JEFFERSON COUNTY, FLORIDA

AUDITED FINANCIAL STATEMENTS

FOR THE YEAR ENDED SEPTEMBER 30, 2023

JEFFERSON COUNTY, FLORIDA
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

BOARD OF COUNTY COMMISSIONERS

Jessica Gramling– District 1
Eugene Hall – District 2
J.T. Surles – District 3
Austin Hosford – District 4
Ben White– District 5

CLERK OF THE CIRCUIT COURT
Trey Hightower

SHERIFF
Mac McNeill

TAX COLLECTOR
Shanna Boutwell

PROPERTY APPRAISER
Angela Gray

SUPERVISOR OF ELECTIONS
Michelle Milligan

COUNTY ATTORNEY
Heather Encinosa

AUDITOR
Moran & Smith LLP

JEFFERSON COUNTY, FLORIDA
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

TABLE OF CONTENTS

Independent Auditor's Report 1

Management's Discussion and Analysis 5

BASIC FINANCIAL STATEMENTS

Government-wide Financial Statements
Statement of Net Position 11
Statement of Activities 12
Fund Financial Statements
Balance Sheet - Governmental Funds 13
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position 14
Statement of Revenues, Expenditures, and Changes in Fund Balances - Governmental Funds 15
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities 16
Statement of Fiduciary Net Position – Fiduciary Funds 17
Statement of Changes in Fiduciary Net Position – Fiduciary Funds 18
Notes to Financial Statements 19

COMBINING FINANCIAL STATEMENTS

Combining Balance Sheet - Nonmajor Governmental Funds 46
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Nonmajor Governmental Funds 48
Combining Statement of Fiduciary Net Position - Fiduciary Funds 51
Combining Statement of Changes in Fiduciary Net Position - Fiduciary Funds 52

REQUIRED SUPPLEMENTARY INFORMATION

Statement of Revenues, Expenditures, and Changes in Fund Balance - General Fund - Budget and Actual 53
Statement of Revenues, Expenditures, and Changes in Fund Balance – Fines and Forfeitures Fund - Budget and Actual 54
Statement of Revenues, Expenditures, and Changes in Fund Balance – Transportation Fund - Budget and Actual 55
Schedule of the County's Proportionate Share of the Net OPEB Liability 56
Schedule of Proportionate Share of Net Pension Liability Florida Retirement System and Health Insurance Subsidy 57
Schedule of Contributions Florida Retirement System and Health Insurance Subsidy 58

JEFFERSON COUNTY, FLORIDA
AUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

COMPLIANCE SECTION

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* 59
Independent Auditor's Report on Compliance for Each Major Federal Award Program and State Project and on Internal Control Over Compliance Required by Uniform Guidance and Chapter 10.550, *Rules of the Auditor General* 61
Schedule of Expenditures of Federal Awards and State Financial Assistance Projects 64
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance Projects 66
Schedule of Findings and Questioned Costs 67
Independent Auditor's Management Letter 72
Independent Accountant's Report on Compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies* 74
Independent Accountant's Report on Compliance with Section 365.172(10) and 365.173(2)(d), Florida Statutes 75

CONSTITUTIONAL OFFICERS FINANCIAL STATEMENTS

Clerk of Circuit Court

Sheriff

Tax Collector

Property Appraiser

Supervisor of Elections

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

INDEPENDENT AUDITOR'S REPORT

The Honorable Board of County Commissioners
and Constitutional Officers of Jefferson County, Florida
Monticello, Florida

Report on the Audit of the Financial Statements

Qualified and Unmodified Opinion

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Jefferson County, Florida (the "County"), as of and for the fiscal 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.

Qualified Opinion on the Governmental Activities

In our opinion, except for the effects of the matter described in the Basis for Qualified and Unmodified Opinions section of our report, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities of the County as of September 30, 2023, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Unmodified Opinion on the General Fund, Each Major Fund, and the Aggregate Remaining Fund Information

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the general fund, each major fund, and the aggregate remaining fund information of the County as of September 30, 2023, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Qualified and Unmodified Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial statement 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 qualified and unmodified audit opinions.

Matter Giving Rise to the Qualified Opinion on the Governmental Activities

As discussed in Note 14 to the financial statements, the City has not implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions.* Accounting principles generally accepted in the United States of America require recording of an obligation for postemployment benefits other than pensions, which would increase liabilities, decrease

net position and change the expenses in governmental activities. The effects of this departure from accounting principles generally accepted in the United States of America on the governmental activities has not been determined.

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

Auditor's Responsibilities for the Audit of the Financial Statements
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 judgement 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.

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 and other required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, 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.

Management has omitted the schedule of changes in the County's total OPEB liability and related ratios that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board 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. Our opinion on the basic financial statements is not affected by this missing information.

Supplementary Information
Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the County's basic financial statements. The accompanying combining and individual nonmajor fund financial statements and schedule of expenditures of federal awards and state financial assistance as required by Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principals, and Audit Requirements for Federal Awards*, and Chapter 10.550, *Rules of the Auditor General* of the State of Florida, 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 and schedule of expenditure of federal awards and state financial assistance 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 March 20, 2025, 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 this report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance

with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
March 20, 2025

MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Jefferson County's financial performance provides an overview of the County's financial activities for the fiscal year ended September 30, 2023. It should be read in conjunction with the County's financial statements, which begin on page 11.

FINANCIAL HIGHLIGHTS

- For County Fiscal Year 2022-2023 (CFY 22-23), the millage rate of 7.9500 mills was the same as the prior year. Jefferson County's millage rate is under the potential maximum rate of 10 mills that is levied by many municipalities across the State of Florida.
- The CFY 22-23 aggregate county budget was $43,727,062.
- In CFY 22-23, The County began paving roads using the proceeds related to the road bond issuance in FY 21-22, which helped improve the County's infrastructure.
- During CFY 22-23, The County used grants received from the State's Department of Transportation road repair programs to improve Lake Road and Casa Bianca Road.
- During CFY 22-23, The County adopted the County Commission-Manager form of government.

USING THIS REPORT

This report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities provide information about the activities of the County as a whole and present a long-term view of the County's finances. These statements reflect the County as a whole and are deemed government-wide financial statements. The fund financial statements start on page 13. These statements show how governmental services were financed in the short term as well as what remains for future spending. Fund financial statements also report the County's operations in more detail than the government-wide statements by providing information about the County's most significant funds. The remaining statement for Fiduciary Funds provides financial information about activities for which the County acts solely as a trustee or agent for the benefits of others outside of the County.

Reporting the County as a Whole

Our analysis of the County as a whole is detailed later in this discussion. One of the most frequently asked questions about the County's finances is "Is the County, as a whole, better off or worse off as a result of this year's activities?". The Statement of Net Position and the Statement of Activities report information about the County as a whole and about its activities in a way that helps answer this question. These statements include all assets and liabilities using the accrual basis of accounting, which is similar to the accounting system used by most private companies. All of the current year's revenues and expenses are taken into account regardless of when cash is received or paid.

These two statements report on the County's net position and the changes in it. You can think of the County's net position (the difference between assets, deferred outflows of resources and liabilities, deferred inflows of resources) as one way to measure the County's financial health, or its financial position. Over time, increases or decreases in the County's net position are one indicator of whether its financial health is improving or deteriorating. You will need to consider other nonfinancial factors, however, such as changes in the County's property tax base, the condition of the County roads and equipment, and other matters to assess the overall health of the County.

Since the County does not have any business-type activities (utilities, etc.) and no component units to report, the remaining activities of the County are governmental activities. These include all of the County's basic services, including law enforcement, fire protection, building inspection, ambulance services, park and recreation, library services, road and bridge maintenance, etc. Property taxes, gasoline taxes, sales tax, and State grants generally finance most of these activities.

Reporting on the County's Most Significant Funds

The fund financial statements provide detailed information about the most significant funds and not the County as a whole. Some funds are required to be established by State law or other governing authority. However, the County Commission may establish other funds to help it control and manage money for particular purposes or to show that it is meeting legal responsibilities for using certain taxes, grants, and other money (like grants received from State and Federal Agencies). The County has only the general fund, special revenue funds, capital projects fund and debt service fund which are all considered to be governmental funds. There are no proprietary funds maintained by the County.

All of the County's basic services are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end that are available for spending. These funds are reported using an accounting method called *modified accrual* accounting, which measures cash and all other *financial* assets that can readily be converted to cash. The governmental fund statements provide a detailed *short-term* view of the County's general government operations and the basic services provided. Governmental fund information helps you determine whether there are more or fewer financial resources that can be spent in the near future to finance the County's programs. We describe the relationship (or differences) between governmental *activities* (report in the Statement of Net Position and the Statement of Activities) and governmental *funds* in a reconciliation at the bottom of the fund financial statements.

The County as Trustee

The County is the trustee, or *fiduciary*, for several sources of funds that belong to other governments, individuals or agencies. All of the County's fiduciary type activities are reported in separate statements. We exclude these activities from the County's other financial statements because the County cannot use these assets to finance its operations. The County is responsible for ensuring that the assets reported in these funds are used for their intended purpose.

THE COUNTY AS A WHOLE

Unrestricted net position, the part of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements, increased by $6,801,556 from the prior year. Restricted net position decreased by $2,562,022 from the prior year.

The County's total revenue increased by $1,989,707 during the year and total expenses increased by $6,161,536.

Table 1
Net Position

	Governmental Activities		
	9/30/2022	9/30/2023	Variance
Current and other assets	$ 25,464,395	$ 17,322,365	$ (8,142,030)
Capital assets - net	26,577,912	29,374,864	2,796,952
Total assets	52,042,308	46,697,229	(5,345,078)
Deferred outflows	4,283,619	4,097,643	(185,976)
Long-term debt outstanding	26,388,492	27,323,021	934,529
Other liabilities	14,822,250	4,032,452	(10,789,798)
Total liabilities	41,210,742	31,355,473	(9,855,269)
Deferred inflows	(382,688)	(409,831)	(27,143)
Net position:			
Invested in capital assets, net of debt	17,075,357	17,187,181	111,824
Restricted	5,285,208	2,723,186	(2,562,022)
Unrestricted	(6,862,693)	(61,137)	6,801,556
Total net position	$ 15,497,873	$ 19,849,230	$ 4,351,358

Table 2
Changes in Net Position

	Governmental Activities		
	9/30/2022	9/30/2023	Variance
Revenues			
Program revenues:			
Charges for services	$ 3,389,737	$ 3,278,855	$ (110,882)
Federal and state grants	3,708,704	7,447,384	3,738,680
General revenues:			
Property and other taxes	10,199,070	11,071,138	872,068
Other general revenues	7,661,264	8,778,903	1,117,639
Total revenues	24,958,775	30,576,280	1,989,707
Program expenses:			
General government	4,914,521	6,259,275	1,344,754
Transportation	2,146,142	2,571,450	425,308
Public safety	8,629,611	11,361,889	2,732,278
Physical environment	2,395,188	3,046,936	651,748
Human services	91,590	118,246	26,656
Economic development	308,826	633,034	324,208
Culture, recreation and agriculture	710,094	1,114,368	404,274
Court related	574,580	677,475	102,895
Interest on long-term debt	292,835	442,250	149,415
Total program expenses	20,063,385	26,224,923	6,161,536
Increase (decrease) in net position	4,895,390	4,351,357	(4,171,829)
Net position, beginning	10,602,483	15,497,873	4,895,390
Net position, ending	$ 15,497,873	$ 19,849,230	$ 4,351,357

THE COUNTY'S FUNDS

The County's governmental funds (as presented in the balance sheet on page 13) reported a combined fund balance of $14,822,685, which is an increase of $2,568,757 over the prior year. Included in this year's total change in fund balance is an increase of $2,990,025 in the County's general fund balance. In addition, these other changes in fund balances should be noted:

- The transportation fund incurred a decrease in fund balance of $235,953.
- The fines and forfeitures fund incurred a decrease in fund balance of $89,372.

CAPITAL ASSETS AND DEBT ADMINISTRATION

The County had $29,374,864 net of depreciation, invested in a broad range of capital assets, including land, buildings, roads, bridges, park facilities and equipment. This is an increase over the last year of approximately $2,796,953, net of depreciation. Table 3 below details the composition of these assets.

Table 3
Capital Assets
(Net of Depreciation)

	Governmental Activities		
	9/30/2022	9/30/2023	Variance
Land	$ 1,715,256	$ 1,715,256	$ -
Right to use assets	106,871	106,871	-
Buildings & improvements	10,802,981	10,841,215	38,234
Equipment	20,315,746	21,627,710	1,311,964
Infrastructure	44,614,597	48,690,237	4,075,640
Construction in progress	132,572	862,970	730,398
Accumulated depreciation/amortization	(51,110,112)	(54,469,395)	(3,359,283)
Totals	$ 26,577,911	$ 29,374,864	$ 2,796,953

Major additions for the year were heavy equipment, building construction and road paving. Infrastructure includes all the County roads and bridges.

Debt
The County had various installment purchase obligations of $1,011,061, right to use asset lease liability of $66,790, notes payable of $134,831, and revenue bonds of $10,975,000 outstanding at the end of the 2023 fiscal year; a decrease in debt of $790,774 as shown in Table 4.

Table 4
Outstanding Debt

	Governmental Activities		
	9/30/2022	9/30/2023	Variance
Installment obligations	$ 1,331,548	$ 1,011,061	$ (320,487)
Right to use asset lease liability	86,908	66,790	(20,118)
Notes payable	-	134,831	134,831
Revenue and gas tax bonds	11,560,000	10,975,000	(585,000)
Totals	$ 12,978,456	$ 12,187,682	$ (790,774)

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The County's elected Commissioners consider many factors when considering the fiscal year 2024 budget to include assessed values, tax rates and charges for services. One of those factors is the economy. Jefferson County is not a fast-growing County compared to other metropolitan areas of the State; however, the County does continue to enjoy growth in its population and offers its citizens a relaxed form of lifestyle when compared to other, more populous surrounding areas.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the County's finances and to show the accountability for the money it receives. If you have questions about this report or need additional financial information, contact the Clerk of the Circuit Court, County Courthouse, Room 10, Monticello, Florida 32344.

JEFFERSON COUNTY, FLORIDA
BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

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

		Governmental Activities
Assets		
Cash and Cash Equivalents		9,302,814
Restricted Cash and Cash Equivalents		2,684,768
Equity in Pooled Investments		309,924
Accounts Receivable		266,110
Notes Receivable		494,950
Prepaid Expenses		19,874
Due from Other Governments Units		4,225,381
Inventory		18,544
Capital Assets, Net of Depreciation and Amortization		29,374,864
Total Assets		46,697,229
Deferred Outflows of Resources		
Pension		3,290,873
OPEB		806,770
Total Deferred Outflows of Resources		4,097,643
Liabilities		
Accounts Payable and Accrued Expenses		758,977
Due to Other Agency		12,157
Unearned Revenue		1,691,638
Accrued Interest Payable		36,908
Long-Term Liabilities Due or Payable Within One Year		
Capital Lease Liability		751,300
Bonds Payable		610,000
Notes Payable		13,643
Right to Use Asset Lease Liability		20,320
Compensated Absences		137,509
Long-Term Liabilities Due or Payable After One Year		
Capital Lease Liability		259,762
Bonds Payable		10,365,000
Notes Payable		121,188
Right to Use Asset Lease Liability		46,470
Compensated Absences		412,527
Other Post-Employment Benefit Obligation		2,055,944
Net Pension Liability		14,062,130
Total Liabilities		31,355,473
Deferred Inflows of Resources		
Pension		(1,337,411)
OPEB		927,580
Total Deferred Inflows of Resources		(409,831)
Net Position		
Invested in Capital Assets, Net of Related Debt		17,187,181
Restricted		2,723,186
Unrestricted (Deficit)		(61,137)
Total Net Position	$	19,849,230

See accompanying notes to financial statements.

JEFFERSON 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: Total Governmental Activities
Primary Government					
Governmental Activities					
General Government	$ 6,259,275	$ 1,154,157	$ 45,300	$ -	$ (5,059,816)
Public Safety	11,361,889	1,621,492	365,002	317,796	(9,057,599)
Physical Environment	3,046,936	503,206	1,704,254	3,766,574	2,927,098
Transportation	2,571,450	-	94,134	-	(2,477,316)
Economic Environment	633,034	-	-	671,348	38,314
Human Services	118,246	-	-	-	(118,246)
Court Related	677,475	-	-	-	(677,475)
Culture and Recreation	1,114,368	-	482,976	-	(631,392)
Interest on Long-Term Debt	442,250	-	-	-	(442,250)
Total Primary Government	$ 26,224,923	$ 3,278,855	$ 2,691,666	$ 4,755,718	(15,498,682)

General Revenues	
Taxes:	
Property Taxes	8,017,016
Local Option Gas Tax	3,054,122
Sales Tax, Other Taxes and Shared Revenue	7,427,558
Investment Earnings	36,516
Miscellaneous	1,314,827
Total General Revenues	19,850,039
Change in Net Position	4,351,357
Net Position, Beginning	15,497,873
Net Position, Ending	$ 19,849,230

See accompanying notes to financial statements.

JEFFERSON COUNTY, FLORIDA
BALANCE SHEET – GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	General Fund	Transportation Fund	Fines & Forfeitures Fund	Other Governmental Funds	Total Governmental Funds
Assets					
Cash and Cash Equivalents	$ 7,676,757	$ 793,518	$ 549,860	$ 282,679	$ 9,302,814
Restricted Cash and Cash Equivalents	549,812	-	-	2,134,956	2,684,768
Equity in Pooled Investments	154,794	138,334	16,796	-	309,924
Accounts Receivable	81,200	10,539	1,961	172,410	266,110
Notes Receivable	-	-	-	494,950	494,950
Prepaid Expenses	19,874	-	-	-	19,874
Due from Other Funds	5,501,354	-	5,221,749	9,032,836	19,755,939
Due from Other Governmental Units	3,352,123	112,857	75,172	685,229	4,225,381
Inventory	-	18,544	-	-	18,544
Total Assets	17,335,914	1,073,792	5,865,538	12,803,060	37,078,304
Liabilities					
Accounts Payable and Accrued Expenses	241,164	54,193	473	463,147	758,977
Interest Payable	-	-	-	36,908	36,908
Due to Other Funds	7,376,044	1,101,712	5,322,058	5,956,125	19,755,939
Due to Other Governmental Units	-	1,266	-	10,891	12,157
Unearned Revenue	22,451	-	-	1,669,187	1,691,638
Total Liabilities	7,639,659	1,157,171	5,322,531	8,136,258	22,255,619
Fund Balances					
Nonspendable	-	18,544	-	-	18,544
Restricted	704,606	-	-	6,036,881	6,741,487
Unassigned	8,991,649	(101,923)	543,007	(1,370,079)	8,062,654
Total Fund Balances	9,696,255	(83,379)	543,007	4,666,802	14,822,685
Total Liabilities and Fund Balances	$ 17,335,914	$ 1,073,792	$5,865,538	$ 12,803,060	$ 37,078,304

See accompanying notes to financial statements.

