balances in the tables presented throughout MD&A have not been restated.

Additional information regarding the County's Long-Term Debt is contained in Note 7 of the Financial Statements.

Gadsden County Florida
Outstanding Debt

	2023	2022	Increase (Decrease)
Revenue Bonds	$ 8,352,559	$ 9,525,223	$ (1,172,664)
Notes, Loans, Leases, and SBITAs Payable	5,331,272	4,973,490	357,782
Compensated Absences	1,433,274	1,352,134	81,140
Other Postemployment Benefits	536,100	844,300	(308,200)
Net Pension Liability	27,893,311	24,016,376	3,876,935
Total	$ 43,546,516	$ 40,711,523	$ 2,834,993

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Gadsden County is Florida's 45th most populous County and is home to 0.2% of Florida's population. The unemployment rate at September 30, 2023, was 3.8% as compared to the state's percentage of 3.0% (Information provided by the Florida Legislature Office of Economic and Demographic Research). Gadsden County is once again designated as a fiscally constrained County in the State of Florida and is included in the governor's designated Northwest Florida Rural Area of Economic Concern.

Gadsden County millage rate for the 2024 budget was adopted at 9.0000 mills, which is the same as the millage rate for 2023. The total adopted budget for 2024 of $62,995,481 was an increase over 2023's budget in the amount of $5,548,647 or 9.7%.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to demonstrate the County's accountability for the money it receives and manages. If you have questions about this report or need additional financial information, contact the Gadsden County Finance Office, 10 E. Jefferson Street, Quincy, Florida 32351.

BASIC FINANCIAL STATEMENTS

GADSDEN COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2023

	Governmental Activities
Assets	
Current Assets:	
Cash and Cash Equivalents	$ 29,798,341
Investments	1,522,000
Accounts Receivable, Net	665,749
Due from Agency Funds	127,351
Due from Other Governments	5,037,604
Prepaid Items	85,069
Inventories	93,614
Leases Receivable	231,988
Total Current Assets	37,561,716
Non-Current Assets:	
Leases Receivable	2,114,874
Capital Assets:	
Non-Depreciable	5,015,454
Depreciable, Net	70,002,272
Leased Assets, Net	658,873
ROU Assets Under SBITAs, Net	150,489
Total Non-Current Assets	77,941,962
Total Assets	115,503,678
Deferred Outflows of Resources	
Pension Related	6,359,223
OPEB Related	113,200
Total Deferred Outflows of Resources	6,472,423
Liabilities	
Current Liabilities:	
Accounts Payable and Accrued Expenses	3,306,234
Due to Agency Funds	3,088
Due to Other Governments	397,501
Accrued Wages Payable	528,764
Unearned Revenue	4,137,289
Bonds and Notes Payable	1,968,558
Leases Payable	215,765
SBITAs Payable	104,719
Accrued Compensated Absences	672,554
Total Current Liabilities	11,334,472
Non-Current Liabilities:	
Accrued Compensated Absences	760,720
Other Postemployment Benefits Obligation	536,100
Bonds and Notes Payable	10,890,198
Leases Payable	463,380
SBITAs Payable	41,211
Net Pension Liability	27,893,311
Total Non-Current Liabilities	40,584,920
Total Liabilities	51,919,392
Deferred Inflows of Resources	
Pension Related	2,075,273
OPEB Related	411,500
Lease Related	2,260,433
Total Deferred Inflows of Resources	4,747,206
Net Position	
Net Investment in Capital Assets	62,143,257
Restricted	12,469,657
Unrestricted	(9,303,411)
Total Net Position	$ 65,309,503

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

GADSDEN COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities
Governmental Activities:					
General Government	$ 14,377,403	$ 647,026	$ 71,825	$ -	$ (13,658,552)
Public Safety	20,757,932	3,561,348	2,465,873	-	(14,730,711)
Physical Environment	661,597	-	516,928	-	(144,669)
Transportation	8,790,702	151,485	61,322	5,254,031	(3,323,864)
Economic Environment	1,546,083	-	1,006,349	210,063	(329,671)
Human Services	4,553,286	12,946	3,020,915	-	(1,519,425)
Court-Related	2,325,057	1,038,877	717,303	-	(568,877)
Culture and Recreation	1,694,888	41,661	356,569	45,125	(1,251,533)
Interest on Long-Term Debt	379,650	-	-	-	(379,650)
Total Primary Government	$ 55,086,598	$ 5,453,343	$ 8,217,084	$ 5,509,219	(35,906,952)
		General Revenues			
		Taxes:			
		Property Taxes			14,851,786
		Franchise and Utility Taxes			226,358
		Discretional Sales Surtax			6,455,485
		Local Option Gas Tax			1,433,129
		Motor Fuel Tax			2,516,367
		Other Taxes			338,292
		Sales Tax and Other Shared Revenues			9,446,570
		Investment Earnings			824,409
		Miscellaneous			959,470
		Total General Revenues			37,051,866
		Change in Net Position			1,144,914
		Net Position, Beginning of Year			64,164,589
		Net Position, End of Year			$ 65,309,503

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

GADSDEN COUNTY, FLORIDA
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	General Fund	County Transportation	Capital Projects Public Works	American Rescue Plan	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and Cash Equivalents	$ 7,512,672	$ 3,169,550	$ 525,343	$ 3,440,448	$ 15,150,328	$ 29,798,341
Investments	1,522,000	-	-	-	-	1,522,000
Accounts Receivable (Net of Allowance for Uncollectibles)	120,327	-	-	-	545,422	665,749
Leases Receivable	2,346,862	-	-	-	-	2,346,862
Due from Other Funds	1,389,842	-	-	-	345,230	1,735,072
Due from Other Governments	1,435,223	563,912	1,201,018	-	1,837,451	5,037,604
Prepaid Expenses	85,069	-	-	-	-	85,069
Inventories, at Cost	74,981	18,633	-	-	-	93,614
Total Assets	14,486,976	3,752,095	1,726,361	3,440,448	17,878,431	41,284,311
Liabilities						
Accounts Payable and Accrued Expenses	1,573,209	211,439	581,497	74,549	865,540	3,306,234
Due to Other Funds	15,888	-	624,221	-	970,700	1,610,809
Due to Other Governments	302,528	-	-	-	94,973	397,501
Accrued Wages Payable	231,077	83,050	-	-	214,637	528,764
Unearned Revenues	25,279	-	-	3,365,899	746,111	4,137,289
Total Liabilities	2,147,981	294,489	1,205,718	3,440,448	2,891,961	9,980,597
Deferred Inflows of Resources						
Unavailable Revenues	591,452	341,333	-	-	1,058,961	1,991,746
Lease Related	2,260,433	-	-	-	-	2,260,433
Total Deferred Inflows of Resources	2,851,885	341,333	-	-	1,058,961	4,252,179
Fund Balances						
Non-Spendable	160,050	18,633	-	-	-	178,683
Restricted	256,829	3,097,640	520,643	-	8,594,545	12,469,657
Committed	-	-	-	-	39,814	39,814
Assigned	985,325	-	-	-	5,318,020	6,303,345
Unassigned	8,084,906	-	-	-	(24,870)	8,060,036
Total Fund Balances	9,487,110	3,116,273	520,643	-	13,927,509	27,051,535
Total Liabilities and Fund Balances	$ 14,486,976	$ 3,752,095	$ 1,726,361	$ 3,440,448	$ 17,878,431	$ 41,284,311

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

GADSDEN COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

Total Fund Balances of Governmental Funds		$ 27,051,535
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:		
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.		75,827,088
Receivables that do not provide current financial resources are reported as deferred inflows of resources in the governmental funds.		1,991,746
Certain pension related amounts are being deferred and amortized over a period of years or are being deferred as contributions to the plan made after the measurement date:		
Deferred Outflows Related to Pensions	$ 6,359,223	
Deferred Inflows Related to Pensions	(2,075,273)	
Deferred Outflows Related to OPEB	113,200	
Deferred Inflows Related to OPEB	(411,500)	3,985,650
Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:		
Bonds and Installment Notes Payable	(12,858,756)	
Lease Payable	(679,145)	
SBITAs Payable	(145,930)	
Accrued Compensated Absences	(1,433,274)	
Accrued OPEB Obligation	(536,100)	
Net Pension Liability	(27,893,311)	(43,546,516)
Total Net Position of Governmental Activities		$ 65,309,503

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

GADSDEN COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	General Fund	County Transportation	Capital Projects Public Works
Revenues			
Taxes	$ 14,997,295	$ 4,139,419	$ -
Licenses and Permits	226,358	-	-
Intergovernmental Revenues	8,078,560	38,143	5,254,032
Charges for Services	764,861	151,485	-
Fines and Forfeitures	-	-	-
Miscellaneous Revenues	915,054	125,555	24,556
Total Revenues	24,982,128	4,454,602	5,278,588
Expenditures			
Current:			
General Government	12,724,049	-	-
Public Safety	9,267,578	-	-
Physical Environment	425,917	-	-
Transportation	-	4,910,078	-
Economic Environment	242,792	-	-
Human Services	2,231,316	-	-
Court-Related	210,239	-	-
Culture and Recreation	300,501	-	-
Debt Service:			
Principal	399,127	70,115	-
Interest	34,438	3,211	-
Capital Outlay:			
General Government	1,013,541	-	-
Public Safety	222,665	-	-
Transportation	-	13,179	5,285,173
Physical Environment	63,159	-	-
Human Services	17,385	-	-
Culture and Recreation	15,303	-	-
(Total Expenditures)	(27,168,010)	(4,996,583)	(5,285,173)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,185,882)	(541,981)	(6,585)
Other Financing Sources (Uses)			
Transfers in	16,426,567	812,098	26,441
Transfers (out)	(11,232,697)	(366,363)	-
Lease Obligation	222,665	-	-
Total Other Financing Sources (Uses)	5,416,535	445,735	26,441
Net Change in Fund Balances	3,230,653	(96,246)	19,856
Fund Balances at Beginning of Year	6,256,457	3,212,519	500,787
Fund Balances at End of Year	$ 9,487,110	$ 3,116,273	$ 520,643

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

American Rescue Plan	Other Governmental Funds	Total Governmental Funds
$ -	$ 4,796,990	$ 23,933,704
-	470,630	696,988
2,739,251	8,684,316	24,794,302
-	3,948,630	4,864,976
-	169,717	169,717
-	718,714	1,783,879
2,739,251	18,788,997	56,243,566
-	305,084	13,029,133
-	8,653,089	17,920,667
-	111,310	537,227
-	177,215	5,087,293
-	1,266,473	1,509,265
1,069,971	683,405	3,984,692
-	1,846,585	2,056,824
-	1,169,289	1,469,790
-	1,925,890	2,395,132
-	342,001	379,650
-	35,936	1,049,477
-	231,901	454,566
-	251,295	5,549,647
-	-	63,159
759,912	-	777,297
-	25,750	41,053
(1,829,883)	(17,025,223)	(56,304,872)
909,368	1,763,774	(61,306)
-	12,705,648	29,970,754
(909,368)	(17,462,326)	(29,970,754)
-	-	222,665
(909,368)	(4,756,678)	222,665
-	(2,992,904)	161,359
-	16,920,413	26,890,176
$ -	$ 13,927,509	$ 27,051,535

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

GADSDEN COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Net Change in Fund Balances - Total Governmental Funds		$ 161,359
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:		
Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those activities is allocated over their estimated useful lives as depreciation expense:		
Expenditures for Capital Outlays	$ 8,027,247	
(Loss)/Gain on Disposal	(85,196)	
(Current Year Depreciation)	(5,604,059)	2,337,992
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		2,395,132
The issuance of long-term debt provides current financial resources to governmental funds, while it has no effect on the statement of activities.		(222,665)
Certain pension related amounts are being deferred and amortized over a period of years or are being deferred as contributions to the pension and OPEB plans made after the measurement date:		
Deferred Inflows Related to Pensions	(186,626)	
Deferred Outflows Related to Pensions	618,565	
Deferred Inflows Related to OPEB	(263,500)	
Deferred Outflows Related to OPEB	(38,300)	130,139
Some expenses in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in the governmental funds:		
Compensated Absences	(81,140)	
Lease Termination Value Adjustments	4,886	
OPEB	308,200	
Net Pension Liability	(3,876,935)	(3,644,989)
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds.		(12,054)
Change in Net Position - Governmental Activities		$ 1,144,914

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

GADSDEN COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance With Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Taxes	$ 14,576,486	$ 14,576,486	$ 14,997,295	$ 420,809
Licenses and Permits	180,000	180,000	226,358	46,358
Intergovernmental Revenues	6,914,510	7,119,797	8,078,560	958,763
Charges for Services	786,663	768,544	764,861	(3,683)
Miscellaneous Revenues	974,304	1,217,625	915,054	(302,571)
Total Revenues	23,431,963	23,862,452	24,982,128	1,119,676
Expenditures				
Current:				
General Government	11,587,485	12,889,939	12,724,049	165,890
Public Safety	8,913,444	9,947,444	9,267,578	679,866
Physical Environment	473,539	473,539	425,917	47,622
Economic Environment	419,606	389,606	242,792	146,814
Human Services	2,070,556	2,070,556	2,231,316	(160,760)
Court-Related	559,930	559,930	210,239	349,691
Culture and Recreation	290,004	290,004	300,501	(10,497)
Debt Service:				
Principal	20,451	20,451	399,127	(378,676)
Interest	2,804	2,804	34,438	(31,634)
Capital Outlay:				
General Government	479,222	1,466,430	1,013,541	452,889
Public Safety	-	-	222,665	(222,665)
Physical Environment	58,000	58,000	63,159	(5,159)
Human Services	-	-	17,385	(17,385)
Culture and Recreation	57,000	57,000	15,303	41,697
Contingency	210,000	4,154,999	-	4,154,999
(Total Expenditures)	(25,142,041)	(32,380,702)	(27,168,010)	5,212,692
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,710,078)	(8,518,250)	(2,185,882)	6,332,368
Other Financing Sources (Uses)				
Transfers in	10,673,537	17,396,906	16,426,567	(970,339)
Transfers (out)	(9,828,267)	(10,220,514)	(11,232,697)	(1,012,183)
Lease Obligation	-	-	222,665	222,665
Total Other Financing Sources (Uses)	845,270	7,176,392	5,416,535	(1,759,857)
Net Change in Fund Balance	(864,808)	(1,341,858)	3,230,653	4,572,511
Fund Balance, Beginning of Year	864,808	1,342,214	6,256,457	4,914,243
Fund Balance, End of Year	$ -	$ 356	$ 9,487,110	$ 9,486,754

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

GADSDEN COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY TRANSPORTATION
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance With Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Taxes	$ 3,446,078	$ 3,446,078	$ 4,139,419	$ 693,341
Intergovernmental Revenues	1,000	1,000	38,143	37,143
Charges for Services	76,710	76,710	151,485	74,775
Miscellaneous Revenues	12,000	12,000	125,555	113,555
Total Revenues	3,535,788	3,535,788	4,454,602	918,814
Expenditures				
Current:				
Transportation	4,878,400	4,664,400	4,910,078	(245,678)
Debt Service:				
Principal	66,660	66,660	70,115	(3,455)
Interest	6,668	6,668	3,211	3,457
Capital Outlay:				
Transportation	225,000	439,000	13,179	425,821
(Total Expenditures)	(5,176,728)	(5,176,728)	(4,996,583)	180,145
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,640,940)	(1,640,940)	(541,981)	1,098,959
Other Financing Sources (Uses)				
Transfers in	812,098	812,098	812,098	-
Transfers (out)	(339,921)	(339,921)	(366,363)	(26,442)
Total Other Financing Sources (Uses)	472,177	472,177	445,735	(26,442)
Net Change in Fund Balance	(1,168,763)	(1,168,763)	(96,246)	1,072,517
Fund Balance, Beginning of Year	1,168,763	1,168,763	3,212,519	2,043,756
Fund Balance, End of Year	$ -	$ -	$ 3,116,273	$ 3,116,273

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

GADSDEN COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
CAPITAL PROJECTS - PUBLIC WORKS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance With Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Intergovernmental Revenues	$ -	$ 12,524,571	$ 5,254,032	$ (7,270,539)
Miscellaneous Revenues	-	-	24,556	24,556
Total Revenues	-	12,524,571	5,278,588	(7,245,983)
Expenditures				
Capital Outlay:				
Transportation	-	12,524,571	5,285,173	7,239,398
(Total Expenditures)	-	(12,524,571)	(5,285,173)	7,239,398
Net Change in Fund Balance	-	-	(6,585)	(6,585)
Fund Balance, Beginning of Year	-	-	500,787	500,787
Fund Balance, End of Year	$ -	$ -	$ 494,202	$ 494,202

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

GADSDEN COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
AMERICAN RESCUE PLAN
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Budgeted Amounts			Variance With Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Intergovernmental Revenues	$ -	$ 4,429,460	$ 2,739,251	$ (1,690,209)
Total Revenues	-	4,429,460	2,739,251	(1,690,209)
Expenditures				
Current:				
Human Services	-	4,672,837	1,069,971	3,602,866
Capital Outlay:				
Human Services	-	808,757	759,912	48,845
(Total Expenditures)	-	(5,481,594)	(1,829,883)	3,651,711
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(1,052,134)	909,368	1,961,502
Other Financing Sources (Uses)				
Transfers (out)	-	(623,557)	(909,368)	(285,811)
Total Other Financing Sources (Uses)	-	(623,557)	(909,368)	(285,811)
Net Change in Fund Balance	-	(1,675,691)	-	1,675,691
Fund Balance, Beginning of Year	-	1,675,691	-	(1,675,691)
Fund Balance, End of Year	$ -	$ -	$ -	$ -

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

GADSDEN COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2023

	Private Purpose Trust Fund	Custodial Funds	Total
Assets			
Cash and Cash Equivalents	$ 2,692,604	$ 1,329,522	$ 4,022,126
Investments	9,930,397	-	9,930,397
Accounts Receivable	-	33,649	33,649
Due from Other Governments	-	785	785
Due from Other Funds	-	3,088	3,088
Total Assets	12,623,001	1,367,044	13,990,045
Liabilities			
Accounts Payable	-	27,977	27,977
Due to Other Funds	-	127,351	127,351
Due to Individuals	-	12,748	12,748
Due to Other Governments	-	142,575	142,575
Assets Held for Others	-	21,668	21,668
Installment Tax Deposits	-	205,830	205,830
Total Liabilities	-	538,149	538,149
Net Position, Held in a Custodial Capacity to be Disbursed	$ 12,623,001	$ 828,895	$ 13,451,896

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

GADSDEN COUNTY, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
SEPTEMBER 30, 2023

	Private Purpose Trust Fund	Funds
Additions		
Investment Earnings:		
Net Appreciation in Fair Value of Investments	$ 736,163	$ -
Interest and Dividends	333,214	-
Fines, Forfeitures, and Fees Collected	-	4,432,694
Tax Deeds and Fees Collected	-	232,829
Support and Fees Collected	-	504,261
Registry of the Court and Fees Collected	-	562,121
Recording Fees Collected	-	2,615,977
Bail Bonds and Fees Collected	-	119,053
Inmate Funds Collected	-	428,451
Licenses and Tag Fees Collected	-	5,416,410
Property Taxes and Fees Collected	-	31,295,556
Hunting and Fishing Licenses Collected	-	12,772
Total Additions	1,069,377	45,620,124
Deductions		
Administrative Fees	37,316	-
Fines, Forfeitures, and Fees Distributed	-	4,459,377
Tax Deeds and Fees Distributed	-	264,852
Support and Fees Distributed	-	504,261
Registry of the Court and Fees Distributed	-	609,347
Recording Fees Distributed	-	2,590,511
Bail Bonds and Fees Distributed	-	127,362
Inmate Funds Disbursed	-	423,213
Licenses and Tag Fees Disbursed	-	5,416,397
Property Taxes and Fees Disbursed	-	31,288,296
Hunting and Fishing Licenses Disbursed	-	12,772
Total Deductions	(37,316)	(45,696,388)
Net Increase (Decrease)	1,032,061	(76,264)
Net Position Held in Trust, Beginning of Year	11,590,940	905,159
Net Position Held in Trust, End of Year	$ 12,623,001	$ 828,895

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

Note 1 - Reporting Entity

Gadsden County, Florida (the County) is a political subdivision of the State of Florida and provides services to its residents in many areas, including general government, public safety, physical environment, transportation, economic environment, human services, court-related, and culture and recreation. It is governed by a five-member elected Board of County Commissioners (the Board), which derives its authority by Florida Statutes and regulations. In addition to the members of the Board, there are five Constitutional Officers: the Clerk of the Circuit Court (the Clerk), Tax Collector, Sheriff, Property Appraiser, and Supervisor of Elections. The Constitutional Officers, with the exception of the Supervisor of Elections and the Property Appraiser, maintain separate accounting records and budgets.

The accompanying financial statements include the operations of the Board and the Constitutional Officers. In addition, each Constitutional Officer has separately issued financial statements.

The Board funds a portion, or in certain instances, all of the operating budgets of the County's Constitutional Officers. Florida Statutes require the applicable budget excess of the Constitutional Officers to be remitted back to the Board at the close of the fiscal year.

The accompanying financial statements present the primary government, and its component units, for which the primary government is considered to be financially accountable. Also included are other entities whose exclusion would cause the reporting entity's financial statements to be misleading or incomplete. Each potential component unit is individually evaluated using specific criteria to determine whether the entity is: (a) part of the primary government, (b) a component unit which should be included in the reporting entity (blended or discretely presented), or (c) an organization which should be excluded from the reporting entity entirely. The principal criteria for classifying a potential component unit include the legal separateness of the organization, the financial accountability of the primary government for the potential component unit resulting from either the primary government's ability to impose its will on the potential component unit, or the potential component unit's fiscal dependency on the primary government. Based upon the application of these criteria, the following is a brief review of each potential component unit addressed in defining the reporting entity:

- **Gadsden County Hospital (the Hospital)—**The Hospital was created pursuant to Chapter 24534, *Laws of Florida 1947.* In evaluating this potential component unit, it was determined that the Hospital is not a separate legal entity as it generally cannot transact business in its own name and, therefore, should be included as part of the primary government for reporting purposes. The Hospital does not function as an operating hospital but provides the facilities and the maintenance and repair of such facilities for a provider who contracts with the County to operate the Hospital. The Hospital did not have any financial activity in fiscal year 2023.

- **Gadsden County Industrial Development Authority (the Development Authority)—**The Development Authority was created by resolution of the Board pursuant to Chapter 159, Part III, Florida Statutes. The Development Authority members are appointed by the Board; however, the Board's accountability for the Development Authority does not extend beyond making the appointments. Accordingly, the Development Authority is considered to be a related organization only and is not included in the financial reporting entity.

- **Quincy-Gadsden Airport Authority (the Airport Authority)—**The Airport Authority was created by Chapter 88-439, *Laws of Florida.* The Authority is composed of five members. Two members are appointed by the City of Quincy, Florida, two members are appointed by the Board, and one member is appointed by these four members. The Airport Authority is a local unit of special purpose government and is not considered a component unit of the County and is not included in the financial reporting entity.

- **Gadsden County Enterprise Zone Development Agency (the Agency)—**The Agency was created by ordinance of the Board pursuant to Chapter 290, Florida Statutes, to carry out economic development and redevelopment activities. The Agency Board members are appointed by the Board and the Board retains various powers, including approving expenditures, borrowing funds, investing funds, and approving assistance to businesses within the enterprise zone. Accordingly, the activities of the Agency are included as a blended component unit in the County's financial statements. The Agency did not have any activity in fiscal year 2023.

- **Gadsden Hospital, Inc.—**The Gadsden Hospital, Inc. is a not-for-profit corporation established to assist with the operation of the Hospital and other health care facilities in Gadsden County. The Gadsden Hospital, Inc. members are appointed by the Board and the Board approves its funding and operations. Accordingly, the activities of Gadsden Hospital, Inc. have been included as a blended component unit in the County's financial statements and have been included as a special revenue fund in the accompanying financial statements. The Gadsden Hospital, Inc. did not have financial activity in fiscal year 2023.

Note 2 - Summary of Significant Accounting Policies

The accounting policies of the County conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies.

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which are normally supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: (a) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter is excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

The County reports the following major governmental funds:

- **General Fund—**The General Fund is the County's primary operating fund. It accounts for all resources traditionally associated with governments except those required to be accounted for in another fund.

- **County Transportation—**The County Transportation fund accounts for the operation of the Public Works Department of the County. Funding is provided principally from gas taxes and other charges for services.

- **Capital Projects Public Works—**The Capital Project Public Works fund was set up to provide funds for road building and resurfacing projects and to track those funds separate from operating expenses, which is the source of revenue for this fund.

- **American Rescue Plan—**The American Rescue Plan is funded by the U.S. Department of Treasury. The program funds are not subject to any spending plan agreement or other controls through any State Agency. The County has broad flexibility to help those disproportionately impacted by the COVID-19 pandemic. The County must demonstrate the funds supported public health response or that recipients of the Recovery Funds experienced economic harm from the pandemic.

The County also reports two types of fiduciary funds: agency funds, which are used to account for the collection and disbursement of monies by the County on behalf of other governments and individuals; and a private purpose trust fund to account for the Gadsden County Hospital Trust.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation
The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of the related cash flows.

Governmental fund financial statements are reported using *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within thirty days of the end of the current fiscal period and ninety days for grants. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and other postemployment benefits are recorded only when payment is due.

Budgets and Budgetary Accounting
The County follows the procedures provided by Florida Statutes in establishing final budget balances reported on the financial statements.

- Budgets are generally prepared for the governmental funds on a basis consistent with generally accepted accounting principles.

- Budgets are prepared, public hearings are held, and original budgets are adopted annually for all governmental funds in accordance with procedures and time intervals prescribed by law.

- Appropriations lapse at year-end to the extent that they have not been expended. Budget appropriations may not be legally exceeded on a fund basis.

The County-wide General Fund is comprised of the following six sub-funds: Board of County Commissioners, Clerk of the Circuit Court, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector. In order to comply with the generally accepted accounting principles, the actual intra-fund activity has been consolidated in order to eliminate inflated amounts in the aggregate financial statements of the County-wide General Fund.

Cash and Cash Equivalents
Cash and Cash Equivalents include amounts in demand deposits as well as short-term investments with a maturity date within three months of the date acquisition. This includes funds invested with the State Board of Administration in the Florida PRIME investment pool. Funds held in Florida PRIME are measured at amortized cost.

Investments
Investments are generally measured at fair value, except for certificates of deposit which are measured at cost.

Receivables
Accounts receivable are shown at their net realizable value and reduced by an allowance for uncollectible accounts. Leases receivable are shown at the net present value of expected future cash flows over the contractual non-cancellable term of the lease.

Due from (to) Other Funds
Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to/from other funds”.

Prepaid Items
Certain payments to vendors are made in advance of the accounting period to which the cost is related. These payments are reported under the allocation method, i.e., an asset is established at the date of the payment and subsequently amortized over the account periods that are expected to benefit from the initial payment. The prepaid balances reported on the governmental funds balance sheet are offset by a non-spendable fund balance classification, which indicates these balances do not constitute “available spendable resources”.

Inventories
Inventories shown in the General Fund consist of fuel and office supplies valued at cost. General Fund inventory is recorded under the consumption method. Inventories shown in the County transportation fund consists predominately of repair parts and are valued at cost. On the governmental fund balance

sheet, the inventory balances are offset by a non-spendable fund balance classification, which indicates these balances do not constitute "available spendable resources" even though it is a component of net current assets. The costs of governmental fund type inventories are recorded as expenditure when consumed; therefore, the inventory is not available for appropriation.

Capital Assets

Capital assets, which include property, equipment, and infrastructure assets (e.g., roads, right-of-ways, stormwater systems, sidewalks, and similar items) are reported in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of more than $5,000 and an estimated useful life in excess of one year. Land and buildings acquired prior to October 1, 1980, were recorded at the values stated on the 1979 Gadsden County Property Appraiser's assessment roll. Acquisitions of land and buildings since October 1, 1980, have been recorded at cost. Roads, bridges, and other infrastructure assets constructed prior to October 1, 2002, are reported at estimated historical cost. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are expensed as incurred.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings	50
Improvements Other than Buildings	50
Machinery and Equipment	5-20
Infrastructure	15-25

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Leases

The County is a lessee for various lease agreements involving tower space and vehicle leases. The County recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made at or before the lease commencement date, plus initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the shorter of the lease term or its useful life. The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability. The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the non-cancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise.

The County is lessor for certain building assets owned by the County. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide, governmental fund, and enterprise fund financial statements. At the commencement of a lease, the County initially measures the lease

receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of the lease payments received. The deferred inflow or resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term. Key estimates and judgments include how the County determines: (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

The County uses the stated interest rate in the lease agreement if available and if not, utilizes its estimated rate of return on investments nearest to the date of lease commencement. The lease term includes the non-cancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee. The County monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease asset, receivable, liability, and/or deferred inflows of resources if certain changes occur that are expected to significantly affect the lease amounts.

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

Deferred Inflows/Outflows of Resources
Deferred inflows of resources reported on applicable governmental fund types represent revenues which are measurable but not available in accordance with the modified accrual basis of accounting. The deferred inflows will be recognized as revenue in the fiscal year they are earned or become available. Deferred outflows of resources represent consumption of net position that is applicable to a future reporting period. Deferred outflows have a positive effect on net position, similar to assets.

- ***Pension and OPEB Related***—Pension and OPEB Related Deferred Inflows and Outflows represent the difference between expected and actual experience with regard to economic or demographic factors and changes to assumptions in the measurement of total pension or OPEB liability, and the differences between expected and actual earnings on pension plan investments, and changes in the County's proportionate share of pension contributions. These amounts are reported as deferred inflows or outflows of resources, to be recognized in expense over time. Also included in deferred outflows are amounts contributed to the pension or OPEB plans subsequent to the measurement date. See Note 11 for more information on Pension Related Deferred Inflows and Outflows. See Note 15 for more information on OPEB Related Deferred Inflows and Outflows.

- ***Lease Related***—Lease related deferred inflows represent the unamortized portion of lease payments expected to be received under leasing arrangements where the County is a lessor. This amount is being amortized on a straight-line basis over the expected lease term. See Note 9 for more information on the County's leasing arrangements.

- ***Unavailable Revenues***—Unavailable revenues are revenues which are measurable, but not available because they have not been received within the County's period of availability. These revenues are deferred and recorded as deferred inflows of resources in governmental fund financial statements.

Compensated Absences
Upon retirement or resignation, employees may be paid a cash benefit equal to the number of vacation hours accrued up to a maximum amount, based upon the employee's current wage rate. Upon retirement or resignation in good standing, employees are paid a portion of accumulated sick leave. The portion is payable at various percentages depending on years of service and the governmental office in which the employee worked.

Postemployment Benefits Other than Pension Benefits (OPEB)
The County participates and administers a single-employer plan under which qualified retired employees are permitted to participate in the health, dental, vision, and life insurance benefits program. Additional information on the County's OPEB liability can be found in Note 15.

