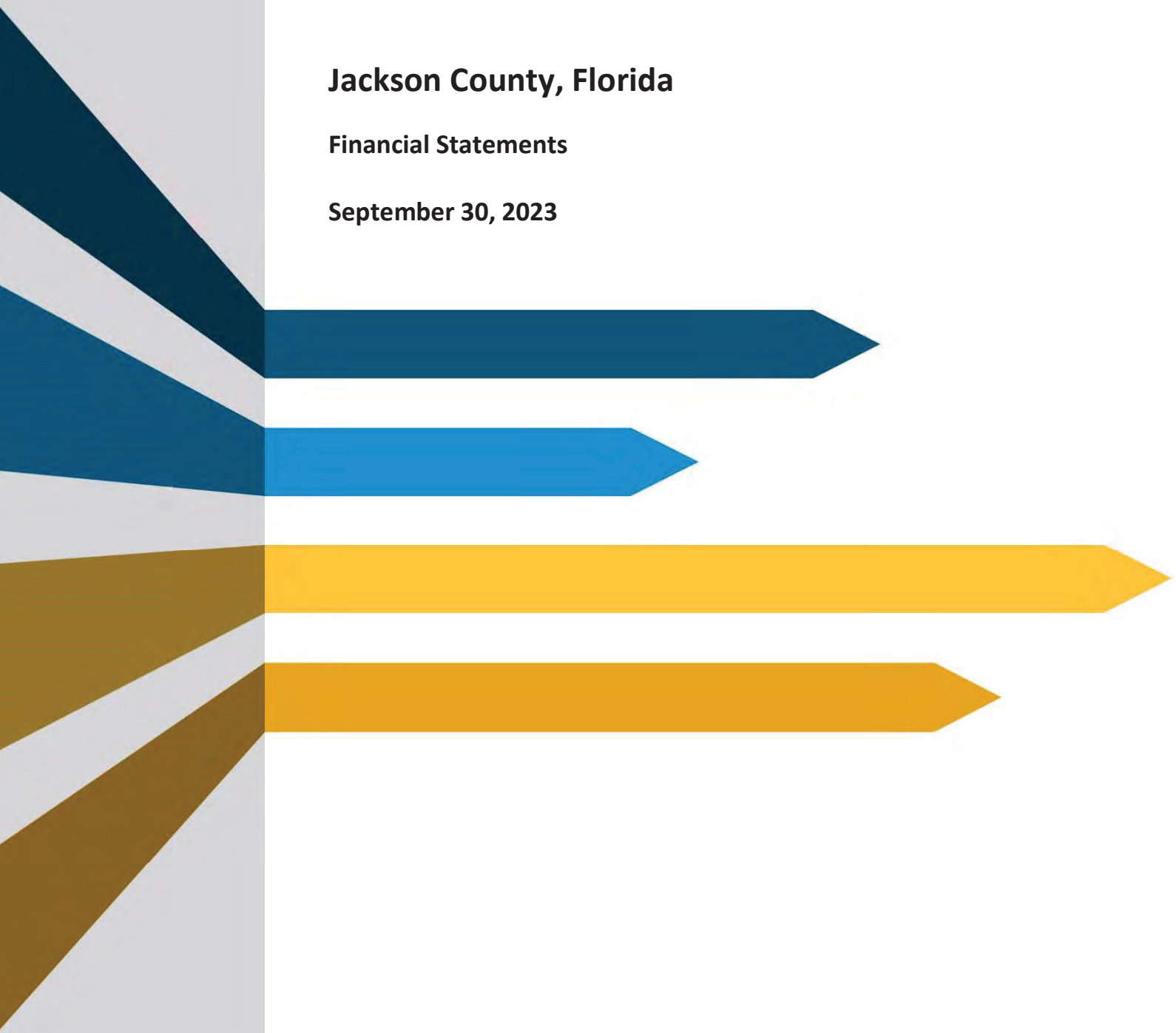
# Jackson County, Florida

## Financial Statements

## September 30, 2023



**Jackson County, Florida**
**FINANCIAL STATEMENTS**
**September 30, 2023**

**BOARD OF COUNTY COMMISSIONERS**

**Alex B. McKinnie - District 1**
**Edward Crutchfield - District 2**
**Paul A. Donofro, Jr. - District 3**
**Donnie Branch - District 4**
**Jim Peacock - District 5**

**CLERK OF THE CIRCUIT COURT**
**Clayton O. Rooks, III**

**SHERIFF**
**Donnie Edenfield**

**TAX COLLECTOR**
**Mary Carol Murdock**

**PROPERTY APPRAISER**
**Rebecca Morris-Haid**

**SUPERVISOR OF ELECTIONS**
**Carol A. Dunaway**

**COUNTY ATTORNEY**
**Michelle Blankenship Jordan, Esq.**

**AUDITOR**
**Carr, Riggs & Ingram, LLC**

# Jackson County, Florida
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# September 30, 2023


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Property Appraiser .....

Sheriff .....

Supervisor of Elections .....

Tax Collector .....

# REPORT

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# INDEPENDENT AUDITOR'S REPORT

To the Honorable Board of County Commissioners
and Constitutional Officers of Jackson County, Florida
Marianna, Florida

## Report on Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Jackson County, (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, the business type activities, each major fund, and the aggregate remaining fund information of Jackson County, Florida as of September 30, 2023, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund and the Major Special Revenue Funds for the 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 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

### *Emphasis of Matter*

As discussed in Notes 1 and 22 to the financial statements, the County adopted provisions of Governmental Accounting Standards Board ("GASB") Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITAs*)*, which required a prior period adjustment and a restatement of the 2022 financial statements. Our opinion is not modified with respect to these matters.

To the Honorable Board of County Commissioners
and Constitutional Officers of Jackson County, Florida
Marianna, Florida

***Responsibility 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 County's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the 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.

To the Honorable Board of County Commissioners
and Constitutional Officers of Jackson County, Florida
Marianna, Florida

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, on pages 5.1 to 5.8, Schedule of Changes in Net OPEB Liability and Related Ratios, Schedule of Proportional Share of Net Pension Liability – Florida Retirement System, Schedule of Contributions – Florida Retirement System, Schedule of Proportional Share of Net Pension Liability – Health Insurance Subsidy and Schedule of Contributions – Health Insurance Subsidy, on pages 73 through 77, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board (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 auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the 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.

***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual non-major fund financial statements and combining and individual statement of fiduciary net position schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis 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, Local Governmental Audits*, Rules of the Auditor General* of the State of Florida, and neither schedule is a required part of the basic financial statements. The schedule of receipts and expenditures of funds related to the Deepwater Horizon oil spill is presented for the purpose of additional analysis as required by Chapter 10.550, State of Florida Rules of the Auditor General, and is also not a part of the required financial statements. Such information is the responsibility of management and was derived from and relate 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 combining and individual nonmajor fund financial statements combining and individual statement of fiduciary net position schedules, the schedule of expenditures of federal awards and state financial assistance and the schedule of receipts and expenditures of funds related to the Deepwater Horizon oil spill are 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 June 25, 2024 on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, 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 the effectiveness of the County's 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.

Carr, Riggs & Ingram, L.L.C.

Marianna, Florida
June 25, 2024

# MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of Jackson County, Florida has prepared the following discussion and analysis to assist the reader in focusing on significant financial attributes; provide an overview and analysis of the County's financial activities; identify changes in the County's financial position; identify material deviations from the approved budget; and highlight significant attributes in individual funds.

Because the information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transactions, events and conditions, it should be considered in conjunction with the County's financial statements and notes to financial statements.

***FINANCIAL HIGHLIGHTS***

- The County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources (net position) at the close of the most recent fiscal year by $115,950,260.
- The County's total net position increased by $12,727,938**,** which represents a 12.90% increase from the 2022 fiscal year.
- As of the close of the current fiscal year, the County's governmental funds reported total fund balance of $45,865,734, which is an increase of $6,884,959 in comparison with the prior year.
- During the current year, General Fund revenues and transfers exceeded expenditures by $5,219,363. General Fund revenue increased by $6,202,224, or 23.92% over the prior fiscal year.

***OVERVIEW OF FINANCIAL STATEMENTS***

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements consist of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. The annual financial report also contains other supplementary information in addition to the basic financial statements.

*Government-Wide Financial Statements*

The *government-wide financial statements,* which consist of the following two statements, are designed to provide readers with a broad overview of the County's finances, in a manner similar to those of a private-sector business. The *Statement of Net Position* presents financial information on all of the County's assets, liabilities and deferred inflows/outflows of resources, with the difference reported as *net position*. This is considered one way to measure the County's financial health. The *Statement of Activities* presents information about the change in the County's net position, the results of operations, during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Therefore, some revenues and expenses reported in this statement will result in cash flows in future fiscal years (e.g., uncollected taxes and earned but unused vacation leave).

The government-wide financial statements show a distinction between activities that are supported primarily by taxes and intergovernmental revenues (government activities) and activities that are supported by the recovery of all or most of their costs through user fees and charges (business-type activities). The government activities of the County include general government, public safety, physical environment, transportation, economic environment, health and social services, culture/recreation, and other community services. The business-type activities of the County include water/sewer system operations, parks and recreation and recycling. The government-wide financial statements can be found on pages 6 - 8 of this report.

*Fund Financial Statements*

Fund financial statements are one of the components of the basic financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and prudent fiscal management. Certain funds are established by law while others are created by legal agreements, such as bond covenants. Fund financial statements provide more detailed information about the County's financial activities, focusing on its most significant or "major" funds rather than fund types. This is in contrast to the entity-wide perspective contained in the government-wide statements.

*Governmental Funds* are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, the governmental funds utilize a spendable financial resources measurement focus rather than the economic resources measurement focus found in the government-wide financial statements. This financial resources measurement focus allows the governmental fund statements to provide information on near-term inflows and outflows of spendable resources, as well as balances of spendable resources available at the end of the fiscal year.

The governmental fund statements provide a detailed short-term view that may be used to evaluate the County's near-term financing requirements. The short-term view is useful when compared to the long-term view presented as governmental activities in the government-wide financial statements. To facilitate this comparison, both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures and changes in fund balances provide a reconciliation of governmental funds to governmental activities.

The governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances provide detailed information about the County's funds. The County maintains 53 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Fine & Forfeitures, Transportation Trust, Road Construction and Gas Tax Bond Fund which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation.

The County adopts an annual appropriated budget for its governmental funds. A budgetary comparison schedule has been provided for the major funds.

*Notes to Financial Statements*
The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 25 to 72 of this report.

*Other information*
This report also contains other information in addition to the basic financial statements. Combining and individual fund statements and schedules are presented for non-major governmental and agency funds.

## *GOVERNMENT-WIDE FINANCIAL ANALYSIS*

Net position over time may serve as a useful indicator of a government's financial position. The following is a summary of the County's net position as of September 30, 2023 and September 30, 2022:

| | Governmental Activities | | Business-type Activities | | Totals | |
|---|---|---|---|---|---|---|
| *September 30,* | **2023** | 2022 | **2023** | 2022 | **2023** | 2022 |
| Current and other assets | **$ 88,388,432** | $ 82,361,012 | **$ 4,009,677** | $ 3,173,957 | **$ 92,398,109** | $ 85,534,969 |
| Non-current assets | **99,801,448** | 96,601,214 | **22,135,462** | 17,702,756 | **121,936,910** | 114,303,970 |
| **Total assets** | **188,189,880** | 178,962,226 | **26,145,139** | 20,876,713 | **214,335,019** | 199,838,939 |
| **Deferred outflows of resources** | **10,103,373** | 8,110,949 | **158,712** | 128,846 | **10,262,085** | 8,239,795 |
| Current liabilities | **42,936,257** | 43,162,593 | **2,752,109** | 2,360,223 | **45,688,366** | 45,522,816 |
| Non-current liabilities | **55,339,508** | 52,365,406 | **3,704,759** | 3,847,592 | **59,044,267** | 56,212,998 |
| **Total liabilities** | **98,275,765** | 95,527,999 | **6,456,868** | 6,207,815 | **104,732,633** | 101,735,814 |
| **Deferred inflows of resources** | **3,842,188** | 3,582,616 | **72,026** | 61,774 | **3,914,214** | 3,644,390 |
| Net investment in capital assets | **75,596,358** | 64,397,240 | **18,137,327** | 14,006,056 | **93,733,685** | 78,403,296 |
| Restricted | **13,868,181** | 15,238,715 | **80,011** | 76,648 | **13,948,192** | 15,315,363 |
| Unrestricted (deficit) | **6,710,761** | 8,326,605 | **1,557,619** | 653,266 | **8,268,380** | 8,979,871 |
| **Total net position** | **$ 96,175,300** | $ 87,962,560 | **$ 19,774,957** | $ 14,735,970 | **$ 115,950,257** | $ 102,698,530 |

The following is a summary of the County's Statement of Activities as of September 30, 2023 and September 30, 2022:

| | Governmental Activities | | Business-type Activities | | Totals | |
|---|---|---|---|---|---|---|
| *as of September 30,* | **2023** | 2022 | **2023** | 2022 | **2023** | 2022 |
| **Revenues** | | | | | | |
| **Program revenues** | | | | | | |
| Charges for services | **$ 10,618,731** | $ 9,716,493 | **$ 1,725,334** | $ 1,608,083 | **$ 12,344,065** | $ 11,324,576 |
| Operating grants and contributions | **17,839,487** | 10,325,085 | **-** | - | **17,839,487** | 10,325,085 |
| Capital grants and contributions | **5,132,271** | 5,584,384 | **4,894,155** | 2,444,102 | **10,026,426** | 8,028,486 |
| **Total program revenues** | **33,590,489** | 25,625,962 | **6,619,489** | 4,052,185 | **40,209,978** | 29,678,147 |
| **General Revenues** | | | | | | |
| Property taxes | **13,813,426** | 12,515,403 | **-** | - | **13,813,426** | 12,515,403 |
| Other taxes, intergovernmental and shared revenue | **25,604,341** | 23,879,284 | **-** | - | **25,604,341** | 23,879,284 |
| Investment earnings | **1,555,034** | 68,656 | **49,876** | 427 | **1,604,910** | 69,083 |
| Gain/loss on disposition of assets | **32,598** | 12,301 | **-** | - | **32,598** | 12,301 |
| Miscellaneous | **1,222,849** | 727,668 | **8,407** | 1,901 | **1,231,256** | 729,569 |
| Insurance proceeds | **-** | - | **-** | - | **-** | - |
| Transfers | **(559,383)** | (221,520) | **559,383** | 221,520 | **-** | - |
| Transfers to State of FL | **(123,379)** | (135,900) | **-** | - | **(123,379)** | (135,900) |
| **Total general revenues** | **41,545,486** | 36,845,892 | **617,666** | 223,848 | **42,163,152** | 37,069,740 |
| **Total revenues** | **75,135,975** | 62,471,854 | **7,237,155** | 4,276,033 | **82,373,130** | 66,747,887 |
| **Expenses** | | | | | | |
| **Program activities** | | | | | | |
| **Governmental activities:** | | | | | | |
| General government | **11,952,886** | 10,874,109 | **-** | - | **11,952,886** | 10,874,109 |
| Public safety | **28,253,994** | 22,392,906 | **-** | - | **28,253,994** | 22,392,906 |
| Physical environment | **538,936** | 1,186,115 | **-** | - | **538,936** | 1,186,115 |
| Transportation | **16,379,825** | 13,534,831 | **-** | - | **16,379,825** | 13,534,831 |
| Economic environment | **5,437,954** | 3,081,889 | **-** | - | **5,437,954** | 3,081,889 |
| Human services | **1,930,672** | 1,842,407 | **-** | - | **1,930,672** | 1,842,407 |
| Culture and recreation | **1,079,606** | 869,417 | **-** | - | **1,079,606** | 869,417 |
| Court related | **1,485,170** | 1,563,000 | **-** | - | **1,485,170** | 1,563,000 |
| Interest on long-term debt | **389,931** | 283,539 | **-** | - | **389,931** | 283,539 |
| **Business-type activities** | **-** | - | **2,196,221** | 2,072,873 | **2,196,221** | 2,072,873 |
| **Total expenses** | **67,448,974** | 55,628,213 | **2,196,221** | 2,072,873 | **69,645,195** | 57,701,086 |
| **Change in net position** | **7,687,001** | 6,843,641 | **5,040,934** | 2,203,160 | **12,727,935** | 9,046,801 |
| **Net position - beginning as previously stated** | **87,962,560** | 81,167,980 | **14,734,023** | 12,532,810 | **102,696,583** | 93,700,790 |
| **Prior period adjustment - Note 21** | **510,977** | - | **-** | - | **510,977** | - |
| **Change in accounting principle, leases - Note 22** | **14,762** | (49,061) | **-** | - | **14,762** | (49,061) |
| **Net position – beginning** | **88,488,299** | 81,118,919 | **14,734,023** | 12,532,810 | **103,222,322** | 93,651,729 |
| **Net position – ending** | **$ 96,175,300** | $ 87,962,560 | **$ 19,774,957** | $ 14,735,970 | **$ 115,950,257** | $ 102,698,530 |

The largest portion of the County's net position (80.84%) reflects its investments in capital assets (e.g., land, buildings, and equipment), less any related outstanding debt used to acquire those assets. 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.

Another portion of the County's net position is *restricted* net position (12.03%) which represent resources that are subject to constraints such as debt covenants, grantors, laws or regulations. The remaining balance of unrestricted net position ($8,268,380 or 7.13%) is that portion of County resources that are available to meet the ongoing obligations to citizens and creditors.

The key elements of the changes in the County's net position for the fiscal years ended September 30, 2023 are contained on the Statement of Activities on Page 8 of this report.

Governmental activities increased the County's net position by $7,687,004.

***FINANCIAL ANALYSIS OF JACKSON COUNTY'S FUNDS***

The County uses fund accounting to demonstrate compliance with finance related legal requirements.

*Major Governmental Funds*
The General Fund is the chief operating fund of the County. At the end of the current fiscal year, the unassigned fund balance was $6,974,262 while the total fund balance was $13,504,294. As a measure of the General Fund's liquidity, it may be useful to compare both the unassigned fund balance and total fund balance to total General Fund expenditures. Unassigned fund balance represents 20.67% of total General Fund expenditures, while total fund balance represents 40.02% of that same amount. The fund balance increased by $5,219,363 during the 2022-2023 fiscal year.

The Fine and Forfeiture fund accounts for law enforcement activities of the County. At the end of the current fiscal year, the fund balance was $585,924 which is assigned. The fund balance decreased by $126,250 during the 2022-2023 fiscal year.

The Transportation Trust fund accounts for the operation cost of the Public Works Department. At the end of the current fiscal year, the non-spendable fund balance was $156,399; the assigned fund balance was $1,984,610 and committed fund balance was $253,338. The fund balance decreased by $507,790 during the 2022-2023 fiscal year.

The Road Construction fund accounts for revenues that improve roads throughout the County. At the end of the current fiscal year, the committed fund balance was $10,180,156. The fund balance increased by $1,940,544 during the 2022-2023 fiscal year.

The Gas Tax Bond fund accounts for the County's gas tax bonds. At the end of the current fiscal year, the restricted fund balance was $7,508,396. The fund balance decreased by $1,817,873 during the 2022-2023 fiscal year.

*Proprietary Funds*
The County's proprietary funds reported net position of $19,774,957 which includes $18,280,464 from the operation of the Water/Sewer System.

Total unassigned fund balances for all governmental funds totaled $6,974,262 at September 30, 2023 compared to total governmental fund balances of 45,865,734 at the same date. The restricted fund balance was $13,868,181 which included funds for Vessel fees, Gas Tax Bond Fund, Courthouse Facility Fund, JCDC Tax, Inmate Welfare Fund, and other special revenue funds.

The unassigned governmental fund balance of $6,974,262 is different from the Unrestricted Net Position amount on the Statement of Net Position of $6,710,761 due to reporting requirements regarding primarily capital assets and long-term debt liabilities which are not included on the Governmental Fund balance sheet.

***GENERAL FUND BUDGETARY HIGHLIGHTS***

During the course of the 2022-2023 fiscal year, the County amended the budget for numerous funds on November 27, 2023. The County received unanticipated revenues and determined actual cash balance forward dollars in excess of the original budget figures in the amount of $15,823,391.

***CAPITAL ASSETS***

The County's investment in capital assets for its governmental and business type activities as of September 30, 2023 amounted to $121,936,910 (net of accumulated depreciation). This investment in capital assets includes land; buildings and fixed equipment; cost for past road and other infrastructure; fixtures and equipment; and computer software.

***LONG-TERM DEBT***

At the end of fiscal year ended September 30, 2023, the County had a long-term debt amounting to $63,776,650. Of this amount, notes payable, capital lease and revenue bond outstanding were $25,584,588, with $1,133,389 to meet compensated absences obligations, with $33,679,921 to meet net pension liability and the remainder for other liabilities, landfill closure and post-closure costs and other post-employment benefit obligation.

***ECONOMIC FACTORS – JACKSON COUNTY, FLORIDA***

- The unemployment rate for the County was 3.4% percent at September 30, 2023, an increase of 3% from the prior year.
- The population increased to approximately 48,982.
- The taxable value for personal and real property in the County at September 30, 2023 is $2,119,993,884 an increase of 9.43% from the previous year.
- The general ad valorem tax millage rate was 7.945 for the year ended September 30, 2023.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of Jackson County's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed:

Jackson County Board of County Commissioners
2864 Madison Street
Marianna, Florida, 32448.

# BASIC FINANCIAL STATEMENTS

# Jackson County, Florida
# Statement of Net Position

*September 30, 2023*

| | Governmental Activities | Business-type Activities | Total |
|---|---|---|---|
| **Assets** | | | |
| Cash and cash equivalents | $ 23,227,780 | $ 567,284 | $ 23,795,064 |
| Restricted cash and cash equivalents | 13,326,617 | 98,786 | 13,425,403 |
| Equity in pooled investments | 2,993,834 | 52,196 | 3,046,030 |
| Accounts receivable | 1,577,789 | 217,587 | 1,795,376 |
| Notes and leases receivable | 4,086,071 | - | 4,086,071 |
| Inventory | 156,399 | 85,716 | 242,115 |
| Due from other funds | 28,486,036 | 144,059 | 28,630,095 |
| Due from other governmental units | 13,078,256 | 2,844,049 | 15,922,305 |
| Due from custodial funds | 157,837 | - | 157,837 |
| Prepaids | 1,297,813 | - | 1,297,813 |
| Capital assets, net | | | |
| Nondepreciable capital assets | 12,565,297 | 7,615,032 | 20,180,329 |
| Right-of-use lease assets, net | 2,584,898 | - | 2,584,898 |
| Intangible subscription assets, net | 216,960 | - | 216,960 |
| Depreciable capital assets, net | 84,434,293 | 14,520,430 | 98,954,723 |
| Total assets | 188,189,880 | 26,145,139 | 214,335,019 |
| **Deferred outflows of resources** | | | |
| Pension | 9,584,111 | 143,974 | 9,728,085 |
| Other post employment benefit obligation | 519,262 | 14,738 | 534,000 |
| Total deferred outflows of resources | 10,103,373 | 158,712 | 10,262,085 |
| **Liabilities** | | | |
| Accounts payable and accrued expenses | 4,569,302 | 906,133 | 5,475,435 |
| Accrued interest payable | 64,930 | 5,173 | 70,103 |
| Due to other funds | 27,103,523 | 1,537,612 | 28,641,135 |
| Due to other governmental units | 427,141 | - | 427,141 |
| Unearned revenue | 6,271,728 | 4,640 | 6,276,368 |
| Liabilities payable from restricted assets | - | 65,798 | 65,798 |
| Long-term liabilities | | | |
| Portion due or payable within one year | | | |
| Notes payable | 1,000,000 | 33,155 | 1,033,155 |
| Lease liabilities | 1,383,775 | - | 1,383,775 |
| Intangible subscription liabilities | 81,976 | - | 81,976 |
| Bonds payable | 1,358,523 | 199,598 | 1,558,121 |
| Compensated absences | 625,356 | - | 625,356 |
| Landfill closure liability | 50,000 | - | 50,000 |
| Portion due or payable after one year | | | |
| Notes payable | 4,800,000 | 707,720 | 5,507,720 |
| Lease liabilities | 3,628,516 | - | 3,628,516 |
| Intangible subscription liabilities | 111,060 | - | 111,060 |
| Bonds payable | 10,052,877 | 2,420,424 | 12,473,301 |
| Compensated absences | 508,033 | - | 508,033 |
| Other post employment benefit obligation | 2,752,848 | 78,152 | 2,831,000 |
| Net pension liability | 33,181,458 | 498,463 | 33,679,921 |
| Landfill closure liability | 304,716 | - | 304,716 |
| Total liabilities | 98,275,762 | 6,456,868 | 104,732,630 |
| **Deferred inflows of resources** | | | |
| Pension | 2,069,338 | 31,087 | 2,100,425 |
| Leases | 330,789 | - | 330,789 |
| Other post employment benefit obligation | 1,442,061 | 40,939 | 1,483,000 |
| Total deferred inflows of resources | 3,842,188 | 72,026 | 3,914,214 |

-Continued-

*The accompanying notes are integral part of these financial statements.*

# Jackson County, Florida
# Statement of Net Position (Continued)

*September 30, 2023*

| | Governmental Activities | Business-type Activities | Total |
|---|---|---|---|
| **Net Position** | | | |
| Net investment in capital assets | 75,596,358 | 18,137,327 | 93,733,685 |
| Restricted | 13,868,181 | 80,011 | 13,948,192 |
| Unrestricted | 6,710,764 | 1,557,619 | 8,268,383 |
| **Total net position** | $ 96,175,303 | $ 19,774,957 | $ 115,950,260 |

*The accompanying notes are integral part of these financial statements.*

# Jackson 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: Primary Government: Governmental Activities | Net (Expense) Revenue and Changes in Net Position: Primary Government: Business-type Activities | Net (Expense) Revenue and Changes in Net Position: Primary Government: Total |
|---|---|---|---|---|---|---|---|
| **Primary government** | | | | | | | |
| **Governmental activities** | | | | | | | |
| General government | $ 11,781,188 | $ 10,122,817 | $ 15,316,498 | $ - | $ 13,658,127 | $ - | $ 13,658,127 |
| Public safety | 28,253,994 | 422,721 | 1,923,044 | - | (25,908,229) | - | (25,908,229) |
| Physical environment | 538,936 | - | 115,821 | - | (423,115) | - | (423,115) |
| Transportation | 16,379,825 | - | - | 5,132,271 | (11,247,554) | - | (11,247,554) |
| Economic environment | 5,437,954 | - | 267,951 | - | (5,170,003) | - | (5,170,003) |
| Human services | 1,930,672 | - | 28,461 | - | (1,902,211) | - | (1,902,211) |
| Culture and recreation | 1,079,606 | - | 187,712 | - | (891,894) | - | (891,894) |
| Court related | 1,656,868 | 73,193 | - | - | (1,583,675) | - | (1,583,675) |
| Interest on long-term debt | 389,931 | - | - | - | (389,931) | - | (389,931) |
| **Total governmental activities** | 67,448,974 | 10,618,731 | 17,839,487 | 5,132,271 | (33,858,485) | - | (33,858,485) |
| **Business-type activities** | | | | | | | |
| Water and sewer | 1,526,103 | 1,671,551 | - | 4,831,330 | - | 4,976,778 | 4,976,778 |
| Parks and recreation | 565,357 | 46,233 | - | 62,825 | - | (456,299) | (456,299) |
| Recycling | 53,606 | 7,550 | - | - | - | (46,056) | (46,056) |
| Interest on long-term debt | 51,155 | - | - | - | - | (51,155) | (51,155) |
| **Total business-type activities** | 2,196,221 | 1,725,334 | - | 4,894,155 | - | 4,423,268 | 4,423,268 |
| **Total primary government** | $ 69,645,195 | $ 12,344,065 | $ 17,839,487 | $ 10,026,426 | (33,858,485) | 4,423,268 | (29,435,217) |
| **General revenues** | | | | | | | |
| Taxes | | | | | | | |
| Property taxes | | | | | 13,813,426 | - | 13,813,426 |
| Local option taxes | | | | | 9,182,263 | - | 9,182,263 |
| Sales tax and other taxes | | | | | 3,524,155 | - | 3,524,155 |
| Intergovernmental and shared revenue | | | | | 12,897,923 | - | 12,897,923 |
| Investment earnings | | | | | 1,555,034 | 49,876 | 1,604,910 |
| Gain/loss on disposition of assets | | | | | 32,598 | - | 32,598 |
| Miscellaneous | | | | | 1,222,852 | 8,407 | 1,231,259 |
| Transfer to State of Florida | | | | | (123,379) | - | (123,379) |
| **Transfers** | | | | | (559,383) | 559,383 | - |
| **Total general revenues** | | | | | 41,545,489 | 617,666 | 42,163,155 |
| **Change in net position** | | | | | 7,687,004 | 5,040,934 | 12,727,938 |
| **Net position - beginning as previously stated** | | | | | 87,962,560 | 14,734,023 | 102,696,583 |
| **Prior period adjustment - Note 21** | | | | | 510,977 | - | 510,977 |
| **Change in accounting principle, SBITA - Note 22** | | | | | 14,762 | - | 14,762 |
| **Net position, beginning as restated** | | | | | 88,488,299 | 14,734,023 | 103,222,322 |
| **Net position, ending** | | | | | $ 96,175,303 | $ 19,774,957 | $ 115,950,260 |

*The accompanying notes are integral part of these financial statements.*

# Jackson County, Florida
# Balance Sheet - Governmental Funds

*September 30, 2023*

| | General Fund | Fines and Forfeitures | Transportation Trust | Road Construction | Gas Tax Bond Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|---|---|
| **Assets** | | | | | | | |
| Cash and cash equivalents | $ 11,040,097 | $ 1,931,985 | $ 2,893,291 | $ 143,254 | $ - | $ 7,219,153 | $ 23,227,780 |
| Equity in pooled investments | 475,102 | 98,783 | 253,338 | 16,711 | - | 2,149,900 | 2,993,834 |
| Restricted cash and cash equivalents | 747,605 | - | - | - | 8,254,457 | 4,324,555 | 13,326,617 |
| Accounts receivable | 976,874 | 8,571 | - | - | 36,282 | 556,062 | 1,577,789 |
| Inventory | - | - | 156,399 | - | - | - | 156,399 |
| Prepaid expenses | 926,926 | - | 370,887 | - | - | - | 1,297,813 |
| Due from other funds | 6,458,026 | 120,641 | 5,419,307 | 9,844,066 | 42,748 | 6,601,248 | 28,486,036 |
| Due from custodial funds | 90,164 | 1,990 | - | - | - | 65,683 | 157,837 |
| Due from other governmental units | 2,930,581 | 234,006 | 4,421,140 | 4,071,900 | - | 1,420,629 | 13,078,256 |
| **Total assets** | $ 23,645,375 | $ 2,395,976 | $ 13,514,362 | $ 14,075,931 | $ 8,333,487 | $ 22,337,230 | $ 84,302,361 |
| **Liabilities** | | | | | | | |
| Accounts payable and accrued expenses | $ 1,633,574 | $ 250,819 | $ 251,688 | $ 1,325,294 | $ 390,459 | $ 717,468 | $ 4,569,302 |
| Accrued interest payable | 20,814 | - | - | - | 44,119 | - | 64,933 |
| Due to other funds | 8,206,306 | 1,559,233 | 9,035,060 | 2,492,632 | 390,513 | 5,419,779 | 27,103,523 |
| Due to other governmental units | 211,566 | - | - | - | - | 215,575 | 427,141 |
| Unearned revenue | 68,821 | - | 1,833,267 | 77,849 | - | 4,291,791 | 6,271,728 |
| **Total liabilities** | 10,141,081 | 1,810,052 | 11,120,015 | 3,895,775 | 825,091 | 10,644,613 | 38,436,627 |
| **Fund balances** | | | | | | | |
| Nonspendable | - | - | 156,399 | - | - | - | 156,399 |
| Restricted | 797,001 | - | - | - | 7,508,396 | 5,562,784 | 13,868,181 |
| Committed | 2,510,173 | - | 253,338 | 10,180,156 | - | 1,075,404 | 14,019,071 |
| Assigned | 3,222,858 | 585,924 | 1,984,610 | - | - | 5,054,429 | 10,847,821 |
| Unassigned | 6,974,262 | - | - | - | - | - | 6,974,262 |
| **Total fund balances** | 13,504,294 | 585,924 | 2,394,347 | 10,180,156 | 7,508,396 | 11,692,617 | 45,865,734 |
| **Total liabilities and fund balances** | $ 23,645,375 | $ 2,395,976 | $ 13,514,362 | $ 14,075,931 | $ 8,333,487 | $ 22,337,230 | $ 84,302,361 |

*The accompanying notes are integral part of these financial statements.*

# Jackson County, Florida
# Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

*September 30, 2023*

| | | |
|---|---|---|
| Amounts reported for governmental activities in the statement of net position are different because: | | |
| Total fund balances – governmental funds | $ | 45,865,734 |
| Capital assets used in governmental activities are not financial resources, and, therefore, are not reported in the governmental funds. | | 99,801,448 |
| Long-term receivables (assets) are not due for payment in the current period, and, therefore, are not reported in the governmental funds. | | 4,086,071 |
| Long-term liabilities are not due and payable in the current period, and, therefore, are not reported in the governmental funds. | | (59,839,138) |
| Deferred outflows and inflows of resources related to pensions and leases are applicable to future periods and, therefore, are not reported in the funds. | | |
| Deferred inflows of resources - leases | | (330,789) |
| Deferred outflows of resources - pensions and OPEB | | 10,103,376 |
| Deferred inflows of resources - pensions and OPEB | | (3,511,399) |
| Net position of governmental activities | $ | 96,175,303 |

*The accompanying notes are integral part of these financial statements.*

# Jackson County, Florida
# Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds

*For the year ended September 30, 2023*

| | General Fund | Fines and Forfeitures | Transportation Trust | Road Construction | Gas Tax Bond Fund | Nonmajor Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|---|---|---|
| **Revenues** | | | | | | | |
| Taxes | $ 1,949,011 | $ 11,844,547 | $ 5,491,879 | $ 587,600 | $ - | $ 6,646,807 | $ 26,519,844 |
| Licenses and permits | 2,730,210 | - | - | - | - | - | 2,730,210 |
| Intergovernmental | 10,519,636 | - | 4,490 | 2,372,597 | - | 1,200 | 12,897,923 |
| Charges for services | 6,499,768 | 165,771 | - | - | - | 893,262 | 7,558,801 |
| Fines and forfeitures | 172,286 | 24,801 | - | - | - | 68,142 | 265,229 |
| Grants | 9,481,968 | 1,403,547 | - | 4,544,560 | - | 7,541,686 | 22,971,761 |
| Investment earnings | 326,014 | 186,486 | 23,983 | 784 | 404,488 | 613,279 | 1,555,034 |
| Other fees and miscellaneous revenues | 457,315 | 89,527 | 2,985 | - | - | 158,670 | 708,497 |
| Total revenues | 32,136,208 | 13,714,679 | 5,523,337 | 7,505,541 | 404,488 | 15,923,046 | 75,207,299 |
| **Expenditures** | | | | | | | |
| Current: | | | | | | | |
| General government | 9,771,789 | - | - | - | - | 87,688 | 9,859,477 |
| Public health and safety | 15,867,539 | 6,855,960 | - | - | - | 729,265 | 23,452,764 |
| Physical environment | 445,638 | - | - | - | - | 96,422 | 542,060 |
| Transportation | 379,107 | - | 6,365,384 | 5,412,912 | - | 3,647 | 12,161,050 |
| Economic environment | 490,775 | - | - | - | - | 4,939,893 | 5,430,668 |
| Human services | 1,355,505 | - | - | - | - | 51,845 | 1,407,350 |
| Culture/recreation | 519,594 | - | - | - | - | 277,603 | 797,197 |
| Court related | 1,262,211 | - | - | - | - | 182,165 | 1,444,376 |
| Capital outlay | 2,601,900 | 142,822 | 13,499 | 1,566,997 | 1,844,418 | 3,506,386 | 9,676,022 |
| Debt service: | | | | | | | |
| Principal | 884,659 | - | 793,373 | - | 1,339,916 | - | 3,017,948 |
| Interest and other charges | 163,421 | - | 54,652 | - | 171,858 | - | 389,931 |
| Total expenditures | 33,742,138 | 6,998,782 | 7,226,908 | 6,979,909 | 3,356,192 | 9,874,914 | 68,178,843 |
| Excess (deficiency) of revenues over (under) expenditures | (1,605,930) | 6,715,897 | (1,703,571) | 525,632 | (2,951,704) | 6,048,132 | 7,028,456 |
| **Other financing sources (uses)** | | | | | | | |
| Transfers in | 11,006,506 | 125,370 | 3,744,268 | 2,548,743 | 1,133,831 | 1,228,256 | 19,786,974 |
| Transfers out | (4,085,866) | (6,967,517) | (2,548,743) | (1,133,831) | - | (5,610,400) | (20,346,357) |
| Transfer to State of Florida | (123,379) | - | - | - | - | - | (123,379) |
| Sale of capital assets | 45,716 | - | 256 | - | - | - | 45,972 |
| Contribution from NMTC Fund | (181,271) | - | - | - | - | - | (181,271) |
| Loan proceeds | 163,587 | - | - | - | - | - | 163,587 |
| Net other financing sources (uses) | 6,825,293 | (6,842,147) | 1,195,781 | 1,414,912 | 1,133,831 | (4,382,144) | (654,474) |
| **Net changes in fund balances** | 5,219,363 | (126,250) | (507,790) | 1,940,544 | (1,817,873) | 1,665,988 | 6,373,982 |
| **Fund balances - beginning** | 7,773,954 | 712,174 | 2,902,137 | 8,239,612 | 9,326,269 | 10,026,629 | 38,980,775 |
| **Prior period adjustment - Note 21** | 510,977 | - | - | - | - | - | 510,977 |
| **Fund balances - beginning** | 8,284,931 | 712,174 | 2,902,137 | 8,239,612 | 9,326,269 | 10,026,629 | 39,491,752 |
| **Fund balances - ending** | $ 13,504,294 | $ 585,924 | $ 2,394,347 | $ 10,180,156 | $ 7,508,396 | $ 11,692,617 | $ 45,865,734 |

*The accompanying notes are integral part of these financial statements.*

# Jackson County, Florida
## Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

*For the year ended September 30, 2023*

| | |
|---|---|
| Amounts reported for governmental activities in the statement of activities are different because: | |
| Net change in fund balances - total governmental funds | $ 6,373,982 |
| Capital outlay, reported as expenditures in governmental funds, are shown as capital assets in the statement of net position. | 9,676,022 |
| Depreciation and amortization expense on governmental capital assets included in the governmental activities in the statement of activities. | (7,205,595) |
| The net effect of transactions involving capital assets (i.e. sales, transfers and donations) included in the governmental activities in the statement of activities. | 561,083 |
| Effect of leases receivable included in government wide activities. | 446 |
| Proceeds of debt related to leases and SBITAs reported as income in governmental funds but as a long-term liability in the statement of net assets. | (163,587) |
| Repayment of long-term debt is reported as an expenditure in governmental funds but as a reduction of long-term liabilities in the statement of net assets. These include: | |
| Principal payments on long-term debt | 3,017,948 |
| New Market Tax Credit activities not recorded at the government wide level. | 181,271 |
| Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. These expenses include: | |
| Other post employment benefit obligation | (5,837) |
| Compensated absences | (79,535) |
| Pension expenses | (4,669,194) |
| Change in net position | $ 7,687,004 |

*The accompanying notes are integral part of these financial statements.*

# Jackson County, Florida
## Statement of Revenues, Expenditures and Changes in Fund Balance
## General Fund
## Budget and Actual

*For the year ended September 30, 2023*

| | Original Budget | Final Budget | Actual Amounts (Budgetary Basis) | Variance with Final Budget |
|---|---|---|---|---|
| **Revenues** | | | | |
| Taxes | $ 2,337,415 | $ 2,374,527 | $ 1,949,011 | $ (425,516) |
| Licenses and permits | 2,471,400 | 2,736,229 | 2,730,210 | (6,019) |
| Intergovernmental | 8,346,207 | 9,307,271 | 10,519,636 | 1,212,365 |
| Charges for services | 5,971,740 | 6,509,748 | 6,499,768 | (9,980) |
| Fines and forfeitures | 64,850 | 55,050 | 172,286 | 117,236 |
| Grants | 7,815,883 | 9,635,541 | 9,481,968 | (153,573) |
| Investment earnings | 39,225 | 267,156 | 326,014 | 58,858 |
| Other fees and miscellaneous revenues | 7,488,068 | 8,963,842 | 457,315 | (8,506,527) |
| **Total revenues** | 34,534,788 | 39,849,364 | 32,136,208 | (7,713,156) |
| **Expenditures** | | | | |
| Current: | | | | |
| General government | 18,638,925 | 20,887,445 | 9,771,789 | 11,115,656 |
| Public health and safety | 11,603,700 | 12,737,900 | 15,867,539 | (3,129,639) |
| Physical environment | 427,936 | 366,845 | 445,638 | (78,793) |
| Transportation | 4,950 | 4,950 | 379,107 | (374,157) |
| Economic environment | 457,450 | 462,097 | 490,775 | (28,678) |
| Human services | 1,424,741 | 1,364,159 | 1,355,505 | 8,654 |
| Culture and recreation | 462,958 | 499,939 | 519,594 | (19,655) |
| Court related | 1,205,939 | 1,205,939 | 1,262,211 | (56,272) |
| Capital outlay | 1,428,923 | 2,340,537 | 2,601,900 | (261,363) |
| Debt service | 706,455 | 690,722 | 1,048,080 | (357,358) |
| **Total expenditures** | 36,361,977 | 40,560,533 | 33,742,138 | 6,818,395 |
| Excess (deficiency) of revenues over (under) expenditures | (1,827,189) | (711,169) | (1,605,930) | (894,761) |
| **Other financing sources (uses)** | | | | |
| Transfers in | 11,423,239 | 12,284,694 | 11,006,506 | (1,278,188) |
| Transfers out | (7,393,335) | (7,571,721) | (4,085,866) | 3,485,855 |
| Transfer to State of Florida | - | - | (123,379) | (123,379) |
| Contribution from NMTC Fund | - | - | (181,271) | 1,282,100 |
| Loan proceeds | - | - | 163,587 | 163,587 |
| Sale of capital assets | - | - | 45,716 | 45,716 |
| Net other financing sources (uses) | 4,029,904 | 4,712,973 | 6,825,293 | 3,575,691 |
| **Net change in fund balance** | 2,202,715 | 4,001,804 | 5,219,363 | 1,217,559 |
| **Fund balance - beginning** | 8,284,931 | 8,284,931 | 8,284,931 | - |
| **Fund balance - ending** | $ 10,487,646 | $ 12,286,735 | $ 13,504,294 | $ 1,217,559 |

*The accompanying notes are integral part of these financial statements.*

# Jackson County, Florida
## Statement of Revenues, Expenditures and Changes in Fund Balance
## Fines and Forfeitures Fund
## Budget and Actual

*For the year ended September 30, 2023*

| | Original Budget | Final Budget | Actual Amounts | Variance with Final Budget |
|---|---|---|---|---|
| **Revenues** | | | | |
| Taxes | $ 11,414,807 | $ 11,745,726 | $ 11,844,547 | $ 98,821 |
| Intergovernmental | 1,383,667 | - | - | - |
| Charges for services | 145,450 | 167,539 | 165,771 | (1,768) |
| Fines and forfeitures | 27,925 | 23,854 | 24,801 | 947 |
| Grants | 1,011,000 | 1,422,518 | 1,403,547 | (18,971) |
| Investment earnings | 500 | 177,915 | 186,486 | 8,571 |
| Other fees and miscellaneous revenues | 1,035,250 | 1,241,125 | 89,527 | (1,151,598) |
| **Total revenues** | 15,018,599 | 14,778,677 | 13,714,679 | (1,063,998) |
| **Expenditures** | | | | |
| Current: | | | | |
| Public health and safety | 6,374,183 | 7,245,437 | 6,855,960 | 389,477 |
| Capital outlay | 35,650 | 35,650 | 142,822 | (107,172) |
| **Total expenditures** | 6,409,833 | 7,281,087 | 6,998,782 | 282,305 |
| Excess (deficiency) of revenues over (under) expenditures | 8,608,766 | 7,497,590 | 6,715,897 | (781,693) |
| **Other financing sources (uses)** | | | | |
| Transfers in | 67,993 | 67,993 | 125,370 | 57,377 |
| Transfers out | (6,530,617) | (6,955,157) | (6,967,517) | (12,360) |
| Net other financing sources (uses) | (6,462,624) | (6,887,164) | (6,842,147) | 45,017 |
| **Net change in fund balance** | 2,146,142 | 610,426 | (126,250) | (736,676) |
| **Fund balance - beginning** | 712,174 | 712,174 | 712,174 | - |
| **Fund balance - ending** | $ 2,858,316 | $ 1,322,600 | $ 585,924 | $ (736,676) |

*The accompanying notes are integral part of these financial statements.*

# Jackson County, Florida
## Statement of Revenues, Expenditures and Changes in Fund Balance
## Transportation Trust Fund
## Budget and Actual

*For the year ended September 30, 2023*

| | Original Budget | Final Budget | Actual Amounts (Budgetary Basis) | Variance with Final Budget |
|---|---|---|---|---|
| **Revenues** | | | | |
| Taxes | $ 4,712,877 | $ 5,131,884 | $ 5,491,879 | $ 359,995 |
| Intergovernmental | 2,200 | 2,200 | 4,490 | 2,290 |
| Investment earnings | 750 | 750 | 23,983 | 23,233 |
| Other fees and miscellaneous revenues | 10,000 | 2,985 | 2,985 | - |
| **Total revenues** | 4,725,827 | 5,137,819 | 5,523,337 | 385,518 |
| **Expenditures** | | | | |
| Current: | | | | |
| Transportation | 7,833,270 | 7,581,816 | 6,365,384 | 1,216,432 |
| Capital outlay | - | - | 13,499 | (13,499) |
| Debt service | - | - | 848,025 | (848,025) |
| **Total expenditures** | 7,833,270 | 7,581,816 | 7,226,908 | 354,908 |
| Excess (deficiency) of revenues over (under) expenditures | (3,107,443) | (2,443,997) | (1,703,571) | 740,426 |
| **Other financing sources (uses)** | | | | |
| Transfers in | 4,992,740 | 4,992,740 | 3,744,268 | (1,248,472) |
| Transfers out | (1,885,297) | (2,548,743) | (2,548,743) | - |
| Sale of capital assets | - | - | 256 | 256 |
| Loan proceeds | - | - | (2,221,516) | (2,221,516) |
| Net other financing sources (uses) | 3,107,443 | 2,443,997 | (1,025,735) | (3,469,732) |
| **Net change in fund balance** | - | - | (2,729,306) | (2,729,306) |
| **Fund balance - beginning** | 2,902,137 | 2,902,137 | 2,902,137 | - |
| **Fund balance - ending** | $ 2,902,137 | $ 2,902,137 | $ 172,831 | $ (2,729,306) |

*The accompanying notes are integral part of these financial statements.*

# Jackson County, Florida
## Statement of Revenues, Expenditures and Changes in Fund Balance
## Road Construction
## Budget and Actual

*For the year ended September 30, 2023*

| | Original Budget | Final Budget | Actual Amounts | Variance with Final Budget |
|---|---|---|---|---|
| **Revenues** | | | | |
| Taxes | $ 579,343 | $ 528,479 | $ 587,600 | $ 59,121 |
| Intergovernmental | 2,387,743 | 2,196,221 | 2,372,597 | 176,376 |
| Grants | - | 4,549,561 | 4,544,560 | (5,001) |
| Investment earnings | 1,000 | 1,000 | 784 | (216) |
| **Total revenues** | 2,968,086 | 7,275,261 | 7,505,541 | 230,280 |
| **Expenditures** | | | | |
| Current: | | | | |
| Transportation | 1,864,506 | 5,414,453 | 5,412,912 | 1,541 |
| Capital outlay | 8,977,104 | 2,512,137 | 1,566,997 | 945,140 |
| **Total expenditures** | 10,841,610 | 7,926,590 | 6,979,909 | 946,681 |
| Excess (deficiency) of revenues over (under) expenditures | (7,873,524) | (651,329) | 525,632 | 1,176,961 |
| **Other financing sources (uses)** | | | | |
| Transfers in | 1,885,297 | 2,854,245 | 2,548,743 | (305,502) |
| Transfers out | (1,511,773) | (1,511,773) | (1,133,831) | 377,942 |
| Net other financing sources (uses) | 373,524 | 1,342,472 | 1,414,912 | 72,440 |
| **Net change in fund balance** | (7,500,000) | 691,143 | 1,940,544 | 1,249,401 |
| **Fund balance - beginning** | 8,239,612 | 8,239,612 | 8,239,612 | - |
| **Fund balance - ending** | $ 739,612 | $ 8,930,755 | $ 10,180,156 | $ 1,249,401 |