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

Total Fund Balances - Governmental Funds	$	14,822,685
Amounts reported for governmental activities in the statement of net position are different because:		
Capital assets used in governmental activities are not financial resources, and, therefore, are not reported in the governmental funds.		29,374,864
Accrued other post employment benefits and net pension liability are not financial uses, and therefore, are not reported in the funds.		(16,118,074)
Long-term liabilities are not due and payable in the current period, and therefore, are not reported in the funds.		(12,737,719)
Deferred outflows and deferred inflows related to the pension plan and other post employment benefits are not current financial resources or current financial uses, and therefore, are not reported at the fund level.		4,507,474
Total Net Position of Governmental Activities	$	19,849,230

See accompanying notes to financial statements.

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

	General Fund	Transportation Fund	Fines and Forfeitures Funds	Other Governmental Funds	Total Governmental Funds
Revenues					
Taxes	$ 7,573,916	$ 773,000	$ -	$ 2,724,222	$ 11,071,138
Licenses and Permits	332,071	-	-	-	332,071
Intergovernmental	4,675,766	1,241,430	-	674,451	6,591,647
Grants	4,463,921	-	363,648	2,619,815	7,447,384
Charges for Services	1,436,762	-	1,000	1,841,093	3,278,855
Fines and Forfeitures	-	-	146,309	357,531	503,840
Investment Earnings	12,867	9,227	3,178	11,244	36,516
Other Fees and Miscellaneous Revenues	677,935	66,527	120,130	450,235	1,314,827
Total Revenues	19,173,238	2,090,184	634,265	8,678,591	30,576,278
Expenditures					
Current:					
General Government	4,819,791	-	-	70,775	4,890,566
Public Health and Safety	6,343,380	-	210,636	2,059,361	8,613,377
Fire Safety	-	-	-	987,631	987,631
Physical Environment	368,841	-	-	2,072,385	2,441,226
Transportation	-	1,315,227	-	57,833	1,373,060
Economic Development	17,345	-	-	600,302	617,647
Human Services	104,869	-	-	-	104,869
Culture and Recreation	779,990	-	-	184,312	964,302
Court-Related	64,303	-	-	561,281	625,584
Capital Outlay	4,603,643	93,948	52,000	1,406,645	6,156,236
Debt Service:					
Principal	175,234	244,209	-	756,317	1,175,760
Interest and Other Charges	5,263	47,753	-	389,234	442,250
Total Expenditures	17,282,659	1,701,137	262,636	9,146,076	28,392,508
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,890,579	389,047	371,629	(467,485)	2,183,770
Other Financing Sources (Uses)					
Transfers In	5,813,222	-	5,114,262	826,129	11,753,613
Transfers (Out)	(5,098,762)	(625,000)	(5,575,263)	(454,588)	(11,753,613)
Debt Proceeds	384,986	-	-	-	384,986
Net Other Financing Sources (Uses)	1,099,446	(625,000)	(461,001)	371,541	384,986
Net Change in Fund Balances	2,990,025	(235,953)	(89,372)	(95,944)	2,568,756
Fund Balances - Beginning	6,706,230	152,574	632,379	4,762,746	12,253,929
Fund Balances - Ending	$ 9,696,255	$ (83,379)	$ 543,007	$ 4,666,802	$ 14,822,685

See accompanying notes to financial statements.

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

Net change in fund balances - Total Governmental Funds	$	2,568,756
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlay as expenditures. However, in the statement of activities, the cost of those assets are allocated over their estimated useful lives as depreciation.		
Expenditures for capital assets		6,156,236
Less current year depreciation		(3,359,283)
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 position.		1,175,759
The issuance of long-term debt (notes payable) provides current financial resources to governmental funds, while it has no effect on the statement of activities.		(384,986)
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.		
Change in compensated absences		(77,263)
Change in net pension expense		(1,727,862)
Change in Net Position of Governmental Activities	$	4,351,357

See accompanying notes to financial statements.

JEFFERSON COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2023

		Custodial Funds
Assets		
Cash and Cash Equivalents	$	5,937,513
Due From Other Governments		604,242
Total Assets		6,541,755
Liabilities		
Due to Other Governments		333,472
Due to Other Funds		4,829,231
Due to Others		946,496
Total Liabilities		6,109,199
Net Position		
Restricted:		
Held for Others		432,556
Total Net Position	$	432,556

See accompanying notes to financial statements.

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

		Custodial Funds
Additions		
Funds Held for Others	$	58,103,980
Property Taxes Collected for Other Governments		15,136,567
Total Additions		73,240,547
Deductions		
Funds Held for Others		58,118,188
Property Taxes Collected for Other Governments		15,101,471
Total Deductions		73,219,659
Change in Net Position		20,888
Net Position - Beginning		411,668
Net Position - Ending	$	432,556

See accompanying notes to financial statements.

JEFFERSON COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

Note 1 – Summary of Significant Accounting Policies

Jefferson County, Florida, (the "County") legally exists under Article VIII of the Constitution of the State of Florida as a non-chartered County and operates under an elected County Commission (five members) and provides services to its more than 13,000 residents in many areas, including law enforcement, community enrichment and development, culture and recreation, and human services.

The Clerk of the Circuit Court, Supervisor of Elections, Tax Collector, Property Appraiser, and Sheriff constitute the other elected officials of the County. These Constitutional Officers maintain separate accounting records and budgets from the Board of County Commissioners. The Constitution of the State of Florida, Article VIII, Section 1(d) created the constitutional officers and Article VIII, Section 1(e), created the Board of County Commissioners.

The financial statements of the County have been prepared in accordance with generally accepted accounting principles (GAAP) as applied to government units. The Governmental Accounting Standards Board (GASB) is the standard-setting body of governmental accounting and financial reporting. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with the subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units along with the American Institute of Certified Public Accountants publication entitled *Audits of State and Local Governmental Units*, and pronouncements of the Financial Accounting Standards Board (when applicable). The more significant accounting policies of the County are described below.

Reporting Entity

The concept underlying the definition of the reporting entity is that elected officers are accountable to their constituents for their actions. The reporting entity's financial statements should allow users to distinguish between the primary government (the "County") and its component units. As required by generally accepted accounting principles, the financial reporting entity consists of (1) the primary government (the "County"), (2) organizations for which the County is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The County is financially accountable if it appoints a voting majority of the organization's governing body and (a) is able to impose its will on that organization or (b) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County.

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 on financial information for Jefferson County, Florida 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 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.

Note 1 - Summary of Significant Accounting Policies (Continued)

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program; and 2) operating or capital grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not properly included among program revenues are reported instead as general revenues. Fiduciary funds are not included in these financial statements.

Fund Financial Statements
The County segregates transactions related to certain functions or activities in separate funds in order to aid financial management and to demonstrate legal compliance. These statements present each major fund as a separate column on the fund financial statements; all non-major funds are aggregated and presented in a single column.

Governmental funds are those funds through which most governmental functions typically are financed. The measurement focus of governmental funds is on the sources, uses and balance of current financial resources. Reconciliations are provided that convert the results of governmental fund accounting to the government-wide presentations. The County has presented the following major governmental funds:

- **General Fund**- The General Fund is the main operating fund of the County. This fund is used to account for all financial resources not accounted for in another fund. All general tax revenues and other receipts that are not restricted by law or contractual agreement to other funds are accounted for in this fund. General operating expenditures, fixed charges, and capital improvement costs that are not paid through other funds are paid from the General Fund.

- **Transportation Fund**- The County Transportation Trust Fund is a special revenue fund used to account for gasoline and fuel taxes that are restricted for special purposes.

- **Fines and Forfeitures Fund –** The Fines and Forfeitures Fund accounts for a portion of the County's property taxes and 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.

The County also reports the following fund type:

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

Note 1 - Summary of Significant Accounting Policies (Continued)

Measurement Focus and Basis of Accounting
Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied. Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they become both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. A one-year availability period is used for recognition of all Governmental Fund revenues. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is made.

The revenues susceptible to accrual are licenses, charges for services, intergovernmental revenues and interest income. Gasoline and sales taxes collected and held by the state at year end on behalf of the County are also recognized as revenue. All other governmental fund revenues are recognized when received.

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.

Budgets and Budgetary Accounting
Florida Statutes establishes the fiscal year as the twelve-month period beginning October 1. The various departments of the County and the Constitutional Officers submit to the Clerk of the Circuit Court a budget of estimated expenditures for the ensuing fiscal year after which the Clerk subsequently submits a budget of estimated expenditures and revenues to the Board of County Commissioners.

Upon receipt of the budget estimates, the Board of County Commissioners holds public hearings on the proposed budget. Information about the proposed budget is then published in the Monticello News. The budget is legally enacted through passage of a Resolution by the Board of County Commissioners. The Board of County Commissioners is authorized to transfer budgeted amounts between line items and departments within any fund; however, any revisions that alter the total expenditures of any fund must be due to unanticipated revenues and be approved by the Board of County Commissioners and an amendment to the originally adopted budget. Budgeted amounts are as originally adopted or as amended by the Board of County Commissioners. Individual amendments were not material in relation to the original appropriations which were adopted other than those for unanticipated revenues.

The County operates under a budgetary system wherein the Board of County Commissioners adopts a budget each year for the overall financial operations of the County, to include the operations of each of the other elected officials. Any funds remaining in the various general funds of each elected official must revert to the Board of County Commissioners immediately after the end of each fiscal year. The primary sources of revenues of the County are ad valorem taxes, racing tax, state revenue sharing proceeds, federal grants, gasoline taxes, sales taxes and special assessments.

Note 1 - Summary of Significant Accounting Policies (Continued)

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.

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

Cash of certain funds is pooled into common pooled accounts in order to maximize investment opportunities. Each fund whose monies are deposited in the pooled cash accounts has equity therein, and interest earned on the investment of these monies is allocated based upon relative equity during the year. An individual fund's pooled cash and cash investments are available upon demand and are considered to be "cash equivalents" when preparing these financial statements. Negative balances incurred in pooled cash at the year-end are treated as interfund receivables of the General Fund and interfund payables of the deficit fund.

Investments
The County follows GASB Statement No. 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*, in reporting on investments owed. Generally, this statement requires various investments be reported at fair value, including debt securities and open-ended mutual funds.

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." All residual balances outstanding were related to governmental activities and are not reported in the government-wide financial statements.

Restricted Assets
Certain net position of the County is classified as restricted assets on the statement of net position because their use is limited either by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors, grantors, contributors, or law or regulations of other governments. In a fund with both restricted and unrestricted assets, qualified expenses are considered to be paid first from restricted net position and then from unrestricted net position.

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 assets accounts of the County. Property and equipment with initial, individual costs that exceed $1,000 and an estimated useful life in excess of one year are recorded as capital assets. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are expensed as incurred. Capital assets 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 is accountable for, and thus maintains, capital asset records pertaining only to equipment used in their operations. These assets have been combined with the Board's governmental activities capital assets in the statement of net position.

Note 1 - Summary of Significant Accounting Policies (Continued)

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

Assets	Years
Building and improvements	10-40
Machinery and equipment	3-10
Road and bridge infrastructure	20-40

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.

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

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 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*.

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.

Governmental Fund Balances
The County adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Type Definitions* (GASB Statement No. 54). This GASB Statement clarifies governmental fund balance classifications and fund-type definitions. Fund balances are classified either as nonspendable or spendable (see Note 11).

Note 1 - Summary of Significant Accounting Policies (Continued)

Net Position
For the year ending September 30, 2023, the County reported net position as restricted or unrestricted. Restricted net position has externally imposed constraints placed on the use of resources by creditors, grantors, contributors, law and regulations of other governments or imposed by law through constitutional provisions or enabling legislation. Unrestricted net position is comprised of all other fund balances, including nonspendable, committed, assigned and unassigned.

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 County does not have any encumbrances outstanding at year-end.

Management Estimates and Assumptions
The preparation of financial statements in conformity with generally 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. Accordingly, actual results could differ from those estimates.

Deferred Outflows of Resources and Deferred Inflows of Resources
A deferred outflow of resources represents consumption of net position that applies to a future period and will not be recognized as an outflow of resources (expense) until that future time.

Deferred Inflows of Resources
A deferred inflow of resources represents an acquisition of net position that applies to a future period and will not be recognized as an inflow of resources (revenue) until that future time.

Subsequent Events
The County has evaluated subsequent events through the date of the Independent Auditor's Report which is the date the financial statements were available to be issued.

New Accounting Pronouncements
During the year ended September 30, 2023, the County adopted GASB Statement No. 96, *Subscription-Based Information Technology Arrangements,* which changes the accounting and financial reporting related to Subscription-Based Information Technology Arrangements (SBITAs) for government end users. Upon adoption, a SBITA will result in a right-to-use asset, which will be an intangible asset, and a corresponding subscription liability. The new guidance also provides capitalization criteria for outlays other than subscription payments, including implementation costs of a SBITA, and requires note disclosures regarding SBITA. As of September 30, 2023, the County did not have any SBITAs.

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 ensure 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 7.95 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 mileages 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 at January 1st 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 1st 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 1st 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.

Delinquent taxes on real property bear interest of 18% per year. On or prior to June 1, following the tax year, 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.

Delinquent taxes on personal property bear interest of 18% per year until the tax is satisfied either by seizure and sale of the property or by the five-year statute of limitations.

Note 3 - Deposits and Investments

At year end, the carrying amount of the County's deposits was $11,987,582, of which $2,684,768 was restricted. 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 on 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 - Deposits and Investments (Concluded)

The County invested funds in the Florida State Board of Administration Local Governments Surplus Funds Investment Pool. At September 30, 2023, the market value and the carrying value of these funds was $309,924. The funds are recorded as equity in pooled investments on the balance sheet at September 30, 2023 (see Note 1 for definition of cash equivalents). Additional information and investment policies regarding the Local Government Surplus Funds Trust Fund may be obtained from the State Board of Administration at www.sbafla.com/prime.

The State of Florida's Local Government Investment Pool 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 Administration 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 Florida PRIME Fund. As a pool participant, the County owns a share of the respective pool, not the underlying securities.

The Florida 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 reported at amortized cost.

Credit Risk
The credit risk of certain investments, such as investment pools managed by other governments, cannot be categorized as 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 Florida PRIME is rated by Standard and Poors 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 be a concentration of credit risk.

Note 4 - Receivables

At September 30, 2023, the County's accounts receivable balance was $266,110.

The County lent the City of Monticello $521,000 for road repairs within the City limits. The City agreed to pay the County back $30,000 a year for 20 years, which includes interest of $3,950 per year. For the year ended September 30, 2023, the balance of the note receivable was $494,950.

Due from other governmental units 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 of 2023. For the year ended September 30, 2023, the balance in due from other governmental units was $4,225,381.

Note 5 – Inventory

Inventory consists of fuel and is recorded under the purchase method at cost as an expenditure in the County's Transportation Trust Fund at the time of purchase. The ending monthly inventory value is recorded as an asset with a related reserved fund balance which indicates that inventory does not constitute "available spendable resources" even though it is a component of net current assets. Cost is determined using the first in, first out method.

Note 6 – Interfund Transactions and Balances

Transfers are used to (a) move revenues from the fund that a statute or budget requires to collect them to the fund that the statute or budget requires to expend them and to (b) move unrestricted revenues collected in the general fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

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

TRANSFER TO:	TRANSFER FROM:				
	General Fund	Fines and Forfeitures Fund	Transportation Fund	Nonmajor Funds	Total
General Fund	$ -	$ 5,358,634	$ -	$ 454,588	$ 5,813,222
Fines and Forfeitures Fund	5,114,262	-	-	-	5,114,262
Nonmajor Funds	-	201,129	625,000	-	826,129
Total	$ 5,114,262	$ 5,559,763	$ 625,000	$ 454,588	$ 11,753,613

Note 6 – Interfund Transactions and Balances (Concluded)

The purpose of individual fund interfund receivable and payable balances at September 30, 2023, was for pooling of cash balances and loans to other funds. None of the balances are expected to be repaid within the next year.

Interfund receivables/payables for the year ended September 30, 2023, consisted of the following:

	INTERFUND RECEIVABLES	INTERFUND PAYABLES
General Fund	$ 5,501,354	$ 7,376,044
Transportation Fund	-	1,101,712
Fines and Forfeitures Fund	5,221,749	5,322,058
Nonmajor Governmental Funds:		
Grant Fund	3,123,766	190,015
Payroll Fund	-	33,121
Fire Assessment Fund	-	118,055
Landfill Fund	-	735,498
E-911 Fund	-	452,099
Literacy Alliance Fund	-	7,084
EMS Fund	-	422,181
Tourist Tax Fund	107,237	-
Capital Projects Fund	4,830,337	1,692,888
Debt Service Fund	971,496	2,305,184
Total	$ 19,755,939	$ 19,755,939

The general fund has 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.