Property Taxes
Under Florida law, the assessment of all properties and the collection of all County municipal and school board property taxes are consolidated in the offices of the Property Appraiser and Tax Collector. The laws of the state regulating tax assessment are also designed to assure a consistent property valuation method state-wide. Florida Statutes permit counties to levy property taxes at a rate of up to 10 mills for general operations.

The tax levy of the County is established by the Board prior to October 1, of each year and the Property Appraiser incorporates the County millages into the total tax levy, which includes the various municipalities, the County School Board, and other taxing authorities.

All property is assessed according to its fair market value January 1, of each year. Each assessment roll is submitted to the Executive Director of the Florida Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of Florida Statutes.

All taxes become payable on November 1 of each year, or as soon thereafter as the assessment roll is certified and delivered to the Tax Collector. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January, and 1% in the month of February. Taxes paid in March are without discount.

On or prior to June 1, following the tax year, tax certificates are sold for all delinquent taxes on real property. After sale, tax certificates bear interest of 18% per year or at any lower rate bid by the buyer. Application for a tax deed on any unredeemed tax certificates may be made by the certificate holder after a period of two years. Unsold tax certificates are held by the County.

Fund Balance
Fund balance is reported in five components – non-spendable, restricted, committed, assigned, and unassigned:

- **Non-Spendable**—This component of fund balance consists of amounts that cannot be spent because: (a) they are not expected to be converted to cash; or (b) they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund.

- **Restricted**—This component of fund balance consists of amounts that are constrained either: (a) externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments); or (b) by law through constitutional provisions or enabling legislation.

- **Committed**—This component of fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (e.g., ordinance) of the organization's governing authority (the Board). These committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (e.g., ordinance) employed to constrain those amounts.

- **Assigned**—This component of fund balance consists of amounts that are constrained by a less-than-formal action of the organization's governing authority, or by an individual or body to whom the governing authority has delegated this responsibility. In addition, residual balances in capital projects and debt service funds are considered assigned for the general purpose of the respective fund.

- **Unassigned**—This classification is used for: (a) negative unrestricted fund balances in any governmental fund; or (b) fund balances within the General Fund that are not restricted, committed, or assigned.

- **Flow Assumption**—When both restricted and unrestricted resources are available for use, it is the Board's policy to use restricted resources first, then unrestricted resources (committed, assigned, and unassigned) as they are needed. When unrestricted resources (committed, assigned, and unassigned) are available for use in any governmental fund, it is the Board's policy to use committed resources first, then assigned, and then unassigned as needed.

Adoption of New Accounting

During the year ended September 30, 2023, the County adopted new accounting guidance by implementing the provisions of Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements*. This statement provides guidance on the accounting and financial reporting for subscription-based information technology arrangements (SBITAs) for government end users (governments). This statement: (1) defines a SBITA; (2) establishes that a SBITA results in a right-to-use subscription asset—an intangible asset—and a corresponding subscription liability; (3) provides the capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA; and (4) requires note disclosures regarding a SBITA. To the extent relevant, the standards for SBITAs are based on the standards established in GASB Statement No. 87, *Leases*, as amended. GASB Statement No. 96 implementation required assessment of SBITA's as of October 1, 2022. Therefore, no restatement of prior periods was required as a result of implementation.

The County recognizes a SBITA liability and an intangible right-to-use subscription asset (subscription asset) in the government-wide financial statements. At the commencement of the arrangement, the County initially measures the SBITA liability at the present value of payments expected to be made during the subscription term. Subsequently, the SBITA liability is reduced by the principal portion of the subscription payments made. The subscription asset is initially measured as the initial amount of the SBITA liability, adjusted for subscription payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the subscription asset is amortized on a straight-line basis over the subscription term.

Upcoming GASB Standards

The County is currently evaluating the effects that the following GASB Statements, which will be implemented in future financial statements, will have on its financial statements for subsequent fiscal years:

- GASB Statement No. 100, *Accounting Changes and Error Corrections* – This Statement deals with accounting changes and error corrections, includes provisions 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. This Statement prescribes the accounting and financial reporting for each type of accounting change (changes in principles or estimates) and for error corrections and requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, the Statement requires that information about the quantitative effects on beginning balances of each accounting change and error correction be disclosed.

- GASB Statement No. 101, *Compensated Absences* – This Statement prescribes the accounting and financial reporting for estimation and recognition of liabilities associated with compensated absences, enhances and clarifies current definitions of leave for financial reporting purposes, and amends disclosure requirements in notes to financial statements to provide better consistency in financial reporting across entities.

Note 3 - Cash and Investments

The County maintains cash and investments in two separate areas: those which support the County's public purpose and programs of the County, and the Hospital Endowment Trust Fund, for which funds are held in trust for the benefit of the Hospital.

Public Purpose

As of September 30, 2023, the County's public purpose programs had the following in cash, cash equivalents and investments:

	Carrying Amount
Cash on Hand	$ 4,544
Deposits in Qualified Public Depositories (Including Repurchase Agreement)	20,608,890
Money Market	25,485
Certificates of Deposit	1,522,000
State Board of Administration (SBA) Florida PRIME	10,488,944
Total Cash, Cash Equivalents, and Investments	$ 32,649,863

These amounts are presented in the accompanying financial statements as follows:

Statement of Net Position	
Cash and Cash Equivalents	$ 29,798,341
Investments	1,522,000
Statement of Fiduciary Net Position – Custodial Funds	
Cash and Cash Equivalents	1,329,522
Total Cash, Cash Equivalents, and Investments	$ 32,649,863

In accordance with Florida Statutes, Section 218.415(1-16), the County adopted a written investment policy for public purpose programs on October 1, 1995. The policy includes the objectives of safety, liquidity, and investment income, in order of priority. Authorized investments included in the policy are:

1. The Florida PRIME (formerly the Local Government Surplus Trust Funds Investment Pool) administered by the SBA.

2. Negotiable direct obligations of, or obligations of the principal and interest of which are unconditionally guaranteed by the United States Government, which include, but are not limited to: treasury bills, treasury notes, treasury bonds, and treasury strips.

3. Bonds, debentures, notes or other evidence of indebtedness, issued or guaranteed by United States agencies provided such obligations are backed by the full faith and credit of the United States Government, which include, but are not limited to: Farmers Home Administration, Federal Financing Bank, Federal Housing Administration Debentures, and Government National Mortgage Association.

4. Bonds, debentures, notes or other evidence of indebtedness, issued or guaranteed by United States government agencies (federal instrumentalities), which are not full-faith and credit agencies limited to the following: Federal Farm Credit Bank, Federal Home Loan Bank or its district banks, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, and Student Loan Marketing Association.

5. Non-Negotiable interest-bearing time certificates of deposit, money market accounts, or savings accounts in banks/savings and loan associations organized under the laws of the United States.

6. Repurchase agreements (for purchase and subsequent sale) for any of the investments authorized above in items 3 and 4.

Florida PRIME is administered by the Florida SBA. Florida PRIME is an external investment pool that is not a registrant with the Securities and Exchange Commission. Florida PRIME is governed by Chapter 19-7 of the Florida Administrative Code, which identifies the Rules of the SBA. These rules provide guidance and establish the general operating procedures for the administration of Florida PRIME.

Additionally, the State of Florida, Office of the Auditor General performs the operational audit of the activities and investments of the SBA. The County's fair value of their position in Florida PRIME approximates their value of the pool shares. Investments in Florida PRIME are not evidenced by securities that exist in physical or book entry form.

The SBA's interpretation of GASB Statement No. 79 is that the Florida PRIME investment pool currently meets all necessary criteria to measure its investments at amortized cost. Therefore, as a participant in the SBA's Florida PRIME investment pool, the County's investments in Florida PRIME were also measured at amortized cost for fiscal year 2022-23. There were no limitations or restrictions on participant withdrawals, including items such as redemption notices, maximum transaction amounts, and the pool's authority to impose liquidity fees or redemption gates; however, the fund 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.

The following disclosures describe the County's public purpose investment exposure to various risks:

Credit Risk—*Public Purpose Funds*
The current rating for the Florida PRIME is AAAm by Standards & Poor's.

The securities utilized by the financial institution to pledge against the County's overnight repurchase agreement at September 30, 2023, consist primarily of treasury notes and agency securities from the Federal National Mortgage Association and Government National Mortgage Association. The treasury notes are triple A-rated by a nationally recognized statistical rating organization. The agency securities are not fully rated. Certificates of Deposit are not rated.

Custodial Credit Risk—*Public Purpose Funds*
Custodial credit risk is the risk that, in the event of a bank failure, or the failure of the counterparty, the government's deposits may not be returned to it, or the government may not be able to recover the value of its investments that are in the possession of an outside party.

Qualified public depositories of public funds are required to provide collateral each month pursuant to Section 280.04, Florida Statutes. The collateral is held by the Florida Division of Treasury or other custodian with full legal rights maintained by the Florida Division of Treasury to transfer ownership. Any loss not covered by the pledged securities and deposit insurance would be assessed by the Florida Division of Treasury and paid by the other public depositories. The County's cash deposits in these qualified depositories are considered fully insured or collateralized.

Interest Rate Risk—*Public Purpose Funds*
Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County limits interest rate risk for the repurchase agreement by utilizing an overnight sweep agreement to invest excess cash balances. The weighted-average investment maturity for Florida PRIME is 35 days. Certificates of deposit have maturities between 12 and 24 months.

Hospital Endowment Trust Fund
As of September 30, 2023, the Hospital Endowment Trust Fund had the following balances in cash and investments:

	Fair Value
Cash in Bank	$ 762,061
Money Market Funds	618,288
SBA Florida PRIME	1,312,254
US Treasuries	3,710,231
Mutual Funds - (Fixed Income)	816,009
Equities	5,404,158
Total Cash and Investments	$ 12,623,001

As of September 30, 2023, the Hospital Endowment Trust Fund had cash deposits of $762,061 in a qualified public depository.

The following disclosures describe the Hospital Endowment Trust Fund's investment exposure to various risks:

Credit Risk—*Hospital Endowment Trust Fund*
Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. Investing activities for the Hospital Endowment Trust Fund are performed strictly by the members of the Trust committee.

The U.S. Treasury Bonds and Notes, and the U.S. Government Agency holdings of the Hospital Endowment Trust Fund are triple A-rated by a nationally recognized statistical rating organization.

Custodial Credit Risk—*Hospital Endowment Trust Fund*
Custodial credit risk is the risk that, in the event of the failure of the counterparty, the government may not be able to recover the value of its investments that are in the possession of the outside party. Custody of the Hospital Endowment Trust Fund's investments is maintained in the County's name by Capital City Trust Company, the fiduciary of the account.

Concentration of Credit Risk—*Hospital Endowment Trust Fund*
Concentration of credit risk is the risk of loss attributed to the investments of the Hospital Endowment Trust Fund in any one issuer that represents 5% or more of the total investment. There were no individual investments that represented more than 5% of the investment balance.

Interest Rate Risk—*Hospital Endowment Trust Fund*
Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Hospital Endowment Trust Fund includes the following investments on a time-segmented basis:

Investment Type	Fair Value	Less Than One Year	1-5 Years
U.S. Treasury Notes	$ 3,710,231	$ 1,028,221	$ 2,682,010
Mutual Funds - Fixed	816,009	816,009	-
Equities	5,404,157	5,404,157	-
Total	$ 9,930,397	$ 7,248,387	$ 2,682,010

Fair Value Measurements—*Hospital Endowment Trust Fund*
Fair value measurements assume a transaction takes place in a government's principal market, or a government's most advantageous market in the absence of a principal market. The fair value also should be measured assuming that general market participants would act in their economic best interest.

The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels:

- **Level 1 Inputs—**are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.

- **Level 2 Inputs—**are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.

- **Level 3 Inputs**—are unobservable inputs for an asset or liability. The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs.

Fair value measurements for the Hospital Endowment Trust are as follows at September 30, 2023:

		Fair Value Measurements Using		
Investments by Fair Value Level	**Amount**	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
U.S. Treasury Notes	$ 3,710,231	$ 3,710,231	$ -	$ -
Equities	5,404,157	5,404,157	-	-
Total Investments Measured at Fair Value	$ 9,114,388	$ 9,114,388	$ -	$ -

Investments Measured at the Net Asset Value (NAV)	**Amount**	**Unfunded Commitments**	**Redemption Frequency (if Currently Eligible)**	**Redemption Notice Period**
Mutual Funds - Fixed	$ 816,009	$ -	Daily	None
Total Investments	$ 9,930,397			

Note 4 - Receivables

Accounts Receivable at September 30, 2023, consist of the following:

	Gross Accounts Receivable	**Allowance for Uncollectibles**	**Net Receivables**
General	$ 120,327	$ -	$ 120,327
Other Governmental Funds:			
Emergency Medical Services	2,164,058	(1,650,468)	513,590
Sheriff	31,802	-	31,802
Capital Projects	30	-	30
Fiduciary Funds:			
Agency Funds - Tax	33,649	-	33,649
Total Receivables	$ 2,349,866	$ (1,650,468)	$ 699,398

Leases Receivable at September 30, 2023, consist of the following:

	Gross Leases Receivable	**Allowance for Uncollectibles**	**Net Leases Receivable**
General	$ 2,346,862	$ -	$ 2,346,862
Total Receivables	$ 2,346,862	$ -	$ 2,346,862

Note 5 - Interfund Receivables, Payables, and Transfers

Interfund balances at September 30, 2023, consisted of the following:

	Due From	Due To
General Fund	$ 1,389,842	$ 15,888
Capital Projects - Public Works		624,221
Other Governmental Funds	345,230	970,700
Fiduciary Funds:		
Agency Funds	3,088	127,351
Total	$ 1,738,160	$ 1,738,160

The purpose for each of these interfund receivables and payables is to provide temporary loans for cash flow needs, primarily associated with the time lag between the dates that: (a) interfund goods and services are provided or reimbursable expenditures occur, (b) transactions are recorded in the accounting system, and (c) payments between funds are made.

Interfund transfers for the year ended September 30, 2023, consisted of the following:

	Interfund	
	Transfers In	Transfers (Out)
General Fund	$ 16,426,567	$ (11,232,697)
County Transportation	812,098	(366,363)
Capital Projects - Public Works	26,441	-
American Rescue Plan	-	(909,368)
Other Governmental Funds	12,705,648	(17,462,326)
Total Interfund Transfers	$ 29,970,754	$ (29,970,754)

The purposes of these interfund transfers were to: (a) fund budgetary requirements of other funds or Constitutional Officers, (b) meet grant match requirements, or (c) meet state or other budgetary requirements to expend revenues that were collected in another fund.

Note 6 - Capital Assets

Capital asset activity for the year ended September 30, 2023, was as follows:

	Beginning Balance	Increases	(Decreases)	Ending Balance
Governmental Activities				
Capital Assets Not Being Depreciated:				
Land	$ 2,054,225	$ 752,079	$ -	$ 2,806,304
Construction Work in Progress	3,598,144	811,188	(2,200,182)	2,209,150
Total Capital Assets Not Being Depreciated	5,652,369	1,563,267	(2,200,182)	5,015,454
Capital Assets Being Depreciated:				
Buildings	41,563,797	111,336	-	41,675,133
Improvements Other Than Buildings	8,246,276	406,652	-	8,652,928
Machinery and Equipment:				
Board and Clerk	20,895,144	1,575,272	(290,905)	22,179,511
Sheriff	2,622,445	9,884	(52,358)	2,579,971
Total Machinery and Equipment	23,517,589	1,585,156	(343,263)	24,759,482
Leased Assets*	1,257,075	222,665	(167,818)	1,311,922
Right-of-Use Assets Under SBITAs*	254,530	-	-	254,530
Infrastructure	84,969,743	6,338,353	-	91,308,096
Total Capital Assets Being Depreciated	159,809,010	8,664,162	(511,081)	167,962,091
Less Accumulated Depreciation:				
Buildings	(16,954,881)	(833,915)	-	(17,788,796)
Improvements Other Than Buildings	(1,863,852)	(174,896)	-	(2,038,748)
Machinery and Equipment	(13,939,066)	(1,180,755)	258,067	(14,861,754)
Leased Assets	(541,085)	(279,782)	167,818	(653,049)
Right-of-Use Assets Under Subscription-Based IT Arrangements (SBITAs)	-	(104,041)	-	(104,041)
Infrastructure	(58,673,399)	(3,030,670)	-	(61,704,069)
Total Accumulated Depreciation	(91,972,283)	(5,604,059)	425,885	(97,150,457)
Total Capital Assets Being Depreciated, Net	67,836,727	3,060,103	(85,196)	70,811,634
Total Governmental Activities Capital Assets, Net	$ 73,489,096	$ 4,623,370	$ (2,285,378)	$ 75,827,088

*Beginning balances were restated to incorporate the impact of implementation of GASB 96, *Subscription-Based Information Technology Arrangments,* and corrections to certain leased assets.

Depreciation expense was charged to governmental activities functions/programs of the primary government as follows:

General Government	$ 398,046
Public Safety	907,442
Physical Environment	96,840
Transportation	3,431,042
Economic Environment	13,202
Human Services	552,570
Court-Related	74,703
Culture and Recreation	130,214
Total Depreciation Expense Governmental Activities	$ 5,604,059

Note 7 - Long-Term Debt

Summary of Changes in Long-Term Debt

The following is a summary of changes in long-term debt for the year ended September 30, 2023:

	Balance 10/1/22	Additions	Deductions	Balance 9/30/23	Due Within One Year
Employee Compensated Absences Payable	$ 1,352,134	$ 1,391,801	$ (1,310,661)	$ 1,433,274	$ 672,554
Other Postemployment Benefits	844,300	-	(308,200)	536,100	-
Net Pension Liability	24,016,376	3,876,935	-	27,893,311	-
Loan with BB&T for 2016 Sales Tax Revenue Refunding Bond, Monthly Principal and Interest Payment of $53,819 commencing August 2016 through March 2030, Interest at 2.00%, Funds Used for Refunding of 2013 Hospital Bond.	4,494,518	-	(561,071)	3,933,447	572,395
Gas Tax Revenue and Refunding Bond, Series 2015, Monthly Principal and Interest Payments of $60,588, Commencing June 2015, Interest at 2.43%, Funds Used for Refunding the 2013 Gas Tax Revenue Refunding Bond and for Construction and Improvement of Certain Roads in Gadsden County.	5,030,705	-	(611,593)	4,419,112	626,623
Installment Purchase with Santander Bank N.A. for one Frazer Diesel Ambulance. Annual Principal and Interest Payments of $40,076, Including Interest of 3.30%.	181,992	-	(34,076)	147,916	35,200
Financed with Stryker for EMS Equipment. Annual Principal and Interest Payment of $78,993, Including Interest of 1.135 %.	711,661	-	(70,876)	640,785	71,684
Purchase of Vehicles for Board of County Commissioners Annual Principal and Interest Payments of $102,558 Commencing on March 1, 2019 through March 1, 2023. Interest Rate of 4.58%.	98,067	-	(98,067)	-	-
Lease-Purchase with Santander Bank N.A for 4 Frazer Diesel Ambulances. Annual Principal and Interest Payments of $166,885.44, Including Interest of 3.94%.	235,481	-	(115,437)	120,044	120,044
Motorola Loan - Cell Tower and Radio Communications Annual Principal and Interest Payments of $274,026 Commencing November 2021 through November 15, 2027. Interest Rate of 2.62%. Funds Used for Building New Cell Tower and Updating Radio Communications.	1,503,331	-	(234,638)	1,268,693	240,786
Lease-Purchase with Ring Investments Public Works Equipment. Principal and Interest Payment of $339,921 Commencing January 2021 through January 2026 Interest of 3.25%.	1,962,643	-	(276,136)	1,686,507	285,110
USDA Loan for Agriculture Center Annual Principal and Interest Payment of $31,166 Commencing April 2022 - April 2051, Interest Rate of 2.25%.	658,600	-	(16,348)	642,252	16,716
Leases - See Note 9 for More Information*	729,656	222,665	(273,176)	679,145	215,765
SBITAs - See Note 10 for More Information*	254,530	-	(108,600)	145,930	104,719
Total	$ 42,073,994	$ 5,491,401	$ (4,018,879)	$ 43,546,516	$ 2,961,596

*Beginning balances were restated to incorporate the impact of implementation of GASB 96, *Subscription-Based Information Technology Arrangments,* and corrections to certain leased assets. All borrowings presented above are considered direct borrowings in accordance with GASB Statement No. 88, Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements.

Interest expense and other debt-related charges during 2023 on long-term debt totaled $379,650.

Maturities of Long-Term Debt
Maturities of long-term debt for years ending September 30 are as follows:

Year Ending September 30	Principal	Interest
2024	$ 1,968,558	$ 293,356
2025	1,893,393	243,684
2026	2,742,486	197,669
2027	1,672,764	124,391
2028	1,670,860	86,219
2029-2033	2,453,583	103,043
2034-2038	109,213	46,617
2039-2043	122,065	33,765
2044-2048	136,428	19,402
2049-2051	89,406	4,093
	$ 12,858,756	$ 1,152,239

Note 8 - Pledged Revenues

The County has pledged certain revenues to repay bonds outstanding as of September 30, 2023. The following table reports the revenues pledged for each debt issue, the amounts of such revenues received in the current year principal and interest paid on the debt, the approximated percentage of each revenue which is pledged to meet the debt obligation, the date through which the revenue is pledged under the debt agreement, and the total pledged future revenues for each debt, which is the amount of the remaining principal and interest on the bonds and notes at September 30, 2023.

Pledged Revenue	Description of Bonds	Revenue Received	Principal and Interest Paid	Estimated Percentage Pledged	Outstanding Principal and Interest	Pledged Through
County Fuel Tax	Revenue Bond for Infrastructure Revenue Bond, Series 2015	$ 1,603,260	$ 727,059	45.35%	$ 4,786,470	2030
Indigent Surtax Revenues	Sales Tax and Revenue Refund Bond, Series 2016	$ 2,742,939	$ 645,836	23.55%	$ 4,197,932	2030

Note 9 - Leases

County as Lessee

Vehicle Leases
The Sheriff has entered into a Master Equity Lease Agreement with Enterprise Fleet Management for its fleet of vehicles. The lease agreement calls for monthly payments ranging from 48 to 60 months including interest, with varying terms beginning in November of 2019 and ending in September of 2028. The net present value of the capital lease payments were computed utilizing interest rates ranging from 5.064% to 8.010%. There are no variable payment components, escalation provisions, or residual value guarantees by the lessee associated with this agreement.

Tower Leases

The County has entered into four lease agreements for tower space for its radio communications equipment. These lease agreements require monthly payments ranging from $844 to $1,888 per month and have terms varying between 60 and 120 months. The lease agreements contain annual cost increases ranging from 3% to 5%. There are certain renewal options that are not considered reasonably certain at this time. The net present value of the lease payments were computed using the County's incremental borrowing rate at the inception of the lease of 3.5%.

As of September 30, 2023, the County's leased assets and accumulated amortization by major class of underlying asset is as follows:

	Lease Asset Value	Accumulated Amortization	Net
Vehicle Leases - Sheriff	$ 992,682	$ (588,742)	$ 403,940
Tower Leases	319,240	(64,307)	254,933
Total	$ 1,311,922	$ (653,049)	$ 658,873

Principal and Interest requirements to maturity on the vehicle leases are as follows:

Year Ending September 30	Principal	Interest	Total Payments
2024	$ 215,761	$ 32,324	$ 248,085
2025	135,566	22,425	157,991
2026	134,492	13,896	148,388
2027	77,425	7,034	84,459
2028	56,963	3,496	60,459
2029-2030	58,938	1,661	60,599
Total	$ 679,145	$ 80,836	$ 759,981

County as Lessor

Hospital Lease

Pursuant to the County's amended agreement entered into on February 24, 2020, to lease the Hospital to a third-party operator, the County has agreed to pay the operator $200,000 a year from March – February each year from the proceeds of the one-half cent sales surtax for health care not otherwise committed to repayment of the County's Sales Tax Revenue Refunding Bonds, Series 2013. This amended lease shall have an initial term of fifteen years beginning on the commencement date and ending on the last day of the month, fifteen years after the commencement date. The term of this amended lease shall automatically be renewed for up to two additional consecutive terms of five years; unless, either party delivers written notice to the other party that it will not renew at least 12 months prior to the end of the term then in effect.

During each lease year of the Amended Lease terms, the operator shall pay rent to the County at the rate of $200,000 per annum, payable in equal monthly installments of $16,667 each on the first day of each calendar month during the balance of the Lease Term along with the sales or privilege tax required under applicable law. The base rent shall be increased by 5% over the then-current rate every three years

beginning on the first day of the first month following the 3rd anniversary of the effective date of the amended lease. The County calculated the present value of the lease payments expected to be received under the lease agreement using an imputed interest rate of 2.5%.

Building Lease

Effective August 11, 2023, the County entered into an amended lease agreement with the U.S. Department of Agriculture (USDA) for their use of a County facility. The agreement requires the USDA to pay $6,671 per month until January 31, 2025. The County is required to provide full janitorial services as part of the lease. The County calculated the present value of the lease payments expected to be received under the lease agreement using an imputed interest rate of 5.5%.

As of September 30, 2023, the Leases Receivable balance was $2,346,862, of which $231,989 is expected to be recognized in the next fiscal year. The deferred inflow related to the lease totaled $2,260,433 at September 30, 2023.

The County received or was entitled to receive rental payments of $212,508 during the fiscal year and recognized the following inflows of resources related to the above leases:

Lease Revenue (Amortization of Deferred Inflow)	$	195,411
Interest Revenue		58,142
Total Lease Revenue Recognized	$	253,553

Note 10 - Subscription-Based Information Technology Arrangements

As previously discussed, the County implemented GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*, in fiscal year 2023. The County has two information technology software subscription arrangements that require recognition under GASB Statement No. 96. The software amortization expense is included on the statement of activities related to the County's intangible assets, which are included in Note 6 as SBITAs. The County recognizes a SBITA liability and an intangible right-to-use asset for the software arrangements – the Board of County Commissioner's Microsoft Office Software and the Property Appraiser's mapping software.

The Microsoft Office Software agreement is a three-year agreement which began November 1, 2021, requiring annual payments approximating $67,200. The County used its incremental borrowing rate of 5.5% to record the present value of the subscription payments.

The Property Appraiser's mapping software agreement is a five-year agreement which began on October 1, 2020, and requires annual payments of $41,400. The County used its incremental borrowing rate of 5.5% to record the present value of the subscription payments.

As of September 30, 2023, the County's SBITA assets and accumulated amortization is as follows:

		SBITA Asset Value		Accumulated Amortization		Net
Microsoft Office Software	$	130,896	$	(62,830)	$	68,066
Mapping Software		123,634		(41,211)		82,423
Total	$	254,530	$	(104,041)	$	150,489

Remaining principal and Interest requirements for the County's subscription arrangements are as follows:

Year Ending September 30	Principal	Interest	Total Payments
2024	$ 104,719	$ 3,880	$ 108,599
2025	41,211	189	41,400
Total	$ 145,930	$ 4,069	$ 149,999

Note 11 - Employee Retirement Plan

General Information about the FRS

The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any state-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the County are eligible to enroll as members of the State-administered FRS. Provisions relating to FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112 Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer defined-benefit plans and other non-integrated programs. An annual comprehensive financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' website (www.dms.myflorida.com).

FRS Pension Plan

Plan Description. The FRS Pension Plan (the Plan) is a cost-sharing multiple-employer qualified defined benefit pension plan, with a DROP available for eligible employees. The general classes of membership applicable to the County are as follows:

- *Regular Class*—Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officer Class*—Members who hold specified elective offices in local government.
- *Senior Management Service Class*—Members in senior management level positions.
- *Special Risk Class*—Members who are employed as law enforcement officers and meet the criteria to qualify for this class.

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All vested members enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service, except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. Members of the Plan may include up to four years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided. Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following chart shows the percentage value for each year of service credit earned.

Class, Initial Enrollment, and Retirement Age/Years of Service	Percent Value
Regular Class Members Initially Enrolled Before July 1, 2011:	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 or more years of service	1.68
Regular Class Members Initially Enrolled on or After July 1, 2011:	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 or more years of service	1.68

Class, Initial Enrollment, and Retirement Age/Years of Service	Percent Value
Elected County Officers	3.00
County Court Judges	3.33
Senior Management Service Class	2.00
Special Risk Regular	
Service from December 1, 1970 through September 30, 1974	2.00
Service on and after October 1, 1974	3.00

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS 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.

Contributions. The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the County's 2022-23 fiscal year were as follows:

	Year Ended June 30, 2023 Percent of Gross Salary		Year Ended June 30, 2024 Percent of Gross Salary	
Class	Employee	Employer (2)	Employee	Employer (2)
FRS, Regular	3.00	10.19	3.00	11.51
FRS, Elected County Officers	3.00	55.28	3.00	30.61
FRS, Senior Management Service	3.00	29.85	3.00	56.62
FRS, Special Risk Regular	3.00	26.11	3.00	32.46
DROP – Applicable to Members from All of the Above Classes	0.00	16.94	0	19.13
FRS, Reemployment Retiree	(1)	(1)	(1)	(1)

Notes: (1) Contribution rates are dependent upon retirement class in which reemployed.
(2) These rates include the normal cost and unfunded actuarial liability contributions but do not include the contribution for HIS of 1.66% for the Plan FYE 2023 and 2.00% for Plan FYE 2024 and the fee of 0.06% for administration of the FRS Investment Plan and provision of education tools for both plans.

The County's contributions (employer) to the FRS Plan totaled $2,748,356 for the fiscal year ended September 30, 2023. This excludes the HIS defined benefit pension plan contributions.

Pension Liabilities and Pension Expense. At September 30, 2023, the County reported a liability of $21,590,416 for its proportionate share of the 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, 2023. The County's proportionate share of the net pension liability was based on the County's 2022-23 fiscal year contributions of all participating members. At June 30, 2023, the County's proportion was .05418351706%, which was an increase of .00087501806% from its proportion measured as of June 30, 2022.

For the year ended September 30, 2023, the County recognized pension expense of $4,135,554 related to the Plan.

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
Discount Rate	6.70%
Long-Term Expected Rate of Rate of Return, Net of Investment Expense	6.70%

Mortality rates were based on PUB2010. The base table varies by member category and sex, projected generationally with scale MP-2018.

The actuarial assumptions used in the June 30, 2023 valuation, were based on the results of an actuarial experience study for the period July 1, 2013 through June 30, 2018.

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	Annual Target Allocation[(1)]	Annual Arithmetic Return	Geometric Return	Standard Deviation
Cash	1.0%	2.9%	2.9%	1.1%
Fixed Income	19.8%	4.5%	4.4%	3.4%
Global Equity	54.0%	8.7%	7.1%	18.1%
Real Estate	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%
Total	100%			
Assumed Inflation – Mean			2.4%	1.4%

Note: (1) As outlined in the Plan's Investment Policy.