*The accompanying notes are integral part of these financial statements.*

# Jackson County, Florida
## Statement of Revenues, Expenditures and Changes in Fund Balance
## Gas Tax Bond Fund
## Budget and Actual

| | Original Budget | Final Budget | Actual Amounts | Variance with Final Budget |
|---|---|---|---|---|
| **Revenues** | | | | |
| Investment earnings | $ - | $ - | $ 404,488 | $ 404,488 |
| **Total revenues** | - | - | 404,488 | 404,488 |
| **Expenditures** | | | | |
| Current: | | | | |
| Transportation | 8,448,000 | 8,448,000 | - | 8,448,000 |
| Capital outlay | - | - | 1,844,418 | (1,844,418) |
| Debt service | 1,511,773 | 1,511,773 | 1,511,774 | (1) |
| **Total expenditures** | 9,959,773 | 9,959,773 | 3,356,192 | 6,603,581 |
| Excess (deficiency) of revenues over (under) expenditures | (9,959,773) | (9,959,773) | (2,951,704) | 7,008,069 |
| **Other financing sources (uses)** | | | | |
| Transfers in | 1,511,773 | 1,511,773 | 1,133,831 | (377,942) |
| Loan proceeds | 8,448,000 | 8,448,000 | - | (8,448,000) |
| Net other financing sources (uses) | 9,959,773 | 9,959,773 | 1,133,831 | (8,825,942) |
| **Net change in fund balance** | - | - | (1,817,873) | (1,817,873) |
| **Fund balance - beginning** | 9,326,269 | 9,326,269 | 9,326,269 | - |
| **Fund balance - ending** | $ 9,326,269 | $ 9,326,269 | $ 7,508,396 | $ (1,817,873) |

*The accompanying notes are integral part of these financial statements.*

*September 30, 2023*

| | BUSINESS-TYPE ACTIVITIES/ENTERPRISE FUNDS | | |
|---|---|---|---|
| | Jackson Water/Sewer | Nonmajor Enterprise Funds | Total |
| **Assets** | | | |
| Current assets | | | |
| Cash and cash equivalents | $ 476,113 | $ 91,171 | $ 567,284 |
| Accounts receivable, net | 215,883 | 1,704 | 217,587 |
| Inventory | 85,716 | - | 85,716 |
| Due from other funds | - | 144,059 | 144,059 |
| Due from other governments | 2,844,049 | - | 2,844,049 |
| Total current assets | 3,621,761 | 236,934 | 3,858,695 |
| Noncurrent assets | | | |
| Restricted assets | | | |
| Cash and cash equivalents | 98,786 | - | 98,786 |
| Equity in pooled investments | 52,196 | - | 52,196 |
| Capital assets | | | |
| Nondepreciable | 7,553,641 | 61,391 | 7,615,032 |
| Depreciable, net | 12,920,697 | 1,599,733 | 14,520,430 |
| Total noncurrent assets | 20,625,320 | 1,661,124 | 22,286,444 |
| Total assets | 24,247,081 | 1,898,058 | 26,145,139 |
| **Deferred outflows of resources** | | | |
| Pension | 85,607 | 58,367 | 143,974 |
| Other post employment benefit obligation | 6,084 | 8,654 | 14,738 |
| Total deferred outflows of resources | 91,691 | 67,021 | 158,712 |

*The accompanying notes are integral part of these financial statements.*

*September 30, 2023*

| | BUSINESS-TYPE ACTIVITIES/ENTERPRISE FUNDS | | |
|---|---|---|---|
| | Jackson Water/Sewer | Nonmajor Enterprise Funds | Total |
| **Liabilities** | | | |
| Current liabilities | | | |
| Accounts payable | $ 859,764 | $ 46,369 | $ 906,133 |
| Accrued interest payable | 5,173 | - | 5,173 |
| Due to other funds | 1,402,655 | 134,957 | 1,537,612 |
| Liabilities payable from restricted assets | 65,798 | - | 65,798 |
| Deferred revenue | - | 4,640 | 4,640 |
| Bonds payable - current | 199,598 | - | 199,598 |
| Notes payable - current | 33,155 | - | 33,155 |
| Total current liabilities | 2,566,143 | 185,966 | 2,752,109 |
| Noncurrent liabilities | | | |
| Revenue bonds payable | 2,420,424 | - | 2,420,424 |
| Notes payable | 707,720 | - | 707,720 |
| Other post employment benefit obligation | 32,257 | 45,895 | 78,152 |
| Net pension liability | 296,383 | 202,080 | 498,463 |
| Total noncurrent liabilities | 3,456,784 | 247,975 | 3,704,759 |
| Total liabilities | 6,022,927 | 433,941 | 6,456,868 |
| **Deferred Inflows of resources** | | | |
| Pensions | 18,484 | 12,603 | 31,087 |
| Other post employment benefit obligation | 16,897 | 24,042 | 40,939 |
| Total deferred inflows of resources | 35,381 | 36,645 | 72,026 |
| **Net position** | | | |
| Net investment in capital assets | 16,476,203 | 1,661,124 | 18,137,327 |
| Restricted for | | | |
| Debt service | 80,011 | - | 80,011 |
| Unrestricted (deficit) | 1,724,250 | (166,631) | 1,557,619 |
| Total net position | $ 18,280,464 | $ 1,494,493 | $ 19,774,957 |

*The accompanying notes are integral part of these financial statements.*

## Jackson County, Florida
## Statement of Revenues, Expenses and Changes in Net Position
## Proprietary Funds

*For the year ended September 30, 2023*

| | BUSINESS -TYPE ACTIVITIES/ENTERPRISE FUNDS | | |
|---|---|---|---|
| | Jackson Water/Sewer | Nonmajor Enterprise Funds | Total |
| **Operating revenues** | | | |
| Charges for services | $ 1,671,551 | $ 53,783 | $ 1,725,334 |
| Total operating revenues | 1,671,551 | 53,783 | 1,725,334 |
| **Operating expenses** | | | |
| Personnel services | 258,968 | 330,681 | 589,649 |
| Utilities | 147,238 | 32,267 | 179,505 |
| Services and supplies | 517,973 | 88,111 | 606,084 |
| Repairs and maintenance | 221,224 | 27,028 | 248,252 |
| Other operating expenses | - | 4,373 | 4,373 |
| Depreciation | 380,700 | 136,503 | 517,203 |
| Total operating expenses | 1,526,103 | 618,963 | 2,145,066 |
| Net operating income (loss) | 145,448 | (565,180) | (419,732) |
| **Nonoperating revenues (expenses)** | | | |
| Interest income | 44,674 | 5,202 | 49,876 |
| Interest expense | (51,155) | - | (51,155) |
| Miscellaneous revenue | - | 8,407 | 8,407 |
| Total nonoperating revenues (expenses) | (6,481) | 13,609 | 7,128 |
| Income (loss) before contributions and transfers | 138,967 | (551,571) | (412,604) |
| Capital contributions | 4,831,330 | 62,825 | 4,894,155 |
| Transfers, net | 145,111 | 414,272 | 559,383 |
| **Change in net position** | 5,115,408 | (74,474) | 5,040,934 |
| **Total net position - beginning** | 13,165,056 | 1,568,967 | 14,734,023 |
| **Total net position - ending** | $ 18,280,464 | $ 1,494,493 | $ 19,774,957 |

*The accompanying notes are integral part of these financial statements.*

# Jackson County, Florida
# Statement of Cash Flows
# Proprietary Funds
# Page 1 of 2

*For the year ended September 30, 2023*

| | BUSINESS-TYPE ACTIVITIES/ENTERPRISE FUNDS | | |
|---|---|---|---|
| | Jackson Water/Sewer | Nonmajor Enterprise Funds | Total |
| **Operating activities** | | | |
| Receipts from customers and users | $ 900,522 | $ 53,880 | $ 954,402 |
| Payments to suppliers | (638,734) | (131,333) | (770,067) |
| Payments to employees | (217,939) | (296,237) | (514,176) |
| Net cash provided (used) by operating activities | 43,849 | (373,690) | (329,841) |
| **Noncapital financing activities** | | | |
| Transfers to/from other funds | 145,111 | 414,272 | 559,383 |
| Advance from/to other funds | 107,536 | (4,939) | 102,597 |
| Net cash provided (used) by noncapital financing activities | 252,647 | 409,333 | 661,980 |
| **Capital and related financing activities** | | | |
| Capital contributions | 4,831,330 | 62,825 | 4,894,155 |
| Purchase of capital assets | (4,831,330) | (118,581) | (4,949,911) |
| Principal payments on capital debt | (229,256) | - | (229,256) |
| Interest payments on capital debt | (51,499) | - | (51,499) |
| Other receipts | - | 8,407 | 8,407 |
| Net cash (used) provided by capital and related financing activities | (280,755) | (47,349) | (328,104) |
| **Investing activities** | | | |
| Purchase of investments | (2,445) | - | (2,445) |
| Interest and dividends | 44,674 | 5,202 | 49,876 |
| Net cash provided by investing activities | 42,229 | 5,202 | 47,431 |
| **Net increase (decrease) in cash and cash equivalents** | 57,970 | (6,504) | 51,466 |
| **Cash and cash equivalents - beginning of the year** | 516,929 | 97,675 | 614,604 |
| **Cash and cash equivalents - ending of the year** | $ 574,899 | $ 91,171 | $ 666,070 |
| **Reconciliation of cash and cash equivalents to the statement of net position:** | | | |
| Cash and cash equivalents | $ 476,113 | $ 91,171 | $ 567,284 |
| Restricted cash and cash equivalents | 98,786 | - | 98,786 |
| **Total cash and cash equivalents** | $ 574,899 | $ 91,171 | $ 666,070 |

*The accompanying notes are integral part of these financial statements.*

*For the year ended September 30, 2023*

| | BUSINESS-TYPE ACTIVITIES/ENTERPRISE FUNDS | | |
|---|---|---|---|
| | Jackson Water/Sewer | Nonmajor Enterprise Funds | Total |
| **Reconciliation of net operating income to net cash (used) provided by operating activities** | | | |
| Net operating income (loss) | $ 145,448 | $ (565,180) | $ (419,732) |
| Adjustments to reconcile operating income to net cash provided by operating activities: | | | |
| Depreciation | 380,700 | 136,503 | 517,203 |
| (Increase) decrease in accounts receivable | (88,934) | 549 | (88,385) |
| (Increase) decrease in due from other governments | (614,131) | - | (614,131) |
| (Increase) decrease in deposits | 10,762 | (450) | 10,312 |
| Increase (decrease) in accounts payable | 210,004 | 54,888 | 264,892 |
| Net cash provided (used) by operating activities | $ 43,849 | $ (373,690) | $ (329,841) |

*The accompanying notes are integral part of these financial statements.*

# Jackson County, Florida
# Statement of Fiduciary Net Position
# Custodial Funds

*September 30, 2023*

| | | Custodial Funds |
|---|---|---|
| **Assets** | | |
| Cash and cash equivalents | $ | 1,939,765 |
| Accounts receivable | | 8,937 |
| Due from other funds | | 11,040 |
| Total assets | $ | 1,959,742 |
| **Liabilities** | | |
| Due to others | $ | 115,775 |
| Due to other funds | | 157,837 |
| Due to other governments | | 476,947 |
| Total liabilities | $ | 750,559 |
| Net position - restricted | $ | 1,209,183 |

*The accompanying notes are integral part of these financial statements.*

# Jackson County, Florida
## Statement of Changes in Fiduciary Net Position
## Custodial Funds

*For the year ended September 30, 2023*

| | Custodial Funds |
|---|---|
| **Additions:** | |
| Contributions: | |
| Collections for other governments | $ 55,347,488 |
| **Deductions:** | |
| Collections for other governments | 55,054,311 |
| Net increase (deficiency) in fiduciary net position | 293,177 |
| Net position - beginning of year, as previously stated | - |
| Restatement related to implementation of new accounting standard (see Note 22) | 916,006 |
| Net position - beginning of year, as restated | 916,006 |
| Net position - end of year | $ 1,209,183 |

*The accompanying notes are integral part of these financial statements.*

## NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of Jackson County, Florida (the "County") have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units in accordance with the Governmental Accounting Standards Board (GASB). The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following notes to the financial statements are an integral part of the County's Basic Financial Statements.

The accounting and reporting framework and the more significant accounting principles and practices are discussed in subsequent sections of this Note. The remainder of the notes is organized to provide explanations, including required disclosures, of the County's financial activities for the fiscal year ended September 30, 2023.

### *Reporting Entity*

Jackson County, Florida, located in Northwest Florida, is a political subdivision of the State of Florida and provides services to approximately 50,000 residents in many areas including general government, public safety, physical environment, transportation, economic environment, human services, and culture and recreation. The County was established August 12, 1822, by the First Session of the Territorial Legislative Council. It is governed by a five-member elected Board of County Commissioners (the "Board"), which derives its authority from Florida Statutes and regulations. In addition to the members of the Board, there are five elected constitutional officers: Clerk of the Circuit Court, Sheriff, Tax Collector, Property Appraiser and Supervisor of Elections.

The elected offices of the Clerk of the Circuit Court, Sheriff, Tax Collector, Property Appraiser, and Supervisor of Elections are operated as separate County agencies in accordance with applicable provisions of Florida Statutes. These constitutional officers operate on a budget system whereby County-appropriated funds are received from the Board with unexpended funds returned to the Board. The Tax Collector and Clerk of the Circuit Court also operate as a fee officer by retaining various fees collected by these offices. The Clerk of the Circuit Court also receives appropriated funds from the State of Florida to fund court-related activities. Separate accounting records and budgets are maintained by each individual office.

Blended component units:

The Jackson County Agriculture Center (Ag Center), a separate independent district from the County, is governed by a five member Board appointed by the Board of County Commissioners. The Ag Center was originally formed January 24, 1957 by the Governor of the State of Florida. For financial reporting purposes, the Ag Center is blended in the financial statements of the County as part of the special revenue funds.

The Jackson County QALICB, a not-for-profit organization was created solely to benefit the County through the use of New Markets Tax Credits (the Affiliate). All significant inter-activity accounts and transactions have been eliminated. The Affiliate is included in the consolidated financial statements as a blended component unit pursuant to Governmental Accounting and Financial Reporting Standards, Sections 2100 and 2600, which requires reporting, as a component unit, of an organization that raises and/or holds economic resources for the direct benefit of a governmental unit.

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Government-wide and Fund Financial Statements***

The basic financial statements consist of the government-wide financial statements and fund financial statements. The government-wide financial statements include the statement of net position and the statement of activities. These statements report financial information for the County, as a whole, excluding fiduciary activities. For the most part, the effect of inter-fund activity has been removed from these statements. Individual funds are not displayed but the statement distinguishes governmental activities, which normally are 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 segments are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues are classified into three categories: charges for services, operating grants and contributions, and capital grants and contributions. Charges for services refer to direct recovery from customers for services rendered. Grants and contributions refer to revenues restricted for specific programs whose use may be restricted further to operational or capital items. The general revenues section displays revenue collected that helps support all functions of government and contributes to the change in the net position for the fiscal year.

The fund financial statements follow and report additional and detailed information about operations for major funds individually and nonmajor funds in the aggregate for governmental funds. Reconciliation is provided that converts the results of governmental fund accounting to the government-wide presentations.

***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. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)***

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period, considered to be sixty days. 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 are recorded only when payment is due.

Major revenue sources susceptible to accrual include: sales and use taxes, various motor fuel taxes, property taxes, intergovernmental revenues, and investment income. In general, other revenues are recognized when cash is received.

The fiduciary fund statements are prepared using the economic resources measurement focus and the accrual basis of accounting.

The County's enterprise funds are proprietary funds. In the fund financial statements, proprietary funds are presented using the accrual basis of accounting and the economic resources measurement focus. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the proprietary funds are charges to customers for sales and services. Operating expenses for the proprietary funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as needed.

When expenditures are incurred for which committed, assigned or unassigned amounts could be used, it is the County's policy to use them in that order.

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.

**Fines and Forfeitures** – This fund accounts for the fines and fees collected and remitted by the Clerk of the Courts. In addition, this fund accounts for grants and other funds collected for the purpose of law enforcement and court costs.

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Transportation Trust** – This fund accounts for the County's county gas tax revenue, motor fuel taxes and other shared revenue earmarked for general and administrative operations costs of the Public Works Department.

**Road Construction** – This fund accounts for the various revenues provided for the resurfacing and improving of roads throughout the County.

**Gas Tax Bond Fund** – This fund accounts for the County's gas tax bonds.

The County reports the following major proprietary fund:

**Jackson Water/Sewer System** – This fund accounts for the revenues and expenses, capital assets and debt for the utility department of the County.

The County also reports the following fund type:

**Custodial Funds** – The custodial funds are used to account for assets held by the County as an agent for individuals, private organizations, and other governments. These funds are custodial in nature and do not involve measurement of changes in financial position.

The County reports the following blended component units:

**Jackson County Ag Center** – The Ag Center fund is used to account for the rental activity and maintenance of the Jackson County Ag Center complex.

**Jackson County QALICB** – The Jackson County QALICB, Inc. (the QALICB) was established as an unrelated 501(C)(3) Supporting Organization to serve as the Qualified Active Low Income Community Business (QALICB) entity. The QALICB's sole purpose is to be an exclusive supporting organization for the County and for the NMTC transaction described below.

Jackson County signed an agreement in November 2021 for a New Markets Tax Credit (NMTC) transaction, which is projected to provide the County with a net subsidy of $818,000. NMTC is a Federal program designed to fund capital for project owners located in qualifying low income communities. Truist Bank will be the Tax Credit Investor and New Markets Investment 136, LLC is the Community Development Entity (CDE) that has agreed to provide NMTC allocation for the transaction. The subsidy from the transaction will be used to make capital improvements for the County.

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

The transaction is complex, especially for the QALICB entity. NMTC transactions have a seven year compliance period, during which time the Tax Credit Investor receives Federal tax credits in exchange for providing the equity to the County. Truist Bank is expected to unwind the transaction through a put option seven years after the closing date, for $1,000.

NMTC transactions are reported as a property sale for tax purposes through a lease/leaseback structure, even though fee property ownership remains unchanged. The County will enter into a lease/leaseback for a portion of the Endeavor property with the QALICB, whereas the County pays a substantially below market lease payment to the QALICB. The QALICB is legally prohibited from retaining any cash as it must be immediately returned to the County for its supporting purpose. This return payment will be received by the County as interest income. This payment arrangement will continue until the unwind date, after which the QALICB and lease are expected to be dissolved. The County will then recognize the income from the transaction as fully earned.

For the year ended September 30, 2023, $136,127 of operating support and revenue presented below represents rent paid from the County to the QALICB. Such amounts have been eliminated against rent expense on the accompanying statements of revenues, expenses and changes in net position. The receivable from Jackson County totaling $3,835,298 reported by the QALICB above has been eliminated against a payable in the same amount reported by the County in the accompanying statements of net position for 2023.

A condensed statement of net position and statement of activities for Jackson County QALICB, Inc. are presented below:

**Jackson County QALICB, Inc.**

| *September 30,* | **2023** |
|---|---|
| Cash and cash equivalents - restricted | $ 452,843 |
| Receivable from Jackson County | 3,835,298 |
| Total assets | $ 4,288,141 |
| Liabilities, debt to New Markets Investment 136, LLC | $ 4,800,000 |
| Net position (deficit) | (511,859) |
| Total liabilities and net position | $ 4,288,141 |

| *For the year ended September 30,* | **2023** |
|---|---|
| Support and revenue - rent from County | $ 136,127 |
| Expenses | |
| Interest expense | 48,000 |
| Other Costs | 30,014 |
| Total expenses | 78,014 |
| Excess of support and revenue over (under) expenses | 58,113 |
| Net position, beginning of year | (569,972) |
| Net position (deficit), end of year | $ (511,859) |

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Budgets and Budgetary Accounting***

General governmental revenue and expenditures accounted for in budgetary funds are controlled by a budgetary accounting system in accordance with various legal requirements which govern the County's operations. Budgets are monitored at varying levels of classification detail; however, expenditures cannot legally exceed total appropriations at the individual fund level. All budget changes that affect the total of a fund's budget must be approved by the Board.

The budgetary information presented for the general fund and any major special revenue funds is prepared on the modified accrual basis. Encumbrances are not recorded. Unexpended items at year-end must be re-appropriated in the subsequent year.

**Property Appraiser** – The actual results of operations in the Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual – General Fund are presented on a budgetary basis for budgetary accounting purposes. The Property Appraiser budgeted revenue and expenditures appropriated by the Board of County Commissioners only. Adjustments to convert the results of operation of the general fund at the end of the year from the budgetary basis of accounting to the GAAP basis of accounting are as follows:

| Property Appraiser | Total Expenditures | Total Revenue |
|---|---|---|
| GAAP basis | $ 1,262,405 | $ 1,324 |
| Non-budgeted revenues and expenditures: | | |
| Revenues other than appropriations from the Board of County Commissioners and related expenditures | (1,324) | (1,324) |
| Budgetary basis | $ 1,261,081 | $ - |

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Budgets and Budgetary Accounting (continued)***

**Sheriff** – The actual results of operations in the Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund are presented on a budgetary basis for budgetary accounting purposes. The Sheriff only budgets revenue and expenditures appropriated by the Board of County Commissioners. Adjustments to convert the results of operation of the general fund at the end of the year from the budgetary basis of accounting to the GAAP basis of accounting are as follows:

| Sheriff | Total Expenditures | Total Revenue and Other Financing Sources | Net Change in Fund Balance |
|---|---|---|---|
| GAAP basis | $ 9,007,020 | $ 9,120,913 | $ 113,893 |
| Non-budgeted revenues and expenditures: | | | |
| Revenues other than appropriations from the Grants, Reimbursements and Insurance | (715,662) | (715,662) | - |
| Budgetary basis | $ 8,291,358 | $ 8,405,251 | $ 113,893 |

***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 acquired by the government.

***Investments***

Investments consist of those deposits made locally in commercial banks with a maturity date greater than three months of the date acquired by the government.

***Equity in Pooled Investments***

Equity in pooled investments include amounts placed with the State Board of Administration for participation in the Local Government Surplus Funds Trust Fund investment pools created by Sections 218.405 and 218.417, Florida Statutes.

***Receivables***

Receivables are shown at their net realizable value. See Note 5 for allowance for doubtful accounts.

***Interfund Balances***

Activities 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.”

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Lease Receivable***

The County's lease receivables are measured at the present value of lease payments expected to be received during the lease term. Under the lease agreement, the County may receive variable lease payments that are dependent upon the lessee's revenue. The variable payments are recorded as an inflow of resources in the period the payment is received.

***Inventories***

Inventory consists of fuel, parts, and supplies. Inventory is valued at lower of cost or net realizable value. The County accounts for inventory in governmental funds using the consumption method.

***Capital Assets***

The County's capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, right of ways, storm water system, sidewalks, and similar items), are reported in the capital asset accounts of the County. Property and equipment with initial, individual costs that exceed $5,000 and an estimated useful life in excess of one year are recorded as capital assets. Buildings, roads, bridges, and sidewalks are capitalized when their initial costs exceed $5,000 and possess estimated useful lives of more than one year. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated acquisition 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 purchased by the Clerk of Circuit Court, Property Appraiser, Supervisor of Elections, and Tax Collector are accounted for within the Board of County Commissioner's capital assets. The Sheriff maintains its own property records.

The costs of normal maintenance and repairs that do not add to the asset value or materially extend useful lives are not capitalized. Capital assets are depreciated using the straight-line method over the following estimated useful lives:

| Assets | Years |
|---|---|
| Buildings | 20-50 |
| Improvements, other than buildings | 10-50 |
| Machinery and equipment | 3-30 |

Major outlays for capital assets and improvements are capitalized as projects are constructed. For assets constructed with governmental fund resources, interest during construction is not capitalized.

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Unearned Revenues***

The unearned revenues will be recognized as revenue in the fiscal year they are earned in accordance with the accrual basis of accounting. Unearned revenues reported in governmental fund financial statements represent unearned revenues or revenues which are measurable but not available, and in accordance with the modified accrual basis of accounting, are reported as unearned revenues.

***Accumulated Compensated Absences***

The County maintains a policy that permits employees to accumulate earned but unused vacation and sick pay benefits that will be paid to employees upon separation from County service if certain criteria are met. These benefits, plus their related tax and retirement costs are classified as compensated absences. Employees may be paid for unused vacation hours accrued up to a maximum amount. Payment of unused sick leave, upon termination, is also provided for up to varying amounts.

The long-term portion of compensated absences are accrued and reported in the government-wide financial statements. No expenditure is reported in the government fund level statements for these amounts until payment is made. Compensated absences liability is based on current rates of pay. This is accounted for pursuant to GASB Statement No. 16, *Accounting for Compensated Absences.*

All full time employees of the County are entitled to an annual vacation and sick leave with pay. The employees are generally allowed to accumulate vacation leave of 280 hours. Upon termination the employee is paid 25% of accumulated sick leave up to 480, if the employee has 10 years or more of service to the County. Vacation pay and sick leave payments are included in operating costs when the payments are made to the employees. The estimated commitment for annual leave at September 30, 2023 was $1,133,389.

***Long-Term Debt***

In the government-wide financial statements, outstanding debts are reported as liabilities.

The governmental fund financial statements recognize the proceeds of debt as other financial sources of the current period. Issuance costs are reported as expenditures.

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Leases***

*Lease Obligations*

GASB No. 87, *Leases*, was adopted October 1, 2021. Under this guidance, all contracts allowing for the County to use another entity's asset for a period greater than 12 months must be recorded as both a right-of-use (ROU) asset and a lease liability. The lease liability is recorded at the present value of future lease payments, including fixed payments, variable payments based on an index or fixed rate and reasonably certain residual guarantees. The intangible leased asset is recorded for the same amount as the related lease liability plus any prepayments and initial direct costs to place the asset in service. Leased assets are amortized over the shorter of the useful life of the asset or the lease term. The lease liability is reduced for lease payments made, less the interest portion of the lease payment. Any contract not meeting the 12-month period requirement is recognized as rental expense.

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 uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of lease liability are composed of fixed payments and term options that the County is reasonably certain to exercise.

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.

Leased assets are reported within capital assets and lease liabilities are reported separately on the statement of net position.

*Lease Receivable*

The County and Commission records revenues from lease in accordance with GASB No. 87, *Leases*. The lease receivable is initially measured at the present value of the lease payments expected to be received during the lease term. The deferred lease inflow of resources is measured as the sum of the initial measurement of the lease receivable net of lease payments received. Lease receipts result in a reduction of the lease receivable and recognition of inflows of revenues. At September 30, 2023, the County's total lease receivable reported as deferred inflows of resources on the statement of net position of $330,789 was for the lease of real property including office space.

*Subscription Based IT Arrangements (SBITAs)*

GASB 96 SBITAs was adopted October 1, 2022. The new guidance, (1) defines a SBITA; (2) establishes that a SBITA results in a right-of-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.

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Governmental Fund Balances***

This GASB Statement clarifies governmental fund balance classifications and fund-type definitions. Fund balances are classified either as non-spendable or spendable. See Note 13.

***Net Position***

For the year ended September 30, 2023, the County reports net position as restricted or unrestricted. Restricted net position has externally imposed constraints placed on the use of resources by creditors, grantors, contributors, laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Unrestricted net position is comprised of all other balances, including committed, assigned and unassigned. Net investment in capital assets includes capital assets less accumulated depreciation and outstanding balances of bonds, mortgages, notes or other borrowings attributable to the acquisition, construction or improvement of those assets.

***Encumbrances***

Encumbrances represent commitments in the form of purchase orders which are chargeable to an appropriation and for which a part of the appropriation is reserved. Encumbrances do not represent expenditures or liabilities. The Board does not record encumbrances outstanding at year end.

***Management Estimates and Assumptions***

The preparation of financial statements in conformity with general accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

***Subsequent Events***

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 25, 2024. See Note 17 for relevant disclosures.

***Deferred Outflows/Inflows of Resources***

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. The County had deferred outflows at year end related to various actuarial assumption changes and valuations related to the County's portion of the Florida Retirement System Pension Plan and Retiree Health Insurance Subsidy Program annual valuations and retirement contribution payments made by the County after the valuation date of the Florida Retirement System's latest valuation but before the end of the County's fiscal year. In addition, the County had deferred outflows at year-end related to their other postemployment benefit plan (OPEB).

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Deferred Outflows/Inflows of Resources (continued)***

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The County had deferred inflows at year end related to various actuarial assumption changes and valuations related to the County's portion of the Florida Retirement System Pension Plan and Retiree Health Insurance Subsidy Program annual valuations. In addition, the County had deferred inflows at year-end related to their other postemployment benefit plan (OPEB). These amounts are recognized as inflows of resources in the period that they become available. The deferred inflows related to leases relate to land and buildings in which the County is the lessor. Revenue will be recognized over the life of the lease. The County received $186,264 and $4,667 in principal and interest payments, respectively, during the year ended September 30, 2023.

***Pensions***

The County participates in The Florida Retirement System (the "System"). The System's financial statements are prepared using the economic resources measurement focus and accrual basis of accounting. Contributions are recognized as revenues when earned, pursuant to the plan requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Expenses are recognized when the corresponding liability is incurred regardless of when the payment is made. Investments are reported at fair value. Financial statements are prepared in accordance with requirements of the GASB. Under these requirements, the Plan is considered a component unit of the State of Florida and is included in the State's Comprehensive Annual Financial Report.

***Other Postemployment Benefits ("OPEB")***

In addition to the pension benefit noted above, the County offers certain OPEB. For purposes of measuring total OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, the economic resources measurement focus and full accrual basis of accounting are utilized. Benefit payments are recognized when due and payable in accordance with the benefit terms.

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Recently Issued and Implemented Accounting Pronouncements***

In May 2020, the GASB issued Statement No. 93 (GASB 93), *Replacement of Interbank Offered Rates*. The objectives of this Statement are to address financial reporting issues that result from the replacement of an Interbank Offered Rate (IBOR) by providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment and clarification of the hedge accounting termination provisions when a hedged item is amended to replace the reference rate; replacing LIBOR as an appropriate benchmark interest rate for the evaluation of the effectiveness of an interest rate swap with a Secured Overnight Financing Rate or the Effective Federal Funds Rate; and providing exceptions to the lease modifications guidance in GASB 87 for lease contracts that are amended solely to replace an IBOR used to determine variable payments.

The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2022. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2021. The implementation of GASB 93 did not result in any change in the County's financial statements.

In June 2020, the GASB issued Statement No. 97 (GASB 97), *Certain Component Unit Criteria, and Accounting and Financial Reporting for Internal Revenue Code Section 457 Deferred Compensation Plans—an amendment of GASB Statements No. 14 and No. 84, and a supersession of GASB Statement No. 32.* The primary objectives of GASB 97 are to (1) increase consistency and comparability related to the reporting of fiduciary component units in circumstances in which a potential component unit does not have a governing board and the primary government performs the duties that a governing board typically would perform; (2) mitigate costs associated with the reporting of certain defined contribution pension plans, defined contribution other postemployment benefit (OPEB) plans, and employee benefit plans other than pension plans or OPEB plans (other employee benefit plans) as fiduciary component units in fiduciary fund financial statements; and (3) enhance the relevance, consistency, and comparability of the accounting and financial reporting for Internal Revenue Code (IRC) Section 457 deferred compensation plans (Section 457 plans) that meet the definition of a pension plan and for benefits provided through those plans. The requirements of GASB 97 are effective for fiscal years beginning after June 15, 2021. The implementation of GASB 97 did not result in any change in the County's financial statements.

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements* (GASB 94). The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction.

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Recently Issued and Implemented Accounting Pronouncements (continued)***

Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022. The impact of GASB 94 did not result in any change in the County's financial statement.

In May 2020, the GASB issued GASB Statement No. 96, *Subscription-Based Information Technology Arrangements* (GASB 96). 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 Statement No. 87, leases, as amended. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Assets and liabilities resulting from SBITAs should be recognized and measured using the facts and circumstances that existed at the beginning of the fiscal year in which this Statement is implemented. Governments are permitted, but are not required, to include in the measurement of the subscription asset capitalizable outlays associated with the initial implementation stage and the operation and additional implementation stage incurred prior to the implementation of this Statement. See Note 22 for additional information on the County's implementation of GASB 96.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Accounting Pronouncements Recently Issued But Not Yet Effective***

The GASB has issued statements that will become effective in future years. These statements are as follows:

In April 2022, the GASB issued GASB Statement No. 99, *Omnibus 2022* (GASB 99). This Statement provides guidance on the following:

- Classification and reporting of derivative instruments within the scope of Statement No. 53, *Accounting and Financial Reporting for Derivative Instruments*, that do not meet the definition of either an investment derivative instrument or a hedging derivative instrument,
- Clarification of provisions in Statement No. 87, *Leases*, as amended, related to the determination of the lease term, classification of a lease as a short-term lease, recognition and measurement of a lease liability and a lease asset, and identification of lease incentives,
- Clarification of provisions in Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, related to (a) the determination of the PPP term and (b) recognition and measurement of installment payments and the transfer of the underlying PPP asset,
- Clarification of provisions in Statement No. 96, *Subscription-Based Information Technology Arrangements*, related to the SBITA term, classification of a SBITA as a short-term SBITA, and recognition and measurement of a subscription liability,
- Extension of the period during which the LIBOR is considered an appropriate benchmark interest rate for the qualitative evaluation of the effectiveness of an interest rate swap that hedges the interest rate risk of taxable debt,
- Accounting for the distribution of benefits as part of the Supplemental Nutrition Assistance Program (SNAP),
- Disclosures related to nonmonetary transactions,
- Pledges of future revenues when resources are not received by the pledging government,
- Clarification of provisions in Statement No. 34, Basic Financial Statements— and Management's Discussion and Analysis—for State and Local Governments, as amended, related to the focus of the government-wide financial statements,
- Terminology updates related to certain provisions of Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position, and
- Terminology used in Statement 53 to refer to resource flows statements.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Accounting Pronouncements Recently Issued But Not Yet Effective (continued)***

The requirements of this Statement are effective as follows:

- The requirements related to extension of the use of LIBOR, accounting for SNAP distributions, disclosures of nonmonetary transactions, pledges of future revenues by pledging governments, clarification of certain provisions in Statement 34, as amended, and terminology updates related to Statement 53 and Statement 63 are effective upon issuance.
- The requirements related to leases, PPPs, and SBITAs are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter.
- The requirements related to financial guarantees and the classification and reporting of derivative instruments within the scope of Statement 53 are effective for fiscal years beginning after June 15, 2023, and all reporting periods thereafter.

In June 2022, the GASB issued GASB Statement No. 100, *Accounting Changes and Error Corrections* (GASB 100). This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. The requirements of this Statement for changes in accounting principles apply to the implementation of a new pronouncement in absence of specific transition provisions in the new pronouncement. This Statement also requires that the aggregate amount of adjustments to and restatements of beginning net position, fund balance, or fund net position, as applicable, be displayed by reporting unit in the financial statements. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). For periods that are earlier than those included in the basic financial statements, information presented in RSI or SI should be restated for error corrections, if practicable, but not for changes in accounting principles. The requirements of this Statement are effective for accounting changes and error corrections made in fiscal years beginning after June 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Accounting Pronouncements Recently Issued But Not yet Effective (continued)***

In June 2022, the GASB issued GASB Statement No. 101, *Compensated Absences* (GASB 101). The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. This Statement amends the existing requirement to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability (as long as they identify it as a net change). In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

***Recently Issued Accounting Pronouncements***

GASB Statement No. 102, Certain Risk Disclosures. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

GASB Statement No. 103, Financial Reporting Model Improvements, was issued in April 2024. The objective of this Statement is to improve key components of the financial reporting model. It establishes new accounting and financial reporting requirements, or modifies existing requirements, related Management's discussion and analysis (MD&A), unusual or infrequent items, presentation of proprietary fund statement of revenues, expenses, and changes in fund net position, information about major component units, budgetary comparison information and financial trends information in the statistical section. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

The County is evaluating the requirements of the above statements and the impact on reporting.

**NOTE 2: 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 statewide. Florida Statutes permit counties to levy property taxes at a rate of up to 10 mills for general operations. The 2023 millage rate assessed by the County was 7.945 mills.

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 millage 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.

**NOTE 3: CASH AND INVESTMENTS**

At year end, the carrying amount of the County's deposits was $42,206,262 and the bank balance was $44,330,753. The bank balance was covered by federal depository insurance and, for the amount in excess of such federal depository insurance, by the State of Florida's Public Deposit Act. Provisions of the Act require that public deposits may only be made at qualified public depositories. The Act requires each qualified public depository to deposit with the State Treasurer eligible collateral equal to or in excess of the required collateral as determined by the provisions of the Act. In the event of a failure by a qualified public depository, losses in excess of federal depository insurance and proceeds from the sale of securities pledged by the defaulting depository are assessed against the other qualified public depositories of the same type as the depository in default. When other qualified public depositories are assessed additional amounts, they are assessed on a pro-rata basis.

Florida Statutes authorize the County to invest in certificates of deposit, repurchase agreements and the State Treasurer's Investment Pool. In addition, the statutes allow the County to invest in bonds, notes or other obligations of the United States Government, certain bonds of any state or local government unit, and bonds issued by certain government agencies.

**NOTE 3: CASH AND INVESTMENTS (Continued)**

The County invested funds in the Florida State Board of Administration Local Governments Surplus Funds Investment Pool (PRIME Fund). At September 30, 2023, the net realizable value and the carrying value of these funds was $3,046,030. The funds are carried as equity in pooled investments on the balance sheet at September 30, 2023.

The PRIME Fund is administered by the Florida State Board of Administration (SBA), which provides regulatory oversight. The powers and duties of the SBA are defined in Florida Statute 218.409. In addition, Chapter 19-7 of the Florida Administrative Code identifies the rules and regulations governing the administration of the State Pool. These rules provide guidance and establish the general operating procedures for the administration of the pool. The SBA provides regulatory oversight for the PRIME Fund. As a pool participant, the County owns a share of the respective pool, not the underlying securities.

The PRIME Fund is an external investment pool that has adopted operating procedures consistent with the requirements of GASB Statement No. 79 to measure its investments at amortized cost. Therefore, the County's investment in PRIME is at amortized cost. Additional information and investment policies regarding the PRIME Fund may be obtained from the State Board of Administration at www.sbafl.com/prime. There are no restrictions or limitations on withdrawals; however, the PRIME Fund may on the occurrence of an event that has material impact on liquidity or operations, impose restrictions on withdrawals for up to 48 hours.

**Credit Risk**
The credit risk of certain investments, such as investment pools managed by other governments, cannot be categorized as to credit risk because the County investments are not evidenced by specific, identifiable investment securities. As of September 30, 2023, the County's investment in the PRIME Fund is rated by Standard and Poor's and the current rating is AAAm.

**Interest Rate Risk**
The weighted average days to maturity (WAM) of the Florida PRIME at September 30, 2023, is 35 days. Next interest rate reset for floating rate securities are used in the calculation of the WAM. The weighted average life (WAL) of Florida PRIME at September 30, 2023, is 75 days.

**Custodial Credit Risk**
At September 30, 2023, the County did not hold any deposits or investments that were considered to have a custodial credit risk.

**Concentration of Credit Risk**
At September 30, 2023, the County did not hold any investments that were considered to have a concentration of credit risk.

**NOTE 3: CASH AND INVESTMENTS (Continued)**

**Foreign Currency Risk**
At September 30, 2023, the County did not hold any investments that were considered to have a foreign currency risk.

**Fair Value Measurement and Application**
Governmental entities are required to record investments at fair value unless an exception applies and disclose the fair value measurement and hierarchy. Paragraph 69 of GASB 72 lists several investments that should be measured as described in GASB Statement 31 which includes investments in nonparticipating interest-earning investment contracts (certificates of deposit) and money market investments that have a maturity at the time of purchase of one year or less. At September 30, 2023, the County's investments consisted of non-negotiable certificates of deposits which are recorded at cost and are excluded from fair value measurement.

All County depositories are banks or savings institutions designated by the State Treasurer as qualified public depositories. Chapter 280, Florida Statutes "Florida Security for Public Deposits Act" provides procedures for public depositories to ensure monies in banks and savings institutions are collateralized with the Treasurer as an agent for the public entities. All County cash consists of checking accounts and interest-bearing time deposits in a local bank.

For the statement of cash flows, the County considers cash and cash equivalents to include cash and cash equivalents and restricted cash.

**NOTE 4: RESTRICTED ASSETS**

The General Fund's cash, investments and equity in pooled investments are restricted as follows:

| *September 30, 2023* | | Amount |
|---|---|---|
| Vessel Fees - Equity in Pooled Cash | $ | 94,133 |
| Health Department | | 150,000 |
| Grant purposes | | 30,864 |
| New Markets Tax Credit - Restricted Cash | | 452,843 |
| SRO Commitment - Restricted Cash | | 113,898 |
| Total | $ | 841,738 |

**NOTE 4: RESTRICTED ASSETS (Continued)**

The Transportation Trust Fund's equity in pooled investments is restricted for the sick leave buyback program in the amount of $253,338.

The Gax Tax Bond fund's cash is restricted for debt service and transportation expenditures in the amount of $8,254,457.

The Nonmajor Governmental funds' cash is restricted for other programs in the amount of $4,324,555.

Certain Enterprise Fund assets are restricted for debt service and future extension and improvements. Impact fees are recorded as contributed capital and may only be used for extensions to the Water System. The Jackson County Water/Sewer Fund's cash is restricted as follows:

| *September 30, 2023* | | Amount |
|---|---|---|
| Debt service | $ | 150,982 |
| Total | $ | 150,982 |

**NOTE 5: ACCOUNTS RECEIVABLE**

Accounts receivable of the Fire/Rescue Department is accounted for in the County's General Fund. Accounts receivable in the Fire/Rescue Department totaled $1,005,786 and are shown net of the allowance for doubtful accounts and contractual adjustments of $667,286. This allowance represents an uncollected billing ratio based on past history of collections and aged accounts receivable listings.

Accounts receivable for the General fund includes $568,105 from franchise fees and royalties related to private landfills, and other amounts totaling $70,269.

Accounts receivables for the Enterprise Fund are from various utility customers totaling $403,262 and are shown net of the allowance for doubtful accounts for $187,379. This allowance represents an uncollected billing ratio based on past history of collections and aged accounts receivable listings.

**NOTE 6: INTERFUND BALANCES**

Balances due to/from other funds at September 30, 2023 are as follows:

**Due to/from Other Funds:**

| Receivable Fund | Payable Fund | | |
|---|---|---|---|
| General Fund | Fines and Forfeitures | $ | 1,525,983 |
| | Road Construction | | 182,917 |
| | Nonmajor governmental funds: | | |
| | Other special revenue funds | | 3,223,647 |
| | Custodial funds | | 90,164 |
| | Proprietary funds: | | |
| | Jackson County Utilities | | 1,402,455 |
| | Parks and Recreation | | 123,024 |
| Transportation Trust | General fund | | 3,547,280 |
| | Road Construction | | 16,967 |
| | Nonmajor governmental funds: | | |
| | Other special revenue funds | | 1,855,060 |
| Fine and Forfeitures | General fund | | 117,572 |
| | Nonmajor governmental funds: | | |
| | Other special revenue funds | | 3,069 |
| | Custodial funds | | 1,990 |
| Road Construction | General fund | | 418,493 |
| | Transportation Trust | | 9,035,060 |
| | Gas Tax Bond Fund | | 390,513 |
| Gas Tax Bond Fund | Road Construction | | 42,748 |
| Jackson Recycling | General fund | | 141,752 |
| | Nonmajor governmental funds: | | |
| | Other special revenue funds | | 2,307 |
| Custodial funds | General fund | | 11,040 |
| Nonmajor governmental funds | General fund | | 4,098,950 |
| | Road Construction | | 2,250,000 |
| | Fines and Forfeitures | | 33,250 |
| | Nonmajor governmental funds: | | |
| | Other special revenue funds | | 206,915 |
| | Proprietary funds: | | |
| | Jackson County Utilities | | 200 |
| | Parks and Recreation | | 50 |
| | Jackson County Recycling | | 11,883 |
| | Custodial Funds | | 65,683 |
| Total | | $ | 28,798,972 |

**NOTE 6: INTERFUND BALANCES (Continued)**

The General Fund and Fine and Forfeitures Fund have amounts due to and from constitutional officers, which represent the return of excess monies due at the end of the fiscal year, from either budget officers or fee officers. All remaining balances resulted from 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:

| | | |
|---|---|---|
| **Transfers to General Fund from:** | | |
| Fines and Forfeitures | $ 6,967,517 | |
| Nonmajor Governmental funds | 4,038,989 | |
| Total | | $ 11,006,506 |
| **Transfers to Fines and Forfeiture from:** | | |
| General Fund | 42,269 | |
| Nonmajor Governmental fund | 83,101 | |
| Total | | 125,370 |
| **Transfers to Transportation Trust from:** | | |
| General Fund | 2,544,268 | |
| Nonmajor Governmental funds | 1,200,000 | |
| Total | | 3,744,268 |
| **Transfers to Road Construction from:** | | |
| Transportation Trust | | 2,548,743 |
| **Transfers to Gas Tax Bond Fund from:** | | |
| Road Construction | | 1,133,831 |
| **Transfers to Nonmajor Governmental Funds from:** | | |
| General fund | 939,946 | |
| Nonmajor Governmental funds | 288,310 | |
| Total | | 1,228,256 |
| Subtotal | | 19,786,974 |
| **Transfers to Proprietary funds from:** | | |
| General fund | 559,383 | |
| Total | | 559,383 |
| Total interfund transfers | | $ 20,346,357 |

**NOTE 6: INTERFUND BALANCES (Continued)**

Transfers are used to (1) use fines and forfeiture revenues to finance Sheriff's department expenses and use utility fees to finance general operating activities that are accounted for in general fund, (2) use revenue from inmate welfare fund to cover cost relating to inmate welfare expenses in other fund and use grant revenue to cover personnel expense of the Drug Task force, (3) use local option gas tax to cover road and bridge operating expenses, (4) transfer fiscally constrained revenue to fund road paving expenditures in local option gas tax fund, (5) use local option gas tax to cover road construction projects, (6) use unrestricted general fund revenues and nonmajor governmental revenues to finance debt service and operating expenses that are accounted for in other special revenue funds, and (7) use unrestricted general fund revenues and nonmajor governmental revenues to finance debt service and operating expense that are accounted for in the proprietary funds.

**NOTE 7: DUE FROM OTHER GOVERNMENTS**

Due from other governments consists of funds earned as of September 30, 2023, but not yet received by the County. The majority of these amounts were received in October and November 2023.