Note 7 – Capital Assets

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

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental activities				
Capital assets not being depreciated or amortized:				
Land and improvements	$ 1,715,256	$ -	$ -	$ 1,715,256
Construction work in progress	132,572	730,398	-	862,970
Total capital assets not being depreciated or amortized	1,847,828	730,398	-	2,578,226
Capital assets being depreciated:				
Buildings and improvements	10,802,981	38,234	-	10,841,215
Equipment	16,630,661	867,242	-	17,497,903
Right to use asset	106,871	-		106,871
Equipment - Sheriff	3,685,085	444,722	-	4,129,807
Roads	44,614,597	4,075,640	-	48,690,237
Total capital assets being depreciated and amortized	75,840,195	5,425,838	-	81,266,033
Less: total accumulated depreciation and amortization	51,110,112	3,359,283	-	54,469,395
Total capital assets being depreciated, net	24,730,083	2,066,555	-	26,796,638
Governmental activities capital assets, net	$ 26,577,911	$ 2,796,953	$ -	$ 29,374,864

Depreciation and amortization expense was charged to functions as follows:

Governmental Activities	
General government	$ 967,690
Public safety	948,800
Physical environment	399,132
Transportation	1,036,707
Culture and recreation	6,954
Total depreciation amd amortization expense - governmental activities	$ 3,359,283

Note 8 - Long-Term Debt

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

	BEGINNING BALANCE	ADDITIONS	REDUCTIONS	ENDING BALANCE	DUE WITHIN ONE YEAR
Revenue and Road Bonds					
Series 2012	$ 2,795,000	$ -	$ (225,000)	$ 2,570,000	$ 230,000
Series 2018	4,920,000	-	(245,000)	4,675,000	250,000
Series 2022	3,845,000	-	(115,000)	3,730,000	130,000
Notes Payable					
The First	-	147,585	(12,754)	134,831	13,643
Lease Payables					
Right to Use Lease	86,908	-	(20,118)	66,790	20,320
Motor Grader #87	160,868	-	(11,595)	149,273	149,273
Motor Grader #90	160,868	-	(11,595)	149,273	149,273
Motor Grader #94	160,868	-	(11,595)	149,273	149,273
2 Mack GR 64 Roll Off	85,169	-	(40,920)	44,249	44,249
Hino Grapple	54,205	-	(24,301)	29,904	29,904
2 Mack GR 64B Dump Trucks	157,292	-	(77,483)	79,809	79,809
524 KBT Wheel Loader	14,775	-	(14,775)	-	-
Garbage Truck	68,920	-	(68,920)	-	-
644K 4WD Loader	148,420	-	(18,486)	129,934	18,486
2 Mack Dump Trucks/Day Cab	200,634	-	(98,680)	101,954	101,954
420 Backhoe	66,255	-	(37,176)	29,079	29,079
2 Dodge Durangos	53,274	-	(53,274)	-	-
2 2023 Sheriff Chargers	-	110,302	(53,546)	56,756	56,756
2 2022 Sheriff Interceptors	-	102,099	(35,542)	66,557	66,557
2023 Sheriff Charger	-	25,000	-	25,000	25,000
Compensated Absences	472,773	79,171	(1,908)	550,036	137,509
	$ 13,451,229	$ 464,157	$ (1,177,668)	$ 12,737,719	$ 1,681,085

Jefferson County, Florida Gas Tax Revenue Bonds, Series 2022

On April 26, 2022, the Jefferson County Board of County Commissioners adopted Resolution No. 22-042622-01 authorizing the sale of $3,845,000 aggregate principal amount of Gas Tax Revenue Bonds, Series 2022. The Bonds are special obligation of the County and are payable solely from and secured by a prior lien upon and pledge of a portion of the proceeds of the constitutional fuel tax, and all moneys, including investment earnings in the funds and accounts established under the resolution (other than moneys on deposit in the Rebate Fund). The Series 2022 Bonds are issued to provide sufficient funds to finance the cost of the acquisition and construction of certain road improvements in the County. The Series 2022 Bonds or portions thereof maturing June 1, 2042, and thereafter will be subject to optional redemption by the County in whole or in part on June 1, 2032. The term bonds maturing on June 1, 2042, are to be retired from amounts credited to the Bond Amortization Account.

Note 8 - Long-Term Debt (Continued)

The Par Amount of the Series 2022 Bonds was $3,845,000 plus an original issue premium of $31,601. Bond payments, including interest, range from $282,000 annually to $286,000 annually.

Jefferson County, Florida 2018 Road Bond
The County issued the 2018 Road Bond for $5,850,000. There was an original issue discount of $5,536 for net proceeds of $5,844,464. The Bonds are dated January 2018, with interest ranging from 1.70% to 3.45% payable annually on July 1, 2018, and annually thereafter on January 1 and July 1 of each year (an interest payment date) and will mature on January 1 in the years and amounts varying from $235,000 in 2019 up to $385,000 in 2038. The 2018 Bonds are being issued under the authority of Chapter 125, Part 1, Florida Statutes, as amended, Sections 206.41, and 336.024, Florida Statutes, as amended and other applicable provisions of law and under and pursuant to Resolution No. 2017-092617-01, adopted by the Board of County Commissioners of the County on September 26, 2017. The Bonds are special obligations of the County and are payable solely from and secured by a prior lien upon and pledge of the proceeds from the five-cent optional tax on motor fuel as authorized by Section 336.025(1)(b), Florida Statutes. The Bonds were issued to provide sufficient funding to finance the cost of acquisition and construction of certain road improvements within the County.

Jefferson County, Florida Gas Tax Revenue Bonds, Series 2012
The County issued its $4,615,000 Jefferson County, Florida, Gas Tax Revenue Bonds, Series 2012. The Bonds are dated November 15, 2012, with interest 2% to 2.75% payable semi-annually on June 1 and December 1 of each year. Principal is payable annually on December 1, 2013, and each December 1 thereafter in amounts varying from $185,000 in 2013 up to $265,000 in 2029. The Bonds were issued to provide sufficient funds to finance the cost of the acquisition and construction of certain road improvements in the County. The 2012 Bonds are being issued under the authority of Chapter 125, Part 1, Florida Statutes, as amended, Sections 206.41, and 336.024, Florida Statutes, as amended and other applicable provisions of law and under and pursuant to Resolution No. 2012-11-15-12-02, adopted by the Board of County

Commissioners of the County on November 15, 2012. The Bonds are special obligations of the County and are payable solely from and secured by a prior lien and pledge of (i) a portion of the proceeds of the constitutional fuel tax collected by the State to the issuer and (ii) all monies, including investment earnings thereof, in the funds and accounts established under the Resolution.

Equipment Installment Purchases
Items of equipment were acquired in prior years and current year under various installment purchase obligations bearing interest at 2.14% to 5.66% per annum. These obligations require monthly and annual installments of various amounts and expire at various dates through 2025.

Right to Use Asset Lease Liability
The County currently leases office space from Jefferson County, Florida School Board for $24,000 per year. The County also has various equipment leases. The County entered into operating leases for several items of heavy equipment. The future minimum payments due from the County are as follow, for the years ended September 30:

2025		42,790
2026		24,000
Total	$	66,790

Note 8 - Long-Term Debt (Concluded)

Notes Payable

The County borrowed funds in the amount of $163,903 to add solar panels to the jail complex. The note payable includes interest at 2.99%, and included annual payments ranging from $16,740 to $18,779, including interest. The note will be paid off in February of 2031.

Payments on revenue bonds, leases payable, and notes payable 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.

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

FISCAL YEAR ENDING	GOVERNMENTAL ACTIVITIES			
	REVENUE BONDS		CAPITAL LEASE OBLIGATIONS	
SEPTEMBER 30,	PRINCIPAL	INTEREST	PRINCIPAL	INTEREST
2024	$ 610,000	$ 369,265	$ 751,300	$ 15,587
2025	630,000	350,435	111,448	3,552
2026	645,000	330,598	-	-
2027	670,000	309,888	-	-
2028	690,000	288,975	-	-
2029-2033	3,805,000	1,105,310	-	-
2034-2039	2,885,000	528,500	-	-
2040-2042	1,040,000	10,600	-	-
Total	$ 10,975,000	$ 3,293,571	$ 862,748	$ 19,139

FISCAL YEAR ENDING	NOTES PAYABLE	
SEPTEMBER 30,	PRINCIPAL	INTEREST
2024	$ 13,643	$ 4,087
2025	14,563	3,684
2026	15,547	3,233
2027	16,566	2,761
2028	17,632	2,259
2029-2033	56,880	3,437
Total	$ 134,831	$ 19,461

Note 9 – Employee Retirement Plan

Defined Benefit Plans

Plan Description

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 and 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 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 may be obtained by writing to the Division of Retirement, PO Box 9000, Tallahassee, Florida, 32315-9000 or by calling (844) 377-1888.

The Florida Retirement System (FRS) Pension Plan is a cost-sharing, multi-employer defined benefit pension plan with a Deferred Retirement Option Program (DROP) available for eligible employees. 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.

The Retirees' Health Insurance Subsidy (HIS) Program is a cost-sharing, multi-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 FRS 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.

Note 9 – Employee Retirement Plan (Continued)

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 County are established and may be amended by the Florida Legislature. Employees are required to contribute 3% of their salary to FRS. The County's contribution rates for the year ended September 30, 2023, were as follows:

	Year Ended June 30, 2023		Year Ended June 30, 2024	
	FRS	HIS	FRS	HIS
Regular Class	10.19%	1.66%	11.51%	1.66%
Elected County Officers	55.28%	1.66%	56.62%	1.66%
Senior Management	29.85%	1.66%	32.46%	1.66%
Special Risk Employee Class	24.17%	1.66%	24.17%	1.66%
DROP Plan Participants	16.93%	1.66%	19.13%	1.66%

(1) Contribution rates are dependent upon retirement class in which reemployed.
(2) The rates include the normal cost and unfunded actuarial liability contributions, but do not include the fee of 0.06% for administration of the FRS Investment Plan and provision of education tools.

The County's contributions for the year ended September 30, 2023, were $1,184,377 to FRS and $123,731 to HIS.

Pension Liabilities and Pension Expense

In its financial statements for the year ended September 30, 2023, the County reported a liability for its proportionate shares of the net pension liabilities. The net pension liabilities were measured as of March 20, 2025, and the total pension liabilities used to calculate the net pension liability were determined by actuarial valuation date 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.

Note 9 – Employee Retirement Plan (Continued)

	FRS	HIS
Net Pension Liability at June 30, 2023	$ 10,924,794	$ 3,137,336
Proportion at:		
Current Measurement Date	0.0274169%	0.0197549%
Prior Measurement Date	0.0277555%	0.0204486%
Pension Expense (Benefit)	$ 2,112,413	$ 1,191,838

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	
		Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience		$ 1,025,744	$ -
Changes of assumptions		712,169	-
Net difference between projected and actual earnings on Pension Plan Investments		456,249	-
Changes in proportion and differences between employer contributions and proportionate share of contributions		386,905	(910,210)
Employer contributions subsequent to the measurement date		379,718	-
	Total	$ 2,960,785	$(920,210)

		HIS	
		Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience		$ 45,928	$ (7,364)
Changes of assumptions		82,480	(271,861)
Net difference between projected and actual earnings on Pension Plan Investments		1,620	-
Changes in proportion and differences between employer contributions and proportionate share of contributions		159,459	(147,976)
Employer contributions subsequent to the measurement date		40,601	-
	Total	$ 330,088	$ (427,201)

Note 9 – Employee Retirement Plan (Continued)

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 ending 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:

Measurement period ending June 30,	FRS	HIS
2024	$ 140,550	$ (11,543)
2025	(303,137)	(5,855)
2026	1,649,515	(23,374)
2027	140,571	(54,270)
2028	43,357	(36,804)
Thereafter	-	(5,868)
Total	$ 1,670,856	$ (137,714)

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 July 1, 2023, using the individual entry age normal actuarial cost method and the following significant actuarial assumptions:

	FRS	HIS
Inflation	2.40%	2.40%
Salary Increase	3.25% Average, Including Inflation	3.25%
Investment Rate of Return	6.70%	N/A
Discount Rate	6.70%	3.65%
Municipal Bond	N/A	3.65%

Mortality assumptions for both plans were based on the Generational RP-2000 with Projection Scale BB.

For both plans, the actuarial assumptions used in the valuation date 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:

- FRS: The long-term expected rate of return remained at 6.70% and the active member mortality assumption was updated.
- HIS: The municipal rate used to determine total pension liability was increased from 3.54% to 3.65%.
- 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 FRS, the table below summarizes the target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class.

Note 9 – Employee Retirement Plan (Continued)

Asset Class	Target Allocation	Annual Arithmetic Return	Geometric Return	Standard Deviation
Cash	1%	2.9%	2.6%	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%
	100%			
Assumed Inflation-Mean			2.4%	1.4%

Discount Rate

The discount rate used to measure the total pension liability for FRS was 6.70%. 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 HIS 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 County's proportionate share of the net pension liability if the discount rate was 1% higher or 1% lower than the current discount rate.

	FRS		
	1% Decrease	Current Discount Rate	1% Increase
Employer's proportionate share of the net pension liability	$1,003,000	$587,167	$239,272

	HIS		
	1% Decrease	Current Discount Rate	1% Increase
Employer's proportionate share of the net pension liability	$3,579,211	$3,317,336	$2,771,051

Note 9 – Employee Retirement Plan (Concluded)

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

Defined Contribution Plan
Pursuant to Chapter 121, Florida Statutes, the Florida Legislature created the Florida Retirement Investment Plan (FRS Investment Plan), a defined contribution pension plan qualified under Section 401(a) of the Internal Revenue Code. The FRS Investment Plan is an alternative available to members of the Florida Retirement System in lieu of the defined benefit plan. There is a uniform contribution rate covering both the defined benefit and defined contribution plans, depending on membership class.

Note 10 – Contingent Liabilities

The County participates in a number of federal and state 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.

The County is involved in various litigations arising in 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 County's financial position.

Note 11 – Fund Balances

Fund balances are classified based upon a hierarchy of the County's ability to control spending of these fund balances and can be classified in the following categories:

- **Nonspendable** – 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 Board of County Commissioners.
- **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.
- **Unassigned** – All amounts not included in other classifications.

Note 11 – Fund Balances (Concluded)

The County had $18,544 in nonspendable fund balance which represents the inventory balance at September 30, 2023. There was $6,741,487 in restricted fund balance, $18,544 nonspendable and $8,062,654 in unassigned fund balance to a total fund balance of $14,928,245 at September 30, 2023.

RESTRICTED FUND BALANCE:

FUND	PURPOSE	AMOUNT	TOTAL
General fund:	Funding for:		
	General Fund	$ 6,329	
	Medical Impact Fee	112,258	
	Tourist Development Tax	187,927	
	Fire Impact Fees	114,746	
	Landfill Escrow	148,680	
	Mosquito Control	134,666	
	Total general fund		704,606
Special revenue funds:	Funding for:		
	Grants	2,708,538	
	Fire Assesment	(119,305)	
	Sheriff Special Revenue	184,742	
	Clerk Court Special Revenue	(2,122)	
	Clerk Record Modernization	24,022	
	Capital Projects Fund	2,876,706	
	Debt Service Fund	364,300	
	Total special revenue funds		6,036,881
Total restricted fund balance			$6,741,487

Note 12 – Litigation and Contingent Liabilities

The County is involved in various litigations arising in 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 County's financial position.

Note 13 - Landfill Closure and Post Closure Care Costs

The County was required by State law to close its landfill which has no further capacity as of September 30, 1994. The post closure cost of maintenance, monitoring, and testing are estimated to be approximately $29,000 per year for the next four years. The monitoring cost is based upon information provided by environmental engineers and consultants under contract with the County. The County has met the long-term requirements as of September 30, 2021. However, they are required, for the next four years, to pay the monitoring costs of $29,000.

Note 14 – Post Employment Benefits Other Than Pension

Plan Description

The County has not yet implemented the provisions of GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, for the fiscal year ending September 30, 2023. However, the requirements of GASB Statement No. 75 were recorded for the year ended September 30, 2022. As a result, the OPEB (Other Postemployment Benefits) expense, liabilities, disclosures, and required supplementary information for the year ending September 30, 2023, are based on the prior year's actuarial report.

The Jefferson County Retiree Healthcare Plan (Plan) is a single employer defined benefit healthcare plan which provides Other Postemployment Benefits (OPEB) to eligible retirees and their eligible dependents. Pursuant to the provisions of Section 112.0801, the Florida Statutes, employees who retire from the County and eligible dependents, may continue to participate in the group health insurance plan. Retirees and their eligible dependents shall be offered the same health insurance coverage as is offered to active employees at a premium cost of no more than the premium cost applicable to active 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 County if the criteria have been met to qualify for retirement benefits. See Note 9.

Benefits Provided

The County provides post-employment healthcare to its retirees. Health benefits are provided through the County's healthcare provider. The benefit levels are the same as those afforded to active employees. Health benefits include inpatient and outpatient medical services and prescriptions.

Membership

At September 30, 2022, there were no terminated employees entitled to benefits by not yet receiving them. The membership of the Plan consisted of:

Active employees	140
Retirees and beneficiaries currently receiving benefits	15
Total membership	155
Participating employers	1

Note 14 – Post Employment Benefits Other Than Pension (Continued)

Contributions and Funding Policy
A qualifying trust or agency fund has not been authorized by the County. The County negotiates the premium rates with Capital Health Plan. 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 2022 was $188,298. The chart below shows the cost of the monthly retiree premiums as of the valuation date:

Coverage	Capital Health Plan
Retiree	$ 756.58
Retiree & Spouse	$ 1,451.78
Retiree & Children	$ 1,234.30
Family	$ 1,885.26

OPEB Liability and Expense
At September 30, 2022, the County reported a liability of $2,055,944 for the net OPEB liability. The net OPEB liability was measured as of September 30, 2022, and was determined by an actuarial valuation as of October 1, 2020. Standard actuarial update procedures were used to roll forward to the measurement date from the actuarial valuation date.

For the year ended September 30, 2022, the County recognized OPEB expense of $270,247. At September 30, 2022, the County reported deferred outflows of resources of $806,770 and deferred inflows of resources of $927,580 related to OPEB.

Actuarial Methods and Assumptions
Actuarial valuation date: October 1, 2020

Actuarial assumptions:

- Discount rate: 4.77% per annum; this rate was used to discount all future benefit payments and is based on the return on the S&P Municipal Bond 20-year High Grade Index as of the measurement date.
- Salary increase: 3.00% per annum
- Cost-of-living increases: Retiree contributions, health insurance premiums, and the implied subsidy have been assumed to increase in accordance with the healthcare cost trend rates.
- Healthcare cost trend rates: Increases in healthcare costs are assumed to be 8.00% for the 2020/21 fiscal year graded down by 0.50% per year to 5.00% for the 2026/27 and later fiscal years.

Note 14 – Post Employment Benefits Other Than Pension (Continued)

- Implied health subsidy: Because the insurance carrier charges the same monthly rate for health insurance regardless of age, an implied monthly subsidy of $550 for the retiree and $525 for the retiree's spouse has been assumed at age 62 for the 2020/21 fiscal year; at other ages, the implied subsidy was developed based on the age-related morbidity assumption and for other fiscal years, the implied subsidy was increased in accordance with the healthcare cost trend rates.
- Mortality basis: Sex-distinct rates set forth in the PUB-2010 Mortality Table (without income adjustments) for general and public safety employees, with full generational improvements in mortality using Scale MP-2020
- Retirement: For public safety employees, retirement is assumed to occur at the earlier of age 52 with 25 years of service or at age 55 with 10 years of service; for general employees, retirement is assumed to occur at the earlier of any age with 30 years of service or age 62 with six years of service.
- Other decrements: Assumed employment termination is based on the Scale 155 table; assumed disability is based on the Wyatt 1985 Disability Study (Class 4 rates were used for firefighters and police officers and Class 1 rate were used for all other employees).
- Health coverage election: 50% of eligible employees are assumed to elect medical coverage for themselves upon retirement or disability; of those electing coverage 80% or males and 60% or females are assumed to elect coverage for their spouses; coverage is assumed to end upon the attainment of age 65.
- Spouses and dependents: Husbands are assumed to be three years older than wives; retirees are not assumed to have any dependent children.
- COBRA: Future healthcare coverage provided solely pursuant to COBRA was not included in the OPEB valuation; because the COBRA premium is determined periodically based on plan experience, the COBRA premium to be paid by the participant is assumed to fully cover the cost of providing healthcare coverage during the relevant period.
- Changes: Since the prior measurement date, the discount rate was increased from 2.43% per annum to 4.77% per annum.