Discount Rate. The discount rate used to measure the total pension liability was 6.70%. The 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 calculating the total pension liability is equal to the long-term expected rate of return. The discount rate was 6.70% in the July 1, 2023 valuation.

Sensitivity of the County's Proportionate Share of the Net Position Liability to Changes in the Discount Rate. The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 6.70%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.70%) or 1-percentage-point higher (7.70%) than the current rate:

FRS – County:

	1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70 %)
County's Proportionate Share of the Net Pension Liability	$ 36,880,828	$ 21,590,416	$ 8,798,158

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

HIS Pension Plan

Plan Description. The HIS Pension Plan (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established and administered in accordance with Section 112.363, Florida Statutes. The Florida Legislature established and amends the contribution requirements and benefit terms of the HIS program. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs.

Benefits Provided. For the Plan fiscal year ended June 30, 2023, eligible retirees and beneficiaries received a monthly HIS payment equal to the years of service credited at retirement multiplied by $7.50. The minimum HIS payment is $45 and a maximum payment is $225 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under the 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 Plan fiscal years ended June 30, 2024 and 2023, the contribution rates were 2.00% and 1.66% of payroll, respectively, pursuant to Section 112.363, Florida Statutes. The County 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 the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The County's contributions to the HIS Plan totaled $282,834 for the fiscal year ended September 30, 2023.

Pension Liabilities and Pension Expense. At September 30, 2023, the County reported a net pension liability of $6,302,895 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 County's proportionate share of the net pension liability was based on the County's contributions relative to the total contributions of all participating members. At June 30, 2023, the County's proportionate share was .039687443%, which was an increase of .0002096375% from its proportionate share measured as of June 30, 2022.

For the fiscal year ended September 30, 2023, the County recognized pension expense of $2,340,633 related to the HIS Plan.

Actuarial Assumptions. The total pension liability for the HIS Pension Plan was determined by an actuarial valuation as of July 1, 2022. The following actuarial assumptions, applied to all periods included in the measurement, were used to determine the total pension liability:

Inflation	2.40%
Salary Increases	3.25% Average, Including Inflation
Discount Rate	3.65%
Long-Term Expected Rate of Rate of Return, Net of Investment Expense	N/A
Municipal Bond Index	3.65%

Mortality rates were based on the PUB-2010 base table varying by member category and sex, projected generationally with Scale MP-2018.

The actuarial assumptions used to determine the total pension liability as of June 30, 2022, were based on certain results of an actuarial experience study of the FRS for the period July 1, 2013 through June 30, 2018.

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 County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 3.65%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.65%) or 1-percentage-point higher (4.65%) than the current rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
County's Proportionate Share of the Net Pension Liability	$ 7,190,620	$ 6,302,895	$ 3,702,368

Pension Plan Fiduciary Net Position. Detailed information about 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.

Additional Disclosures – Defined Benefit Plans

Net Pension Liability

	FRS	HIS	Total
Net Pension Liability	$ 21,590,416	$ 6,302,895	$ 27,893,311

Deferred Outflows of Resources

	FRS	HIS	Total
Employer Contributions After Measurement Date	$ 712,337	$ 77,304	$ 789,641
Difference Between Expected and Actual Experience	2,027,154	92,270	2,119,424
Changes in Assumptions	1,407,442	165,701	1,573,143
Changes in Proportion	714,426	257,660	972,086
Net Difference Between Projected and Actual Earnings on Investments	901,674	3,255	904,929
Total Deferred Outflows of Resources	$ 5,763,033	$ 596,190	$ 6,359,223

Deferred Inflows of Resources

	FRS	HIS	Total
Difference Between Expected and Actual Experience	$ -	$ 14,795	$ 14,795
Changes in Assumptions	-	546,168	546,168
Changes in Proportion	1,245,325	268,985	1,514,310
Total Deferred Inflows of Resources	$ 1,245,325	$ 829,948	$ 2,075,273

Deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date totaling $789,641 will be recognized as a reduction of the net pension liability in the year ending September 30, 2024. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending	FRS	HIS	Total
2024	$ 313,423	$ (72,585)	$ 240,838
2025	(460,843)	(30,276)	(491,119)
2026	3,474,919	(58,188)	3,416,731
2027	367,364	(96,708)	270,656
2028	110,508	(50,168)	60,340
Thereafter	-	(3,137)	(3,137)
Total	$ 3,805,371	$ (311,062)	$ 3,494,309

Pension Expense

For the year ended September 30, 2023, the County recognized pension expense from the defined benefit pension plans as follows:

	FRS	HIS	Total
Board of County Commissioners, Supervisor of Elections, and Property Appraiser	$ 2,351,747	$ 1,326,417	$ 3,678,164
Clerk of the Circuit Court/Comptroller	402,851	253,126	655,977
Tax Collector	30,195	86,291	116,486
Sheriff	1,350,761	674,799	2,025,560
Total Pension Expense	$ 4,135,554	$ 2,340,633	$ 6,476,187

There were certain changes in assumptions from the previous valuation related to the two plans described above. The assumption changes include the following:

- **FRS—**no changes
- **HIS—**In the July 1, 2023 actuarial valuation, the municipal rate used to determine total pension liability increased from 3.54% to 3.65%. In addition, Chapter 2023-193, *Laws of Florida*, increased the level of monthly benefits from $5 times years to $7.50, with an increased minimum of $45 and maximum of $225. This change applies to all years of service for both members currently receiving benefits and members not yet receiving benefits.

FRS – Defined Contribution Pension Plan

The County contributes to the FRS Investment Plan (Investment Plan), a defined contribution pension plan, for its eligible employees electing to participate in the Investment Plan. The Investment Plan is administered by the SBA and is reported in the SBA's annual financial statements and in the State of Florida Annual Comprehensive Financial Report. Service retirement benefits are based upon the value of the member's account upon retirement.

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. County 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 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. Allocations to the investment member's accounts during the 2022-2023 and 2023-2024 Plan fiscal years were as follows:

	Year Ended June 30, 2023 Percent of Gross Compensation		Year Ended June 30, 2024 Percent of Gross Compensation	
Class	**Employee**	**Employer**	**Employee**	**Employer**
FRS, Regular Class	3.00	6.30	3.00	8.30
FRS, Special Risk Class	3.00	14.00	3.00	16.00
FRS, Senior Management Service Class	3.00	7.67	3.00	9.67
FRS, Elected County Officers	3.00	11.34	3.00	13.34

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 FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested 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. 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 Investment Plan members. For the fiscal year ended September 30, 2023, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the County.

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

The County's Investment Plan pension expense totaled $648,867 for the fiscal year ended September 30, 2023.

Note 12 - Risk Management

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; injuries to employees and the public, or damage to property of others. The County obtained commercial insurance against losses for the following types of risk:

- Real and Personal Property Damage
- Public Employees' Bond
- Workers' Compensation
- Automobile Liability

The County participates in the Florida Association of Counties Trust (FACT), a public entity risk pool for risks related to comprehensive general liability. The agreement provides that the financial liability of each participating county is limited to premiums and surplus contributions paid or obligations made to FACT. Aggregate coverage provided is limited to $1,000,000 for each claim.

Note 13 - Hospital Endowment Trust Fund

On July 7, 1952, a trust was established with Quincy State Bank (now Capital City Bank) as trustee to accept gifts and bequests for the benefit of the Hospital. The corpus of the trust is unavailable for use except in an emergency, and then only upon the approval of the parties to the trust agreement and the Circuit Court of the County. The trust is accounted for as a private purpose trust fund in the fiduciary fund financial statements.

Note 14 - Commitments and Contingencies

Litigation

The County is contingently liable with respect to various lawsuits and other claims incidental to the ordinary course of its operations. In the opinion of the County's management, the ultimate disposition of these lawsuits and claims will not have a material adverse effect on the financial position of the County.

Construction Commitments

The following is a summary of construction contracts in progress as of September 30, 2023:

Project	Fund	Contract Amount	Expended as of September 30, 2023
Attapulgus Highway	Capital Projects – SCOP	$ 2,747,249	$ -
Providence Road Design	Capital Projects – SCOP	291,210	156,980
Ben Bostic Road Design	Capital Projects – SCOP	147,188	66,235
Ralph Strong Road	Capital Projects – LAPA	887,229	-
Iron Bridge Road	Capital Projects – LAPA	581,935	476,297
Total		$ 4,654,811	$ 699,512

Note 15 - Postemployment Benefits Other than Pension Benefits (OPEB)

Plan Description

The OPEB Plan is a single-employer defined benefit plan administered by the County. Retirees are charged whatever the insurance company charges for the type of coverage elected. However, the premiums charged by the insurance company are based on a blending of the experience among younger active employees and older retired employees.

Retirees and their dependents (except for life insurance) are permitted to remain covered under the County's respective medical and insurance plans as long as they pay a full premium applicable to coverage elected. This conforms to the minimum required of Florida governmental employers per Chapter 112.08, Florida Statutes. The OPEB Plan does not issue a stand-alone report.

Participant data as of the most recent actuarial valuation date of October 1, 2022 is shown below:

Retiree and Beneficiaries Currently Receiving Benefits	3
Active Employees	289
Total	292

Funding Policy

For the OPEB Plan, contribution requirements of the County are established and may be amended through action from either the Board of County Commissioners or Constitutional Officers. Currently the County's OPEB Benefits are unfunded. The required contributions are based on pay-as-you-go financing requirements. There is no separate Trust Fund or equivalent arrangement into which the County would make contributions to advance-fund the obligation, as it does for its pension plan, the FRS. Therefore, ultimate subsidies which are provided over time are financed directly by general assets of the County, which are invested in very short-term income instruments.

Actuarial Methods and Assumptions

In any long-term actuarial valuation, certain demographic, economic, and behavioral assumptions are made concerning the population, the investment discount rates and the benefits provided. These actuarial assumptions form the basis for the actuarial model, which is used to project the future population, the future benefits provided, and the contributions collected. Then the investment discount rate assumption is used to discount those projected net OPEB benefits to a present value. This and other related present values are used to calculate the annual OPEB cost.

Actuarial Assumptions:

Salary Increases	2.75%
Discount Rate	4.40%
Investment Rate of Return	0.0%
Healthcare Cost Trend Rates	6.50% for fiscal year end 2023, decreasing 0.25% per year to an ultimate rate of 5.00%
Mortality	RP-2014 Mortality Table, fully generational with base year 2006, projected using two-dimensional mortality improvement scale MP-2021
Actuarial Cost Method	Entry Age Actuarial Cost Method

The discount rate as of the actuarial measurement date has been updated to be based on a yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AA or higher. The discount rate will be updated annually to reflect market conditions as of the Measurement Date.

Total OPEB Liability

The County's total OPEB liability was measured as of October 1, 2022.

Changes in the Total OPEB Liability include the following:

	Total OPEB Liability
Balance at October 1, 2022	$ 844,300
Changes for the Year:	
Service Cost	67,900
Interest	19,700
Differences Between Expected and Actual Experience	(258,700)
Assumption Changes	(111,600)
Contributions - Employer	(25,500)
Net Changes	(308,200)
Balance at September 30, 2023	$ 536,100

Sensitivity of the total OPEB liability to changes in the discount rate:

The following presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.40%) or 1-percentage-point higher (5.40%) than the current discount rate:

	1% Decrease (3.40%)	Discount Rate (4.40%)	1% Increase (5.40%)
Total OPEB Liability	$ 584,200	$ 536,100	$ 492,300

Sensitivity of the total OPEB liability to changes in healthcare cost trend rates:

The following presents the total OPEB liability for the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare trend rates that are 1-percentage-point lower (5.50%) or 1-percentage-point higher (7.50%) than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rates 6.50%	1% Increase
Total OPEB Liability	$ 477,000	$ 536,100	$ 606,300

For the year ended September 30, 2023, the employer OPEB expense is $17,100. Deferred inflows and outflows related to the OPEB plan at the measurement date are as follows:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 4,300	$ 315,700
Changes in Assumptions	83,400	95,800
Employer Contributions After Measurement Date	25,500	-
Total	$ 113,200	$ 411,500

Of the total amount reported as deferred inflows of resources related to OPEB, $25,500 resulting from benefits paid subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the total OPEB liability in the fiscal year ended September 30, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending	Amount
2024	$ (78,000)
2025	(77,900)
2026	(78,800)
2027	(76,500)
2028	(12,600)
Thereafter	-
Total	$ (323,800)

Note 16 - Other Disclosures

Fund Balance Classifications

The following is a summary of the County's fund balance classifications and the purpose of each as of September 30, 2023:

Non-Spendable Fund Balance		
Prepaid Expenses	$	85,069
Inventory		93,614
Total Non-Spendable Fund Balance		178,683
Restricted Fund Balance		
Transportation		4,789,029
Public Safety		688,021
Cares Act		2,817
Capital Projects – Roads		520,643
Indigent Surtax		3,531,345
Court Facilities		(24,870)
Debt Service USDA		31,208
Debt Service Hospital		893,303
Judicial Services		382,005
Library Donation		4,143
Tourist Development		585,869
Boating Improvements		104,045
Building Inspection		599,157
Public Records Modernization		185,288
Drivers Education		152,784
Total Restricted Fund Balance		12,444,787
Committed Fund Balance		
Teen Court		39,814
Total Committed Fund Balance		39,814
Assigned Fund Balance		
Capital Projects	$	512,220
Subsequent Year's Budget		985,325
Public Safety		3,343,629
Landfill		181,958
Library Services		348,993
General Grants		497,206
Public Health		27,018
Debt Service		406,996
Total Assigned Fund Balance		6,303,345
Unassigned Fund Balance		8,084,906
Total Fund Balance	$	27,051,535

(Deficit) Unrestricted Net Position

At September 30, 2023, there was a deficit in unrestricted net position of $8,964,341 in the County-wide statement of net position. This deficit primarily resulted from the recording of the unfunded pension liabilities related to the FRS in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*.

There was a deficit in fund balance in the Court Facilities fund of $24,870. This deficit resulted from Court Related expenses exceeding revenues in the fund during the year. This fund will be evaluated by the County going forward to ensure that revenues and/or transfers from the General Fund will exceed annual expenditures.

Note 17 - Tax Abatements

In March of 2012, the County established a tax abatement program by adopting Ordinance 2012-003, which was later amended by Ordinance 2015-005. These ordinances allow the Board to grant ad valorem tax exemptions for new and expanding businesses within the unincorporated and incorporated area of the County if the businesses meet certain criteria. The ordinance provides for exemption of only those ad valorem taxes levied by the Board of County Commissioners. The authority to grant the tax exemptions under this ordinance expires ten years after it was adopted. For the fiscal year ended September 30, 2023, there were no businesses who had received tax abatements under the program.

Note 18 - Subsequent Events

Subsequent to fiscal year-end, the County entered into a master lease agreement for initially 10 vehicles with Enterprise Fleet Management for 60 months, requiring monthly payments of approximately $9,340. The terms of all currently existing vehicle leases require monthly payments of principal, interest, and various maintenance and service costs.

Subsequent to fiscal year-end, the County took possession of two ambulances under lease purchase agreements for terms of 3 years. The terms of the lease purchase agreements require annual payments of $141,456 consisting of principal and interest components at a stated interest rate of 5.76%.

REQUIRED SUPPLEMENTARY INFORMATION

GADSDEN COUNTY, FLORIDA
FLORIDA RETIREMENT SYSTEM PENSION PLAN
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY

	2023	2022	2021	2020	2019	2018	2017	2016	2015
County's Proportion of the Net Pension Liability	0.054183517%	0.053308499%	0.053965064%	0.056188618%	0.059231450%	0.059283048%	0.062579916%	0.062937069%	0.060673599%
County's Proportionate Share of the Net Pension Liability	$ 21,590,416	$ 19,835,046	$ 4,076,447	$ 24,352,975	$ 20,398,487	$ 17,856,359	$ 18,510,719	$ 15,891,659	$ 7,836,809
County's Covered-Employee Payroll (FYE 06/30)	$ 15,727,169	$ 14,389,940	$ 13,931,627	$ 13,291,566	$ 13,547,892	$ 12,893,614	$ 13,157,048	$ 12,902,289	$ 12,782,607
County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	137.28%	137.84%	29.26%	183.22%	150.57%	138.49%	140.69%	123.17%	61.31%
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%

Notes to Schedule:

The amounts presented above were determined using a measurement date of June 30.

This schedule will build to 10 years as information becomes available.

GADSDEN COUNTY, FLORIDA
FLORIDA RETIREMENT SYSTEM PENSION PLAN
SCHEDULE OF THE COUNTY'S CONTRIBUTIONS

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contributions	$ 2,748,356	$ 2,272,818	$ 2,130,641	$ 1,892,770	$ 1,825,024	$ 1,728,563	$ 1,630,549	$ 1,606,989	$ 1,493,376
Contributions in Relation to the Contractually Required Contribution	(2,748,356)	(2,272,818)	(2,130,641)	(1,892,770)	(1,825,024)	(1,728,563)	(1,630,549)	(1,606,989)	(1,493,376)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
County's Covered-Employee Payroll (09/30)	$ 16,246,536	$ 14,128,795	$ 14,116,145	$ 13,366,807	$ 13,443,554	$ 12,961,265	$ 13,075,873	$ 13,324,993	$ 12,782,607
Contributions as a Percentage of Covered-Employee Payroll	16.92%	16.09%	15.09%	14.16%	13.58%	13.34%	12.47%	12.06%	11.68%

Note to Schedule:

The amounts presented above were determined using the County's fiscal year (09/30).

This schedule will build to 10 years as information becomes available.

GADSDEN COUNTY, FLORIDA
HEALTH INSURANCE SUBSIDY PENSION PLAN
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY

	2023	2022	2021	2020	2019	2018	2017	2016	2015
County's Proportion of the Net Pension Liability	0.0396874%	0.0394778%	0.0393442%	0.0382889%	0.0405003%	0.0394677%	0.0412691%	0.0417857%	0.0415987%
County's Proportionate Share of the Net Pension Liability	$ 6,302,895	$ 4,181,330	$ 4,826,156	$ 4,675,014	$ 4,531,579	$ 4,177,302	$ 4,412,678	$ 4,869,952	$ 4,242,418
County's Covered-Employee Payroll (FYE 06/30)	$ 15,727,169	$ 14,389,940	$ 13,931,627	$ 13,291,566	$ 13,547,892	$ 12,893,614	$ 13,157,048	$ 12,902,289	$ 12,782,607
County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered-Employee Payroll	40.08%	29.06%	34.64%	35.17%	33.45%	32.40%	33.54%	37.74%	33.19%
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%

Notes to Schedule:

The amounts presented above were determined using a measurement date of June 30.

This schedule will build to 10 years as information becomes available.

GADSDEN COUNTY, FLORIDA
HEALTH INSURANCE SUBSIDY PENSION PLAN
SCHEDULE OF THE COUNTY'S CONTRIBUTIONS

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contributions	$ 282,834	$ 234,538	$ 234,328	$ 221,391	$ 223,163	$ 215,157	$ 217,059	$ 221,017	$ 172,438
Contributions in Relation to the Contractually Required Contribution	(282,834)	(234,538)	(234,328)	(221,391)	(223,163)	(215,157)	(217,059)	(221,017)	(172,438)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
County's Covered-Employee Payroll (09/30)	$ 16,246,536	$ 14,128,795	$ 14,116,145	$ 13,435,380	$ 13,563,263	$ 12,961,265	$ 13,075,843	$ 13,324,993	$ 12,782,607
Contributions as a Percentage of Covered-Employee Payroll	1.74%	1.66%	1.66%	1.65%	1.65%	1.66%	1.66%	1.66%	1.35%

Note to Schedule:

The amounts presented above were determined using the County's fiscal year (09/30).

This schedule will build to 10 years as information becomes available.

GADSDEN COUNTY, FLORIDA
OTHER POSTEMPLOYMENT BENEFITS PLAN (OPEB)
SCHEDULE OF CHANGES IN TOTAL OTHER POSTEMPLOYMENT BENEFITS AND RELATED RATIOS

Actuarial Valuation Date	9/30/2022	9/30/2020	9/30/2020	9/30/2018	9/30/2018	9/30/2016
Measurement Date	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017
Reporting Date	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018
Total OPEB Liability						
Service Cost	$ 67,900	$ 65,300	$ 59,800	$ 49,800	$ 41,600	$ 40,500
Interest on the Total OPEB Liability	19,700	20,400	23,600	28,500	24,200	22,300
Changes of Benefit Terms						
Difference Between Expected and Actual Experience of the Total OPEB Liability	(258,700)	(23,900)	(150,800)	(28,000)	17,300	-
Changes in Assumptions and Other Inputs	(111,600)	17,000	79,200	74,000	(22,800)	-
Benefit Payments	(25,500)	(35,000)	(22,100)	(15,800)	(15,800)	(4,400)
Net Change in Total OPEB Liability	(308,200)	43,800	(10,300)	108,500	44,500	58,400
Total OPEB Liability - Beginning of Year	844,300	800,500	810,800	702,300	657,800	599,400
Total OPEB Liability - End of Year	536,100	844,300	800,500	810,800	702,300	657,800
Plan Fiduciary Net Position						
Contributions - Employer	25,500	35,000	22,100	15,800	15,800	4,400
Benefit Payments	(25,500)	(35,000)	(22,100)	(15,800)	(15,800)	(4,400)
Net Change in Plan Fiduciary Net Position	-	-	-	-	-	-
Plan Fiduciary Net Position - Beginning of Year	-	-	-	-	-	-
Plan Fiduciary Net Position - End of Year	-	-	-	-	-	-
Net OPEB Liability	$ 536,100	$ 844,300	$ 800,500	$ 810,800	$ 702,300	$ 657,800
Estimated Covered-Employee Payroll	$ 12,467,100	$ 13,190,500	$ 13,190,500	$ 11,236,000	$ 11,236,000	$ 10,505,400
Total OPEB Liability as a percentage of Covered-Employee Payroll	4.30%	6.40%	6.07%	7.22%	6.25%	6.26%

Note to Schedule:

10 years of data will be displayed as information becomes available.

GADSDEN COUNTY, FLORIDA
OTHER POSTEMPLOYMENT BENEFITS PLAN (OPEB)
SCHEDULE OF EMPLOYER CONTRIBUTIONS

	September 30, 2023	September 30, 2022	September 30, 2021	September 30, 2020	September 30, 2019	September 30, 2018
Actuarially Determined Contribution	$ 25,500	$ 35,000	$ 22,100	$ 15,800	$ 15,800	$ 4,400
Contributions in Relation to the Actuarially Determined Contribution	(25,500)	(35,000)	(22,100)	(15,800)	(15,800)	(4,400)
Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -	$ -	$ -
Expected Covered-Employee Payroll	$ 12,467,100	$ 13,190,500	$ 13,190,500	$ 11,236,000	$ 11,236,000	$ 10,505,400
Contributions as a Percentage of Covered-Employee Payroll	0.20%	0.27%	0.17%	0.14%	0.14%	0.04%

Notes to Schedule:

The County has elected to make an annual contribution equal to the benefit payments. The County's share of net benefits is the difference between the expected benefit payments and the retiree contributions. It is sometimes referred to as "pay-as-you-go".

The expected benefit payments are actuarially determined to reflect the age difference between the overall covered group and the retiree group.

Actuarially determined contributions, which are based on the expected "pay-as-you-go" cost, and actual contributions are from the measurement periods ending September 30 of the year prior to the year-end of the reporting periods shown. This is the first valuation under Governmental Accounting Standards Board Statement No. 75 for the reported plan.

10 years of data will be displayed as information becomes available.

COMBINING NON-MAJOR FUND STATEMENTS

GADSDEN COUNTY, FLORIDA
COMBINING BALANCE SHEET
ALL NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	Special Revenue			
	Landfill	Cares Act	Emergency Medical Services	Library Services
Assets				
Cash and Cash Equivalents	$ 215,949	$ 2,817	$ 441,986	$ 395,987
Accounts Receivable (Net of Allowance for Uncollectible)	-	-	513,590	-
Due from Other Funds	-	-	-	-
Due from Other Governments	-	-	-	-
Total Assets	215,949	2,817	955,576	395,987
Liabilities and Fund Balances				
Liabilities				
Accounts Payable and Accrued Expenses	-	-	71,845	19,650
Due to Other Funds	-	-	-	-
Due to Other Governments	-	-	-	-
Accrued Wages	-	-	129,386	23,201
Unearned Revenue	33,991	-	-	-
Total Liabilities	33,991	-	201,231	42,851
Deferred Inflows of Resources	-	-	310,990	-
Fund Balances				
Restricted	-	2,817	-	4,143
Committed	-	-	-	-
Assigned	181,958	-	443,355	348,993
Unassigned	-	-	-	-
Total Fund Balances	181,958	2,817	443,355	353,136
Total Liabilities and Fund Balances (Deficits)	$ 215,949	$ 2,817	$ 955,576	$ 395,987

Special Revenue					
Judicial Services Fund	**Fire Assessment**	**Court Facilities**	**Tourist Development**	**Opioid Settlement**	**General Grants**
$ 385,608	$ 2,618,518	$ -	$ 613,693	$ 27,018	$ 700,051
-	-	-	-	-	-
-	-	-	-	-	-
-	340,854	-	31,356	-	468,972
385,608	2,959,372	-	645,049	27,018	1,169,023
3,603	252,371	7,667	42,930	-	174,482
-	-	17,203	-	-	474,909
-	35,339	-	-	-	16
-	3,637	-	531	-	-
-	-	-	-	-	22,410
3,603	291,347	24,870	43,461	-	671,817
-	242,417	-	15,719	-	-
382,005	-	-	585,869	-	-
-	-	-	-	-	-
-	2,425,608	-	-	27,018	497,206
-	-	(24,870)	-	-	-
382,005	2,425,608	(24,870)	585,869	27,018	497,206
$ 385,608	$ 2,959,372	$ -	$ 645,049	$ 27,018	$ 1,169,023

GADSDEN COUNTY, FLORIDA
COMBINING BALANCE SHEET
ALL NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	Special Revenue			
	E-911	Building Inspection Fund	Fines and Forfeitures	Indigent Surtax
Assets				
Cash and Cash Equivalents	$ 164,350	$ 565,894	$ 561,842	$ 3,462,425
Accounts Receivables (Net of Allowance for Uncollectible)	-	-		-
Due from Other Funds	-	-	12,800	-
Due from Other Governments	42,653	46,250	34,199	502,431
Total Assets	207,003	612,144	608,841	3,964,856
Liabilities and Fund Balances				
Liabilities				
Accounts Payable and Accrued Expenses	111	1,424	10,382	76,317
Due to Other Funds	118,933	-	-	-
Due to Other Governments	-	-	-	-
Accrued Wages	-	11,563	-	-
Unearned Revenue	39,069	-	-	-
Total Liabilities	158,113	12,987	10,382	76,317
Deferred Inflows of Resources	-	-	-	357,194
Fund Balances				
Restricted	48,890	599,157	123,793	3,531,345
Committed	-	-	-	-
Assigned	-	-	474,666	-
Unassigned	-	-	-	
Total Fund Balances	48,890	599,157	598,459	3,531,345
Total Liabilities and Fund Balances (Deficits)	$ 207,003	$ 612,144	$ 608,841	$ 3,964,856

Special Revenue	Debt Service		
SHIP	Debt Service Hospital	Debt Service Library	Debt Service USDA Agr Center
$ 527,874	$ 893,303	$ -	$ 31,208
-	-	-	-
-	-	-	-
-	-	-	-
527,874	893,303	-	31,208
112,250	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
415,624	-	-	-
527,874	-	-	-
-	-	-	-
-	893,303	-	31,208
-	-	-	-
-	-	-	-
	-	-	
-	893,303	-	31,208
$ 527,874	$ 893,303	$ -	$ 31,208

GADSDEN COUNTY, FLORIDA
COMBINING BALANCE SHEET
ALL NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	Debt Service Public Works	Debt Service General	Capital Projects Capital Projects General/Parks	Constitutional Officer Sheriff Special Revenues
Assets				
Cash and Cash Equivalents	$ 1,548,496	$ 406,996	$ 512,190	$ 493,555
Accounts Receivables (Net of Allowance for Uncollectible)	-	-	30	31,802
Due from Other Funds	-	-	-	316,786
Due from Other Governments	275,534	-	-	81,823
Total Assets	1,824,030	406,996	512,220	923,966
Liabilities and Fund Balances				
Liabilities				
Accounts Payable and Accrued Expenses	-	-	-	4,680
Due to Other Funds	-	-	-	346,297
Due to Other Governments	-	-	-	-
Accrued Wages	-	-	-	-
Unearned Revenue	-	-	-	17,837
Total Liabilities	-	-	-	368,814
Deferred Inflows of Resources	132,641	-	-	-
Fund Balances				
Restricted	1,691,389	-	-	515,338
Committed	-	-	-	39,814
Assigned	-	406,996	512,220	-
Unassigned	-	-	-	-
Total Fund Balances	1,691,389	406,996	512,220	555,152
Total Liabilities and Fund Balances (Deficits)	$ 1,824,030	$ 406,996	$ 512,220	$ 923,966

Constitutional Officer Clerk of the Circuit Court	Total Non-Major Governmental Funds
$ 580,568	$ 15,150,328
-	545,422
15,644	345,230
13,379	1,837,451
609,591	17,878,431
87,828	865,540
13,358	970,700
59,618	94,973
46,319	214,637
217,180	746,111
424,303	2,891,961
-	1,058,961
185,288	8,594,545
-	39,814
-	5,318,020
-	(24,870)
185,288	13,927,509
$ 609,591	$ 17,878,431

GADSDEN COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Special Revenue			
	Landfill	Cares Act	Emergency Medical Services	Library Services
Revenues				
Taxes	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental	4,902	-	-	356,569
Charges for Services	-	-	2,961,148	10,579
Fines and Forfeitures	-	-	-	-
Miscellaneous	2,691	1,765	7,218	23,364
Total Revenues	7,593	1,765	2,968,366	390,512
Expenditures				
Current:				
General Government	-	-	-	-
Public Safety	-	-	4,702,357	-
Physical Environment	4,902	-	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Court-Related	-	-	-	-
Culture and Recreation	-	-	-	1,149,914
Debt Service:				
Principal Payments	-	-	-	-
Interest	-	-	-	-
Capital Outlay:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Physical Environment	-	-	-	-
Culture and Recreation	-	-	-	-
(Total Expenditures)	(4,902)	-	(4,702,357)	(1,149,914)
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,691	1,765	(1,733,991)	(759,402)
Other Financing Sources (Uses)				
Transfers in	50,441	-	1,408,487	727,961
Transfers (out)	-	(2,864,419)	-	-
Total Other Financing Sources (Uses)	50,441	(2,864,419)	1,408,487	727,961
Net Change in Fund Balances	53,132	(2,862,654)	(325,504)	(31,441)
Fund Balances, Beginning of Year	128,826	2,865,471	768,859	384,577
Fund Balances, End of Year	$ 181,958	$ 2,817	$ 443,355	$ 353,136