**NOTE 8: CAPITAL ASSETS**

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

| | BEGINNING BALANCE AS RESTATED | INCREASES | DECREASES | ENDING BALANCE |
|---|---|---|---|---|
| **Governmental activities:** | | | | |
| Capital assets, not being depreciated: | | | | |
| Land and improvements | $ 9,648,238 | $ 42,000 | $ - | $ 9,690,238 |
| Construction in progress | 5,898,698 | 6,242,265 | 9,265,904 | 2,875,059 |
| Total capital assets, not being depreciated | 15,546,936 | 6,284,265 | 9,265,904 | 12,565,297 |
| Capital assets, being depreciated: | | | | |
| Buildings and improvements | 53,431,796 | 3,710,355 | - | 57,142,151 |
| Equipment | 28,393,939 | 1,479,475 | 789,048 | 29,084,366 |
| Roads | 66,322,307 | 7,843,610 | - | 74,165,917 |
| Infrastructure - Sidewalks | 2,055,274 | - | - | 2,055,274 |
| Total capital assets, being depreciated | 150,203,316 | 13,033,440 | 789,048 | 162,447,708 |
| Less: Total accumulated depreciation | 72,532,518 | 6,256,571 | 775,674 | 78,013,415 |
| Total capital assets, being depreciated, net | 77,670,798 | 6,776,869 | 13,374 | 84,434,293 |

- Continued -

## NOTE 8: CAPITAL ASSETS (Continued)

| | BEGINNING BALANCE AS RESTATED | INCREASES | DECREASES | ENDING BALANCE |
|---|---|---|---|---|
| Right-of-use lease assets, being amortized | | | | |
| Buildings and Improvements | 292,903 | - | - | 292,903 |
| Land | 736 | - | - | 736 |
| Equipment | 3,945,429 | 92,944 | - | 4,038,373 |
| Right-of-use lease assets, being amortized | 4,239,068 | 92,944 | - | 4,332,012 |
| | | | | |
| Less accumulated amortization for | | | | |
| Buildings and Improvements | 12,260 | 59,591 | - | 71,851 |
| Land | 392 | 196 | - | 588 |
| Equipment | 842,937 | 831,738 | - | 1,674,675 |
| Total accumulated amortization | 855,589 | 891,525 | - | 1,747,114 |
| | | | | |
| Right-of-use lease assets being amortized, net | 3,383,479 | (798,581) | - | 2,584,898 |
| | | | | |
| Intangible subscription (SBITA) assets, being amortized | 144,178 | 145,695 | - | 289,873 |
| | | | | |
| Less accumulated amortization for Intangible subscription (SBITA) assets, being amortized | 4,737 | 68,176 | - | 72,913 |
| | | | | |
| Intangible subscription (SBITA) assets being amortized, net | 139,441 | 77,519 | - | 216,960 |
| | | | | |
| Governmental activities capital assets - net | $ 96,740,654 | $ 12,340,072 | $ 9,279,278 | $ 99,801,448 |

## NOTE 8: CAPITAL ASSETS (Continued)

| | BEGINNING BALANCE | INCREASES | DECREASES | ENDING BALANCE |
|---|---|---|---|---|
| **Business-type activities:** | | | | |
| Capital assets, not being depreciated: | | | | |
| Land | $ 46,641 | $ - | $ - | $ 46,641 |
| Construction in progress | 2,717,311 | 4,851,080 | - | 7,568,391 |
| Total capital assets, not being depreciated | 2,763,952 | 4,851,080 | - | 7,615,032 |
| Capital assets, being depreciated: | | | | |
| Equipment | 21,817,972 | 98,828 | - | 21,916,800 |
| Total capital assets, being depreciated | 21,817,972 | 98,828 | - | 21,916,800 |
| Less: Total accumulated depreciation | 6,879,168 | 517,202 | - | 7,396,370 |
| Total capital assets, being depreciated, net | 14,938,804 | (418,374) | - | 14,520,430 |
| Business-type activities capital assets, net | $ 17,702,756 | $ 4,432,706 | $ - | $ 22,135,462 |

Depreciation expense for the year ended September 30, 2023 was charged to functions as follows:

| **Governmental activities** | |
|---|---|
| General government | $ 502,907 |
| Public safety | 1,810,285 |
| Transportation | 2,983,242 |
| Culture and recreation | 522,416 |
| Human services | 225,226 |
| Court related | 212,495 |
| Total depreciation expense-governmental activities | $ 6,256,571 |

| **Business-type activities** | |
|---|---|
| Water and sewer | $ 380,699 |
| Recycling | 11,221 |
| Parks and recreation | 125,282 |
| Total depreciation expense-business-type activities | $ 517,202 |

## NOTE 9: LONG-TERM DEBT

Long-term debt activity for the year ended September 30, 2023, was as follows:

| | BEGINNING BALANCE - AS RESTATED | ADDITIONS | REDUCTIONS | ENDING BALANCE | DUE WITHIN ONE YEAR |
|---|---|---|---|---|---|
| **Governmental activities:** | | | | | |
| Revenue bonds from direct placement | $ 12,751,315 | $ - | $ 1,339,915 | $ 11,411,400 | $ 1,358,523 |
| Lease liabilities | 6,345,094 | 51,109 | 1,383,912 | 5,012,291 | 1,383,775 |
| Intangible subscription liabilities | 124,678 | 112,479 | 44,121 | 193,036 | 81,976 |
| Notes payable from direct borrowings | 6,050,000 | - | 250,000 | 5,800,000 | 1,000,000 |
| Compensated absences | 1,053,854 | 743,497 | 663,962 | 1,133,389 | 625,356 |
| Other post-employment benefit obligations | 3,375,179 | - | 622,331 | 2,752,848 | - |
| Net pension liability | 26,019,482 | 7,161,976 | - | 33,181,458 | - |
| Landfill closure and post-closure costs | 354,716 | - | - | 354,716 | 50,000 |
| Total governmental activities: | 56,074,318 | 8,069,061 | 4,304,241 | 59,839,138 | 4,499,630 |
| **Business-type activities:** | | | | | |
| Revenue bonds from direct placement | 2,816,445 | - | 196,423 | 2,620,022 | 199,598 |
| Notes payable from direct placement | 773,708 | - | 32,833 | 740,875 | 33,155 |
| Other post-employment benefit obligations | 95,821 | - | 17,669 | 78,152 | - |
| Net pension liability | 390,874 | 107,589 | - | 498,463 | - |
| Total Business-type activates: | 4,076,848 | 107,589 | 246,925 | 3,937,512 | 232,753 |
| Total | $ 60,151,166 | $ 8,176,650 | $ 4,551,166 | $ 63,776,650 | $ 4,732,383 |

Payments on the notes, leases payable, and sales tax revenue bonds that pertain to the County's governmental activities are made by the debt service funds. The compensated absences liability attributable to the governmental activities will be liquidated primarily by the General Fund.

The County's outstanding notes from direct borrowings and direct placements related to governmental activities of $1,000,000 contain provisions that in an event of default, outstanding amounts become immediately due if the County is unable to make payment.

The County's outstanding notes from direct borrowings and direct placements related to business-type activities of $740,875 contain provisions that if the County meets any conditions of default, the repayment schedule may be accelerated and or the interest rate increased.

## NOTE 9: LONG-TERM DEBT (Continued)

Debt service requirements on long-term debt at September 30, 2023 are as follows:

### *Governmental Activities*

**Revenue Bonds from Direct Placement**

| | | |
|---|---|---|
| $9,824,301, Gas Tax Revenue Refunding Bonds, Series 2021, payable in semi-annual installments of $312,155 to $532,000 through 2031, interest at 1.384%. Collateralized by pledged revenue generated from gas tax revenues including the Constitutional Gas Tax, Ninth Cent Fuel Tax and County Fuel Tax through 2031. The purpose of the debt was to finance construction of road improvements and refund the Series 2014 Bonds. The pledged revenue totaled $2,960,197 and the debt service requirements totaled $1,511,772 (both bonds) for the year ended September 30, 2023. | $ | 8,091,835 |
| $4,000,000, Gas Tax Revenue Refunding Bonds, Series 2021, payable in semi-annual installments o f $97,000 to $218,000 through 2031, interest at 1.384%. Collateralized by pledged revenue generated from gas tax revenues including the Constitutional Gas Tax, Ninth Cent Fuel Tax and County Fuel Tax through 2031. The purpose of the debt was to finance construction of road improvements and refund the Series 2014 Bonds. The pledged revenue totaled $2,960,197 and the debt service requirements totaled $1,511,772 (both bonds) for the year ended September 30, 2023. | | 3,319,565 |
| Total revenue bonds from direct placement | $ | 11,411,400 |

**Notes Payable from Direct Borrowings**

| | | |
|---|---|---|
| $4,800,000 New Markets Investment 136, LLC - QLICI Loan Note related to New Markets Tax Credit, interest payable quarterly at 1%, principle payable at maturity in September 2051, expected to be repaid in seven years. | $ | 4,800,000 |
| $2,000,000, Florida Local Government Finance Commission and JP Morgan Chase Bank, N.A. - Pool commercial loan paper program with interest payable monthly at a variable rate described more fully below and principal payable at $250,000 annually from December 2019-2022 with a final payment of $1,000,000 in December 2023. The interest rate is the greater of the bank's prime rate or a calculation based on federal funds rate, this rate was 3.6245% at September 30, 2023. Collateralized by pledged non-ad valorem revenues. The purpose of the debt was to finance cost of repairs to several properties as a result of hurricane damages. | | 1,000,000 |
| Total notes payable from direct borrowings | $ | 5,800,000 |

## NOTE 9: LONG-TERM DEBT (Continued)

### *Governmental Activities (continued)*

### *Business-Type Activities*

**Notes Payable from Direct Borrowings**

| | | |
|---|---|---|
| $132,871, State of Florida - State Revolving Fund, October 2020, payable in 20 semi-annual installments of $6,558 beginning March 2022 through September 2031, interest at 1.19%, collateralized by gross annual revenues from operations of the water and sewer system. | $ | 99,811 |
| $699,004, State of Florida - State Revolving Fund, June 2018, payable in 60 semi-annual installments of $13,330 beginning December 2021 through December 2050, interest at 0.78%, collateralized by gross annual revenues from the operations of the water and sewer system. | | 641,064 |
| Total notes payable from direct borrowings | $ | 740,875 |

**Revenue Bonds from Direct Placement**

| | | |
|---|---|---|
| $3,012,817, Utility System Revenue Refunding Bond, Series 2021, payable in semi-annual installments of $196,372 to $238,101 through 2035, interest at 2.7583%. Collateralized by pledged revenue derived from the operations of the system through 2035. The purpose of the debt was to refinance the Utility System Revenue Refunding Bond Series 2015. The pledged revenue totaled $1,671,186 and the debt service requirements totaled $240,980 for the year ended September 30, 2023. | $ | 2,620,022 |
| Total revenue bonds from direct placement | $ | 2,620,022 |

Total interest expense for the year ended September 30, 2023 was $51,155 for the business-type activities and $389,931 for the governmental activities. Interest paid during the year ended September 30, 2023 was $435,674.

**Long-term landfill closure and post-closure liability** – this obligation relates to long-term landfill post-closure costs. See also Note 16.

**NOTE 9: LONG-TERM DEBT (Continued)**

***Leases – Lessee***

The County has entered into multiple lease agreements as lessee for equipment and buildings that qualify as leases for accounting purposes.

The present value of the future minimum lease payments is as follows:

| | Tax Collector | Clerk | Sheriff | Board | Total |
|---|---|---|---|---|---|
| 2024 | $ 13,200 | $ 8,733 | $ 200,818 | $ 1,268,394 | $ 1,491,145 |
| 2025 | 13,200 | 7,639 | 150,938 | 1,151,428 | 1,323,205 |
| 2026 | 13,200 | 3,600 | 971 | 782,855 | 800,626 |
| 2027 | - | 2,700 | - | 532,220 | 534,920 |
| 2028 | - | - | - | 260,430 | 260,430 |
| 2029-2033 | - | - | - | 836,774 | 836,774 |
| 2034-2038 | - | - | - | 30,000 | 30,000 |
| 2039-2043 | - | - | - | 30,000 | 30,000 |
| 2044-2048 | - | - | - | 11,500 | 11,500 |
| Total minimum payments | 39,600 | 22,672 | 352,727 | 4,903,601 | 5,318,600 |
| Less: amount representing interest | (482) | (897) | (5,831) | (299,099) | (306,309) |
| Present value of minimum capital lease payments | $ 39,118 | $ 21,775 | 346,896 | $ 4,604,502 | $ 5,012,291 |
| Gross capital asset value | $ 80,218 | $ 40,297 | $ 661,445 | $ 4,205,149 | $ 4,987,109 |
| Accumulated amortization | (41,386) | (18,947) | (287,547) | (1,683,923) | (2,031,803) |
| Net capital asset value | $ 38,832 | $ 21,350 | $ 373,898 | $ 2,521,226 | $ 2,955,306 |

***Leases – Lessor***

The Commission accounts for leases in accordance with GASB Statement No. 87, Leases. The Commission's operations consist of agreements for use of buildings from local businesses. The agreements are made up of various non-cancelable agreements for buildings, which expire between the years 2024 and 2029. The Commission recognized $186,264 of lease principal and $4,667 of lease interest for the year ended September 30, 2023.

***Subscription-Based IT Arrangements (SBITAs)***

The County has entered into multiple subscription based it arrangements that qualify as SBITAs for accounting purposes.

## NOTE 9: LONG-TERM DEBT (Continued)

### *Subscription-Based IT Arrangements (SBITAs) (continued)*

The present value of the future minimum subscription payments is as follows:

| | Tax Collector | Clerk | Sheriff | Board | Total |
|---|---|---|---|---|---|
| 2024 | $ 13,200 | $ 8,733 | $ 200,818 | $ 1,268,394 | $ 1,491,145 |
| 2025 | 13,200 | 7,639 | 150,938 | 1,151,428 | 1,323,205 |
| 2026 | 13,200 | 3,600 | 971 | 782,855 | 800,626 |
| 2027 | - | 2,700 | - | 532,220 | 534,920 |
| 2028 | - | - | - | 260,430 | 260,430 |
| 2029-2033 | - | - | - | 836,774 | 836,774 |
| 2034-2038 | - | - | - | 30,000 | 30,000 |
| 2039-2043 | - | - | - | 30,000 | 30,000 |
| 2044-2048 | - | - | - | 11,500 | 11,500 |
| Total minimum payments | 39,600 | 22,672 | 352,727 | 4,903,601 | 5,318,600 |
| Less: amount representing interest | (482) | (897) | (5,831) | (299,099) | (306,309) |
| Present value of minimum capital lease payments | $ 39,118 | $ 21,775 | 346,896 | $ 4,604,502 | $ 5,012,291 |
| Gross capital asset value | $ 80,218 | $ 40,297 | $ 661,445 | $ 4,205,149 | $ 4,987,109 |
| Accumulated amortization | (41,386) | (18,947) | (287,547) | (1,683,923) | (2,031,803) |
| Net capital asset value | $ 38,832 | $ 21,350 | $ 373,898 | $ 2,521,226 | $ 2,955,306 |

## NOTE 10: 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/or the public; or damage to property of others; and natural disasters for which the County carries commercial insurance. Insurance against losses are provided for the following types of risk:

Workers' compensation and employer's liability
General and automobile liability
Real and personal property damage
Public officials' liability
Accidental death and dismemberment

**NOTE 10: RISK MANAGEMENT (Continued)**

The Sheriff participates in the Florida Sheriff Self-Insurance Fund, which is considered a public entity risk pool which purchases insurance policies on behalf of its members. The pool's members are not obligated for risk associated with such coverage. Coverage under these programs includes:

General liability

Automobiles

Money and securities coverage

The Sheriff provides for workers' compensation coverage through the Board. A separate insurance policy is carried for the aircraft.

In addition, the Sheriff participates in the Florida Self-Insurance Fund for risks related to professional liability and public officials' coverage. The funding agreement provides that the liability fund will be self-sustaining through member premiums and that it will reinsure through commercial companies. Aggregate coverage provided by the liability fund is $3,500,000 for professional liability and $3,500,000 for public officials' coverage.

**NOTE 11: STATE RETIREMENT PROGRAM AND NET PENSION LIABILITY**

***Defined Benefit Plans***

The County participates in two defined benefit pension plans that are administered by the State of Florida, Department of Management Services, Division of Retirement. The plans provide retirement, disability or death benefits to retirees or their designated beneficiaries. Chapter 121, Florida Statutes, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the plans. That report is available from the Florida Department of Management Services' website (www.dms.myflorida.com).

The Florida Retirement System (FRS) Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan with a Deferred Retirement Option Program (DROP) available for eligible employees. The FRS was established and is administered in accordance with Chapter 121, Florida Statutes. Retirees receive a lifetime pension benefit with joint and survivor payment options. FRS membership is compulsory for employees filling regularly established positions in a state agency, county agency, state university, state college, or district school board, unless restricted from FRS membership under Sections 121.053 or 121.122, Florida Statutes, or allowed to participate in a defined contribution plan in lieu of FRS membership. Participation by cities, municipalities, special districts, charter schools and metropolitan planning organizations is optional.

**NOTE 11: STATE RETIREMENT PROGRAM AND NET PENSION LIABILITY (Continued)**

The Retiree Health Insurance Subsidy (HIS) Program is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. To be eligible to receive a HIS benefit, a retiree under a state administered retirement system must provide proof of eligible health insurance coverage, which can include Medicare.

***Benefits Provided***

Benefits under the FRS Pension 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 plan and/or class to which the member belonged when the service credit was earned.

Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by $5. The minimum payment is $30 and the maximum payment is $150 per month, pursuant to Section 112.363, Florida Statutes.

***Contributions***

The contribution requirements of plan members and the employer are established and may be amended by the Florida Legislature. Employees are required to contribute 3.00% of their salary to the FRS. The employer's contribution rates as of September 30, 2023, were as follows:

| | FRS | HIS |
|---|---|---|
| Florida Retirement System: | | |
| Regular | 13.57% | 1.66% |
| Senior Management Service Class | 34.52% | 1.66% |
| Elected county officials' class | 58.68% | 1.66% |
| Special Risk | 32.67% | 1.66% |
| DROP | 21.13% | 1.66% |

The employer's contributions for the year ended September 30, 2023, were $3,359,597 to the FRS and $310,105 to the HIS.

**NOTE 11: STATE RETIREMENT PROGRAM AND NET PENSION LIABILITY (Continued)**

***Pension Liabilities and Pension Expense***

In its financial statements for the year ended September 30, 2023, the County reported a liability for its proportionate share of the net pension liabilities. The net pension liabilities were measured as of June 30, 2023, and the total pension liabilities used to calculate the net pension liability were determined by an actuarial valuation dated June 30, 2023. The County's proportions of the net pension liabilities were based on the County's share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

| | FRS | HIS |
|---|---|---|
| Net Pension Liability at June 30, 2023 | $ 26,628,395 | $ 7,051,526 |
| Proportion at: | | |
| Current measurement date | 0.0668269 | 0.0444013 |
| Prior measurement date | 0.0592161 | 0.0413272 |
| Pension expense (benefit) | $ 5,724,052 | $ 2,685,058 |

***Deferred Outflows/Inflows of Resources Related to Pensions***

At September 30, 2023, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| | FRS | | HIS | |
|---|---|---|---|---|
| **Description** | Deferred Outflows of Resources | Deferred Inflows of Resources | Deferred Outflows of Resources | Deferred Inflows of Resources |
| Differences between expected and actual experience | $ 2,500,177 | $ - | $ 103,229 | $ (16,551) |
| Changes of assumptions | 1,735,860 | - | 185,382 | (611,038) |
| Net difference between projected and actual earnings on pension plan investments | 1,112,074 | - | 3,642 | - |
| Changes in proportion and differences between employer contributions and proportionate share of contributions | 2,478,778 | (1,106,693) | 652,075 | (366,143) |
| County contributions subsequent to the measurement date | 872,278 | - | 84,590 | - |
| Total | $ 8,699,167 | $ (1,106,693) | $ 1,028,918 | $ (993,732) |

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year end will be recognized as a reduction of the net pension liability in the reporting period ended September 30, 2023. Other pension-related amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

**NOTE 11: STATE RETIREMENT PROGRAM AND NET PENSION LIABILITY (Continued)**

| *Fiscal Years Ending June 30,* | FRS | HIS |
|---|---|---|
| 2024 | $ 949,098 | $ (5,482) |
| 2025 | (27,610) | 17,269 |
| 2026 | 4,749,860 | 5,013 |
| 2027 | 807,547 | (63,558) |
| 2028 | 241,301 | (14,463) |
| Thereafter | - | 11,817 |
| Total | $ 6,720,196 | $ (49,404) |

***Actuarial Assumptions***

The total pension liability for each of the defined benefit plans, measured as of June 30, 2023, was determined by an actuarial valuation dated June 30, 2023, using the individual entry age normal actuarial cost method and the following significant actuarial assumptions:

| | FRS | HIS |
|---|---|---|
| Inflation | 2.40% | 2.40% |
| Salary increases | 3.25% | 3.25% |
| Investment rate of return | 6.70% | N/A |
| Discount rate | 6.70% | 3.54% |

Mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP-2018.

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

The following changes in key actuarial assumptions occurred in 2023:

HIS: The discount rate was modified to reflect the change in the value of the municipal bond index between GASB measurement dates.

**NOTE 11: STATE RETIREMENT PROGRAM AND NET PENSION LIABILITY (Continued)**

The long-term expected investment rate of return was not based on historical returns, but instead was based on a forward-looking capital market economic model. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. For the FRS Pension Plan, the table below summarizes the consulting actuary's assumptions based on the long-term target asset allocation.

| Asset Class | Target Allocation | Annual Arithmetic Return | Compound Annual (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 (Property) | 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 | 100.00% | | | |

***Discount Rate***

The discount rate used to measure the total pension liability for the FRS Pension Plan was 6.7%. FRS' 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.

Because the HIS Program is essentially funded on a pay-as-you-go basis, a municipal bond rate of 3.65% was used to determine the total pension liability for the program. The Bond Buyer General Obligation Bond 20-Bond Municipal Bond Index was used as the applicable municipal bond index.

***Sensitivity Analysis***

The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the employer's proportionate share of the net pension liability if the discount rate was 1.00% higher or 1.00% lower than the current discount rate.

## NOTE 11: STATE RETIREMENT PROGRAM AND NET PENSION LIABILITY (Continued)

| | FRS Net Pension Liability | | |
|---|---|---|---|
| | 1% Decrease (5.70%) | Current Discount Rate (6.70%) | 1% Increase (7.70%) |
| Governmental Employer's proportionate share of the net pension liability | $ 44,813,518 | $ 26,234,295 | $ 10,690,552 |
| Business-Type Employer's proportionate share of the net pension liability | $ 673,203 | $ 394,100 | $ 160,597 |

| | HIS Net Pension Liability | | |
|---|---|---|---|
| | 1% Decrease (2.65%) | Current Discount Rate (3.65%) | 1% Increase (4.65%) |
| Governmental Employer's proportionate share of the net pension liability | $ 7,925,630 | $ 6,947,163 | $ 6,136,081 |
| Business-Type Employer's proportionate share of the net pension liability | $ 119,061 | $ 104,363 | $ 92,178 |

***Pension Plans' Fiduciary Net Position***

Detailed information about the pension plans' fiduciary net position is available in the State's separately issued financial reports.

## NOTE 12: GRANTS

The County participates in several state and federal grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The audits of these programs for or including the year ended September 30, 2023, have not yet been accepted/approved by the grantors. Accordingly, the final determination of the County's compliance with applicable grant requirements will be established at a future date. The amount, if any, of expenditures which may be disallowed by the grantor agencies cannot be determined, although the County expects such amounts, if any, to be immaterial.

**NOTE 13: FUND BALANCE**

Fund balances are classified based on a hierarchy of the County's ability to control the spending of these fund balances and are reported in the following categories: non-spendable, restricted, committed, assigned and unassigned. For the year ended September 30, 2023, the County reports net position as restricted, committed, assigned and unassigned. Restricted fund balance has externally imposed constraints placed on the use of resources by creditors, grantors, contributors, laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Committed fund balance has amounts constrained by a specific purpose by the Board of County Commissioners. Assigned fund balance has constraints placed on the use of resources by the County's intent to use the resources for specific purposes. Unassigned fund balances have not been restricted, committed or assigned to specific purposes within the general fund.

**Restricted Fund Balance:**

| Funds | Purpose | | |
|---|---|---|---|
| General Fund | Funding for: | | |
| | Vessel fees | $ 94,133 | |
| | New Markets Tax Credit | 588,970 | |
| | Grant purposes | | |
| | SRO commitment | 113,898 | |
| | Total General Fund | | $ 797,001 |
| Special Revenue Fund | | | |
| | Gas Tax Bond Fund | | 7,508,396 |
| | Nonmajor governmental funds | | |
| | Local Law Enforcement | 212,933 | |
| | Courthouse Facility Fund | 392,605 | |
| | Drug Court | 37,877 | |
| | Crime Prevention | 54,680 | |
| | Equitable Sharing | 7,327 | |
| | Jackson County Tourist Develop. Tax | 3,693,672 | |
| | Drug Task Force Operating Fund | 23,361 | |
| | Inmate Welfare Fund | 122,101 | |
| | Additional Court Costs Fund | 274,794 | |
| | Alcohol and Drug Abuse Fund | 5,279 | |
| | Sheriff Contraband Fund | 74,907 | |
| | Modernization of Public Records Trust | 663,248 | |
| | Total nonmajor governmental funds | | 5,562,784 |
| | Total Restricted Fund Balance | | $ 13,868,181 |

**NOTE 13: FUND BALANCE (Continued)**

**Committed Fund Balance:**

| Funds | Purpose | | |
|---|---|---|---|
| General Fund | Funding for: | | |
| | Sick Leave | $ 313,343 | |
| | PY Carryforward | 1,603,460 | |
| | Health department escrow | 150,000 | |
| | Prior year Improvements | 443,370 | |
| | Total General Fund | | $ 2,510,173 |
| Special Revenue Fund | | | |
| | Funding for: | | |
| | Transportation Trust | | 253,338 |
| | Road Construction | | 10,180,156 |
| | Nonmajor governmental Funds | | |
| | Compass Lake MSTU | 581,041 | |
| | Court Construction Improvement | 22,377 | |
| | Russ House | 38,671 | |
| | CDBG | 899 | |
| | Law Library Fund | 2,188 | |
| | JCSO Posse | 506 | |
| | JCSO Reserve Fund | 2,166 | |
| | JCSO Auxilliary Fund | 8,447 | |
| | Mosquito control | 33,617 | |
| | West Jackson County Dev. Authority | 385,492 | |
| | Total nonmajor governmental funds | | 1,075,404 |
| | Total Committed Fund Balance | | $ 14,019,071 |

**NOTE 13: FUND BALANCE (Continued)**

**Assigned Fund Balance:**

| Funds | Purpose | | |
|---|---|---|---|
| General Fund | Funding for: | | |
| | Administration Building Fund | $ 2,938,876 | |
| | BP settlement funds | 135,978 | |
| | Tax Deeds | 63,364 | |
| | Wellness funds | 23,317 | |
| | Technology Escrow | 44,495 | |
| | Library donations | 16,828 | |
| | Total General Fund | | $ 3,222,858 |
| Special Revenue Fund | | | |
| | Funding for: | | |
| | Fines and Forfeitures | | 585,924 |
| | Transportation Trust | | 1,984,610 |
| | Nonmajor governmental funds | | |
| | Utility Fee fund | 1,237,889 | |
| | Jackson County Ag Complex | 502,510 | |
| | Other Debt Service | 115,633 | |
| | Local Option Gas Tax | 2,866,178 | |
| | E911 | 20,105 | |
| | Sheriff E911 | 272,668 | |
| | Sheriff Aviation Fund | 27,619 | |
| | Library Fund | 222 | |
| | Contraband Forfeitures Fund | 11,201 | |
| | Solid Waste Recycling Grant | 404 | |
| | Total nonmajor governmental funds | | 5,054,429 |
| | Total Assigned Fund Balance | | $ 10,847,821 |

**Non-Spendable Fund Balance:**

| Funds | Purpose | |
|---|---|---|
| Transportation Trust | Funding for: | |
| | Inventory | $ 156,399 |
| | Total Non-Spendable Fund Balance | $ 156,399 |

## NOTE 14: LITIGATION AND CONTINGENT LIABILITIES

The County is involved in various litigation arising from the ordinary course of business. In the opinion of legal counsel, the range of potential recoveries or liabilities in excess of insurance coverage, if any, is not reasonably determinable and no loss contingencies have been recorded. See also Note 16.

## NOTE 15: LANDFILL CLOSURE/LONG-TERM CARE ESCROW

The County is no longer required to maintain the landfill management escrow account because the required long-term care period for the landfill has passed. Specific Condition 5.0 Financial Assurance of Permit No. 0077605-004-SF states that the financial assurance for the landfill is not required. The monitoring at the site is for the continued contamination assessment as discussed in Note 16.

The Board has adopted GASB Statement No. 18, which requires recognition of landfill post-closure care costs in the Board's long-term debt. State and federal laws and regulations require the County to perform certain maintenance and monitoring functions after closure. At September 30, 2023, the amount of $304,716 in long-term debt recognizes the estimated cost to continue ground water monitoring until FDEP releases the site from further monitoring. The above estimate is based on current prices; actual costs may be higher due to inflation, changes in technology, or changes in regulations.

## NOTE 16: COMMITMENTS AND CONTINGENCIES

### *Contractual Commitments*

At September 30, 2023, the Board had contractual commitments for construction projects, equipment purchases and leases in excess of amounts recognized in the financial statements.

| | |
|---|---|
| District 2 Paving Projects | $ 427,049 |
| FL Baptist Sidewalk | 208,441 |
| Charm Road | 155,080 |
| CDBG Jail Roof - Project Blue Sky | 4,227,600 |
| Blue Springs Phase 1 Sewer | 3,476,876 |
| Indian Springs Phase 2a Sewer | 420,795 |
| Indian Springs Phase 2b Sewer | 6,027,531 |
| Total | $ 14,943,372 |

**NOTE 16: COMMITMENTS AND CONTINGENCIES (Continued)**

***Jackson County East Landfill—Remedial Action Plan***

Jones Edmunds & Associates, Inc. has been working with the County and the Florida Department of Environmental Protection (FDEP) to remediate contamination detected in the groundwater at the Jackson County East Landfill. The contamination is caused by migrating landfill gas in contact with the groundwater. FDEP evaluated the site and agreed that landfill gas was a problem and approved the installation of a landfill gas extraction system that was proposed by Jones, Edmunds & Assoc. and approved by the County. The landfill gas system was installed in 2010 with additional gas extraction wells installed in 2013. Since the landfill gas extraction system installation, the landfill gas in the waste has decreased and the groundwater contamination is decreasing.

As the site has been in assessment for over five years, FDEP requested a special comprehensive sampling event of all site groundwater wells in 2017. The special sampling event showed that the contamination continues to be situated onsite and the volatile organic parameter concentrations are decreasing. The landfill gas extraction system continues to work as designed and is remediating the groundwater at the site. Annual contamination trend analyses will continue to be submitted to FDEP.

In addition to the landfill gas system, part of the contamination remediation was to install replacement groundwater monitoring wells at the site as it appeared, from discrepancies in measured well depths, that six wells were damaged. FDEP required the wells to be replaced at a schedule of two wells per year for 3 years and all of the landfill monitoring wells have been replaced. This work has been completed and no additional wells are expected to be installed at this time.

Due to the contamination, FDEP is requiring continued groundwater monitoring past the end of long-term care at the landfill. The contamination assessment monitoring will have to continue until FDEP releases the site from further monitoring. Part of the contamination assessment monitoring is quarterly sampling of three off-site potable wells that are drinking water sources. The only potential receptors that may come into contact with the contamination are the users of the groundwater. The monitoring of these three potable wells will continue until the site no longer produces contamination.

In correspondence dated March 2017, FDEP requested a comprehensive well sampling event including all on-site wells and piezometers. The older wells that had not been sampled in recent years were redeveloped and the special comprehensive sampling event was conducted in November 2017. Based on the results of the comprehensive sampling event, FDEP requested that four wells be resampled to confirm the results from the 2017 comprehensive sampling event. The resample event was conducted and analytical results were submitted to FDEP in September 2018 resulting in the addition of two wells to the semiannual monitoring and sampling list.

**NOTE 16: COMMITMENTS AND CONTINGENCIES (Continued)**

The annual groundwater monitoring and reporting to FDEP will be approximately $50,000 per year. This includes:

- Quarterly monitoring of 3 off-site potable wells.
- Semiannual monitoring of six on-site groundwater wells and four on-site MOP wells.
- Annual water-quality trend analysis.
- Quarterly landfill gas monitoring and gas data trend analyses showing that the gas extraction system is working.

**NOTE 17: SUBSEQUENT EVENTS**

Subsequent to year end, the County has signed agreements with various agencies for grant funding for various projects.

Subsequent to year end, the County has entered into contracts for various construction projects totaling in excess of $14 million.

***Equipment Purchases***

Subsequent to year end, the County purchased various fixed assets including fire rescue equipment, brush cutters, and mini excavators; costing approximately $2.7 million.

**NOTE 18: COOPERATIVE AGREEMENT**

The Clerk has a Cooperative Agreement with the Florida Department of Revenue. This agreement encompasses all the Clerk's child support functions. It allows for indirect cost reimbursement. The Clerk uses an established indirect cost rate to invoice the Department of Revenue each month. These amounts are federal funds received under Assistance Listing Number 93.563. The net amount received was $154,421.

**NOTE 19: POST EMPLOYMENT BENEFITS OTHER THAN PENSION**

The Board's post-employment benefits other than pension activity are reported in the statement of net position in the County's financial statements.

**Plan Description –** The Jackson County Board of County Commissioners (the "Board") administers a single-employer defined benefit healthcare plan (the "Plan"). In accordance with Section 112.0801 of the Florida Statutes, because Jackson County provides a medical plan to active employees of the County and their eligible dependents, the Board is also required to provide retirees with the opportunity to participate in this Plan. The Plan provides healthcare benefits including medical coverage and life insurance coverage to both active and eligible retired employees. The Plan does not issue a publicly available financial report.

Eligibility for participation in the Plan is limited to full-time employees of the Board and the Constitutional officers. For regular, senior management service and elected officials, participants are eligible for normal retirement upon attaining the earlier of 1) six years of service and age 62 or 2) 30 years of service regardless of age. For Special Risk, participants are eligible for normal retirement upon attaining the earlier of 1) six years of special risk service and age 55 or 2) 25 total years of service consisting both of special risk service up to four years of military service and age 52 or 3) 25 total years of special risk service, regardless of age or 4) 30 years of any credible service, regardless of age.

**Benefits Provided** – The Board provides post-employment healthcare and life insurance to its retirees. Health benefits are provided through the Board's healthcare provider, Blue Cross Blue Shield of Florida (BCBSFL). The benefit levels are the same as those afforded to active employees. Health benefits include inpatient and outpatient medical services and prescriptions. Upon a retiree reaching 65 years of age, Medicare becomes the primary insurer and the County's plan becomes secondary.

**Membership** – At September 30, 2023, there were no terminated employees entitled to benefits but not yet receiving them. The membership of the Plan consisted of:

| | |
|---|---|
| Active employees | 303 |
| Retirees and beneficiaries currently receiving benefits | 26 |
| Total membership | 329 |
| | |
| Participating employers | 1 |

**Funding Policy** – A qualifying trust or agency fund has not been authorized by the Board. The Board negotiates the premium rates with BCBSFL. The required contribution is based on pay-as-you-go financing requirements. Retirees and beneficiaries currently receiving benefits are required to contribute 100% of their current premium costs, which for fiscal year 2023 was $142,684. The Board contributes $150 per month per retiree to cover the costs of providing the benefits to the retirees.

**NOTE 19: POST EMPLOYMENT BENEFITS OTHER THAN PENSION (Continued)**

| Coverage | BCBS |
|---|---|
| Retiree | $ 945.78 |
| Retiree and Family | $ 1,303.83 |
| BlueMedicare (Retiree only) | $ 372.64 |

**OPEB Liabilities and OPEB Expense** – At September 30, 2023, the County reported a liability of $2,831,000 for the net OPEB liability. The net OPEB liability was reported herein as of September 30, 2023 for the employer fiscal year and reporting period October 1, 2022 to September 30, 2023. The values shown for this fiscal year and reporting period are based on a measurement date of October 1, 2022 and the corresponding measurement period of October 1, 2021 to October 1, 2022. The measurement of the total OPEB liability is based on a valuation date of October 1, 2022.

The significant components of Other Post Employment Benefits follows:

| | Total OPEB Liability | OPEB Expense |
|---|---|---|
| Balance at October 1, 2022 | $ 3,471,000 | $ - |
| Service cost | 216,000 | 216,000 |
| Interest cost | 79,000 | 79,000 |
| Difference between expected and actual experience | 88,000 | (121,000) |
| Changes in assumptions | (887,000) | 68,000 |
| Benefit Payments | (136,000) | - |
| Other changes | - | 7,000 |
| Balance as of fiscal year ended September 30, 2023 | $ 2,831,000 | $ 249,000 |

For the year ended September 30, 2023, under GASB 75 the County OPEB expense is $249,000. The Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB as of September 30, 2023 from various sources are as follows:

| | Outflows of Resources | Inflows of Resources |
|---|---|---|
| Difference between expected and actual experience | $ 77,000 | $ (649,000) |
| Changes of assumptions or other inputs | 457,000 | (834,000) |
| Total | $ 534,000 | $ (1,483,000) |

**NOTE 19: POST EMPLOYMENT BENEFITS OTHER THAN PENSION (Continued)**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

| *For the years ending September 30,* | |
|---|---|
| 2024 | $ (153,000) |
| 2025 | (153,000) |
| 2026 | (153,000) |
| 2027 | (152,000) |
| 2028 | (110,000) |
| Thereafter | (228,000) |
| Total | $ (949,000) |

**Discount Rate** – Given the County's decision not to fund the program, all future benefit payments were discounted using the Municipal GO AA 20–year yield curve rate of 4.40% as of October 1, 2022.

**Actuarial Method and Assumptions** – The total OPEB liability in the October 1, 2022, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

| | |
|---|---|
| Salary Increase Rate(s) | 2.50% |
| Discount Rate | 4.40% |
| Healthcare Cost Trend Rates | 6.75% |

All mortality rates were based on the RP-2000 combined mortality tables with full generational improvements in mortality using Scale BB.

**Sensitivity of the Net OPEB Liability to Changes in the Discount Rate** – The following presents the County's proportionate share of the net OPEB liability using a discount rate that is 1 percent lower (3.40%) or 1 percent point higher (5.40%) than the current discount rate:

| | 1% Decrease (3.40%) | Current Discount Rate (4.40%) | 1% increase (5.40%) |
|---|---|---|---|
| Net OPEB Liability | $ 3,189,000 | $ 2,831,000 | $ 2,530,000 |

**Sensitivity of the Net OPEB Liability to Changes in the Healthcare Cost Trend Rate** – The following presents the County's proportionate share of the net OPEB liability if it were calculated using healthcare cost trend rates that are 1 percent lower (5.75%) or 1 percent point higher (7.75%) than the current healthcare cost trend rates:

| | 1% Decrease (5.75%) | Current Medical Trend (6.75%) | 1% increase (7.75% ) |
|---|---|---|---|
| Net OPEB Liability | $ 2,689,000 | $ 2,831,000 | $ 2,999,000 |

**NOTE 20: HEALTH REIMBURSEMENT ARRANGEMENT PLAN**

The Jackson County BOCC ("Employer") established the Jackson County BOCC Health Reimbursement Arrangement (HRA) Plan ("Plan") effective October 1, 2017. This plan is intended to permit an Eligible Employee to obtain reimbursement of Medical Care Expenses on a nontaxable basis from his or her HRA Account. This Plan is intended to qualify as an employer-provided medical reimbursement plan under Code § 105 and 106 and regulations issued thereunder, and as a health reimbursement arrangement as defined under Internal Revenue Service (IRS) Notice 2002-45, and shall be interpreted to accomplish that objective. The Medical Care Expenses reimbursed under the Plan are intended to be eligible for exclusion from Participants' gross income under Code § 105(b).

An individual is an Eligible Employee and may participate in this Plan if the individual is an Employee; regularly works 30 hours or more per week; has been employed by the Employer for at least 60 calendar days; and is enrolled in the Employer's major medical plan, counting his or her Employment Commencement Date as the first day of such period. Once an Employee becomes an Eligible Employee by meeting the Plan's eligibility requirements and submitting an Enrollment Form to the Administrator, the Eligible Employee's coverage under the Plan as a Participant will commence on the first day of the month coinciding with or following the date the eligibility requirements have been met. When an Eligible Employee becomes a Participant in accordance with Articles III and IV, a HRA Account will be established for such Participant to receive Benefits in the form of reimbursements for Medical Care Expenses. The Employer funds the full amount of the HRA Accounts. There are no Participant contributions for Benefits under the Plan. The Plan reimburses Participants for Medical Care Expenses up to the unused amount in the Participant's HRA Account. The maximum dollar amount that may be credited to an HRA Account for an Employee who participates for an entire 12-month Period of Coverage is $1,250 for employee-only coverage, $1,750 for family coverage and $2,750 for family coverage for couples employed by the County. If any balance remains in the Participant's HRA account after all reimbursements have been made for the Period of Coverage, such balance shall be forfeited.

**Note 21: RESTATEMENT OF BEGINNING FUND BALANCE AND NET POSITION**

The beginning fund balances for the general fund and the statement of net position as of September 30, 2022 have been restated to include an increase of $510,977. This was the result of an understatement in the balance of Due from other governmental units and corresponding understatement of grant revenue for the year ended September 30, 2022.

**Note 22: RESTATEMENT OF BEGINNING BALANCES – CHANGE IN ACCOUNTING PRINCIPLE**

As discussed in Note 1, the implementation of GASB Statement No. 96 required the County to restate the beginning government wide net position. A reconciliation of the prior period ending net position to the current year beginning net position is as follows:

| | |
|---|---|
| **Government-Wide** | |
| Beginning net position | $ 87,962,560 |
| Adjustment for implementation of GASB 96 | 14,762 |
| Prior period adjustment - correction of an error Note 21 | 510,977 |
| Beginning net position, as restated | $ 88,488,299 |

The Clerk has implemented GASB Statement No. 84, Fiduciary Activities, for the fiscal year ended September 30, 2023. This Statement provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that has compelled the Clerk to disburse fiduciary resources. Events that would compel the Clerk to disburse fiduciary resources occur when a demand for the resources has been made or when no further action, approval, or condition is required to be taken or met by the beneficiary to release the assets.

Adjustments to the beginning balance of net position in fiscal year 2023 were required upon implementation of this Statement for the portion of resources in which the Clerk is not yet compelled to disburse in accordance with the aforementioned guidance. This restatement resulted in an increase in the amounts reported as opening restricted net position of $916,006.

**Note 23: NEW MARKET TAX CREDITS - RELATED PARTY TRANSACTIONS AND SALE-LEASEBACK**

Jackson County, Florida entered into a New Market Tax Credit (NMTC) transaction on November 2, 2021 which will provide the County with a net subsidy of $785,169. NMTC is a Federal program designed to fund capital for project owners located in qualifying low income communities. Truist Bank will be the Tax Creditor Investor and New Markets Investment 136, LLC. The subsidy from the transaction will be used for certain repairs, renovations and construction of certain improvements to the Jackson County Autism Center and its related facilities located at 2660 Endeavor Blvd, Marianna, Florida.

The proposed transaction requires establishing an unrelated 501(C) (3) Supporting Organization to serve as the Qualified Active Low Income Community Business (QALICB). This new entity is called Jackson AC QALICB, Inc. The QALICB's sole purpose is to be an exclusive supporting organization for Jackson County, FL and for the NMTC transaction.

The transaction is complex, especially for the QALICB entity. NMTC transactions have a seven year compliance period, during which time the Tax Credit Investor receives Federal tax credits in exchange for providing the equity to the County. Truist is expected to unwind the transaction through a put option seven years after closing date.

**Note 23: NEW MARKET TAX CREDITS - RELATED PARTY TRANSACTIONS AND SALE-LEASEBACK (Cont'd)**

Project NMTC equity from the transaction of $1,282,000 will be recorded as a liability on the County's statement of net position during the seven year compliance period. This is, in effect, unearned revenue for the County until Truist unwinds the transaction. The NMTC equity will convert to earned revenue on the County's statement of revenue, expenses, changes in net position on the unwind date.

NMTC transactions are reported as a property sale for tax purposes through a lease/leaseback structure, even though fee property ownership remains unchanged. The County will enter into a lease/leaseback for the majority of the County property with the QALICB, whereas the County pays a substantially below market lease payment to the QALICB. The QALICB is legally prohibited from retaining any cash as it must be immediately returned to the County for its supporting purpose. This return payment will be received by the County as interest income. This payment arrangement will continue until the unwind date, after which the QALICB and lease are expected to be dissolved. The County will then recognize the income from the transaction as fully earned.

Transactions between the County and the QALICB are described above. These two entities engaged in a sale-leaseback transaction in 2022, accounted for as a financing arrangement under generally accepted accounting principles. The agreement calls for quarterly payments from the County to the QALICB under a 'triple net lease' for a period of up to thirty years. It is expected that this agreement will be terminated by mutual agreement of all parties at the end of seven years upon the completion of requirements related to the New Markets Tax Credits. Future net minimum lease payments from the County to the QALICB as of September 30, 2023 and future are described below:

| | | |
|---|---|---|
| 2024 | $ | 195,274 |
| 2025 | | 204,026 |
| 2026 | | 213,184 |
| 2027 | | 222,771 |
| 2028 | | 232,802 |
| Thereafter | | 8,123,853 |
| Total minimum future rentals | $ | 9,191,910 |

# REQUIRED SUPPLEMENTARY INFORMATION

# Jackson County, Florida
## Schedule of Proportional Share of Net Pension Liability
## Florida Retirement System (Last 10 Fiscal Years)

| *As of and for the year ended June 30,* | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---|---|---|---|---|---|---|---|---|---|
| County's proportion of the net pension liability (asset) | 0.0668268759% | 0.0592160841% | 0.059847640% | 5.984983100% | 0.062303921% | 0.063866000% | 0.063900000% | 0.065000000% | 0.061300000% | 0.060900000% |
| County's proportionate share of the net pension liability (asset) | $ 26,628,395 | $ 22,033,142 | $ 4,377,213 | $ 25,939,799 | $ 21,456,603 | $ 19,236,871 | $ 18,913,624 | $ 16,406,577 | $ 7,907,595 | $ 3,707,706 |
| County's covered payroll | $ 18,511,132 | $ 15,913,783 | $ 14,322,493 | $ 13,604,396 | $ 14,322,493 | $ 13,935,149 | $ 13,711,328 | $ 13,922,558 | $ 13,629,849 | $ 13,202,960 |
| County's proportionate share of the net pension liability (asset) as a percentage of its own covered payroll | 143.85% | 138.45% | 30.56% | 190.67% | 149.81% | 138.05% | 137.94% | 117.84% | 58.02% | 28.08% |
| FRS 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% | 96.09% |

Notes to schedules:

The amounts presented for each fiscal year for the FRS and HIS were determined as of the measurement date, which was June 30th of the current fiscal year.

# Jackson County, Florida
# Schedule of Contributions
# Florida Retirement System (Last 10 Fiscal Years)

| *As of and for the year ended September 30,* | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---|---|---|---|---|---|---|---|---|---|
| Contractually required contributions | $ 3,214,803 | $ 2,526,858 | $ 2,279,936 | $ 1,988,545 | $ 1,931,871 | $ 1,820,138 | $ 1,687,077 | $ 1,584,552 | $ 1,494,491 | $ 1,333,286 |
| Contributions in relation to the contractually required contribution | (3,214,803) | (2,526,858) | (2,279,936) | (1,988,545) | (1,931,871) | (1,820,138) | (1,687,077) | (1,584,552) | (1,494,491) | (1,333,286) |
| Contribution deficiency (excess) | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| County's covered payroll | $ 18,747,306 | $ 15,139,989 | $ 14,082,302 | $ 13,868,247 | $ 14,082,302 | $ 13,765,997 | $ 13,711,328 | $ 13,922,558 | $ 13,629,849 | $ 13,202,960 |
| Contributions as a percentage of covered payroll | 17.15% | 16.69% | 16.19% | 14.34% | 13.72% | 13.22% | 12.30% | 11.38% | 10.96% | 10.10% |

Notes to schedules:
The amounts presented for each fiscal year for the FRS and HIS were determined as of the measurement date, which was June 30th of the current fiscal year.