CHANGES IN NET PENSION LIABILITY

	Increase and (Decrease) in Total OPEB Liability	
Reporting Period Ending September 30, 2021	$	2,055,944
Changes for the Year:		
Service Cost		188,298
Expected Interest Growth		120,180
Demographic Experience		-
Changes in Assumptions		(544,159)
Changes in Benefit Terms		-
Contributions - Employer		-
Benefit Payments and Refunds		(78,239)
Administrative Expenses		-
Net Changes		(313,920)
Reporting Period Ending September 30, 2022	$	2,055,944

Note 14 – Post Employment Benefits Other Than Pension (Continued)

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, as well as what the County's proportionate share of the net OPEB liability would be if it were calculated using a discount rate that is 1 percent lower (3.77%) or 1 percent higher (5.77%) than the current discount rate:

	1% Decrease (3.77%)	Current Discount Rate	1% Increase (5.77%)
Net OPEB Liability	$ 2,282,536	$ 2,055,944	$ 1,857,506

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 (4.00%) or 1 percent higher (6.00%) than the current healthcare cost trend rates:

	1% Decrease (7.00% Decreasing to 4.00%)	Current Healthcare Cost Trend Rate (8.00% decreasing to 5.00%)	1% Increase (9.00% decreasing to 6.00%)
Net OPEB Liability	$ 1,773,406	$ 2,055,944	$ 2,398,281

On September 30, 2023, the County reported Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Balance as of September 30, 2021	$ 806,770	$ 927,580
Change due to:		
Amortization Payments	(176,072)	(136,064)
Demographic Gain/loss	-	-
Assumption Changes	-	544,159
Total Changes	(176,072)	408,095
Balance as of September 30, 2022	$ 806,770	$ 927,580

Note 14 – Post Employment Benefits Other Than Pension (Concluded)

OPEB EXPENSE FOR THE 2021-22 FISCAL YEAR

Service Cost	$	188,298
Other Recognized Changes in Net Pension Liability:		
Expected Interest Growth		120,180
Investment Gain/loss		-
Demographic Gain/loss		(49,229)
Employee Contributions		-
Benefit Payments and Refunds		(78,239)
Administrative Expenses		-
Changes in Benefit Terms		-
Assumption Changes		89,237
OPEB Expense	$	270,247

Amounts reported as Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB will be recognized in OPEB expense as follows:

Year ended September 30,	
2023	$(160,818)
2024	$(248,935)
2025	$(176,072)
2026	$(176,072)
2027	$(176,072)

Note 15 – Risk Management

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

- Real and Personal Property Damage
- Public Employees Bond
- Workers' Compensation and Employer's Liability
- General and Automobile Liability
- Comprehensive General Liability
- Accidental Death and Dismemberment
- Public Officials' Liability
- Inmate Major Medical

The Sheriff participates in the Florida Sheriff's Self-Insurance Fund program, which is a public entity risk pool that permits the Sheriff to cover risk relating to professional liability, public officials' liability, public employees' blanket bond, and money and securities coverage. The Sheriff purchases commercial insurance to cover other risks and losses.

Note 16 – Commitments and Contingencies

Contractual Commitments
At September 30, 2023, the Board had contractual commitments for construction projects in excess of amounts recognized in the financial statements.

Note 17 – Subsequent Events

Subsequent to year end, the County has signed agreements with various agencies for grant funding for various projects. The County also approved multiple construction contracts related to road construction projects to be completed within the 2024 fiscal year.

The County has evaluated subsequent events through the date of the Independent Auditor's Report, March 20, 2025, which is the date the financial statements were available to be issued.

Note 18 – Deficit Fund Balances

The Board had six special revenue funds with deficit fund balances as of September 30, 2023, as follows:

FUNDS	FUND BALANCE
Transportation	$ (83,379)
Fire Assessment	$ (119,305)
E-911	$ (715,751)
Landfill	$ (438,686)
EMS	$ (322,575)
Court	$ (2,122)

JEFFERSON COUNTY, FLORIDA
COMBINING FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

JEFFERSON COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	Special Revenue						
	Grant Fund	**Payroll Fund**	**Fire Assessment Fund**	**Landfill Fund**	**E-911 Fund**	**Literacy Alliance Fund**	**EMS Fund**
Assets							
Cash and Cash Equivalents	$ -	$ 119,448	$ -	$ -	$ -	$ 149,432	$ -
Restricted Cash and Cash Equivalents	736,783	-	-	-	-	-	-
Accounts Receivable (Net)	-	-	-	-	-	-	106,595
Notes Receivable	-	-	-	-	-	-	-
Due from Other Funds	3,123,766	-	-	-	-	-	-
Due from Other Governmental Units	521,104	-	687	112,947	13,413	-	685
Total Assets	4,381,653	119,448	687	112,947	13,413	149,432	107,280
Liabilities							
Accounts Payable and Accrued Expenses	-	86,327	1,937	93,200	-	-	7,674
Interest Payable	-	-	-	-	-	-	-
Due to Other Funds	190,015	33,121	118,055	735,498	452,099	7,084	422,181
Due to Other Governmental Units	-	-	-	-	-	-	-
Unearned Revenue	1,483,100	-	-	-	-	142,348	-
Total Liabilities	1,673,115	119,448	119,992	828,698	452,099	149,432	429,855
Fund Balances							
Restricted	2,708,538	-	(119,305)	-	-	-	-
Unassigned	-	-	-	(715,751)	(438,686)	-	(322,575)
Total Fund Balances	2,708,538	-	(119,305)	(715,751)	(438,686)	-	(322,575)
Total Liabilities and Fund Balances	$ 4,381,653	$ 119,448	$ 687	$ 112,947	$ 13,413	$ 149,432	$ 107,280

JEFFERSON COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	Special Revenue						Total
	Tourist Tax Fund	Sheriff Fund	Court Fund	Record Modernization Fund	Capital Projects Fund	Debt Service Fund	Non-Major Governmental Fund
Assets							
Cash and Cash Equivalents	$ -	$ -	$ -	$ 13,799	$ -	$ -	$ 282,679
Restricted Cash and Cash Equivalents	-	184,742	-	5,050	-	1,208,381	2,134,956
Accounts Receivable (Net)	-	-	60,642	5,173	-	-	172,410
Notes Receivable	-	-	-	-	-	494,950	494,950
Due from Other Funds	107,237	-	-	-	4,830,337	971,496	9,032,836
Due from Other Governmental Units	4,828	-	-	-	-	31,565	685,229
Total Assets	112,065	184,742	60,642	24,022	4,830,337	2,706,392	12,803,060
Liabilities							
Accounts Payable and Accrued Expenses	5,132	-	8,134	-	260,743	-	463,147
Interest Payable	-	-	-	-	-	36,908	36,908
Due to Other Funds	-	-	-	-	1,692,888	2,305,184	5,956,125
Due to Other Governmental Units	-	-	10,891	-	-	-	10,891
Unearned Revenue	-	-	43,739	-	-	-	1,669,187
Total Liabilities	5,132	-	62,764	-	1,953,631	2,342,092	8,136,258
Fund Balances							
Restricted	-	184,742	(2,122)	24,022	2,876,706	364,300	6,036,881
Unassigned	106,933	-	-	-	-	-	(1,370,079)
Total Fund Balances	106,933	184,742	(2,122)	24,022	2,876,706	364,300	4,666,802
Total Liabilities and Fund Balances	$ 112,065	$ 184,742	$ 60,642	$ 24,022	$ 4,830,337	$ 2,706,392	$ 12,803,060

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

	Special Revenue				
	Grant Fund	Payroll Fund	Fire Assessment Fund	Landfill Fund	E-911 Fund
Revenues					
Taxes	$ -	$ -	$ 866,648	$ 1,380,712	$ 47,258
Intergovernmental	-	-	-	-	415,045
Grants	2,294,682	-	-	136,162	-
Charges for Services	-	-	2,220	503,206	56,531
Fines & Forfeitures	-	-	-	-	-
Investment Earnings	128	-	-	6,967	-
Other Miscellaneous Earnings	359,728	-	7,974	-	-
Total Revenues	2,654,538	-	876,842	2,027,047	518,834
Expenditures					
Current:					
General Government	-	-	-	-	-
Public Safety	-	-	-	-	106,239
Fire Safety	-	-	987,631	-	-
Physical Environment	189,775	-	-	1,882,610	-
Transportation	-	-	-	-	-
Economic Development	597,115	-	-	-	-
Culture and Recreation	-	-	-	-	-
Court-Related	-	-	-	-	-
Capital Outlay	-	-	8,790	3,675	309,448
Debt Service					
Principal	-	-	-	171,317	-
Interest and Other Charges	-	-	-	3,342	-
Total Expenditures	786,890	-	996,421	2,060,944	415,687
Excess (Deficiency) of Revenue over (Under) Expenditures	1,867,648	-	(119,579)	(33,897)	103,147
Other Financing Sources (Uses)					
Transfers In	-	-	-	-	-
Transfers (Out)	-	-	-	-	(454,588)
Proceeds from Long Term Debt	-	-	-	-	-
Net Other Financing Sources (Uses)	-	-	-	-	(454,588)
Net Changes in Fund Balances	1,867,648	-	(119,579)	(33,897)	(351,441)
Fund Balances-Beginning	840,890	-	274	(681,854)	(87,245)
Fund Balances-Ending	$ 2,708,538	$ -	$ (119,305)	$ (715,751)	$ (438,686)

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

	Special Revenue					
	Literacy Alliance Fund	**EMS Fund**	**Tourist Tax Fund**	**Sheriff Fund**	**Court Fund**	**Record Modernization Fund**
Revenues						
Taxes	$ -	$ -	$ 81,662	$ -	$ -	$ -
Intergovernmental	-	-	-	-	180,843	-
Grants	184,312	-	-	4,659	-	-
Charges for Services	-	1,279,136	-	-	-	-
Fines & Foreitures	-	-	-	-	333,059	24,472
Investment Earnings	-	-	-	-	-	-
Other Miscellaneous Earnings	-	2,320	-	80,213	-	-
Total Revenues	184,312	1,281,456	81,662	84,872	513,902	24,472
Expenditures						
Current:						
General Government	-	-	70,534	-	-	-
Public Safety	-	1,736,371	-	216,751	-	-
Fire Safety	-	-	-	-	-	-
Physical Environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic Development	-	-	-	-	-	-
Culture and Recreation	184,312	-	-	-	-	-
Court-Related	-	-	-	-	516,024	45,257
Capital Outlay	-	-	-	57,714	-	-
Debt Service						
Principal	-	-	-	-	-	-
Interest and Other Charges	-	-	-	-	-	-
Total Expenditures	184,312	1,736,371	70,534	274,465	516,024	45,257
Excess (Deficiency) of Revenue over (Under) Expenditures	-	(454,915)	11,128	(189,593)	(2,122)	(20,785)
Other Financing Sources (Uses)						
Transfers In	-	-	-	201,129	-	-
Transfers (Out)	-	-	-	-	-	-
Proceeds from Long Term Debt	-	-	-	-	-	-
Net Other Financing Sources (Uses)	-	-	-	201,129	-	-
Net Changes in Fund Balances	-	(454,915)	11,128	11,536	(2,122)	(20,785)
Fund Balances-Beginning	-	132,340	95,805	173,206	-	44,807
Fund Balances-Ending	$ -	$ (322,575)	$ 106,933	$ 184,742	$ (2,122)	$ 24,022

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

	Capital Projects Fund	Debt Service Fund	Total Nonmajor Governmental Funds
Revenues			
Taxes	$ -	347,942	$ 2,724,222
Intergovernmental	78,563	-	674,451
Grants	-	-	2,619,815
Charges for Services	-	-	1,841,093
Fines & Forfeitures	-	-	357,531
Investment Earnings	-	4,149	11,244
Other Miscellaneous Earnings	-	-	450,235
Total Revenues	78,563	352,091	8,678,591
Expenditures			
Current:			
General Government	-	241	70,775
Public Safety	-	-	2,059,361
Fire Safety	-	-	987,631
Physical Environment	-	-	2,072,385
Transportation	57,833	-	57,833
Economic Development	3,187	-	600,302
Culture and Recreation	-	-	184,312
Court-Related	-	-	561,281
Capital Outlay	1,027,018	-	1,406,645
Debt Service			
Principal	-	585,000	756,317
Interest and Other Charges	-	385,892	389,234
Total Expenditures	1,088,038	971,133	9,146,076
Excess (Deficiency) of Revenue over (Under) Expenditures	(1,009,475)	(619,042)	(467,485)
Other Financing Sources (Uses)			
Transfers In	-	625,000	826,129
Transfers (Out)	-	-	(454,588)
Proceeds from Long Term Debt	-	-	-
Net Other Financing Sources (Uses)	-	625,000	371,541
Net Changes in Fund Balances	(1,009,475)	5,958	(95,944)
Fund Balances-Beginning	3,886,181	358,342	4,762,746
Fund Balances-Ending	$ 2,876,706	$ 364,300	$ 4,666,802

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

	Clerk of the Circuit Court	Tax Collector	Sheriff	Totals
Assets				
Cash and Cash Equivalents	$ 831,907	$ 5,081,392	$ 24,214	$ 5,937,513
Due from Other Governments	604,242	-	-	604,242
Total Assets	1,436,149	5,081,392	24,214	6,541,755
Liabilities				
Deposits	-	333,472	-	333,472
Due to Other Governments	110,141	4,719,090	-	4,829,231
Due to Others	917,666	28,830	-	946,496
Total Liabilities	1,027,807	5,081,392	-	6,109,199
Net Position				
Restricted:				
Held for Others	408,342	-	24,214	432,556
Total Net Position	$ 408,342	$ -	$ 24,214	$ 432,556

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

	Clerk of the Circuit Court	Tax Collector	Sheriff	Totals
Additions				
Funds Held for Others	$ 4,008,308	$ 53,906,942	$ 188,730	$ 58,103,980
Property Taxes Collected for Other Governments	-	15,136,567	-	15,136,567
Total Additions	4,008,308	69,043,509	188,730	15,136,567
Deductions				
Funds Held for Others	3,984,143	53,942,038	192,007	58,118,188
Property Taxes Collected for Other Governments	-	15,101,471	-	15,101,471
Total Deductions	3,984,143	69,043,509	192,007	73,219,659
Net Change in Fiduciary Net Position	24,165	-	(3,277)	20,888
Net Position - Beginning	384,177	-	27,491	411,668
Net Position - Ending	$ 408,342	$ -	$ 24,214	$ 432,556

JEFFERSON COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2023

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

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget
	Original	Final		
Revenues				
Taxes	$ 5,929,656	$5,929,656	$ 7,573,916	$ 1,644,260
Licenses and Permits	327,290	327,290	332,071	4,781
Intergovernmental	5,961,449	5,961,449	4,675,766	(1,285,683)
Grants	4,972,856	4,972,856	4,463,921	(508,935)
Charges for Services	1,563,829	1,563,829	1,436,762	(127,067)
Investment Earnings	207	207	12,867	12,660
Other Fees and Miscellaneous Revenues	75,877	75,877	677,935	602,058
Total Revenues	18,831,164	18,831,164	19,173,238	342,074
Expenditures				
Current:				
General Government	5,295,545	5,295,545	4,819,791	475,754
Public Health and Safety	6,515,861	6,515,861	6,343,380	172,481
Physical Environment	463,713	463,713	368,841	94,872
Transportation	3,726,645	3,726,645	-	3,726,645
Economic Development	17,345	17,345	17,345	-
Human Services	73,338	73,338	104,869	(31,531)
Culture and Recreation	799,495	799,495	779,990	19,505
Court-Related	201,665	201,665	64,303	137,362
Capital Outlay	349,919	349,919	4,603,643	(4,253,724)
Debt Service	10,467	10,467	180,497	(170,030)
Total Expenditures	17,453,993	17,453,993	17,282,659	171,334
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,377,171	1,377,171	1,890,579	513,408
Other Financing Sources (Uses)				
Transfers In	5,986,572	5,986,572	5,813,222	(173,350)
Transfers (Out)	(6,462,256)	(6,462,256)	(5,098,762)	1,363,494
Debt Proceeds	-	-	384,986	384,986
Net Other Financing Sources (Uses)	(475,684)	(475,684)	1,099,446	1,575,130
Net Change in Fund Balance	901,487	901,487	2,990,025	2,088,538
Fund Balance - Beginning	(901,487)	(901,487)	6,706,230	7,607,717
Fund Balance - Ending	$ -	$ -	$ 9,696,255	$ 9,696,255

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

	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget
	Original	Final		
Revenues				
Taxes	$ 1,252,031	$ -	$ -	$ -
Intergovernmental	200,340	572,080	363,648	(208,432)
Charges for Services	-	-	1,000	1,000
Fine and Forfeitures	150,500	356,967	146,309	(210,658)
Miscellaneous and Other Investment Earnings	-	1,703	123,308	121,605
Total Revenues	1,602,871	930,750	634,265	(296,485)
Expenditures				
Current:				
Public Health and Safety	5,216,408	5,846,140	210,636	(5,635,504)
Capital Outlay	-	-	52,000	52,000
Total Expenditures	5,216,408	5,846,140	262,636	(5,583,504)
Excess (Deficiency) of Revenues (Under) Over expenditures	(3,613,537)	(4,915,390)	371,629	5,287,019
Other Financing Sources (Uses)				
Transfers In	3,613,537	4,915,390	5,114,262	198,872
Transfers (Out)	-	-	(5,575,263)	(5,575,263)
Net Other Financing Sources (Uses)	3,613,537	4,915,390	(461,001)	(5,376,391)
Net Change in Fund Balance	-	-	(89,372)	(89,372)
Fund Balance - Beginning	-	-	632,379	632,379
Fund Balance - Ending	$ -	$ -	$ 543,007	$ 543,007

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

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
Revenues				
Taxes	$ 839,473	$ 776,718	$ 773,000	$ (3,718)
Intergovernmental	1,598,926	1,586,134	1,241,430	(344,704)
Investment Earnings	-	-	9,227	9,227
Miscellaneous Revenues	35,000	207,410	66,527	(140,883)
Total Revenues	2,473,399	2,570,262	2,090,184	(480,078)
Expenditures				
Current:				
Transportation	1,768,442	1,854,864	1,315,227	(539,637)
Capital Outlay	50,000	4,705	93,948	89,243
Debt Services:				
Principal	-	-	244,209	244,209
Interest and Other Charges	-	-	47,753	47,753
Total Expenditures	1,818,442	1,859,569	1,701,137	(158,432)
Excess (Deficiency) of Revenues Over (Under) Expenditures	654,957	710,693	389,047	(321,646)
Other Financing Sources (Uses)				
Transfers In	39,858	-	-	-
Transfers (Out)	(694,815)	(710,693)	(625,000)	85,693
Net Other Financing Sources (Uses)	(654,957)	(710,693)	(625,000)	85,693
Net Change in Fund Balance	-	-	(235,953)	(235,953)
Fund Balance - Beginning	-	-	152,574	152,574
Fund Balance - Ending	$ -	$ -	$ (83,379)	$ (83,379)

JEFFERSON COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POSTEMPLOYMENT BENEFITS (OPEB)
LAST 10 FISCAL YEARS AS OF SEPTEMBER 30

SCHEDULE OF CHANGES IN THE COUNTY'S TOTAL OPEB LIABILITY AND RELATED RATIOS
(Last 10 Fiscal Years)

Reporting Period Ending	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018
Measurement Date	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017
TOTAL OPEB LIABILITY					
Service Cost	$ 188,298	$ 283,072	$ 233,488	$ 179,055	$ 68,889
Expected Interest Rate Growth	120,180	67,261	47,222	34,306	29,393
Unexpected Investment Income	-	-	-	-	-
Demographic Experience	-	(496,960)	-	20,987	-
Amortization Payments	-	-	-	-	(21,150)
Changes of Assumptions	(544,159)	70,719	313,160	1,049,439	(137,688)
Benefit Payments/Refunds	(78,239)	(77,765)	(86,487)	(92,858)	(53,185)
Net Change in Total OPEB Liability	(313,920)	(153,673)	507,383	1,190,929	(113,741)
Total OPEB Liability-Beginning	2,369,864	2,523,537	2,016,154	825,225	938,966
Total OPEB Liability-Ending	$2,055,944	$ 2,369,864	$2,523,537	$2,016,154	$ 825,225
Covered Employee Payroll (Projected)	$6,003,096	$ 6,003,096	NA	NA	$4,272,723
County's Total OPEB Liability as a Percentage of Covered Employee Payroll	34.25%	39.48%	NA	NA	19.31%

Notes to Schedule
2018 was the initial year of plan disclosure due to the implementation of GASB 75. No prior data available.
Difference Between Expected and Actual Experience: Difference between expected and actual experience reflects the impact of changes to the census date from the prior valuation to the valuation as of September 30, 2021.
Changes of Assumptions: Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

Fiscal Year Ending September 30:	
2022	4.77%
2021	2.43%
2020	2.14%
2019	3.58%
2018	4.18%
2017	3.64%

Also reflected as assumption changes are updated health care costs and premiums, updated health care cost trend rates, and updated mortality rates.
Benefit Payment: The plan sponsor did not provide actual net benefits paid by the plan for the fiscal year ending on September 30, 2023. Expected net benefits payments produced by the valuation model for the same period are shown in the table above.