Special Revenue						
Judicial Services Fund	**Fire Assessment**	**Court Facilities**	**Tourist Development**	**Opioid Settlement**	**General Grants**
$ -	$ 1,862,167	$ -	$ 191,884	$ -	$ -
-	-	-	-	-	-
-	-	-	-	-	1,814,788
72,475	-	131,735	-	-	-
-	-	-	-	-	20
-	-	498	13,413	27,018	137
72,475	1,862,167	132,233	205,297	27,018	1,814,945
-	-	-	-	-	165,351
-	1,176,719	-	-	-	52,994
-	-	-	-	-	106,408
-	-	-	-	-	177,215
-	-	-	112,438	-	305,163
-	-	-	-	-	-
218,910	-	196,047	-	-	-
-	-	-	-	-	-
-	5,716	-	-	-	-
-	262	-	-	-	-
-	-	-	-	-	-
-	92,067	-	-	-	129,949
-	-	-	-	-	251,295
-	-	-	-	-	-
(218,910)	(1,274,764)	(196,047)	(112,438)	-	(1,188,375)
(146,435)	587,403	(63,814)	92,859	27,018	626,570
169,580	-	-	-	-	173,320
-	-	-	-	-	(690,587)
169,580	-	-	-	-	(517,267)
23,145	587,403	(63,814)	92,859	27,018	109,303
358,860	1,838,205	38,944	493,010	-	387,903
$ 382,005	$ 2,425,608	$ (24,870)	$ 585,869	$ 27,018	$ 497,206

GADSDEN COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Special Revenue			
	E-911	Building Inspection Fund	Fines and Forfeitures	Indigent Surtax
Revenues				
Taxes	$ -	$ -	$ -	$ 2,742,939
Licenses and Permits	-	470,630	-	-
Intergovernmental	255,427	-	198,252	-
Charges for Services	-	72,800	33,029	-
Fines and Forfeitures	-	-	5,826	-
Miscellaneous	4,252	-	9,482	81,182
Total Revenues	259,679	543,430	246,589	2,824,121
Expenditures				
Current:				
General Government	-	-	-	-
Public Safety	99,330	547,235	194,209	-
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Human Services	-	-	-	683,405
Court-Related	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal Payments	-	-	-	-
Interest	-	-	-	-
Capital Outlay:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Physical Environment	-	-	-	-
Culture and Recreation	-	-	-	-
(Total Expenditures)	(99,330)	(547,235)	(194,209)	(683,405)
Excess (Deficiency) of Revenues Over (Under) Expenditures	160,349	(3,805)	52,380	2,140,716
Other Financing Sources (Uses)				
Transfers in	-	146,535	8,155,831	-
Transfers (out)	(178,279)	-	(8,224,658)	(645,836)
Total Other Financing Sources (Uses)	(178,279)	146,535	(68,827)	(645,836)
Net Change in Fund Balances	(17,930)	142,730	(16,447)	1,494,880
Fund Balances, Beginning of Year	66,820	456,427	614,906	2,036,465
Fund Balances, End of Year	$ 48,890	$ 599,157	$ 598,459	$ 3,531,345

Special Revenue	Debt Service		
SHIP	Debt Service Hospital	Debt Service Library	Debt Service USDA Agr Center
$ -	$ -	$ -	$ -
-	-	-	-
840,997	-	1,864,506	-
-	-	-	-
-	-	-	-
7,875	33,122	62,588	-
848,872	33,122	1,927,094	-
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
848,872	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
-	561,070	-	16,348
-	84,766	-	14,818
-	-	-	-
-	-	-	-
-	-	-	-
-	-	-	-
(848,872)	(645,836)	-	(31,166)
-	(612,714)	1,927,094	(31,166)
-	645,836	-	31,167
-	-	(4,046,449)	-
-	645,836	(4,046,449)	31,167
-	33,122	(2,119,355)	1
-	860,181	2,119,355	31,207
$ -	$ 893,303	$ -	$ 31,208

GADSDEN COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Debt Service		Capital Projects	Constitutional
	Debt Service Public Works	Debt Service General	Capital Projects General/Parks	Officer Sheriff Special Revenues
Revenues				
Taxes	$ -	$ -	$ -	$ -
Licenses and Permits	-	-	-	-
Intergovernmental	1,603,260	-	45,125	983,187
Charges for Services	-	-	-	58,182
Fines and Forfeitures	-	-	-	-
Miscellaneous	73,306	-	9,332	356,125
Total Revenues	1,676,566	-	54,457	1,397,494
Expenditures				
Current:				
General Government	-	-	-	-
Public Safety	-	-	-	1,880,245
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Court-Related	-	-	-	-
Culture and Recreation	-	-	19,375	-
Debt Service:				-
Principal Payments	887,729	455,027	-	-
Interest	179,250	62,905	-	-
Capital Outlay:				
General Government	-	-	-	-
Public Safety	-	-	-	9,885
Physical Environment	-	-	-	-
Culture and Recreation	-	-	25,750	-
(Total Expenditures)	(1,066,979)	(517,932)	(45,125)	(1,890,130)
Excess (Deficiency) of Revenues Over (Under) Expenditures	609,587	(517,932)	9,332	(492,636)
Other Financing Sources (Uses)				
Transfers in	339,921	517,932	-	338,637
Transfers (out)	(812,098)	-	-	-
Total Other Financing Sources (Uses)	(472,177)	517,932	-	338,637
Net Change in Fund Balances	137,410	-	9,332	(153,999)
Fund Balances, Beginning of Year	1,553,979	406,996	502,888	709,151
Fund Balances, End of Year	$ 1,691,389	$ 406,996	$ 512,220	$ 555,152

Constitutional Officer Clerk of the Circuit Court	Total Non-Major Governmental Funds
$ -	$ 4,796,990
-	470,630
717,303	8,684,316
608,682	3,948,630
163,871	169,717
5,346	718,714
1,495,202	18,788,997
139,733	305,084
-	8,653,089
-	111,310
-	177,215
-	1,266,473
-	683,405
1,431,628	1,846,585
-	1,169,289
-	1,925,890
-	342,001
35,936	35,936
-	231,901
-	251,295
-	25,750
(1,607,297)	(17,025,223)
(112,095)	1,763,774
-	12,705,648
-	(17,462,326)
-	(4,756,678)
(112,095)	(2,992,904)
297,383	16,920,413
$ 185,288	$ 13,927,509

GADSDEN COUNTY, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2023

	Clerk of the Courts		
	Clerk Trust	**Cash Bond**	**Child Support**
Assets			
Cash	$ 694,702	$ 179,440	$ 1,508
Accounts Receivable	-	-	-
Due from Other Governments	-	-	-
Due from Other Funds	-	-	-
Total Assets	694,702	179,440	1,508
Liabilities			
Accounts Payable	-	-	-
Due to Other Funds	707	2,286	-
Due to Individuals	8,803	-	324
Due to Other Governments	84,244	-	1,184
Installment Tax Deposits	-	-	-
Tag Renewal Deposits	-	-	-
Total Liabilities	93,754	2,286	1,508
Net Position, Held in a Custodial Capacity to be Disbursed	$ 600,948	$ 177,154	$ -

Sheriff			Tax Collector	
Civil Account	Confiscated Funds	Inmate Commissary	Tax	Totals
$ 1,932	$ 305	$ 183,278	$ 268,357	$ 1,329,522
-	-	-	33,649	33,649
-	-	-	785	785
-	-	-	3,088	3,088
1,932	305	183,278	305,879	1,367,044
-	-	27,977	-	27,977
-	-	122,039	2,319	127,351
1,932	305	-	1,384	12,748
-	-	-	57,147	142,575
-	-	-	205,830	205,830
-	-	-	21,668	21,668
1,932	305	150,016	288,348	538,149
$ -	$ -	$ 33,262	$ 17,531	$ 828,895

GADSDEN COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Clerk Trust	Cash Bond	Child Support
Additions			
Fines, Forfeitures, and Fees Collected	$ 4,393,727	$ -	$ -
Tax Deeds and Fees Collected	232,829	-	-
Support and Fees Collected	-	-	504,261
Registry of the Court and Fees Collected	562,121	-	-
Recording Fees Collected	2,615,977	-	-
Bail Bonds and Fees Collected	-	119,053	-
Inmate Funds Collected	-	-	-
Licenses and Tag Fees Collected	-	-	-
Property Taxes and Fees Collected	-	-	-
Hunting and Fishing Licenses Collected	-	-	-
Total Additions	7,804,654	119,053	504,261
Deductions			
Fines, Forfeitures, and Fees Distributed	4,420,410	-	-
Tax Deeds and Fees Distributed	264,852	-	-
Support and Fees Distributed	-	-	504,261
Registry of the Court and Fees Distributed	609,347	-	-
Recording Fees Distributed	2,590,511	-	-
Bail Bonds and Fees Distributed	-	127,362	-
Inmate Funds Disbursed	-	-	-
Licenses and Tag Fees Disbursed	-	-	-
Property Taxes and Fees Disbursed	-	-	-
Hunting and Fishing Licenses Disbursed	-	-	-
Total Deductions	(7,885,120)	(127,362)	(504,261)
Change in Net Position	(80,466)	(8,309)	-
Net Position, Beginning of Year	681,414	185,463	-
Net Position, Ending	$ 600,948	$ 177,154	$ -

Civil Account	Confiscated Funds	Inmate Commissary	Tax Fund	Total
$ 38,967	$ -	$ -	$ -	$ 4,432,694
-	-	-	-	232,829
-	-	-	-	504,261
-	-	-	-	562,121
-	-	-	-	2,615,977
-	-	-	-	119,053
-	-	428,451	-	428,451
-	-	-	5,416,410	5,416,410
-	-	-	31,295,556	31,295,556
-	-	-	12,772	12,772
38,967	-	428,451	36,724,738	45,620,124
38,967	-	-	-	4,459,377
-	-	-	-	264,852
-	-	-	-	504,261
-	-	-	-	609,347
-	-	-	-	2,590,511
-	-	-	-	127,362
-	-	423,213	-	423,213
-	-	-	5,416,397	5,416,397
-	-	-	31,288,296	31,288,296
-	-	-	12,772	12,772
(38,967)	-	(423,213)	(36,717,465)	(45,696,388)
-	-	5,238	7,273	(76,264)
-	-	28,024	10,258	905,159
$ -	$ -	$ 33,262	$ 17,531	$ 828,895

OTHER INFORMATION

ADDITIONAL ELEMENTS OF REPORT PREPARED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS,* ISSUED BY THE COMPTROLLER GENERAL OF THE UNITED STATES; THE *RULES OF THE AUDITOR GENERAL* OF THE STATE OF FLORIDA; AND OTHER CONTRACT REQUIREMENTS

GADSDEN COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Federal Grantor/Pass-Through Grantor/ Grant Program	Assistance Listing Number (AL)	Grant ID Number	Federal Expenditures
U.S. Department of Housing and Urban Development			
Community Development Block Grant-CV	14.228	22CV-S09	$ 115,351
Community Development Block Grant-DR	14.228	M0026	50,000
Subtotal for AL No.14.228			165,351
Total U.S. Department of Housing and Urban Development			165,351
U.S. Department of Justice			
Passed Through the State of Florida Department of Juvenile Justice:			
Gadsden County Restoring Families	16.540	10749	201,387
Gadsden County Teen Success Academy	16.540	10643	44,706
Gadsden County Civil Citation Grant	16.540	10712	37,879
Subtotal for AL No.16.540			283,972
Passed Through the State of Florida Office of the Attorney General:			
Victims of Crime Act	16.575	V00355	66,668
Total U.S. Department of Justice			350,640
U.S. Department of Transportation / Federal Highway Administration			
Passed Through State of Florida Department of Transportation:			
LAPA - Havana Sch Sidewalk	20.205	438127-1-58-01	362,255
LAPA - Scotland/Dover Guardrails	20.205	440647-1-58-01	849,811
LAPA - Iron Bridge Rd	20.205	440649-1-58-01	478,024
Subtotal for AL No. 20.205			1,690,090
Passed Through City of Tallahassee, Florida:			
Federal Transit - Formula Grants	20.507	Gad Express FL-COTLH-0001074495	56,319
Total U.S. Department of Transportation / Federal Highway Administration			1,746,409
U.S. Department of Treasury			
Passed Through Florida Division of Emergency Management:			
Local Assistance & Tribal Consistency Fund (LATCF) - FY23	21.032	Unknown	45,000
Passed Through Florida Office of the Governor			
American Rescue Plan (ARPA)	21.027	Unknown	2,508,468
Total U.S. Department of Treasury			2,553,468
U.S. Environmental Protection Agency			
Passed Through State of Florida Department of Environmental Protection:			
Brownsfield Assessment and Cleanup Cooperative Agreements	66.818	00D58717	56,894
Total U.S. Environmental Protection Agency			56,894
U.S. Department of Education			
Passed Through State of Florida Department of Education:			
Coach Aaron Feis Guardian Program	84.425	97F-90210-4D001	257,106
Total U.S. Department of Education			257,106

GADSDEN COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Federal Grantor/Pass-Through Grantor/ Grant Program	Assistance Listing Number (AL)	Grant ID Number	Federal Expenditures
U.S. Election Assistance Commission			
Passed through State of Florida Department of State:			
Election Security Grant	90.404	23.e.es.100.019	$ 71,825
Total U.S. Election Assistance Commission			71,825
U.S. Department of Health and Human Services			
Passed Through State of Florida Department of Revenue:			
Child Support Reimbursement Payments	93.563	COC20	250,268
Passed Through Area Agency for Aging for North Florida:			
Older Americans Act Title III and Nutrition Services Incentive Program	93.044	BA023	15,658
Older Americans Act Title III and Nutrition Services Incentive Program	93.045	BA023	21,835
Older Americans Act Title III and Nutrition Services Incentive Program	93.053	BA023	1,227
Total Aging Cluster			38,720
Total U.S. Department of Health and Human Services			288,988
U.S Department of Homeland Security			
Passed Through Florida Division of Emergency Management (FEMA):			
Disaster Grants - Public Assistance	97.063	Z2622 Hurricane Sally	113,338
Hazardous Mitigation Grant Program	97.039	J0626	118,018
Passed Through State of Florida Executive Office of the Governor:			
Emergency Management Preparedness Grant FY23	97.042	G0402	44,726
Emergency Management Preparedness Grant FY22 - Modification 1	97.042	G0231	3,629
Subtotal for AL No. 97.042			48,355
Total U.S. Department of Homeland Security			279,711
Total Federal Awards			$ 5,770,392

GADSDEN COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR YEAR ENDING SEPTEMBER 30, 2023

State Grantor/Pass-Through Grantor/ Program Title	CSFA Number	Pass-Through/ Grantor Number	State Expenditures
Florida Office of the Governor			
Emergency Management Preparedness FY23	31.063	A0268	$ 73,543
Emergency Management Preparedness FY24	31.063	A0405	25,139
Subtotal for CFSA No. 31.063			98,682
Total Florida Office of the Governor			98,682
Division of Emergency Management			
Small County EOC Design Initiative Grant	31.064	F0073	95,100
Total Division of Emergency Management			95,100
Florida Department of Environmental Protection			
Small County Solid Waste	37.012	SC208	13,179
Small County Solid Waste	37.012	SC308	136,264
Subtotal for CSFA No. 37.012			149,443
FRDAP - Pat Thomas Park	37.017	A21101	45,125
Total Florida Department of Enviromental Protection			194,568
Florida Housing Finance Corporation			
State Housing Initiatives Partnership Grant	40.901	Unknown	848,872
HHRP - Hurricane Recovery Program	40.901	Unknown	210,063
Subtotal for CFSA No. 40.901			1,058,935
Total Florida Housing Finance Corporation			1,058,935
Florida Department of Agriculture and Consumer Services			
Arthropod Control/Mosquito Control	42.003	27524	4,902
Total Florida Department of Agriculture and Consumer Services			4,902
Florida Department of State			
Division of Library and Information Systems			
State Aid to Libraries	45.030	22-ST-11	356,569
Total Florida Department of State			356,569
Florida Department of Transportation			
SCOP - Point Milligan Rd	55.009	438356-1-54-01	1,397,714
SCOP - Fairbanks Rd	55.009	446637-1-54-01	1,707,888
SCOP - Hardaway Hwy	55.009	448604-1-34-01	129,875
SCOP - Spooner Rd	55.009	446575-1-54-01	105,250
SCOP - Providence Rd	55.009	451777-1-34-01	125,366
SCOP - Ben Bostic Rd	55.009	448611-1-34-01	97,848
Subtotal for CSFA No. 55.009			3,563,941
Total Florida Department of Transportation			3,563,941
Florida Department of Children and Families			
Criminal Justice Mental Health and Substance Abuse Reinvestment	60.115	LHZ96	375,441
Total Florida Department of Children and Families			375,441
Florida Department of Health			
EMS County Grant	64.005	C1020	11,623

GADSDEN COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR YEAR ENDING SEPTEMBER 30, 2023

State Grantor/Pass-Through Grantor/ Program Title	CSFA Number	Pass-Through/ Grantor Number	State Expenditures
EMS Matching Grant	64.003	M232001	$ 94,335
EMS Matching Grant	64.003	M0008	55,188
Subtotal for CSFA No. 64.003			149,523
Total Florida Department of Health			161,146
Florida Department of Law Enforcement			
FDLE - Salary Assistance Grant	71.067	7G022	388,214
FDLE - Salary Assistance Grant - FY23-24	71.067	5V008	142,014
Subtotal for CSFA No. 71.067			530,228
Total Florida Department of Law Enforcement			530,228
Department of Management Services			
911 P0217/NG-911 - Text-to-911	72.001	911 P0217/NG-911 - Text-to-911	7,233
E911 System & MapFlex Annual Suppport & Maintenance	72.001	23-04-03	27,340
E911 Reorder Annual Maintenance	72.001	22-11-04	5,675
Subtotal for CSFA No. 72.001			40,248
Local Government Cybersecurity Grant	72.009	DMS-22/23-403	34,063
Total Department of Management Services			74,311
Total State Financial Assistance			6,513,823
Total Expenditures of Federal Awards and State Financial Assistance			$ 12,284,215

GADSDEN COUNTY, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Note 1 - Significant Accounting Policies

The accounting policies and presentation of the accompanying schedule of expenditures of federal awards and state financial assistance of Gadsden County, Florida (the County) have been designed to conform with generally accepted accounting principles applicable to governmental units, including the reporting and compliance requirements of the Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) (federal awards); and Chapter 10.550, *Rules of the Auditor General* of the State of Florida.

The County reporting entity is defined in Note 1 to the County's basic financial statements for the year ended September 30, 2023. All federal awards and state financial assistance received directly from federal or state agencies, as well as federal awards and state financial assistance passed through other governmental agencies, are included in the schedule.

Note 2 - Basis of Presentation

The accompanying schedule of expenditures of federal awards and state financial assistance includes the federal and state award activity of Gadsden County, Florida and is presented on the modified accrual basis of accounting.

Note 3 - De Minimis Indirect Cost Rate Election

The County did not elect to use the 10% de minimis indirect cost rate as covered in §200.414, Indirect (F&A) costs, of the Uniform Guidance.

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, *RULES OF THE AUDITOR GENERAL*

The Honorable Board of County Commissioners and
Constitutional Officers
Gadsden County, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited Gadsden County, Florida's (the County) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and in the Florida Department of Financial Services' *State Projects Compliance Supplement*, that could have a direct and material effect on each of the County's major federal programs and state projects for the year ended September 30, 2023. The County's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2023.

Basis for Opinion on Each Major Federal Program and State Project

We conducted our audit of compliance 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; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Auditor General* (the Rules). Our responsibilities under those standards, the Uniform Guidance, and the Rules, are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with 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 opinion on compliance for each major federal program and state project. Our audit does not provide a legal determination of County's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to County's federal programs and state projects.

The Honorable Board of County Commissioners and
Constitutional Officers
Gadsden County, Florida

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, *RULES OF THE AUDITOR GENERAL*

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material non-compliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on County's compliance based on our audit. 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, *Government Auditing Standards*, the Uniform Guidance, and the Rules will always detect material non-compliance when it exists. The risk of not detecting material non-compliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Non-compliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program and state project as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material non-compliance, 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 County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Rules, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control Over Compliance

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, non-compliance with a type of compliance requirement of a federal program and state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material non-compliance with a type of compliance requirement of

The Honorable Board of County Commissioners and
Constitutional Officers
Gadsden County, Florida

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, *RULES OF THE AUDITOR GENERAL*

a federal program or state project will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that have not been identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Purpose

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.



May 24, 2024
Tallahassee, Florida

GADSDEN COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS -
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Section I - Summary of Independent Auditor's Results

Financial Statements

Type of Auditor's Report Issued	Unmodified
Internal Control Over Financial Reporting:	
Material Weakness(es) Identified?	No
Significant Deficiency(ies)	No
Non-Compliance Material to Financial Statements Noted?	No

Federal Awards and State Financial Assistance

Internal Control Over Major Projects:	
Material Weakness(es) Identified?	No
Significant Deficiency(ies) Identified?	No
Type of Auditor's Report Issued on Compliance for Major Projects	Unmodified
Any Audit Findings Disclosed that are Required to be Reported in Accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General?*	No

The programs tested as major federal programs and state projects were as follows:

Federal Program	Assistance Listing No.
Coronavirus State and Local Fiscal Recovery Funds	21.027
Local Agency Program Agreement (LAPA)	20.205

State Projects	CSFA No.
Small County Outreach Program (SCOP)	55.009

Dollar Threshold Used to Distinguish Between Type A and Type B Projects (Federal and State)	$ 750,000

The County did not qualify as a low-risk auditee for federal grant programs.

Section II - Financial Statement Findings

Financial statement findings, if any, are reported in the individual reports of the Constitutional Officers.

GADSDEN COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS -
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Section III - Findings and Questioned Costs – Federal Awards and State Projects

The audit disclosed no findings for any major federal programs and state projects to be reported under the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*.

Section IV - Status of Prior Audit Findings

There were no findings for any major federal programs and state projects to be reported under the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General,* for the prior audit.

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 Board of County Commissioners and
Constitutional Officers
Gadsden County, Florida

We have audited, in accordance with 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 the governmental activities, each major fund, and the aggregate remaining fund information of Gadsden County, Florida (the County) as of and for the year ended September 30, 2023, which collectively comprise the County's basic financial statements and have issued our report thereon dated May 24, 2024.

Report on Internal Control Over Financial Reporting
In planning and performing our audit, we considered the County'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 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 combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County'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 have not been identified.

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, non-compliance with which could have a direct and material effect on

Honorable Board of County Commissioners and
Constitutional Officers
Gadsden County, Florida

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*

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 instance of non-compliance 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 County'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 County'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 County's management, the Florida Auditor General, and applicable federal and state agencies providing assistance and is not intended to be, and should not be, used by anyone other than these specified parties.



May 24, 2024
Tallahassee, Florida

PURVIS GRAY

INDEPENDENT ACCOUNTANT'S REPORT ON
COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES – INVESTMENT OF PUBLIC FUNDS

Honorable Board of County Commissioners
and Constitutional Officers
Gadsden County, Florida

We have examined Gadsden County, Florida's (the County) compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, as of and for the year ended September 30, 2023, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County'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 County complied, in all material respects, with the 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 procedures selected depend on our judgement, including an assessment of the risk of material non-compliance, 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.

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

Our examination does not provide legal determination of the County's compliance with specified requirements.

In our opinion, the County complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2023.

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 Board of County Commissioners of Gadsden County, Florida, and its management, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

May 24, 2024
Tallahassee, Florida

PURVIS GRAY

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 365.172(10) AND SECTION 365.173(2)(d), FLORIDA STATUTES

Honorable Board of County Commissioners and
Constitutional Officers
Gadsden County, Florida

We have examined Gadsden County, Florida's (the County) compliance with the requirements of Section 365.172(10), Florida Statutes, *Authorized Expenditures of E911 Fee*, and Section 365.173(2)(d), Florida Statutes, *Distribution and Use of E911 Funds,* during the year ended September 30, 2023. Management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County'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 County complied, in all material respects, with the 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 procedures selected depend on our judgement, including an assessment of the risk of material non-compliance, 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.

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

Our examination does not provide legal determination of the County's compliance with specified requirements.

In our opinion, the County complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2023.

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 Board of County Commissioners of Gadsden County, Florida, and its management, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

May 24, 2024
Tallahassee, Florida

MANAGEMENT LETTER

Honorable Board of County Commissioners and
Constitutional Officers
Gadsden County, Florida

Report on the Financial Statements
We have audited the financial statements of Gadsden County, Florida (the County) as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated May 24, 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; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance); 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 Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and on Internal Control Over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Reports on an examination conducted in accordance with American Institute of Certified Public Accountants *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 May 24, 2024, should be considered in conjunction with this management letter. This management letter applies to the County as a whole. Other management letter comments are described in the audit reports of the constitutional officers.

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. The finding noted in the previous year's audit report has not yet been fully resolved as noted below.

2022-01 Capital Assets

Condition
Florida Administrative Code Rule 69I-73.006, implemented within the rulemaking authority of Florida Statutes, Section 274, provides guidance related to the proper acquisition, recording, supervision, and disposal of tangible personal property owned by local governments. Among other requirements, the codification and related statute require:

Honorable Board of County Commissioners and
Constitutional Officers
Gadsden County, Florida

MANAGEMENT LETTER

1) Requirements for recording and periodic review of property is to be established by rule by the Chief Financial Officer.

2) The governmental unit is primarily responsible for the supervision and control of its property.

As such, the County has established policies and procedures related to the acquisition, recording, supervision, and disposal of tangible personal property and is expected to adhere to these internally developed policies.

For the fiscal year ended September 30, 2022, it was noted that no comprehensive physical inventory of the County's capital assets occurred as required by the County's internal policies, and no reconciliation of fixed assets in the custody of the County to the related control accounts was performed. Inventory performed consisted of inquiries related only to vehicles, responses from all affected departments were not received, and no follow-up was performed on non-responses.

Additionally, it was noted that multiple capital asset additions acquired during the fiscal year ended September 30, 2022, were either not properly recorded or were not acquired in full compliance with County policies.

Effect
Annual physical inventory and reconciliation procedures as required by County policies and internal policies related to the acquisition of capital assets are not being consistently performed and/or applied. As a result, various capital asset acquisitions which occurred during the fiscal year ended September 30, 2022, were not in full compliance with County policies or were not properly accounted for in the County's financial records. Lack of reconciliation of assets held to the financial records for significant account balances could result in unreconciled differences between the balances, which could cause a material misstatement of the financial statements as a whole if not detected and corrected in a timely manner.

Recommendation
We recommend that management perform periodic (at least annual) physical inventories of all owned and leased capital assets on hand and reconcile the results of the physical inventory to the underlying accounting records, as required by the internally generated policies of the County related to capital assets.

Current Year Status:
During the current year, the County received a response related to the physical inventory counts from approximately one-half of the departments it was requested from. While this was considered an improvement from the fiscal year ending September 20, 2022, a complete inventory is recommended. We noted that improvements were also made with regard to capturing all capital asset additions in the current year.

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. The County was established by the Constitution of the State of Florida, Article VIII, Section 1(d). The County includes component units as described in Note 1 of the financial statements.

Honorable Board of County Commissioners and
Constitutional Officers
Gadsden County, Florida

MANAGEMENT LETTER

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 County has 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), *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 the 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 identified the following matter.

2023-01 - Inventory of Leases and Software Arrangements

Condition

Over the last two fiscal years, the County has been required to implement two new accounting standards – Governmental Accounting Standards Board (GASB) No. 87, *Leases*, and GASB 96, *Subscription-Based Information Technology Arrangements*. These accounting standards have required the County to review and evaluate all of its lease and subscription-based information technology arrangements (SBITA) and make a determination as to whether they meet the criteria for reporting as set forth within the respective accounting standard. Because the lease agreements and software arrangements are not maintained in a centralized location, the County had difficulty identifying all lease and software arrangements across the various County departments and needed our assistance in preparing a comprehensive inventory of all arrangements that met the criteria for implementation of the new standards.

During the process, we identified two lease arrangements where the County is the lessor where lease rate increases had not been properly implemented and charged to the lessee by the County.

Effect

Not having a comprehensive listing of lease and software agreements could result in the County inadvertently omitting leases or software agreements from its financial statements. Lack of monitoring of provisions of lease agreements can result in an under collection of lease amounts due to the County.

Recommendation

We recommend that management prepare a comprehensive listing of leases (where the County is Lessee and Lessor) and software arrangements. These separate listings should include the salient terms of each agreement, including the payment amounts and payment frequency, initial term and renewal options of both parties, scheduled price increases, etc. We further recommend that the County monitor the provisions of its lease agreements where the County is lessor to ensure that all lease rate increases are implemented as scheduled in the lease agreement.

Honorable Board of County Commissioners and
Constitutional Officers
Gadsden County, Florida

MANAGEMENT LETTER

Special District Component Units

- Section 10.554(1)(i)5.c., *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.

Specific Information

The specific information below has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it. As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, *Rules of the Auditor General*, the Gadsden County Hospital reported:

a. The total number of Board employees compensated in the last pay period of the Board's fiscal year as 0.

b. The total number of independent contractors to whom non-employee compensation was paid in the last month of the Board's fiscal year was 0.

c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as $0.

d. All compensation earned by or awarded to non-employee 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 Board 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 $0.

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 Board amends a final adopted budget under Section 189.016(6), Florida Statutes is $0.

Additional Matters

- Section 10.554(1)(i)3., *Rules of the Auditor General,* requires us to communicate non-compliance with provisions of contract 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.

Honorable Board of County Commissioners and
Constitutional Officers
Gadsden County, Florida

MANAGEMENT LETTER

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.



May 24, 2024
Tallahassee, Florida

Gadsden COUNTY

BOARD OF COUNTY COMMISSIONERS
9-B East Jefferson Street / P. O. Box 1799 · Quincy, Florida 32353
OFFICE: (850) 875-8650 · FAX: (850) 875-8655 · www.GadsdenCountyFl.gov

May 29, 2024

Honorable Sherill F. Norman, CPA
Auditor General, State of Florida
Local Government Audits
Claude Pepper Building, Room 401
11 West Madison Street
Tallahassee, FL 32399-1450

Re: Management Response to the Independent Auditor's Report for the Year Ended September 30, 2023

Dear Ms. Norman:

This letter is in response to the finding contained in the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on the Audit of the Financial Statements Performed in Accordance with Government Auditing Standards, which disclosed two findings and "effects" in the Management Letter, requiring a response from the County, as follows:

Prior Audit Finding: 22-01 Capital Assets, Effect (page 97): Annual physical inventory and reconciliation procedures as required by County Policies and internal policies related to the acquisition of capital assets are not being consistently performed and/or applied. As a result, various capital asset acquisitions which occurred during the fiscal year ended September 30, 2022, were not in full compliance with County polices or were not properly accounted for in the County's financial records. Lack of reconciliation of assets held to the financial records for significant account balances could result in unreconciled differences between the balances, which could cause a material misstatement of the financial statements as a whole if not detected and corrected in a timely manner.