# Jackson County, Florida
## Schedule of Proportional Share of Net Pension Liability
## Health Insurance Subsidy (Last 10 Fiscal Years)

| *As of and for the year ended June 30,* | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---|---|---|---|---|---|---|---|---|---|
| County's proportion of the net pension liability (asset) | 0.044401346% | 0.041327223% | 0.042350023% | 0.039218000% | 0.040848175% | 0.041920000% | 0.041600000% | 0.043000000% | 0.042900000% | 0.043000000% |
| County's proportionate share of the net pension liability (asset) | $ 7,051,526 | $ 4,377,213 | $ 5,213,292 | $ 4,788,454 | $ 4,570,502 | $ 4,436,898 | $ 4,442,972 | $ 5,005,749 | $ 4,371,930 | $ 4,021,312 |
| County's covered payroll | $ 18,511,132 | $ 15,913,783 | $ 14,322,493 | $ 13,604,396 | $ 14,322,493 | $ 13,935,149 | $ 13,711,328 | $ 13,922,558 | $ 13,629,849 | $ 13,202,960 |
| County's proportionate share of the net pension liability (asset) as a percentage of its own covered payroll | 38.09% | 27.51% | 36.40% | 35.20% | 31.91% | 31.84% | 32.40% | 35.95% | 32.08% | 30.46% |
| HIS 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% | 0.99% |

Notes to schedules:

The amounts presented for each fiscal year for the FRS and HIS were determined as of the measurement date, which was June 30th of the current fiscal year.

# Jackson County, Florida
# Schedule of Contributions
# Health Insurance Subsidy (Last 10 Fiscal Years)

| *As of and for the year ended September 30,* | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 | 2015 | 2014 |
|---|---|---|---|---|---|---|---|---|---|---|
| Contractually required contributions | $ 292,080 | $ 250,064 | $ 249,817 | $ 225,995 | $ 226,826 | $ 227,335 | $ 221,719 | $ 220,151 | $ 163,871 | $ 147,329 |
| Contributions in relation to the contractually required contribution | (292,080) | (250,064) | (249,817) | (225,995) | (226,826) | (227,335) | (221,719) | (220,151) | (163,871) | (147,329) |
| Contribution deficiency (excess) | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| County's covered payroll | $ 18,747,306 | $ 15,139,989 | $ 14,082,302 | $ 13,868,247 | $ 14,082,302 | $ 13,765,997 | $ 13,711,328 | $ 13,922,558 | $ 13,629,849 | $ 13,202,960 |
| Contributions as a percentage of covered payroll | 1.56% | 1.65% | 1.77% | 1.63% | 1.61% | 1.65% | 1.62% | 1.58% | 1.20% | 1.12% |

Notes to schedules:
The amounts presented for each fiscal year for the FRS and HIS were determined as of the measurement date, which was June 30th of the current fiscal year.

# Jackson County, Florida
## Schedule of Changes in Net OPEB Liability and Related Ratios
## Last 6 Fiscal Years

| *For the years ended September 30,* | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 |
|---|---|---|---|---|---|---|
| **Total OPEB Liability** | | | | | | |
| Service Cost | $ 216,000 | $ 200,000 | $ 175,000 | $ 139,000 | $ 152,000 | $ 148,000 |
| Interest Cost | 79,000 | 81,000 | 101,000 | 122,000 | 123,000 | 119,000 |
| Changes in Benefit Terms | - | - | - | - | - | - |
| Changes in benefit terms | - | - | - | - | - | - |
| Differences between expected and actual experience | 88,000 | (84,000) | (605,000) | (71,000) | (323,000) | - |
| Changes in assumptions | (887,000) | 192,000 | 119,000 | 417,000 | (128,000) | - |
| Benefit Payments | (136,000) | (135,000) | (174,000) | (111,000) | (155,000) | (146,000) |
| Other changes | - | - | - | - | - | - |
| Net change in total OPEB liability | (640,000) | 254,000 | (384,000) | 496,000 | (331,000) | 121,000 |
| **Total OPEB Liability** - beginning | 3,471,000 | 3,217,000 | 3,601,000 | 3,105,000 | 3,436,000 | 3,315,000 |
| **Total OPEB Liability** - ending (a) | 2,831,000 | 3,471,000 | 3,217,000 | 3,601,000 | 3,105,000 | 3,436,000 |
| Plan Fiduciary Net Position | | | | | | |
| Contributions - employer | 136,000 | 135,000 | 174,000 | 111,000 | 155,000 | 146,000 |
| Benefit payments | (136,000) | (135,000) | (174,000) | (111,000) | (155,000) | (146,000) |
| Net change in plan fiduciary net position | - | - | - | - | - | - |
| Plan fiduciary net position - beginning | - | - | - | - | - | - |
| Plan fiduciary net position - ending (b) | - | - | - | - | - | - |
| **Net OPEB Liability - ending (a) - (b)** | $ 2,831,000 | $ 3,471,000 | $ 3,217,000 | $ 3,601,000 | $ 3,105,000 | $ 3,436,000 |
| Plan fiduciary net position as a percentage of the total OPEB liability | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Covered employee payroll | $ 14,158,000 | $ 12,310,000 | $ 12,310,000 | $ 15,100,000 | $ 15,100,000 | $ 16,050,000 |
| Net OPEB liability as a percentage of covered payroll | 20.00% | 28.20% | 26.13% | 23.85% | 20.56% | 21.41% |
| Contributions as a percentage of covered payroll | 0.96% | 1.10% | 1.41% | 0.74% | 1.03% | 0.91% |

*This schedule is intended to show information for 10 years.
Additional years will be displayed as they become available.

*See accompanying notes to required supplementary schedules and accompanying Independent Auditor's Report*

# OTHER SUPPLEMENTARY INFORMATION

# Jackson County, Florida
# Combining Balance Sheet
# Nonmajor Governmental Funds

*September 30, 2023*

| | Special Revenue Funds | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Utility Fee Fund | Board E911 Fund | Local Housing Assistance Trust (SHIP) | Courthouse Facility Fund | Jackson County Tourist Development Tax | CDBG OONR | MSTU | Local Option Gas Tax |
| **Assets** | | | | | | | | |
| Cash and cash equivalents | $ 349,762 | $ - | $ - | $ - | $ - | $ 18,201 | $ 558,896 | $ 1,811,889 |
| Equity in pooled investments | - | 20,000 | - | - | 2,006,306 | - | - | 7,961 |
| Restricted cash and cash equivalents | - | - | 1,344,186 | 387,369 | 1,055,052 | - | - | - |
| Accounts receivable | 504,761 | - | - | - | 597 | - | 22,315 | - |
| Due from other funds | 2,250,000 | 199,990 | - | 162 | 524,269 | - | - | 2,385,360 |
| Due from custodial funds | - | - | - | 9,795 | - | - | - | - |
| Due from other governmental units | - | - | 5,985 | - | 117,828 | 593,270 | - | 516,027 |
| Total assets | $ 3,104,523 | $ 219,990 | $ 1,350,171 | $ 397,326 | $ 3,704,052 | $ 611,471 | $ 581,211 | $ 4,721,237 |
| **Liabilities** | | | | | | | | |
| Accounts payable and accrued expenses | $ - | $ - | $ 20,199 | $ 4,721 | $ 10,363 | $ 43,224 | $ 170 | $ - |
| Due to other funds | 1,866,634 | 199,990 | - | - | 17 | 567,348 | - | 1,855,059 |
| Due to other governmental units | - | - | - | - | - | - | - | - |
| Unearned revenue | - | - | 1,329,972 | - | - | - | - | - |
| Total liabilities | 1,866,634 | 199,990 | 1,350,171 | 4,721 | 10,380 | 610,572 | 170 | 1,855,059 |
| **Fund balances** | | | | | | | | |
| Restricted | - | - | - | 392,605 | 3,693,672 | - | - | - |
| Committed | - | - | - | - | - | 899 | 581,041 | - |
| Assigned | 1,237,889 | 20,000 | - | - | - | - | - | 2,866,178 |
| Total fund balances | 1,237,889 | 20,000 | - | 392,605 | 3,693,672 | 899 | 581,041 | 2,866,178 |
| Total liabilities and fund balances | $ 3,104,523 | $ 219,990 | $ 1,350,171 | $ 397,326 | $ 3,704,052 | $ 611,471 | $ 581,211 | $ 4,721,237 |

# Jackson County, Florida
# Combining Balance Sheet
# Nonmajor Governmental Funds

*September 30, 2023*

| | Special Revenue Funds | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | JCSO Posse | JCSO Reserve Fund | JCSO Auxiliary Fund | Clerk Modernization Trust Fund | Law Library Fund | Local Law Enforcement | Drug Court | Alcohol and Drug Abuse Fund |
| **Assets** | | | | | | | | |
| Cash and cash equivalents | $ 506 | $ 4,587 | $ 8,447 | $ - | $ 2,288 | $ - | $ - | $ - |
| Equity in pooled investments | - | - | - | - | - | - | - | - |
| Restricted cash and cash equivalents | - | - | - | 657,446 | - | 210,659 | 37,711 | 5,226 |
| Accounts receivable | - | - | - | - | - | - | 166 | 23 |
| Due from other funds | - | - | - | - | - | - | - | - |
| Due from custodial funds | - | - | - | 5,802 | - | 2,274 | - | 30 |
| Due from other governmental units | - | - | - | - | - | - | - | - |
| Total assets | $ 506 | $ 4,587 | $ 8,447 | $ 663,248 | $ 2,288 | $ 212,933 | $ 37,877 | $ 5,279 |
| **Liabilities** | | | | | | | | |
| Accounts payable and accrued expenses | $ - | $ - | $ - | $ - | $ 100 | $ - | $ - | $ - |
| Due to other funds | - | 2,421 | - | - | - | - | - | - |
| Due to other governmental units | - | - | - | - | - | - | - | - |
| Unearned revenue | - | - | - | - | - | - | - | - |
| Total liabilities | - | 2,421 | - | - | 100 | - | - | - |
| **Fund balances** | | | | | | | | |
| Restricted | - | - | - | 663,248 | - | 212,933 | 37,877 | 5,279 |
| Committed | 506 | 2,166 | 8,447 | - | 2,188 | - | - | - |
| Assigned | - | - | - | - | - | - | - | - |
| Total fund balances | 506 | 2,166 | 8,447 | 663,248 | 2,188 | 212,933 | 37,877 | 5,279 |
| Total liabilities and fund balances | $ 506 | $ 4,587 | $ 8,447 | $ 663,248 | $ 2,288 | $ 212,933 | $ 37,877 | $ 5,279 |

# Jackson County, Florida
# Combining Balance Sheet
# Nonmajor Governmental Funds

*September 30, 2023*

| | Special Revenue Funds | | | | | | |
|---|---|---|---|---|---|---|---|
| | Library Grant Fund | Contraband Forfeitures Fund | Mosquito Control | Equitable Sharing | Crime Prevention | Article V Technology | Jackson County Agriculture Complex |
| **Assets** | | | | | | | |
| Cash and cash equivalents | $ - | $ 11,152 | $ 141,038 | $ - | $ - | $ 2,262 | $ 417,214 |
| Equity in pooled investments | - | - | - | - | - | - | - |
| Restricted cash and cash equivalents | 47,454 | - | - | 15,132 | 53,661 | - | - |
| Accounts receivable | 221 | 49 | 638 | 66 | - | 22 | - |
| Due from other funds | 122,713 | - | 58,892 | - | - | 9,980 | 93,668 |
| Due from custodial funds | - | - | - | - | 785 | 4,566 | - |
| Due from other governmental units | - | - | - | - | 234 | - | 1,827 |
| Total assets | $ 170,388 | $ 11,201 | $ 200,568 | $ 15,198 | $ 54,680 | $ 16,830 | $ 512,709 |
| **Liabilities** | | | | | | | |
| Accounts payable and accrued expenses | $ 20,752 | $ - | $ 5,603 | $ - | $ - | $ 9,566 | $ - |
| Due to other funds | - | - | - | - | - | 7,264 | 6,762 |
| Due to other governmental units | - | - | - | - | - | - | - |
| Unearned revenue | 149,414 | - | 161,348 | 7,871 | - | - | 3,437 |
| Total liabilities | 170,166 | - | 166,951 | 7,871 | - | 16,830 | 10,199 |
| **Fund balances** | | | | | | | |
| Restricted | - | - | - | 7,327 | 54,680 | - | - |
| Committed | - | - | 33,617 | - | - | - | - |
| Assigned | 222 | 11,201 | - | - | - | - | 502,510 |
| Total fund balances | 222 | 11,201 | 33,617 | 7,327 | 54,680 | - | 502,510 |
| Total liabilities and fund balances | $ 170,388 | $ 11,201 | $ 200,568 | $ 15,198 | $ 54,680 | $ 16,830 | $ 512,709 |

# Jackson County, Florida
# Combining Balance Sheet
# Nonmajor Governmental Funds

*September 30, 2023*

| | Special Revenue Funds | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | JCAC Operation and Maintenance Fund | EMS County Award Grant | Hazardous Material Grant | Emergency Management Grant | Solid Waste Recycling Grant | Court Construction Improvements | Russ House Fund | Sheriff Aviation Fund |
| **Assets** | | | | | | | | |
| Cash and cash equivalents | $ 4,343 | $ - | $ - | $ 6,405 | $ 7,423 | $ 22,583 | $ 40,869 | $ - |
| Equity in pooled investments | - | - | - | - | - | - | - | - |
| Restricted cash and cash equivalents | - | 5,086 | - | - | - | - | - | - |
| Accounts receivable | - | 31 | 1,331 | - | - | - | 173 | - |
| Due from other funds | 6,762 | - | - | 54,026 | 11,934 | - | - | - |
| Due from custodial funds | - | - | - | - | - | - | - | - |
| Due from other governmental units | 70 | - | - | 28,619 | 92,870 | 99 | - | - |
| Total assets | $ 11,175 | $ 5,117 | $ 1,331 | $ 89,050 | $ 112,227 | $ 22,682 | $ 41,042 | $ - |
| **Liabilities** | | | | | | | | |
| Accounts payable and accrued expenses | $ 11,175 | $ - | $ - | $ 46,298 | $ 4,964 | $ 143 | $ 2,371 | $ - |
| Due to other funds | - | 5,000 | - | 42,752 | 106,858 | 162 | - | - |
| Due to other governmental units | - | - | - | - | - | - | - | - |
| Unearned revenue | - | 13 | 1,331 | - | - | - | - | - |
| Total liabilities | 11,175 | 5,013 | 1,331 | 89,050 | 111,822 | 305 | 2,371 | - |
| **Fund balances** | | | | | | | | |
| Restricted | - | - | - | - | - | - | - | - |
| Committed | - | - | - | - | - | 22,377 | 38,671 | - |
| Assigned | - | 104 | - | - | 405 | - | - | - |
| Total fund balances | - | 104 | - | - | 405 | 22,377 | 38,671 | - |
| Total liabilities and fund balances | $ 11,175 | $ 5,117 | $ 1,331 | $ 89,050 | $ 112,227 | $ 22,682 | $ 41,042 | $ - |

# Jackson County, Florida
# Combining Balance Sheet
# Nonmajor Governmental Funds

*September 30, 2023*

| | Special Revenue Funds | | | | | | |
|---|---|---|---|---|---|---|---|
| | West Jackson County Development Authority | Jackson County Agriculture Center | Additional Court Cost Fund | DEO-Job Growth Fund | Accounts Payable Clearing Fund | Drug Task Force Operating | Inmate Welfare Fund |
| **Assets** | | | | | | | |
| Cash and cash equivalents | $ 385,492 | $ 3,500 | $ - | $ 35,387 | $ 659,844 | $ - | $ - |
| Equity in pooled investments | - | - | - | - | - | - | - |
| Restricted cash and cash equivalents | - | - | 275,964 | - | - | 523 | 114,883 |
| Accounts receivable | - | 34 | - | 197 | - | - | 13,719 |
| Due from other funds | - | 21,181 | - | 612,294 | - | 33,250 | - |
| Due from custodial funds | - | - | 2,658 | - | - | - | - |
| Due from other governmental units | - | - | - | - | - | - | - |
| Total assets | $ 385,492 | $ 24,715 | $ 278,622 | $ 647,878 | $ 659,844 | $ 33,773 | $ 128,602 |
| **Liabilities** | | | | | | | |
| Accounts payable and accrued expenses | $ - | $ 13,381 | $ 3,828 | $ 9,048 | $ 473,084 | $ - | $ 3,432 |
| Due to other funds | - | 9,404 | - | 423,255 | 186,760 | 10,412 | 3,069 |
| Due to other governmental units | - | - | - | 215,575 | - | - | - |
| Unearned revenue | - | 1,930 | - | - | - | - | - |
| Total liabilities | - | 24,715 | 3,828 | 647,878 | 659,844 | 10,412 | 6,501 |
| **Fund balances** | | | | | | | |
| Restricted | - | - | 274,794 | - | - | 23,361 | 122,101 |
| Committed | 385,492 | - | - | - | - | - | - |
| Assigned | - | - | - | - | - | - | - |
| Total fund balances | 385,492 | - | 274,794 | - | - | 23,361 | 122,101 |
| Total liabilities and fund balances | $ 385,492 | $ 24,715 | $ 278,622 | $ 647,878 | $ 659,844 | $ 33,773 | $ 128,602 |

# Jackson County, Florida
# Combining Balance Sheet
# Nonmajor Governmental Funds

*September 30, 2023*

| | Special Revenue Funds | | | | Debt Service Funds | |
|---|---|---|---|---|---|---|
| | Sheriff E911 Fund | Sheriff Aviation Fund | HHRP Fund | Sheriff Contraband Fund | Debt Service Fund | Total Non-Major Governmental Funds |
| **Assets** | | | | | | |
| Cash and cash equivalents | $ 119,663 | $ - | $ 2,607,402 | $ - | $ - | $ 7,219,153 |
| Equity in pooled investments | - | - | - | - | 115,633 | 2,149,900 |
| Restricted cash and cash equivalents | - | 79,069 | - | 35,134 | - | 4,324,555 |
| Accounts receivable | - | - | 11,719 | - | - | 556,062 |
| Due from other funds | 215,817 | 950 | - | - | - | 6,601,248 |
| Due from custodial funds | - | - | - | 39,773 | - | 65,683 |
| Due from other governmental units | 63,800 | - | - | - | - | 1,420,629 |
| Total assets | 399,280 | 80,019 | 2,619,121 | 74,907 | $ 115,633 | $ 22,337,230 |
| **Liabilities** | | | | | | |
| Accounts payable and accrued expenses | - | - | 35,046 | - | $ - | $ 717,468 |
| Due to other funds | 126,612 | - | - | - | - | 5,419,779 |
| Due to other governmental units | - | - | - | - | - | 215,575 |
| Unearned revenue | - | 52,400 | 2,584,075 | - | - | 4,291,791 |
| Total liabilities | 126,612 | 52,400 | 2,619,121 | - | - | 10,644,613 |
| **Fund balances** | | | | | | |
| Restricted | - | - | - | 74,907 | - | 5,562,784 |
| Committed | - | - | - | - | - | 1,075,404 |
| Assigned | 272,668 | 27,619 | - | - | 115,633 | 5,054,429 |
| Total fund balances | 272,668 | 27,619 | - | 74,907 | 115,633 | 11,692,617 |
| Total liabilities and fund balances | $ 399,280 | $ 80,019 | $ 2,619,121 | $ 74,907 | $ 115,633 | $ 22,337,230 |

# Jackson County, Florida
## Combining Statement of Revenues, Expenditures and Changes in Fund Balances
## Nonmajor Governmental Funds

*For the year ended September 30, 2023*

| | Special Revenue Funds | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | Utility Fee Fund | Board E911 Fund | Local Housing Assistance Trust (SHIP) | Courthouse Facility Fund | Jackson County Tourist Development Tax | CDBG OONR | MSTU | Local Option Gas Tax |
| **Revenues** | | | | | | | | |
| Taxes | $ 3,524,155 | $ - | $ - | $ - | $ 609,839 | $ - | $ 19,868 | $ 2,492,945 |
| Intergovernmental | - | 1,200 | - | - | - | - | - | - |
| Charges for services | - | 78,562 | - | 135,191 | - | - | - | - |
| Fines and forfeitures | - | - | - | - | - | - | - | - |
| Grants | - | 87,548 | 267,951 | - | - | 587,711 | - | - |
| Investment earnings | 9,857 | 2,025 | 46,262 | - | 149,810 | 899 | 26,635 | 83,699 |
| Other fees and miscellaneous revenues | - | - | - | - | - | - | - | - |
| Total revenues | 3,534,012 | 169,335 | 314,213 | 135,191 | 759,649 | 588,610 | 46,503 | 2,576,644 |
| **Expenditures** | | | | | | | | |
| Current: | | | | | | | | |
| General government | - | - | - | - | - | - | - | - |
| Public health and safety | - | 88,498 | - | - | - | - | 18,824 | - |
| Physical environment | - | - | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - | - | 3,647 |
| Economic environment | - | - | 314,213 | - | 260,843 | 14,099 | - | - |
| Human services | - | - | - | - | - | - | - | - |
| Culture/recreation | - | - | - | - | - | - | - | - |
| Court related | - | - | - | 17,105 | - | - | - | - |
| Capital outlay | - | - | - | - | 81,758 | 623,612 | 297,083 | - |
| Debt service | - | - | - | - | - | - | - | - |
| Principal | - | - | - | - | - | - | - | - |
| Interest and other charges | - | - | - | - | - | - | - | - |
| Total expenditures | - | 88,498 | 314,213 | 17,105 | 342,601 | 637,711 | 315,907 | 3,647 |
| Excess (deficiency) of revenues over (under) expenditures | 3,534,012 | 80,837 | - | 118,086 | 417,048 | (49,101) | (269,404) | 2,572,997 |
| **Other financing sources (uses)** | | | | | | | | |
| Transfers in | - | - | - | - | - | 50,000 | - | - |
| Transfers out | (3,866,634) | (289,874) | - | - | - | - | - | (1,200,000) |
| Net other financing sources (uses) | (3,866,634) | (289,874) | - | - | - | 50,000 | - | (1,200,000) |
| **Net change in fund balances** | (332,622) | (209,037) | - | 118,086 | 417,048 | 899 | (269,404) | 1,372,997 |
| **Fund balances - beginning** | 1,570,511 | 229,037 | - | 274,519 | 3,276,624 | - | 850,445 | 1,493,181 |
| **Fund balances - ending** | $ 1,237,889 | $ 20,000 | $ - | $ 392,605 | $ 3,693,672 | $ 899 | $ 581,041 | $ 2,866,178 |

# Jackson County, Florida
## Combining Statement of Revenues, Expenditures and Changes in Fund Balances
## Nonmajor Governmental Funds

*For the year ended September 30, 2023*

| | Special Revenue Funds | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | JCSO Posse | JCSO Reserve Fund | JCSO Auxiliary Fund | Clerk Modernization Trust Fund | Law Library Fund | Local Law Enforcement | Drug Court | Alcohol and Drug Abuse Fund |
| **Revenues** | | | | | | | | |
| Taxes | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Intergovernmental | - | - | - | - | - | - | - | - |
| Charges for services | - | - | - | 73,185 | - | - | - | 438 |
| Fines and forfeitures | - | - | - | - | 84 | 28,277 | - | - |
| Grants | - | - | - | - | - | - | - | - |
| Investment earnings | - | - | - | 29 | - | - | 1,657 | 227 |
| Other fees and miscellaneous revenues | - | 4,623 | - | - | - | - | - | - |
| Total revenues | - | 4,623 | - | 73,214 | 84 | 28,277 | 1,657 | 665 |
| **Expenditures** | | | | | | | | |
| Current: | | | | | | | | |
| General government | - | - | - | - | - | - | - | - |
| Public health and safety | - | 9,681 | 2,364 | - | - | 344 | - | - |
| Physical environment | - | - | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - | - | - |
| Economic environment | - | - | - | - | - | - | - | - |
| Human services | - | - | - | - | - | - | - | - |
| Culture/recreation | - | - | - | - | - | - | - | - |
| Court related | - | - | - | 28,500 | - | - | - | - |
| Capital outlay | - | - | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - | - | - |
| Principal | - | - | - | - | - | - | - | - |
| Interest and other charges | - | - | - | - | - | - | - | - |
| Total expenditures | - | 9,681 | 2,364 | 28,500 | - | 344 | - | - |
| Excess (deficiency) of revenues over (under) expenditures | - | (5,058) | (2,364) | 44,714 | 84 | 27,933 | 1,657 | 665 |
| **Other financing sources (uses)** | | | | | | | | |
| Transfers in | - | - | - | - | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - | - |
| Net other financing sources (uses) | - | - | - | - | - | - | - | - |
| **Net change in fund balances** | - | (5,058) | (2,364) | 44,714 | 84 | 27,933 | 1,657 | 665 |
| **Fund balances - beginning** | 506 | 7,224 | 10,811 | 618,534 | 2,104 | 185,000 | 36,220 | 4,614 |
| **Fund balances - ending** | $ 506 | $ 2,166 | $ 8,447 | $ 663,248 | $ 2,188 | $ 212,933 | $ 37,877 | $ 5,279 |

# Jackson County, Florida
## Combining Statement of Revenues, Expenditures and Changes in Fund Balances
## Nonmajor Governmental Funds

*For the year ended September 30, 2023*

| | Special Revenue Funds | | | | | | |
|---|---|---|---|---|---|---|---|
| | Library Grant Fund | Contraband Forfeitures Fund | Mosquito Control | Equitable Sharing | Crime Prevention | Article V Technology | Jackson County Agriculture Complex |
| **Revenues** | | | | | | | |
| Taxes | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Intergovernmental | - | - | - | - | - | - | - |
| Charges for services | - | - | - | - | 12,175 | 57,588 | - |
| Fines and forfeitures | - | - | - | - | - | - | - |
| Grants | 187,712 | - | 28,461 | - | - | - | - |
| Investment earnings | 5,515 | 490 | 7,437 | 667 | 2,147 | 371 | 21,300 |
| Other fees and miscellaneous revenues | - | - | - | - | - | - | 126,466 |
| Total revenues | 193,227 | 490 | 35,898 | 667 | 14,322 | 57,959 | 147,766 |
| **Expenditures** | | | | | | | |
| Current: | | | | | | | |
| General government | - | - | - | - | - | - | 8 |
| Public health and safety | - | - | - | - | - | - | - |
| Physical environment | - | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - | - |
| Economic environment | - | - | - | - | - | - | - |
| Human services | - | - | 42,422 | - | - | - | - |
| Culture/recreation | 156,544 | - | - | - | - | - | - |
| Court related | - | - | - | - | - | 100,695 | - |
| Capital outlay | 36,461 | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - | - |
| Principal | - | - | - | - | - | - | - |
| Interest and other charges | - | - | - | - | - | - | - |
| Total expenditures | 193,005 | - | 42,422 | - | - | 100,695 | 8 |
| Excess (deficiency) of revenues over (under) expenditures | 222 | 490 | (6,524) | 667 | 14,322 | (42,736) | 147,758 |
| **Other financing sources (uses)** | | | | | | | |
| Transfers in | - | - | 20,000 | - | - | 42,736 | - |
| Transfers out | - | - | - | - | - | - | (97,362) |
| Net other financing sources (uses) | - | - | 20,000 | - | - | 42,736 | (97,362) |
| **Net change in fund balances** | 222 | 490 | 13,476 | 667 | 14,322 | - | 50,396 |
| **Fund balances - beginning** | - | 10,711 | 20,141 | 6,660 | 40,358 | - | 452,114 |
| **Fund balances - ending** | $ 222 | $ 11,201 | $ 33,617 | $ 7,327 | $ 54,680 | $ - | $ 502,510 |

*See Independent Auditor's Report*

# Jackson County, Florida
## Combining Statement of Revenues, Expenditures and Changes in Fund Balances
## Nonmajor Governmental Funds

*For the year ended September 30, 2023*

| | Special Revenue Funds | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | JCAC Operation and Maintenance Fund | EMS County Award Grant | Hazardous Material Grant | Emergency Management Grant | Solid Waste Recycling Grant | Court Construction Improvements | Russ House Fund | Sheriff Aviation Fund |
| **Revenues** | | | | | | | | |
| Taxes | $ - | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Intergovernmental | - | - | - | - | - | - | - | - |
| Charges for services | - | - | - | - | - | - | 15,981 | - |
| Fines and forfeitures | - | - | - | - | - | 8 | - | - |
| Grants | - | 102,761 | 2,671 | 155,477 | 113,151 | - | - | - |
| Investment earnings | 1,137 | 180 | - | - | - | 1,068 | 1,578 | 2 |
| Other fees and miscellaneous revenues | - | - | - | - | - | - | 1,177 | - |
| Total revenues | 1,137 | 102,941 | 2,671 | 155,477 | 113,151 | 1,076 | 18,736 | 2 |
| **Expenditures** | | | | | | | | |
| Current: | | | | | | | | |
| General government | 87,680 | - | - | - | - | - | - | - |
| Public health and safety | - | 102,837 | - | 274,040 | - | - | - | - |
| Physical environment | - | - | 2,671 | - | 93,751 | - | - | - |
| Transportation | - | - | - | - | - | - | - | - |
| Economic environment | - | - | - | - | - | - | 13,677 | - |
| Human services | - | - | - | - | - | - | - | - |
| Culture/recreation | - | - | - | - | - | - | - | - |
| Court related | - | - | - | - | - | 2,780 | - | - |
| Capital outlay | 10,820 | - | - | - | 19,400 | - | - | - |
| Debt service | - | - | - | - | - | - | - | - |
| Principal | - | - | - | - | - | - | - | - |
| Interest and other charges | - | - | - | - | - | - | - | - |
| Total expenditures | 98,500 | 102,837 | 2,671 | 274,040 | 113,151 | 2,780 | 13,677 | - |
| Excess (deficiency) of revenues over (under) expenditures | (97,363) | 104 | - | (118,563) | - | (1,704) | 5,059 | 2 |
| **Other financing sources (uses)** | | | | | | | | |
| Transfers in | 97,362 | - | - | 118,563 | - | - | - | - |
| Transfers out | - | - | - | - | - | - | - | (27,619) |
| Net other financing sources (uses) | 97,362 | - | - | 118,563 | - | - | - | (27,619) |
| **Net change in fund balances** | (1) | 104 | - | - | - | (1,704) | 5,059 | (27,617) |
| **Fund balances - beginning** | 1 | - | - | - | 405 | 24,081 | 33,612 | 27,617 |
| **Fund balances - ending** | $ - | $ 104 | $ - | $ - | $ 405 | $ 22,377 | $ 38,671 | $ - |

# Jackson County, Florida
## Combining Statement of Revenues, Expenditures and Changes in Fund Balances
## Nonmajor Governmental Funds

*For the year ended September 30, 2023*

| | Special Revenue Funds | | | | | | |
|---|---|---|---|---|---|---|---|
| | West Jackson County Development Authority | Jackson County Agriculture Center | Additional Court Cost Fund | DEO-Job Growth Fund | Accounts Payable Clearing Fund | Drug Task Force Operating | Inmate Welfare Fund |
| **Revenues** | | | | | | | |
| Taxes | $ - | $ - | $ - | $ - | $ - | $ - | $ - |
| Intergovernmental | - | - | - | | - | - | - |
| Charges for services | - | 20,562 | 37,692 | 213,765 | - | - | 99,525 |
| Fines and forfeitures | - | - | - | - | - | - | - |
| Grants | - | - | - | 2,093,902 | - | 33,250 | - |
| Investment earnings | - | 281 | - | 57,612 | - | - | - |
| Other fees and miscellaneous revenues | 15,741 | 3,863 | - | - | - | - | - |
| Total revenues | 15,741 | 24,706 | 37,692 | 2,365,279 | - | 33,250 | 99,525 |
| **Expenditures** | | | | | | | |
| Current: | | | | | | | |
| General government | - | - | - | - | - | - | - |
| Public health and safety | - | - | - | - | - | 35,570 | 55,176 |
| Physical environment | - | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - | - |
| Economic environment | 61 | - | - | 409,498 | - | - | - |
| Human services | - | - | 9,423 | - | - | - | - |
| Culture/recreation | - | 121,059 | - | - | - | - | - |
| Court related | - | - | 33,085 | - | - | - | - |
| Capital outlay | - | - | - | 2,427,538 | - | - | - |
| Debt service | - | - | - | - | - | - | - |
| Principal | - | - | - | - | - | - | - |
| Interest and other charges | - | - | - | - | - | - | - |
| Total expenditures | 61 | 121,059 | 42,508 | 2,837,036 | - | 35,570 | 55,176 |
| Excess (deficiency) of revenues over (under) expenditures | 15,680 | (96,353) | (4,816) | (471,757) | - | (2,320) | 44,349 |
| **Other financing sources (uses)** | | | | | | | |
| Transfers in | - | 96,353 | - | 612,294 | - | - | - |
| Transfers out | - | - | - | - | - | - | (83,101) |
| Net other financing sources (uses) | - | 96,353 | - | 612,294 | - | - | (83,101) |
| **Net change in fund balances** | 15,680 | - | (4,816) | 140,537 | - | (2,320) | (38,752) |
| **Fund balances - beginning** | 369,812 | - | 279,610 | (140,537) | - | 25,681 | 160,853 |
| **Fund balances - ending** | $ 385,492 | $ - | $ 274,794 | $ - | $ - | $ 23,361 | $ 122,101 |

# Jackson County, Florida
## Combining Statement of Revenues, Expenditures and Changes in Fund Balances
## Nonmajor Governmental Funds

*For the year ended September 30, 2023*

| | Sheriff E911 Fund | Sheriff Aviation Fund | HHRP Fund | Sheriff Contraband Fund | Debt Service Funds: Other Debt Service Funds | Total Non-Major Governmental Funds |
|---|---|---|---|---|---|---|
| **Revenues** | | | | | | |
| Taxes | $ - | $ - | $ - | $ - | $ - | $ 6,646,807 |
| Intergovernmental | - | - | - | - | - | 1,200 |
| Charges for services | 148,598 | - | - | - | - | 893,262 |
| Fines and forfeitures | - | - | - | 39,773 | - | 68,142 |
| Grants | 126,363 | 14,100 | 3,740,628 | - | - | 7,541,686 |
| Investment earnings | - | - | 186,874 | 101 | 5,419 | 613,279 |
| Other fees and miscellaneous revenues | 6,800 | - | - | - | - | 158,670 |
| Total revenues | 281,761 | 14,100 | 3,927,502 | 39,874 | 5,419 | 15,923,046 |
| **Expenditures** | | | | | | |
| Current: | | | | | | |
| General government | - | - | - | - | - | 87,688 |
| Public health and safety | 126,612 | 14,100 | - | 1,219 | - | 729,265 |
| Physical environment | - | - | - | - | - | 96,422 |
| Transportation | - | - | - | - | - | 3,647 |
| Economic environment | - | - | 3,927,502 | - | - | 4,939,893 |
| Human service | - | - | - | - | - | 51,845 |
| Culture/recreation | - | - | - | - | - | 277,603 |
| Court related | - | - | - | - | - | 182,165 |
| Capital outlay | - | - | - | 9,714 | - | 3,506,386 |
| Debt service | - | - | - | - | - | - |
| Principal | - | - | - | - | - | - |
| Interest and other charges | - | - | - | - | - | - |
| Total expenditures | 126,612 | 14,100 | 3,927,502 | 10,933 | - | 9,874,914 |
| Excess (deficiency) of revenues over (under) expenditures | 155,149 | - | - | 28,941 | 5,419 | 6,048,132 |
| **Other financing sources (uses)** | | | | | | |
| Transfers in | 163,329 | 27,619 | - | - | - | 1,228,256 |
| Transfers out | (45,810) | - | - | - | - | (5,610,400) |
| Net other financing sources (uses) | 117,519 | 27,619 | - | - | - | (4,382,144) |
| **Net change in fund balances** | 272,668 | 27,619 | - | 28,941 | 5,419 | 1,665,988 |
| **Fund balances - beginning** | - | - | - | 45,966 | 110,214 | 10,026,629 |
| **Fund balances - ending** | $ 272,668 | $ 27,619 | $ - | $ 74,907 | $ 115,633 | $ 11,692,617 |

# Jackson County, Florida
# Combining Statement of Net Position
# Nonmajor Enterprise Funds

*September 30, 2023*

| | Parks and Recreation | Jackson Recycling | Total Nonmajor Enterprise Funds |
|---|---|---|---|
| **Assets** | | | |
| Current assets | | | |
| Cash and cash equivalents | $ 4,264 | $ 86,907 | $ 91,171 |
| Accounts receivable, net | 276 | 1,428 | 1,704 |
| Due from other funds | 67,014 | 77,045 | 144,059 |
| Total current assets | 71,554 | 165,380 | 236,934 |
| Noncurrent assets | | | |
| Capital assets | | | |
| Nondepreciable | 19,750 | 41,641 | 61,391 |
| Depreciable, net | 1,547,573 | 52,160 | 1,599,733 |
| Total noncurrent assets | 1,567,323 | 93,801 | 1,661,124 |
| Total assets | 1,638,877 | 259,181 | 1,898,058 |
| **Deferred outflows of resources** | | | |
| Pensions | 42,802 | 15,565 | 58,367 |
| Other post employment benefit obligation | 8,582 | 72 | 8,654 |
| Total deferred outflows of resources | 51,384 | 15,637 | 67,021 |
| **Liabilities** | | | |
| Current liabilities | | | |
| Accounts payable | 45,157 | 1,212 | 46,369 |
| Due to other funds | 123,074 | 11,883 | 134,957 |
| Deferred revenue | 4,640 | - | 4,640 |
| Total current liabilities | 172,871 | 13,095 | 185,966 |
| Noncurrent liabilities | | | |
| Other post employment benefit obligation | 45,499 | 396 | 45,895 |
| Net pension liability | 148,192 | 53,888 | 202,080 |
| Total noncurrent liabilities | 193,691 | 54,284 | 247,975 |
| Total liabilities | 366,562 | 67,379 | 433,941 |
| **Deferred Inflows of resources** | | | |
| Pensions | 9,242 | 3,361 | 12,603 |
| Other post employment benefit obligation | 23,833 | 209 | 24,042 |
| Total deferred inflows of resources | 33,075 | 3,570 | 36,645 |
| **Net position** | | | |
| Net investment in capital assets | 1,567,323 | 93,801 | 1,661,124 |
| Unrestricted (deficit) | (276,699) | 110,068 | (166,631) |
| Total net position | $ 1,290,624 | $ 203,869 | $ 1,494,493 |

# Jackson County, Florida
## Combining Statement of Revenues, Expenses and Changes in Net Position
## Nonmajor Enterprise Funds

*For the year ended September 30, 2023*

| | Parks and Recreation | Jackson Recycling | Total Nonmajor Enterprise Total |
|---|---|---|---|
| **Operating revenues** | | | |
| Charges for services | $ 46,231 | $ 7,552 | $ 53,783 |
| Total operating revenues | 46,231 | 7,552 | 53,783 |
| **Operating expenses** | | | |
| Personal services | 317,764 | 12,917 | 330,681 |
| Utilities | 32,267 | - | 32,267 |
| Services and supplies | 65,366 | 22,745 | 88,111 |
| Repairs and maintenance | 21,861 | 5,167 | 27,028 |
| Other operating expenses | 2,817 | 1,556 | 4,373 |
| Depreciation | 125,282 | 11,221 | 136,503 |
| Total operating expenses | 565,357 | 53,606 | 618,963 |
| Net operating income (loss) | (519,126) | (46,054) | (565,180) |
| **Nonoperating revenues (expenses)** | | | |
| Interest income | 698 | 4,504 | 5,202 |
| Miscellaneous revenue | 2,174 | 6,233 | 8,407 |
| Total nonoperating revenues (expenses) | 2,872 | 10,737 | 13,609 |
| Income (loss) before contributions and transfers | (516,254) | (35,317) | (551,571) |
| Capital contributions | 62,825 | - | 62,825 |
| Transfers, net | 363,428 | 50,844 | 414,272 |
| **Change in net position** | (90,001) | 15,527 | (74,474) |
| **Total net position - beginning** | 1,380,625 | 188,342 | 1,568,967 |
| **Total net position - ending** | $ 1,290,624 | $ 203,869 | $ 1,494,493 |

# Jackson County, Florida
# Combining Statement of Cash Flows
# Nonmajor Enterprise Funds

*For the year ended September 30, 2023*

| | Parks and Recreation | Jackson Recycling | Total |
|---|---|---|---|
| **Operating activities** | | | |
| Receipts from customers and users | $ 46,988 | $ 6,892 | $ 53,880 |
| Payments to suppliers | (101,765) | (29,568) | (131,333) |
| Payments to employees | (290,903) | (5,334) | (296,237) |
| Net cash provided (used) by operating activities | (345,680) | (28,010) | (373,690) |
| **Noncapital financing activities** | | | |
| Transfers to/from other funds | 363,428 | 50,844 | 414,272 |
| Advance from/to other funds | 1,424 | (6,363) | (4,939) |
| Net cash provided (used) by noncapital financing activities | 364,852 | 44,481 | 409,333 |
| **Capital and related financing activities** | | | |
| Capital contributions | 62,825 | - | 62,825 |
| Purchase of capital assets | (82,576) | (36,005) | (118,581) |
| Other receipts | 2,174 | 6,233 | 8,407 |
| Net cash (used) provided by capital and related financing activities | (17,577) | (29,772) | (47,349) |
| **Investing activities** | | | |
| Interest and dividends | 698 | 4,504 | 5,202 |
| Net cash provided by investing activities | 698 | 4,504 | 5,202 |
| **Net increase (decrease) in cash and cash equivalents** | 2,293 | (8,797) | (6,504) |
| **Cash - beginning of the year** | 1,971 | 95,704 | 97,675 |
| **Cash - ending of the year** | $ 4,264 | $ 86,907 | $ 91,171 |
| **Reconciliation of net operating income to net cash (used) provided by operating activities** | | | |
| Net operating income (loss) | $ (519,126) | $ (46,054) | $ (565,180) |
| Adjustments to reconcile operating income to net cash provided by (used in) operating activities: | | | |
| Depreciation | 125,282 | 11,221 | 136,503 |
| (Increase) decrease in accounts receivable | 1,207 | (658) | 549 |
| (Increase) decrease in deposits | (450) | - | (450) |
| Increase (decrease) in accounts payable | 47,407 | 7,481 | 54,888 |
| Net cash provided (used) by operating activities | $ (345,680) | $ (28,010) | $ (373,690) |

*See Independent Auditor's Report*

# Jackson County, Florida
# Combining Statement of Fiduciary Net Position
# Custodial Funds

*September 30, 2023*

| | *Clerk of the Circuit Court* | | | | *Board* | *Sheriff* | |
|---|---|---|---|---|---|---|---|
| | General Trust | County Witness | Cash Bonds | Registry | Inmate Trust Fund | Trust Fund | Evidence Fund |
| **Assets** | | | | | | | |
| Cash and cash equivalents | $ 611,929 | $ 3,796 | $ 247,301 | $ 529,107 | $ 26,229 | $ 22,036 | $ 122,609 |
| Accounts receivable | 8,937 | - | - | - | - | - | - |
| Due from other funds | 1,040 | 10,000 | - | - | - | - | - |
| Total assets | $ 621,906 | $ 13,796 | $ 247,301 | $ 529,107 | $ 26,229 | $ 22,036 | $ 122,609 |
| **Liabilities** | | | | | | | |
| Due to others | $ 6,740 | $ - | $ - | $ - | $ 26,229 | $ - | $ 82,806 |
| Due to other funds | 117,969 | - | - | - | - | 95 | 39,773 |
| Due to other governments | 78,248 | - | - | - | - | 21,941 | - |
| Total liabilities | 202,957 | - | - | - | 26,229 | 22,036 | 122,579 |
| **Net position - restricted** | $ 418,949 | $ 13,796 | $ 247,301 | $ 529,107 | $ - | $ - | $ 30 |

# Jackson County, Florida
# Combining Statement of Fiduciary Net Position
# Custodial Funds

*September 30, 2023*

| | Tax Collector | | | | | Total |
|---|---|---|---|---|---|---|
| | Credit Cards | License and Boat | Tag | Tax | Driver's License | Custodial Funds |
| **Assets** | | | | | | |
| Cash and cash equivalents | $ 26,839 | $ 378 | $ 45,139 | $ 299,225 | $ 5,177 | $ 1,939,765 |
| Accounts receivable | - | - | - | - | - | 8,937 |
| Due from other funds | - | - | - | - | - | 11,040 |
| Total assets | $ 26,839 | $ 378 | $ 45,139 | $ 299,225 | $ 5,177 | $ 1,959,742 |
| **Liabilities** | | | | | | |
| Due to others | $ - | $ - | $ - | $ - | $ - | $ 115,775 |
| Due to other funds | - | - | - | - | - | 157,837 |
| Due to other governments | 26,839 | 378 | 45,139 | 299,225 | 5,177 | 476,947 |
| Total liabilities | 26,839 | 378 | 45,139 | 299,225 | 5,177 | 750,559 |
| **Net position - restricted** | $ - | $ - | $ - | $ - | $ - | $ 1,209,183 |

# Jackson County, Florida
# Combining Statement of Changes in Fiduciary Net Position
# Custodial Funds

*For the year ended September 30, 2023*

| | *Clerk of the Circuit Court* | | | | *Board* | *Sheriff* | |
|---|---|---|---|---|---|---|---|
| | Fine and Forfeiture | County Witness | Cash Bonds | Registry | Inmate Trust Fund | Trust Fund | Evidence Fund |
| **Additions:** | | | | | | | |
| Contributions: | | | | | | | |
| Collections for others | $ 6,237,428 | $ 10,000 | $ 271,114 | $ 1,126,584 | $ 525,336 | $ - | $ 32,500 |
| **Deductions:** | | | | | | | |
| Collections for others | 5,987,561 | 9,525 | 147,273 | 1,207,620 | 525,336 | - | 32,470 |
| Net increase (deficiency) in fiduciary net position | 249,867 | 475 | 123,841 | (81,036) | - | - | 30 |
| Net position - beginning of year, as previously reported | - | - | - | - | - | - | - |
| Restatement related to implementation of new accounting standard (see Note 22) | 169,082 | 13,321 | 123,460 | 610,143 | - | - | - |
| Net position - beginning of year, as restated | 169,082 | 13,321 | 123,460 | 610,143 | - | - | - |
| Net position - end of year | $ 418,949 | $ 13,796 | $ 247,301 | $ 529,107 | $ - | $ - | $ 30 |

# Jackson County, Florida
# Combining Statement of Changes in Fiduciary Net Position
# Custodial Funds

*For the year ended September 30, 2023*

| | Tax Collector | | | | | Total |
|---|---|---|---|---|---|---|
| | Credit Cards | License and Boat | Tag | Tax | Driver's License | Custodial Funds |
| **Additions:** | | | | | | |
| Contributions: | | | | | | |
| Collections for other governments | $ 1,950,423 | $ 42,583 | $ 6,886,291 | $ 37,583,052 | $ 682,177 | $ 55,347,488 |
| **Deductions:** | | | | | | |
| Collections for other governments | 1,950,423 | 42,583 | 6,886,291 | 37,583,052 | 682,177 | 55,054,311 |
| Net increase (deficiency) in fiduciary net position | - | - | - | - | - | 293,177 |
| Net position - beginning of year, as previously reported | - | - | - | - | - | - |
| Restatement related to implementation of new accounting standard (see Note 22) | - | - | - | - | - | 916,006 |
| Net position - beginning of year, as restated | - | - | - | - | - | 916,006 |
| Net position - end of year | $ - | $ - | $ - | $ - | $ - | $ 1,209,183 |

# COMPLIANCE SECTION

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Honorable Board of County Commissioners
and Constitutional Officers of Jackson County, Florida
Marianna, 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 governmental activities, business-type activities, each major fund and the aggregate remaining fund information of Jackson 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 and have issued our report dated June 25, 2024.

**Report on Internal Control Over Financial Reporting**

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. 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 may exist that have not been identified.

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. We consider the deficiencies described in the accompanying schedule of findings and questioned costs as items BCC 2023-001, BCC 2023-002, BCC 2023-003, BCC 2022-001, BCC 2022-002, BCC 2022-003, and SH 2023-001 to be significant deficiencies.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the County's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. Results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

We also noted other certain matters that were reported to the management of the County in a separate letter dated June 25, 2024.

**The County's Response to Findings**

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

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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.

Carr, Riggs & Ingram, L.L.C.

Marianna, Florida
June 25, 2024

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

To the Honorable Board of County Commissioners
and Constitutional Officers of Jackson County, Florida
Marianna, Florida

### Report on Compliance for Each Major Federal Program State Project

#### *Opinion on Each Major Federal Program and State Project*

We have audited Jackson County, Florida's (the "County") compliance with the types of compliance requirements identified as subject to audit in the OMB Compliance Supplement and identified as applicable 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 major 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 the audit requirements of Chapter 10.550, *Rules of the Auditor General* of the State of Florida (Rules of the Auditor General). Our responsibilities under those standards, the Uniform Guidance, and the Rules of the Auditor General 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 the 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 the County's federal programs and state projects.