JEFFERSON COUNTY, FLORIDA
SCHEDULE OF PROPORTIONATE SHARE OF NET PENSION LIABILITY
LAST 10 FISCAL YEARS AS OF SEPTEMBER 30

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Florida Retirement System (FRS)									
Proportion of the net pension liability (asset)	0.02741700%	0.02775550%	0.02822596%	0.03091514%	0.03118610%	0.0299989%	0.0296000%	0.0295000%	0.0295000%
Proportionate share of the net pension liability (asset)	$ 10,924,807	$ 10,327,276	$ 2,132,149	$ 13,399,077	$ 10,740,072	$ 9,035,828	$ 8,742,900	$ 7,441,356	$ 3,809,280
Covered-employee payroll	$ 3,611,348	$ 6,003,096	$ 6,003,096	$ 9,426,160	$ 9,804,912	$ 6,417,339	$ 6,397,923	$ 6,117,786	$ 6,080,100
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	302.51%	172.03%	35.52%	142.15%	109.54%	140.80%	136.65%	121.63%	62.65%
Plan fiduciary net position as a percentage of the total pension liability	82.89%	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%
Health Insurance Subsidy Program (HIS)									
Proportion of the net pension liability (asset)	0.019754900%	0.020448600%	0.020027620%	0.019767690%	0.019643000%	0.019132500%	0.018700000%	0.018700000%	0.018900000%
Proportionate share of the net pension liability (asset)	$ 3,137,342	$ 2,165,833	$ 2,456,690	$ 2,409,827	$ 2,197,851	$ 2,025,004	$ 2,002,330	$ 2,182,199	$ 1,926,120
Covered-employee payroll	$ 3,611,348	$ 6,003,096	$ 6,003,096	$ 9,426,160	$ 9,804,912	$ 6,417,339	$ 6,397,923	$ 6,117,786	$ 6,080,100
Proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	86.87%	36.08%	40.92%	25.57%	22.42%	31.56%	31.30%	35.67%	31.68%
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%

Note 1: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the County will present information for only those years for which information is available.

JEFFERSON COUNTY, FLORIDA
SCHEDULE OF CONTRIBUTIONS OF NET PENSION LIABILITY
LAST 10 FISCAL YEARS AS OF SEPTEMBER 30

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Florida Retirement System (FRS)									
Contractually required contribution	$ 1,318,932	$ 1,184,377	$ 1,075,287	$ 1,027,173	$ 993,513	$ 874,921	$ 774,744	$ 745,245	$ 719,039
Contributions in relation to the contractually required contribution	(1,318,932)	(1,184,377)	(1,075,287)	(1,027,173)	(993,513)	(874,921)	(774,744)	(745,245)	(719,039)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 3,611,348	$ 6,003,096	$ 6,003,096	$ 9,426,160	$ 9,804,912	$ 6,417,339	$ 6,397,923	$ 6,117,786	$ 6,080,100
Contributions as a percentage of covered-employee payroll	36.52%	19.73%	17.91%	10.90%	10.13%	13.63%	12.11%	12.18%	11.83%
Health Insurance Subsidy Program (HIS)									
Contractually required contribution	$ 129,950	$ 123,731	$ 117,723	$ 113,734	$ 110,818	$ 104,360	$ 100,570	$ 96,042	$ 72,196
Contributions in relation to the contractually required contribution	(129,950)	(123,731)	(117,723)	(113,734)	(110,818)	(104,360)	(100,570)	(96,042)	(72,196)
Contribution deficiency (excess)		$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Covered-employee payroll	$ 3,137,342	$ 6,003,096	$ 6,003,096	$ 9,426,160	$ 9,804,912	$ 6,417,339	$ 6,397,923	$ 6,117,786	$ 6,080,100
Contributions as a percentage of covered-employee payroll	4.14%	2.06%	1.96%	1.21%	1.13%	1.63%	1.57%	1.57%	1.19%

Note 1: GASB 68 requires information for 10 years. However, until a full 10-year trend is compiled, the County will present information for only those years for which information is available.

JEFFERSON COUNTY, FLORIDA
COMPLIANCE SECTION
SEPTEMBER 30, 2023

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

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

The Honorable Board of County Commissioners
and Constitutional Officers of Jefferson County, Florida
Monticello, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller of the United States, the financial statements of the governmental activities, and each major fund and the aggregate remaining fund information for Jefferson 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 Jefferson County, Florida's basic financial statements and have issued our report thereon dated March 20, 2025.

Because the County's management has not acquired an actuarial valuation to determine the amount of its Other Postemployment Benefits and has not presented such liability as of September 30, 2023, in it financial statements as required by accounting principles generally accepted in the United States of America, we have issued a qualified opinion on the Governmental Activities. The impact of such departure from generally accepted accounting principles for provisions of GASB Statement No. 75 would affect the deferred inflows, liabilities, deferred outflows, net position, and expenses in the Governmental Activities.

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) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion 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 significant deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies that may exist that were not identified. We consider the following deficiencies described in the Schedule of Findings and Questioned Costs as listed in the table of contents to be material weaknesses: **Finding 2023-001, Finding 2023-002, Finding 2023-003, Finding 2023-004**, and **Finding 2023-005.**

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 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 did not result in any instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Jefferson County's Response to Findings
Government Auditing Standards requires the auditor to perform limited procedures on Jefferson 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
This report is intended solely for the information and use of the County, Constitutional Officers and management, the State of Florida Auditor General, specific legislative or regulatory bodies, and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
March 20, 2025

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

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

The Honorable Board of County Commissioners
and Constitutional Officers of Jefferson County, Florida
Monticello, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project
We have audited Jefferson County, Florida, Board of County Commissioners' (the "County") compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance and* Supplement and the requirements described in the Florida Department of Financial Services' *State Projects Compliance Supplement*, that could have a direct and material effect on each of its major state projects for the year ended September 30, 2023. The County's major federal programs and state financial assistance projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program and State Project
We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.500, Rules of the Auditor General. Our responsibilities under those standards, the Uniform Guidance, and Chapter 10.550, 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, 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 Chapter 10.550, 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 Chapter 10.550, 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 Chapter 10.550, 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

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.

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. We identified **Finding 2023-002, Finding 2023-004** and **Finding 2023-005** to be material weaknesses.

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.

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

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
March 20, 2025

JEFFERSON COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF
FEDERAL AWARD PROGRAMS AND STATE FINANCIAL ASSISTANCE PROJECTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Federal Grantor Passed Through Grantor Program Title	ALN	Grant/ Contract Number	Award Amount	Expenditures
U.S. Department of Housing and Urban Development				
Passed Through the Florida Department of Commerce				
Community Development Block Grant	14.228	19DB-ON-02-43-01-H13	$ 621,187	$ 521,104
Total U.S. Department of Housing and Urban Development			621,187	521,104
U.S. Department of Justice				
COPS Hiring Program	16.710	2020UMWX0105	118,838	29,281
Passed through Florida Office of the Attorney General				
Victims of Crime Act Grant	16.575	VOCA-2022-Jefferson Cty Sheriff-00296	67,665	67,526
Total U.S. Department of Justice			186,503	96,807
U.S. Department of Treasury				
Passed through Florida Division of Emergency Management				
Coronavirus Relief Fund	21.019	Y2308	2,658,739	189,775
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	1,433,559	1,433,559
Total U.S. Department of Treasury			4,092,298	1,623,334
U.S. Election Assistance Commission				
Passed through Florida Department of State, Division of Elections				
HAVA Election Security Grant	90.404	22.e.es.000.032	67,187	67,187
Total U.S. Election Assistance Commission			67,187	67,187
U.S. Department of Health and Human Services				
Passed through Florida Department of Revenue				
Child Support Enforcement Program	93.563	2301FLCSES	-	47,691
Total U.S. Department of Health and Human Services			-	47,691
U.S. Department of Homeland Security				
Passed through Florida Division of Emergency Management				
Emergency Management Performance Grant	97.042	G0356	50,000	4,942
Emergency Management Performance Grant	97.042	G0404	54,713	54,184
Total U.S. Department of Homeland Security			104,713	59,126
Total Federal Awards			$ 5,071,888	$2,415,249

JEFFERSON COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF
FEDERAL AWARD PROGRAMS AND STATE FINANCIAL ASSISTANCE PROJECTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

State Grantor Program Title	CSFA Number	Grant/ Contract Number	Award Amount	Expenditures
Florida Division of Emergency Management				
Emergency Preparedness & Assistance Grant	31.063	A0270	$ 105,806	$ 76,051
Emergency Preparedness & Assistance Grant	31.063	A0407	105,806	29,416
Total Florida Division of Emergency Management			211,612	105,467
Florida Department of Environmental Protection				
Small County Consolidated Solid Waste Management Grant	37.012	SC318	93,750	93,750
Household Hazardous Waste Co-op Grant	37.007	HW303	52,000	42,028
Total Florida Department of Environmental Protection			145,750	135,778
Florida Housing Finance Corporation				
State Housing Initiatives Partnership Program (SHIP)	40.901	N/A	-	150,244
Total Florida Housing Finance Corporation			-	150,244
Florida Department of Agriculture				
Mosquito Control	42.003	28454	38,892	38,892
Total Florida Department of Agriculture			38,892	38,892
Florida Department of State, Division of Library and Information Services				
State Aid to Libraries Grant	45.030	23-ST-95	298,664	298,664
Total Florida Department of State, Division of Library and Information Services			298,664	298,664
Florida Department of Transportation				
Small County Outreach Program (SCOP)	55.009	G2298	2,956,635	2,844,768
Small County Outreach Program (SCOP)	55.009	G2299	956,142	840,877
Small County Outreach Program (SCOP)	55.009	G2301	142,200	63,990
Small County Outreach Program (SCOP)	55.009	G2302	203,268	16,939
Total Florida Department of Transportation			4,258,245	3,766,574
Florida Department of Law Enforcement				
Law Enforcement Salary Assistance	71.067	7G032	261,000	195,750
Emergency Communications System	71.067	5V018	342,814	85,704
Total Florida Department of Law Enforcement			603,814	281,454
Total State Financial Assistance			5,556,977	4,777,073
Total Federal Awards and State Financial Assistance			$ 10,628,865	$ 7,192,322

JEFFERSON COUNTY, FLORIDA
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARD PROGRAMS AND STATE FINANCIAL ASSISTANCE PROJECTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Note 1 – Basis of Accounting

The supplementary schedule of expenditures of federal award programs and state financial assistance projects includes the grant activity of Jefferson County, Florida (the "County"). Federal and state expenditures are presented on the modified accrual basis of accounting. The information in these schedules is presented in accordance with the requirements of Uniform Guidance and Chapter 10.550, Rules of the Florida 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 supplementary schedule of expenditures of federal award programs and state financial assistance projects includes all the funds of the primary government as defined by GASB 14, *The Financial Reporting Entity.*

Note 3 – Indirect Cost

The County has not elected to use the ten percent de minimis indirect cost rate allowed under the Uniform Guidance.

Note 4 – 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 of expenditures of federal award programs and state financial assistance projects.

Note 5 – Subrecipients

For the year ended September 30, 2023, the County did not pass any grant funding through to subrecipients.

JEFFERSON COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL AWARD PROGRAMS AND STATE FINANCIAL ASSISTANCE PROJECTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Summary of Audit Results

Financial Statements

1. The Independent Auditor's Report expresses an unmodified opinion on the financial statements of Jefferson County, Florida (the "County").

2. Material weaknesses and significant deficiencies disclosed during the audit of the financial statements are reported in the "Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards." The findings listed as Finding 2023-001, 2023-002, 2023-003, 2023-004 and 2023-005 are considered to be material weaknesses.
3. No instances of noncompliance material to the financial statements of the County were disclosed during the audit.

Federal Awards and State Financial Assistance

4. Material weaknesses and significant deficiencies relating to the audit of the major federal award programs and state financial assistance projects are reported in the "Independent Auditor's Report on Compliance for Each Major Federal Award Program and State Project and on Internal Control over Compliance Required by Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*". The findings listed as Finding 2023-002, 2023-004 are significant deficiencies and 2023-005 are material weaknesses.

5. The "Independent Auditor's Report on Compliance for Each Major Federal Award Program and State Project and on Internal Control over Compliance Required by Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*" for the County expresses an unmodified opinion.

6. There was one finding relative to the major federal award programs and state financial assistance projects for the County – see finding Board 2023-005.

7. The program/projects tested as major programs/projects included the following:

U.S. Department of Treasury	
Coronavirus Relief Fund	21.019
Coronavirus State and Local Recovery Funds	21.027
Florida Department of Transportation	
Small County Outreach Program	55.009

8. The threshold for distinguishing Type A and Type B programs/projects was $750,000 for both major federal award programs and state financial assistance projects.

9. The County did not qualify as a low-risk auditee.

FINDINGS FINANCIAL STATEMENT AUDIT

BOARD OF COUNTY COMMISSIONERS – FINDINGS

FINDING 2023-001: GAS TAX REVENUE BONDS

CRITERIA: The original official statement of the Gas Tax Revenue Bonds Series 2022 requires the establishment of three separate funds: a Revenue Fund, Debt Service Fund, and Rebate Fund. Within the Revenue Fund, two accounts are to be created: a Restricted Revenue account and an Unrestricted Revenue account. The Debt Service Fund requires four accounts: an Interest account, Principal account, Bond Amortization account and Reserve account. The official statement requires the deposit of $287,800 to the Reserve account in the Debt Service Fund. Additionally, the official statement also outlines the required flow of funds.

CONDITION: The required funds and accounts were not fully established, and there is no documentation indicating that the $287,800 deposit into the Reserve account was made. Additionally, $316,496 from a restricted cash account was transferred into the Clerk of Court's suspense account, a portion of which was embezzled by the Clerk's contract Finance Director.

CAUSE: Accounting staff did not establish the required funds and accounts before the end of the year, and necessary transfers were not made to the debt service funds. A restricted cash amount was transferred out of the fund.

EFFECT: The County is unable to demonstrate compliance with the requirements of the bond ordinance.

RECOMMENDATION: We recommend that the County establish all required funds and accounts as outlined in the official bond statement, and that these funds and accounts be used for both the Gas Tax Revenue Bonds Series 2022 and Series 2012 (which have identical requirements and flow of funds). Additionally, the County should adhere to the flow of funds as outlined in the bond ordinances.

VIEW OF RESPONSIBLE OFFICALS: See Management's Response and Corrective Action Plan.

FINDING 2023-002: BUDGET

CRITERIA: The County must comply with various Florida Statutes regarding the adoption of the annual budget. Specifically, F.S. 129.01 requires the budget to be prepared at a level of detail that aligns with the annual financial report.

CONDITION: The County's budget was not prepared in accordance with how the financial statements are structured. It does not include budgets for Constitutional officers that align with their actual results. The final adopted budget lacks sufficient detail at the fund level and does not accurately account for significant lease purchases, capital outlays, and debt payments. Additionally, several funds were not budgeted at all.

CAUSE: The County lacks a detailed budget that can facilitate a budget-to-actual comparison for each fund. The final budget approved by the Board is not in compliance with Florida Statutes.

EFFECT: The County's budget does not comply with Florida Statutes, and it overspent the budget in several funds for fiscal year 2023.

RECOMMENDATION: We recommend that the County adopt a budget with sufficient detail to account for all funds used in accordance with Florida Statutes, including those for Constitutional officers. Furthermore, the budget should be integrated into the accounting system to allow the Board to monitor actual vs. budgeted amounts on a monthly basis.

VIEW OF RESPONSIBLE OFFICALS: See Management's Response and Corrective Action Plan.

FINDING 2023-003: SEGREGATION OF DUTIES

CRITERIA: An effective internal control environment requires proper segregation of duties and responsibilities within accounting functions.

CONDITION: The County has not implemented sufficient separation of certain accounting and administrative duties due to its limited number of employees. While the County recognizes that the cost of internal controls should not exceed the benefits derived, adequate segregation of duties is necessary to prevent errors or irregularities. The County also acknowledges that internal control can be circumvented by collusion, but it is still crucial to separate incompatible duties and establish review procedures.

CAUSE: The County's accounting department is understaffed.

EFFECT: The lack of segregation of duties increases the risk of unintentional or intentional errors or irregularities, which may not be promptly detected.

RECOMMENDATION: We recommend that the County continue seeking ways to strengthen internal control, particularly by improving the segregation of duties.

STATUS: There remains insufficient segregation of duties between employees responsible for recordkeeping and those with custody of County assets.

VIEW OF RESPONSIBLE OFFICALS: See Management's Response and Corrective Action Plan.

FINDING 2023-004: DEFICIENCY OVER FINANCIAL REPORTING

CRITERIA: An effective internal control system should include processes to prevent, detect, and correct misstatements in the audited financial statements.