Audit Finding Response: The County continues to experience and be challenged with staff changes and vacancies in areas responsible for the physical inventory and reconciliation of records. The County will implement its prior year response to this finding in the FY 2021-22 audit by designating a single person to coordinate with all BOCC departments to ensure that: the physical inventory of fixed assets is completed annually, new assets are tagged and recorded, and surplused assets are

removed, and that the property and financial records are reconciled in a timely manner.

2023-01 Inventory of Leases and Software Arrangements, Effect (page 99): Not having a comprehensive listing of lease and software agreements could result in the County inadvertently omitting leases or software agreements from its financial statements. Lack of monitoring of provisions of lease agreements can result in an under collection of lease amounts due to the County.

Audit Finding Response: The County will consider seeking an outside consultant to assist with compiling a comprehensive list of leases and software arrangements and the review of these documents to provide a report of findings and recommendations for action. The County will then determine if the best action is to continue to have this activity done by an outside consultant or to assign this duty to a staff person.

Sincerely,

Edward J. Dixon
County Administrator

2023

Gadsden County Clerk of the Circuit Court

Financial Statements and Independent Auditor's Report

September 30, 2023

PURVIS GRAY

CERTIFIED PUBLIC ACCOUNTANTS

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

GADSDEN COUNTY CLERK OF THE CIRCUIT COURT
GADSDEN COUNTY, FLORIDA

SEPTEMBER 30, 2023

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PURVIS GRAY

INDEPENDENT AUDITOR'S REPORT

The Honorable Nicholas Thomas
Gadsden County Clerk of the Circuit Court
Gadsden County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of each major fund and the aggregate remaining fund information of the Gadsden County, Florida Clerk of the Circuit Court (the Clerk), as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Clerk's 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 each major fund and aggregate remaining fund information for the Clerk as of September 30, 2023, and the respective changes in financial position thereof and the respective budgetary comparisons for the general fund and each major fund for the fiscal 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. 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 Clerk 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.

Emphasis of Matter

Incomplete 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 aggregate remaining fund information, only for that portion of the major funds and aggregate remaining fund information, of Gadsden County that is attributable to the Clerk. They do not purport to, and do not, present fairly the financial position of Gadsden County as of September 30, 2023, 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.

The Honorable Nicholas Thomas
Gadsden County Clerk of the Circuit Court
Gadsden County, Florida

INDEPENDENT AUDITOR'S REPORT

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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the 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 Clerk's ability to continue as a going concern for twelve months beyond the financial statement date, including any 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 opinion. 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 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, individually or in the aggregate, they could reasonably be expected to influence the judgment made by a reasonable user made on the basis of these 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 Clerk'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 Clerk's ability to continue as a going concern for a reasonable period of time.

The Honorable Nicholas Thomas
Gadsden County Clerk of the Circuit Court
Gadsden County, Florida

INDEPENDENT AUDITOR'S REPORT

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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 16, 2024, on our consideration of the Clerk'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. The purpose of that report is solely 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 Clerk's internal control over financial reporting and compliance.

Other Financial Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clerk's basic financial statements. The other financial information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other financial information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Purvis Gray

May 16, 2024
Tallahassee, Florida

FINANCIAL STATEMENTS

BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023
GADSDEN COUNTY CLERK OF THE CIRCUIT COURT

	Major					
	General Fund	Court Fund	Jury Fund	Additional State Funding	Public Records Trust Fund	Total Governmental Funds
Assets						
Cash	$ 29,053	$ 389,039	$ 6,235	$ -	$ 185,294	$ 609,621
Due from Other Funds	707	15,644	-	-	-	16,351
Due from Other Governments	53,155	21	13,358	-	-	66,534
Total Assets	82,915	404,704	19,593	-	185,294	692,506
Liabilities and Fund Balance						
Liabilities						
Accounts Payable	38,620	83,130	4,692	-	6	126,448
Due to Other Funds	-	-	13,358	-	-	13,358
Due to Other Governments	7,254	59,618	-	-	-	66,872
Accrued Wages and Benefits	37,041	44,776	1,543	-	-	83,360
Unearned Revenue	-	217,180	-	-	-	217,180
Total Liabilities	82,915	404,704	19,593	-	6	507,218
Fund Balances						
Restricted for Records Modernization	-	-	-	-	185,288	185,288
Total Fund Balances	-	-	-	-	185,288	185,288
Total Liabilities and Fund Balances	$ 82,915	$ 404,704	$ 19,593	$ -	$ 185,294	$ 692,506

See accompanying notes to financial statements.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023
GADSDEN COUNTY CLERK OF THE CIRCUIT COURT

	Major					
	General Fund	Court Fund	Jury Fund	Additional State Funding	Public Records Trust Fund	Total Governmental Funds
Revenues						
Intergovernmental Revenues	$ 250,268	$ 650,717	$ 48,978	$ 17,608	$ -	$ 967,571
Charges for Services	195,277	548,168	-	-	60,514	803,959
Fines and Forfeitures	-	163,871	-	-	-	163,871
Interest	11,260	2,286	-	-	3,060	16,606
Miscellaneous	28,680	-	-	-	-	28,680
Total Revenues	485,485	1,365,042	48,978	17,608	63,574	1,980,687
Expenditures						
General Government:						
Personnel Services	1,331,116	-	-	-	17,678	1,348,794
Operating Expenditures	276,122	-	-	-	122,055	398,177
Capital Outlay	10,800	-	-	-	35,936	46,736
Court-Related:						
Personnel Services	-	1,324,033	26,444	17,608	-	1,368,085
Operating Expenditures	-	41,009	22,534	-	-	63,543
(Total Expenditures)	1,618,038	1,365,042	48,978	17,608	175,669	3,225,335
(Deficiency) Excess of Revenues (Under) Over Expenditures	(1,132,553)	-	-	-	(112,095)	(1,244,648)
Other Financing Sources						
Transfers from Board of County Commissioners	1,132,553	-	-	-	-	1,132,553
Total Other Financing Sources	1,132,553	-	-	-	-	1,132,553
Net Change in Fund Balances	-	-	-	-	(112,095)	(112,095)
Fund Balances, Beginning of Year	-	-	-	-	297,383	297,383
Fund Balances, End of Year	$ -	$ -	$ -	$ -	$ 185,288	$ 185,288

See accompanying notes to financial statements.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023
GADSDEN COUNTY CLERK OF THE CIRCUIT COURT

	General Fund			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Intergovernmental Revenues	$ 217,389	$ 250,268	$ 250,268	$ -
Charges for Services	213,396	195,277	195,277	-
Interest	450	11,260	11,260	-
Miscellaneous	14,169	28,680	28,680	-
Total Revenues	445,404	485,485	485,485	-
Expenditures				
General Government:				
Personnel Services	1,193,551	1,331,116	1,331,116	-
Operating Expenditures	274,603	276,122	276,122	-
Capital Outlay	-	10,800	10,800	-
(Total Expenditures)	(1,468,154)	(1,618,038)	(1,618,038)	-
(Deficiency) Excess of Revenues (Under) Over Expenditures	(1,022,750)	(1,132,553)	(1,132,553)	-
Other Financing Sources				
Transfers from Board of County Commissioners	1,022,750	1,132,553	1,132,553	-
Total Other Financing Sources	1,022,750	1,132,553	1,132,553	-
Net Change in Fund Balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	$ -	$ -	$ -	$ -

See accompanying notes to financial statements.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023
GADSDEN COUNTY CLERK OF THE CIRCUIT COURT

	Court Fund			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Intergovernmental Revenues	$ 664,878	$ 650,717	$ 650,717	$ -
Charges for Services	521,724	548,168	548,168	-
Fines and Forfeitures	177,273	163,871	163,871	-
Interest	1,167	2,286	2,286	-
Total Revenues	1,365,042	1,365,042	1,365,042	-
Expenditures				
Court-Related:				
Personnel Services	1,332,627	1,324,033	1,324,033	-
Operating Expenditures	32,415	41,009	41,009	-
(Total Expenditures)	(1,365,042)	(1,365,042)	(1,365,042)	-
Net Change in Fund Balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	$ -	$ -	$ -	$ -

See accompanying notes to financial statements.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023
GADSDEN COUNTY CLERK OF THE CIRCUIT COURT

	Jury Fund			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Intergovernmental Revenues	$ 61,356	$ 48,978	$ 48,978	$ -
Total Revenues	61,356	48,978	48,978	-
Expenditures				
Court-Related:				
Personnel Services	42,871	26,444	26,444	-
Operating Expenditures	18,485	22,534	22,534	-
(Total Expenditures)	(61,356)	(48,978)	(48,978)	-
Net Change in Fund Balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	$ -	$ -	$ -	$ -

See accompanying notes to financial statements.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023
GADSDEN COUNTY CLERK OF THE CIRCUIT COURT

	Additional State Funding			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Intergovernmental Revenues	$ -	$ 17,608	$ 17,608	$ -
Total Revenues	-	17,608	17,608	-
Expenditures				
Court-Related:				
Personnel Services	-	17,608	17,608	-
(Total Expenditures)	-	(17,608)	(17,608)	-
Net Change in Fund Balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	$ -	$ -	$ -	$ -

See accompanying notes to financial statements.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023
GADSDEN COUNTY CLERK OF THE CIRCUIT COURT

	Public Records Trust Fund			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
Revenues				
Charges for Services	$ -	$ 60,514	$ 60,514	$ -
Interest	-	3,060	3,060	-
Total Revenues	-	63,574	63,574	-
Expenditures				
General Government:				
Personnel Services	-	17,678	17,678	-
Operating Expenditures	-	110,411	122,055	(11,644)
Capital Outlay	-	47,580	35,936	11,644
(Total Expenditures)	-	(175,669)	(175,669)	-
Net Change in Fund Balances	-	(112,095)	(112,095)	-
Fund Balances, Beginning of Year	-	297,383	297,383	-
Fund Balances, End of Year	$ -	$ 185,288	$ 185,288	$ -

See accompanying notes to financial statements.

STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2023
GADSDEN COUNTY CLERK OF THE CIRCUIT COURT

Assets		
Cash	$	875,650
Total Assets		875,650
Liabilities		
Due to Other Funds		2,993
Due to Other Governments		85,428
Due to Individuals		9,127
Total Liabilities		97,548
Fiduciary Net Position	$	778,102

See accompanying notes to financial statements.

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023
GADSDEN COUNTY CLERK OF THE CIRCUIT COURT

Additions		
Fines, Forfeitures, and Fees Collected	$	4,393,727
Tax Deeds and Fees Collected		232,829
Support and Fees Collected		504,261
Registry of the Court and Fees Collected		562,121
Recording Fees Collected		2,615,977
Bail Bonds and Fees Collected		119,053
Total Additions		8,427,968
Deductions		
Fines, Forfeitures, and Fees Distributed		4,420,410
Tax Deeds and Fees Distributed		264,852
Support and Fees Distributed		504,261
Registry of the Court and Fees Distributed		609,347
Recording Fees Distributed		2,590,511
Bail Bonds and Fees Distributed		127,362
Total Deductions		8,516,743
Change in Fiduciary Net Position		(88,775)
Fiduciary Net Position, Beginning of Year		866,877
Fiduciary Net Position, End of Year	$	778,102

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY CLERK OF THE CIRCUIT COURT

Note 1 - Summary of Significant Accounting Policies

Reporting Entity

Gadsden County, Florida (the County), is a political subdivision of the State of Florida located in the panhandle of the state. The County was established under Article VIII, Section 1(d), Constitution of the State of Florida.

The Clerk of the Circuit Court (the Clerk) is an elected Constitutional Officer of the County pursuant to Article VIII, Section (1) of the Constitution of the State of Florida. For financial statement and reporting purposes, the Clerk is a separate Constitutional Officer as provided by Chapter 218, Florida Statutes. However, the Clerk does not meet the definition of a legally separate organization and is not considered to be a component unit. Accordingly, the Clerk is considered to be a part of the primary government of the County, and the financial activities of the Clerk are included as such in the County's annual financial report, along with the other Constitutional Officers and the Gadsden County Board of County Commissioners (the Board). The financial statements contained herein represent the financial transactions of the Clerk only. There are no component units for the Clerk to consider for inclusion in these financial statements.

The Clerk funds his non-court operations as a Budget Officer and a Fee Officer pursuant to Florida Statutes, Chapters 28, 129, and 218, respectively. As a Budget Officer, the operations of the Clerk are funded by the County General Fund. The receipts from the County General Fund are recorded as other financing sources on the Clerk's general fund financial statements. Any excess of revenues and other financing sources received over expenditures of the general fund are remitted to the County General Fund at year-end. The court-related operations of the Clerk are funded from fees and charges authorized under Chapter 2013-44, Laws of Florida and are reported in the Court Fund. At year-end, any excess of revenues over court-related expenditures of the Court Fund are remitted to the State of Florida pursuant to Florida Statute 28.37.

Basis of Presentation

The accompanying financial statements include all the funds and accounts of the Clerk's office but are not a complete presentation of the County as a whole. Except for this matter, they are otherwise in conformity with accounting principles generally accepted in the United States of America (GAAP). The accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557, *Rules of the Auditor General—Local Governmental Audits*.

Fund Accounting

The financial activities of the Clerk are recorded in separate 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 balances, revenues, and expenditures. 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 purposes of the Clerk's various funds are categorized and described as follows:

- **Governmental Fund Types**
  - **Major Funds**
    - **General Fund**
      The General Fund is used to account for all revenues and expenditures applicable to the general operations of the Clerk that are not required either legally or by accounting principles generally accepted in the United States of America to be accounted for in another fund.

    - **Court Fund**
      The Court Fund was established to account for court-related revenues and expenditures and are required to be reported separately from the Clerk's General Fund activities.

    - **Jury Fund**
      The Jury Fund is used to account for costs associated with all operational aspects of jury management. Revenue is received in advance from the Justice Administrative Commission (JAC) and quarterly reports of expenses are submitted to the Florida Clerks of Court Operations Corporation, (CCOC). Unused funds are deferred at year-end to be used in the following year.

    - **Additional State Funding**
      The Additional State Funding Fund is used to account for revenues and expenditures related to state grants for pandemic recovery.

    - **Public Records Trust Fund**
      The Public Records Trust Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for the public records system of the Clerk's office and additional court-related operational needs and program enhancements.

- **Fiduciary Fund Type**
  - **Custodial Funds**
    The Custodial Funds are used to account for assets held by the Clerk in a trustee capacity or as an agent for individuals, private organizations, and/or other governmental units.

Basis of Accounting

Basis of accounting refers to the method by which revenues and expenditures are recognized in the accounts and reported in the fund 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 governmental funds and custodial funds. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available to finance expenditures of the current period. The Clerk considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Expenditures are recorded when the liability is incurred, except for accumulated sick and vacation pay, which are not recorded until paid. Charges for services and investment revenue are recorded as earned.

The Custodial Funds are accounted for using an economic resource measurement focus and accrual basis of accounting requiring a resource flow statement. Liabilities are recognized when an event occurs that compels the Clerk to disburse fiduciary resources, which is when a demand for resources has been made or when no further action, approval, or condition is required to be taken or not by the beneficiary to release the assets.

Measurement Focus
The accounting and financial reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. Generally, this means that only current assets and current liabilities are included in the balance sheet. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they present a summary of sources and uses of "available spendable resources" during a period.

Budgets and Budgetary Accounting
Governmental fund revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget was adopted for the General Fund, Public Records Trust Fund, Jury Fund, and Additional State Funding Fund. All budget amounts presented in the accompanying financial statements have been adjusted for legally authorized amendments to the annual budget for the year. A budget was adopted for the Court Fund and approved by the Florida CCOC. Budgets are prepared on the modified accrual basis of accounting.

The Clerk's annual budgets are monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total annual budget appropriations at the individual fund level. All appropriations lapse at year-end.

Capital Assets
Capital assets purchased in the Governmental Fund type are recorded as expenditures (capital outlay) at the time of purchase. The tangible personal property used by the Clerk is recorded by the Board as capital assets, at cost, in the statement of net position in the government-wide financial statements of the County. The Clerk maintains custodial responsibility for the capital assets used by the Clerk.

Compensated Absences
Employees accrue vacation leave based on their length of employment. They may accrue from 13 to 20 days of vacation leave per year. A minimum of five consecutive days of vacation leave must be taken by each employee every year. Vacation leave in excess of 240 hours is transferred to sick leave on December 31 following the end of the fiscal year. Employees are not paid for vacation leave in lieu of taking vacation. An employee is paid for earned vacation leave only upon separation or by authorization of the Clerk. Upon retirement or resignation, employees may be paid a cash benefit equal to the number of vacation hours accumulated, based upon the employee's current wage rate.

Employees earn four hours of sick leave for each two weeks of employment. Upon separation, employees of the Clerk, with three years or more of consecutive service, are paid twenty-five percent of their sick leave balance.

In accordance with Governmental Accounting Standards Board (GASB) Statement No. 16, *Accounting for Compensated Absences*, the Clerk uses the vesting method to calculate the liability for compensated absences. The Clerk does not, nor is he legally required to, accumulate expendable available financial resources to liquidate these obligations. Accordingly, the liability for compensated absences is not reported in the General Fund but is included in the statement of net position in the government-wide financial statements of the County.

Unearned Revenue

In accordance with requirements of the CCOC, the Clerk reports unearned revenue for court-related fines and fees collected in September of 2023, which are to be used as advance funding for the Clerk's Court operations in the following fiscal year.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make use of estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amount of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Transfers In and Out

The Clerk is a fee officer whose operating budget is funded from fees, fines, and service charges relating to various statutory court and non-court services provided by the office. The Clerk also receives appropriations from the Board to fund the Clerk's functions as auditor and custodian of County funds. The payments by the Board to fund these services are recorded as transfers out on the financial statements of the Board and as transfers in on the financial statements of the Clerk.

In accordance with Section 218.36, Florida Statutes, all General Fund non-court-related revenues in excess of non-court-related expenditures during the fiscal year are distributed to the Board within 31 days following the end of the fiscal year. In accordance with Section 28.37, Florida Statutes, the excess of court-related fees, service charges, court costs, and fines retained by the Clerk in excess of approved court-related expenditures, are distributed to the Florida Department of Revenue by January 1 following the Clerk's fiscal year-end.

Fund Balance Reporting

The Clerk has implemented the provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54), as required. The purpose of GASB 54 is to improve the consistency and usefulness of fund balance information to the financial statement user. The statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which the organization is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components: non-spendable, restricted, committed, assigned, and unassigned.

- **Non-Spendable**—This component of fund balance consists of amounts that cannot be spent because: (a) they are not expected to be converted to cash, or (b) they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund. The Clerk does not have any non-spendable funds.

- **Restricted**—This component of fund balance consists of amounts that are constrained either: (a) externally by third parties (creditors, grantors, contributors, laws, or regulations of other governments), or (b) by law through constitutional provisions or enabling legislation.

- **Committed**—This component of fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (e.g., ordinance or resolution) of the County's governing body. These committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (e.g., ordinance or resolution) it employed previously to constrain those amounts.

- **Assigned**—This component of fund balance consists of amounts that are constrained by a less-than-formal action of the organization's governing authority, or by an individual or body to whom the governing authority has delegated this responsibility. The Clerk has not delegated the responsibility to assign fund balances to any individual or body.

- **Unassigned**—This classification is used for: (a) negative unrestricted fund balances in any governmental fund, or (b) fund balances within the General Fund that are not restricted, committed, or assigned.

When both restricted and unrestricted resources are available for use, it is the Clerk's policy to use restricted resources first, then unrestricted resources (committed, assigned, and unassigned) as they are needed. When unrestricted resources (committed, assigned, and unassigned) are available for use, it is the Clerk's policy to use committed resources first, then assigned, and then unassigned as needed.

Adoption of New Accounting Standard

During the year ended September 30, 2023, the Clerk adopted new accounting guidance by implementing the provisions of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITAs). A SBITA is defined as a contract that conveys the right to use another party's information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

Subscription liabilities that qualify for reporting under the new standard are initially recognized as a Capital Outlay Expense and Other Financing Source at the governmental fund level in the year of inception of the agreement. Subsequent payments are reported as debt service expenditures. A right-to-use asset and associated subscription liability are recorded on the County-wide financial statements at the present value of the future lease payments. For the fiscal year ended September 30, 2023, the implementation of this standard was not deemed to be material to the Clerk's financial statements.

Note 2 - Cash

As of September 30, 2023, the Clerk had the following in cash:

	Carrying Amount
Cash on Hand	$ 1,900
Deposits in Qualified Public Depositories	1,483,371
Total Cash	$ 1,485,271

Credit Risk
The Clerk's investment practices are governed by Section 218.415(17), Florida Statutes, which provides for the following authorized investments:

- The Florida PRIME (formerly the Local Government Surplus Trust Funds Investment Pool) or any authorized intergovernmental investment pool.
- Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.
- Interest-bearing time deposits or savings accounts in qualified public depositories.
- Direct obligations of the U.S. Treasury.

The Clerk has no investment policy that would further limit its investment choices.

Custodial Credit Risk
Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it.

Qualified public depositories of public funds are required to provide collateral each month pursuant to Section 280.04, Florida Statutes. The collateral is held by the Florida Division of Treasury or other custodian with full legal rights maintained by the Florida Division of Treasury to transfer ownership. Any loss not covered by the pledged securities and deposit insurance would be assessed by the Florida Division of Treasury and paid by the other public depositories. The Clerk's deposits are therefore considered fully insured or collateralized. Bank deposit balances at September 30, 2023, were $1,569,965.

Note 3 - Pension and Postemployment Benefits Other Than Pension Benefits

Florida Retirement System (FRS) Pension Benefits
The Clerk participates in FRS to provide benefits to his employees. A detailed plan description and any liability for employees of the Clerk are included in the financial statements of the County.

Postemployment Benefits Other Than Pensions
The Clerk participates in the plan established by the Board to provide other postemployment benefits to retirees of the Board and Constitutional Officers. A detailed plan description and any liability for employees of the Clerk are included in the financial statements of the County.

Note 4 - Long-Term Liabilities

A summary of the changes in long-term liabilities is as follows:

	Balance October 1, 2022	Additions	Retirements	Balance September 30, 2023
Liability for Compensated Absences	$ 149,218	$ 242,016	$ (227,522)	$ 163,712
Total	$ 149,218	$ 242,016	$ (227,522)	$ 163,712

Of the $163,712 liability for accrued compensated absences, management estimates that $92,837 will be due and payable within one year. The long-term liabilities are not reported in the financial statements of the Clerk since it is not payable from available resources at September 30, 2023. As discussed in Note 1, they are reported in the statement of net position in the government-wide financial statements of the County.

Note 5 - Risk Management

The Clerk is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; injuries to employees and the public; or damage to property of others. The Clerk participates in the risk management program through the Board, which uses commercial insurance and a public entity risk pool to cover certain risks from loss.

The Board participates in the Florida Association of Counties Trust (FACT), a public entity risk pool for risks related to comprehensive general liability. The agreement provides that the financial liability of each participating county is limited to premiums and surplus contributions paid or obligations made to FACT. Aggregate coverage provided is limited to $1,000,000 for each claim.

Note 6 - Interfund Receivables and Payables

Interfund receivables and payables at September 30, 2023, are as follow:

	Due from Other Funds	Due to Other Funds
General Fund	$ 707	$ -
Special Revenue Funds:		
Court Fund	15,644	-
Jury Fund	-	13,358
Custodial Funds:		
Clerk Trust	-	707
Cash Bonds	-	2,286
Child Support	-	-
Total	$ 16,351	$ 16,351

Interfund balances generally result from funds being deposited in one fund but not remitted to another fund until the subsequent month. All interfund balances are expected to be liquidated within three months.

Note 7 - Subsequent Events

Subsequent to year-end, the Clerk entered into two lease agreements for computer equipment totaling $227,513. The terms of the agreement require the Clerk to make monthly payments totaling $4,820 for 60 months. Interest rates on the leases were 10.25% and 9.66%.

OTHER FINANCIAL INFORMATION

COMBINING STATEMENT OF FIDUCIARY NET POSITION
ALL CUSTODIAL FUNDS
SEPTEMBER 30, 2023
GADSDEN COUNTY CLERK OF THE CIRCUIT COURT

	Clerk Trust	Cash Bonds	Child Support	Total of All Agency Funds
Assets				
Cash	$ 694,702	$ 179,440	$ 1,508	$ 875,650
Total Assets	694,702	179,440	1,508	875,650
Liabilities				
Due to Other Funds	707	2,286	-	2,993
Due to Other Governments	84,244	-	1,184	85,428
Due to Individuals	8,803	-	324	9,127
Total Liabilities	93,754	2,286	1,508	97,548
Fiduciary Net Position	$ 600,948	$ 177,154	$ -	$ 778,102

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
ALL CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023
GADSDEN COUNTY CLERK OF THE CIRCUIT COURT

	Clerk Trust	Cash Bonds	Child Support	Total
Additions				
Fines, Forfeitures, and Fees Collected	$ 4,393,727	$ -	$ -	$ 4,393,727
Tax Deeds and Fees Collected	232,829	-	-	232,829
Support and Fees Collected	-	-	504,261	504,261
Registry of the Court and Fees Collected	562,121	-	-	562,121
Recording Fees Collected	2,615,977	-	-	2,615,977
Bail Bonds and Fees Collected	-	119,053	-	119,053
Total Additions	7,804,654	119,053	504,261	8,427,968
Deductions				
Fines, Forfeitures, and Fees Distributed	4,420,410	-	-	4,420,410
Tax Deeds and Fees Distributed	264,852	-	-	264,852
Support and Fees Distributed	-	-	504,261	504,261
Registry of the Court and Fees Distributed	609,347	-	-	609,347
Recording Fees Distributed	2,590,511	-	-	2,590,511
Bail Bonds and Fees Distributed	-	127,362	-	127,362
Total Deductions	7,885,120	127,362	504,261	8,516,743
Change in Fiduciary Net Position	(80,466)	(8,309)	-	(88,775)
Fiduciary Net Position, Beginning of Year	681,414	185,463	-	866,877
Fiduciary Net Position, End of Year	$ 600,948	$ 177,154	$ -	$ 778,102

OTHER REPORTS

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*

The Honorable Nicholas Thomas
Gadsden County Clerk of the Circuit Court
Gadsden County, Florida

We have audited, in accordance with 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 Clerk of the Circuit Court of Gadsden County, Florida (the Clerk) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements, and have issued our report thereon dated May 16, 2024.

Report on Internal Control Over Financial Reporting
In planning and performing our audit of the financial statements, we considered the Clerk'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 Clerk's internal control. Accordingly, we do not express an opinion on the effectiveness of the Clerk'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 Clerk'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 have not been identified.

The Honorable Nicholas Thomas
Gadsden County Clerk of the Circuit Court
Gadsden County, Florida

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*

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Clerk's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance 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 non-compliance 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 Clerk'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 Clerk's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Purvis Gray

May 16, 2024
Tallahassee, Florida

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415 – INVESTMENT OF PUBLIC FUNDS

The Honorable Nicholas Thomas
Gadsden County Clerk of the Circuit Court
Gadsden County, Florida

We have examined Gadsden County, Florida Clerk of the Circuit Court's (the Clerk) compliance with the requirements of Section 218.415, Florida Statutes, as of and for the year ended September 30, 2023, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the Clerk's compliance with those requirements. Our responsibility is to express an opinion on the Clerk'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 Clerk complied, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Clerk 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 non-compliance, 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.

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

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

In our opinion, the Clerk complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2023.

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 Clerk, his management, and the Board of County Commissioners of Gadsden County, Florida and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

May 16, 2024
Tallahassee, Florida

PURVIS GRAY

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTIONS 28.35 AND 28.36, FLORIDA STATUTES

The Honorable Nicholas Thomas
Gadsden County Clerk of the Circuit Court
Gadsden County, Florida

We have examined Gadsden County, Florida Clerk of the Circuit Court's (the Clerk) compliance with the requirements of Sections 28.35, Florida Statutes, *Florida Clerks of Court Operations Corporation*, and Section 28.36, Florida Statutes, *Budget Procedure*, during the year ended September 30, 2023, as required by Section 10.556(10)(b), *Rules of the Auditor General*. Management is responsible for the Clerk's compliance with those requirements. Our responsibility is to express an opinion on the Clerk'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 Clerk complied, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Clerk 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 non-compliance, 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.

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

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

In our opinion, the Clerk complied, in all material respects, with the requirements of Section 28.35, Florida Statutes, *Florida Clerks of Court Operations Corporation*, and Section 28.36, Florida Statutes, *Budget Procedure*, for the year ended September 30, 2023.

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 Clerk, his management, and the Board of County Commissioners of Gadsden County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

May 16, 2024
Tallahassee, Florida

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 61.181, FLORIDA STATUTES

The Honorable Nicholas Thomas
Gadsden County Clerk of the Circuit Court
Gadsden County, Florida

We have examined Gadsden County, Florida Clerk of the Circuit Court's (the Clerk) compliance with the requirements of Section 61.181, Florida Statutes, *Depository for Alimony Transactions, Support, Maintenance, and Support Payments; Fees*, during the year ended September 30, 2023, as required by Section 10.556(10)(d), *Rules of the Auditor General*. Management is responsible for the Clerk's compliance with those requirements. Our responsibility is to express an opinion on the Clerk'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 Clerk complied, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Clerk 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 non-compliance, 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.

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

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

In our opinion, the Clerk complied, in all material respects, with the requirements of Section 61.181, Florida Statutes, *Depository for Alimony Transactions, Support, Maintenance, and Support Payments; Fees*, for the year ended September 30, 2023.

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 Clerk, his management, and the Board of County Commissioners of Gadsden County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

May 16, 2024
Tallahassee, Florida

MANAGEMENT LETTER

The Honorable Nicholas Thomas
Gadsden County Clerk of the Circuit Court
Gadsden County, Florida

Report on the Financial Statements
We have audited the financial statements of each major fund and the aggregate remaining fund information of the Gadsden County, Florida Clerk of the Circuit Court (the Clerk) as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated May 16, 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 Florida 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 Reports on examinations conducted in accordance with American Institute of Certified Public Accountants *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 May 16, 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 or 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. The Clerk was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Clerk.

The Honorable Nicholas Thomas
Gadsden County Clerk of the Circuit Court
Gadsden County, Florida

MANAGEMENT LETTER

Financial Condition and 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 non-compliance 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 Clerk and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of our audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.



May 16, 2024
Tallahassee, Florida

2023

Gadsden County Sheriff

Financial Statements and Independent Auditor's Report

September 30, 2023

PURVIS GRAY

CERTIFIED PUBLIC ACCOUNTANTS

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

GADSDEN COUNTY SHERIFF
GADSDEN COUNTY, FLORIDA

SEPTEMBER 30, 2023

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PURVIS GRAY

INDEPENDENT AUDITOR'S REPORT

The Honorable Morris A. Young
Gadsden County Sheriff
Gadsden County, Florida

Opinions

We have audited the financial statements of each major fund and the aggregate remaining fund information of the Gadsden County, Florida Sheriff (the Sheriff) as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Sheriff's basic 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 each major fund and the aggregate remaining fund information of the Sheriff as of September 30, 2023, and the respective changes in financial position thereof, and the respective budgetary comparison for each major fund for the fiscal 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. 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 Sheriff 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.