***Auditor's Responsibilities for the Audit of Compliance***

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the 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 of the Auditor General will always detect material noncompliance when it exists. The risk of not detecting material noncompliance 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. Noncompliance 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 of the Auditor General, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, 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 the Rules of the Auditor General, 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**

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify a certain deficiency in internal control over compliance that we consider to be a significant deficiency.

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, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of 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. We consider the deficiency in internal control over compliance described in the accompanying schedule of findings and questioned costs as item 2023-004 to be a significant deficiency.

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.

*Government Auditing Standards* requires the auditor to perform limited procedures on the County's response to the internal control over compliance findings identified in our compliance audit described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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 the Rules of the Auditor General. Accordingly, this report is not suitable for any other purpose.

Carr, Riggs & Ingram, L.L.C.

Marianna, Florida
June 25, 2024

# Jackson County, Florida
# Schedule of Expenditures of Federal Awards And State Financial Assistance

*For the year ended September 30, 2023*

| Federal Agency<br>Pass through entity<br>Federal Program | Assistance Listing Number | Grant/ Contract Number | Expenditures | Passed to Subrecipients |
|---|---|---|---|---|
| **US Department of Homeland Security, Federal Emergency Management Agency** | | | | |
| Assistance to Firefighters Grant | 97.044 | EMW-2022-FG-01576 | $ 363,636 | $ - |
| **Pass through Florida Executive Office of Governor** | | | | |
| Emergency Management Performance Grants | 97.042 | G0394 | 49,519 | - |
| Disaster Grants-Public Assistance (Presidentially Declared Disasters) | | | | |
| Florida DR-4399 Michael | 97.036 | Z0842 | 113,140 | - |
| Hazard Mitigation Grant (HMGP) - DR-4177 | 97.039 | DEM-20-HM-4177-32-H4-H0405 | 410,581 | - |
| **Total US Department of Homeland Security, Federal Emergency Management Agency** | | | **936,876** | - |
| **US Department of Health and Human Services, Administration for Children and Families** | | | | |
| **Pass through Florida Department of Revenue** | | | | |
| Child Support Enforcement | 93.563 | COC32 | 154,421 | - |
| **Total US Department of Health and Human Services, Administration for Children & Families** | | | **154,421** | - |
| **United States Department of Justice** | | | | |
| **Pass through Florida Department of Law Enforcement** | | | | |
| Edward Byrne Memorial Justice Assistance Grant Program | | | | |
| Anti-Drug Abuse Act Funds | 16.738 | 8C194 | 33,250 | - |
| Anti-Drug Abuse Act Funds - Computer Support | 16.738 | 8C263 | 17,100 | - |
| Total Edward Byrne Memorial Justice Assistance Grant Program | | | 50,350 | - |
| **Pass through Florida Department of Agriculture and Consumer Services** | | | | |
| 2023-57 DEA Domestic Marijuana Eradication | 16.U06 | N/A | 14,100 | - |
| **Pass through Florida Department of the Attorney General** | | | | |
| Crime Victim Assistance | 16.575 | VOCA 2022-Jackson County Sheriff's Office-00303 | 19,019 | - |
| **Total United States Department of Justice** | | | **83,469** | - |
| **United States Department of Commerce** | | | | |
| Investments for Public Works and Development Facilities - Blue Sky | 11.300 | 04-79-07448 | 290,697 | - |
| **Total United States Department of Commerce** | | | **290,697** | - |
| **United States Department of Housing and Urban Development** | | | | |
| **Pass through Florida Department of Commerce** | | | | |
| Community Development Block Grants - DR Correction Facility Roof | 14.228 | M0024 | 82,061 | - |
| Community Development Block Grants - CV Hospital Grant | 14.228 | H2494 / 22CV-S23 | 261,200 | - |
| Community Development Block Grants - Blue Sky Grant | 14.228 | 20-DB-OK-02-41-01-E03 | 214,953 | - |
| **Total United States Department of Housing and Urban Development** | | | **558,214** | - |
| **United States Department of Transportation** | | | | |
| **Pass through Florida Department of Transportation** | | | | |
| Highway Planning and Construction - LAP Baptist College Sidewalks | 20.205 | G2F39 | 281,669 | - |
| **Highway Safety Cluster** | | | | - |
| State and Community Highway Safety | 20.600 | G2G91 | 20,924 | |
| **Total United States Department of Commerce** | | | **302,593** | - |
| **United States Federal Elections Administration** | | | | |
| **Florida Department of State, Division of Elections** | | | | |
| HAVA Election Security Grants | 90.404 | 23.e.es.100.031 | 60,833 | - |
| **Total United States Federal Elections Administration** | | | **60,833** | |
| **United States Department of Treasury** | | | | |
| COVID-19: Coronavirus State and Local Fiscal Recovery Funds | | | | |
| Resilient Florida Progam | 21.027 | 23FRP19 | 299,537 | - |
| American Rescue Plan Act | 21.027 | N/A | 7,042,732 | - |
| Total COVID-19: Coronavirus State and Local Fiscal Recovery Funds | | | 7,342,269 | - |
| **Pass Through Florida Department of Environmental Protection** | | | | |
| COVID-19: Local Assistance and Tribal Consistency Fund | 21.032 | N/A | 105,358 | - |
| **Total United States Department of Treasury** | | | **7,447,627** | - |
| **Total Expenditures of Federal Awards** | | | **$ 9,834,730** | **$ -** |

*See Independent Auditor's Report and*
*Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance*

# Jackson County, Florida
# Schedule of Expenditures of Federal Awards And State Financial Assistance

*For the year ended September 30, 2023*

| State Agency<br>Pass through entity<br>State Financial Assistance Projects | CSFA Number | Grant/ Contract Number | Expenditures | Passed to Subrecipients |
|---|---|---|---|---|
| **Florida Department of Transportation** | | | | |
| Small County Outreach Program (SCOP) - Holmes Creek Road | 55.009 | G2F74 | $ 6,678 | $ - |
| Small County Outreach Program (SCOP) - Holly Timber Road | 55.009 | G2F75 | 174,661 | - |
| Small County Outreach Program (SCOP) - Alliance Road | 55.009 | G2E47 | 271,135 | - |
| Total Small County Outreach Program (SCOP) | | | 452,474 | |
| Small County Road Assistance Program (SCRAP) - Browntown Road | 55.016 | G2B71 | 2,985,272 | - |
| Total Small County Road Assistance Program (SCRAP) | | | 2,985,272 | - |
| **Total Florida Department of Transportation** | | | **3,437,746** | **-** |
| **Florida Housing Finance Corporation** | | | | |
| State Housing Initiatives Partnership Program (SHIP) | 40.901 | N/A | 314,213 | - |
| Total State Housing Initiatives Partnership Program (SHIP) | | | 314,213 | |
| Hurricane Housing Recovery Program (HHRP) | | | | |
| Hurricane Housing Recovery Program | 40.902 | 854-2020 | 3,927,502 | - |
| Total Hurricane Housing Recovery Program (HHRP) | | | 3,927,502 | - |
| **Total Florida Housing Finance Corporation** | | | **4,241,715** | **-** |
| **Florida Department of Environmental Protection** | | | | |
| **Waste Management Program** | | | | |
| Small County Consolidated Grants | 37.012 | SC317 | 113,150 | - |
| **Water Restoration Assistance** | | | | |
| Statewide Surface Water Restoration and Wastewater Projects | 37.039 | LPA 0309 | 114,429 | |
| **Pass through Northwest Florida Water Management District** | | | | |
| Florida Springs Grant Program - Blue Springs | 37.052 | 17-061 | 2,481,488 | |
| Florida Springs Grant Program - Blue Springs Road Sewer | 37.052 | LPS0085 | 59,721 | - |
| Florida Springs Grant Program - Indian Springs Sewer phase 1 | 37.052 | LPS0077 | 414,026 | - |
| Florida Springs Grant Program - Indian Springs Sewer phase 2 | 37.052 | 20-036 | 1,876,095 | - |
| Total Florida Springs Grant Program | | | 4,831,330 | - |
| **Total Florida Department of Environmental Protection** | | | **5,058,909** | **-** |
| **Florida Department of State and Secretary of State** | | | | |
| State Aid to Libraries | 45.030 | 22-ST-68 | 97,734 | - |
| State Aid to Libraries | 45.030 | 23-ST-68 | 95,272 | - |
| **Total Florida Department of State** | | | **193,006** | **-** |
| **Florida Executive Office of the Governor** | | | | |
| Emergency Management Projects | 31.067 | T0150 | 2,671 | - |
| Emergency Management Programs | 31.063 | A0260 | 78,524 | - |
| Emergency Management Programs | 31.063 | A0397 | 27,432 | - |
| Total Emergency Management Programs | | | 105,956 | - |
| **Total Florida Executive Office of the Governor** | | | **108,627** | **-** |
| **Florida Department of Commerce** | | | | |
| Project TAP | 40.024 | D0232 | 99,000 | - |
| Project GLAD | 40.042 | D0211 | 483,735 | - |
| Economic Development Tax Refund, Tax Credit, and Grant Program | 40.043 | G0054 | 2,093,902 | - |
| **Total Florida Department of Economic Opportunity** | | | **2,676,637** | **-** |

-Continued-

# Jackson County, Florida
# Schedule of Expenditures of Federal Awards And State Financial Assistance

*For the year ended September 30, 2023*

| State Agency<br>Pass through entity<br>State Financial Assistance Projects | CSFA Number | Grant/ Contract Number | Expenditures | Passed to Subrecipients |
|---|---|---|---|---|
| **Florida Department of Agriculture and Consumer Services** | | | | |
| Mosquito Control | 42.003 | 24774 | 16,209 | - |
| Mosquito Control | 42.003 | 25493 | 19,687 | - |
| **Total Florida Department of Agriculture and Consumer Services** | | | **35,896** | **-** |
| **Florida Department of Education and Commissioner of Education** | | | | |
| Coach Aaron Feis Guardian Program | 48.140 | 97H-90210-3D001 | 24,001 | - |
| **Total Florida Department of Education and Commissioner of Education** | | | **24,001** | **-** |
| **Florida Department of Law Enforcement** | | | | |
| CJDT Implementation Assistance Program | 71.044 | 2022-DTSFA-D2-011 | 182,686 | |
| JCCF Salary Assistance Grant | 71.067 | 5V030 | 152,555 | |
| Law Enforcement Salary Assistance for Fiscally Constrained Counties | 71.067 | 5V017 | 325,818 | |
| Law Enforcement Salary Assistance for Fiscally Constrained Counties | 71.067 | 7G031 | 742,500 | - |
| **Total Florida Department of Law Enforcement** | | | **1,403,559** | **-** |
| **Florida Department of Management Services** | | | | |
| Wireless 911 Emergency Telephone System Rural County Grant Program | 72.001 | 23-04.04 | 83,809 | - |
| Wireless 911 Emergency Telephone System Rural County Grant Program | 72.001 | 22-04-11 | 25,254 | - |
| Total Wireless 911 Emergency Telephone System Rural County Grant Program | | | 109,063 | - |
| Prepaid Next Generation 911 (E911 Maintenance) State Grant Program | | S17-21-02-62 | 12,792 | |
| Prepaid Next Generation 911 (NG911) State Grant Program | 72.003 | S20-21-12-10 | 20,707 | |
| Prepaid Next Generation 911 (GIS) State Grant Program | 72.003 | S17-21-02-63 | 45,717 | |
| Prepaid Next Generation 911 (Mapping) State Grant Program | 72.003 | S21-22-05-03 | 25,382 | |
| Total Prepaid Next Generation 911 (NG911) State Grant Program | | | 104,598 | - |
| **Total Florida Department of Management Services** | | | **213,661** | **-** |
| **Florida Department of Health** | | | | |
| County Grant Awards | 64.005 | C1032 | 7,761 | - |
| County Grant Awards | 64.003 | M233201 | 95,076 | - |
| **Total Florida Department of Health** | | | **102,837** | **-** |
| **Total Expenditures of State Financial Assistance** | | | **17,496,594** | **-** |
| **Total Federal Awards and State Financial Assistance** | | | **$ 27,218,184** | **$ -** |

*See Independent Auditor's Report and*
*Notes to the Schedule of Expenditures of Federal Awards and State Financial Assistance*

## NOTE 1: BASIS OF ACCOUNTING

The supplementary Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) include the grant activity of Jackson County, Florida (the "County"). Federal and state expenditures are presented on the modified accrual basis of accounting. The information in the Schedule is presented in accordance with the requirement 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. Therefore, some amounts presented in the Schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

## NOTE 2: REPORTING ENTITY

The County for purposes of the Schedule includes all the funds of the primary government as defined by GASB 14, *The Financial Reporting Entity*.

## NOTE 3: PASS-THROUGH AWARDS

The County receives certain federal awards from pass-through awards of the state. The total amount of such pass-through awards is included on the Schedule.

## NOTE 4: INDIRECT COST

The County has not elected to use the 10% de minimis indirect cost rate.

## NOTE 5: OTHER TYPES OF FINANCIAL ASSISTANCE

There were no other types of financial assistance to include endowments, insurance in effect, non-cash assistance, donated property, or free rent received or included in the Schedule.

**NOTE 6: LOAN PROGRAMS**

There were no expenditures under loan programs made during the year ended September 30, 2023 to be reported in the Schedule in accordance with the Uniform Guidance. The County has loans outstanding under loan programs where expenditures were reported in prior years, and certain information related to these programs is disclosed here for transparency purposes. Additional information related to this debt is reported in the Notes to the Financial Statements.

Jackson County was awarded a loan of $1,473,764 as amended in August 2020, by the Environmental Protection Agency. This award is identified under Assistance Listing Number 66.468, Capitalization Grants for Drinking Water State Revolving Fund, which includes Principal forgiveness of $849,400 with the County obligated to repay $699,004 in principal and $13,767 in capitalized interest. Principal and capitalized interest payable by the County at September 30, 2023 were $641,064 and $1,650, respectively.

Jackson County was awarded a loan of $265,742 by the Environmental Protection Agency. This award is identified under Assistance Listing Number 66.468, Capitalization Grants for Drinking Water State Revolving Fund, which includes Principal forgiveness of $132,871 with the County obligated to repay $132,871 in principal and $2,657 in capitalized interest. Principal payable by the County at September 30, 2023 were $99,811.

**NOTE 7: NONCASH ASSISTANCE**

The County did not receive any noncash assistance of federally funded insurance during the fiscal year ended September 30, 2023.

**SECTION I – SUMMARY OF AUDITOR'S RESULTS**

*Financial Statements:*

1. Type of auditor's report issued — Unmodified
2. Internal control over financial reporting:
   a. Material weaknesses identified? — Yes
   b. Significant deficiencies identified not considered to be material weaknesses? — Yes
   c. Noncompliance material to the financial statements noted? — None reported

*Federal Awards:*

1. Type of auditor's report issued on compliance for major programs — Unmodified
2. Internal control over major programs:
   a. Material weaknesses identified? — No
   b. Significant deficiencies identified not considered to be material weaknesses? — None reported
3. Any audit findings disclosed that are required to be reported in accordance with 2CFR section 200.516(a)? — No
4. Identification of major programs:

| Assistance Listing Number | Federal Program |
|---|---|
| 21.027 | COVID-19: Coronavirus State and Local Fiscal Recovery Funds |

5. Dollar threshold used to distinguish between type A and type B programs: — $750,000
6. Auditee qualified as low-risk auditee under 2 CFR 200.520? — No

*State Financial Assistance:*

1. Type of auditor's report issued on compliance for major projects — Unmodified
2. Internal control over major projects:

**SECTION I – SUMMARY OF AUDITOR'S RESULTS (Continued)**

a. Material weaknesses identified? No

b. Significant deficiencies identified not considered to be material weaknesses? Yes

3. Any audit findings disclosed that are required to be reported in accordance with Chapter 10.550, *Rules of the Auditor General*? No

4. Identification of major projects:

| CSFA Number | State Project |
|---|---|
| 55.016 | Small County Road Assistance Program (SCRAP) |
| 37.052 | Florida Springs Grant Program |
| 71.067 | Law Enforcement Salary Assistance for Fiscally Constrained Counties |

5. Dollar threshold used to distinguish between type A and type B projects: $750,000

**SECTION II – FINANCIAL STATEMENT FINDINGS**

**BOARD – REVENUES – FINDING, BCC 2023-001**

**CRITERIA:** Revenues should be properly classified to the categories prescribed by governmental accounting, such as grants, taxes and intergovernmental revenues. Revenues should be reported to include any receivables earned during the current year but not received until the following year.

**CONDITION:** Revenues were initially reported in the current year as Miscellaneous that were later reclassified to other specific categories. Other revenues and receivables were incorrectly reported due to errors in year-end closing of receivables.

**CAUSE:** This was due to errors during the year-end closing process.

**EFFECT:** Prior to adjustments, miscellaneous revenues were overstated by approximately $175,000 and other categories were similarly understated. Other revenues were understated in excess of $250,000 due to misstatements of amounts receivable and unearned revenue.

**RECOMMENDATION:** Revenues should be reviewed for proper classification and accurate accrual for the proper period.

**VIEWS OF RESPONSIBLE OFFICIALS:** See Management's Response and Corrective Action Plan beginning on page 125.

**SECTION II – FINANCIAL STATEMENT FINDINGS (Continued)**

**BOARD – INTERFUND TRANSACTIONS, FINDING BCC 2023-002**

**CRITERIA:** Transactions between funds and other constitutional offices should be reported consistently so that transfers and amounts due to and from should net to zero.

**CONDITION:** Interfund and interoffice transactions were not fully reconciled to allow the offsetting amounts to net to zero.

**CAUSE:** This was due to oversight during the year-end closing process.

**EFFECT:** Accounts were misstated as a result of these errors prior to adjustment.

**RECOMMENDATION:** Transactions between funds within the Board and between the Board and other constitutional officer should be reviewed and reconciled prior to closing.

**VIEWS OF RESPONSIBLE OFFICIALS:** See Management's Response and Corrective Action Plan beginning on page 125.

**BOARD – UTILITY DEPARTMENT INVENTORY – FINDING, BCC 2023-003**

**CRITERIA:** Inventory of supplies on hand at year end should be measured and correctly reported.

**CONDITION:** It was noted that there was no physical count of the Utility Department inventory at September 30, 2023.

**CAUSE:** This was an oversight by county staff during the year-end closing process.

**EFFECT:** Inventory and related costs may be misstated without periodic measurement and physical observation.

**RECOMMENDATION:** Inventory should be measured at year end for all departments with significant amounts of supplies on hand and adjusted as needed.

**VIEW OF RESPONSIBLE OFFICIALS:** See Management's Response and Corrective Action Plan beginning on page 125.

**SECTION II – FINANCIAL STATEMENT FINDINGS (Continued)**

**SHERIFF – GRANT REPORTING – FINDING, SH 2023-001**

**CRITERIA:** All grant related assets and liabilities should be properly reported on the financial statements.

**CONDITION:** Grant assets and liabilities and related revenues and expenditures were not correctly stated.

**CAUSE:** This was an oversight during the year-end closing process.

**EFFECT:** Grant revenues and related accounts were misstated prior to correction by approximately $52,000.

**RECOMMENDATION:** All significant assets and liabilities should be agreed to supporting schedules to promote accuracy in reporting. Verification should be obtained for any grants that are passed through the Board to provide for reconciliation between the entities for reporting.

**VIEW OF RESPONSIBLE OFFICIALS:** See Management's Response and Corrective Action Plan beginning on page 125.

**SECTION III – FEDERAL AWARD AND STATE FINANCIAL ASSISTANCE FINDINGS**

**BCC 2023-004 – REPORTING – COMPLIANCE AND CONTROLS**
**STATE AGENCY: FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION**
**PROJECT: FLORIDA SPRINGS GRANT PROGRAM, CSFA 37.052**
**AWARD YEAR: LPS0077 - 2022**
**FINDING TYPE: SIGNIFICANT DEFICIENCY**

**CRITERIA:** Per the requirements in the grant agreements, quarterly progress reports should be submitted within fifteen days or twenty days (depending on the agreement) after the end of each quarter.

**CONDITION:** Four quarterly reports were tested for compliance with this requirement. One out of the four quarterly reports tested was submitted seven days after the required date. There are four total agreements in this program with expenditures during the current year. This was not a statistically valid sample.

**CAUSE:** This was an oversight by the personnel responsible for submitting the reports.

**EFFECT:** The late filing of the report led to noncompliance with this specific requirement.

**QUESTIONED COST:** None

**RECOMMENDATION:** We recommend that all reports be submitted timely and that procedures be implemented to ensure this requirement is not overlooked.

**VIEW OF RESPONSIBLE OFFICIALS:** See Management's Response and Corrective Action Plan beginning on page 125.

**SECTION IV – SUMMARY OF PRIOR YEAR AUDIT FINDINGS**

**FINANCIAL STATEMENT AUDIT**

**BOARD – UTILITY FUND BILLINGS AND ACCOUNTS RECEIVABLE – FINDING, BCC 2022-001**

**CRITERIA:** Policies and procedures should be documented and followed to allow timely monitoring and follow up for accounts receivable and utility billings.

**CONDITION:** It was noted that the aging and amount of utility fund accounts receivable increased significantly in the current year. Utility revenue services have not been monitored for discontinuance in the event of nonpayment.

**CAUSE:** There is not a clear policy regarding ongoing review and adjustment of individual balances or termination of services to accounts that have consistently gone unpaid. Some accounts are in dispute due to leaks or changes in ownership, these have not been fully resolved so staff has not made final adjustments to these balances.

**EFFECT:** A significant number and amount of outstanding accounts receivable balances need to be adjusted downward. While the adjusted allowance for uncollectible accounts was adequate, the gross amounts reported have not been monitored and adjusted on a timely basis.

**RECOMMENDATION:** Policies and procedures should be implemented to provide for regular review and evaluation of utility accounts receivable status. This review should include prompt evaluation of collection status and the related need to adjust account balances or terminate services.

**STATUS:** This condition continues to exist. While the Board has updated policies in 2023 related to utility billings and collections, they are not being followed consistently and account balances have continued to increase.

**VIEW OF RESPONSIBLE OFFICIALS:** See Management's Response and Corrective Action Plan beginning on page 125.

**SECTION IV – SUMMARY OF PRIOR YEAR AUDIT FINDINGS (Continued)**

**FINANCIAL STATEMENT AUDIT**

**BOARD – NEW MARKET TAX CREDIT TRANSACTION REPORTING – FINDING, BCC 2022-002**

**CRITERIA:** All assets and liabilities should be properly reported on the financial statements.

**CONDITION:** It was noted that assets and liabilities related to the New Markets Tax Credit transaction were not properly recorded.

**CAUSE:** This was an unusual and complex transaction which was unfamiliar to County staff.

**EFFECT:** A note receivable of over $3.5 million and a related note payable for over $3.1 million were not recorded and revenues were overstated by approximately $118,000 before adjustment.

**RECOMMENDATION:** Unusual and nonrecurring transactions should be carefully reviewed for reporting accuracy.

**STATUS:** This condition continues to exist.

**VIEW OF RESPONSIBLE OFFICIALS:** See Management's Response and Corrective Action Plan beginning on page 125.

**BOARD – GRANT REPORTING – FINDING, BCC 2022-003**

**CRITERIA:** All grant related assets and liabilities should be properly reported on the financial statements.

**CONDITION:** It was noted that unearned revenue of over $105,000 was misclassified to accounts payable in 2022.

**CAUSE:** This was an oversight during the year-end closing process.

**EFFECT:** The misclassification of unearned revenue could have resulted in misstatement of grant revenue as well as the liability accounts.

**RECOMMENDATION:** All significant assets and liabilities should be agreed to supporting schedules to promote accuracy in reporting.

**SECTION IV – SUMMARY OF PRIOR YEAR AUDIT FINDINGS (Continued)**

**BOARD – GRANT REPORTING – FINDING, BCC 2022-003 (continued)**

**STATUS:** This condition continues to exist. For fiscal year 2023 there is a restatement to correct the fiscal year 2022 balances related to this, Note 21. This resulted in the finding increasing from a significant deficiency in fiscal year 2022 to a material weakness in fiscal year 2023.

**VIEW OF RESPONSIBLE OFFICIALS:** See Management's Response and Corrective Action Plan beginning on page 125.

**SHERIFF – PROPER CLASSIFICATION OF FIXED ASSETS – FINDING, SH2022-001 - RESOLVED**

**CRITERIA:** All capital outlay should be properly recorded and included on the depreciation schedule.

**CONDITION:** Not all capital asset additions were correctly reported and included on the listing of current year additions.

**CAUSE:** Assets purchased by the Board on behalf of the Sheriff's office were not properly recorded. Assets subsequently purchased after the satisfaction of a lease were not included in the listing of all current year additions.

**EFFECT:** Capital outlay listing provided to update the depreciation schedule was not complete.

**RECOMMENDATION:** All capital outlay items should be included in designated capital outlay accounts and should be supported by a detail listing of all current year additions.

**STATUS:** This condition has been resolved.

**BOARD – CAPITAL OUTLAY – FINDING, BCC 2021-002 - RESOLVED**

**CRITERIA:** Fixed assets including all property and equipment should be recorded at the government wide level.

**CONDITION:** Funds were spent during 2021 on demolition work on the Endeavor project which were not included in capital outlay.

**CAUSE:** This transaction was unusual and not recognized as capital outlay due to the nature of the work performed. This only affects the government wide presentation, not the fund level.

**SECTION IV – SUMMARY OF PRIOR YEAR AUDIT FINDINGS (Continued)**

**BOARD – CAPITAL OUTLAY – FINDING, BCC 2021-002 - RESOLVED (continued)**

**EFFECT:** Fixed assets were understated at the government wide level by approximately $1.8 million in the prior year.

**RECOMMENDATION:** All capital assets should be recorded including property improvements such as demolition.

**STATUS:** This condition has been resolved.

**FEDERAL AWARD AND STATE FINANCIAL ASSISTANCE FINDINGS**

**BCC 2022-005 [2021-003] – REPORTING – COMPLIANCE AND CONTROLS**
**FEDERAL AGENCY: U.S. DEPARTMENT OF HOMELAND SECURITY, FEDERAL EMERGENCY MANAGEMENT AGENCY PASS-THROUGH ENTITY: FLORIDA EXECUTIVE OFFICE OF GOVERNOR, DIVISION OF EMERGENCY MANAGEMENT PROGRAM: DISASTER GRANTS-PUBLIC ASSISTANCE (PRESIDENTIALLY DECLARED DISASTERS), ALN 97.036**
**AWARD YEAR: DR 4177 – 2014, DR 4399 - 2019**
**FINDING TYPE: MATERIAL WEAKNESS; MATERIAL NONCOMPLIANCE**

**CRITERIA:** 2 CFR 200.303(a) of the Uniform Guidance requires non-federal entities to establish and maintain effective internal control over Federal awards that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award. Additionally, per the County's grant agreements with Florida Division of Emergency Management (FDEM), quarterly reports are required to be submitted through FloridaPA.com that include project costs and expenditures for each large project. Amounts in the quarterly reports should reconcile to the County's accounting records and represent actual expenditures.

**CONDITION:** For fiscal year 2021, two large projects were tested for compliance with this requirement, including all quarterly reports submitted for these projects. This was not a statistically valid sample. For all quarterly reports tested, the reported expenditures per quarter were unable to be reconciled to actual expenditures in the quarter per the invoices and other supporting documentation in the County's files.

**SECTION IV – SUMMARY OF PRIOR YEAR AUDIT FINDINGS (Continued)**

**BCC 2022-005 [2021-003] – REPORTING – COMPLIANCE AND CONTROLS (continued)**

For fiscal year 2022, two large projects were tested for compliance with this requirement, including all quarterly reports submitted for these projects. The two projects make up the entire population of projects during fiscal year 2022. For all quarterly reports tested, the reported expenditures per quarter were unable to be reconciled to actual expenditures in the quarter per the invoices and other supporting documentation in the County's files.

**CAUSE:** This was believed to either be a timing difference between when expenditures were reported vs. when the activity actually occurred, and/or that the consulting staff preparing quarterly reports used estimated rather than actual expenditures in the quarterly reports. There was turnover in consulting staff handling the reports during fiscal year 2021 and staff may not have been properly trained. The issues continued in fiscal year 2022.

**EFFECT:** The County is reporting incorrect project expenditures to FDEM in quarterly reports, which can affect project cost tracking. Under the terms of the grant agreements, submission of inaccurate or incomplete reports could result in FDEM ceasing disbursements to the County, termination of the agreements, or other remedies. Under Florida Statutes, FDEM is responsible for oversight of the operations of the federal award supported activities. Due to the County's incorrect reporting, FDEM could be reporting incorrect expenditures to the federal agency.

**QUESTIONED COSTS:** None.

**RECOMMENDATION:** We recommend additional training for consulting staff handling quarterly reports to ensure the correct amounts are being included, and a specific review of quarterly report information by a higher level prior to submission to ensure accurate reporting of project costs.

**STATUS:** The condition continues to exist. There have been no additional costs added to the projects to reconcile.

**VIEWS OF RESPONSIBLE OFFICIALS:** See Management's Response and Corrective Action Plan beginning on page 125.

**BCC 2022-004 – PERIOD OF PERFORMANCE – COMPLIANCE AND CONTROLS**
**FEDERAL AGENCY: U.S. DEPARTMENT OF HOMELAND SECURITY, FEDERAL EMERGENCY MANAGEMENT AGENCY**
**PASS-THROUGH ENTITY: FLORIDA EXECUTIVE OFFICE OF GOVERNOR, DIVISION OF EMERGENCY MANAGEMENT**
**PROGRAM: DISASTER GRANTS-PUBLIC ASSISTANCE (PRESIDENTIALLY DECLARED DISASTERS), ALN 97.036**
**AWARD YEAR: DR 4177 – 2014**
**FINDING TYPE: MATERIAL WEAKNESS; MATERIAL NONCOMPLIANCE**

**CRITERIA:** 2 CFR 200.303(a) of the Uniform Guidance requires non-federal entities to establish and maintain effective internal control over federal awards that provides reasonable assurance that the non-federal entity is managing the federal award in compliance with federal statutes, regulations, and the terms and conditions of the federal award. Additionally, under other Uniform Guidance requirements, the County may charge only allowable costs incurred during the approved budget period of a federal award's period of performance and any costs incurred before the federal awarding agency or pass-through entity made the federal award that were authorized by the federal awarding agency or pass-through entity. Each individual project under this program has a specified work deadline, which may be extended at the discretion of FEMA.

**CONDITION:** Two projects were tested for compliance with this requirement, including all expenditures during fiscal year 2022 for these projects. The two projects make up the entire population of projects during fiscal year 2022. Both projects have an approved extension of the work deadline (period of performance) through March 31, 2022. However, the County incurred costs for work performed after this extension period.

**CAUSE:** The County is in the process of obtaining approval for an extension of the work deadline for these projects from FEMA. The County has continued to have work performed on the projects.

**EFFECT:** If an extension of the work deadline for the projects is not approved, the costs would be ineligible for reimbursement and the County will have reported an incorrect amount of expenditures of federal awards.

**QUESTIONED COSTS:** $462,104. These were determined by totaling costs incurred outside the period of performance based on work dates in the invoices. For any invoices that covered a specified period but costs were not attached to specific dates, the costs were allocated evenly over the period.

**SECTION IV – SUMMARY OF PRIOR YEAR AUDIT FINDINGS (Continued)**

**BCC 2022-004 – PERIOD OF PERFORMANCE – COMPLIANCE AND CONTROLS (continued)**

**STATUS:** The condition continues to exist. No additional extension has been granted; however, the specific projects have not incurred additional expenditures.

**RECOMMENDATION:** We recommend the County obtain approval of an extension of the work deadline for projects prior to incurring costs after the currently approved deadline.

**VIEWS OF RESPONSIBLE OFFICIALS:** See Management's Response and Corrective Action Plan beginning on page 125.

# Jackson County, Florida
# Schedule of Receipts and Expenditures Related to the Deepwater Horizon Oil Spill
# For the year ended September 30, 2023

| Source | Amount Received In the 2022-2023 Fiscal Year | Amount Expended In the 2022-2023 Fiscal Year |
|---|---|---|
| British Petroleum | $ - | $ 14,251 |

Note: This schedule does not include funds related to the Deepwater Horizon oil spill that are considered federal awards or state financial assistance. No such funds were received in the 2022-2023 fiscal year.

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**INDEPENDENT AUDITOR'S**
**MANAGEMENT LETTER**

To the Honorable Board of County Commissioners
and Constitutional Officers of Jackson County, Florida
Marianna, Florida

**Report on the Financial Statements**

We have audited the financial statements of Jackson County, Florida (the "County") as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated June 25, 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; audit requirements of Title 2 U.S. Code of *Federal Regulations Part 200, Uniform Administrative Requirement, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance)*;* and audit requirements of 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;* 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 Florida Auditor General; Schedule of Findings and Questioned Costs; and Independent Accountants' Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 25, 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 significant findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report except as noted under the heading "Schedule of Findings and Questioned Costs."

To the Honorable Board of County Commissioners
and Constitutional Officers of Jackson County, Florida
Marianna, Florida

**Official Title and Legal Authority**

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

**Financial Condition and Management**

Section 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 the review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we have no recommendations.

**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.

**Additional Matters**

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

To the Honorable Board of County Commissioners
and Constitutional Officers of Jackson County, Florida
Marianna, Florida

Section 10.554(1)(i)6, Rules of the Auditor General, requires us to communicate the information below regarding the Jackson County Agricultural Center:

1. Total number of employees in the last pay period of the fiscal year was one and they were compensated $33,945 for the fiscal year.
2. There were no independent contractors compensated in the last month of the fiscal year and no compensation for the fiscal year.
3. Budgeted expenses were $113,845 without amendment; actual expenditures were $121,058 with a negative variance of $7,213.
4. There were no construction projects in excess of $65,000 for the fiscal year.

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

Carr, Riggs & Ingram, L.L.C.

Marianna, Florida
June 25, 2024

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**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES, *LOCAL GOVERNMENT INVESTMENT POLICIES***

To the Honorable Board of County Commissioners
of Jackson County, Florida
Marianna, Florida

We have examined Jackson County, Florida's compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2023. Management is responsible for the Jackson County, Florida's compliance with those requirements. Our responsibility is to express an opinion on the Jackson County, Florida'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 Jackson County, Florida complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether Jackson County, Florida complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Jackson County, Florida's compliance with specified requirements.

In our opinion, the Jackson County, Florida 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 management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

Marianna, Florida
June 25, 2024

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

To the Honorable Board of County Commissioners
of Jackson County, Florida
Marianna, Florida

We have examined Jackson 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 specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the County complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the County's compliance with specified requirements.

In our opinion, the County 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 management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

Marianna, Florida
June 25, 2024

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## INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 288.8018, FLORIDA STATUTES, *GULF COAST AUDITS*

To the Honorable Board of County Commissioners
of Jackson County, Florida
Marianna, Florida

We have examined Jackson County, Florida's compliance with the requirements of Section 288.8018, Florida Statutes, *Gulf Coast audits*, during the year ended September 30, 2023. Management is responsible for the Jackson County, Florida's compliance with those requirements. Our responsibility is to express an opinion on the Jackson County, Florida'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 Jackson County, Florida complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether Jackson County, Florida complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Jackson County, Florida's compliance with specified requirements.

In our opinion, the Jackson County, Florida 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 management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

Marianna, Florida
June 25, 2024

Clayton O. Rooks, III
Clerk of the Circuit Court and Comptroller, Jackson County
Clerk of Courts • County Comptroller • Clerk of the Board of County Commissioners • Recorder • Auditor

**CORRECTIVE ACTION PLAN**
**FOR THE YEAR ENDED SEPTEMBER 30, 2023**

The County respectfully submits the following corrective action plan for the year ended September 30, 2023.

**Section II – Financial Statement Findings**

Board - Revenues - Finding BCC 2023-001
Management will review all revenues at least quarterly to ensure proper classification and accurate accruals. The review team will include the Comptroller, the Finance Director and the Budget Manager of the Board of County Commissioners. This will begin in July 2024 for the quarter ending June 2024 with the final review performed by Comptroller, Clayton Rooks.

Board - Interfund Transactions – Finding BCC 2023-002
New procedures were established in May 2024, to record pass through grant revenue to the Sheriff as a liability when received by the Board, then reduced when paid to the Sheriff. The Sheriff will record the revenue and expenditure. Interfund receivables within the Board will be reconciled monthly. The Finance Director will reconcile the transactions between the Constitutional Officers and between funds with the Board accounts at least quarterly. These reconciliations will be reviewed by the Comptroller, Clayton Rooks, to ensure that all accounts net to zero at the year-end prior to closing.

Board - Utility Department Inventory – Finding BCC 2023-003
Normally inventory is a consistent nominal amount. For the past three years inventory was elevated due to over 250 meters being on-hand. These meters were replacement radio enabled meters and due to the high cost of installation were held longer than anticipated. Subsequent to year end the majority of these meters have been installed and inventory has been reduced to the normal amount of operating supplies. The operating supplies will have a physical inventory conducted by the Utility Department, Rett Daniels during the month of September 2024.

**Section III – Federal Award and State Financial Assistance Findings**

BCC 2023-004 Reporting Compliance and Controls
During the current year the County has hired a Grants/Contract Manager, Lucas Mayo, that will oversee reporting processes for the County's grants. That will include reconciling the reports that are submitted with the actual expenditures for the same period. This should be effective starting in June 2024.

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**Section IV – Summary of Prior Year Audit Findings**

**Financial Statement Audit**

Board - Utility Fund Billings and Accounts Receivable – Finding BCC 2022-001
Although polices and procedures were updated to include late fees and turnoff procedures in September 2023, there is one customer that is significantly past due on water and sewer charges. The Utility Department is aware of this customer and has been working with them to resolve this issue. The customer has a large compound with numerous water and sewer terminals. They have installed several meters inside the compound to try and determine if and where there could be leaks. These tests are currently on-going.

Board - New Market Tax Credit Transaction Reporting – Finding BCC 2022-002
Beginning in July 2024 the Finance Director, Tony Pumphrey will maintain a trial balance that will include the assets and liabilities identified in the finding. This trial balance will be forwarded to the third party that is preparing the tax return for the Jackson AC QALICB, Inc. The tax return and the trial balance maintained by the Finance Office will be reconciled to ensure all assets and liabilities are properly reported.

Board - Grant Reporting – Finding BCC 2022-003
The Finance Director, Tony Pumphrey will develop monthly reconciling procedures to agree grant related balance sheet accounts per the general ledger to actual amounts based on grant revenues earned and grant expenditures incurred. This will begin in July 2024 and will be reviewed quarterly by the Comptroller, Clayton Rooks.

**Federal Award and State Financial Assistance Findings**

BCC 2022-005 (2021-003) Reporting Compliance and Controls
During the current year the County has hired a Grants/Contract Manager, Lucas Mayo, that will oversee reporting processes for the County's grants. That will include reconciling the reports that are submitted with the actual expenditures for the same period. This should be effective starting in June 2024.

BCC 2022-004 - Period of Performance
The County has been in correspondence with FDEM although there has not been an extension granted at this time. Sarah Sun has made the request and is working with the new disaster recovery team to ensure that this extension is secured.

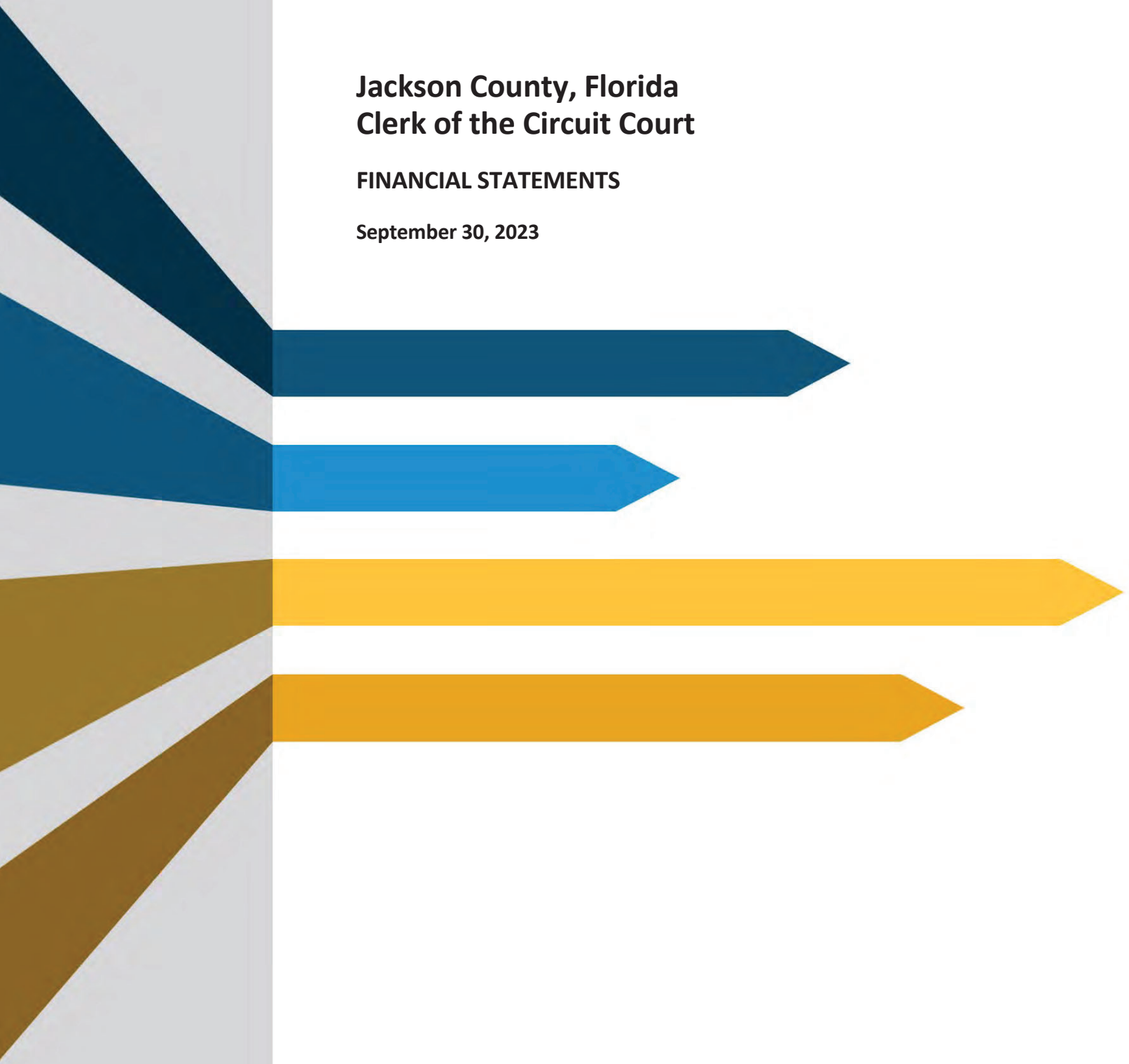
Clayton O. Rooks, III
June 25, 2024

# CONSTITUTIONAL OFFICER FINANCIAL STATEMENTS

# Jackson County, Florida
# Clerk of the Circuit Court

## FINANCIAL STATEMENTS

**September 30, 2023**



# Jackson County, Florida
# Clerk of the Circuit Court
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# REPORT

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# INDEPENDENT AUDITOR'S REPORT

To the Honorable Clayton O. Rooks, III
Clerk of the Circuit Court of Jackson County, Florida
Marianna, Florida

## Opinions

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Jackson County, Florida, Clerk (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 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 each major fund and the aggregate remaining fund information of the Clerk as of September 30, 2023, and the respective changes in financial position of each major fund and the aggregate remaining funds and the respective budgetary comparison for the General Fund and Public Records Modernization Trust Fund for the 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. 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

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. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position, where applicable, of each major fund, and the aggregate remaining fund information, only for that portion of each major fund, and the aggregate remaining fund information, of Jackson County, Florida that is attributable to the Clerk. They do not purport to, and do not, present fairly the financial position of Jackson County, Florida, as of September 30, 2023, and the changes in its financial position, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to these matters.

To the Honorable Clayton O. Rooks, III
Clerk of the Circuit Court of Jackson County, Florida
Marianna, Florida

**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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Clerk's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

To the Honorable Clayton O. Rooks, III
Clerk of the Circuit Court of Jackson County, Florida
Marianna, Florida

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.