CONDITION: The County relies on external auditors and outside accountants to assist in preparing financial statements and posting the final working trial balances in accordance with generally accepted accounting principles (GAAP). However, the County's main cash account was not reconciled during the year and was understated by over $5,000,000. Debt service payments, capital outlay expenditures, and amounts due from the County for grant reimbursements were materially misstated. Additionally, prior year audit adjustments were not reversed, leading to over $8,348,000 in changes to the overall net income after audit adjustments were made.

CAUSE: While the County has contracted outside accounting services, it lacks an internal employee with the necessary accounting education and experience to record transactions and prepare financial statements in accordance with GAAP. The loss of the Clerk's office contract accountant in 2023 further complicated this issue.

EFFECT: The lack of in-house expertise to prepare financial statements in compliance with GAAP, and to record complex transactions, results in a material weakness under professional standards.

RECOMMENDATION: We understand the cost-benefit of hiring a dedicated accounting professional may not be feasible. Therefore, we recommend the County continue utilizing external assistance for complex transactions and consider providing additional training or education to current staff to improve their ability to accurately record financial activities.

VIEW OF RESPONSIBLE OFFICALS: See Management's Response and Corrective Action Plan.

FINANCIAL STATEMENT FINDINGS FOR FEDERAL PROGRAMS AND STATE PROJECTS

FINDING 2023-005: LATE SUBMISSION OF DATA COLLECTION FORM

CRITERIA: In accordance with Uniform Guidance 2 CFR 200.512(a), the audit package and data collection form shall be submitted 30 days after receipt of the auditor's report, or 9 months after the end of the fiscal year, whichever comes first.

CONDITION: The data collection form in connection with the prior year audit was not filed within 9 months after the fiscal year end.

CAUSE: Management did not have procedures in place to ensure the timely filing of the data collection form to the Federal Audit Clearinghouse.

EFFECT: Late filing will result in noncompliance with timely submission of financial information to the grantor agencies.

RECOMMENDATION: Management should evaluate the current procedures in place to ensure the timely filing of the data collection form to the Federal Audit Clearinghouse.

PRIOR-YEAR FINDINGS AND QUESTIONED COSTS FOR FEDERAL PROGRAMS AND STATE PROJECTS

FINDING 2022-002: LATE SUBMISSION OF DATA COLLECTION FORM

CRITERIA: In accordance with Uniform Guidance 2 CFR 200.512(a), the audit package and data collection form shall be submitted 30 days after receipt of the auditor's report, or 9 months after the end of the fiscal year, whichever comes first.

CONDITION: The data collection form in connection with the prior year audit was not filed within 9 months after the fiscal year end.

CAUSE: Management did not have procedures in place to ensure the timely filing of the data collection form to the Federal Audit Clearinghouse.

EFFECT: Late filing will result in noncompliance with timely submission of financial information to the grantor agencies.

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

The Honorable Board of County Commissioners
and Constitutional Officers of Jefferson County, Florida
Monticello, Florida

Report on the Financial Statements
We have audited the financial statements of Jefferson County, Florida, (the "County") as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated March 20, 2025.

Auditor's Responsibility
We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Florida 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*; Independent Auditors' Report on Compliance for Each Major Federal Awards Program and State Project and on Internal Control over Compliance; 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 Florida Auditor General.* Disclosures in those reports and schedules, which are dated March 20, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings
Section 10.554(1)(i)l., *Rules of the Auditor General,* require 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 not been taken to address findings and recommendations made in the preceding annual financial audit report and additional actions are still needed in order to clear these findings.

Tabulation of Uncorrected Audit Findings		
Curent Year Finding No.	2021-22 FY Finding No.	2020-21 FY Finding No.
2023-001	2022-001	N/A
2023-002	2018-001	2018-001
2023-003	2008-001	2008-001
2023-004	2008-002	2008-002
2023-005	2022-002	N/A

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 of 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 was disclosed in the notes to financial statements.

Financial Condition and Management
Section 10.554(1)(i)5.a., and 10.556(7), *Rules of the Auditor General*, requires 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 conditions 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 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 us to communicate noncompliance with provisions of contracts and grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material, but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

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

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
March 20, 2025

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

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

The Honorable Board of County Commissioners
and Constitutional Officers of Jefferson County, Florida
Monticello, Florida

We have examined the Jefferson County, Florida's (the "County") 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 Jefferson County, Florida's compliance with those requirements. Our responsibility is to express an opinion on Jefferson County, Florida's compliance based on our examination.

Our examination was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the County complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about the County's compliance with the specified requirements. The nature, timing, and extent of the procedures selected depends on our judgement, 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 of 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.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
March 20, 2025

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

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

The Honorable Board of County Commissioners
Of Jefferson County, Florida
Monticello, Florida

We have examined Jefferson 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 Statues, *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 County's compliance based on our examination.

Our examination was conducted in accordance with the attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the 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 depends on our judgement, 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 of 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.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
March 20, 2025

CECIL "TREY" HIGHTOWER | CLERK OF COURT & COMPTROLLER

1 Courthouse Cir, Monticello, FL 32344 (850) 342-0218 www.jeffersonclerk.com

Ms. Sherrill F. Norman, CPA
Auditor General, State of Florida
Tallahassee, Florida 32399

Dear Ms. Norman,

Subject: Response to Findings of the 2023 Financial Statement Audit

Please see the responses and corrections for the findings in the Moran and Smith Financial Statement Audit for Jefferson County in Fiscal Year 22-23. Most of these corrections have been made or are currently being made in Fiscal Year 2025 as Jefferson County has had multiple Clerk's filling in throughout the 22-24 fiscal years.

FINDING 2023-001: Gas Tax Revenue Bonds
Criteria:
The original official statement of the Gas Tax Revenue Bonds Series 2022 requires the creation of three separate funds: a Revenue Fund, Debt Service Fund, and Rebate Fund. In the Revenue Fund, two accounts are established: Restricted Revenue account and Unrestricted Revenue account. In the Debt Service Fund, four accounts are established, Interest account, Principal account, Bond Amortization account and Reserve account. The official statement requires a deposit of $287,800 to the Reserve account in the Debt Service Fund.
The official statement also specifies the Flow of Funds.
Condition:
Not all the agreed-to funds were established as required, and there is no indication that the deposit to the Reserve account of $287,800 was made. During the year, $316,496 that was in a restricted cash account was transferred into the Clerk of Court's suspense account, and it was part of the funds that were embezzled by the Clerk's contract accountant.
Cause:
Accounting staff did not set up the required funds or accounts before the end of the year, and transfers were not made to the debt service funds. A restricted cash amount was transferred out of the fund.
Effect:
The County cannot document compliance with the requirements of the Bond ordinance.
Recommendation:
We recommend that the County establish all the required funds and accounts as outlined in the official bond statement, use these funds and accounts for the Gas Tax Revenue Bonds Series 2022, and the Series 2012. (The Series 2012 has the exact requirements and the same flow of funds) and to follow the flow of funds as outlined in the bond ordinances.
Response:
We acknowledge the oversight in setting up the required accounts and making the necessary deposits. We are in the process of re-establishing the funds and ensuring that future deposits are made in a timely manner. We will also ensure full compliance with the bond's requirements moving forward.
Corrective Action Plan:
The required accounts will be created, and steps will be taken to ensure proper monitoring and management of the Gas Tax Revenue Bonds in the future.

FINDING 2023-002: Budget
Criteria:
The County has many Florida Statute requirements regarding the adoption of the annual budget F.S. 129.01 requires it to be adopted at the level of detail required for the annual financial report.
Condition:
The county budget was not prepared on a basis consistent with how the financial statements are prepared. It does not include budgets for the Constitutional officers that are consistent with their actual results. The Board's final adopted budget does not contain sufficient detail at the fund level and fails to account for the significant amounts of lease purchases made, Capital outlay and Debt payments are not budgeted correctly. It was noted that several funds are not budgeted at all.
Cause:
The County does not have a detailed budget of consistent detail to make a budget vs actual computation for each fund. The

final budget approved by the Board is not in compliance with Florida statutes.

Effect:

The County does not have a budget that follows Florida Statutes, and they overspent the budget for the 2023 in numerous funds.

Recommendation:

We recommend the County adopt a budget in sufficient detail to include all actual funds being used to record transactions in accordance with Florida statute requirements, including all Constitutional officers. And that the budget be entered into the accounting system to enable the Board to monitor actual versus budget comparisons monthly.

Response:

The discrepancy in the budget preparation arose due to internal miscommunication and an outdated accounting system to prepare the budget in alignment with statutory requirements.

Corrective Action Plan:

The county has hired a budget officer for budget preparation, and we will adopt a more detailed and comprehensive budget for the upcoming year, including all Constitutional officers and ensuring proper accounting for all funds.

FINDING 2023-003: Segregation of Duties

Criteria:

The internal control environment should include proper segregation of duties and responsibilities over accounting functions.

Condition:

Separation of certain accounting and administrative duties among employees, which is recommended as an effective internal control procedure, was not considered feasible by the County because of its size and limited number of employees. The County recognizes that the cost if its internal control structure should not exceed the benefits expected to be derived. The County also recognizes the inherent limitations of an internal control structure. Mistakes and irregularities may occur in any event with or without an adequate internal control structure. Furthermore, adequate segregation of duties can be circumvented by collusion among persons. Nevertheless, internal control is strengthened when incompatible duties are separated, and review procedures are established and adhered to.

Cause:

The County has very limited personnel in the accounting department.

Effect:

The possibility exists that unintentional or intentional errors or irregularities could occur and not be promptly detected.

Recommendation:

We recommend that the County continue to seek ways to strengthen internal control through segregation of duties.

Response:

Given the size and staffing limitations of the department, achieving full segregation of duties is challenging. However, we recognize the importance of internal controls and are exploring feasible solutions to strengthen this area.

Corrective Action Plan:

We will review current processes to implement mitigating controls, such as cross-training staff and enhancing oversight, to reduce the risk of errors or fraud. There has been a separation of duties between County staff and the Clerk's office to help with oversight and day-to-day operations.

FINDING 2023-004: Deficiency Over Financial Reporting

Criteria:

An entity's system of internal control over financial reporting should include controls over the prevention, detection and correction of misstatements in the audited financial statements.

Condition:

The County relies on the external auditor and outside accountants to assist with preparing the financial statements and posting the final working trial balances in conformity with generally accepted accounting principles. It was noted that county's, main cash account was not reconciled during the year and was understated by over $5,000,000, debt service payments, capital outlay expenditures and amounts due to the county for grant reimbursements were materially misstated. Prior year audit adjustments were not reversed. There were an excessive number of audit adjustments posted to September 30, 2023, working trial balance which resulted in a change to the overall net income of over $8,348.000.

1 Courthouse Cir, Monticello, FL 32344 (850) 342-0218 www.jeffersonclerk.com

Cause:
The County had an individual providing some outside accounting services; however, the County does not have an individual on staff with accounting education and experience to properly record accounting transactions and prepare financial statements in accordance with generally accepted accounting principles. Outside accountants are assisting with the process, but it is all being done months after year end, and it is difficult to obtain all the required documents to record the transactions correctly. During the year 2023, the Clerk's office lost the only contract accountant on staff.
Effect:
The fact the County does not have someone on staff to prepare the financial statements in accordance with generally accepted accounting principles and to record complex transactions results in a material weakness under professional standards.
Recommendation:
We understand the cost-benefit of employing someone with this expertise is not always practical, therefore, we recommend the County continue to request outside assistance in recording more complex transactions and that additional training and/or education be provided to existing staff to enable them to more accurately record financial activities.
Condition:
The County relied on external auditors and accountants to prepare the financial statements, resulting in material misstatements and audit adjustments to the final trial balance.
Response:
The contracted financial director responsible for this duty was relieved of this position at the end of the fiscal year when it was discovered he was not fulfilling his contractual obligations.
Corrective Action Plan:
We are actively working on policies, procedures, and training for our existing staff to ensure that financial statements are prepared in accordance with GAAP.

FINDING 2023-005: Late Submission of Data Collection Form
Criteria:
In accordance with Uniform Guidance 2 CFR 200.512(a), the audit package and data collection form shall be submitted 30 days after receipt of the auditor's report, or 9 months after the end of the fiscal year, whichever comes first.
Condition:
The data collection form in connection with the prior year audit was not filed within 9 months after the fiscal year end.
Cause:
Management did not have procedures in place to ensure the timely filing of the data collection form to the Federal Audit Clearinghouse.
Effect:
Late filing will result in noncompliance with the timely submission of financial information to the grantor agencies.
Recommendation:
Management should evaluate the current procedures in place to ensure the timely filing of the data collection form to the Federal Audit Clearinghouse.
Response:
The delay was due to internal procedural oversights that resulted in missing the filing deadline. We acknowledge this lapse and are taking steps to ensure timely submission in the future.
Corrective Action Plan:
We are revising our internal filing procedures to ensure timely submission of the data collection form in the future, and we will designate specific personnel to monitor the deadline.

Please contact me with any questions.

Respectfully,
Trey Hightower
Trey Hightower
Clerk of Circuit Court and Comptroller
Jefferson County

JEFFERSON COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT

BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

JEFFERSON COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
SEPTEMBER 30, 2023

TABLE OF CONTENTS

Independent Auditor's Report 1

Basic Financial Statements

Basic Balance Sheet – Governmental Funds 4
Basic Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds 5
Basic Statement of Fiduciary Net Position – Fiduciary Funds 6
Basic Statement of Changes in Fiduciary Net Position – Fiduciary Funds 7
Notes to Basic Financial Statements 8

Required Supplementary Information

Budgetary Comparison Schedule - Governmental Fund 15
Budgetary Comparison Schedule – Court Fund 16
Budgetary Comparison Schedule – Record Modernization Fund 17
Notes to Budgetary Comparison Schedules 18

Supplementary Information

Combining Basic Statement of Fiduciary Net Position – Fiduciary Funds 19
Combining Basic Statement of Changes in Fiduciary Net Position – Fiduciary Funds 20

Compliance Section

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an Audit of Basic Financial Statement Performed in Accordance with *Governmental Auditing Standards* 21
Independent Accountants' Report on Compliance with the requirements Of Section 218.415, Florida Statutes, *Local Government Investment Policies* 24
Independent Accountants' Report on Compliance with Section 28.35, Florida Statutes, *Florida Clerk of Court Operations Corporations*, and Section 28.36, Florida Statutes, *Budget Procedure* 25
Independent Accountants' Report on Compliance with Section 61.181, Florida Statutes, *Depository for Alimony Transactions, Support, Maintenance And Support Payments; Fees* 26
Independent Auditor's Management Letter 27

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

INDEPENDENT AUDITOR'S REPORT

The Honorable Trey Hightower
Clerk of the Circuit Court, Jefferson County, Florida
Monticello, Florida

Opinions

We have audited the accompanying financial statements of each major fund, and the aggregate remaining fund information of the Jefferson 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 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 Clerk, as of September 30, 2023, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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 Auditors' Responsibilities for the Audit of Financial Statements section of our report. We are required to be independent of the Jefferson County, Florida 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, accompanying financial statements are intended to present the financial position and changes in financial position of each major fund and aggregate remaining fund information, only for the portion of the major funds, and the aggregate remaining fund information, of Jefferson County, Florida that is attributable to the Clerk. They do not purport to, and do not, present fairly the financial position of Jefferson 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.

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 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 judgement 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 judgement and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material misstatement of the financial statement, whether due to fraud or error, and design and perform audit procedures responsible 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 judgement, 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.

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 budgetary comparison schedule be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic of 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 out inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clerk's financial statements. The accompanying combining special-purpose statement of fiduciary net position and combing special-purpose statement of changes in fiduciary net position, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of managements and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion the combining special-purpose statement of fiduciary net position and combing special-purpose statement of changes in fiduciary net position are fairly stated, in all material respects, in relation to the 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 March 20, 2025, 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 included under the heading *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 Governmental Auditing Standards*. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clerk's internal control over financial reporting and compliance.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
March 20, 2025

BASIC FINANCIAL STATEMENTS

JEFFERSON COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
BASIC BALANCE SHEET
GOVERNMENTAL FUND
SEPTEMBER 30, 2023

	General Fund	Court	Record Modernization	Total Governmental
Assets				
Cash and cash equivalents	$ 19,643	$ -	$ 13,799	$ 33,442
Restricted cash and cash equivalent	-	-	5,050	5,050
Accounts receivable	58,799	60,642	5,173	124,614
Due from other funds	-	-	-	-
Due from Board of County Commissioners	-	-	-	-
Due from other governmental units	-	2,122	-	2,122
Total assets	78,442	62,764	24,022	165,228
Liabilities				
Accounts payable	269	8,134	-	8,403
Deferred revenues	-	43,739	-	43,739
Due to Board of County Commissioners	78,173	-	-	78,173
Due to other governmental units	-	10,891	-	10,891
Total liabilities	78,442	62,764	-	141,207
Fund Balances				
Restricted	-	-	24,022	24,022
Total liabilities and fund balances	$ 78,442	$ 62,764	$ 24,022	$ 165,229

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

JEFFERSON COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
BASIC STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	General Fund	Court	Record Modernization	Total Governmental
Revenues				
Charges for services	$ 76,300	$ -	$ -	$ 76,300
Intergovernmental	47,691	180,843	-	228,534
Fines and Forfeitures	-	333,059	24,472	357,531
Total Revenues	123,991	513,902	24,472	662,364
Expenditures				
General government:				
Personal services	317,256	-	-	317,256
Operating expenses	96,259	-	-	96,259
Court-related:				
Personal services	64,303	326,259	-	390,563
Operating expenses	-	187,643	45,257	232,900
Capital outlay	-	-	-	-
Total expenditures	477,818	513,902	45,257	1,036,977
Excess (Deficiency) of revenues over (under) expenditures	(353,827)	-	(20,785)	(374,612)
Other financing sources (uses)				
Transfers in	432,000	-	-	432,000
Transfers out	(78,173)	-	-	(78,173)
Net other financing sources (uses)	353,827	-	-	353,827
Net change in fund balances	-	-	(20,785)	(20,785)
Fund balances - beginning - restricted	-	-	44,807	44,807
Fund balances - ending - restricted	$ -	$ -	$ 24,022	$ 24,022

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

JEFFERSON COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
BASIC STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2023

		Custodial Funds
Assets		
Cash and cash equivalents	$	831,907
Due from other governments		604,242
Total assets		1,436,149
Liabilities		
Due to others		917,666
Due to other governments		110,141
Total liabilities		1,027,807
Net Position		
Restricted		652,308
Held for others		(243,966)
Total net position	$	408,342

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

JEFFERSON COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
BASIC STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED SEPTEMBER 30, 2023

	Custodial Funds
Additions	
Funds held for others	$ 4,008,308
Total additions	4,008,308
Deductions	
Funds held for others	3,984,143
Total deductions	3,984,143
Net change in fiduciary net position	24,165
Net position - beginning	384,177
Net position - ending	$ 408,342

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

NOTES TO BASIC FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies

The accounting policies of the Clerk conform to accounting principles generally accepted in the United States of America as applicable to government units. The following is a summary of the more significant accounting principles and policies used in the preparation of these basic financial statements. For financial reporting purposes, the Clerk is deemed to be a part of the primary government of the County and, therefore, is included as such in the County's annual financial report.