Emphasis of Matter

Incomplete 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 each major fund and the aggregate remaining fund information, only for that portion of the major funds and the aggregate remaining fund information, of Gadsden County, Florida that is attributable to the Sheriff. They do not purport to, and do not, present fairly the financial position of Gadsden County, Florida as of September 30, 2023, 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.

The Honorable Morris A. Young
Gadsden County Sheriff
Gadsden County, Florida

INDEPENDENT AUDITOR'S REPORT

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; this includes 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 of events, considered in the aggregate, that raise substantial doubt about the Sheriff's ability to continue as a going concern for twelve months beyond the financial statement date, including any 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 opinion. 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 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, individually or in the aggregate, they could reasonably be expected to influence the judgment made by a reasonable user made on the basis of these 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 Sheriff'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 Sheriff's ability to continue as a going concern for a reasonable period of time.

The Honorable Morris A. Young
Gadsden County Sheriff
Gadsden County, Florida

INDEPENDENT AUDITOR'S REPORT

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.

Other Financial Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sheriff's basic financial statements. The other financial information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the other financial information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 16, 2024, on our consideration of the Sheriff'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. The purpose of that report is solely 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 Sheriff's internal control over financial reporting and compliance.

Purvis Gray

May 16, 2024
Tallahassee, Florida

FINANCIAL STATEMENTS

BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023
GADSDEN COUNTY SHERIFF

	Major Funds					
	General Fund	Inmate Welfare	Radio Communications	E-911 Fund	Other Governmental Funds	Total Governmental Funds
Assets						
Cash	$ 247,136	$ 249,959	$ 185,945	$ -	$ 57,651	$ 740,691
Prepaid Expenses	65,936	-	-	-	-	65,936
Due from Other Funds	353,049	115,287	-	-	-	468,336
Due from Board of County Commissioners	-	-	-	118,933	82,566	201,499
Miscellaneous Receivables	51,294	31,802	-	-	-	83,096
Total Assets	717,415	397,048	185,945	118,933	222,040	1,641,381
Liabilities and Fund Balance						
Liabilities						
Accounts Payable and Accrued Expenses	679,336	1,336	3,344	-	-	684,016
Due to Board of County Commissioners	12,800	-	-	-	-	12,800
Due to Other Funds	-	62,975	-	118,933	164,389	346,297
Unearned Revenues	25,279	-	-	-	17,837	43,116
Total Liabilities	717,415	64,311	3,344	118,933	182,226	1,086,229
Fund Balances						
Restricted:						
Radio Communications	-	-	182,601	-	-	182,601
Inmate Welfare	-	332,737	-	-	-	332,737
Committed:						
Teen Court	-	-	-	-	39,814	39,814
Total Fund Balances	-	332,737	182,601	-	39,814	555,152
Total Liabilities and Fund Balances	$ 717,415	$ 397,048	$ 185,945	$ 118,933	$ 222,040	$ 1,641,381

See accompanying notes to financial statements.

STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023
GADSDEN COUNTY SHERIFF

	Major Funds					
	General Fund	Inmate Welfare	Radio Communications	E-911 Fund	Other Governmental Funds	Total Governmental Funds
Revenues						
Intergovernmental Revenue	$ -	$ -	$ -	$ -	$ 983,187	$ 983,187
Charges for Services	-	-	46,278	-	11,904	58,182
Miscellaneous Revenue	218,002	356,125	-	-	-	574,127
Total Revenues	218,002	356,125	46,278	-	995,091	1,615,496
Expenditures						
Public Safety:						
Personnel Services	6,956,689	157,177	-	174,011	344,984	7,632,861
Operating	2,059,235	336,593	74,536	4,268	788,676	3,263,308
Capital Outlay	222,665	-	-	-	9,885	232,550
Debt Service:						
Principal	211,770	-	-	-	-	211,770
Interest	24,088	-	-	-	-	24,088
(Total Expenditures)	(9,474,447)	(493,770)	(74,536)	(178,279)	(1,143,545)	(11,364,577)
Excess (Deficiency) of Expenditures Over (Under) Revenues	(9,256,445)	(137,645)	(28,258)	(178,279)	(148,454)	(9,749,081)
Other Financing Sources (Uses)						
Transfers from Board of County Commissioners	9,040,698	-	-	178,279	160,358	9,379,335
Transfers to Board of County Commissioners	(6,918)	-	-	-	-	(6,918)
Lease Obligations	222,665	-	-	-	-	222,665
Total Other Financing Sources	9,256,445	-	-	178,279	160,358	9,595,082
Net Change in Fund Balances	-	(137,645)	(28,258)	-	11,904	(153,999)
Fund Balances, Beginning of Year	-	470,382	210,859	-	27,910	709,151
Fund Balances, End of Year	$ -	$ 332,737	$ 182,601	$ -	$ 39,814	$ 555,152

See accompanying notes to financial statements.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023
GADSDEN COUNTY SHERIFF

	General Fund			
	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Miscellaneous Revenue	$ -	$ 218,000	$ 218,002	$ 2
Total Revenues	-	218,000	218,002	2
Expenditures				
Public Safety:				
Personnel Services	6,141,090	6,957,090	6,956,689	401
Operating	2,083,568	2,301,568	2,059,235	242,333
Capital Outlay	-	-	222,665	(222,665)
Debt Service:				
Principal	-	-	211,770	(211,770)
Interest	-	-	24,088	(24,088)
(Total Expenditures)	(8,224,658)	(9,258,658)	(9,474,447)	(215,789)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(8,224,658)	(9,040,658)	(9,256,445)	(215,787)
Other Financing Sources				
Transfers from Board of County Commissioners	8,224,658	9,040,658	9,040,698	40
Transfers to Board of County Commissioners	-	-	(6,918)	(6,918)
Lease Obligations	-	-	222,665	222,665
Total Other Financing Sources	8,224,658	9,040,658	9,256,445	215,787
Net Change in Fund Balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	$ -	$ -	$ -	$ -

See accompanying notes to financial statements.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - INMATE WELFARE FUND FOR THE YEAR ENDED SEPTEMBER 30, 2023 GADSDEN COUNTY SHERIFF

	Inmate Welfare Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Miscellaneous Revenue	$ 356,125	$ 356,125	$ 356,125	$ -
Total Revenues	356,125	356,125	356,125	-
Expenditures				
Public Safety:				
Personnel Services	157,350	157,350	157,177	173
Operating	198,775	198,775	336,593	(137,818)
(Total Expenditures)	(356,125)	(356,125)	(493,770)	(137,645)
Net Change in Fund Balances	-	-	(137,645)	(137,645)
Fund Balances, Beginning of Year	470,382	470,382	470,382	-
Fund Balances, End of Year	$ 470,382	$ 470,382	$ 332,737	$ (137,645)

See accompanying notes to financial statements.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - RADIO COMMUNICATIONS FUND FOR THE YEAR ENDED SEPTEMBER 30, 2023 GADSDEN COUNTY SHERIFF

	Radio Communications Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	$ 46,280	$ 46,280	$ 46,278	$ (2)
Total Revenues	46,280	46,280	46,278	(2)
Expenditures				
Public Safety:				
Operating	46,280	46,280	74,536	(28,256)
(Total Expenditures)	(46,280)	(46,280)	(74,536)	(28,256)
Net Change in Fund Balances	-	-	(28,258)	(28,258)
Fund Balances, Beginning of Year	210,859	210,859	210,859	-
Fund Balances, End of Year	$ 210,859	$ 210,859	$ 182,601	$ (28,258)

See accompanying notes to financial statements.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - E-911 FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023
GADSDEN COUNTY SHERIFF

	E-911 Fund			
	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Expenditures				
Public Safety:				
Personnel Services	$ -	$ 174,010	$ 174,011	$ (1)
Operating	-	4,270	4,268	2
(Total Expenditures)	-	(178,280)	(178,279)	1
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(178,280)	(178,279)	1
Other Financing Sources				
Transfers from Board of County Commissioners	-	178,280	178,279	(1)
Total Other Financing Sources	-	178,280	178,279	(1)
Net Change in Fund Balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	$ -	$ -	$ -	$ -

See accompanying notes to financial statements.

GADSDEN COUNTY SHERIFF
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2023

	Custodial Funds
Assets	
Cash	$ 185,515
Total Assets	185,515
Liabilities	
Accounts Payable	27,977
Unremitted Collections	2,237
Due to Other Funds	122,039
Total Liabilities	152,253
Net Position	$ 33,262

See accompanying notes to financial statements.

GADSDEN COUNTY SHERIFF
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Custodial Funds
Additions	
Inmate Funds Collected	$ 428,451
Fines, Forfeitures, and Fees Collected	38,967
Total Additions	467,418
Deductions	
Inmate Funds Disbursed	423,213
Fines, Forfeitures, and Fees Disbursed	38,967
Total Deductions	462,180
Change in Net Position	5,238
Net Position, Beginning of Year	28,024
Net Position, End of Year	$ 33,262

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY SHERIFF

Note 1 - Summary of Significant Accounting Policies

Reporting Entity

Gadsden County, Florida (the County) is a political subdivision of the State of Florida located in the northern portion of the state. The County was established under Article VIII, Section 1(d), *Constitution of the State of Florida*.

The Gadsden County, Florida Sheriff (the Sheriff) is an elected Constitutional Officer of the County. For financial statement and reporting purposes, the Sheriff is a separate Constitutional Officer as provided by Chapter 218, Florida Statutes. However, the Sheriff does not meet the definition of a legally separate organization and is not considered to be a component unit. Accordingly, the Sheriff is considered to be a part of the primary government of the County, and the financial activities of the Sheriff are included as such in the annual comprehensive financial report, along with the other Constitutional Officers and the Gadsden County Board of County Commissioners (the Board). The financial statements contained herein represent the financial transactions of the Sheriff only. There are no component units for the Sheriff to consider for inclusion in its financial statements.

The accounting policies of the Sheriff conform to accounting principles generally accepted in the United States of America (GAAP) as applicable to governmental units. The following is a summary of the more significant policies.

Basis of Presentation

The accompanying financial statements include all the funds and accounts of the Sheriff's office but are not a complete presentation of the County as a whole. Except for this matter, they are otherwise in conformity with GAAP. The accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557, *Rules of the Auditor General Local Governmental Entity Audits.*

The financial transactions of the Sheriff are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. These funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. GAAP sets forth minimum criteria (percentage of assets, liabilities, revenues, and expenditures of each fund category) for the determination of major funds. Major funds are reported separately in the basic financial statements of the Sheriff.

Fund Accounting

The financial activities of the Sheriff are recorded in separate 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 balances, revenues, and expenditures. 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 Sheriff reports the following major and non-major governmental funds:

- **Major Governmental Funds**
  - **General Fund—**The General Fund is used to account for all revenues and expenditures applicable to the general operations of the Sheriff that are not required either legally or by GAAP to be accounted for in another fund.

  - **Inmate Welfare—**A Special Revenue Fund, which accounts for commissions received from pay telephones and commissary profits restricted for the benefit of inmates.

  - **Radio Communications—**A Special Revenue Fund, which accounts for activities related to moving violation fines restricted for use for the radio communications program and local law enforcement automation.

  - **E-911—**Accounts for the activities related to funds received from the Florida Department of Management Services for the prorated share of E-911 cell phone tax.

- **Non-Major Governmental Funds**
  - **Special Revenue Funds—**Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. The Sheriff reports the following special revenue funds in the financial statements under the title "Other Governmental Funds":

    - **VOCA—**Accounts for the activities related to funds received from the Florida Attorney General for use related to the *Victims Crime Act*.

    - **Emergency Management—**Accounts for the activities related to establishing and maintaining disaster assistance services.

    - **Teen Court—**Accounts for the activities related to establishing and maintaining a teen court pursuant to the County ordinance Section 26-1.

    - **Civil Citations—**Accounts for the activities related to funds received from the State of Florida Department of Juvenile Justice under the Civil Citations/Restoring Families Grant.

    - **Victims Special—**Accounts for the activities related to funds received from the State of Florida for the Victim Advocates' Assistance Emergency Fund.

    - **Guardian Training—**A Special Revenue Fund, which accounts for the activities related to providing training and certification of individuals seeking to become or maintain active status as "Guardians" within the Coach Aaron Feis Guardian Program, in accordance with the *Marjory Stoneman Douglas High School Public Safety Act.*

    - **DEM Federal—**Accounts for the activities related to the emergency management preparedness grant funded by the U.S. Department of Homeland Security passed through the Board.

- ► **Towing and Impound—**Accounts for the activities related to funds received from program generated income for narcotic-related activities from the Justice Assistance Grant.

- ► **DJJ Teen Success Academy—**Accounts for the activities related to the youth-centered program grant funded by the Florida Department of Juvenile Justice.

- ► **DJJ Restoring Families—**Accounts for the activities related to the family unit continuity assistance grant funded by the Florida Department of Juvenile Justice.

- ► **DCF Mental Health—**Accounts for the activities related to the Criminal Justice, Mental Health, and Substance Abuse (CJMHSA) Reinvestment Grant funded by the Florida Department of Children and Families.

- ■ **Fiduciary Funds**
  - ● **Custodial Funds—**The Custodial Funds account for the assets held by the Sheriff in a trustee capacity as an agent for individuals, private organizations, and/or governmental units.

Measurement Focus/Basis of Accounting
All governmental funds are accounted for on a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources." Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of "available spendable resources" during a period. 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.

All governmental funds are accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. Revenues are considered to be available when they are collectable within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considered revenues to be available if they are collected within 31 days of the end of the current fiscal period, except for grant revenues, which are considered to be available if collected within 60 days. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

The custodial funds are accounted for using an economic resource measurement focus and accrual basis of accounting requiring a resource flow statement. Liabilities are recognized when an event occurs that compels the Sheriff to disburse fiduciary resources, which is when a demand for resources has been made or when no further action, approval, or condition is required to be taken by the beneficiary to release the assets.

Budgets and Budgetary Accounting
Expenditures are controlled by appropriations in accordance with the budget requirements set forth in the Florida Statutes. Budgets are adopted for the General Fund, the E-911 Fund, and the Non-Major Governmental Funds. The Radio Communications Fund and the Inmate Welfare Fund expenditures are restricted by statute; therefore, these budgets are not approved by the Board.

The Sheriff follows these procedures in establishing the budgetary data reflected in the fund financial statements:

Sections 129.03 and 30.49 of the Florida Statutes require the Sheriff to establish an annual budget reflecting resources available and functions for which funds are to be expended.

- The proposed budget is filed with the Board by May 1 preceding the fiscal year of the budget. Prior to October 1, the budget is legally enacted by approval of the Board subject to the notice and hearing requirements of Section 200.065 of the Florida Statutes.

- The Sheriff's budget can be amended by the Board as necessary during the year. Line item expenditures in excess of appropriations are authorized to the extent that total expenditures by fund do not exceed total appropriations by fund.

- Formal budgetary integration is employed as a management control device during the year for the Sheriff's General Fund. Appropriations lapse at the close of the fiscal year to the extent they have not been expended. Budgetary control is exercised at the fund level.

- The budget for the Sheriff's General Fund is adopted on a basis consistent with GAAP.

The budgeted revenues and expenditures in the accompanying statement of revenues, expenditures, and changes in fund balances - budget and actual reflect the Sheriff's original adopted budget and the final budget with all amendments approved by the Sheriff and the Board.

Capital Assets
The Sheriff is accountable for, and thus maintains, capital asset records pertaining to the equipment used in his operations. Real property used by the Sheriff is accounted for by the Board, as the Board holds legal title and is accountable for such assets under Florida law.

Capital assets purchased in the Governmental Funds costing $5,000 or more and having a useful life in excess of one year are recorded as expenditures (capital outlay) at the time of purchase.

Capital assets acquired under leases or subscription-based information technology arrangements (SBITAs) are recorded at the net present value of future minimum lease payments as capital outlay expenditures and other financing sources at inception of the capital lease or SBITA. The tangible personal property used by the Sheriff is reported as capital assets, at cost, in the statement of net position as part of the government-wide financial statements of the County. Donated and confiscated fixed assets are recorded in the County's statement of net position at fair value at the time received. Capital assets are depreciated using the straight-line method over three to seven years. The depreciation expense is recorded in the statement of activities as part of the government-wide financial statements of the County.

Liability for Compensated Absences
Employees accrue vacation leave based on their employment date and length of employment. They may accrue from 12 to 18 days of vacation per year. Annual leave in excess of 30 days is forfeited on December 31. Employees are generally not paid for vacation leave in lieu of taking a vacation except that

an employee may be paid for earned vacation leave upon separation, and annual additional benefit payments of accumulated annual leave in excess of 240 hours (at a designated, across-the-board percentage of hourly pay) can be paid prior to the end of each fiscal year as declared by general order in the event of funds availability.

Employees earn one day of sick leave for each month of employment. Sick leave can be carried forward from year-to-year. An employee with five years of service or more may be paid for 25% of accrued sick leave upon separation. An employee with twenty years of service or more who is retiring under the Florida Retirement System may be paid for 50% of accrued sick leave.

The Sheriff uses the vesting method to calculate the liability for compensated absences. The Sheriff does not, nor is he legally required to, accumulate expendable available financial resources to liquidate these obligations. Accordingly, the liability for compensated absences is not reported in the General Fund but is included in the statement of net position in the government-wide financial statements of the County.

Transfers In and Out
The Board funds primarily all of the operating budget of the Sheriff's General Fund. The payments by the Board to fund the operations of the Sheriff are recorded as transfers out on the financial statements of the Board and as transfers in on the financial statements of the Sheriff. Section 218.36, Florida Statutes, requires the Sheriff to distribute all General Fund revenues in excess of expenditures to the Board within 31 days following the end of the fiscal year. Accordingly, such amounts are recorded as a liability and as transfers out on the financial statements of the Sheriff and as an asset and as transfers in on the financial statements of the Board.

Related Organizations - Service Fees and Common Expenses
Certain expenses, which are common to the Board and all Constitutional Officers, are reported as expenses of the Board and, therefore, are not budgeted by or allocated to the Sheriff. These expenses paid by the Board relating to the Sheriff's operations are:

- Occupancy Costs
- Property and Workers' Compensation Insurance
- Employees' Health and Life Insurance

Use of Estimates
The preparation of financial statements in conformity with GAAP requires management to make use of estimates that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amount of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Fund Balance Reporting
Fund balance is reported in five components – non-spendable, restricted, committed, assigned, and unassigned.

- **Non-Spendable—**This component of fund balance consists of amounts that cannot be spent because: (a) they are not expected to be converted to cash, or (b) they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund.

- **Restricted—**This component of fund balance consists of amounts that are constrained either: (a) externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments), or (b) by law through constitutional provisions or enabling legislation.

- **Committed—**This component of fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (e.g., ordinance or resolution) of the County's Governing Board. These committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (e.g., ordinance or resolution) it employed previously to constrain those amounts.

- **Assigned—**This component of fund balance consists of amounts that are constrained by a less-than-formal action of the Sheriff, or by an individual or body to whom the Sheriff has delegated this responsibility. By definition, fund balances are also assigned to the extent that they are needed to finance a subsequent year's budget deficit.

- **Unassigned—**This classification is used for: (a) negative unrestricted fund balances in any governmental fund, or (b) fund balances within the General Fund that are not restricted, committed, or assigned.

When both restricted and unrestricted resources are available for use, it is the Sheriff's policy to use restricted resources first, then unrestricted resources (committed, assigned, and unassigned) as they are needed. When unrestricted resources (committed, assigned, and unassigned) are available for use, it is the Sheriff's policy to use committed resources first, then assigned, and then unassigned as needed.

Implementation of Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements* (GASB 96)

During the year ended September 30, 2023, the Sheriff adopted new accounting guidance by implementing the provisions of GASB 96, which established criteria for identifying and reporting SBITAs. SBITAs with an initial term of one year or less are recorded in operating expenses when incurred. SBITAs with non-cancellable terms greater than one year are evaluated based on materiality levels established by the County. SBITAs that qualify for reporting under the new standard are initially recognized as a capital outlay expense and other financing source in the year of inception of the SBITA. Subsequent payments on the SBITA are reported as debt service expenditures. A right-of-use asset and associated SBITA liability are recorded on the County-wide financial statements at the present value of the future contractual SBITA payments. Based on the analysis of the Sheriff's inventory of SBITAs, no arrangements were identified which met the criteria for reporting under GASB 96. GASB 96 implementation required assessment of SBITAs as of October 1, 2022. Therefore, no restatement of prior periods was required as a result of implementation.

Note 2 - Cash

As of September 30, 2023, the Sheriff had the following in cash:

	Carrying Amount
Cash and Cash Equivalents	$ 926,206
Total Cash	$ 926,206

Credit Risk
The Sheriff's investment practices are governed by Section 218.415 (17), Florida Statutes, and include the following investments:

- The Florida PRIME (formerly the Local Government Surplus Trust Fund) administered by the State Board of Administration.
- Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.
- Interest-bearing time deposits or savings accounts in qualified public depositories.
- Direct obligations of the U.S. Treasury.

The Sheriff has no investment policy that would further limit its investment choices.

Custodial Credit Risk
Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it.

Qualified public depositories of public funds are required to provide collateral each month pursuant to Section 280.04, Florida Statutes. The collateral is held by the Florida Division of Treasury or other custodian with full legal rights maintained by the Florida Division of Treasury to transfer ownership. Any loss not covered by the pledged securities and deposit insurance would be assessed by the Florida Division of Treasury and paid by the other public depositories. The Sheriff's deposits are all held in a qualified public depository and are, therefore, considered fully insured or collateralized. Bank balances at September 30, 2023, were $865,664.

Note 3 - Capital Assets

A summary of the changes in capital assets for the year ended September 30, 2023, as follows:

	Balance, October 1, 2022	Additions	Retirements	Balance, September 30, 2023
Vehicles, Furniture, and Equipment	$ 2,622,445	$ 9,884	$ (52,358)	$ 2,579,971
Right-of-Use Assets Under Leases - Vehicles	937,835	222,665	(167,818)	992,682
(Accumulated Depreciation)	(2,230,381)	(78,554)	52,358	(2,256,577)
(Accumulated Amortization - Leases)	(541,085)	(215,475)	167,818	(588,742)
Capital Assets, Net	$ 788,814	$ (61,480)	$ -	$ 727,334

Depreciation and amortization expense for the Sheriff's assets and right-of-use assets under leases was recorded in the County's government-wide financial statements in the amounts of $78,554 and $215,475, respectively.

Note 4 - Long-Term Liabilities

A summary of the changes in the long-term liabilities of the Sheriff as follows:

	Balance, October 1, 2022	Additions	Retirements	Balance, September 30, 2023
Liability Under Leases	$ 410,416	$ 222,665	$ (216,656)	$ 416,425
Liability for Compensated Absences	526,873	406,032	(392,816)	540,089
Total	$ 937,289	$ 628,697	$ (609,472)	$ 956,514

Of the $540,089 liability for accrued compensated absences, management estimates that $233,613 will be due and payable within one year. Of the $416,425 liability under leases, the estimated principal amount due and payable within one year totaled $155,767. The long-term liabilities presented above are not reported in the financial statements of the Sheriff since they are not payable from expendable available resources at September 30, 2023.

The long-term liabilities shown above are reported in the statement of net position in the government-wide financial statements of the County.

Note 5 - Lease Obligations

Vehicle Leases

The Sheriff has commitments under various lease agreements as described below. Annual payments under the leases are reported as debt service principal and interest expenditures.

The Sheriff has entered into a Master Equity Lease Agreement with Enterprise Fleet Management for the purchase of vehicles. The lease agreement calls for monthly payments ranging from 48 to 60 months of varying amounts, including interest, with varying terms beginning in November of 2019 and ending in September of 2028. The net present value of the capital lease payments were computed utilizing interest rates ranging from 5.064% to 8.010%. There are no variable payment components, escalation provisions, or residual value guarantees by the lessee associated with this agreement.

Assets associated with equipment leases and related amortization for the year ended September 30, 2023, which are included in the capital assets summary at Note 3, are as follows:

	Balance, October 1, 2022	Additions	(Deletions)	Balance, September 30, 2023
Right-of-Use Assets Under Leases - Vehicles	$ 937,835	$ 222,665	$ (167,818)	$ 992,682
Accumulated Amortization	(541,085)	(215,475)	167,818	(588,742)
Net Assets Under Leases - Vehicles	$ 396,750	$ 7,190	$ -	$ 403,940

At September 30, 2023, aggregate future minimum lease payments are as follows:

	Future Lease Payments		
Year Ending September 30,	Principal	Interest	Total Payments
2024	$ 155,763	$ 24,080	$ 179,843
2025	98,497	15,981	114,478
2026	101,312	8,624	109,936
2027	41,893	2,961	44,854
2028	18,960	706	19,666
Total Future Minimum Lease Payments	$ 416,425	$ 52,352	$ 468,777

Note 6 - Interfund Receivables and Payables

Interfund receivables and payables at September 30, 2023, are as follows:

	Due from Other Funds	Due to Other Funds
General Fund	$ 353,049	$ -
Special Revenue Funds		
Inmate Welfare	115,287	62,975
Civil Citations	-	6,493
Emergency Management	-	57,455
DEM Federal	-	25,111
VOCA	-	14,477
E-911	-	118,933
DJJ Restoring Families	-	60,853
Fiduciary Funds		
Inmate Commissary	-	122,039
Total	$ 468,336	$ 468,336

Interfund receivables and payables result from temporary loans for cash flow needs associated with the time lag between when goods and services are provided and when they are ultimately reimbursed from granting agencies or the Board.

Note 7 - Pension and Postemployment Benefits Other Than Pension Benefits

Florida Retirement System (FRS) Pension Benefits

The Sheriff participates in the FRS to provide benefits to his employees. A detailed plan description and any liability for employees of the Sheriff are included in the financial statements of the County.

Postemployment Benefits Other Than Pensions

The Sheriff participates in the plan established by the Board to provide other postemployment benefits to retirees of the Board and Constitutional Officers. A detailed plan description and any liability for employees of the Sheriff are included in the financial statements of the County.

Note 8 - Risk Management

Professional Liability

The Sheriff is currently a member of the Florida Sheriff's Association and participates in the Florida Sheriffs' Self-Insurance Fund. The Self-Insurance Fund administers insurance activities related to professional liability and covers compensatory damages (except back pay), employment benefits, punitive damages, attorney fees or costs awarded to a prevailing plaintiff, and all legal fees involved in defense of the Sheriff. The contribution required for the year ended September 30, 2023, was $146,340.

The limits of the Self-Insurance Fund for the above-mentioned damages, fees, and defense costs are $3,200,000 per claim and $3,500,000 in aggregate for the policy year. Settled claims did not exceed this coverage in the current year.

Automobile Coverage
The Sheriff participates in the Florida Municipal Insurance Trust, which is sponsored by the Florida League of Cities for automobile coverage. The contribution required for the year ended September 30, 2023, was $56,148.

Workers' Compensation
The Sheriff participates in the Florida Municipal Insurance Trust for workers' compensation coverage, which provides for coverage of risks of loss related to workers' compensation claims. The Sheriff makes payments to the fund based upon payroll exposure in the amounts needed to pay prior and current year claims. The net amount paid or accrued for the year ended September 30, 2023, was $148,556.

Note 9 - Contingencies

Various claims and legal actions arising in the normal course of the Sheriff's operations were pending against the Sheriff at September 30, 2023. These claims are covered through the Sheriff's participation in the Florida Sheriff's Self-Insurance Fund. In the opinion of the Sheriff's legal counsel, the liabilities, which may arise from such actions, would be adequately covered by the Self-Insurance Fund. Accordingly, no provision has been made in the financial statements for such contingencies.

Note 10 - Other Disclosures

For the year ended September 30, 2023, the Sheriff's actual expenditures exceeded budgeted appropriations in the General Fund in the amount of $215,789. This excess was the result of $222,665 of non-cash capital outlay expenditure recognized as a result of new leases reported under GASB 87. For the year ended September 30, 2023, the Sheriff's actual expenditures exceeded budgeted appropriations in the Inmate Welfare and Radio Communications Funds in the amount of $137,645 and $28,256, respectively. These funds' residual balances are restricted by statute and expenditure of accumulated balances does not require approval by the Board. Each fund's expenditures in excess of current year appropriations were fully funded through prior years' accumulated restricted fund balance and expenditures from the accumulated fund balances were appropriate based on statutory restrictions.