**Supplementary 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 combining and individual custodial fund financial statements are presented for purposes of additional analysis and are not a required part of the basic 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 combining and individual custodial fund financial statements are 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 June 12, 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, regulations, contracts, and grant agreements and other matters. 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 Clerk's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

June 12, 2024

# FINANCIAL STATEMENTS

# Jackson County, Florida
# Clerk of the Circuit Court
# Balance Sheet
# Governmental Funds

| *September 30, 2023* | General Fund | Public Records Modernization Trust Fund | Total Governmental Funds |
|---|---|---|---|
| **Assets** | | | |
| Cash and cash equivalents | $ 465,068 | $ - | $ 465,068 |
| Restricted cash and cash equivalents | - | 657,446 | 657,446 |
| Due from other governmental units | 65,974 | - | 65,974 |
| Due from other funds | 86,029 | 5,802 | 91,831 |
| Total assets | $ 617,071 | $ 663,248 | $ 1,280,319 |
| **Liabilities** | | | |
| Accounts payable and accrued expenses | $ 29,517 | $ - | $ 29,517 |
| Due to Board of County Commissioners | 364,948 | - | 364,948 |
| Due to other governmental units | 211,566 | - | 211,566 |
| Due to other funds | 11,040 | - | 11,040 |
| Total liabilities | 617,071 | - | 617,071 |
| **Fund balances** | | | |
| Restricted | - | 663,248 | 663,248 |
| Total liabilities and fund balances | $ 617,071 | $ 663,248 | $ 1,280,319 |

*The accompanying notes are an integral part of these financial statements.*

# Jackson County, Florida
# Clerk of the Circuit Court
# Statement of Revenues, Expenditures, and Changes in Fund Balances
# Governmental Funds

| *For the year ended September 30, 2023* | General Fund | Public Records Modernization Trust Fund | Total Governmental Funds |
|---|---|---|---|
| **Revenues** | | | |
| Intergovernmental | $ 362,842 | $ - | $ 362,842 |
| Charges for services | 842,076 | 73,184 | 915,260 |
| Fines and forfeitures | 158,547 | - | 158,547 |
| Grants | 154,421 | - | 154,421 |
| Interest | 38 | 29 | 67 |
| Total revenues | 1,517,924 | 73,213 | 1,591,137 |
| **Expenditures** | | | |
| Current: | | | |
| General government | 721,901 | - | 721,901 |
| Court-related | 1,175,339 | 28,500 | 1,203,839 |
| Capital outlay | 8,028 | - | 8,028 |
| Debt Service: | | | |
| Principal | 8,092 | - | 8,092 |
| Interest | 626 | - | 626 |
| Total expenditures | 1,913,986 | 28,500 | 1,942,486 |
| Excess (deficiency) of revenues over (under) expenditures | (396,062) | 44,713 | (351,349) |
| **Other financing sources (uses)** | | | |
| Transfers in | 741,190 | - | 741,190 |
| Transfers out | (221,749) | - | (221,749) |
| Transfers to State of Florida | (123,379) | - | (123,379) |
| Net other financing sources (uses) | 396,062 | - | 396,062 |
| **Net change in fund balances** | - | 44,713 | 44,713 |
| **Fund balances - beginning** | - | 618,535 | 618,535 |
| **Fund balances - ending** | $ - | $ 663,248 | $ 663,248 |

*The accompanying notes are an integral part of these financial statements.*

# Jackson County, Florida
# Clerk of the Circuit Court
# Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual
# General Fund

| *For the year ended September 30, 2023* | Original Budget | Final Budget | Actual Amounts | Variance with Final Budget Favorable (Unfavorable) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Intergovernmental | $ 319,102 | $ 319,102 | $ 362,842 | $ 43,740 |
| Charges for services | 761,050 | 676,234 | 842,076 | 165,842 |
| Fines and forfeitures | 251,800 | 233,000 | 158,547 | (74,453) |
| Grants | 110,000 | 110,000 | 154,421 | 44,421 |
| Interest | 200 | 200 | 38 | (162) |
| Total revenues | 1,442,152 | 1,338,536 | 1,517,924 | 179,388 |
| **Expenditures** | | | | |
| Current | | | | |
| General government | 976,747 | 809,619 | 721,901 | 87,718 |
| Court-related | 1,104,348 | 1,104,348 | 1,175,339 | (70,991) |
| Capital outlay | - | - | 8,028 | (8,028) |
| Debt Service: | | | | |
| Principal | - | - | 8,092 | (8,092) |
| Interest | - | - | 626 | (626) |
| Reserve for contingency | 5,000 | 105,000 | - | 105,000 |
| Total expenditures | 2,086,095 | 2,018,967 | 1,913,986 | 104,981 |
| Excess (deficiency) of revenues over (under) expenditures | (643,943) | (680,431) | (396,062) | 284,369 |
| **Other financing sources (uses)** | | | | |
| Transfers in | 741,190 | 741,190 | 741,190 | - |
| Transfers out | - | - | (221,749) | (221,749) |
| Transfers to State of Florida | - | - | (123,379) | (123,379) |
| Net other financing sources (uses) | 741,190 | 741,190 | 396,062 | (345,128) |
| **Net change in fund balance** | $ 97,247 | $ 60,759 | $ - | $ (60,759) |

*The accompanying notes are an integral part of these financial statements.*

# Jackson County, Florida
# Clerk of the Circuit Court
# Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual
# Public Records Modernization Trust Fund

| *For the year ended September 30, 2023* | Original Budget | Final Budget | Actual Amounts | Variance with Final Budget Favorable (Unfavorable) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Charges for services | $ 65,000 | $ 65,000 | $ 73,184 | $ 8,184 |
| Interest | - | - | 29 | 29 |
| Total revenues | 65,000 | 65,000 | 73,213 | 8,213 |
| **Expenditures** | | | | |
| Current | | | | |
| General government | 20,000 | 20,000 | - | 20,000 |
| Court-related | 45,000 | 45,000 | 28,500 | 16,500 |
| Total expenditures | 65,000 | 65,000 | 28,500 | 36,500 |
| **Net change in fund balance** | $ - | $ - | $ 44,713 | $ 44,713 |

*The accompanying notes are an integral part of these financial statements.*

# Jackson County, Florida
# Clerk of the Circuit Court
# Statement of Fiduciary Net Position
# Custodial Funds

| *September 30, 2023* | Custodial Funds |
|---|---|
| **Assets** | |
| Cash and cash equivalents | $ 1,392,133 |
| Accounts receivable | 8,937 |
| Due from other funds | 11,040 |
| Total assets | $ 1,412,110 |
| **Liabilities** | |
| Accounts payable | $ 6,738 |
| Due to other funds | 91,831 |
| Due to Board of County Commissioners | 26,138 |
| Due to other governmental units | 78,248 |
| Total liabilities | 202,955 |
| **Net Position** | |
| Restricted net position | 1,209,155 |
| Total net position | $ 1,209,155 |

*The accompanying notes are an integral part of these financial statements.*

# Jackson County, Florida
# Clerk of the Circuit Court
# Statement of Changes in Fiduciary Net Position
# Custodial Funds

| *For the year ended September 30, 2023* | | Custodial Funds |
|---|---|---|
| **Additions:** | | |
| Proceeds from court related activities | $ | 5,168,489 |
| Receipt into registry for court | | 1,126,584 |
| Bonds, deposits and other court related collections | | 271,114 |
| Deposits for real property auction | | 1,078,939 |
| **Total additions** | | 7,645,126 |
| **Deductions:** | | |
| Disbursements from court related activities | | 5,143,888 |
| Disbursements from registry of court | | 1,207,620 |
| Bonds, deposits, and other court related distributions | | 147,273 |
| Disbursements of deposits for real property auction | | 853,196 |
| **Total deductions** | | 7,351,977 |
| Net increase in fiduciary net position | | 293,149 |
| Net position - beginning of year, as previously reported | | - |
| Restatement related to implementation of new accounting standard (see Note 10) | | 916,006 |
| Net position - beginning of year, as restated | | 916,006 |
| Net position - end of year | $ | 1,209,155 |

*The accompanying notes are an integral part of these financial statements.*

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and the presentation of these financial statements have been designed to conform to generally accepted accounting principles as applicable to governmental units in accordance with the Governmental Accounting Standards Board. The following is a summary of significant accounting principles and policies used in the preparation of these financial statements.

***Reporting Entity***

The Jackson County Clerk of Circuit Court (Clerk) is an integral part of Jackson County, Florida (County) and is an elected Constitutional Officer who is governed by state statutes and regulations. The financial statements of the Clerk are included in Jackson County, Florida's basic financial statements. The Clerk operates on a fee and budgetary system. Under the fee system, the officer retains fees, commissions, and other revenue to pay all operating expenditures, including statutory compensation. Under the budgetary system, appropriated funds are received from the Board of County Commissioners and any unexpended appropriations are remitted to the Board of County Commissioners after the end of the fiscal year. The receipts from the Board are recorded as other financing sources on the Clerk's financial statements and as other financing uses on the Board's financial statements. Effective June 1, 2013, the Clerk was authorized to retain funds collected for court-related fines, fees and service charges. The Clerk will also receive a monthly appropriation from the State of Florida Clerk of Court Trust Fund for any shortage of revenues up to the approved budget. The receipts from the State are recorded as intergovernmental revenue on the Clerk's financial statements. As specified in Florida Senate Bill 1512, spending authority will continue to be provided by the State and will follow the county fiscal year (October 1 to September 30). The Clerk's financial statements do not purport to reflect the financial position or the results of operations of Jackson County, Florida taken as a whole.

Entity status for financial reporting purposes is governed by Statement No. 14 of the Governmental Accounting Standards Board (GASB). Although the Clerk's office is operationally autonomous from the Board of County Commissioners (the "Board"), it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Clerk is reported as part of the primary government of Jackson County, Florida.

These financial statements are not intended to be a complete presentation of the financial position and results of operations of Jackson County, Florida taken as a whole. As permitted by Chapter 10.556(4), Rules of the Auditor General State of Florida, the financial statements consist of only the *fund level* financial statements as defined in GASB No. 34, and do not include presentations of *government-wide* financial statements of the Clerk.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Basis of Presentation***

The Clerk's financial statements have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (Rules). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund statements do not constitute a complete presentation because, in conformity with the Rules, the Clerk has not presented reconciliations to the government-wide financial statements, management's discussion and analysis, or the pension or the other post-employment benefit related required supplementary information. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County's countywide financial statements. 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 each major fund, and the aggregate remaining fund information, of Jackson County, Florida, that is attributable to the Clerk. They do not purport to, and do not, present fairly the financial position of Jackson County, Florida, as of September 30, 2023, and the changes in its financial position, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

In preparing these financial statements the following are reported as major governmental funds:

> **General Fund** - The general fund is the general operating fund of the Clerk. It is used to account for all financial resources, except for those required to be accounted for in another fund.
>
> **Public Records Modernization Trust Fund** - The modernization trust fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes.

In addition, the Clerk has reported the following fiduciary funds:

> **Custodial Funds** - Custodial funds are custodial in nature and account for assets held in a trust capacity or as agent for individuals, other governmental units and/or other funds.

***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. 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.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Basis of Accounting***

Basis of accounting refers to when revenues and expenditures or expenses 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 fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. The major modifications to the accrual basis are: (a) revenues are recorded in the accounting period in which they become available and measurable (available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, considered to be sixty days for all revenue) and (b) expenditures are recorded in the accounting period in which 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 fiduciary fund statements are prepared using the economic resources measurement focus and the accrual basis of accounting.

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

***Budgetary Requirements***

Government 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 is adopted for the general fund. 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 Clerk'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.

***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 acquired by the government.

***Capital Assets***

Tangible personal property is recorded as expenditures in the governmental fund types at the time an asset is acquired. Capital assets acquired by the Clerk are capitalized at cost in the capital asset accounts of the County. The Clerk maintains custodial responsibility for the capital assets used by his office.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Restricted Cash and Cash Equivalents***

At September 30, 2023, the Clerk held restricted cash of $657,446 for the Public Records Modernization Trust Fund.

***Accumulated Compensated Absences***

Permanent full-time employees of the Clerk are entitled to accrue sick leave hours based on pay periods worked, with a limit on total hours accrued being 900 hours. Vacation time is earned depending on the length of employment, with a limit of 225 hours. Upon separation from employment, employees can be paid for unused sick leave and annual leave in accordance with personnel policy.

The Clerk's accumulated compensated absences are reported in the statement of net position in the County's government-wide financial statements.

***Fund Balance Reporting and Governmental Fund-Type Definitions***

The Clerk adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Type Definitions* (GASB Statement No. 54) effective October 1, 2010. This GASB Statement clarifies governmental fund balance classifications and fund-type definitions. Fund balances are classified either as non-spendable or spendable. See Note 6.

***Due to Others/Governmental Units***

This account is used to account for assets held by the Clerk in a trustee capacity for other governmental agencies or individuals.

***Risk Management***

The Clerk is covered under the Board of County Commissioners insurance policies. The Board insures itself against losses from casualty, accident and dishonesty by purchasing insurance through a local insurance agency. The Board believes the level of insurance purchased is adequate to protect against material loss. No significant changes in coverage or claims have been made in the last year.

***Management Estimates and Assumptions***

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 estimates.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Subsequent Events***

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 12, 2024, and determined there were no events that occurred that required disclosure.

***Recently Issued and Implemented Accounting Pronouncements***

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements are as follows:

In May 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objectives of this Statement are to address financial reporting issues that result from the replacement of an Interbank Offered Rate (IBOR) by providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment and clarification of the hedge accounting termination provisions when a hedged item is amended to replace the reference rate; replacing LIBOR as an appropriate benchmark interest rate for the evaluation of the effectiveness of an interest rate swap with a Secured Overnight Financing Rate or the Effective Federal Funds Rate; and providing exceptions to the lease modifications guidance in Statement 87 for lease contracts that are amended solely to replace an IBOR used to determine variable payments.

The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2022. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2021. The implementation of this statement had no impact on the financial statements.

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Recently Issued and Implemented Accounting Pronouncements (continued)***

This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022. The implementation of this statement had no impact on the financial statements.

In May 2020, the GASB issued 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 Statement No. 87, Leases, as amended. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Assets and liabilities resulting from SBITAs should be recognized and measured using the facts and circumstances that existed at the beginning of the fiscal year in which this Statement is implemented. Governments are permitted, but are not required, to include in the measurement of the subscription asset capitalizable outlays associated with the initial implementation stage and the operation and additional implementation stage incurred prior to the implementation of this Statement. The implementation of this statement had no impact on the financial statements.

**Note 2: DEPOSITS AND INVESTMENTS**

At September 30, 2023, the carrying amount of the cash and cash equivalents and restricted cash and cash equivalents held by the Clerk was $2,514,647 and the bank balance was $2,681,823. The bank balance was covered by federal depository insurance and, for the amount in excess of such federal depository insurance, by the State of Florida's Public Deposit Act. Provisions of the Act require that public deposits may only be made at qualified public depositories. The Act requires each qualified public depository to deposit with the State Treasurer eligible collateral equal to or in excess of the required collateral as determined by the provisions of the Act. In the event of a failure by a qualified public depository, losses in excess of federal depository insurance and proceeds from the sale of securities pledged by the defaulting depository are assessed against the other qualified public depositories of the same type as the depository in default. When other qualified public depositories are assessed additional amounts, they are assessed on a pro-rata basis.

**Note 2: DEPOSITS AND INVESTMENTS (Continued)**

The Clerk's investment practices are governed by Chapter 218.415 of the Florida Statutes. The Clerk is authorized to invest in certificates of deposit, money market certificates, obligations of the US Treasury, mutual funds and repurchase agreements collateralized by U.S. Government securities, and the Local Government Surplus Trust Fund. The Clerk did not have any investments at September 30, 2023.

**Credit Risk**
At September 30, 2023, the Clerk did not hold any deposits or investments that were considered to have credit risk.

**Interest Rate Risk**
At September 30, 2023, the Clerk did not hold any deposits or investments that were considered to have interest rate risk.

**Custodial Credit Risk**
As of September 30, 2023, the Clerk did not hold any deposits or investments that were considered to have custodial credit risk.

**Concentration of Credit Risk**
At September 30, 2023, the Clerk did not hold any deposits or investments that were considered to have a concentration of credit risk.

**Note 3: EMPLOYEE PENSION PLAN**

The Clerk participates in the Florida Retirement System (FRS), a cost-sharing, multiple employer defined benefit public retirement system administered by the State of Florida Department of Administration, Division of Retirement, to provide retirement and survivor benefits to participating public employees. Chapter 121, Florida Statutes, establishes the authority for participant eligibility, contribution requirements, vesting eligibility and benefit provisions. FRS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the State of Florida Division of Retirement, Tallahassee, Florida, 32399-1560, or by accessing their internet site at the site below:
www.dms.myflorida.com/workforce_operations/retirement/publications/annual_reports.

For those employees hired prior to July 1, 2011, FRS provides vesting of benefits after six years of creditable service. Members are eligible for normal retirement after six years of service and attaining age 62, or 30 years of service regardless of age. Early retirement may be taken any time after completing six years of service; however, there is a 5% benefit reduction for each year prior to normal retirement. For those employees hired on or after July 1, 2011, the System provides for vesting of benefits after eight years of credible service. Normal retirement benefits are available to these employees who retire at or after age 65 with eight years of service with a 5% reduction of benefits for each year prior to normal retirement. FRS also provides death and disability benefits and cost-of-living adjustments.

**Note 3: EMPLOYEE PENSION PLAN (Continued)**

Generally, membership is compulsory for all full-time and part-time employees. Prior to July 1, 2011, retirement coverage was employee noncontributory. Effective July 1, 2011 the Florida Legislature mandated all employees contribute 3% to their retirement coverage with immediate vesting of their contributions.

The funding method and the determination of benefits payable are provided in various acts of the Florida Legislature. These acts provide that employers pay all contributions at rates determined each year by the legislature. The rates, as a percentage of gross earnings, are as follows:

| | 10/01/22 Through 06/30/23 | 07/01/23 Through 09/30/23 |
|---|---|---|
| Regular employees | 11.91% | 13.57% |
| Senior management | 31.57% | 34.52% |
| Elected county officials' class | 57.00% | 58.68% |
| DROP | 18.60% | 21.13% |

Chapter 121, Florida Statutes establishes the authority for participant eligibility, contribution requirements, vesting eligibility and benefit provisions. For the period October 1, 2022 through September 30, 2023, the total payroll for all employees was $1,217,537. The retirement contributions for all employees covered by the System for the years ended September 30, 2023, 2022 and 2021 were $240,884, $236,396 and $207,986, respectively, which were the required contributions. For the year ended September 30, 2023, retirement contributions represented 19.78% of covered payroll.

GASB Statement No. 68 establishes standards of accounting and financial reporting, but not funding or budgetary standards, for defined benefit pensions and defined contribution pensions provided to the employees of state and local governmental employers through pension plans that are administered through trusts or equivalent arrangements. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans within the scope of the Statement.

The requirements of Statement No. 68 apply to the financial statements of all state and local governmental employers whose employees (or volunteers that provide services to state and local governments) are provided with pensions through pension plans that are administered through trusts or equivalent arrangements, and to the financial statements of state and local governmental nonemployer contributing entities that have a legal obligation to make contributions directly to such pension plans. This Statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense/expenditures related to pensions. Note disclosure and RSI requirements about pensions also are addressed. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.

**Note 3: EMPLOYEE PENSION PLAN (Continued)**

The adoption of Statement No. 68 has no impact on the Jackson County, Florida Clerk's governmental fund financial statements, which continue to report expenditures in the amount of the actuarially determined contributions, as required by State law. The calculation of pension contributions is unaffected by the change. These amounts, if any, are recorded in the County's government-wide financial statements.

**Note 4: POST EMPLOYMENT BENEFITS OTHER THAN PENSION**

In addition to the retirement plan in Note 3, the County, in accordance with Section 112.0801, Florida Statutes, provides post-retirement health care benefits to all retired employees who participated in the group health plan while employed. Employees of the Clerk are covered under the County's plan. The County is required to measure and recognize the annual cost of the future benefits and calculate the annual employer funding requirements and, to the extent funding is not made by the County recognize another post-employment benefit (OPEB) liability on the balance sheet of the County. These amounts, if any, are recorded in the County's government-wide financial statements.

**Note 5: COURT RELATED FEES**

Based on the legal opinion provided by the Clerks of Court Operations Corporation general counsel of the provisions of Section 28.37(3), F.S., which was adopted as policy by the CCOC Finance and Budget Committee, all excess court-related funds have been included in a fund liability, Due to Other Governmental Units. As of September 30, 2023, excess court-related funds were $210,306.

**Note 6: FUND BALANCES**

Non-spendable fund balances include amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact. The Clerk had no non-spendable net assets at September 30, 2023.

Spendable fund balances are classified based on a hierarchy of the Clerk's ability to control the spending of these fund balances and are reported in the following categories: restricted, committed, assigned and unassigned. For the year ended September 30, 2023, the Clerk reports net assets as restricted. Restricted net assets have externally imposed constraints placed on the use of resources by creditors, grantors, contributors, laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Unassigned fund balances have not been restricted, committed or assigned to specific purposes within the general fund.

**Note 6: FUND BALANCES (Continued)**

Reservations of fund balance show amounts that are appropriated for expenditure or are legally restricted for specific uses. The purpose for each is indicated as follows:

| Funds | Purpose | |
|---|---|---|
| Public Records Modernization Trust Fund | Funding for:<br>Modernization of Public Records<br>Court-related technology | <br>$ 125,372<br>537,876 |
| General Trust | Funding for:<br>Individuals, organizations, and other governments | <br><br>418,951 |
| County Witness | Funding for:<br>Individuals, organizations, and other governments | <br><br>13,796 |
| Cash Bonds | Funding for:<br>Individuals, organizations, and other governments | <br><br>247,301 |
| Registry of Court | Funding for:<br>Individuals, organizations, and other governments | <br><br>529,107 |
| | Total restricted fund balance | $ 1,872,403 |

**Note 7: COOPERATIVE AGREEMENT**

The Clerk has a Cooperative Agreement with the Florida Department of Revenue. This agreement encompasses all the Clerk's child support functions. It allows for indirect cost reimbursement. The Clerk uses an established indirect cost rate to invoice the Department of Revenue each month. These amounts are federal funds received under CFDA #93.563. The net amount received was $154,421 as of September 30, 2023.

**Note 8: EXCESS REVENUES**

Pursuant to Section 218.36(2), Florida Statutes, each County Officer shall pay into the county general fund all money in excess of the sum to which he or she is entitled under the provisions of Chapter 145. Excess revenues over expenditures were recorded as a transfer out to the Board of County Commissioners in the amount of $221,749 as of September 30, 2023.

**Note 9: LITIGATION AND CONTINGENT LIABILITIES**

The Clerk is involved in various litigation arising from the ordinary course of business. In the opinion of management, after consultation with legal counsel, these matters will be resolved without a material adverse effect on the Clerk's financial position.

**Note 10: NET POSITION, RESTATED**

The Clerk has implemented GASB Statement No. 84, Fiduciary Activities, for the fiscal year ended September 30, 2023. This Statement provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that has compelled the Clerk to disburse fiduciary resources. Events that would compel the Clerk to disburse fiduciary resources occur when a demand for the resources has been made or when no further action, approval, or condition is required to be taken or met by the beneficiary to release the assets.

Adjustments to the beginning balance of net position in fiscal year 2023 were required upon implementation of this Statement for the portion of resources in which the Clerk is not yet compelled to disburse in accordance with the aforementioned guidance. This restatement resulted in an increase in the amounts reported as opening restricted net position of $916,006.

# SUPPLEMENTARY INFORMATION

# Jackson County, Florida
# Clerk of the Circuit Court
# Combining Statement of Fiduciary Net Position
# Custodial Funds

| *For the year ended September 30, 2023* | General Trust | County Witness | Cash Bonds | Registry of Court | Total |
|---|---|---|---|---|---|
| **Assets** | | | | | |
| Cash and cash equivalents | $ 611,929 | $ 3,796 | $ 247,301 | $ 529,107 | $ 1,392,133 |
| Accounts receivable | 8,937 | - | - | - | 8,937 |
| Due from other funds | 1,040 | 10,000 | - | - | 11,040 |
| Total assets | $ 621,906 | $ 13,796 | $ 247,301 | $ 529,107 | $ 1,412,110 |
| **Liabilities** | | | | | |
| Accounts payable | $ 6,738 | $ - | $ - | $ - | $ 6,738 |
| Due to other funds | 91,831 | - | - | - | 91,831 |
| Due to Board of County Commissioners | 26,138 | - | - | - | 26,138 |
| Due to other governmental units | 78,248 | - | - | - | 78,248 |
| Total liabilities | 202,955 | - | - | - | 202,955 |
| **Net Position** | | | | | |
| Restricted net position for: | | | | | |
| Individuals, organizations, and other governments | 418,951 | 13,796 | 247,301 | 529,107 | 1,209,155 |
| Total net position | $ 418,951 | $ 13,796 | $ 247,301 | $ 529,107 | $ 1,209,155 |

## Jackson County, Florida
## Clerk of the Circuit Court
## Combining Statement of Changes in Fiduciary Net Position
## Custodial Funds

| *For the year ended September 30, 2023* | General Trust | County Witness | Cash Bond | Registry of Court | Total Custodial Funds |
|---|---|---|---|---|---|
| **Additions:** | | | | | |
| Proceeds from court related activities | $ 5,158,489 | $ 10,000 | $ - | $ - | $ 5,168,489 |
| Receipt into registry for court | - | - | - | 1,126,584 | 1,126,584 |
| Bonds, deposits and other court related collections | - | - | 271,114 | - | 271,114 |
| Deposits for real property auction | 1,078,939 | - | - | - | 1,078,939 |
| **Total additions** | 6,237,428 | 10,000 | 271,114 | 1,126,584 | 7,645,126 |
| **Deductions:** | | | | | |
| Disbursements from court related activities | 5,134,363 | 9,525 | - | - | 5,143,888 |
| Disbursements from registry of court | - | - | - | 1,207,620 | 1,207,620 |
| Bonds, deposits, and other court related distributions | - | - | 147,273 | - | 147,273 |
| Disbursements of deposits for real property auction | 853,196 | - | - | - | 853,196 |
| **Total deductions** | 5,987,559 | 9,525 | 147,273 | 1,207,620 | 7,351,977 |
| Net increase in fiduciary net position | 249,869 | 475 | 123,841 | (81,036) | 293,149 |
| Net position - beginning of year, as previously reported | - | - | - | - | - |
| Restatement related to implementation of new accounting standard (see Note 10) | 169,082 | 13,321 | 123,460 | 610,143 | 916,006 |
| Net position - beginning of year, as restated | 169,082 | 13,321 | 123,460 | 610,143 | 916,006 |
| Net position - end of year | $ 418,951 | $ 13,796 | $ 247,301 | $ 529,107 | $ 1,209,155 |

*See Independent Auditor's Report.*

# COMPLIANCE SECTION

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Honorable Clayton O. Rooks, III
Clerk of the Circuit Court of Jackson County, Florida
Marianna, 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 Jackson County, Florida, Clerk of the Circuit Court (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 June 12, 2024.

**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) to determine 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 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

To the Honorable Clayton O. Rooks, III
Clerk of the Circuit Court of Jackson County, Florida
Marianna, Florida

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Clerk's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Carr, Riggs & Ingram, L.L.C.

June 12, 2024

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## INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES, *LOCAL GOVERNMENT INVESTMENT POLICIES*

To the Honorable Clayton O. Rooks, III
Clerk of the Circuit Court of Jackson County, Florida
Marianna, Florida

We have examined Jackson County, Florida, Clerk of the Circuit Court's (the "Clerk") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2023. 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 specified 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 noncompliance, whether due to fraud or error. We believe that our examination is sufficient and appropriate to provide a reasonable basis for our opinion. 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 management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

June 12, 2024

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**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 28.35, FLORIDA STATUTES, *FLORIDA CLERKS OF COURT OPERATIONS CORPORATION*, AND SECTION 28.36, FLORIDA STATUTES, *BUDGET PROCEDURE***

To the Honorable Clayton O. Rooks, III
Clerk of the Circuit Court of Jackson County, Florida
Marianna, Florida

We have examined the office of the Jackson County, Florida, Clerk of Circuit Court's (the "Clerk") compliance with the requirements of Section 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. 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 specified 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 noncompliance, whether due to fraud or error. We believe that our examination provides a reasonable basis for our opinion. 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 management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

June 12, 2024

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**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 61.181, FLORIDA STATUTES, *DEPOSITORY FOR ALIMONY TRANSACTIONS, SUPPORT, MAINTENANCE AND SUPPORT PAYMENTS; FEES***

To the Honorable Clayton O. Rooks, III
Clerk of the Circuit Court of Jackson County, Florida
Marianna, Florida

We have examined the office of the Jackson County, Florida, Clerk of 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. 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 specified 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 noncompliance, whether due to fraud or error. We believe that our examination provides a reasonable basis for our opinion. 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 management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

June 12, 2024

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## INDEPENDENT AUDITOR'S MANAGEMENT LETTER

To the Honorable Clayton O. Rooks, III
Clerk of the Circuit Court of Jackson County, Florida
Marianna, Florida

### Report on the Financial Statements

We have audited the financial statements of the Jackson County, Florida, Clerk of the Circuit Court (the "Clerk"), as of and for the year ended September 30, 2023, and have issued our report thereon dated June 12, 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 *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 12, 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 significant findings and recommendations made in the preceding annual financial audit report. No significant findings and recommendations were made in the preceding annual financial audit report.

To the Honorable Clayton O. Rooks, III
Clerk of the Circuit Court of Jackson County, Florida
Marianna, Florida

**Official Title and Legal Authority**

Section 10.554(1)(i)4, Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. The Jackson County, Florida, Clerk of the Circuit Court was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Jackson County, Florida, Clerk of the Circuit Court.

**Financial Management**

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

**Additional Matters**

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

**Purpose of this Letter**

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

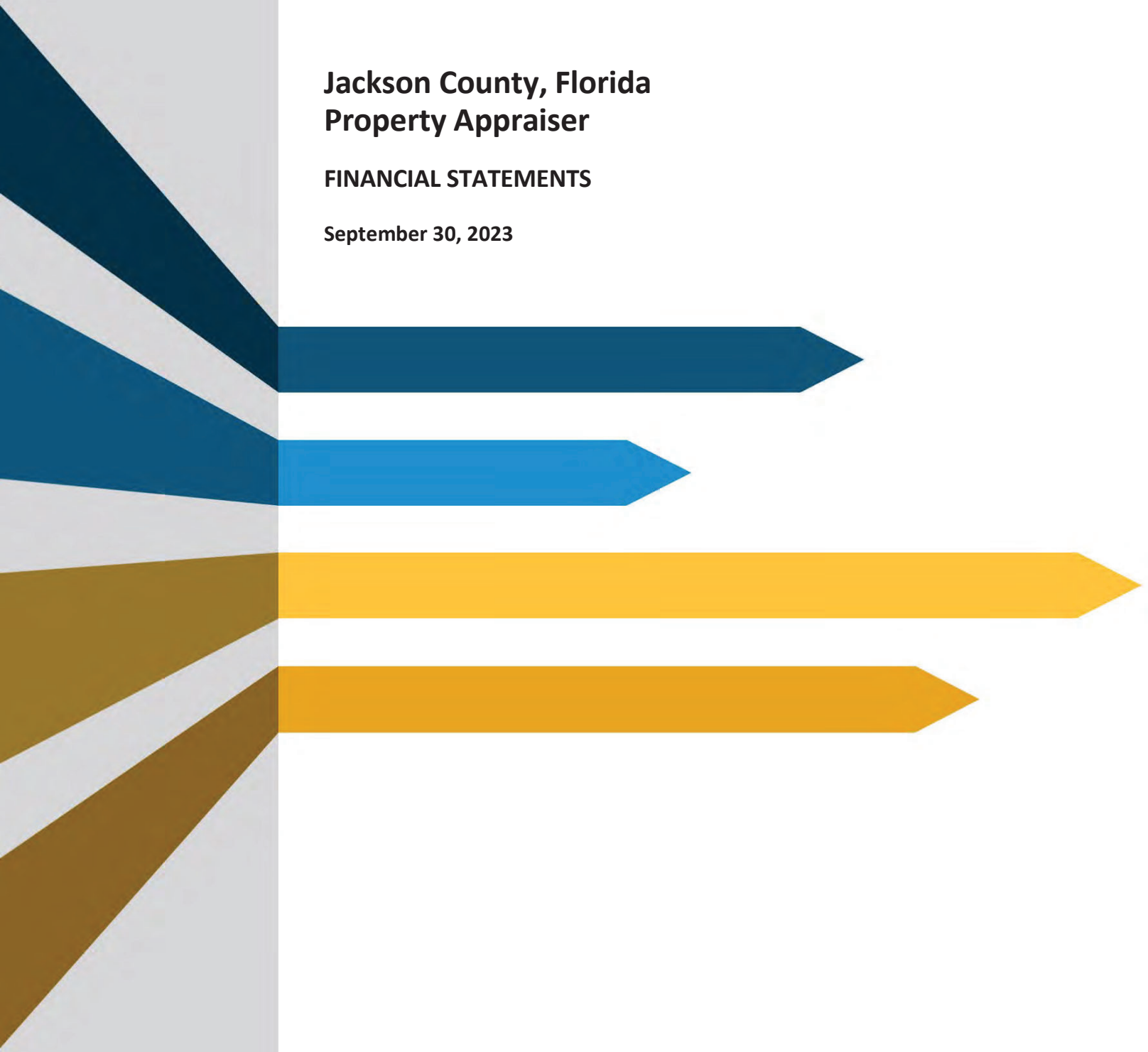
Carr, Riggs & Ingram, L.L.C.

June 12, 2024

# Jackson County, Florida
# Property Appraiser

## FINANCIAL STATEMENTS

**September 30, 2023**



# Jackson County, Florida
# Property Appraiser
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# September 30, 2023


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# REPORT

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# INDEPENDENT AUDITORS' REPORT

To the Honorable Rebecca Morris-Haid
Property Appraiser of Jackson County, Florida
Marianna, Florida

## Opinions

We have audited the accompanying financial statements of each major fund of the office of the Jackson County, Florida, Property Appraiser (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 as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund of the Property Appraiser as of September 30, 2023, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the 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. Our responsibilities under those standards are further described in the Auditors' 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

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. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position, where applicable, of each major fund, and the aggregate remaining fund information, only for that portion of each major fund, and the aggregate remaining fund information, of Jackson County, Florida that is attributable to the Property Appraiser. They do not purport to, and do not, present fairly the financial position of Jackson County, Florida, as of September 30, 2023, and the changes in its financial position, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to these matters.

To the Honorable Rebecca Morris-Haid
Property Appraiser of Jackson County, Florida
Marianna, Florida

**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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Property Appraiser's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

To the Honorable Rebecca Morris-Haid
Property Appraiser of Jackson County, Florida
Marianna, Florida

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 January 17, 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, regulations, contracts, and grant agreements and other matters. 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 Property Appraiser's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

January 17, 2024

# FINANCIAL STATEMENTS

# Jackson County, Florida
# Property Appraiser
# Balance Sheet
# Governmental Fund

| *September 30, 2023* | | General Fund |
|---|---|---|
| **Assets** | | |
| Cash and cash equivalents | $ | 104,331 |
| Total assets | $ | 104,331 |
| **Liabilities** | | |
| Accounts payable and accrued expenses | $ | 18,909 |
| Due to Board of County Commissioners | | 85,422 |
| Total liabilities | | 104,331 |
| **Fund balance** | | - |
| Total liabilities and fund balance | $ | 104,331 |

*The accompanying notes are an integral part of this financial statement.*

# Jackson County, Florida
# Property Appraiser
## Statement of Revenues, Expenditures, and Changes in Fund Balance
## Governmental Fund

| *For the year ended September 30, 2023* | | General Fund |
|---|---|---|
| **Revenues** | | |
| Charges for services | $ | 1,323 |
| Interest earnings | | 1 |
| Total revenues | | 1,324 |
| **Expenditures** | | |
| Current | | |
| General government | | 1,194,698 |
| Capital outlay | | 67,707 |
| Total expenditures | | 1,262,405 |
| Excess (deficiency) of revenues over (under) expenditures | | (1,261,081) |
| **Other Financing Sources (Uses)** | | |
| Transfers in | | 1,306,503 |
| Transfers out | | (45,422) |
| Net other financing sources (uses) | | 1,261,081 |
| Net change in fund balance | | - |
| Fund balance, beginning of year | | - |
| Fund balance, end of year | $ | - |

*The accompanying notes are an integral part of this financial statement.*

# Jackson County, Florida
# Property Appraiser
# Statement of Revenues, Expenditures, and Changes in Fund Balance
# Budget and Actual
# General Fund

| *For the year ended September 30, 2023* | Original Budget | Final Budget | Actual Amounts (Budgetary Basis) | Variance with Final Budget Favorable (Unfavorable) |
|---|---|---|---|---|
| **Expenditures** | | | | |
| Current | | | | |
| General government | $ 1,202,803 | $ 1,245,246 | 1,193,374 | $ 51,872 |
| Capital outlay | 61,257 | 101,257 | 67,707 | 33,550 |
| Total expenditures | 1,264,060 | 1,346,503 | 1,261,081 | 85,422 |
| Excess (deficiency) of revenues over (under) expenditures | (1,264,060) | (1,346,503) | (1,261,081) | 85,422 |
| **Other Financing Sources (Uses)** | | | | |
| Transfer in | 1,264,060 | 1,346,503 | 1,306,503 | (40,000) |
| Transfer out | - | - | (45,422) | (45,422) |
| Net other financing sources (uses) | 1,264,060 | 1,346,503 | 1,261,081 | (85,422) |
| Net change in fund balance - budgetary basis | $ - | $ - | $ - | $ - |

*The accompanying notes are an integral part of this financial statement.*

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and the presentation of these financial statements have been designed to conform to generally accepted accounting principles as applicable to governmental units in accordance with the Governmental Accounting Standards Board.

***Reporting Entity***

The Jackson County Property Appraiser's office is an agency of Jackson County, Florida (County), which is a political subdivision of the State of Florida. The County was established on August 12, 1822, by the First Session of the Territorial Legislative Council. Jackson County, Florida is governed by an elected Board of County Commissioners (Board), which derives its authority by the County Charter, Florida State Statutes and regulations. In addition to the members of the Board, there are five elected Constitutional Officers: Clerk of Courts, Sheriff, Tax Collector, Property Appraiser and Supervisor of Elections. The Constitutional Officers maintain separate accounting records and budgets.

The accompanying financial statements present the financial position and results of operations of the various fund types for all the funds controlled by the Jackson County Property Appraiser's Office.

The Jackson County, Florida Property Appraiser (Property Appraiser) is a separately elected County official established pursuant to the Constitution of the State of Florida. The Property Appraiser's financial statements do not purport to reflect the financial position or the results of operations of Jackson County, Florida taken as a whole.

Entity status for financial reporting purposes is governed by Statement No. 14 of the Governmental Accounting Standards Board (GASB). Although the Property Appraiser's office is operationally autonomous from the Board of County Commissioners (Board), it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Property Appraiser is reported as part of the primary government of Jackson County, Florida.

These financial statements are not intended to be a complete presentation of the financial position and results of operations of Jackson County, Florida taken as a whole. As permitted by Chapter 10.556(4), Rules of the Auditor General State of Florida, the financial statements consist of only the *fund level* financial statements as defined in GASB No. 34, and do not include presentations of *government-wide* financial statements of the Property Appraiser.

The operations of the Property Appraiser are funded by the Board. The receipts from the Board are recorded as other financing sources on the Property Appraiser's financial statements and as other financing uses on the Board's financial statements. Any excess of revenues and other financing sources received over expenditures are remitted to the Board after the end of the fiscal year.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***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.

***Basis of Accounting***

Basis of accounting refers to the point at which revenues and expenditures are recognized in the financial statements and refers to the timing of the measurements made, regardless of the measurement focus applied.

All governmental fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. The major modifications to the accrual basis are: (a) revenues are recorded in the accounting period in which they become available and measurable (available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, considered to be sixty days for all revenue) (b) expenditures are recorded in the accounting period in which the liability is incurred, except for accumulated sick and vacation pay, which are not recorded until paid. Charges for services and interest revenue are recorded as earned.

When both restricted and unrestricted resources are available for use, it is the Property Appraiser's policy to use restricted resources first, then unrestricted resources as needed.

***Basis of Presentation***

The Property Appraiser's financial statements have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (Rules). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund statements do not constitute a complete presentation because, in conformity with the Rules, the Property Appraiser has not presented reconciliations to the government-wide financial statements, management's discussion and analysis, or the pension or the other post-employment benefit related required supplementary information. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County's countywide financial statements. In

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Basis of Presentation (continued)***

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 each major fund, and the aggregate remaining fund information, of Jackson County, Florida, that is attributable to the Property Appraiser. They do not purport to, and do not, present fairly the financial position of Jackson County, Florida, as of September 30, 2023, and the changes in its financial position, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

In preparing these financial statements, the following is reported as a major governmental 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 those required to be accounted for in another fund.

***Budgetary Requirements***

Expenditures are controlled by appropriations in accordance with the budget requirements set forth in Florida Statutes Chapter 195.087. The budgeted revenues and expenditures in the accompanying financial statements reflect all amendments, approved by the Florida Department of Revenue and Board of County Commissioners. On or before June 1 of each year, the Property Appraiser shall submit to the Department of Revenue a budget for the operation of her office for the ensuing fiscal year. The Department of Revenue and Board of County Commissioners must approve the final budget.

The actual results of operations in the Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund are presented on a budgetary basis for budgetary accounting purposes. The Property Appraiser only budgets revenue and expenditures appropriated by the Board of County Commissioners. Adjustments to convert the results of operation of the general fund at the end of the year from the budgetary basis of accounting to the GAAP basis of accounting are as follows:

| | Total Expenditures | Total Revenue |
|---|---|---|
| GAAP basis | $ 1,262,405 | $ 1,324 |
| Non-budgeted revenues and expenditures: | | |
| Revenues other than appropriations from the Board of County Commissioners and related expenditures | (1,324) | (1,324) |
| Budgetary basis | $ 1,261,081 | $ - |

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***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 acquired by the government.

***Capital Assets and Depreciation***

Tangible personal property is recorded as expenditures in the governmental 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's assets are reported in the statement of net assets in the County's financial statements. The Property Appraiser maintains custodial responsibility for the capital assets used by her office.

***Accumulated Compensated Absences***

Permanent full-time employees of the Property Appraiser are entitled to accrue sick leave and vacation time related to the length of employment with the Property Appraiser's office. The vacation time must be taken during the calendar year earned. Upon separation from employment, employees can be paid for unused sick leave and annual leave in accordance with the Property Appraiser's personnel policy.

The Property Appraiser's accumulated compensated absences are reported in the statement of net position in the County's financial statements. No expenditure is reported in the government fund level statement for these amounts until payment is due. Compensated absences liability is based on current rate of pay.

***Risk Management and Insurance***

The Property Appraiser is covered under the Board of County Commissioners' insurance policies. The Board insures itself against losses from casualty, accident and dishonesty by purchasing insurance through a local insurance agency. The Board believes the level of insurance purchased is adequate to protect against material loss. No significant changes in coverage or claims have been made during the current year.

***Management Estimates and Assumptions***

The preparation of financial statements in conformity with general accepted accounting principles 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 estimates.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Subsequent Events***

Management has evaluated subsequent events through the date that the financial statements were available to be issued, January 17, 2024, and determined there were no events that occurred that required disclosure.

***Recently Issued and Implemented Accounting Pronouncements***

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements are as follows:

The requirements of this Statement are effective as follows:

- The requirements related to the effective date of Statement 87 and Implementation Guide 2019-3, reinsurance recoveries, and terminology used to refer to derivative instruments are effective upon issuance.

- The requirements related to intra-entity transfers of assets and those related to the applicability of Statements 73 and 74 are effective for fiscal years beginning after June 15, 2021.

- The requirements related to application of Statement 84 to postemployment benefit arrangements and those related to nonrecurring fair value measurements of assets or liabilities are effective for reporting periods beginning after June 15, 2021.

- The requirements related to the measurement of liabilities (and assets, if any) associated with asset retirement obligations in a government acquisition are effective for government acquisitions occurring in reporting periods beginning after June 15, 2021.

The implementation of this statement had no impact on the financial statements.

In May 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objectives of this Statement are to address financial reporting issues that result from the replacement of an Interbank Offered Rate (IBOR) by providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment and clarification of the hedge accounting termination provisions when a hedged item is amended to replace the reference rate; replacing LIBOR as an appropriate benchmark interest rate for the evaluation of the effectiveness of an interest rate swap with a Secured Overnight Financing Rate or the Effective Federal Funds Rate; and providing exceptions to the lease modifications guidance in Statement 87 for lease contracts that are amended solely to replace an IBOR used to determine variable payments.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Recently Issued and Implemented Accounting Pronouncements (Continued)***

The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2022. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2021. The implementation of this statement had no impact on the financial statements.

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements.* The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Recently Issued and Implemented Accounting Pronouncements (Continued)***

In May 2020, the GASB issued 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 Statement No. 87, Leases, as amended. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Assets and liabilities resulting from SBITAs should be recognized and measured using the facts and circumstances that existed at the beginning of the fiscal year in which this Statement is implemented. Governments are permitted, but are not required, to include in the measurement of the subscription asset capitalizable outlays associated with the initial implementation stage and the operation and additional implementation stage incurred prior to the implementation of this Statement.

The Property Appraiser is evaluating the requirements of the above statements and the impact on reporting.

**Note 2: DEPOSITS AND INVESTMENTS**

At September 30, 2023, the carrying amount of the Property Appraiser's cash and cash equivalents was $104,331 and the bank balance was $175,663. The bank balance was covered by federal depository insurance and, for the amount in excess of such federal depository insurance, by the State of Florida's Public Deposit Act. Provisions of the Act require that public deposit may only be made at qualified public depositories. The Act requires each qualified public depository to deposit with the State Treasurer eligible collateral equal to or in excess of the required collateral as determined by the provisions of the Act. In the event of a failure by a qualified public depository, losses in excess of federal depository insurance and proceeds from the sale of securities pledged by the defaulting depository are assessed against the other qualified public depositories of the same type as the depository in default. When other qualified public depositories are assessed additional amounts, they are assessed on a pro-rata basis.

Florida Statutes authorize the Property Appraiser to invest in certificates of deposit, repurchase agreements and the State Treasurer's Investment Pool. In addition, the statutes allow the Property Appraiser to invest in bonds, notes or other obligations of the United States Government, certain bonds of any state or local government unit, and bonds issued by certain government agencies.

***Credit Risk***

At September 30, 2023, the Property Appraiser did not hold any deposits or investments that were considered to have credit risk.

***Interest Rate Risk***

At September 30, 2023, the Property Appraiser did not hold any deposits or investments that were considered to have interest rate risk.

***Custodial Credit Risk***

At September 30, 2023, the Property Appraiser did not hold any deposits or investments that were considered to have custodial risk.

***Concentration of Credit Risk***

At September 30, 2023, the Property Appraiser did not hold any deposits or investments that were considered to have concentration of credit risk.

**Note 3: EMPLOYEE PENSION PLAN**

The Property Appraiser participates in the Florida Retirement System (FRS), a cost-sharing, multiple employer defined benefit public retirement system administered by the State of Florida Department of Administration, Division of Retirement, to provide retirement and survivor benefits to participating public employees. FRS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the State of Florida Division of Retirement, Tallahassee, Florida, 32399-1560, or by accessing their internet site at www.frs.state.fl.us/frs/public/annual.

For those employees hired prior to July 1, 2011, FRS provides vesting of benefits after six years of creditable service. Members are eligible for normal retirement after six years of service and attaining age 62, or 30 years of service regardless of age. Early retirement may be taken any time after completing six years of service; however, there is a 5% benefit reduction for each year prior to normal retirement. For those employees hired on or after July 1, 2011, the System provides for vesting of benefits after eight years of creditable service. Normal retirement benefits are available to these employees who retire at or after age 65 with eight years of service with a 5% reduction of benefits for each year prior to normal retirement. FRS also provides death and disability benefits and cost- of-living adjustments. Generally, membership is compulsory for all full-time and part-time employees. Prior to July 1, 2011, retirement coverage was employee noncontributory. Effective July 1, 2011 the Florida Legislature mandated all employees contribute 3% to their retirement coverage with immediate vesting of their contributions.

The funding methods and the determination of benefits payable are provided in various acts of the Florida Legislature. These acts provide that employers and employees pay contributions at rates determined each year by the legislature. The employer rates, as a percentage of gross earnings, are as follows:

| | 10/01/22 Through 06/30/23 | 07/01/23 Through 09/30/23 |
|---|---|---|
| Regular employees | 11.91% | 13.57% |
| Senior management | 31.57% | 34.52% |
| DROP | 18.60% | 21.13% |
| Elected county officials' class | 57.00% | 58.68% |

Chapter 121, Florida Statutes establishes the authority for participant eligibility, contribution requirements, vesting eligibility and benefit provisions. Total payroll for the Property Appraiser's employees covered by the Florida Retirement System was $724,465 at September 30, 2023. The Property Appraiser's contribution to the plan for the years ended September 30, 2023, 2022**,** and 2021 was $183,619, $185,687, and $126,916, respectively, which were the required contributions. For the year ended September 30, 2023 retirement contributions represent 25.4% of covered payroll.

**Note 3: EMPLOYEE PENSION PLAN (Continued)**

GASB Statement No. 68 establishes standards of accounting and financial reporting, but not funding or budgetary standards, for defined benefit pensions and defined contribution pensions provided to the employees of state and local governmental employers through pension plans that are administered through trusts or equivalent arrangements. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans within the scope of the Statement.

The requirements of Statement No. 68 apply to the financial statements of all state and local governmental employers whose employees (or volunteers that provide services to state and local governments) are provided with pensions through pension plans that are administered through trusts or equivalent arrangements, and to the financial statements of state and local governmental nonemployer contributing entities that have a legal obligation to make contributions directly to such pension plans. This Statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense/expenditures related to pensions. Note disclosure and RSI requirements about pensions also are addressed. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.

The adoption of Statement No. 68 has no impact on the Jackson County, Florida Property Appraiser's governmental fund financial statements, which continue to report expenditures in the amount of the actuarially determined contributions, as required by State law. The calculation of pension contributions is unaffected by the change. These amounts, if any, are recorded in the County's government-wide financial statements.

**Note 4: POST EMPLOYMENT BENEFITS OTHER THAN PENSION (OPEB)**

In addition to the retirement plan in Note 3, the County, in accordance with Section 112.0801, Florida Statutes, provides post-retirement health care benefits to all retired employees who participated in the group health plan while employed. Employees of the Property Appraiser are covered under the County's plan. The County is required to measure and recognize the annual cost of the future benefits and calculate the annual employer funding requirements and, to the extent funding is not made by the County recognize another post-employment benefit (OPEB) liability on the balance sheet of the County. These amounts, if any, are recorded in the County's government-wide financial statements.

**Note 5: EXCESS REVENUE**

Pursuant to Section 218.36(2), Florida Statutes, each County Officer shall pay into the County general fund all money in excess of the sum to which he or she is entitled under the provisions of Chapter 145. Excess revenues over expenditures are returned to the Board of County Commissioners as required by Florida Statutes, they are accrued and reported as a transfer out. For the year ended September 30, 2023, excess funds in the amount of $45,422 are accrued and reported as transfers out to the Board of County Commissioners.

**Note 6: FUND BALANCE**

Non-spendable fund balances include amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact. The Property Appraiser had no non-spendable net assets at September 30, 2023.

Spendable fund balances are classified based on a hierarchy of the Property Appraiser's ability to control the spending of these fund balances and are reported in the following categories: restricted, committed, assigned and unassigned. Restricted fund balances have externally imposed constraints placed on the use of resources by creditors, granters, contributors, laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Assigned fund balances have constraints placed on the use of resources by the Property Appraiser's intent to use the resources for a specific purpose. Unassigned fund balances have not been restricted, committed or assigned to specific purposes within the general fund.

**Note 7: LITIGATION AND CONTINGENT LIABILITIES**

The Property Appraiser is involved in Value Adjustment Board ("VAB") issues arising from the ordinary course of business.