Reporting Entity

The Jefferson County Clerk of Circuit Court ("Clerk") is an integral part of Jefferson County, Florida and is an elected Constitutional Officer who is governed by state statutes and regulations. The basic financial statements of the Clerk are included in Jefferson 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 transferred from the Board of County Commissioners and any unspent appropriations are transferred back 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 basic 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 basic financial statements do not purport to reflect the financial position or the results of operations of Jefferson 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 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 purposes. Therefore, the Clerk is reported as part of the primary government of Jefferson County, Florida.

These basic financial statements are not intended to be a complete presentation of the financial position and results of operations of Jefferson County, Florida taken as a whole. As permitted by Chapter 10.556(4), *Rules of the Auditor General*, State of Florida, the basic 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 accompanying basic financial statements include all the funds and accounts of the Clerk's office but are not a complete presentation of the County as a whole. The accompanying financial statements are prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557(3), *Rules of the Auditor General-Local Governmental Entity Audits.*

Fund Accounting
The financial activities of the Clerk are recorded in separate funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that compromise its assets, liabilities, fund equity, revenues, and expenditures. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The purposes of the Clerk's various funds are categorized and described as follows:

The Clerk utilizes the following fund type:

- **Governmental Fund:**
  - **General Fund –** The general fund is the general operating fund of the Clerk. It is used to account for all financial resources, except those required to be accounted for in another fund.
  - **Court Fund –** The Court Fund was established to account for court-related revenues and expenditures. Included in the Court Fund is the federal reimbursement of the court-related child support revenues and expenditures for overhead.
  - **Record Modernization Fund –** The Record Modernization Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for the public records system of the Clerk's office and additional court-related operational needs and program enhancements.

- **Fiduciary Fund**:
  - **Custodial Fund** – The custodial fund is used to account for assets held by the Clerk as an agent for individuals, private organizations, and other governments.

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.

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 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 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 the 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 Clerk's General Fund. All budget amounts presented in the accompanying basic 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 of the Circuit Court, functioning in the capacity as the Clerk of the Circuit and County Courts and as the Clerk of the Board of County Commissioners, prepares a budget in two parts:

The budget for funds necessary to perform court-related functions as provided in the Florida Statutes 28.36 is filed with the Florida Clerks of Court Operations Corporation; and

The budget for funds necessary to perform those duties of Clerk of the Board of County Commissioners, County Auditor, and Custodian of all county funds and other county-related duties.

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 appropriation at the individual fund level. Appropriations lapse at the end of the fiscal year.

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. Short-term investments also include amounts placed with the State Board of Administration for participation in the Local Government Surplus Trust Fund investment pools created by Section 218.405 and 218.417, Florida Statutes.

Note 1 – Summary of Significant Accounting Policies *(Continued)*

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 Clerk are capitalized at cost in the capital asset accounts of the County. The Clerk maintains custodial responsibility for the capital assets used by their office.

Estimated useful lives, in years, for depreciable assets are as follows:

Furniture, machinery, and equipment	3-30 years

Due to Others
This account is used to account for assets held by the Clerk for other governmental agencies or individuals.

Unearned Revenues
Unearned revenues reported in governmental fund financial statements represent unearned 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 Clerk maintains a policy that permits permanent full-time employees to accumulate earned but unused personal leave hours that will be paid to employees upon separation if certain criteria are met. These benefits, plus their related tax and retirement cost are classified as compensated absences. Employees may be paid for unused personal leave hours accrued up to a maximum amount in accordance with the personnel policy.

The Clerk'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 statements for these amounts until payment is due. Compensated absences liability is based on current rate of pay.

Governmental Fund Balances
The Clerk adopted GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54), as required. This GASB Statement clarifies governmental fund balance classifications and fund-type definitions. Fund balances are classified either as non-spendable or spendable. See note 7.

Risk Management and Insurance
The Clerk is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors or omissions; injuries to employee and/or the public; or damage to property of others. The Clerk is covered under the Board of County Commissioners insurance policies. 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 those estimates.

Note 1 – Summary of Significant Accounting Policies *(Concluded)*

Subsequent Events

Subsequent events have been evaluated through the date of the Independent Auditor's Report, which is the date the financial statements were available to be issued.

Note 2 – Recently Issued Accounting Pronouncement

For the year ended September 30, 2023, the Clerk adopted new accounting guidance by implementing Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITAs). The implementation of this standard requires SSBITAs to be reported as right-to-use assets, which are intangible assets, with a corresponding subscription liability. The new guidance also provides capitalization criteria for outlays other than subscription payments, including the implementation costs of a SBITA, and requires note disclosures regarding SBITA. Because of the current financial resources management focus, the accompanying fund financial statements do not report those assets or long-term liabilities, and such amounts are instead reported in the government-wide financial statements of the County. The Clerks' financial statements report subscription payments for applicable SBITAs as debt service expenditures. SBITAs that commence during the year are also reported as other financing sources and capital outlay.

Note 3 – Deposits and Investments

At September 30, 2023, the carrying amount of the Clerk's cash and cash equivalents was $33,442 and restricted cash was $5,050. The Clerk's custodial cash is $571,599. 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.

The Clerk's investment practices are governed by Chapter 218.415 of the Florida Statutes. The Clerk is authorized to invest in certificated 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.

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 Clerk's investments are not evidenced by specific, identifiable investment securities.

Interest Rate Risk

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

Note 3 – Deposits and Investments (*Concluded*)

Custodial Credit Risk

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

Concentration of Credit Risk

At September 30, 2023, the Clerk did not have any investments that were considered to have a concentration of credit risk.

Note 4 – Long-term Liability for Compensated Absences

Of the $23,639 liability for accrued compensated absences, management estimates that $5,910 will be due and payable within one year. The liability is not reported in the financial statements of the Clerk since it is not payable from available resources at September 30, 2023. The liability is reported on the statement of net position in the County-wide financial statements.

Note 5 – Pension and Postemployment Benefits Other Than Pension Benefits

Florida Retirement System (FRS) Pension Benefits

The Clerk participates in the Florida Retirement System to provide benefits to their employees. A detailed plan description and any liability for employees of the Clerk are included in the financial statements of the County.

Postemployment Benefits Other Than Pensions

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

Note 6 – 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 asset or liability, Due to/from Other Governmental Units. As of September 30, 2023, there were $10,891 excess court-related fees.

Note 7 – Fund Equity

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.

Note 7 – Fund Equity (*Concluded)*

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 though constitutional provisions or enabling legislation. Unassigned fund balances have not been restricted, committed, or assigned to specific purposes within the general fund. For the year ending September 30, 2023, the Clerk reported $24,022 in restricted fund balance for the modernization of public records and court-related technology.

Note 8 - 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 $47,691 for current year reimbursements.

Note 9 – 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 were returned to the Board of County Commissioners as required by Florida Statutes are accrued and reported as a transfer out. The Clerk had excess revenue of $78,173, and this amount was due to the Board of County Commissioner at year end.

REQUIRED SUPPLEMENTARY INFORMATION

JEFFERSON COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	General Fund			
	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual Amounts	Favorable (Unfavorable)
Revenues				
Charges for services	$104,000	$ 104,000	$ 76,300	$ (27,700)
Intergovernmental	97,665	97,665	47,691	(49,974)
Total Revenues	201,665	201,665	123,991	(77,674)
Expenditures				
General government:				
Personal services	331,438	331,438	317,256	14,182
Operating expenses	100,562	100,562	96,259	4,303
Court-related:				
Personal services	201,665	201,665	64,303	137,362
Operating expenses	-	-	-	-
Total Expenditures	633,665	633,665	477,818	155,847
Excess (Deficiency) of revenues over (under) expenditures	(432,000)	(432,000)	(353,827)	78,173
Other financing sources (uses)				
Transfers in	432,000	432,000	432,000	-
Transfers out	-	-	(78,173)	78,173
Net other financing sources (uses)	432,000	432,000	353,827	(78,173)
Net change in fund balance	$ -	$ -	$ -	$ -

JEFFERSON COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
BUDGETARY COMPARISON SCHEDULE
COURT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Court Fund			
	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual Amounts	Favorable (Unfavorable)
Revenues				
Charges for services	$ -	$ -	$ -	$ -
Intergovernmental	-	-	180,843	180,843
Fines and forfeitures	-	-	333,059	333,059
Total Revenues	-	-	513,902	513,902
Expenditures				
Court-related:				
Personal services	-	-	326,259	(326,259)
Operating expenses	-	-	187,643	(187,643)
Capital outlay	-	-	-	-
Total expenditures	-	-	513,902	(513,902)
Excess (Deficiency) of revenues over (under) expenditures	-	-	-	-
Net change in fund balance	$ -	$ -	$ -	$ -

JEFFERSON COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
BUDGETARY COMPARISON SCHEDULE
RECORD MODERNIZATION FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Records Modernization Fund			
	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual Amounts	Favorable (Unfavorable)
Revenues				
Charges for services	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	-
Fines and forfeitures	-	-	24,472	24,472
Total Revenues	-	-	24,472	24,472
Expenditures				
Court-related:				
Personal services	-	-	-	-
Operating expenses	-	-	45,257	(45,257)
Total expenditures	-	-	45,257	(45,257)
Excess (Deficiency) of revenues over (under) expenditures	-	-	(20,785)	20,785
Net change in fund balance	$ -	$ -	$ 24,472	$ (24,472)

JEFFERSON COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
NOTES TO BUDGETARY COMPARISON SCHEDULES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Note 1 – Budgetary Information

The Clerk's Office operates under budget procedures pursuant to Florida Statutes. Annual budgets are legally adopted for the general fund and records modernization fund and are on a basis consistent with accounting principles generally accepted in the United States of America. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is at the fund level. Budgetary changes within the funds are made at the discretion of the Clerk.

The proposed budget is also prepared, summarized and submitted by the Clerk to the Florida Clerk of Court Operations Corporation. The proposed budget must provide detailed information on the anticipated revenues available and expenditures necessary for the performance of the court-related functions listed in Florida Statute 28.35(3)(a) of the Clerk's office.

Note 2 – Excess of Expenditures Over Appropriations

For the year ended September 30, 2023, expenditures exceeded appropriations in the Court Fund by $513,092 and the Record Modernization Fund by $45,257. These over-expenditures were due to the lack of preparing an approved budget to spend the anticipated revenues.

SUPPLEMENTARY INFORMATION

JEFFERSON COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
COMBINING BASIC STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2023

	Custodial Funds				
	Court Registry	**Bond Account**	**Tax Redemption**	**Suspense Account**	**Total**
Assets					
Cash and cash equivalents	$ 81,920	$ 25,659	$ 265,358	$ 458,970	$ 831,907
Due from other governments	-	-	-	604,242	604,242
Total assets	81,920	25,659	265,358	1,063,212	1,436,149
Liabilities					
Due to others	-	-	265,358	652,308	917,666
Due to other governments	680	321	-	109,140	110,141
Total liabilities	680	321	265,358	761,448	1,027,807
Net Position					
Restricted	-	-	-	652,308	652,308
Held for others	81,240	25,338	-	(350,544)	(243,966)
Total net position	$ 81,240	$ 25,338	$ -	$ 301,764	$ 408,342

JEFFERSON COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
COMBINING BASIC STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED SEPTEMBER 30, 2023

	Custodial Funds				
	Court Registry	**Bond Account**	**Tax Redemption**	**Suspense Account**	**Total**
Additions					
Funds held for others	$525,757	$35,958	$ 264,724	$ 3,181,869	$ 4,008,308
Total additions	525,757	35,958	264,724	3,181,869	4,008,308
Deductions					
Funds held for others	599,213	46,650	255,262	3,083,018	3,984,143
Total deductions	599,213	46,650	255,262	3,083,018	3,984,143
Net change in fiduciary net position	(73,456)	(10,692)	9,462	98,851	24,165
Net position - beginning	154,696	36,030	(9,462)	202,913	384,177
Net position - ending	$ 81,240	$25,338	$ -	$ 301,764	$ 408,342

COMPLIANCE SECTION

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

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

The Honorable Trey Hightower
Clerk of the Circuit Court, Jefferson County, Florida
Monticello, 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 the *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of each major fund and the aggregate remaining fund information of the Jefferson 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 basic financial statements, which collectively comprise the Clerk's basic financial statements and have issued our report thereon dated March 20, 2025 which contains an emphasis of matter referring to a basis of presentation required for compliance with state reporting requirements. Our opinions were not modified with respect to this matter.

Internal Control Over Financial Reporting
In planning and performing our audit of the basic 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 basic 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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did identify certain deficiencies in internal control, described below as **Finding C2023-001, Finding C2023-002** and **Finding C2023-003** that we consider to be material weaknesses.

CURRENT YEAR FINDINGS AND RECOMMENDATIONS:

FINDING C2023-001: MISAPPROPRIATION OF FUNDS

CRITERIA: Florida Statutes

CONDITION: Prior to year-end, the Clerk of Court's contractual finance officer was arrested and ultimately charged with misappropriating over $600,000 from the Clerk's suspense account.

CAUSE: The Clerk's office has inadequate internal controls surrounding the signing of checks and the oversight of the suspense account.

EFFECT: The Clerk's suspense account was improperly used to deposit board checks and clerk's checks that should not have been placed in suspense. As a result, the account was not reconciled on a monthly basis, and disbursements were not made to the appropriate agencies in a timely manner.

RECOMMENDATION: We recommend that the Clerk's office take immediate action to strengthen internal controls related to the suspense account, including implementing a dual-signature requirement, segregating duties, and enhancing reconciliation procedures. Additionally, efforts should be made to recover the misappropriated funds and ensure compliance with financial regulations.

STATUS: As of the date of issuance, this condition remains unresolved. Further corrective action is necessary to prevent future occurrences and restore financial integrity.

FINDING C2023-002: SEGREGATION OF DUTIES

CRITERIA: The internal control environment should include proper segregation of duties and responsibilities over accounting functions.

CONDITION: Separation of certain accounting and administrative duties among employees, which is recommended as an effective internal control procedure, was not considered feasible by the Clerk's office because of its size and limited number of employees. The Clerk recognizes that the cost of its internal control structure should not exceed the benefits expected to be derived. The Clerk also recognizes the inherent limitations of an internal control structure. Mistakes and irregularities may occur in any event with or without an adequate internal control structure. Furthermore, adequate segregation of duties can be circumvented by collusion among persons. Nevertheless, internal control is strengthened when incompatible duties are separated, and review procedures are established and adhered to.

CAUSE: The Clerk's office has limited personnel in the accounting department.

EFFECT: The possibility exists that unintentional or intentional errors or irregularities could occur and not be promptly detected.

RECOMMENDATION: We recommend that the Clerk's office continue to seek ways to strengthen internal control through segregation of duties. The Clerk should document their review of transactions, bank reconciliations and financial reports to provide evidence of compensating controls.

STATUS: This condition continues to exist.

FINDING C2023-003: HEALTH INSURANCE BENEFITS

CRITERIA: The Clerk of the Court is required to submit an annual non-court budget to the BOCC to be approved. The budget should be complete and reflect the costs of operating their non-court-related office. The County has been paying for the basic coverage of health insurance for all County and Constitutional Officers. Any additional coverage is not the Boards responsibility.

CONDITION: The Clerk's office, which operates the County's Human Resources department, has not been deducting the cost of family coverage directly from their employees and it was not reimbursing the BOCC for these costs. The Clerk's office could not provide documentation for fiscal year 2023 that the cost of family coverage was being reimbursed to the BOCC.

CAUSE: The Human Resource department which manages all payroll and insurance for the County could not document that it was receiving a monthly reimbursement check from the Clerk's Finance department during the year 2023.

EFFECT: The BOCC's general fund incurred expenses that were not fully reimbursed.

RECOMMENDATION: We recommend the Clerk's office budget the full cost of operating its non-court related activities and request these funds as part of their annual budget request.

STATUS: This condition continues to exist.

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.*

Clerk's Response to Findings

The Clerk's response to the finding identified in our audit is described in the accompanying letter. The Clerk's response was not subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Moran & Smith LLP
Tallahassee, Florida
March 20, 2025

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, *LOCAL GOVERNMENT INVESTMENT POLICIES*

The Honorable Trey Hightower
Clerk of the Circuit Court, Jefferson County, Florida
Monticello, Florida

We have examined the Jefferson 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 specific 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 used by anyone other than these specified parties.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
March 20, 2025

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

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

The Honorable Trey Hightower
Clerk of the Circuit Court, Jefferson County, Florida
Monticello, Florida

We have examined the Jefferson County, Florida, Clerk of the 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 the attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the 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 legal determination on the Clerk's compliance with specified requirements.

In our opinion, the Clerk complied in all material respects, with the 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 used by anyone other than these specified parties.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
March 20, 2025

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

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

The Honorable Trey Hightower
Clerk of the Circuit Court, Jefferson County, Florida
Monticello, Florida

We have examined the Jefferson County, Florida, Clerk of the Circuit Court's (the "Clerk") compliance with the requirements of Section 61.181, Florida Statutes, *Depository for Alimony Transactions, Support, Maintenance and Support Payments;* Fees during the year ended September 30, 2023. 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 the attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the 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 used by anyone other than these specified parties.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
March 20, 2025

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

The Honorable Trey Hightower
Clerk of the Circuit Court, Jefferson County, Florida
Monticello, Florida

Report on the Basic Financial Statements
We have audited the accompanying basic financial statements of the Jefferson 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 March 20, 2025.

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 Basic Financial Statements Performed in Accordance with *Government Auditing Standards;* 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 and schedule, which are dated March 20, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings
Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report. Corrective actions have not been taken to address findings and recommendations made in the preceding annual financial audit report. Additional actions are still needed in order to clear up these findings.

Tabulation of Uncorrected Audit Findings		
Current Year Finding No.	**2021-22 FY Finding No.**	**2020-21 FY Finding No.**
C2023-001	N/A	N/A
C2023-002	C2008-001	C2008-001
C2023-003	C2021-003	C2021-003

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 basic financial statements. The Jefferson 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 Jefferson 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 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 basic financial statements that is less than material, but which warrants the attention of those charged with governance. In connection with our audit, we did note certain matters. See Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Basic Financial Statements Preformed in Accordance with *Government Auditing Standards*.

Purpose of the 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 Jefferson County, Florida, Clerk and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
March 20, 2025

CECIL "TREY" HIGHTOWER | CLERK OF COURT & COMPTROLLER

1 Courthouse Cir, Monticello, FL 32344 (850) 342-0218 www.jeffersonclerk.com

Ms. Sherrill F. Norman, CPA
Auditor General, State of Florida
Tallahassee, Florida 32399

Dear Ms. Norman,

Subject: Response to Findings of the 2023 Financial Statement Audit

Please see the responses and corrections for the findings in the Moran and Smith Financial Statement Audit for the Jefferson County Clerk of Court's Office in Fiscal Year 22-23. Most of these corrections have been made or are currently being made in Fiscal Year 2025 as Jefferson County has had multiple Clerk's filling in throughout the 22-24 fiscal years.