OTHER FINANCIAL INFORMATION

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2023
GADSDEN COUNTY SHERIFF

	VOCA	Emergency Management	Teen Court	Civil Citations	Victims Special
Assets					
Cash	$ -	$ -	$ 39,814	$ -	$ 17,701
Due from Board of County Commissioners	-	57,455	-	-	-
Due from Other Governments	14,477	-	-	6,493	-
Total Assets	14,477	57,455	39,814	6,493	17,701
Liabilities and Fund Balances					
Liabilities					
Due to Other Funds	14,477	57,455	-	6,493	-
Unearned Revenues	-	-	-	-	17,701
Total Liabilities	14,477	57,455	-	6,493	17,701
Fund Balances					
Committed:					
Teen Court	-	-	39,814	-	-
Total Fund Balances	-	-	39,814	-	-
Total Liabilities and Fund Balances	$ 14,477	$ 57,455	$ 39,814	$ 6,493	$ 17,701

Guardian Training Grant Fund	DEM Federal	Towing and Impound	DJJ Teen Success Academy	DJJ Restoring Families	DCF Mental Health	Total Other Governmental Funds
$ -	$ -	$ 136	$ -	$ -	$ -	$ 57,651
-	25,111	-	-	-	-	82,566
-	-	-	-	60,853	-	81,823
-	25,111	136	-	60,853	-	222,040
-	25,111	-	-	60,853	-	164,389
-	-	136	-	-	-	17,837
-	25,111	136	-	60,853	-	182,226
-	-	-	-	-	-	39,814
-	-	-	-	-	-	39,814
$ -	$ 25,111	$ 136	$ -	$ 60,853	$ -	$ 222,040

COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023
GADSDEN COUNTY SHERIFF

	VOCA	Emergency Management	Teen Court	Civil Citations	Victims Special
Revenues					
Intergovernmental Revenue	$ 66,668	$ -	$ -	$ 37,879	$ -
Charges for Services	-	-	11,904	-	-
Total Revenues	66,668	-	11,904	37,879	-
Expenditures					
Public Safety:					
Personnel Services	64,076	100,752	-	-	-
Operating	2,592	11,251	-	37,879	-
Capital Outlay	-	-	-	-	-
(Total Expenditures)	(66,668)	(112,003)	-	(37,879)	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(112,003)	11,904	-	-
Other Financing Sources					
Transfers from Board of County Commissioners	-	112,003	-	-	-
Total Other Financing Sources	-	112,003	-	-	-
Net Change in Fund Balances	-	-	11,904	-	-
Fund Balances, Beginning of Year	-	-	27,910	-	-
Fund Balances, End of Year	$ -	$ -	$ 39,814	$ -	$ -

Guardian Training Grant Fund	DEM Federal	Towing and Impound	DJJ Teen Success Academy	DJJ Restoring Families	DCF Mental Health	Total Other Governmental Funds
$ 257,106	$ -	$ -	$ 44,706	$ 201,387	$ 375,441	$ 983,187
-	-	-	-	-	-	11,904
257,106	-	-	44,706	201,387	375,441	995,091
159,232	20,924	-	-	-	-	344,984
97,874	17,546	-	44,706	201,387	375,441	788,676
-	9,885	-	-	-	-	9,885
(257,106)	(48,355)	-	(44,706)	(201,387)	(375,441)	(1,143,545)
-	(48,355)	-	-	-	-	(148,454)
-	48,355	-	-	-	-	160,358
-	48,355	-	-	-	-	160,358
-	-	-	-	-	-	11,904
-	-	-	-	-	-	27,910
$ -	$ -	$ -	$ -	$ -	$ -	$ 39,814

COMBINING STATEMENT OF FIDUCIARY
NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2023
GADSDEN COUNTY SHERIFF

	Confiscated Funds	Civil Account	Inmate Commissary	Totals
Assets				
Cash	$ 305	$ 1,932	$ 183,278	$ 185,515
Total Assets	305	1,932	183,278	185,515
Liabilities				
Accounts Payable	-	-	27,977	27,977
Unremitted Collections	305	1,932	-	2,237
Due to Other Funds	-	-	122,039	122,039
Total Liabilities	305	1,932	150,016	152,253
Net Position	$ -	$ -	$ 33,262	$ 33,262

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023
GADSDEN COUNTY SHERIFF

	Confiscated Funds	Civil Account	Inmate Commissary	Total
Additions				
Inmate Funds Collected	$ -	$ -	$ 428,451	$ 428,451
Fines, Forfeitures, and Fees Collected	-	38,967	-	38,967
Total Additions	-	38,967	428,451	467,418
Deductions				
Inmate Funds Disbursed	-	-	423,213	423,213
Fines, Forfeitures, and Fees Disbursed	-	38,967	-	38,967
Total Deductions	-	38,967	423,213	462,180
Change in Net Position	-	-	5,238	5,238
Net Position, Beginning of Year	-	-	28,024	28,024
Net Position, End of Year	$ -	$ -	$ 33,262	$ 33,262

OTHER REPORTS

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*

The Honorable Morris A. Young
Gadsden County Sheriff
Gadsden 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 Gadsden County, Florida Sheriff (the Sheriff) as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements, and have issued our report thereon dated May 16, 2024, which was modified to state that the financial statements are not intended to be a complete presentation of Gadsden County, Florida as a whole.

Report on Internal Control Over Financial Reporting
In planning and performing our audit of the financial statements, we considered the Sheriff'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 Sheriff's internal control. Accordingly, we do not express an opinion on the effectiveness of the Sheriff'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 Sheriff'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 Sheriff's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance with which could have a direct and material effect on

The Honorable Morris A. Young
Gadsden County Sheriff
Gadsden County, Florida

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*

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 non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted a certain matter that we have reported to management of the Sheriff in a separate letter dated May 16, 2024.

Response to Finding
The Sheriff's response to finding 2023-01 identified in our audit and communicated in the accompanying management letter is included in the accompanying management's response on pages 34-35. The Sheriff's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 Sheriff'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 Sheriff's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Purvis Gray

May 16, 2024
Tallahassee, Florida

PURVIS GRAY

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES – INVESTMENTS OF PUBLIC FUNDS

The Honorable Morris A. Young
Gadsden County Sheriff
Gadsden County, Florida

We have examined the Gadsden County, Florida Sheriff's (the Sheriff) compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the fiscal year ended September 30, 2023, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the Sheriff's compliance with those requirements. Our responsibility is to express an opinion on the Sheriff's compliance based on our examination.

Our examination was conducted in accordance with the 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 Sheriff complied, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Sheriff 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 non-compliance, 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.

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

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

In our opinion, the Sheriff complied, in all material respects, with the aforementioned requirements during the fiscal year ended September 30, 2023.

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 Sheriff and its management, and the Board of Commissioners of Gadsden County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

May 16, 2024
Tallahassee, Florida

MANAGEMENT LETTER

Honorable Morris A. Young
Gadsden County Sheriff
Gadsden County, Florida

Report on the Financial Statements
We have audited the financial statements of the Gadsden County, Florida Sheriff (the Sheriff) as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated May 16, 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 the Financial Statements Performed in Accordance with *Government Auditing Standards;* and Independent Accountant's Report on an examination conducted in accordance with American Institute of Certified Public Accountants *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 May 16, 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. Corrective actions have been taken to address the preceding audit year Finding 2022-01 – Expenditures in Excess of Appropriations.

The following tabulation details the current financial audit report finding along with finding numbers corresponding to the findings identified in the preceding financial audit report, which is considered to be uncorrected.

Tabulation of Uncorrected Audit Findings		
Current Year Finding #	**21-22 FY Audit Finding #**	**20-21 FY Audit Finding #**
2023-01	2022-02	2021-02

Honorable Morris A. Young
Gadsden County Sheriff
Gadsden County, Florida

MANAGEMENT LETTER

Official Title and Legal Authority
Section 10.554(1)(i)4., *Rules of the Auditor General*, requires 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 note of the financial statements. The Sheriff was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Sheriff.

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 offer the following recommendation.

- **2023-01 Financial Statement Close**

  Condition
  Pursuant to Florida Statutes, Section 218.36, each County officer is required to make an annual report of revenues and expenditures within thirty-one days of the close of the fiscal year. While this report was submitted to the County by October 31 as required, the report was based on preliminary estimates. The accounting records of the Sheriff's office were not officially closed and ready for audit until February of 2024.

  Effect
  According to Sheriff personnel, the delay in the closing of the books and the preparation of year-end reconciliations was due to the lack of sufficient staffing in the Sheriff's accounting department necessary to have all transactions entered into the accounting system, prepare all year-end account balance reconciliations, including the calculations of excess fees, and submit any required budget amendments in a timely manner. Without effective procedures in place to close the books and prepare timely reconciliation of accounts, there is an increased risk that errors or fraud will go undetected for long periods of time or that instances of non-compliance with budgetary requirements for appropriation of expenditures will occur.

  Recommendation
  We recommend the Sheriff's office continue to evaluate the need to hire additional accounting staff to assist with the monthly and year-end closing process. We further recommend a detailed plan be established, including scheduled completion dates for each step required in the closing process. We also recommend the Sheriff's office implement procedures to ensure that all balance sheet accounts are reconciled within 20 days of month-end.

Additional Matters
Section 10.554(1)(i)3., *Rules of Auditor General*, requires us to communicate non-compliance 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.

Honorable Morris A. Young
Gadsden County Sheriff
Gadsden County, Florida

MANAGEMENT LETTER

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 Sheriff and its management, and the Board of County Commissioners of Gadsden County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of our audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.



May 16, 2024
Tallahassee, Florida

Sheriff

PHONE (850) 627-9233

Morris A. Young Gadsden County

P.O. BOX 1709
QUINCY, FLORIDA 32353-1709

May 15, 2024

Ms. Sherrill F. Norman, CPA
Auditor General of the State of Florida
111 West Madison Street
Tallahassee, Florida 32399

Dear Ms. Norman:

After reviewing the management letter comments regarding the audit performed by Purvis, Gray & Company, LLP for the fiscal year end September 30, 2023, we would like to respond as follows:

Prior and Current Year Findings and Recommendations

- **2021-2; 2022-02; 2023-01– Financial Statement Close**

Condition:

Pursuant to Florida Statutes, Section 218.36, each County officer is required to make an annual report of revenues and expenditures within thirty-one days of the close of the fiscal year. While this report was submitted to the County by October 31 as required, the report was based on preliminary estimates. The accounting records of the Sheriff's office were not officially closed and ready for audit until February of 2024.

Recommendation:

We recommend the Sheriff's office continue to evaluate the need to hire additional accounting staff to assist with the monthly and year-end closing process. We further recommend a detailed plan be established, including scheduled completion dates for each step required in the closing process. We also recommend the Sheriff's office implement procedures to ensure that all balance sheet accounts are reconciled within 20 days of month-end.

Management's Response

The Gadsden County Sheriff's Office Finance Department has 2 fulltime employees and a part-time Consultant. Due to a lack of adequate staffing, staff being out on medical leave for an extended period of time and job vacancies within the Finance Department we have experienced backlogs in our workload, especially during the month of October 2023, which caused a delay in our closing process. We communicated with the County Manager and Purvis Gray and Company to inform them of our delay.

We will continue to request funding in our budget to recruit and hire additional staff in the Finance Office. We will streamline our closing process to be completed on a monthly basis. Purvis Gray & Company discussed the financial statement close process with the Finance Director.

The year-end close process is generally completed by October 31st of each year in order to meet the requirement to remit excess fees to the Board. The financial statement close process is not formally documented but is summarized as follows:

-Reconcile all bank accounts by the 15th (approx.) of each month
-Review September invoices received in October for recording of additional Accounts Payable.

-Call various vendors (including BCC) that bill the GCSO monthly and get an advance copy of invoices.
-Complete grant billings and record related receivables
-Balance Due to/Due from across funds
-Prepare deposit analysis to ensure proper posting and recording of deposits.
-Ensure other fees and Civil Liabilities are paid to BCC.
-Run budget vs. actual reports and compute excess funds Due to BCC.
-Reconcile quarterly 941's to salaries expense per g/l.

The financial statements and note disclosures are prepared by the external auditing firm. These financial statements are reviewed by the Finance Director and the outside consultant for accuracy and agreement with the internal financial statements.

Purvis Gray and Company reviewed the closing procedures described above.

Sincerely,

Morris A. Young
Gadsden County Sheriff
MAY: kp

2023

Gadsden County Tax Collector

Financial Statements and Independent Auditor's Report

September 30, 2023

PURVIS GRAY

CERTIFIED PUBLIC ACCOUNTANTS

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

GADSDEN COUNTY TAX COLLECTOR
GADSDEN COUNTY, FLORIDA

SEPTEMBER 30, 2023

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PURVIS GRAY

INDEPENDENT AUDITOR'S REPORT

The Honorable W. Dale Summerford
Gadsden County Tax Collector
Gadsden County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the general fund and the aggregate remaining fund information of the Gadsden County, Florida, Tax Collector (the Tax Collector) as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Tax Collector's 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 general fund and the aggregate remaining fund information for the Tax Collector as of September 30, 2023, and the respective changes in financial position thereof, and budgetary comparison for the general fund, for the fiscal 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. 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.

Emphasis of Matter

Incomplete 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* (the Rules) of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the general fund and the aggregate remaining fund information, only for that portion of the general fund and the aggregate remaining fund information, of Gadsden County, Florida, that is attributable to the Tax Collector. They do not purport to, and do not, present fairly the financial position of Gadsden County, Florida, as of September 30, 2023, 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.

The Honorable W. Dale Summerford
Gadsden County Tax Collector
Gadsden County, Florida

INDEPENDENT AUDITOR'S REPORT

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; this includes 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 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 opinion. 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 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, individually or in the aggregate, they could reasonably be expected to influence the judgment made by a reasonable user made on the basis of these 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 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.

The Honorable W. Dale Summerford
Gadsden County Tax Collector
Gadsden County, Florida

INDEPENDENT AUDITOR'S REPORT

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 15, 2024, 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. The purpose of that report is solely 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.



May 15, 2024
Tallahassee, Florida

FINANCIAL STATEMENTS

BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2023
GADSDEN COUNTY TAX COLLECTOR

Assets		
Cash	$	65,153
Due from Other Governments		284
Due from Other Funds		2,319
Total Assets		67,756
Liabilities and Fund Balance		
Liabilities		
Accounts Payable		2,692
Due to Other Governments		98
Due to Other Funds		3,088
Due to Board of County Commissioners		61,878
Total Liabilities		67,756
Fund Balance		-
Total Liabilities and Fund Balance	$	67,756

See accompanying notes to financial statements.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023
GADSDEN COUNTY TAX COLLECTOR

Revenues	
Charges for Services	$ 988,646
Miscellaneous	3,086
Total Revenues	991,732
Expenditures	
Current:	
General Government:	
Personnel Services	766,919
Operating	201,689
(Total Expenditures)	(968,608)
Excess (Deficiency) of Revenues Over (Under) Expenditures	23,124
Other Financing Sources (Uses)	
Transfers in from Board of County Commissioners	38,754
Transfers (out) to Board of County Commissioners	(61,878)
Total Other Financing (Uses)	(23,124)
Net Change in Fund Balance	-
Fund Balance, Beginning of Year	-
Fund Balance, End of Year	$ -

See accompanying notes to financial statements.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023
GADSDEN COUNTY TAX COLLECTOR

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Charges for Services	$ 930,717	$ 930,717	$ 988,646	$ 57,929
Miscellaneous	1,500	1,500	3,086	1,586
Total Revenues	932,217	932,217	991,732	59,515
Expenditures				
Current:				
General Government:				
Personnel Services	737,605	737,605	766,919	(29,314)
Operating	203,880	203,880	201,689	2,191
(Total Expenditures)	(941,485)	(941,485)	(968,608)	(27,123)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,268)	(9,268)	23,124	32,392
Other Financing Sources (Uses)				
Transfers in from Board of County Commissioners	9,268	9,268	38,754	29,486
Transfers (out) to Board of County Commissioners	-	-	(61,878)	(61,878)
Total Other Financing Sources (Uses)	9,268	9,268	(23,124)	(32,392)
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	$ -	$ -	$ -	$ -

See accompanying notes to financial statements.

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
SEPTEMBER 30, 2023
GADSDEN COUNTY TAX COLLECTOR

	Custodial Fund
Assets	
Cash	$ 268,357
Due from Individuals	33,649
Due from Other Governments	785
Due from Other Funds	3,088
Total Assets	305,879
Liabilities	
Due to Others	1,384
Due to Other Funds	2,319
Due to Other Governments	57,147
Tag Renewal Deposits	21,668
Installment Tax Deposits	205,830
Total Liabilities	288,348
Net Position	
Restricted for:	
Individuals, Organizations, and Other Governments	$ 17,531

See accompanying notes to financial statements.

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023
GADSDEN COUNTY TAX COLLECTOR

	Custodial Fund
Additions	
Licenses and Tag Fees Collected	$ 5,416,410
Property Taxes and Fees Collected - BOCC	15,462,356
Property Taxes and Fees Collected - Other Governments	15,829,443
Hunting and Fishing Licenses Collected	12,772
Miscellaneous Collections	3,757
Total Additions	36,724,738
Deductions	
Licenses and Tag Fees Disbursed	5,416,397
Property Taxes and Fees Disbursed - BOCC	15,462,318
Property Taxes and Fees Disbursed - Other Governments	15,825,978
Hunting and Fishing Licenses Disbursed	12,772
Total Deductions	36,717,465
Change in Net Position	7,273
Net Position, Beginning	10,258
Net Position, Ending	$ 17,531

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY TAX COLLECTOR

Note 1 - Summary of Significant Accounting Policies

The following is a summary of significant accounting principles and policies used in the preparation of the accompanying financial statements.

Reporting Entity

Gadsden County, Florida (the County) is a political subdivision of the State of Florida. It is governed by an elected Board of County Commissioners (the Board) and an appointed County Administrator, as provided by Section 125.73, Florida Statutes. The County Administrator is responsible for the administration of all departments of which the Board has the authority to control pursuant to the general laws of Florida.

The Gadsden County, Florida, Tax Collector (the Tax Collector) is an elected official of the County pursuant to the Constitution of the State of Florida, Article VIII, Section 1(d). The Tax Collector is a part of the primary government of the County. The Florida Department of Revenue approves the Tax Collector's operating budget, the Tax Collector is responsible for the administration and operation of the Tax Collector's office, and the Tax Collector's financial statements do not include the financial statements of the Board or the other Constitutional Officers of the County. There were no component units related to the Tax Collector.

The Tax Collector operates as a Fee Officer. Upon approval of the operating budget, revenues are collected from fees and from commissions earned for the collection of taxes for the County taxing authorities pursuant to Section 192.091(2), Florida Statutes. Any excess revenues received over expenditures made are remitted at year-end to the taxing districts.

For financial reporting purposes, the Tax Collector is deemed to be a part of the primary government of the County and, therefore, is included as such in the County's annual financial report.

Basis of Presentation

The accompanying financial statements include all funds and accounts of the Tax Collector's office but are not intended to be a complete presentation of the County as a whole. Except for this matter, they are otherwise in conformity with accounting principles generally accepted in the United States of America (GAAP). The accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557(4), *Rules of the Auditor General—Local Governmental Entity Audits*.

The financial transactions of the Tax Collector are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. These funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The Tax Collector reports the following fund types:

- **Governmental Fund Type**
  - **Major Fund**
    - **General Fund—**The General Fund is the general operating fund of the Tax Collector. This fund is used to account for all financial transactions not required to be accounted for in another fund.

- **Fiduciary Fund Type**
  - **Custodial Fund—**The Custodial Fund is used to account for assets held by the Tax Collector as an agent for individuals, private organizations, and/or other governmental units. 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. Activities in this fund include receipts for property taxes, vehicle registrations and sales tax, driver's licenses, hunting and fishing licenses, and the related remittances of collected funds.

Fund Balance

The Tax Collector follows the provisions of Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions,* to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the Tax Collector is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

The fund balance classifications specified in GASB Statement No. 54 are as follows:

Non-Spendable Fund Balance—Non-spendable fund balances are amounts that cannot be spent because they are either: (a) not in spendable form; or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance—Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance—Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the Tax Collector's highest level of decision-making authority, which is a policy of the Tax Collector. Committed amounts cannot be used for any other purpose unless the Tax Collector removes those constraints by taking the same type of action.

Assigned Fund Balance—Assigned fund balances are amounts that are constrained by the Tax Collector's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by: (a) the Tax Collector; or (b) a body or official to which the Tax Collector has delegated the authority to assign amounts to be used for specific purposes.

Unassigned Fund Balance—Unassigned fund balance is the residual classification for the General Fund. The Tax Collector's policy is to expend resources in the following order: unassigned, restricted, committed, and assigned.

Measurement Focus/Basis of Accounting

The accounting and financial reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that generally, only current assets and current liabilities are included in the balance sheet. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they present a summary of sources and uses of "available spendable resources" during a period. Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements and to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Under this method, revenues are recognized when they become both measurable and available to finance expenditures of the current period. The Tax Collector considers revenues to be available if they are collected within thirty days of the end of the current fiscal year. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for accumulated sick and vacation pay, which are not recorded until paid. Charges for services and investment revenue are recorded as earned.

The Custodial Fund is accounted for using an economic resource measurement focus and accrual basis of accounting requiring a resource flow statement. Liabilities are recognized when an event occurs that compels the Tax Collector to disburse fiduciary resources, which is when a demand for resources has been made or when no further action, approval or condition is required to be taken or not by the beneficiary to release the assets.

Budgetary Requirement

The revenues and expenditures accounted for in the budgetary fund are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget is approved by the Florida Department of Revenue for the General Fund. Budget to actual comparisons are provided in the financial statements for the General Fund, where the Tax Collector has legally adopted an annual budget. All budget amounts presented in the accompanying financial statements have been adjusted for legally authorized amendments of the annual budget for the year.

Budgets are prepared on the modified accrual basis of accounting.

The Tax Collector's annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total annual budget appropriations at the individual fund level. All appropriations lapse at year-end.

Capital Assets

Tangible personal property is recorded as expenditures in the General Fund at the time an asset is acquired. Assets acquired by the Tax Collector are capitalized at cost in the capital asset accounts of the County. The Tax Collector maintains custodial responsibility for the capital assets used by the office.

The Tax Collector also utilizes certain computer equipment and software for vehicle and boat registrations, driver's license and identification card issuance, and various other services, which belongs to the Florida Department of Highway Safety and Motor Vehicles (DMV) and software licensed to the State of Florida Fish and Wildlife Conservation Commission (FFWCC). The cost of this equipment is not recognized in the statement of net position of the County as title to the equipment is held by DMV and FFWCC.

Accrued Compensated Absences

It is the Tax Collector's policy to grant all full-time employees annual and sick leave. Annual leave can be accumulated, but it is limited to an accumulation of 240 hours at the end of each calendar year. Excess annual leave at December 31 is converted to sick leave. There is no limitation on the accumulation of sick leave. Upon termination of employment, the employee can receive a cash benefit for certain balances of their annual and sick leave based upon the employee's current wage rate. After one year of employment upon termination, annual leave up to the maximum of 240 hours will be paid. After five years of employment upon termination, sick leave up to the maximum of 240 hours will be paid.

The liability for compensated absences is not reported in the Tax Collector's financial statements but is included in the statement of net position in the County-wide financial statements.

Property Tax Collections
Chapter 197, Florida Statutes, governs property tax collections.

- *Current Taxes*—All property taxes become due and payable on November 1, and are delinquent on April 1 of the following year. Discounts of 4%, 3%, 2%, and 1% are allowed for early payment in November through February, respectively.

- *Unpaid Taxes - Sale of Tax Certificates*—The Tax Collector advertises, as required by Florida Statutes, then sells tax certificates on all real property for unpaid taxes. Certificates not purchased are issued to the County. Any person owning real property upon which a tax certificate has been sold may reacquire the real property by paying the Tax Collector the face amount of the tax certificate plus interest and other costs.

- *Tax Deeds*—The owner of a tax certificate may, after two years when the taxes have been delinquent (after April 1), file an application for tax deed sale. The County, as a certificate owner, may exercise similar procedures two years after taxes have been delinquent (after April 1). Tax deeds are issued to the highest bidder for the property, which is sold at public auction. The Clerk of the Circuit Court administers these sales.

Use of Estimates
The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

Excess Revenues
The Tax Collector is considered a fee officer because operations are funded primarily by fees for services. No funds are received from the Board other than applicable fees. In accordance with Florida Statutes, the Tax Collector distributes all General Fund revenues in excess of expenditures to the Board and other ad valorem taxing authorities on a pro-rata basis of fees collected, within 31 days following the end of the fiscal year. These excess fees are reported as a liability and as transfers out to the Board or deducted from fees earned for amounts distributed to other governments.

Implementation of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements*
During the year ended September 30, 2023, the Tax Collector adopted new accounting guidance by implementing the provisions of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (GASB 96), which established criteria for identifying and reporting subscription-based information technology arrangements (SBITAs). SBITAs with an initial term of one year or less are recorded in Operating Expenses when incurred. SBITAs with non-cancellable terms greater than one year are evaluated based on materiality levels established by the County. SBITAs that qualify for reporting under the new standard are initially recognized as a Capital Outlay Expense and Other Financing Source in the year of inception of the SBITA. Subsequent payments on the SBITAs are reported as debt service expenditures. A right-to-use asset and associated SBITA liability are recorded on the County-wide financial statements at the present value of the future SBITA payments, including any residual value guarantees that are reasonably certain of being required or purchase options that are reasonably certain of being

exercised. GASB 96 implementation required assessment of SBITAs as of October 1, 2022. As a result of this analysis, it was determined that the Tax Collector was not a party to any SBITAs that would be considered material and reportable in accordance with GASB 96. Therefore, no restatement of prior periods was required as a result of implementation, and no changes in reporting for such arrangements was required for the fiscal year ended September 30, 2023.

Related Organizations - Service Fees and Common Expenses
The Tax Collector's charges for services included approximately $547,678 received from the Board as fees for real and tangible property tax collections.

Certain expenses, which are common to the Board and all Constitutional Officers, are reported as expenses of the Board and, therefore, are not budgeted by or allocated to the Tax Collector.

These expenses paid by the Board relating to the Tax Collector's operations are:

- Occupancy Costs
- Janitorial Service
- Utilities (Except Telephone)
- Property and Workers' Compensation Insurance
- Employees' Health and Life Insurance

Note 2 - Cash

As of September 30, 2023, the Tax Collector had the following cash on hand and on deposit:

	Carrying Amount
Cash on Hand	$ 2,384
Deposits in Qualified Public Depositories	331,126
Total Cash	$ 333,510

Credit Risk
Section 218.415(17), Florida Statutes, stipulates the State-approved investment policy for all governmental entities and includes the following investments:

- The Local Government Surplus Funds Trust Fund, administered by the State Board of Administration.
- Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.
- Interest-bearing time deposits or savings accounts in qualified public depositories.
- Direct obligations of the U.S. Treasury.

The Tax Collector has no investment policy that would further limit its investment choices.

Custodial Credit Risk
Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it.

Qualified public depositories of public funds are required to provide collateral each month pursuant to Section 280.04, Florida Statutes. The collateral is held by the Florida Division of Treasury or other custodian with full legal rights maintained by the Florida Division of Treasury to transfer ownership. Any loss not covered by the pledged securities and deposit insurance would be assessed by the Florida Division of Treasury and paid by the other public depositories. The Tax Collector's deposits are therefore considered fully insured or collateralized. Bank balances at September 30, 2023, were $434,605.

Tax Collector funds are maintained in an interest-bearing demand deposit account, which is collateralized pursuant to Section 280.04, Florida Statutes.

Note 3 - Risk Management

The Tax Collector is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; injuries to employees and/or the public; or damage to property of others. The Tax Collector participates in the risk management program through the Board, which uses commercial insurance and a public entity risk pool to cover certain risks from loss.

The Board obtained commercial insurance against losses for the following types of risk:

- Real and Personal Property Damage
- Public Employees' Bond
- Workers' Compensation
- Automobile Liability

The Board participates in the Florida Association of Counties Trust (FACT), a public entity risk pool for risks related to comprehensive general liability. The agreement provides that the financial liability for each participating county is limited to premiums and surplus contributions paid or obligations made to FACT. Aggregate coverage provided is limited to $1,000,000 for each claim.

Note 4 - Long-Term Liability for Compensated Absences

The Tax Collector's long-term liability for compensated absences is as follows:

	Balance October 1, 2022	Additions	Retirements	Balance September 30, 2023
Liability for Compensated Absences	$ 54,986	$ 20,419	$ (29,941)	$ 45,464

Of the $45,464 liability for accrued compensated absences, management estimates that $15,617 will be due and payable within one year. The liability is not reported in the financial statements of the Tax Collector since it is not payable from available resources at September 30, 2023. As discussed in Note 1, the liability is reported on the statement of net position in the County-wide financial statements.

Note 5 - Pension and Postemployment Benefits Other Than Pension Benefits

Florida Retirement System (FRS) Pension Benefits

The Tax Collector participates in the FRS to provide benefits to his employees. A detailed plan description and any liability for employees of the Tax Collector are included in the financial statements of the County.

Postemployment Benefits Other Than Pensions

The Tax Collector participates in the plan established by the Board to provide other postemployment benefits to retirees of the Board and Constitutional Officers. A detailed plan description and any liability for employees of the Tax Collector are included in the financial statements of the County.

Note 6 - Interfund Receivables and Payables

Interfund receivables and payables at September 30, 2023, are as follows:

	Due from Other Funds	Due to Other Funds
General Fund	$ 2,319	$ 3,088
Fiduciary:		
Custodial Fund	3,088	2,319
Totals	$ 5,407	$ 5,407

Interfund balances primarily comprise fees and bank interest received due from the Custodial Fund to the General Fund and bank service charges in excess of interest earned due from the General Fund to the Custodial Fund.

Note 7 - Commitments and Contingencies

From time to time, the office of the Tax Collector is involved as a defendant in certain litigation and claims arising from the ordinary course of operations. In the opinion of management, the range of potential liabilities will not materially affect the operations of the Tax Collector's office or the combined financial position of the County, which would be required to fund any claim payments.

Note 8 - Other Disclosures – Expenditures in Excess of Appropriations

For the year ended September 30, 2023, the Tax Collector's General Fund incurred expenditures in excess of appropriations totaling $27,123. This resulted from accounting reclassification entries that were required to recognize the gross effect of a $38,754 transfer in from the Board of County Commissioners to fund County-wide bonuses, which was originally netted against personnel services expenditures in the Tax Collector's calculation of expenditures for budgetary purposes.

OTHER REPORTS

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*

The Honorable W. Dale Summerford
Gadsden County Tax Collector
Gadsden 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 the general fund and the aggregate remaining fund information of the Gadsden County, Florida, Tax Collector (the Tax Collector) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Tax Collector's basic financial statements, and have issued our report thereon dated May 15, 2024.

Report on Internal Control Over Financial Reporting
In planning and performing our audit of the financial statements, we considered the 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 Tax Collector'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 have not been identified.

The Honorable W. Dale Summerford
Gadsden County Tax Collector
Gadsden County, Florida

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*

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, non-compliance 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 non-compliance 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 Tax Collector'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 Tax Collector's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Purvis Gray

May 15, 2024
Tallahassee, Florida

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable W. Dale Summerford
Gadsden County Tax Collector
Gadsden County, Florida

We have examined Gadsden County Tax Collector's (the Tax Collector) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the fiscal year ended September 30, 2023, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management of the Tax Collector 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 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 judgment, including an assessment of the risks of material non-compliance, 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.

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

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

In our opinion, the Tax Collector complied, in all material respects, with the aforementioned requirements during the fiscal year ended September 30, 2023.

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, his management team, and the Board of County Commissioners of Gadsden County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

May 15, 2024
Tallahassee, Florida

MANAGEMENT LETTER

The Honorable W. Dale Summerford
Gadsden County Tax Collector
Gadsden County, Florida

Report on the Financial Statements
We have audited the financial statements of the general fund and the aggregate remaining fund information of the Gadsden County, Florida Tax Collector (the Tax Collector) as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Tax Collector's financial statements, and have issued our report thereon dated May 15, 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 the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with American Institute of Certified Public Accountants *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 May 15, 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 or 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. The Tax Collector was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Tax Collector.

The Honorable W. Dale Summerford
Gadsden County Tax Collector
Gadsden County, Florida

MANAGEMENT LETTER

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 non-compliance 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, the Tax Collector, his management team, and the Board of County Commissioners of Gadsden County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of our audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.



May 15, 2024
Tallahassee, Florida

2023

Gadsden County Property Appraiser

Financial Statements and Independent Auditor's Report

September 30, 2023

PURVIS GRAY

CERTIFIED PUBLIC ACCOUNTANTS

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

GADSDEN COUNTY PROPERTY APPRAISER
GADSDEN COUNTY, FLORIDA

SEPTEMBER 30, 2023

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PURVIS GRAY

INDEPENDENT AUDITOR'S REPORT

The Honorable Reginald A. Cunningham
Gadsden County Property Appraiser
Gadsden County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the general fund of the Gadsden County, Florida Property Appraiser (the Property Appraiser) as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Property Appraiser's 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 general fund for the Property Appraiser as of September 30, 2023, and the respective changes in financial position thereof and the respective budgetary comparison for the general fund for the fiscal 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. 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 Property Appraiser 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.