# REPORTS ON INTERNAL CONTROL AND COMPLIANCE MATTERS

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## *INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS*

To the Honorable Rebecca Morris-Haid
Property Appraiser of Jackson County, Florida
Marianna, 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 Jackson County, Florida Property Appraiser (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 January 17, 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) to determine 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 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

To the Honorable Rebecca Morris-Haid
Property Appraiser of Jackson County, Florida
Marianna, Florida

**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, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

**Purpose of This Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Carr, Riggs & Ingram, L.L.C.

January 17, 2024

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**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES, *LOCAL GOVERNMENT INVESTMENT POLICIES***

To the Honorable Rebecca Morris-Haid
Property Appraiser of Jackson County, Florida
Marianna, Florida

We have examined Jackson County, Florida Property Appraiser's (Property Appraiser) compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2023. 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 specified 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 noncompliance, whether due to fraud or error. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Property Appraiser's compliance with specified requirements.

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

In our opinion, the Property Appraiser complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investments Policies* for the year ended September 30, 2023.

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

Carr, Riggs & Ingram, L.L.C.

January 17, 2024

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## INDEPENDENT AUDITORS' MANAGEMENT LETTER

To the Honorable Rebecca Morris-Haid
Property Appraiser of Jackson County, Florida
Marianna, Florida

**Report on the Financial Statements**

We have audited the accompanying financial statements of the Jackson County, Florida Property Appraiser (Property Appraiser), as of and for the year ended September 30, 2023, and have issued our report thereon dated January 17, 2024.

**Auditors' 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 Reports**

We have issued our Independent Auditors' 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;* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated January 17, 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 significant findings and recommendations made in the preceding annual financial audit report. There were no such findings in the preceding audit report.

To the Honorable Rebecca Morris-Haid
Property Appraiser of Jackson County, Florida
Marianna, Florida

**Official Title and Legal Authority**

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

**Financial Management**

Section 10.554(1)(i)2, Rules of the Auditor General, requires that we communicate any recommendations that 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 that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

**Purpose of this Letter**

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

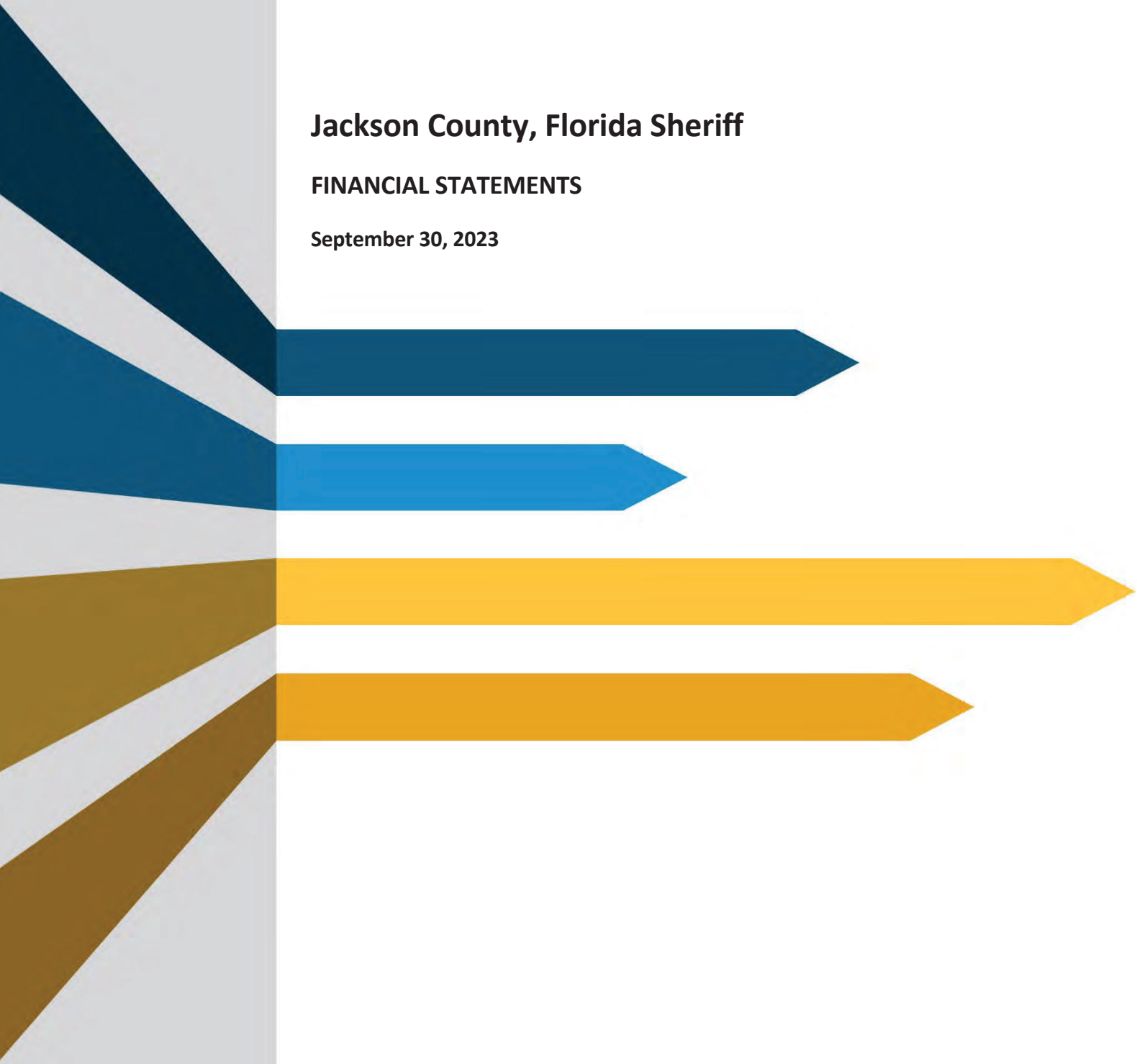
Carr, Riggs & Ingram, L.L.C.

January 17, 2024

# Jackson County, Florida Sheriff

## FINANCIAL STATEMENTS

**September 30, 2023**



# Jackson County, Florida
# Sheriff
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# September 30, 2023


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# REPORT

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# INDEPENDENT AUDITORS' REPORT

To Honorable Donald L. Edenfield
Sheriff
Jackson County, Florida

## Opinions

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Jackson County, Florida Sheriff (Sheriff) as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Sheriff's financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the Sheriff as of September 30, 2023, and the respective changes in financial position, where applicable, and the respective budgetary comparison for the General Fund for the 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. Our responsibilities under those standards are further described in the Auditors' 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

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. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position, where applicable, of each major fund, and the aggregate remaining fund information, only for that portion of each major fund, and the aggregate remaining fund information, of Jackson County, Florida that is attributable to the Sheriff. They do not purport to, and do not, present fairly the financial position of Jackson County, Florida, as of September 30, 2023, and the changes in its financial position, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to these matters.

To Honorable Donald L. Edenfield
Sheriff
Jackson County, Florida

**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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Sheriff's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

To Honorable Donald L. Edenfield
Sheriff
Jackson County, Florida

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.

**Supplementary 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 combining and individual nonmajor fund financial statements are presented for purposes of additional analysis and are not a required part of the basic 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 combining and individual nonmajor fund financial statements are 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 June 21, 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, regulations, contracts, and grant agreements and other matters. 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 Sheriff's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

Marianna, Florida
June 21, 2024

# FINANCIAL STATEMENTS

# Jackson County, Florida
# Sheriff
# Balance Sheet
# Governmental Funds

| *September 30, 2023* | General Fund | E911 Special Revenue Fund | Other Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|
| **Assets** | | | | |
| Cash and cash equivalents | $ 322,793 | $ 119,663 | $ 92,610 | $ 535,066 |
| Restricted cash and cash equivalents | 113,893 | - | 35,657 | 149,550 |
| Due from other funds | 138,590 | 15,826 | 73,973 | 228,389 |
| Due from Board of County Commissioners | 36,346 | 199,991 | - | 236,337 |
| Due from other governmental units | 151,777 | 63,800 | - | 215,577 |
| Total assets | $ 763,399 | $ 399,280 | $ 202,240 | $ 1,364,919 |
| **Liabilities** | | | | |
| Accounts payable and accrued expenses | $ 498,188 | $ - | $ - | $ 498,188 |
| Unearned revenue | 39,802 | - | 52,400 | 92,202 |
| Due to other funds | 15,826 | 126,612 | 12,833 | 155,271 |
| Due to Board of County Commissioners | 95,690 | - | - | 95,690 |
| Total liabilities | 649,506 | 126,612 | 65,233 | 841,351 |
| **Fund balances** | | | | |
| Restricted | 113,893 | 272,668 | 98,268 | 484,829 |
| Committed | - | - | 38,739 | 38,739 |
| Total fund balances | 113,893 | 272,668 | 137,007 | 523,568 |
| Total liabilities and fund balances | $ 763,399 | $ 399,280 | $ 202,240 | $ 1,364,919 |

*The accompanying notes are an integral part of this financial statement.*

# Jackson County, Florida
# Sheriff
# Statement of Revenues, Expenditures, and Changes in Fund Balances
# Governmental Funds

| *For the year ended September 30, 2023* | General Fund | E911 Special Revenue Fund | Other Governmental Funds | Total Governmental Funds |
|---|---|---|---|---|
| **Revenues** | | | | |
| Grants | $ 345,901 | $ 126,363 | $ 47,350 | $ 519,614 |
| Fines and forfeitures | - | - | 39,773 | 39,773 |
| Charges for services | - | 148,598 | - | 148,598 |
| Other fees and miscellaneous revenues | 108,116 | 6,800 | 4,623 | 119,539 |
| School board contributions | 1,199,399 | - | - | 1,199,399 |
| Investment earnings | 11,958 | - | 101 | 12,059 |
| Total revenues | 1,665,374 | 281,761 | 91,847 | 2,038,982 |
| **Expenditures** | | | | |
| Current: | | | | |
| Public safety | 8,454,327 | 126,612 | 62,933 | 8,643,872 |
| Capital outlay | 321,113 | - | 9,714 | 330,827 |
| Debt service: | | | | |
| Principal | 218,519 | - | - | 218,519 |
| Interest and other charges | 13,061 | - | - | 13,061 |
| Total expenditures | 9,007,020 | 126,612 | 72,647 | 9,206,279 |
| Excess (deficiency) of revenues over (under) expenditures | (7,341,646) | 155,149 | 19,200 | (7,167,297) |
| **Other financing sources (uses)** | | | | |
| Transfers in | 7,139,871 | 163,329 | 27,619 | 7,330,819 |
| Insurance recoveries | 45,528 | - | - | 45,528 |
| Sale of capital assets | 43,763 | - | - | 43,763 |
| Loan proceeds | 112,479 | - | - | 112,479 |
| Transfers out | (42,269) | (45,810) | - | (88,079) |
| Net other financing sources (uses) | 7,299,372 | 117,519 | 27,619 | 7,444,510 |
| **Net change in fund balances** | (42,274) | 272,668 | 46,819 | 277,213 |
| **Fund balances - beginning** | 156,167 | - | 90,188 | 246,355 |
| **Fund balances - ending** | $ 113,893 | $ 272,668 | $ 137,007 | $ 523,568 |

*The accompanying notes are an integral part of this financial statement.*

# Jackson County, Florida
# Sheriff
# Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual
# General Fund

| *For the year ended September 30, 2023* | Original Budget | Final Budget | Actual Amounts (Budgetary Basis) | Variance with Final Budget Favorable (Unfavorable) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Grants | $ - | $ - | $ - | $ - |
| Other fees and miscellaneous revenues | - | - | - | - |
| Total revenues | - | - | - | - |
| **Expenditures** | | | | |
| Current: | | | | |
| Public safety | 7,695,305 | 7,714,551 | 7,970,245 | (255,694) |
| Capital outlay | 538,249 | 619,410 | 321,113 | 298,297 |
| Total expenditures | 8,233,554 | 8,333,961 | 8,291,358 | 42,603 |
| Excess (deficiency) of revenues over expenditures | (8,233,554) | (8,333,961) | (8,291,358) | 42,603 |
| **Other financing sources (uses)** | | | | |
| Transfers in | 5,798,793 | 5,818,039 | 6,967,517 | 1,149,478 |
| Transfers out | - | - | (42,269) | (42,269) |
| Total other financing sources | 5,798,793 | 5,818,039 | 6,925,248 | 1,107,209 |
| **Net change in fund balance** | $ (2,434,761) | $ (2,515,922) | $ (1,366,110) | $ 1,149,812 |

*The accompanying notes are an integral part of this financial statement.*

## Jackson County, Florida
## Sheriff
## Statement of Fiduciary Net Position – Custodial Funds

| *September 30, 2023* | | Custodial Funds |
|---|---|---|
| **Assets** | | |
| Cash | $ | 144,645 |
| Total assets | | 144,645 |
| **Liabilities** | | |
| Due to Others | | 144,615 |
| Total liabilities | | 144,615 |
| **Net Position** | | |
| Restricted net position | | 30 |
| Total net position | $ | 30 |

*The accompanying notes are an integral part of this financial statement.*

## Jackson County, Florida
## Sheriff
## Statement of Changes in Fiduciary Net Position – Custodial Funds

| *For the year ended September 30, 2023* | | Custodial Funds |
|---|---|---|
| **Additions:** | | |
| Collections for other governments | $ | 108,835 |
| Total additions | | 108,835 |
| **Deductions:** | | |
| Collections for other governments | | 108,835 |
| Total deductions | | 108,835 |
| Net increase (deficiency) in fiduciary net position | | - |
| **Fund balances - beginning** | | 30 |
| **Fund balances - ending** | $ | 30 |

*The accompanying notes are an integral part of this financial statement.*

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and the presentation of these financial statements have been designed to conform to generally accepted accounting principles as applicable to governmental units in accordance with the Governmental Accounting Standards Board. The following is a summary of significant accounting principles and policies used in the preparation of these financial statements.

***Reporting Entity***

The Jackson County Sheriff's office is an agency of Jackson County, Florida (County), which is a political subdivision of the State of Florida. The County was established on August 12, 1822, by the First Session of the Territorial Legislative Council. Jackson County, Florida is governed by an elected Board of County Commissioners (Board), which derives its authority by the County Charter, Florida State Statutes and regulations. In addition to the members of the Board, there are five elected Constitutional Officers: Clerk of Courts, Sheriff, Tax Collector, Property Appraiser and Supervisor of Elections. The Constitutional Officers maintain separate accounting records and budgets.

The accompanying financial statements present the financial position and results of operations of the various fund types for all the funds controlled by the Jackson County, Florida Sheriff's Office.

The Jackson County, Florida Sheriff (Sheriff) is a separately elected County official established pursuant to the Constitution of the State of Florida. The Sheriff's financial statements do not purport to reflect the financial position or the results of operations of Jackson County, Florida taken as a whole.

Entity status for financial reporting is governed by Statement No. 14 of the Governmental Accounting Standards Board (GASB). Although the Sheriff's office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Sheriff is reported as part of the primary government of Jackson County, Florida.

These financial statements are not intended to be a complete presentation of the financial position and results of operations of Jackson County, Florida taken as a whole. As permitted by Chapter 10.556(5), Rules of the Auditor General State of Florida, the financial statements consist of only the *fund level* financial statements as defined in GASB No. 34, and do not include presentations of *government-wide* financial statements of the Sheriff.

The operations of the Sheriff are primarily funded by the Board. The receipts from the Board are recorded as other financing sources on the Sheriff's financial statements and as other financing uses on the Board's financial statements. Any excess of revenues and other financing sources received over expenditures are remitted to the Board at year-end.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Basis of Presentation***

The Sheriff's financial statements have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (Rules). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund statements do not constitute a complete presentation because, in conformity with the Rules, the Sheriff has not presented reconciliations to the government-wide financial statements, management's discussion and analysis, or the pension or the other post-employment benefit related required supplementary information. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County's countywide financial statements. 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 each major fund, and the aggregate remaining fund information, of Jackson County, Florida, that is attributable to the Sheriff. They do not purport to, and do not, present fairly the financial position of Jackson County, Florida, as of September 30, 2023, and the changes in its financial position, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

In preparing these financial statements the following are reported as major governmental funds:

**General Fund** - The General Fund is used to account for all revenue and expenditures applicable to the general operations of the Sheriff that are not required either legally or by generally accepted accounting principles to be accounted for in another fund.

**E911 Special Revenue Fund** - Accounts for revenues and expenses relating to E911 emergency services.

In addition, the Sheriff reported the following 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."

**Anti-Drug Abuse Grant** - Accounts for revenues and expenditures of the drug task force grant.

**Contraband Forfeitures Fund** - Accounts for revenues and expenses relating to various forfeitures and seizures received through efforts of the drug task force.

**Reserve Fund** - Accounts for revenues and expenditures relating to community grants, honor guard donations and summer camp donations.

**Sheriff's Auxiliary** - Accounts for revenues and expenditures relating to the Sheriff's auxiliary unit.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Basis of Presentation (continued)***

**Sheriff's Posse** - Accounts for revenues and expenditures related to the Sheriff's Posse unit.

**Aviation Fund** - Accounts for revenues and expenses relating to the Domestic Marijuana Eradication grant.

The Sheriff also reported the following fund type:

**Custodial Funds** - The custodial funds are used to account for assets held by the Sheriff as an agent for individuals, private organizations, and other governments. Agency funds are custodial in nature and do not involve measurement of changes in financial position.

***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 Governmental 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. 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***

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

All governmental fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. The major modifications to the accrual basis are: (a) revenues are recorded in the accounting period in which they become available and measurable (available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, considered to be sixty days for all revenue) (b) expenditures are recorded in the accounting period in which 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.

Major revenue sources susceptible to accrual include: intergovernmental revenues and investment income. In general, charges for services and other revenue are recognized as earned.

The fiduciary fund statements are prepared using the economic resources measurement focus and the modified accrual basis of accounting.

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

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Budgetary Requirements***

Florida Statutes, Chapters 30.49 and 129.03(2), detail the preparation, adoption and administration of the Sheriff's annual budget. The Sheriff establishes an annual balanced budget for his office which displays the revenues available to the office and the functions for which the money is to be expended. 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 actual results of operations in the Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund are presented on a budgetary basis for budgetary accounting purposes. The Sheriff only budgets revenue and expenditures appropriated by the Board of County Commissioners. Adjustments to convert the results of operation of the general fund at the end of the year from the budgetary basis of accounting to the GAAP basis of accounting are as follows:

| *For the year ended September 30, 2023* | Total Expenditures | Total Revenue and Other Financing Sources | Net Change in Fund Balance |
|---|---|---|---|
| GAAP basis | $ 9,007,020 | $ 9,120,913 | $ 113,893 |
| Non-budgeted revenue and expenditures: | | | |
| Revenues other than appropriations from grants, reimbursements and insurance | (715,662) | (715,662) | - |
| Budgetary basis | $ 8,291,358 | $ 8,405,251 | $ 113,893 |

***Cash and Cash Equivalents***

Cash includes amounts in demand deposits as well as short term investments with a maturity date within three months of the date acquired by the government.

***Capital Assets and Depreciation***

Tangible personal property is recorded as expenditures in the governmental fund types at the time an asset is acquired. Assets acquired by the Sheriff are capitalized at cost in the capital asset accounts of the County. The Sheriff maintains custodial responsibility for the capital assets used by his office.

***Leases***

The Sheriff has entered into lease agreements as lessee for financing the acquisition of office equipment and vehicles. The lease agreements have been recorded at the present value of the future minimum lease payments as of the inception date on the county-wide financial statements.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Accumulated Compensated Absences***

Permanent full-time employees of the Sheriff are entitled to earn vacation and sick time depending on the length of employment. Upon separation of employment, employees can be paid up to 320 hours vacation time and portion of unused sick time, with the payment of unused sick time being subject to various criteria.

The Sheriff's accumulated compensated absences are reported in the statement of net assets in the County's financial statements.

***Due to Other Funds***

This account is used to account for assets held by the Sheriff in a trustee capacity for other governmental agencies or individuals.

***Risk Management and Insurance***

The Sheriff participates in the Florida Sheriff Self-Insurance Fund, which is considered a public entity risk pool which purchases insurance policies on behalf of its members. The pool's members are not obligated for risk associated with such coverage. Coverage under these programs includes general liability, automobiles and money and securities coverage. The Sheriff provides for workers' compensation coverage through the Board. A separate insurance policy is carried for the aircraft.

In addition, the Sheriff participates in the Florida Self-Insurance Fund for risks related to professional liability and public officials' coverage. The funding agreement provides that the liability fund will be self-sustaining through member premiums and that it will reinsure through commercial companies. Aggregate coverage provided by the liability fund is $3,500,000 for professional liability and $3,500,000 for public officials' coverage.

***Management Estimates and Assumptions***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make use of estimates and assumptions 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 estimates.

***Subsequent Events***

Management has evaluated subsequent events through the date that the financial statements were available to be issued, June 21, 2024, and determined there were no events that occurred that required disclosure.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Fund Balance Reporting and Governmental Fund-Type Definitions***

The Sheriff adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Type Definitions* (GASB Statement No. 54) effective October 1, 2010. This GASB Statement clarifies governmental fund balance classifications and fund-type definitions. Fund balances are classified either as non-spendable or spendable. See Note 10.

***Recently Issued and Implemented Accounting Pronouncements***

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements are as follows:

In May 2020, the GASB issued Statement No. 93 (GASB 93), *Replacement of Interbank Offered Rates*. The objectives of this Statement are to address financial reporting issues that result from the replacement of an Interbank Offered Rate (IBOR) by providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment and clarification of the hedge accounting termination provisions when a hedged item is amended to replace the reference rate; replacing LIBOR as an appropriate benchmark interest rate for the evaluation of the effectiveness of an interest rate swap with a Secured Overnight Financing Rate or the Effective Federal Funds Rate; and providing exceptions to the lease modifications guidance in GASB 87 for lease contracts that are amended solely to replace an IBOR used to determine variable payments.

The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2022. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2021. The implementation of GASB 93 did not result in any change in the Sheriff's financial statements.

The implementation of this statement had no impact on the financial statements.

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Recently Issued and Implemented Accounting Pronouncements (continued)***

This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

The implementation of this statement had no impact on the financial statements.

In May 2020, the GASB issued 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 Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Assets and liabilities resulting from SBITAs should be recognized and measured using the facts and circumstances that existed at the beginning of the fiscal year in which this Statement is implemented. Governments are permitted, but are not required, to include in the measurement of the subscription asset capitalizable outlays associated with the initial implementation stage and the operation and additional implementation stage incurred prior to the implementation of this Statement.

The implementation of this statement had no a significant impact on the financial statements.

**Note 2: DEPOSITS AND INVESTMENTS**

At September 30, 2023, the carrying amount of the Sheriff's cash and cash equivalents and restricted cash and cash equivalents totaled $829,261 and the bank balance was $870,224. The bank balance was covered by federal depository insurance and, for the amount in excess of such federal depository insurance, by the State of Florida's Public Deposit Act. Provisions of the Act require that public deposits may only be made at qualified public depositories. The Act requires each qualified public depository to deposit with the State Treasurer eligible collateral equal to or in excess of the required collateral as determined by the provisions of the Act. In the event of a failure by a qualified public depository, losses in excess of federal depository insurance and proceeds from the sale of securities pledged by the defaulting depository are assessed against the other qualified public depositories of the same type as the depository in default. When other qualified public depositories are assessed additional amounts, they are assessed on a pro-rata basis. Florida Statutes authorize the Sheriff to invest in certificates of deposit, repurchase agreements and the State Treasurer's Investment Pool. In addition, the statutes allow the Sheriff to invest in bonds, notes or other obligations of the United States Government, certain bonds of any state or local government unit, and bonds issued by certain government agencies.

***Credit Risk***

At September 30, 2023, the Sheriff did not hold any deposits or investments that were considered to have credit risk.

***Interest Rate Risk***

At September 30, 2023, the Sheriff did not hold any deposits or investments that were considered to have interest rate risk.

***Custodial Credit Risk***

At September 30, 2023, the Sheriff did not hold any deposits or investments that were considered to have custodial credit risk.

***Concentration of Credit Risk***

At September 30, 2023, the Sheriff did not hold any deposits or investments that were considered to have a concentration of credit risk.

**Note 3: DUE FROM OTHER GOVERNMENTS**

Due from other governmental units primarily consisted of amounts due from the State of Florida earned but not received as of September 30, 2023.

**Note 4: EMPLOYEE PENSION PLAN**

The Sheriff participates in the Florida Retirement System (FRS), a cost-sharing, multiple employer defined benefit public retirement system administered by the State of Florida Department of Administration, Division of Retirement, to provide retirement and survivor benefits to participating public employees. FRS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the State of Florida Division of Retirement, Tallahassee, Florida, 32399-1560, or by accessing their internet site at www.frs.state.fl.us/frs/public/annual.

For those employees hired prior to July 1, 2011, FRS provides vesting of benefits after six years of creditable service. Members are eligible for normal retirement after six years of service and attaining age 62, or 30 years of service regardless of age. Early retirement may be taken any time after completing six years of service; however, there is a 5% benefit reduction for each year prior to normal retirement. For those employees hired on or after July 1, 2011, the System provides for vesting of benefits after eight years of creditable service. Normal retirement benefits are available to these employees who retire at or after age 65 with eight years of service with a 5% reduction of benefits for each year prior to normal retirement. FRS also provides death and disability benefits and cost- of-living adjustments. Generally, membership is compulsory for all full-time and part-time employees. Prior to July 1, 2011, retirement coverage was employee noncontributory. Effective July 1, 2011 the Florida Legislature mandated all employees contribute 3% to their retirement coverage with immediate vesting of their contributions.

**Note 4: EMPLOYEE PENSION PLAN (Continued)**

The funding methods and the determination of benefits payable are provided in various acts of the Florida Legislature. These acts provide that employers pay all contributions at rates determined each year by the legislature. The rates, as a percentage of gross earnings, are as follows:

| *For the year ended September 30, 2023* | 10/1/2022 Through 6/30/2023 | 7/1/2023 Through 9/30/2023 |
|---|---|---|
| Regular employees | 11.91% | 13.57% |
| Senior management | 31.57% | 34.52% |
| Elected county officials | 57.00% | 58.68% |
| Special risk employees | 27.83% | 32.67% |
| DROP participants | 18.60% | 21.13% |

Chapter 121, Florida Statutes establishes the authority for participant eligibility, contribution requirements, vesting eligibility and benefit provisions. For the year October 1, 2022 through September 30, 2023, the total payroll for all employees was $4,901,217. The retirement contributions for all employees covered by the System for the years ended September 30, 2023, 2022 and 2021 were $1,207,511, $886,843 and $638,579, respectively, which were the required contributions. For the year ended September 30, 2023 retirement contributions represented 24.64% of covered payroll.

GASB Statement No. 68 establishes standards of accounting and financial reporting, but not funding or budgetary standards, for defined benefit pensions and defined contribution pensions provided to the employees of state and local governmental employers through pension plans that are administered through trusts or equivalent arrangements. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans within the scope of the Statement.

The requirements of Statement No. 68 apply to the financial statements of all state and local governmental employers whose employees (or volunteers that provide services to state and local governments) are provided with pensions through pension plans that are administered through trusts or equivalent arrangements, and to the financial statements of state and local governmental nonemployer contributing entities that have a legal obligation to make contributions directly to such pension plans. This Statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense/expenditures related to pensions. Note disclosure and RSI requirements about pensions also are addressed. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.

**Note 4: EMPLOYEE PENSION PLAN (Continued)**

The adoption of Statement No. 68 has no impact on the Jackson County, Florida Sheriff's governmental fund financial statements, which continue to report expenditures in the amount of the actuarially determined contributions, as required by State law. The calculation of pension contributions is unaffected by the change. These amounts, if any, are recorded in the County's government-wide financial statements.

**Note 5: POST EMPLOYMENT BENEFITS OTHER THAN PENSION**

In addition to the retirement plan in Note 4, the County, in accordance with Section 112.0801, Florida Statutes, provides post-retirement health care benefits to all retired employees who participated in the group health plan while employed. Employees of the Sheriff are covered under the County's plan. The County is required to measure and recognize the annual cost of the future benefits and calculate the annual employer funding requirements and, to the extent funding is not made by the County recognize another post-employment benefit (OPEB) liability on the balance sheet of the County. These amounts, if any, are recorded in the County's government-wide financial statements.

**Note 6: GRANTS**

The Sheriff participates in several state and federal grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The audits of these programs for or including the year ended September 30, 2023, as well as prior years, have not been yet been accepted/approved by the grantors. Accordingly, the final determination of the Sheriff's compliance with applicable grant requirements will be established at a future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined, although the Sheriff expects such amounts, if any, to be immaterial.

**Note 7: LITIGATION AND CONTINGENT LIABILITIES**

The Sheriff is involved in various litigations arising from the ordinary course of business. The Sheriff's office has been made aware of various potential litigations stemming from arrests by a former Deputy Sheriff. In the opinion of the Sheriff's attorney, the ultimate effect of such litigation cannot be ascertained at this time.

**Note 8: BUDGETS**

Budgets were not prepared for the various special revenue funds.

**Note 9: EXCESS REVENUES**

Pursuant to Section 218.36(2), Florida Statutes, each County Officer shall pay into the county general fund all money in excess of the sum to which he or she is entitled under the provisions of Chapter 145. Excess revenues over expenditures returned to the Board of County Commissioners as required by Florida Statutes are accrued and reported as a transfer out. For the year ended September 30, 2023, excess revenues over expenditures of $42,269 are accrued and reported as transfers out to the Board of County Commissioners.

**Note 10: FUND BALANCES**

Non-spendable fund balances include amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact. The Sheriff had no non-spendable fund balance at September 30, 2023.

Spendable fund balances are classified based on a hierarchy of the Sheriff's ability to control the spending of these fund balances and are reported in the following categories: restricted, committed, assigned and unassigned. For the year ended September 30, 2023, the Sheriff reports fund balances as restricted. Restricted fund balances have externally imposed constraints placed on the use of resources by creditors, grantors, contributors, laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Assigned fund balance has constraints placed on the use of resources by the Sheriff's intent to use the resources for specific purposes. Unassigned fund balance has not been restricted, committed or assigned to specific purposes within the general fund.

Restricted fund balances at September 30, 2023 are as follows:

| | General Fund | Contraband Forfeitures | E911 Special Revenue Fund | Anti-Drug Abuse Grant | Total |
|---|---|---|---|---|---|
| Restricted for: | | | | | |
| Public safety grants | $ - | $ - | $ 272,668 | $ 23,361 | $ 296,029 |
| Crime prevention | - | 74,907 | - | - | 74,907 |
| School resource officers | 113,893 | - | - | - | 113,893 |
| Total fund balances - restricted | $ 113,893 | $ 74,907 | $ 272,668 | $ 23,361 | $ 484,829 |

**Note 10: FUND BALANCES (Continued)**

Committed fund balances at September 30, 2023 are as follows:

| | Reserve Fund | Sheriff's Auxiliary | Sheriff's Posse | Aviation Fund | Total |
|---|---|---|---|---|---|
| Committed for: | | | | | |
| Community activities | $ 2,166 | $ - | $ - | $ 27,620 | $ 29,786 |
| Auxiliary unit | - | 8,447 | - | - | 8,447 |
| Sheriff's posse unit | - | - | 506 | - | 506 |
| Total fund balances - committed | $ 2,166 | $ 8,447 | $ 506 | $ 27,620 | $ 38,739 |

**Note 11: COMMITMENTS**

The Sheriff has entered into a payment plan agreement for equipment through the year ended September 30, 2026. Future commitment payments are as follows:

| *For the years ending September 30,* | Amount |
|---|---|
| 2024 | $ 32,835 |
| 2025 | 32,835 |
| 2026 | 32,835 |
| Total | $ 98,505 |

# SUPPLEMENTARY INFORMATION

# Jackson County, Florida
# Sheriff
# Combining Balance Sheet
# General Fund

| *September 30, 2023* | General Fund | School Board | E911 | Total |
|---|---|---|---|---|
| **Assets** | | | | |
| Cash and cash equivalents | $ 322,793 | $ - | $ - | $ 322,793 |
| Restricted cash and cash equivalents | - | 113,893 | - | 113,893 |
| Due from other funds | 138,590 | - | - | 138,590 |
| Due from Board of County Commissioners | 36,346 | - | - | 36,346 |
| Due from other governmental units | 151,777 | - | - | 151,777 |
| Total assets | $ 649,506 | $ 113,893 | $ - | $ 763,399 |
| **Liabilities** | | | | |
| Accounts payable and accrued expenses | $ 498,188 | $ - | $ - | $ 498,188 |
| Unearned revenue | 39,802 | - | - | 39,802 |
| Due to other funds | 15,826 | - | - | 15,826 |
| Due to Board of County Commissioners | 95,690 | - | - | 95,690 |
| Total liabilities | 649,506 | - | - | 649,506 |
| **Fund balances** | | | | |
| Restricted | - | 113,893 | - | 113,893 |
| Total fund balances | - | 113,893 | - | 113,893 |
| Total liabilities and fund balances | $ 649,506 | $ 113,893 | $ - | $ 763,399 |

# Jackson County, Florida
# Sheriff
## Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
## General Fund

| *For the year ended September 30, 2023* | General Fund | School Board | E911 | Total |
|---|---|---|---|---|
| **Revenues** | | | | |
| Grants | $ 345,901 | $ - | $ - | $ 345,901 |
| Other fees and miscellaneous revenues | 108,116 | - | - | 108,116 |
| School board contributions | - | 1,199,399 | - | 1,199,399 |
| Investment earnings | 11,958 | - | - | 11,958 |
| Total revenues | 465,975 | 1,199,399 | - | 1,665,374 |
| **Expenditures** | | | | |
| Current: | | | | |
| Public safety | 6,796,100 | 1,485,873 | 172,354 | 8,454,327 |
| Capital outlay | 321,113 | - | - | 321,113 |
| Debt service: | | | | |
| Principal | 218,519 | - | - | 218,519 |
| Interest and other charges | 13,061 | - | - | 13,061 |
| Total expenditures | 7,348,793 | 1,485,873 | 172,354 | 9,007,020 |
| Excess (deficiency) of revenues (under) expenditures | (6,882,818) | (286,474) | (172,354) | (7,341,646) |
| **Other financing sources** | | | | |
| Transfers in | 6,723,317 | 244,200 | 172,354 | 7,139,871 |
| Insurance recoveries | 45,528 | - | - | 45,528 |
| Sale of capital assets | 43,763 | - | - | 43,763 |
| Loan proceeds | 112,479 | - | - | 112,479 |
| Transfers out | (42,269) | - | - | (42,269) |
| Net other financing sources | 6,882,818 | 244,200 | 172,354 | 7,299,372 |
| **Net change in fund balances** | - | (42,274) | - | (42,274) |
| **Fund balances - beginning** | - | 156,167 | - | 156,167 |
| **Fund balances - ending** | $ - | $ 113,893 | $ - | $ 113,893 |

# Jackson County, Florida
# Sheriff
# Combining Balance Sheet
# Nonmajor Governmental Funds

| *September 30, 2023* | Anti-Drug Abuse Grant | Contraband Forfeitures | Reserve Fund | Sheriff's Auxiliary | Sheriff's Posse | Aviation Fund | Total Nonmajor Governmental Funds |
|---|---|---|---|---|---|---|---|
| **Assets** | | | | | | | |
| Cash and cash equivalents | $ - | $ - | $ 4,587 | $ 8,447 | $ 506 | $ 79,070 | $ 92,610 |
| Restricted cash and cash equivalents | 523 | 35,134 | - | - | - | - | 35,657 |
| Due from other funds | 33,250 | 39,773 | - | - | - | 950 | 73,973 |
| Total assets | $ 33,773 | $ 74,907 | $ 4,587 | $ 8,447 | $ 506 | $ 80,020 | $ 202,240 |
| **Liabilities** | | | | | | | |
| Unearned revenue | $ - | $ - | $ - | $ - | $ - | $ 52,400 | $ 52,400 |
| Due to other funds | 10,412 | - | 2,421 | - | - | - | 12,833 |
| Total liabilities | 10,412 | - | 2,421 | - | - | 52,400 | 65,233 |
| **Fund balances** | | | | | | | |
| Restricted | 23,361 | 74,907 | - | - | - | - | 98,268 |
| Committed | - | - | 2,166 | 8,447 | 506 | 27,620 | 38,739 |
| Total fund balances | 23,361 | 74,907 | 2,166 | 8,447 | 506 | 27,620 | 137,007 |
| Total liabilities and fund balances | $ 33,773 | $ 74,907 | $ 4,587 | $ 8,447 | $ 506 | $ 80,020 | $ 202,240 |

# Jackson County, Florida
# Sheriff
## Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
## Nonmajor Governmental Funds

| *For the year ended September 30, 2023* | Anti-Drug Abuse Grant | Contraband Forfeitures | Reserve Fund | Sheriff's Auxiliary | Sheriff's Posse | Aviation Fund | Total Nonmajor Governmental Funds |
|---|---|---|---|---|---|---|---|
| **Revenues** | | | | | | | |
| Grants | $ 33,250 | $ - | $ - | $ - | $ - | $ 14,100 | $ 47,350 |
| Fines and forfeitures | - | 39,773 | - | - | - | - | 39,773 |
| Other fees and miscellaneous revenues | - | - | 4,623 | - | - | - | 4,623 |
| Investment earnings | - | 101 | - | - | - | - | 101 |
| Total revenues | 33,250 | 39,874 | 4,623 | - | - | 14,100 | 91,847 |
| **Expenditures** | | | | | | | |
| Current: | | | | | | | |
| Public safety | 35,570 | 1,219 | 9,681 | 2,364 | - | 14,099 | 62,933 |
| Capital outlay | - | 9,714 | - | - | - | - | 9,714 |
| Total expenditures | 35,570 | 10,933 | 9,681 | 2,364 | - | 14,099 | 72,647 |
| Excess (deficiency) of revenues (under) expenditures | (2,320) | 28,941 | (5,058) | (2,364) | - | 1 | 19,200 |
| **Other financing sources** | | | | | | | |
| Transfers in | - | - | - | - | - | 27,619 | 27,619 |
| Net other financing sources | - | - | - | - | - | 27,619 | 27,619 |
| **Net change in fund balances** | (2,320) | 28,941 | (5,058) | (2,364) | - | 27,620 | 46,819 |
| **Fund balances - beginning** | 25,681 | 45,966 | 7,224 | 10,811 | 506 | - | 90,188 |
| **Fund balances - ending** | $ 23,361 | $ 74,907 | $ 2,166 | $ 8,447 | $ 506 | $ 27,620 | $ 137,007 |

# COMPLIANCE SECTION

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## INDEPENDENT AUDITORS' 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 Donald L. Edenfield
Sheriff
Jackson 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 funds of the Jackson County, Florida, Sheriff (Sheriff) as of and for the 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 June 21, 2024.

### 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) to determine 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 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 entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

## Current Year Comments

**GRANT REPORTING – FINDING, SH 2023-001**

CRITERIA: All grant related assets and liabilities should be properly reported on the financial statements.

CONDITION: Grant assets and liabilities and related revenues and expenditures were not correctly stated.

CAUSE: This was an oversight during the year-end closing process.

EFFECT: Grant revenues and related accounts were misstated prior to correction by approximately $52,000.

RECOMMENDATION: All significant balance sheet accounts should be agreed to supporting schedules to promote accuracy in reporting. Verification should be obtained for any grants that are passed through the Board to provide for reconciliation between the entities for reporting.

VIEW OF RESPONSIBLE OFFICIALS: See Management's Response and Corrective Action Plan beginning on page 32.

## Summary of Prior Year Audit Findings

**PROPER CLASSIFICATION OF FIXED ASSETS – FINDING, SH2022-001 - RESOLVED**

CRITERIA: All capital outlay should be properly recorded and included on the depreciation schedule.

CONDITION: Not all capital asset additions were correctly reported and included on the listing of current year additions.

CAUSE: Assets purchased by the Board on behalf of the Sheriff's office were not properly recorded. Assets subsequently purchased after the satisfaction of a lease were not included in the listing of all current year additions.

EFFECT: Capital outlay listing provided to update the depreciation schedule was not complete.

RECOMMENDATION: All capital outlay items should be included in designated capital outlay accounts and should be supported by a detail listing of all current year additions.

STATUS: This condition has been resolved.

**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, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

**Purpose of this Report**

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

Carr, Riggs & Ingram, L.L.C.

Marianna, Florida
June 21, 2024

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## INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES, *LOCAL GOVERNMENT INVESTMENT POLICIES*

Honorable Donald L. Edenfield
Sheriff
Jackson County, Florida

We have examined the Jackson County, Florida, Sheriff's (Sheriff) compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2023. Management is responsible for the Sheriff's compliance with those requirements. Our responsibility is to express an opinion on the Sheriff's compliance with the specified requirements 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 Sheriff complied, in all material respects, with the specified 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 noncompliance, whether due to fraud or error. We believe that our examination provides a reasonable basis for our opinion.

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 for the year ended September 30, 2023.

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

Carr, Riggs & Ingram, L.L.C.

Marianna, Florida
June 21, 2024

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## INDEPENDENT AUDITORS' MANAGEMENT LETTER

Honorable Donald L. Edenfield
Sheriff
Jackson County, Florida

### Report on the Financial Statements

We have audited the accompanying financial statements of the Jackson County, Florida Sheriff (Sheriff), as of and for the year ended September 30, 2023, and have issued our report thereon dated June 21, 2024.

### Auditors' 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 Auditors' 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* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 21, 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 significant 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 the management letter, unless disclosed in the notes to the financial statements. This information is disclosed in the notes to the financial statements.

**Financial Management**

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

**Additional Matters**

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

**Purpose of this Letter**

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

Carr, Riggs & Ingram, L.L.C.

Marianna, Florida
June 21, 2024

Donald L. Edenfield
*Sheriff*

4111 Gov Rick Scott Drive
Marianna, FL 32448

JACKSON COUNTY SHERIFF'S OFFICE

June 21, 2024

Honorable Sherrill F. Norman
State of Florida Auditor General
Claude Pepper Building
111 West Madison Street
Tallahassee, FL 32399-1450

Dear Auditor General Norman,

We have received the audit report for the Office of the Sheriff, Jackson County, Florida, for the fiscal year ending September 30, 2023. We have reviewed the Management Letter included in the report. Please see our response below concerning the items noted.

**SH2023-001 – Grant Reporting**
We understand the necessity of properly recording grant related assets and liabilities and related revenues and expenditures. We are dedicated to strengthening the effectiveness of internal controls related to the proper handling of these transactions. We will ensure that all significant balance sheet accounts agree with supporting schedules to enhance accuracy in reporting. We will also work closely with the Board on any grants that are passed through them to obtain verification and perform reconciliation between the entities to ensure proper accounting and reporting.

We will continue to evaluate ways to strengthen internal controls related to the grant reporting.

Sincerely,

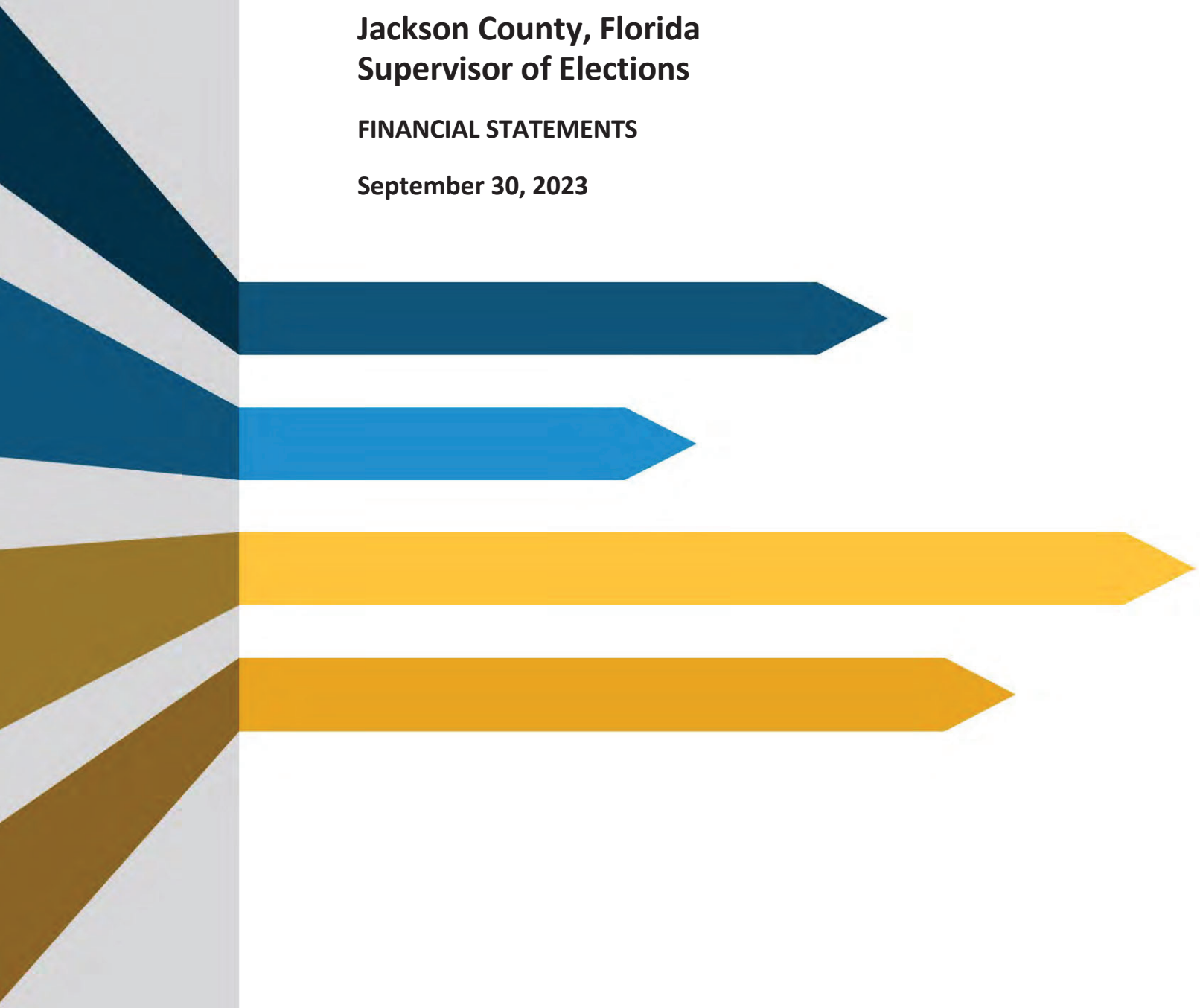
Donald L. Edenfield, Sheriff
Jackson County, Florida

Regina L. Patrick, Finance Officer
Jackson County Sheriff's Office

# Jackson County, Florida
# Supervisor of Elections

## FINANCIAL STATEMENTS

**September 30, 2023**



# Jackson County, Florida
# Supervisor of Elections
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# September 30, 2023


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# REPORT

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# INDEPENDENT AUDITOR'S REPORT

To the Honorable Carol A. Dunaway
Supervisor of Elections of Jackson County, Florida
Marianna, Florida

## Opinions

We have audited the accompanying financial statements of each major fund of the office of the Jackson County, Florida, Supervisor of Elections (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 as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund of the Supervisor of Elections as of September 30, 2023, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the 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. 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

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. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position, where applicable, of each major fund, and the aggregate remaining fund information, only for that portion of each major fund, and the aggregate remaining fund information, of Jackson County, Florida that is attributable to the Supervisor of Elections. They do not purport to, and do not, present fairly the financial position of Jackson County, Florida, as of September 30, 2023, and the changes in its financial position, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to these matters.

To the Honorable Carol A. Dunaway
Supervisor of Elections of Jackson County, Florida
Marianna, Florida

**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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Supervisor of Elections' ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

To the Honorable Carol A. Dunaway
Supervisor of Elections of Jackson County, Florida
Marianna, Florida

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 a report dated February 27, 2024, on our consideration of the Supervisor of Elections' internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. 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 Supervisor of Elections' internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

February 27, 2024

# FINANCIAL STATEMENTS

# Jackson County, Florida
# Supervisor of Elections
# Balance Sheet
# Governmental Funds

| *September 30, 2023* | | General Fund |
|---|---|---|
| **Assets** | | |
| Cash and cash equivalents | $ | 157,317 |
| Restricted cash and cash equivalents | | 6,451 |
| Total assets | $ | 163,768 |
| **Liabilities** | | |
| Accounts payable and accrued expenses | $ | 28,461 |
| Unearned revenue | | 6,451 |
| Due to Board of County Commissioners | | 128,856 |
| Total liabilities | | 163,768 |
| **Fund balance** | | - |
| Total liabilities and fund balance | $ | 163,768 |

*The accompanying notes are an integral part of this financial statement.*

# Jackson County, Florida
# Supervisor of Elections
# Statement of Revenues, Expenditures, and Changes in Fund Balance
# Governmental Funds

| *For the year ended September 30, 2023* | | General Fund |
|---|---|---|
| **Revenues** | | |
| Grants | $ | 60,833 |
| Interest earnings | | 2,966 |
| Other fees and miscellaneous revenue | | 9,169 |
| Total revenues | | 72,968 |
| **Expenditures** | | |
| Current | | |
| General government | | 750,215 |
| Capital outlay | | 32,667 |
| Total expenditures | | 782,882 |
| Excess (deficiency) of revenues over (under) expenditures | | (709,914) |
| **Other Financing Sources (Uses)** | | |
| Transfers in | | 709,914 |
| Net other financing sources (uses) | | 709,914 |
| **Net change in fund balance** | | - |
| **Fund balance, beginning of year** | | - |
| **Fund balance, end of year** | $ | - |

*The accompanying notes are an integral part of this financial statement.*

## Jackson County, Florida
## Supervisor of Elections
## Statement of Revenues, Expenditures, and Changes in Fund Balance – Budget and Actual
## General Fund

| *For the year ended September 30, 2023* | Original Budget | Final Budget | Actual Amounts | Variance with Fund Budget Favorable (Unfavorable) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Grants | $ - | $ - | $ 60,833 | $ 60,833 |
| Interest earnings | 25 | 25 | 2,966 | 2,941 |
| Other fees and miscellaneous revenues | 3,500 | 3,500 | 9,169 | 5,669 |
| Total revenues | 3,525 | 3,525 | 72,968 | 69,443 |
| **Expenditures** | | | | |
| Current | | | | |
| General government | 762,973 | 776,924 | 750,215 | 26,709 |
| Capital outlay | 6,984 | 6,984 | 32,667 | (25,683) |
| Total expenditures | 769,957 | 783,908 | 782,882 | 1,026 |
| Excess (deficiency) of revenues over (under) expenditures | (766,432) | (780,383) | (709,914) | 70,469 |
| **Other Financing Sources (Uses)** | | | | |
| Transfer in | 766,432 | 780,383 | 709,914 | (70,469) |
| Net other financing sources (uses) | 766,432 | 780,383 | 709,914 | (70,469) |
| **Net change in fund balance** | $ - | $ - | $ - | $ - |

*The accompanying notes are an integral part of this financial statement.*

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and the presentation of these financial statements have been designed to conform to generally accepted accounting principles as applicable to governmental units in accordance with the Governmental Accounting Standards Board.

***Reporting Entity***

The Jackson County Supervisor of Elections' office is an agency of Jackson County, Florida (County), which is a political subdivision of the State of Florida. The County was established on August 12, 1822, by the First Session of the Territorial Legislative Council. Jackson County, Florida is governed by an elected Board of County Commissioners (Board), which derives its authority by the County Charter, Florida State Statutes and regulations. In addition to the members of the Board, there are five elected Constitutional Officers: Clerk of Courts, Sheriff, Tax Collector, Property Appraiser and Supervisor of Elections. The Constitutional Officers maintain separate accounting records and budgets.

The accompanying financial statements present the financial position and results of operations of the various fund types for all the funds controlled by the Jackson County Supervisor of Elections' Office.

The Jackson County, Florida Supervisor of Elections (Supervisor of Elections) is a separately elected County official established pursuant to the Constitution of the State of Florida. The Supervisor of Elections' financial statements do not purport to reflect the financial position or the results of operations of Jackson County, Florida taken as a whole.

Entity status for financial reporting purposes is governed by Statement No. 14 of the Governmental Accounting Standards Board (GASB). Although the Supervisor of Elections' office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Supervisor of Elections is reported as part of the primary government of Jackson County, Florida.

These financial statements are not intended to be a complete presentation of the financial position and results of operations of Jackson County, Florida taken as a whole. As permitted by Chapter 10.556(5), Rules of the Auditor General State of Florida, the financial statements consist of only the *fund level* financial statements as defined in GASB No. 34, and do not include presentations of *government-wide* financial statements of 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. Any excess of revenues and other financing sources received over expenditures are remitted to the Board at year end.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Basis of Presentation***

The Supervisor of Elections' financial statements have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (Rules). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund statements do not constitute a complete presentation because, in conformity with the Rules, the Supervisor of Elections has not presented reconciliations to the government-wide financial statements, management's discussion and analysis, or the pension or the other post-employment benefit related required supplementary information. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County's countywide financial statements. 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 each major fund, and the aggregate remaining fund information, of Jackson County, Florida, that is attributable to the Supervisor of Elections. They do not purport to, and do not, present fairly the financial position of Jackson County, Florida, as of September 30, 2023, and the changes in its financial position, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

In preparing these financial statements, the following is reported as a major governmental fund:

> **General Fund** - The general fund is the general operating fund and presents the grant and other activity of the Supervisor of Elections. It is used to account for all financial resources, except those required to be accounted for in another fund.

***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.

***Basis of Accounting***

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

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Basis of Accounting (continued)***

All governmental fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. The major modifications to the accrual basis are: (a) revenues are recorded in the accounting period in which they become available and measurable (available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, considered to be sixty days for all revenue) (b) expenditures are recorded in the accounting period in which 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.

When both restricted and unrestricted resources are available for use, it is the Supervisor of Elections' policy to use restricted resources first, then unrestricted resources as needed.

***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 acquired by the government.

***Restricted Cash and Cash Equivalents***

At September 30, 2023, the Supervisor of Elections held restricted funds of $6,451 for grants.

***Capital Assets and Depreciation***

Tangible personal property is recorded as expenditures in the governmental 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 County. The Supervisor of Elections' assets are reported in the statement of net position in the County's financial statements. The Supervisor of Elections maintains custodial responsibility for the capital assets used by her office.

***Accumulated Compensated Absences***

The Supervisor of Elections maintains a policy that permits employees to accumulate earned but unused vacation and sick pay benefits that will be paid to employees upon separation from Supervisor of Elections' office if certain criteria are met. These benefits, plus their related tax and retirement costs are classified as compensated absences. Employees may be paid for unused vacation hours accrued up to a maximum amount. Payment of unused sick leave, upon termination, is also provided for up to varying amounts.

The Supervisor of Elections' compensated absences are accrued and reported in the government-wide financial statements of the County's financial statements.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Budgetary Requirements***

General governmental revenue 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 of the annual budget for the year. Budgets are prepared on the modified accrual basis of accounting.

***Risk Management and Insurance***

The Supervisor of Elections is covered under the Board of County Commissioners' insurance policies. The Board insures itself against losses from casualty, accident and dishonesty by purchasing insurance through a local insurance agency. The Board believes the level of insurance purchased is adequate to protect against material loss. No significant changes in coverage or claims have been made during the current year.

***Management Estimates and Assumptions***

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 estimates.

***Subsequent Events***

Management has evaluated subsequent events through the date that the financial statements were available to be issued, February 27, 2024, and determined there were no events that occurred that required disclosure.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Recently Issued and Implemented Accounting Pronouncements***

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements are as follows:

In May 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objectives of this Statement are to address financial reporting issues that result from the replacement of an Interbank Offered Rate (IBOR) by providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment and clarification of the hedge accounting termination provisions when a hedged item is amended to replace the reference rate; replacing LIBOR as an appropriate benchmark interest rate for the evaluation of the effectiveness of an interest rate swap with a Secured Overnight Financing Rate or the Effective Federal Funds Rate; and providing exceptions to the lease modifications guidance in Statement 87 for lease contracts that are amended solely to replace an IBOR used to determine variable payments.

The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2022. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

The implementation of this statement had no impact on the financial statements.

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements.* The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Recently Issued and Implemented Accounting Pronouncements (continued)***

The implementation of this statement had no impact on the financial statements.

In May 2020, the GASB issued 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 Statement No. 87, Leases, as amended. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Assets and liabilities resulting from SBITAs should be recognized and measured using the facts and circumstances that existed at the beginning of the fiscal year in which this Statement is implemented. Governments are permitted, but are not required, to include in the measurement of the subscription asset capitalizable outlays associated with the initial implementation stage and the operation and additional implementation stage incurred prior to the implementation of this Statement.

The implementation of this statement had no impact on the financial statements.

**Note 2: DEPOSITS AND INVESTMENTS**

At September 30, 2023, the carrying amount of the Supervisor of Elections' cash and cash equivalents and restricted cash and cash equivalents was $163,768 and the bank balance was $35,443. The bank balance was covered by federal depository insurance and, for the amount in excess of such federal depository insurance, by the State of Florida's Public Deposit Act. Provisions of the Act require that public deposits may only be made at qualified public depositories. The Act requires each qualified public depository to deposit with the State Treasurer eligible collateral equal to or in excess of the required collateral as determined by the provisions of the Act. In the event of a failure by a qualified public depository, losses in excess of federal depository insurance and proceeds from the sale of securities pledged by the defaulting depository are assessed against the other qualified public depositories of the same type as the depository in default. When other qualified public depositories are assessed additional amounts, they are assessed on a pro-rata basis.

Florida Statutes authorize the Supervisor of Elections to invest in certificates of deposit, repurchase agreements and the State Treasurer's Investment Pool. In addition, the statutes allow the Supervisor of Elections to invest in bonds, notes or other obligations of the United States Government, certain bonds of any state or local government unit, and bonds issued by certain government agencies.

**Note 2: DEPOSITS AND INVESTMENTS (Continued)**

*Credit risk* - At September 30, 2023, the Supervisor of Elections did not hold any deposits or investments that were considered to have credit risk.

*Interest rate risk* – At September 30, 2023, the Supervisor of Elections did not hold any deposits or investments that were considered to have interest rate risk.

*Custodial credit risk* – At September 30, 2023, the Supervisor of Elections did not hold any deposits or investments that were considered to have custodial risk.

*Concentration of Credit Risk* - At September 30, 2023, the Supervisor of Elections did not hold any deposits or investments that were considered to have concentration of credit risk.

**Note 3: EMPLOYEE BENEFITS**

The Supervisor of Elections participates in the Florida Retirement System (FRS), a cost-sharing, multiple employer defined benefit public retirement system administered by the State of Florida Department of Administration, Division of Retirement, to provide retirement and survivor benefits to participating public employees. FRS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the State of Florida Division of Retirement, Tallahassee, Florida, 32399-1560, or by accessing their website at www.frs.state.fl.us/frs/public/annual.

For those employees hired prior to July 1, 2011, FRS provides vesting of benefits after six years of creditable service. Members are eligible for normal retirement after six years of service and attaining age 62, or 30 years of service regardless of age. Early retirement may be taken any time after completing six years of service; however, there is a 5% benefit reduction for each year prior to normal retirement. For those employees hired on or after July 1, 2011, the System provides for vesting of benefits after eight years of creditable service. Normal retirement benefits are available to these employees who retire at or after age 65 with eight years of service with a 5% reduction of benefits for each year prior to normal retirement. FRS also provides death and disability benefits and cost- of-living adjustments. Generally, membership is compulsory for all full-time and part-time employees. Prior to July 1, 2011, retirement coverage was employee noncontributory. Effective July 1, 2011 the Florida Legislature mandated all employees contribute 3% to their retirement coverage with immediate vesting of their contributions.

The funding methods and the determination of benefits payable are provided in various acts of the Florida Legislature. These acts provide that employers and employees pay contributions at rates determined each year by the legislature.

**Note 3: EMPLOYEE BENEFITS (Continued)**

The employer rates, as a percentage of gross earnings, are as follows:

| | 10/01/22 Through 06/30/23 | 07/01/23 Through 09/30/23 |
|---|---|---|
| Regular employees | 11.91% | 13.57% |
| Senior management | 31.57% | 34.52% |
| Elected county officials' class | 57.00% | 58.68% |

Chapter 121, Florida Statutes establishes the authority for participant eligibility, contribution requirements, vesting eligibility and benefit provisions. Total payroll for the Supervisor of Elections' employees covered by the Florida Retirement System was $247,754 for the year ended September 30, 2023. The Supervisor of Elections' contribution to the plan for the years ended September 30, 2023, 2022 and 2021 was $87,812, $75,799 and $77,353, respectively, which were the required contributions. These contributions represent 35.44% of covered payroll for the year ended September 30, 2023.

GASB Statement No. 68 establishes standards of accounting and financial reporting, but not funding or budgetary standards, for defined benefit pensions and defined contribution pensions provided to the employees of state and local governmental employers through pension plans that are administered through trusts or equivalent arrangements. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans within the scope of the Statement.

The requirements of Statement No. 68 apply to the financial statements of all state and local governmental employers whose employees (or volunteers that provide services to state and local governments) are provided with pensions through pension plans that are administered through trusts or equivalent arrangements, and to the financial statements of state and local governmental nonemployer contributing entities that have a legal obligation to make contributions directly to such pension plans. This Statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense/expenditures related to pensions. Note disclosure and RSI requirements about pensions also are addressed. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.

The adoption of Statement No. 68 has no impact on the Jackson County, Florida Supervisor of Elections' governmental fund financial statements, which continue to report expenditures in the amount of the actuarially determined contributions, as required by State law. The calculation of pension contributions is unaffected by the change. These amounts, if any, are recorded in the County's government-wide financial statements.

**Note 4: POST EMPLOYMENT BENEFITS OTHER THAN PENSIONS (OPEB)**

In addition to the retirement plan in Note 3, the County, in accordance with Section 112.0801, Florida Statutes, provides post-retirement health care benefits to all retired employees who participated in the group health plan while employed. Employees of the Supervisor of Elections are covered under the County's plan. The County is required to measure and recognize the annual cost of the future benefits and calculate the annual employer funding requirements and, to the extent funding is not made by the County recognize another post-employment benefit (OPEB) liability on the balance sheet of the County. These amounts, if any, are recorded in the County's government-wide financial statements.

**Note 5: GRANTS**

The Supervisor of Elections participates in several state and federal grant programs. These programs are subject to program compliance audits by the grantors or their representatives. The audits of these programs for or including the year ended September 30, 2023, as well as prior years, have not been yet been accepted/approved by the grantors. Accordingly, the final determination of the Supervisor or Elections' compliance with applicable grant requirements will be established at a future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined, although the Supervisor of Elections expects such amounts, if any, to be immaterial.

**Note 6: EXCESS REVENUE**

Pursuant to Section 218.36(2), Florida Statutes, each County Officer shall pay into the county general fund all money in excess of the sum to which he or she is entitled under the provisions of Chapter 145. There was no excess revenue in the current year.

**Note 7: FUND BALANCE**

Non-spendable fund balances include amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact. The Supervisor of Elections had no non-spendable net assets at September 30, 2023.

Spendable fund balances are classified based on a hierarchy of the Supervisor of Elections' ability to control the spending of these fund balances and are reported in the following categories: restricted, committed, assigned and unassigned. Restricted fund balances have externally imposed constraints placed on the use of resources by creditors, granters, contributors, laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Assigned fund balances have constraints placed on the use of resources by the Supervisor of Elections' intent to use the resources for a specific purpose. Unassigned fund balances have not been restricted, committed or assigned to specific purposes within the general fund. The Supervisor of Elections had no restricted fund balance at September 30, 2023.

**Note 8: LITIGATION AND CONTINGENT LIABILITIES**

The Supervisor of Elections is involved in various litigation arising from the ordinary course of business. In the opinion of management, after consultation with legal counsel, these matters will be resolved without a material adverse effect on the Supervisor of Elections' financial position.

# REPORTS ON INTERNAL CONTROL AND COMPLIANCE MATTERS

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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Honorable Carol A. Dunaway
Supervisor of Elections of Jackson County, Florida
Marianna, 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 Jackson County, Florida, Supervisor of Elections (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 February 27, 2024.

**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) to determine 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 Election's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

To the Honorable Carol A. Dunaway
Supervisor of Elections of Jackson County, Florida
Marianna, Florida

**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, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Carr, Riggs & Ingram, L.L.C.

February 27, 2024

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## INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES, *LOCAL GOVERNMENT INVESTMENT POLICIES*

The Honorable Carol A. Dunaway
Supervisor of Elections of Jackson County, Florida
Marianna, Florida

We have examined Jackson County, Florida, Supervisor of Elections' (Supervisor of Elections) compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2023. 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 specified 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 noncompliance, whether due to fraud or error. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Supervisor of Elections' compliance with specified requirements.

In our opinion, the Supervisor 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 management and the State of Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

February 27, 2024

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# INDEPENDENT AUDITOR'S MANAGEMENT LETTER

To the Honorable Carol A. Dunaway
Supervisor of Elections of Jackson County, Florida
Marianna, Florida

## Report on the Financial Statements

We have audited the accompanying financial statements of the Jackson County, Florida, Supervisor of Elections (Supervisor of Elections), as of and for the year ended September 30, 2023, and have issued our report thereon dated February 27, 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 Reports

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* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated February 27, 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 significant findings and recommendations made in the preceding annual financial audit report. There were no findings in the preceding annual financial audit report.

To the Honorable Carol A. Dunaway
Supervisor of Elections of Jackson County, Florida
Marianna, Florida

**Official Title and Legal Authority**

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

**Financial Management**

Section 10.554(1)(i)2, Rules of the Auditor General, requires that we address in the management letter any findings and recommendations that 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 that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

**Purpose of this Letter**

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

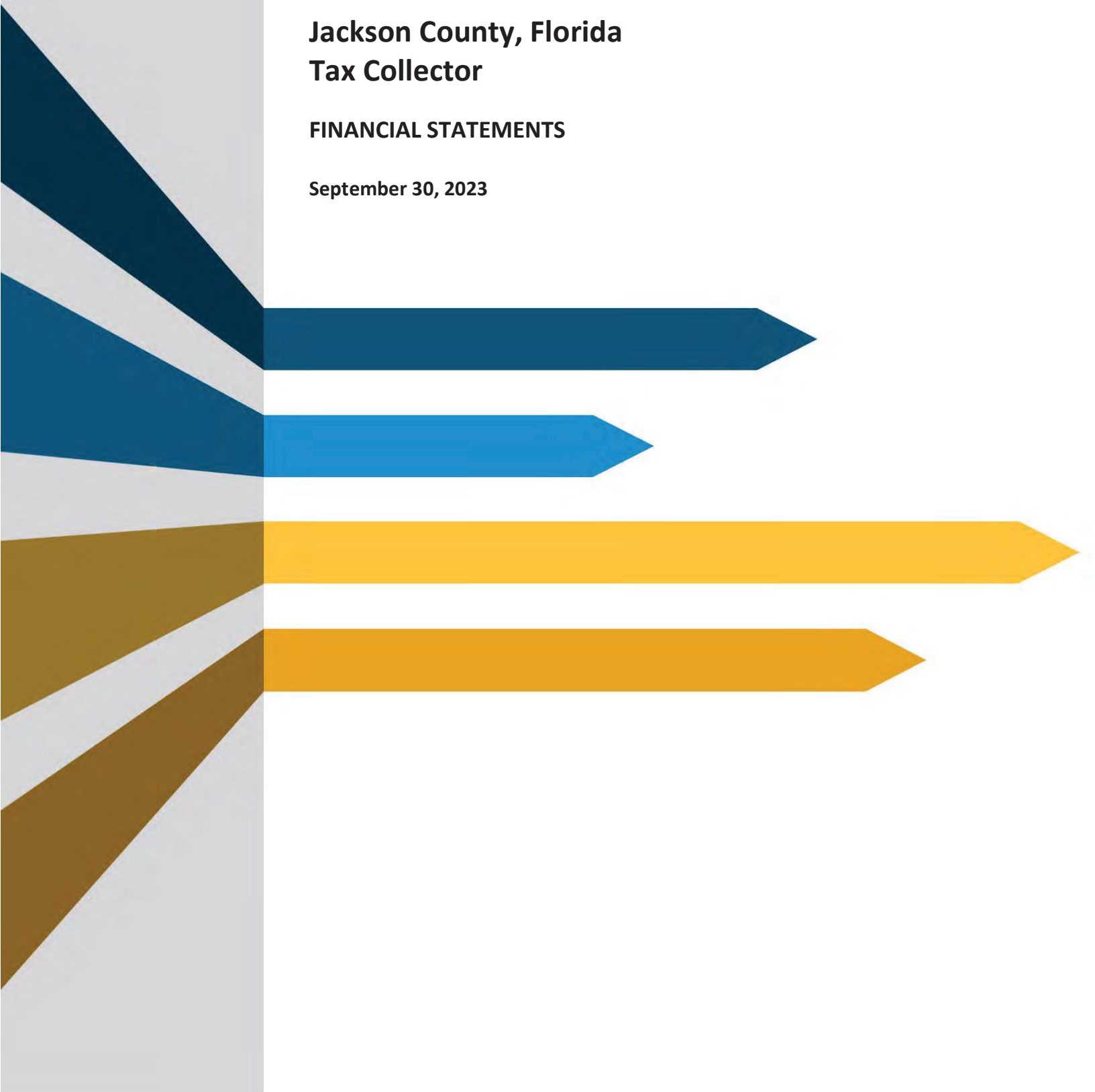
Carr, Riggs & Ingram, L.L.C.

February 27, 2024

# Jackson County, Florida
# Tax Collector

## FINANCIAL STATEMENTS

**September 30, 2023**



# Jackson County, Florida
# Tax Collector
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# September 30, 2023


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# FINANCIAL SECTION

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# INDEPENDENT AUDITORS' REPORT

To the Honorable Mary Carol Murdock
Tax Collector of Jackson County, Florida
Marianna, Florida

## Opinions

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Jackson 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 as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the Tax Collector as of September 30, 2023, and the respective changes in financial position, thereof, and the budgetary comparison for the General Fund for the 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. Our responsibilities under those standards are further described in the Auditors' 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

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. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position, where applicable, of each major fund, and the aggregate remaining fund information, only for that portion of each major fund, and the aggregate remaining fund information, of Jackson County, Florida that is attributable to the Tax Collector. They do not purport to, and do not, present fairly the financial position of Jackson County, Florida, as of September 30, 2023, and the changes in its financial position, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to these matters.

To the Honorable Mary Carol Murdock
Tax Collector of Jackson County, Florida
Marianna, Florida

**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, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Tax Collector's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

To the Honorable Mary Carol Murdock
Tax Collector of Jackson County, Florida
Marianna, Florida

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.

**Supplementary Information**

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Tax Collector's basic financial statements. The combining and individual agency fund financial statements are presented for purposes of additional analysis and are not a required part of the basic 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 combining and individual agency fund financial statements are 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 January 24, 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, regulations, contracts, and grant agreements and other matters. 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 Tax Collector's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

January 24, 2024

# BASIC FINANCIAL STATEMENTS

# Jackson County, Florida
# Tax Collector
# Balance Sheet
# Governmental Fund

| *September 30, 2023* | | General Fund |
|---|---|---|
| **Assets** | | |
| Cash and cash equivalents | $ | 73,847 |
| Total assets | $ | 73,847 |
| **Liabilities** | | |
| Accounts payable and accrued expenses | $ | 35,640 |
| Unearned revenue | | 22,568 |
| Due to Board of County Commissioners | | 13,439 |
| Total liabilities | | 71,647 |
| **Fund balance** | | 2,200 |
| Total liabilities and fund balance | $ | 73,847 |

*The accompanying notes are an integral part of this financial statement.*

# Jackson County, Florida
# Tax Collector
## Statement of Revenues, Expenditures, and Changes in Fund Balance
## Governmental Fund

| *For the year ended September 30, 2023* | General Fund |
|---|---|
| **Revenues** | |
| Charges for services | $ 1,069,272 |
| Total revenues | 1,069,272 |
| **Expenditures** | |
| Current: | |
| General government | 1,413,040 |
| Debt Service: | |
| Principal | 18,014 |
| Interest and other charges | 378 |
| Total expenditures | 1,431,432 |
| Excess (deficiency) of revenues over (under) expenditures | (362,160) |
| **Other financing sources (uses)** | |
| Transfers in | 375,599 |
| Transfers out | (13,439) |
| Net other financing sources (uses) | 362,160 |
| **Net change in fund balance** | - |
| **Fund balance - beginning** | 2,200 |
| **Fund balance - ending** | $ 2,200 |

*The accompanying notes are an integral part of this financial statement.*

# Jackson County, Florida
# Tax Collector
## Statement of Revenues, Expenditures, and Changes in Fund Balance
## Budget and Actual
## General Fund

| *For the year ended September 30, 2023* | Original Budget | Final Budget | Actual Amounts (Budgetary Basis) | Variance with Final Budget Favorable (Unfavorable) |
|---|---|---|---|---|
| **Revenues** | | | | |
| Charges for services | $ 1,040,894 | $ 1,079,360 | $ 1,050,880 | $ (28,480) |
| Total revenues | 1,040,894 | 1,079,360 | 1,050,880 | (28,480) |
| **Expenditures** | | | | |
| Current: | | | | |
| General government | 1,416,493 | 1,446,384 | 1,413,040 | 33,344 |
| Capital outlay | - | 8,575 | - | 8,575 |
| Total expenditures | 1,416,493 | 1,454,959 | 1,413,040 | 41,919 |
| Excess (deficiency) of revenues over (under) expenditures | (375,599) | (375,599) | (362,160) | 13,439 |
| **Other financing sources (uses)** | | | | |
| Transfers in | 375,599 | 375,599 | 375,599 | - |
| Transfers out | - | - | (13,439) | (13,439) |
| Net other financing sources (uses) | 375,599 | 375,599 | 362,160 | (13,439) |
| **Net change in fund balance** | $ - | $ - | $ - | $ - |

*The accompanying notes are an integral part of this financial statement.*

# Jackson County, Florida
# Tax Collector
# Statement of Fiduciary Net Position
# Agency Funds

| *September 30, 2023* | | Custodial Funds |
|---|---|---|
| **Assets** | | |
| Cash | $ | 376,758 |
| Total assets | | 376,758 |
| **Liabilities** | | |
| Due to others | | 376,758 |
| Total liabilities | | 376,758 |
| **Net position** | | |
| Restricted net position | | - |
| Total net position | $ | - |

*The accompanying notes are an integral part of this financial statement.*

## Jackson County, Florida
## Tax Collector
## Statement of Changes in Fiduciary Net Position
## Agency Funds

| *For the year ended September 30, 2023* | | Custodial Funds |
|---|---|---|
| **Additions:** | | |
| Collections for other governments | $ | 47,144,526 |
| **Deductions:** | | |
| Payments for other governments | | 47,144,526 |
| Net increase (deficiency) in fiduciary net position | | - |
| Net position - beginning of year | | - |
| Net position - end of year | $ | - |

*The accompanying notes are an integral part of this financial statement.*

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounting policies and the presentation of these financial statements have been designed to conform to generally accepted accounting principles as applicable to governmental units in accordance with the Governmental Accounting Standards Board.

***Reporting Entity***

The Jackson County Tax Collector's office is an agency of Jackson County, Florida, which is a political subdivision of the State of Florida. The County was established on August 12, 1822, by the First Session of the Territorial Legislative Council. Jackson County, Florida is governed by an elected Board of County Commissioners (Board), which derives its authority by the County Charter, Florida State Statutes and regulations. In addition to the members of the Board, there are five elected Constitutional Officers: Clerk of Courts, Sheriff, Tax Collector, Property Appraiser and Supervisor of Elections. The Constitutional Officers maintain separate accounting records and budgets.

The accompanying financial statements present the financial position and results of operations of the various fund types for all the funds controlled by the Jackson County Tax Collector's Office.

The Jackson County, Florida Tax Collector (Tax Collector) is a separately elected County official established pursuant to the Constitution of the State of Florida. The Tax Collector's financial statements do not purport to reflect the financial position or the results of operations of Jackson County, Florida taken as a whole.

Entity status for financial reporting purposes is governed by Statement No. 14 of the Governmental Accounting Standards Board (GASB). Although the Tax Collector's office is operationally autonomous from the Board of County Commissioners (Board), it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Tax Collector is reported as part of the primary government of Jackson County, Florida.

These financial statements are not intended to be a complete presentation of the financial position and results of operations of Jackson County, Florida taken as a whole. As permitted by Chapter 10.556(4), Rules of the Auditor General State of Florida, the financial statements consist of only the *fund level* financial statements as defined in GASB No. 34, and do not include presentations of *government-wide* financial statements of the Tax Collector.

The Tax Collector operates on a fee and budgetary system. Under the fee system, the officer retains fees, commissions, and other revenue to pay all operating expenditures, including statutory compensation. Under the budgetary system, appropriated funds are received from the Board of County Commissioners and are recorded as other financing sources on the Tax Collector's financial statements and as other financing uses on the Board's financial statements. Any excess of revenue and other financial sources received over expenditures are remitted to the Board of County Commissioners after the end of the fiscal year.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Basis of Presentation***

The Tax Collector's financial statements have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (Rules). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund statements do not constitute a complete presentation because, in conformity with the Rules, the Tax Collector has not presented reconciliations to the government-wide financial statements, management's discussion and analysis, or the pension or the other post-employment benefit related required supplementary information. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County's government-wide financial statements. 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 each major fund, and the aggregate remaining fund information, of Jackson County, Florida, that is attributable to the Tax Collector. They do not purport to, and do not, present fairly the financial position of Jackson County, Florida, as of September 30, 2023, and the changes in its financial position, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

In preparing these financial statements the following is reported as a major governmental fund:

> **General Fund** - The general fund is the general operating fund of the Tax Collector. It is used to account for all financial resources, except those required to be accounted for in another fund.

The Tax Collector also reported the following fund type:

> **Agency Funds** - The agency funds are used to account for assets held by the Tax Collector as an agent for individuals, private organizations, and other governments. Agency funds are custodial in nature and do not measure results of operations. The Tax Collector reports the License and Boat, Tag, Tax, Driver's License and Credit Cards as agency funds.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Budgetary Requirements***

Florida Statutes, Chapter 218.35 and 195.087, details the preparation, adoption and administration of the Tax Collectors' annual budget. The Tax Collector establishes an annual balanced budget for her office which displays the revenues available to the office and the functions for which the money is to be expended. Expenditures are controlled by appropriations in accordance with the budget requirements set forth in Florida Statutes Chapter 195.087. The budget is prepared on a basis consistent with generally accepted accounting principles (GAAP) in the United States of America. The budgeted revenues and expenditures in the accompanying financial statements reflect all amendments, approved by the Florida Department of Revenue. On or before August 1 of each year, the Tax Collector shall submit to the Department of Revenue a budget for the operation of her office for the ensuing fiscal year. The Department of Revenue must approve the final budget.

The actual results of operations in the Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund are presented on a budgetary basis for budgetary accounting purposes. The Tax Collector does not budget for expenditures or revenue related to capitalization of leased assets and related liabilities under GASB 87. Adjustments to convert the results of operation of the general fund at the end of the year from the budgetary basis of accounting to the GAAP basis of accounting are as follows:

| | Total Expenditures | Total Revenue |
|---|---|---|
| GAAP basis – Revenues | $ 1,431,432 | $ 1,069,272 |
| GAAP basis – Other financing sources (uses) | 13,439 | 375,599 |
| Non-budgeted revenues and expenditures: | | |
| Other financing resources and capital expenditures related to asset and liabilities reported under GASB 87 | (18,392) | (18,392) |
| Budgetary basis | $ 1,426,479 | $ 1,426,479 |

***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. 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.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Basis of Accounting***

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

All governmental fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. The major modifications to the accrual basis are: (a) revenues are recorded in the accounting period in which they become available and measurable (available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, considered to be sixty days for all revenue) (b) expenditures are recorded in the accounting period in which 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 fiduciary fund statements are prepared using the economic resources measurement focus and the accrual basis of accounting.

When both restricted and unrestricted resources are available for use, it is the Tax Collector's policy to use restricted resources first, then unrestricted resources as needed.

***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 acquired by the government.

***Capital Assets and Depreciation***

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's assets are reported in the Statement of Net Assets in the County's financial statements. The Tax Collector maintains custodial responsibility for the capital assets used by her office.

***Leases***

The Tax Collector has entered into lease agreements as lessee for financing the acquisition of an office building and postage machine. The lease agreements have been recorded at the present value of the future minimum lease payments as of the inception date on the county-wide financial statements.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Accumulated Compensated Absences***

Permanent full-time employees of the Tax Collector are entitled to sick and annual leave based on length of employment. A maximum of 280 hours of annual leave may be carried forward to future years. Upon separation from employment, employees can be paid for unused leave in accordance with the Tax Collector's personnel policy.

The Tax Collector's accumulated compensated absences are reported in the statement of net position in the County's 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, and 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 Court administers these sales.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Property Tax Collections (continued)***

***Risk Management and Insurance***

The Tax Collector is covered under the Board of County Commissioners' insurance policies. The Board insures itself against losses from casualty, accident and dishonesty by purchasing insurance through a local insurance agency. The Board believes the level of insurance purchased is adequate to protect against material loss. No significant changes in coverage or claims have been made during the current year.

***Management Estimates and Assumptions***

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 estimates.

***Subsequent Events***

Management has evaluated subsequent events through the date that the financial statements were available to be issued, January 24, 2024, and determined there were no events that occurred that required disclosure.

***Government Fund Balances***

The Tax Collector adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Type Definitions* (GASB Statement No. 54) effective October 1, 2010. This GASB Statement clarifies governmental fund balance classifications and fund-type definitions. Fund balances are classified either as non-spendable or spendable. See Note 5.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Recently Issued and Implemented Accounting Pronouncements***

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements are as follows:

In May 2020, the GASB issued Statement No. 93, *Replacement of Interbank Offered Rates*. The objectives of this Statement are to address financial reporting issues that result from the replacement of an Interbank Offered Rate (IBOR) by providing exceptions for certain hedging derivative instruments to the hedge accounting termination provisions when an IBOR is replaced as the reference rate of the hedging derivative instrument's variable payment and clarification of the hedge accounting termination provisions when a hedged item is amended to replace the reference rate; replacing LIBOR as an appropriate benchmark interest rate for the evaluation of the effectiveness of an interest rate swap with a Secured Overnight Financing Rate or the Effective Federal Funds Rate; and providing exceptions to the lease modifications guidance in Statement 87 for lease contracts that are amended solely to replace an IBOR used to determine variable payments.

The removal of LIBOR as an appropriate benchmark interest rate is effective for reporting periods ending after December 31, 2022. All other requirements of this Statement are effective for reporting periods beginning after June 15, 2021.

The implementation of this statement had no impact on the financial statements.

In March 2020, the GASB issued Statement No. 94, *Public-Private and Public-Public Partnerships and Availability Payment Arrangements*. The objective of this Statement is to improve financial reporting by addressing issues related to public-private and public-public partnership arrangements (PPPs). As used in this Statement, a PPP is an arrangement in which a government (the transferor) contracts with an operator (a governmental or nongovernmental entity) to provide public services by conveying control of the right to operate or use a nonfinancial asset, such as infrastructure or other capital asset (the underlying PPP asset), for a period of time in an exchange or exchange-like transaction. Some PPPs meet the definition of a service concession arrangement (SCA), which the Board defines in this Statement as a PPP in which (1) the operator collects and is compensated by fees from third parties; (2) the transferor determines or has the ability to modify or approve which services the operator is required to provide, to whom the operator is required to provide the services, and the prices or rates that can be charged for the services; and (3) the transferor is entitled to significant residual interest in the service utility of the underlying PPP asset at the end of the arrangement.

**Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

***Recently Issued and Implemented Accounting Pronouncements (continued)***

This Statement also provides guidance for accounting and financial reporting for availability payment arrangements (APAs). As defined in this Statement, an APA is an arrangement in which a government compensates an operator for services that may include designing, constructing, financing, maintaining, or operating an underlying nonfinancial asset for a period of time in an exchange or exchange-like transaction. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022.

The implementation of this statement had no impact on the financial statements.

In May 2020, the GASB issued 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 Statement No. 87, *Leases*, as amended. The requirements of this Statement are effective for fiscal years beginning after June 15, 2022, and all reporting periods thereafter. Assets and liabilities resulting from SBITAs should be recognized and measured using the facts and circumstances that existed at the beginning of the fiscal year in which this Statement is implemented. Governments are permitted, but are not required, to include in the measurement of the subscription asset capitalizable outlays associated with the initial implementation stage and the operation and additional implementation stage incurred prior to the implementation of this Statement.

The implementation of this statement had no impact on the financial statements.

**Note 2: DEPOSITS AND INVESTMENTS**

At September 30, 2023, the carrying amount of the Tax Collector's cash and cash equivalents was $450,605 and the bank balance was $850,907. The bank balance was covered by federal depository insurance and, for the amount in excess of such federal depository insurance, by the State of Florida's Public Deposit Act. Provisions of the Act require that public deposits may only be made at qualified public depositories. The Act requires each qualified public depository to deposit with the State Treasurer eligible collateral equal to or in excess of the required collateral as determined by the provisions of the Act. In the event of a failure by a qualified public depository, losses in excess of federal depository insurance and proceeds from the sale of securities pledged by the defaulting depository are assessed against the other qualified public depositories of the same type as the depository in default. When other qualified public depositories are assessed additional amounts, they are assessed on a pro-rata basis.

Florida Statutes authorize the Tax Collector to invest in certificates of deposit, repurchase agreements and the State Treasurer's Investment Pool. In addition, the statutes allow the Tax Collector to invest in bonds, notes or other obligations of the United States Government, certain bonds of any state or local government unit, and bonds issued by certain government agencies.

*Credit Risk* - At September 30, 2023, the Tax Collector did not hold any deposits or investments that were considered to have credit risk.

*Interest Rate Risk* - At September 30, 2023, the Tax Collector did not hold any deposits or investments that were considered to have interest rate risk.

*Custodial Credit Risk* - At September 30, 2023, the Tax Collector did not hold any deposits or investments that were considered to have custodial risk.

*Concentration of Credit Risk* - At September 30, 2023, the Tax Collector did not hold any deposits or investments that were considered to have concentration of credit risk.

**Note 3: EMPLOYEE PENSION PLAN**

The Tax Collector participates in the Florida Retirement System (FRS), a cost-sharing, multiple employer defined benefit public retirement system administered by the State of Florida Department of Administration, Division of Retirement, to provide retirement and survivor benefits to participating public employees. FRS issues a publicly available financial report that includes financial statements and required supplementary information. The report may be obtained by writing to the State of Florida Division of Retirement, Tallahassee, Florida, 32399-1560, or by accessing their internet site at www.frs.state.fl.us/frs/public/annual.

**Note 3: EMPLOYEE PENSION PLAN (Continued)**

For those employees hired prior to July 1, 2011, FRS provides vesting of benefits after six years of creditable service. Members are eligible for normal retirement after six years of service and attaining age 62, or 30 years of service regardless of age. Early retirement may be taken any time after completing six years of service; however, there is a 5% benefit reduction for each year prior to normal retirement. For those employees hired on or after July 1, 2011, the System provides for vesting of benefits after eight years of creditable service. Normal retirement benefits are available to these employees who retire at or after age 65 with eight years of service with a 5% reduction of benefits for each year prior to normal retirement. FRS also provides death and disability benefits and cost- of-living adjustments. Generally, membership is compulsory for all full-time and part-time employees. Prior to July 1, 2011, retirement coverage was employee noncontributory. Effective July 1, 2011 the Florida Legislature mandated all employees contribute 3% to their retirement coverage with immediate vesting of their contributions.

The funding methods and the determination of benefits payable are provided in various acts of the Florida Legislature. These acts provide that employers and employees pay contributions at rates determined each year by the legislature. The employer rates, as a percentage of gross earnings, are as follows:

| | 10/01/22 Through 06/30/23 | 07/01/23 Through 09/30/23 |
|---|---|---|
| Regular employees | 11.91% | 13.57% |
| Senior management | 31.57% | 34.52% |
| DROP | 18.60% | 21.13% |
| Elected county officials' class | 57.00% | 58.68% |

Chapter 121, Florida Statutes establishes the authority for participant eligibility, contribution requirements, vesting eligibility and benefit provisions. Total payroll for the Tax Collector employees covered by the Florida Retirement System was $916,930 for the year ended September 30, 2023. The Tax Collector's contribution to the plan for the years ended September 30, 2023, 2022, and 2021 totaled $147,860, $129,797, and $126,403, respectively, which were the required contributions. These contributions represented 16.13% of covered payroll for the year ended September 30, 2023.

GASB Statement No. 68 establishes standards of accounting and financial reporting, but not funding or budgetary standards, for defined benefit pensions and defined contribution pensions provided to the employees of state and local governmental employers through pension plans that are administered through trusts or equivalent arrangements. This Statement replaces the requirements of Statement No. 27, *Accounting for Pensions by State and Local Governmental Employers*, as well as the requirements of Statement No. 50, *Pension Disclosures*, as they relate to pensions that are provided through pension plans within the scope of the Statement.

**Note 3: EMPLOYEE PENSION PLAN (Continued)**

The requirements of Statement No. 68 apply to the financial statements of all state and local governmental employers whose employees (or volunteers that provide services to state and local governments) are provided with pensions through pension plans that are administered through trusts or equivalent arrangements, and to the financial statements of state and local governmental non-employer contributing entities that have a legal obligation to make contributions directly to such pension plans. This Statement establishes standards for measuring and recognizing liabilities, deferred outflows of resources, and deferred inflows of resources, and expense/expenditures related to pensions. Note disclosure and RSI requirements about pensions also are addressed. For defined benefit pensions, this Statement identifies the methods and assumptions that should be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service.

The adoption of Statement No. 68 has no impact on the Jackson County, Florida Tax Collector's governmental fund financial statements, which continue to report expenditures in the amount of the actuarially determined contributions, as required by State law. The calculation of pension contributions is unaffected by the change. These amounts, if any, are recorded in the County's government-wide financial statements.

**Note 4: EXCESS REVENUE**

Pursuant to Section 218.36(2), Florida Statutes, any excess revenues over expenditures determined as of the fiscal year end, "…is returned to each governmental unit in the same proportion as the fees paid by the governmental unit bear to the total fee income of the Tax Collector." For the year ended September 30, 2023, excess revenues over expenditures of $13,439 are accrued and reported as a transfer out.

**Note 5: FUND BALANCES**

Fund balances are classified based upon a hierarchy of the Tax Collector's ability to control spending of these fund balances and can be classified in the following categories:

*Non-Spendable* – Amounts that cannot be spent because they are either not spendable in form or they are legally or contractually required to be maintained intact.

*Restricted* – Amounts that can be spent only for purposes stipulated by external parties, constitution provision or enabling legislation.

*Committed* – Amounts constrained for a specific purpose by the Tax Collector.

*Assigned* – For the general fund, amounts constrained for the intent to be used for a specific purpose by the Board of County Commissioners. For all governmental funds other than the general fund, any positive remaining amounts not classified as nonspendable, restricted or committed.

**Note 5: FUND BALANCES (Continued)**

*Unassigned* – All amounts not included in other spendable classifications.

At September 30, 2023, all of the Tax Collector's fund balance is classified as unassigned.

**Note 6: POST EMPLOYMENT BENEFITS OTHER THAN PENSION**

In addition to the retirement plan in Note 3, the County, in accordance with Section 112.0801, Florida Statutes, provides post-retirement health care benefits to all retired employees who participated in the group health plan while employed. Employees of the Tax Collector are covered under the County's plan. The County is required to measure and recognize the annual cost of the future benefits and calculate the annual employer funding requirements and, to the extent funding is not made by the County recognize another post-employment benefit (OPEB) liability on the balance sheet of the County. These amounts, if any, are recorded in the County's government-wide financial statements.

**Note 7: LITIGATION AND CONTINGENT LIABILITIES**

The Tax Collector is involved in various litigation arising from the ordinary course of business. In the opinion of management and after consultation with legal counsel, these matters will be resolved without a material adverse effect on the Tax Collector's financial position.

# SUPPLEMENTARY INFORMATION

## Jackson County, Florida
## Tax Collector
## Combining Statement of Fiduciary Net Position
## Agency Funds

| *September 30, 2023* | License and Boat | Tag | Tax | Driver's License | Credit Cards | Total |
|---|---|---|---|---|---|---|
| **Assets** | | | | | | |
| Cash | $ 378 | $ 45,139 | $ 299,225 | $ 5,177 | $ 26,839 | $ 376,758 |
| Total assets | 378 | 45,139 | 299,225 | 5,177 | 26,839 | 376,758 |
| **Liabilities** | | | | | | |
| Due to others | 378 | 45,139 | 299,225 | 5,177 | 26,839 | 376,758 |
| Total liabilities | 378 | 45,139 | 299,225 | 5,177 | 26,839 | 376,758 |
| **Net position** | | | | | | |
| Unrestricted net position | - | - | - | - | - | - |
| Total net position | $ - | $ - | $ - | $ - | $ - | $ - |

*See Independent Auditors' Report.*

## Jackson County, Florida
## Tax Collector
## Combining Statement of Changes in Fiduciary Net Position
## Agency Funds

| *For the year ended September 30, 2023* | License and Boat | Tag | Tax | Driver's License | Credit Cards | Total Custodial Funds |
|---|---|---|---|---|---|---|
| **Additions:** | | | | | | |
| Collections for other governments | $ 42,583 | $ 6,886,291 | $ 37,583,052 | $ 682,177 | $ 1,950,423 | $ 47,144,526 |
| **Deductions:** | | | | | | |
| Payments for other governments | 42,583 | 6,886,291 | 37,583,052 | 682,177 | 1,950,423 | 47,144,526 |
| Net increase (deficiency) in fiduciary net position | - | - | - | - | - | - |
| Net position - beginning of year | - | - | - | - | - | - |
| Net position - end of year | $ - | $ - | $ - | $ - | $ - | $ - |

# REPORTS ON INTERNAL CONTROL AND COMPLIANCE MATTERS

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## INDEPENDENT AUDITORS' 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*

To the Honorable Mary Carol Murdock
Tax Collector of Jackson County, Florida
Marianna, 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 Jackson County, Florida, Tax Collector (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 January 24, 2024.

**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) to determine 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 Tax Collector's internal control. Accordingly, we do not express an opinion on the effectiveness of the Tax Collector's internal control.

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

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

To the Honorable Mary Carol Murdock
Tax Collector of Jackson County, Florida
Marianna, Florida

**Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the Tax Collector's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the 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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Carr, Riggs & Ingram, L.L.C.

January 24, 2024

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**INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES,**
***LOCAL GOVERNMENT INVESTMENT POLICIES***

To the Honorable Mary Carol Murdock
Tax Collector of Jackson County, Florida
Marianna, Florida

We have examined Jackson County, Florida, Tax Collector (Tax Collector) compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the year ended September 30, 2023. Management is responsible for the Tax Collector's compliance with those requirements. Our responsibility is to express an opinion on the Tax Collector's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Tax Collector complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Tax Collector complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the Tax Collector's compliance with specified requirements.

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

In our opinion, the Tax Collector complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investments Policies* for the year ended September 30, 2023.

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

Carr, Riggs & Ingram, L.L.C.

January 24, 2024

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## INDEPENDENT AUDITORS' MANAGEMENT LETTER

To the Honorable Mary Carol Murdock
Tax Collector of Jackson County, Florida
Marianna, Florida

**Report on the Financial Statements**

We have audited the accompanying financial statements of the Jackson County, Florida Tax Collector (Tax Collector), as of and for the year ended September 30, 2023, and have issued our report thereon dated January 24, 2024.

**Auditors' 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 Reports**

We have issued our Independent Auditors' 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 Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated January 24, 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 significant findings and recommendations made in the preceding annual financial audit report. There were no findings and recommendations made in the preceding annual financial report.

**Official Title and Legal Authority**

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

To the Honorable Mary Carol Murdock
Tax Collector of Jackson County, Florida
Marianna, Florida

**Financial Management**

Section 10.554(1)(i)2, Rules of the Auditor General, requires that we address in the management letter any findings and recommendations that 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 that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

**Purpose of this Letter**

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

Carr, Riggs & Ingram, L.L.C.

January 24, 2024