Emphasis of Matter

Incomplete 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 general fund, only for that portion of the general fund, of Gadsden County that is attributable to the Property Appraiser. They do not purport to, and do not, present fairly the financial position of Gadsden County as of September 30, 2023, 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.

The Honorable Reginald A. Cunningham
Gadsden County Property Appraiser
Gadsden County, Florida

INDEPENDENT AUDITOR'S REPORT

New Accounting Standard
As discussed in Note 1 to the financial statements, the Property Appraiser adopted Governmental Accounting Standards Board Statement No. 96, *Subscription Based Information Technology Arrangements* as of September 30, 2023. Our opinions are not modified with respect to this matter.

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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the 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 of events, considered in the aggregate, that raise substantial doubt about the Property Appraiser's ability to continue as a going concern for twelve months beyond the financial statement date, including any 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 opinion. 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 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, individually or in the aggregate, they could reasonably be expected to influence the judgment made by a reasonable user made on the basis of these 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 these 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 Property Appraiser'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.

The Honorable Reginald A. Cunningham
Gadsden County Property Appraiser
Gadsden County, Florida

INDEPENDENT AUDITOR'S REPORT

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Property Appraiser'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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 16, 2024, on our consideration of the Property Appraiser'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. The purpose of that report is solely 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 Property Appraiser's internal control over financial reporting and compliance.



May 16, 2024
Tallahassee, Florida

FINANCIAL STATEMENTS

BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2023
GADSDEN COUNTY PROPERTY APPRAISER

Assets		
Cash	$	32,294
Accounts Receivable		80
Other Asset		520
Total Assets		32,894
Liabilities and Fund Balance		
Liabilities		
Accounts Payable		5,301
Accrued Wages Payable		27,593
Total Liabilities		32,894
Fund Balance		
Unassigned		-
Total Fund Balance		-
Total Liabilities and Fund Balance	$	32,894

See accompanying notes to financial statements.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023
GADSDEN COUNTY PROPERTY APPRAISER

Revenues	
Charges for Services	$ 2,987
Miscellaneous	1,625
Total Revenues	4,612
Expenditures	
Current:	
General Government:	
Personnel Services	924,307
Operating	290,883
Debt Service:	
Principal	41,400
(Total Expenditures)	(1,256,590)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,251,978)
Other Financing Sources (Uses)	
Transfers in from Board of County Commissioners	1,273,807
Transfers out to Board of County Commissioners	(1,111)
Total Other Financing Sources	1,272,696
Net Change in Fund Balance	20,718
Fund Balance (Deficit), Beginning of Year	(20,718)
Fund Balance, End of Year	$ -

See accompanying notes to financial statements.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023
GADSDEN COUNTY PROPERTY APPRAISER

	Budgeted Amounts		Actual	Variance with Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Charges for Services	$ -	$ -	$ 2,987	$ 2,987
Miscellaneous	-	-	1,625	1,625
Total Revenues	-	-	4,612	4,612
Expenditures				
Current:				
General Government:				
Personnel Services	887,149	887,149	924,307	(37,158)
Operating	245,718	245,718	290,883	(45,165)
Capital Outlay	95,222	95,222	-	95,222
Debt Service:				
Principal	-	-	41,400	(41,400)
Contingency	10,000	25,000	-	25,000
(Total Expenditures)	(1,238,089)	(1,253,089)	(1,256,590)	(3,501)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,238,089)	(1,253,089)	(1,251,978)	1,111
Other Financing Sources (Uses)				
Transfers in from Board of County Commissioners	1,238,089	1,274,089	1,273,807	(282)
Transfers out to Board of County Commissioners	-	-	(1,111)	(1,111)
Total Other Financing Sources	1,238,089	1,274,089	1,272,696	(1,393)
Net Change in Fund Balance	-	21,000	20,718	(282)
Fund Balance (Deficit), Beginning of Year	(20,718)	(20,718)	(20,718)	-
Fund Balance, End of Year	$ (20,718)	$ 282	$ -	$ (282)

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY PROPERTY APPRAISER

Note 1 - Summary of Significant Accounting Policies

The following is a summary of significant accounting principles and policies used in the preparation of the accompanying financial statements.

Reporting Entity

Gadsden County, Florida (the County) is a political subdivision of the State of Florida. It is governed by an elected Board of County Commissioners (the Board) and an appointed County Administrator, as provided by Section 125.73, Florida Statutes. The County Administrator is responsible for the administration of all departments of which the Board has the authority to control pursuant to the general laws of Florida.

The Gadsden County, Florida Property Appraiser (the Property Appraiser) is an elected official of the County pursuant to the Constitution of the State of Florida, Article VIII, Section 1(d). The Property Appraiser is a part of the primary government of the County. The Florida Department of Revenue approves the Property Appraiser's total operating budget, and effective June 2011, the Clerk of Court was responsible for accounting for the Property Appraiser's transactions. The Property Appraiser is responsible for the administration and operation of the Property Appraiser's office, and the Property Appraiser's financial statements do not include the financial statements of the Board or the other Constitutional Officers of the County. There were no component units related to the Property Appraiser.

The operations of the Property Appraiser are funded by the Board and the Northwest Florida Water Management District. The receipts from the Board are recorded as other financing sources on the Property Appraiser's financial statements.

For financial reporting purposes, the Property Appraiser is deemed to be a part of the primary government of the County and, therefore, is included as such in the County's annual financial report.

Basis of Presentation

The accompanying financial statements include all funds and accounts of the Property Appraiser's office but are not a complete presentation of the County as a whole. Except for this matter, they are otherwise in conformity with accounting principles generally accepted in the United States of America (GAAP). The accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557(4), *Rules of the Auditor General—Local Governmental Entity Audits*.

The financial transactions of the Property Appraiser are recorded in one individual fund. This fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures.

The Property Appraiser reports the following fund type:

- **Governmental Fund Type**
  - **Major Fund**
    - **General Fund—**The general fund is the general operating fund of the Property Appraiser. It is used to account for all financial resources, except for those required to be accounted for in another fund.

NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY PROPERTY APPRAISER

Basis of Accounting
Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements and refers 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. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available to finance expenditures of the current period. The Property Appraiser considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Expenditures are recorded when the liability is incurred, except for accumulated sick and vacation pay, which is not recorded until paid.

Measurement Focus
The accounting and financial reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. The general fund is accounted for on a spending or "financial flow" measurement focus. This means that generally, only current assets and current liabilities are included in the balance sheet. General fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they present a summary of sources and uses of "available spendable resources" during a period.

Budgetary Requirement
General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget is approved by the Florida Department of Revenue for the general fund. Budget-to-actual comparisons are provided in the financial statements for the general fund, where the Property Appraiser has legally adopted an annual budget. All budget amounts presented in the accompanying financial statements have been adjusted for legally authorized amendments to the annual budget for the year.

Budgets are prepared on the modified accrual basis of accounting.

The Property Appraiser's annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total annual budget appropriations at the individual fund level. All appropriations lapse at year-end.

Capital Assets
Tangible personal property is recorded as expenditures in the general fund at the time an asset is acquired. Assets acquired by the Property Appraiser are capitalized at cost in the capital asset accounts of the County. The Property Appraiser maintains custodial responsibility for the capital assets used by his office.

Compensated Absences
Permanent full-time employees of the Property Appraiser are entitled to accrue annual leave time. At the time of termination, employees will be compensated for 100% of their accrued annual leave hours.

Sick leave is accumulated at the rate of four hours for each full calendar month of continuous employment during the first year and eight hours during each subsequent year. There is no limit on the amount of sick leave that can be accumulated. At the time of termination, employees will be compensated for 50% of their accrued sick leave hours.

The liability for compensated absences is not reported in the Property Appraiser's financial statements but is included in the statement of net position in the County-wide financial statements.

Transfers In and Out
The Board funds substantially the entire operating budget of the Property Appraiser. The payments by the Board to fund the operations of the Property Appraiser are recorded as transfers in on the financial statements of the Property Appraiser. In accordance with Florida Statutes, the Property Appraiser distributes all general fund revenues in excess of expenditures to the Board within 31 days following the end of the fiscal year.

Related Organizations - Common Expenses
Certain expenses, which are common to the Board and all Constitutional Officers, are reported as expenses of the Board and, therefore, are not budgeted by or allocated to the Property Appraiser. These expenses paid by the Board relating to the Property Appraiser's operations are:

- Occupancy Costs
- Janitorial Service
- Utilities (Except Telephone)

Adoption of New Accounting Standard
During the year ended September 30, 2023, the Property Appraiser adopted new accounting guidance by implementing the provisions of Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITAs). A SBITA is defined as a contract that conveys the right to use another party's information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

Subscription liabilities that qualify for reporting under the new standard are initially recognized as a Capital Outlay Expense and Other Financing Source at the governmental fund level in the year of inception of the agreement. Subsequent payments are reported as debt service expenditures. A right-to-use asset and associated subscription liability are recorded on the County-wide financial statements at the present value of the future lease payments. For the fiscal year ended September 30, 2023, the implementation of this standard was not deemed to be material to the Property Appraiser's financial statements.

Note 2 - Cash

As of September 30, 2023, the carrying amount of the Property Appraiser's deposits was $32,294.

Credit Risk
Section 218.415(17), Florida Statutes, stipulates the state-approved investment policy for all governmental entities and includes the following investments:

- The Florida PRIME (formerly the Local Government Surplus Trust Fund), administered by the State Board of Administration.

- Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

- Interest-bearing time deposits or savings accounts in qualified public depositories.

- Direct obligations of the U.S. Treasury.

The Property Appraiser does not have an investment policy that would further limit its investment choices.

Custodial Credit Risk
Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it.

Qualified public depositories of public funds are required to provide collateral each month pursuant to Section 280.04, Florida Statutes. The collateral is held by the Florida Division of Treasury or other custodian with full legal rights maintained by the Florida Division of Treasury to transfer ownership. Any loss not covered by the pledged securities and deposit insurance would be assessed by the Florida Division of Treasury and paid by the other public depositories. The Property Appraiser's deposits are, therefore, considered fully insured or collateralized.

Note 3 - Risk Management

The Property Appraiser is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; injuries to employees and/or the public; or damage to property of others. The Property Appraiser participates in the risk management program through the Board, which uses commercial insurance and a public entity risk pool to cover certain risks from loss.

The Board obtained commercial insurance against losses for the following types of risk:

- Real and Personal Property Damage
- Public Employees' Bond
- Workers' Compensation
- Automobile Liability

The Board participates in the Florida Association of Counties Trust (FACT), a public entity risk pool for risks related to comprehensive general liability. The agreement provides that the financial liability for each participating county is limited to premiums and surplus contributions paid or obligations made to FACT. Aggregate coverage provided is limited to $1,000,000 for each claim.

Note 4 - Long-Term Liabilities

The Property Appraiser's long-term liabilities presented below are not reported in the financial statements of the Property Appraiser since they are not payable from available resources at September 30, 2023. The Property Appraiser's long-term debt is recorded in the Statement of Net Position as part of the basic financial statements of the County.

A summary of the changes in long-term liabilities is as follows:

	Balance October 1, 2022	Additions	Retirements	Balance September 30, 2023
Liability for Compensated Absences	$ 30,797	$ 49,825	$ (49,168)	$ 31,454
Subscription Liability*	117,838	-	(41,400)	76,438
Total	$ 148,635	$ 49,825	$ (90,568)	$ 107,892

* The beginning balance was restated for the impact of GASB Statement No. 96, *Subscription-Based Information Technology Arrangements.*

Of the $31,454 liability for accrued compensated absences, management estimates that $17,999 will be due and payable within one year. See Note 6 for more information on the Subscription Liability.

Note 5 - Pension and Postemployment Benefits Other Than Pension Benefits

Florida Retirement System (FRS) Pension Benefits
The Property Appraiser participates in the FRS to provide benefits to his employees. A detailed plan description and any liability for employees of the Property Appraiser is included in the financial statements of the County.

Postemployment Benefits Other Than Pensions
The Property Appraiser participates in the plan established by the Board to provide other postemployment benefits to retirees of the Board and Constitutional Officers. A detailed plan description and any liability for employees of the Property Appraiser is included in the financial statements of the County.

Note 6 - Subscription Assets and Liabilities

Prior to October 1, 2022, the Property Appraiser entered into a subscription for the use of appraisal software with a term of 60 months. The Property Appraiser is required to make annual payments of $41,400. The Property Appraiser's subscription liability is being amortized using an interest rate of 5.5%. See Note 4 for more information on the subscription liability balance as of September 30, 2023. Principal and interest components of future minimum lease payments are as follows:

Year Ending September 30,	Principal	Interest
2024	$ 37,196	$ 4,204
2025	39,242	2,158
Total	$ 76,438	$ 6,362

Right-to-use subscription assets and related amortization as of September 30, 2023, are as follows:

	Balance October 1, 2022	Additions	(Deletions)	Balance September 30, 2023
Subscription Assets	$ 117,838	$ -	$ -	$ 117,838
Accumulated Amortization	-	(39,279)	-	(39,279)
Net Subscription Asset	$ 117,838	$ (39,279)	$ -	$ 78,559

Note 7 - Other Disclosures

For the year ended September 30, 2023, the Property Appraiser incurred expenditures in excess of appropriations totaling $3,501. Per Florida Statutes 195.087(1)(b), the Property Appraiser's office is not required to amend their budget for additional fees collected and spent during the fiscal year. During the fiscal year ended September 30, 2023, the Property Appraiser collected $4,612 of additional fees. As such, a budget amendment was not required.

OTHER REPORTS

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*

The Honorable Reginald A. Cunningham
Gadsden County Property Appraiser
Gadsden County, Florida

We have audited, in accordance with 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 the general fund of the Gadsden County, Florida Property Appraiser (the Property Appraiser) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Property Appraiser's basic financial statements, and have issued our report thereon dated May 16, 2024.

Report on Internal Control Over Financial Reporting
In planning and performing our audit of the financial statements, we considered the Property Appraiser'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 Property Appraiser's internal control. Accordingly, we do not express an opinion on the effectiveness of the Property Appraiser'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 Property Appraiser'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 have not been identified.

The Honorable Reginald A. Cunningham
Gadsden County Property Appraiser
Gadsden County, Florida

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*

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Property Appraiser's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance 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 non-compliance 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 Property Appraiser'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 Property Appraiser's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Purvis Gray

May 16, 2024
Tallahassee, Florida

PURVIS GRAY

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Reginald A. Cunningham
Gadsden County Property Appraiser
Gadsden County, Florida

We have examined Gadsden County, Florida Property Appraiser's (the Property Appraiser) compliance with the requirements of Section 218.415, Florida Statutes, as of and for the year ended September 30, 2023, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the Property Appraiser's compliance with those requirements. Our responsibility is to express an opinion on the Property Appraiser'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 Property Appraiser complied, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Property Appraiser 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 non-compliance, 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.

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

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

In our opinion, the Property Appraiser complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2023.

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 Property Appraiser, its management, and the Board of County Commissioners of Gadsden County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

May 16, 2024
Tallahassee, Florida

MANAGEMENT LETTER

The Honorable Reginald A. Cunningham
Gadsden County Property Appraiser
Gadsden County, Florida

Report on the Financial Statements
We have audited the financial statements of the general fund of the Gadsden County, Florida Property Appraiser (the Property Appraiser) as of and for the year ended September 30, 2023, and have issued our report thereon dated May 16, 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 the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with American Institute of Certified Public Accountants *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 May 16, 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. Corrective actions have been taken to address 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. The Property Appraiser was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Property Appraiser.

The Honorable Reginald A. Cunningham
Gadsden County Property Appraiser
Gadsden County, Florida

MANAGEMENT LETTER

Financial Condition and 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 non-compliance 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, the Property Appraiser, his management team, and the Board of County Commissioners of Gadsden County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of our audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Purvis Gray

May 16, 2024
Tallahassee, Florida

2023

Gadsden County Supervisor of Elections

Financial Statements and Independent Auditor's Report

September 30, 2023

PURVIS GRAY

CERTIFIED PUBLIC ACCOUNTANTS

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

GADSDEN COUNTY SUPERVISOR OF ELECTIONS
GADSDEN COUNTY, FLORIDA

SEPTEMBER 30, 2023

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PURVIS GRAY

INDEPENDENT AUDITOR'S REPORT

The Honorable Shirley Green Knight
Gadsden County Supervisor of Elections
Gadsden County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the general fund of the Gadsden County, Florida Supervisor of Elections (the Supervisor of Elections) as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' 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 general fund for the Supervisor of Elections as of September 30, 2023, and the respective changes in financial position thereof and the respective budgetary comparison for the general fund for the fiscal 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. 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 Supervisor of Elections 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.

Emphasis of Matter

Incomplete 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 general fund, only for that portion of the general fund, of Gadsden County that is attributable to the Supervisor of Elections. They do not purport to, and do not, present fairly the financial position of Gadsden County as of September 30, 2023, 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.

The Honorable Shirley Green Knight
Gadsden County Supervisor of Elections
Gadsden County, Florida

INDEPENDENT AUDITOR'S REPORT

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; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the 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 of events, considered in the aggregate, that raise substantial doubt about the Supervisor of Elections' ability to continue as a going concern for twelve months beyond the financial statement date, including any 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 opinion. 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 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, individually or in the aggregate, they could reasonably be expected to influence the judgment made by a reasonable user made on the basis of these 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 Supervisor of Elections' 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 Supervisor of Elections' ability to continue as a going concern for a reasonable period of time.

The Honorable Shirley Green Knight
Gadsden County Supervisor of Elections
Gadsden County, Florida

INDEPENDENT AUDITOR'S REPORT

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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated May 16, 2024, on our consideration of the Supervisor of Elections' 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. The purpose of that report is solely 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 Supervisor of Elections' internal control over financial reporting and compliance.



May 16, 2024
Tallahassee, Florida

FINANCIAL STATEMENTS

BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2023
GADSDEN COUNTY SUPERVISOR OF ELECTIONS

Assets		
Cash	$	19,838
Prepaid Expenses		318
Total Assets		20,156
Liabilities and Fund Balance		
Liabilities		
Accounts Payable		4,956
Accrued Wages and Benefits		15,200
Total Liabilities		20,156
Fund Balance		
Unassigned		-
Total Fund Balance		-
Total Liabilities and Fund Balance	$	20,156

See accompanying notes to financial statements.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023
GADSDEN COUNTY SUPERVISOR OF ELECTIONS

Revenues	
Intergovernmental Revenue	$ 71,825
Total Revenues	71,825
Expenditures	
General Government:	
Personnel Services	595,794
Operating Expenditures	309,183
Capital Outlay	55,775
(Total Expenditures)	(960,752)
Excess (Deficiency) of Expenditures Over (Under) Revenues	(888,927)
Other Financing Sources (Uses)	
Transfers in from Board of County Commissioners	907,833
Transfers out to Board of County Commissioners	(2,980)
Total Other Financing Sources (Uses)	904,853
Net Change in Fund Balance	15,926
Fund Balance (Deficit), Beginning of Year	(15,926)
Fund Balance, End of Year	$ -

See accompanying notes to financial statements.

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023
GADSDEN COUNTY SUPERVISOR OF ELECTIONS

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental Revenues	$ -	$ 72,408	$ 71,825	$ (583)
Total Revenues	-	72,408	71,825	(583)
Expenditures				
General Government:				
Personnel Services	530,329	535,329	595,794	(60,465)
Operating Expenditures	308,577	308,577	309,183	(606)
Capital Outlay	48,000	120,408	55,775	64,633
(Total Expenditures)	(886,906)	(964,314)	(960,752)	3,562
Excess (Deficiency) of Expenditures Over (Under) Revenues	(886,906)	(891,906)	(888,927)	2,979
Other Financing Sources				
Transfers in from Board of County Commissioners	886,906	907,906	907,833	(73)
Transfers out to Board of County Commissioners	-	-	(2,980)	(2,980)
Total Other Financing Sources	886,906	907,906	904,853	(3,053)
Net Change in Fund Balance	-	16,000	15,926	(74)
Fund Balance, Beginning of Year	(15,926)	(15,926)	(15,926)	-
Fund Balance (Deficit), End of Year	$ (15,926)	$ 74	$ -	$ (74)

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY SUPERVISOR OF ELECTIONS

Note 1 - Summary of Significant Accounting Policies

The following is a summary of significant accounting principles and policies used in the preparation of the accompanying financial statements.

Reporting Entity

Gadsden County, Florida (the County) is a political subdivision of the State of Florida. It is governed by an elected Board of County Commissioners (the Board) and an appointed County Administrator, as provided by Section 125.73, Florida Statutes. The County Administrator is responsible for the administration of all departments of which the Board has the authority to control pursuant to the general laws of Florida.

The Gadsden County, Florida Supervisor of Elections (the Supervisor of Elections) is an elected official of the County, pursuant to the *Constitution of the State of Florida*, Article VIII, Section 1(d) and is a part of the primary government of the County. The Board approves the Supervisor of Elections' total operating budget, and the Clerk of Court is responsible for accounting for the Supervisor of Elections' transactions. The Supervisor of Elections is responsible for the administration and operation of the Supervisor of Elections' office, and the Supervisor of Elections' financial statements do not include the financial statements of the Board or the other Constitutional Officers of the County. There were no component units related to the Supervisor of Elections.

The operations of the Supervisor of Elections are funded by the Board. The receipts from the Board are recorded as other financing sources on the Supervisor of Elections' financial statements and as other financing uses on the Board's financial statements.

For financial reporting purposes, the Supervisor of Elections is deemed to be part of the primary government of the County and, therefore, is included as such in the County's annual financial report.

Basis of Presentation

The accompanying financial statements include all funds and accounts of the Supervisor of Elections' office but are not a complete presentation of the County as a whole. Except for this matter, they are otherwise in conformity with accounting principles generally accepted in the United States of America (GAAP). The accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557(4), *Rules of the Auditor General—Local Governmental Entity Audits*.

The financial transactions of the Supervisor of Elections are recorded in one individual fund. This fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures.

The Supervisor of Elections reports the following fund type:

- **Governmental Fund**
  - **Major Fund**
    - **General Fund**—The general fund is the general operating fund of the Supervisor of Elections. It is used to account for all financial resources, except for those required to be accounted for in another fund.

Basis of Accounting
Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements and refers 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. Under the modified accrual basis of accounting, revenues are recognized when they are received in cash or when they become both measurable and available to finance expenditures of the current period. Expenditures are recorded when the liability is incurred and/or will be paid from expendable available financial resources, except for accumulated sick and vacation pay, which are not recorded until paid.

The Supervisor of Elections considers receivables collected within 30 days after year-end to be available and susceptible to accrual as revenues of the current year. The following major revenue is considered susceptible to accrual: intergovernmental revenue.

Measurement Focus
The accounting and financial reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. The general fund is accounted for on a spending or "financial flow" measurement focus. This means that generally, only current assets and current liabilities are included in the balance sheet. General fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they present a summary of sources and uses of "available spendable resources" during a period.

Budgetary Requirement
General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget is prepared by the Supervisor of Elections and adopted by the Board for the general fund.

The Supervisor of Elections' annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total annual budget appropriations at the individual fund level. All appropriations lapse at year-end.

Budget-to-actual comparisons are provided in the financial statements for the general fund. All budget amounts presented in the accompanying financial statements have been adjusted for legally authorized amendments to the annual budget for the year. Budgets are prepared on the modified accrual basis of accounting.

Capital Assets
Tangible personal property is recorded as expenditures in the general fund at the time an asset is acquired. Assets acquired by the Supervisor of Elections are capitalized at cost in the capital asset accounts of the Board. The Supervisor of Elections maintains custodial responsibility for the capital assets used by her office.

Compensated Absences
Permanent full-time employees of the Supervisor of Elections are entitled to accrue unlimited hours of sick leave and 240 hours of vacation time. Upon termination, employees can be paid up to 240 hours of vacation time and up to one-fourth of unused sick time, with the payment of one-fourth of unused sick time being subject to three years of consecutive employment.

The Supervisor of Elections' accrued compensated absences are reported in the statement of net position in the County-wide financial statements.

Transfers In and Out
The Board funds substantially the entire operating budget of the Supervisor of Elections. The payments by the Board to fund the operations of the Supervisor of Elections are recorded as transfers in on the financial statements of the Supervisor of Elections. In accordance with Florida Statutes, the Supervisor of Elections distributes all general fund revenues in excess of expenditures to the Board within 31 days following the end of the fiscal year.

Related Organizations—Common Expenses
Certain expenses, which are common to the Board and all Constitutional Officers, are reported as expenses of the Board and, therefore, are not budgeted by or allocated to the Supervisor of Elections. These expenses paid by the Board relating to the Supervisor of Elections operations are:

- Occupancy Costs
- Janitorial Service
- Utilities (Except Telephone)
- Property Insurance

Adoption of New Accounting Standard
During the year ended September 30, 2023, the Supervisor of Elections adopted new accounting guidance by implementing the provisions of Governmental Accounting Standards Board Statement No. 96, *Subscription Based Information Technology Arrangements* (SBITAs). A SBITA is defined as a contract that conveys the right to use another party's information technology (IT) software, alone or in combination with tangible capital assets (the underlying IT assets), as specified in the contract for a period of time in an exchange or exchange-like transaction.

Subscription liabilities that qualify for reporting under the new standard are initially recognized as a Capital Outlay Expense and Other Financing Source at the governmental fund level in the year of inception of the agreement. Subsequent payments are reported as debt service expenditures. A right-to-use asset and associated subscription liability are recorded on the County-wide financial statements at the present value of the future lease payments. For the fiscal year ended September 30, 2023, the implementation of this standard was not deemed to be material to the Supervisor of Elections' financial statements.

Note 2 - Cash

As of September 30, 2023, the carrying amount of the Supervisor of Elections' deposits was $19,838.

Credit Risk
Section 218.415(17), Florida Statutes, stipulates the state-approved investment policy for all governmental entities and includes the following investments:

- The Florida PRIME (formerly the Local Government Surplus Trust Fund), administered by the State Board of Administration.

- Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

- Interest-bearing time deposits or savings accounts in qualified public depositories.

- Direct obligations of the U.S. Treasury.

The Supervisor of Elections does not have an investment policy that would further limit its investment choices.

Custodial Credit Risk
Custodial credit risk is the risk that, in the event of a bank failure, the government's deposits may not be returned to it.

Qualified public depositories of public funds are required to provide collateral each month pursuant to Section 280.04, Florida Statutes. The collateral is held by the Florida Division of Treasury or other custodian with full legal rights maintained by the Florida Division of Treasury to transfer ownership. Any loss not covered by the pledged securities and deposit insurance would be assessed by the Florida Division of Treasury and paid by the other public depositories. The Supervisor of Elections' deposits are therefore considered fully insured or collateralized.

Note 3 - Risk Management

The Supervisor of Elections is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors or omissions; injuries to employees and/or the public; or damage to property of others. The Supervisor of Elections participates in the risk management program through the Board, which uses commercial insurance and a public entity risk pool to cover certain risks from loss.

The Board obtained commercial insurance against losses for the following types of risk:

- Real and Personal Property Damage
- Public Employees' Bond
- Workers' Compensation
- Automobile Liability

The Board participates in the Florida Association of Counties Trust (FACT), a public entity risk pool for risks related to comprehensive general liability. The agreement provides that the financial liability for each participating county is limited to premiums and surplus contributions paid or obligations made to FACT. Aggregate coverage provided is limited to $1,000,000 for each claim.

Note 4 - Long-Term Liability for Compensated Absences

The Supervisor of Elections' long-term liability for compensated absences is as follows:

	Balance October 1, 2022	Additions	Retirements	Balance September 30, 2023
Liability for Compensated Absences	$ 12,112	$ 24,058	$ (20,226)	$ 15,944

Of the $15,944 liability for accrued compensated absences, management estimates that $9,475 will be due and payable within one year. The liability is not reported in the financial statements of the Supervisor of Elections since it is not payable from available resources at September 30, 2023. As discussed in Note 1, the liability is reported on the Statement of Net Position in the County-wide financial statements.

Note 5 - Pension and Postemployment Benefits Other Than Pension Benefits

Florida Retirement System (FRS) Pension Benefits

The Supervisor of Elections participates in the FRS to provide benefits to her employees. A detailed plan description and any liability for employees of the Supervisor of Elections are included in the financial statements of the County.

Postemployment Benefits Other Than Pensions

The Supervisor of Elections participates in the plan established by the Board to provide other postemployment benefits to retirees of the Board and Constitutional Officers. A detailed plan description and any liability for employees of the Supervisor of Elections is included in the financial statements of the County.

OTHER REPORTS

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*

The Honorable Shirley Green Knight
Gadsden County Supervisor of Elections
Gadsden County, Florida

We have audited, in accordance with 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 the general fund of the Gadsden County, Florida Supervisor of Elections (the Supervisor of Elections) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' basic financial statements, and have issued our report thereon dated May 16, 2024.

Report on Internal Control Over Financial Reporting
In planning and performing our audit of the financial statements, we considered the Supervisor of Elections' 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 Supervisor of Elections' internal control. Accordingly, we do not express an opinion on the effectiveness of the Supervisor of Elections' 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 Supervisor of Elections' 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 have not been identified.

The Honorable Shirley Green Knight
Gadsden County Supervisor of Elections
Gadsden County, Florida

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*

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Supervisor of Elections' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance 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 non-compliance 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 Supervisor of Elections' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Supervisor of Elections' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



May 16, 2024
Tallahassee, Florida

PURVIS GRAY

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Shirley Green Knight
Gadsden County Supervisor of Elections
Gadsden County, Florida

We have examined Gadsden County, Florida Supervisor of Elections' (the Supervisor of Elections) compliance with the requirements of Section 218.415, Florida Statutes, as of and for the year ended September 30, 2023, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the Supervisor of Elections' compliance with those requirements. Our responsibility is to express an opinion on the Supervisor of Elections' 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 Supervisor of Elections complied, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Supervisor of Elections 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 non-compliance, 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.

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

Our examination does not provide a legal determination on the Supervisor of Elections' compliance with specified requirements.

In our opinion, the Supervision of Elections complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2023.

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 Supervisor of Elections, its management, and the Board of County Commissioners of Gadsden County, Florida and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

May 16, 2024
Tallahassee, Florida

MANAGEMENT LETTER

The Honorable Shirley Green Knight
Gadsden County Supervisor of Elections
Gadsden County, Florida

Report on the Financial Statements
We have audited the financial statements of the general fund of the Gadsden County, Florida Supervisor of Elections (the Supervisor of Elections) as of and for the year ended September 30, 2023, and have issued our report thereon dated May 16, 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 the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with American Institute of Certified Public Accountants *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 May 16, 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. Corrective actions have been taken to address 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. The Supervisor of Elections was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Supervisor of Elections.

The Honorable Shirley Green Knight
Gadsden County Supervisor of Elections
Gadsden County, Florida

MANAGEMENT LETTER

Financial Condition and 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 non-compliance 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, the Supervisor of Elections, her management team, and the Board of County Commissioners of Gadsden County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of our audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Purvis Gray

May 16, 2024
Tallahassee, Florida

PURVIS GRAY

CERTIFIED PUBLIC ACCOUNTANTS

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