FINDING C2023-001: MISAPPROPRIATION OF FUNDS
Criteria:
Florida Statutes
Condition:
Prior to year-end, the Clerk of Court's contractual finance officer was arrested and ultimately charged with misappropriating over $600,000 from the Clerk's suspense account.
Cause:
The Clerk's office has inadequate internal controls surrounding the signing of checks and the oversight of the suspense account.
Effect:
The Clerk's suspense account was improperly used to deposit board checks and clerk's checks that should not have been placed in suspense. As a result, the account was not reconciled monthly, and disbursements were not made to the appropriate agencies in a timely manner.
Recommendation:
We recommend that the Clerk's office take immediate action to strengthen internal controls related to the suspense account, including implementing a dual-signature requirement, segregating duties and enhancing reconciliation procedures. Additionally, efforts should be made to recover the misappropriated funds and ensure compliance with financial regulations.
Status:
As of the date of issuance, this condition remains unresolved. Further corrective action is necessary to prevent future occurrences and restore financial integrity.
Response:
Due to inadequate Clerk supervision and lack of separation of duties this was allowed to occur.
Corrective Action Plan:
Daily/monthly reconciliation of the suspense account is being implemented as well as separation of duties in the finance department.

FINDING C2023-002: SEGREGATION OF DUTIES
Criteria:
The internal control environment should include proper segregation of duties and responsibilities over accounting functions.
Condition:
Separation of certain accounting and administrative duties among employees, which is recommended as an effective internal control procedure, was not considered feasible by the Clerk's office because of its size and limited number of employees. The Clerk recognizes the cost of its internal control structure should not exceed the benefits expected to be derived. The Clerk also recognizes the inherent limitations of an internal control structure. Mistakes and irregularities may
occur in any event with or without an adequate internal control structure. Furthermore, adequate segregation of duties can be circumvented by collusion among persons. Nevertheless, internal control is strengthened when incompatible duties are separated, and review procedures are established and adhered to.
Cause:
The Clerk's office has limited personnel in the accounting department.
Effect:

1 Courthouse Cir, Monticello, FL 32344 (850) 342-0218 www.jeffersonclerk.com

The possibility exists that unintentional or intentional errors or irregularities could occur and not be promptly detected.

Recommendation:

We recommend that the Clerk's office continue to seek ways to strengthen internal control through segregation of duties. The Clerk should document their review of transactions, bank reconciliations and financial reports to provide evidence of compensating controls.

Status:

This condition continues to exist.

Response:

Given the size and staffing limitations of the department, achieving full segregation of duties is challenging. However, we recognize the importance of internal controls and are exploring feasible solutions to strengthen this area.

Corrective Action Plan:

We will review current processes to implement mitigating controls, such as cross-training staff and enhancing oversight, to reduce the risk of errors or fraud. There has been a separation of duties between County staff and the Clerk's office to help with oversight and day-to-day operations.

FINDING C2023-003: HEALTH INSURANCE BENEFITS

Criteria:

The Clerk of the Court is required to submit an annual non-court budget to the BOCC to be approved. The budget should be complete and reflect the costs of operating their non-court-related office. The County has been paying for the basic coverage of health insurance for all County and Constitutional Officers. Any additional coverage is not the Boards responsibility.

Condition:

The Clerk's office, which operates the County's Human Resources department, has not been deducting the cost of family coverage directly from their employees and it was not reimbursing the BOCC for these costs. The Clerk's office could not provide documentation for fiscal year 2023 that the cost of family coverage was being reimbursed to the BOCC.

Cause:

The Human Resource department which manages all payroll and insurance for the County could not document that it was receiving a monthly reimbursement check from the Clerk's Finance department during the year 2023.

Effect:

The BOCC's general fund incurred expenses that were not fully reimbursed.

Recommendation:

We recommend the Clerk's office budget the full cost of operating its non-court related activities and request these funds as part of their annual budget request.

Response:

This was allowed to occur due to lack of supervision and internal controls.

Corrective Action Plan:

Human Resources is now housed within the County Managers Office while Payroll is still being done through the Clerk's office. This separation ensures accurate reimbursement for health insurance costs.

Please contact me with any questions.

Respectfully,

Trey Hightower

Trey Hightower
Clerk of Circuit Court and Comptroller
Jefferson County

JEFFERSON COUNTY, FLORIDA
SHERIFF

BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

JEFFERSON COUNTY, FLORIDA
SHERIFF
SEPTEMBER 30, 2023

TABLE OF CONTENTS

Independent Auditor's Report 1

Basic Financial Statements
Basic Balance Sheet – Governmental Funds 4
Basic Statement of Revenues, Expenditures, and Changes in
Fund Balance – Governmental Funds 5
Basic Statement of Fiduciary Net Position – Fiduciary Funds 6
Basic Statement of Changes in Fiduciary Net Position – Fiduciary Funds 7
Notes to Basic Financial Statements 8

Required Supplementary Information
Budgetary Comparison Schedule – General Fund 15
Notes to Budgetary Comparison Schedule – General Fund 16

Supplementary Information
Combining Basic Balance Sheet – Nonmajor Governmental Funds 17
Combining Basic Statement of Revenues, Expenditures, and Change in
Fund Balances – Nonmajor Governmental Funds 18
Combining Basic Statement of Fiduciary Net Position - Fiduciary Funds 19
Combining Basic Statement of Changes in
Fiduciary Net Position – Fiduciary Funds 20

Compliance Section
Independent Auditor's Report on Internal Control over Financial Reporting and on
Compliance and Other Matters based on an Audit of
Basic Financial Statements Performed in
Accordance with *Government Auditing Standards* 21
Independent Accountant's Report on Compliance
With Section 218.415, Florida Statutes,
Local Government Investment Policies 23
Independent Accountant's Report on Compliance with the Requirements
Of Section 365.172(10) and 3635.173(2)(d), Florida Statutes 24
Independent Auditor's Management Letter 25

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

INDEPENDENT AUDITOR'S REPORT

The Honorable Mac McNeill
Jefferson County Sheriff
Monticello, Florida

Opinions

We have audited the accompanying financial statements of the general fund and the aggregate remaining fund information of the Jefferson County, Florida Sheriff (the "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 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 general fund and the aggregate remaining fund information of the Sheriff, as of September 30, 2023, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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 Financial Statements section of our report. We are required to be independent of the Jefferson County, Florida 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, accompanying financial statements are intended to present the financial position and changes in financial position of the major fund, and the aggregate remaining fund information, only for the portion of the major fund, and the aggregate remaining fund information, of Jefferson County, Florida that are attributable to the Sheriff. They do not purport to, and do not, present fairly the financial position of Jefferson 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.

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.

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 judgement 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 judgement 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 judgement, 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.

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 budgetary comparison schedule and related notes, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the basic financial reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

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

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards,* we have also issued our report dated March 20, 2025, 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 included under the heading *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 Governmental Auditing Standards*. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff' internal control over financial reporting and compliance.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
March 20, 2025

BASIC FINANCIAL STATEMENTS

JEFFERSON COUNTY, FLORIDA
SHERIFF
BALANCE SHEET – GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	General Fund	Other Governmental Funds	Total Governmental Funds
Assets			
Cash and cash equivalents	$ 318,677	$ -	$ 318,677
Restricted cash and cash equivalents	-	184,742	184,742
Accounts receivable	22,236	-	22,236
Due from other governments	-	-	-
Total assets	340,913	184,742	525,655
Liabilities			
Accounts payable	101,853	-	101,853
Due to Board of County Commissioners	239,060	-	239,060
Total liabilities	340,913	-	340,913
Fund balance			
Restricted	-	184,742	184,742
Total liabilities and fund balance	$ 340,913	$ 184,742	$ 525,655

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

JEFFERSON COUNTY, FLORIDA
SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2023

	General Fund	Other Governmental Funds	Total Governmental Funds
Revenues			
Grant revenues	$ 314,491	$ 4,659	$ 319,150
Charges for services	282,605	-	282,605
Other fees and miscellaneous revenues	99,162	80,213	179,375
Total revenues	696,258	84,872	781,130
Expenditures			
Current:			
Public safety			
Personal services	4,592,236	92,469	4,684,705
Operating expenses	1,395,803	124,283	1,520,086
Capital outlay	377,430	57,714	435,144
Debt service	142,352	-	142,352
Total expenditures	6,507,821	274,466	6,782,287
Excess (deficiency) of revenues over (under) expenditures	(5,811,563)	(189,593)	(6,001,156)
Other financing sources (uses)			
Transfers in	5,813,222	201,129	6,014,351
Transfers out	(239,060)	-	(239,060)
Other financing sources (uses)	237,401	-	237,401
Net other financing sources (uses)	5,811,563	201,129	6,012,692
Net change in fund balance	-	11,536	11,536
Fund balance - beginning	-	173,206	173,206
Fund balance - ending	$ -	$ 184,742	$ 184,742

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

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

		Custodial Funds
Assets		
Cash	$	24,214
Total assets		24,214
Liabilities		
Due to others		-
Total liabilities		-
Net Position		
Restricted		-
Held for others		24,214
Total net position	$	24,214

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

JEFFERSON COUNTY, FLORIDA
SHERIFF
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED SEPTEMBER 30, 2023

	Custodial Funds
Additions	
Funds held for others	$ 188,730
Total additions	188,730
Deductions	
Funds held for others	192,007
Total deductions	192,007
Net change in fiduciary net position	(3,277)
Net position - beginning	27,491
Net position - ending	$ 24,214

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

NOTES TO BASIC FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies

The basic financial statements of Jefferson County, Florida, Sheriff (the "Sheriff") have been prepared in accordance with the accounting principles and reporting guidelines established by the Governmental Accounting Standards Board (GASB), accounting principles generally accepted in the United States of America (GAAP), and accounting practices prescribed by Chapter 10.550, *Rules of the Auditor General*, State of Florida. The more significant of the governmental accounting policies used in the preparation of these financial statements are described below.

Reporting Entity

Jefferson County, Florida, (the "County") is a political subdivision of the State of Florida. The County was established under Article VIII, Section 1(d), *Constitution of the State of Florida*. It is governed by an elected Board of County Commissioners (the "Board"), as provided by Section 125.73, Florida Statutes. The Board is responsible for the administration of all departments of which the Board has the authority to control pursuant to general laws of Florida.

The Sheriff is an elected Constitutional Officer of the County pursuant to Article VIII, Section (1) of the *Constitution of the State of Florida*. For financial statement and reporting purposes, the Sheriff is a separate Constitutional Officer as provided by Chapter 218, Florida Statutes. However, the Sheriff does not meet the definition of a legally separate organization and is not considered to be a component unit. Accordingly, the Sheriff is considered to be a part of the primary government of Jefferson County, Florida (the "County"), and the financial activities of the Sheriff are included as such in the Jefferson County annual financial report, along with the other Constitutional Officers and the Jefferson County Board of County Commissioners (the "Board").

The accompanying basic financial statements present the financial position and results of operations of the various fund types for all the funds controlled by the Jefferson County Sheriff's Office.

The Sheriff is a separately elected County official established pursuant the Constitution of the State of Florida. The Sheriff's basic financial statements do not purport to reflect the financial position or the results of operations of Jefferson 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 (the "Board"), it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial purposes. Therefore, the Sheriff is reported as part of the primary government of Jefferson County, Florida.

These basic financial statements are not intended to be a complete presentation of the financial position and results of operations of Jefferson County, Florida taken as a whole. As permitted by Chapter 10.556(4), *Rules of the Auditor General* State of Florida, the basic financial statements consist only of 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 basic 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 accompanying basic financial statements include all the funds and accounts of the Sheriff's office but are not a complete presentation of the County as a whole. The accompanying basic financial statements are prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557(3), *Rules of the Auditor General-Local Governmental Entity Audits.*

The financial transactions of the Sheriff are recorded in one individual fund. This fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures.

The Sheriff utilizes the following fund types:

- **Major Governmental Funds**
  - **General Fund –** The general fund is the general operating fund of the Sheriff. It is used to account for all financial resources, except those required to be accounted for in another fund.

- **Nonmajor Governmental Funds**
  - **Special Revenue Fund** – 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 fund in the financial statements under the title "Other Governmental Fund":
    - **Inmate Welfare –** A special revenue fund which accounts for commissions received from pay telephones and commissary profits restricted for the benefit of inmates.
    - **Investigative Fund –** Accounts for revenues and expenditures related to various forfeitures, investigative fees and restitution.
    - **PGI Fund –** Accounts for revenues and expenditures relating to various forfeitures and fees from drug related offenses.
    - **Confiscated Funds –** Accounts for revenues and expenditures relating to various forfeitures and fees from drug related offenses.
    - **Charitable Contribution Fund -** Accounts for revenues and expenditures relating to public donations to assist the less fortunate.

- **Fiduciary Funds**
  - **Custodial Funds** – are used to account for assets held by the Sheriff as an agent for individuals, private organizations, and other governments.

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. 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 current net 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 basic 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 investment revenue are recorded as earned.

Major revenue sources susceptible to accrual include intergovernmental revenues and grant revenues. In general, charges for services and other revenue are recognized as earned.

The fiduciary funds 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 Sheriff's policy to use the restricted resources first, then unrestricted resources as needed.

Budgetary Requirements
Florida Statutes, Chapter 30.49 and 129.03(2), details 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 Sheriff's annual budgets are monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total annual budget appropriations at the individual fund level. All appropriations lapse at year-end.

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.

Note 1 – Summary of Significant Accounting Policies (*concluded*)

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's assets are reported in the Statement of Net Assets in the County's financial statements. The Sheriff maintains custodial responsibility for the capital assets used by his office.

Estimated useful lives, in years, for depreciable assets are as follows:

Furniture, machinery, and equipment	3-30 years

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 termination, employees can be paid up to 80 hours of vacation time and 80 hours of their unused sick leave.

The Sheriff's accumulated compensated absences are reported in the statement of net assets in the County's financial statements. No expenditure is reported in the government fund level statements for these amounts until payment is due. Compensated absences liability is based on current rate of pay.

Due to Others

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.

The Sheriff provides coverage for workers' compensation through the Board.

In addition, the Sheriff participates in the Florida Sheriff's Association's 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 basic 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 basic financial statements, and the reported amount of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Subsequent Events

Subsequent events have been evaluated through the date of the Independent Auditor's Report, which is the date the basic financial statements were available to be issued.

Note 2 – Recently Issued Accounting Pronouncement

For the year ended September 30, 2023, the Sheriff adopted new accounting guidance by implementing Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITAs). The implementation of this standard requires SSBITAs to be reported as right-to-use assets, which are intangible assets, with a corresponding subscription liability. The new guidance also provides capitalization criteria for outlays other than subscription payments, including the implementation costs of a SBITA, and requires note disclosures regarding SBITA. Because of the current financial resources management focus, the accompanying fund financial statements do not report those assets or long-term liabilities, and such amounts are instead reported in the government-wide financial statements of the County. The Sheriff's financial statements report subscription payments for applicable SBITAs as debt service expenditures. SBITAs that commence during the year are also reported as other financing sources and capital outlay.

Note 3 – Deposits and Investments

At September 30, 2023, the carrying amount of the Sheriff's cash and cash equivalents, restricted cash, and custodial cash was $527,632. 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 risk.

Concentration of Credit Risk

At September 30, 2023, the Sheriff did not have any investments that were considered to have a concentration of credit risk.

Note 4 – Long-term Liabilities

The Sheriff has a long-term liability of $198,202 for accrued compensated absences, management estimates that $49,550 will be due and payable within one year. The liability is not reported in the basic financial statements of the Sheriff since it is not payable from available resources at September 30, 2023. The liability is reported on the statement of net position in the County-wide financial statements.

The Sheriff has long-term lease liabilities related to the financing of vehicles. The Sheriff borrowed new debt of $237,401 and had debt expense of $142,352. The liabilities are not reported in the financial statements of the Sheriff since they are not payable from available resources on September 30, 2023. The liabilities are reported on the statement of net positions and are included in the County-wide financial statements.

Note 5 – Pension and Postemployment Benefits Other Than Pension Benefits

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

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

Note 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 yet been accepted/approved by the grantors. Accordingly, the final determination of the Sheriff's compliance with the 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. In the opinion of management, after consultation with legal counsel, these matters will be resolved without a material adverse effect on the Sheriff's financial position.

Note 8 – 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 of $239,060 were returned to the Board of County Commissioners as required by Florida Statutes are accrued and reported as a transfer out.

Note 9 – Fund Equity

The Sheriff implemented the provisions of GASB issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54) in 2012, as required.

The purpose of GASB 54 is to improve the consistency and usefulness of fund balance information to the financial statement user. The statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which the organization is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – nonspendable, restricted, committed, assigned, and unassigned.

- **Nonspendable**- This component of fund balance consists of amounts that cannot be spent because (a) they are not expected to be converted to cash or (b) they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund. The Sheriff does not have any nonspendable funds.
- **Restricted**- This component of fund balance consists of amounts that are constrained either (a) externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments), or (b) by the law through constitutional provisions or enabling legislation.
- **Committed**- This component of fund balance consists of amounts that can be used for specific purposes to constraints imposed by formal action (e.g., ordinance or resolution) of the County's governing body. These committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (e.g. ordinance or resolution) it employed previously to constrain those amounts.
- **Assigned**- This component of fund balance consists of amounts that are constrained by a less-than-formal action of the organization's governing authority, or by an individual or body to whom the governing authority has delegated this responsibility. The Sheriff has not delegated the responsibility to assign fund balances to any individual body.
- **Unassigned**- This classification is used for (a) negative unrestricted fund balances in any governmental fund, or (b) fund balances within the General Fund that are not restricted, committed or assigned.

REQUIRED SUPPLEMENTARY INFORMATION

JEFFERSON COUNTY, FLORIDA
SHERIFF
BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2023

	Original Budget	Final Budget	Actual Amounts (Budgetary Basis)	Variance with Final Budget Favorable (Unfavorable)
Revenues				
Grant revenues	$ 214,404	$ 876,267	$ 314,491	$ (561,776)
Charges for services	-	123,811	282,605	158,794
Other fees and miscellaneous revenues	-	-	99,162	99,162
Total revenues	214,404	1,000,078	696,258	(303,820)
Expenditures				
Current:				
Public safety				
Personal services	3,722,757	4,785,848	4,592,236	193,612
Operating expenses	968,190	1,375,272	1,395,803	(20,531)
Capital outlay	28,500	339,963	377,430	(37,467)
Debt service	-	10,467	142,352	(131,885)
Total expenditures	4,719,447	6,511,550	6,507,821	3,729
Excess (deficiency) of revenues over (under) expenditures	(4,505,043)	(5,511,472)	(5,811,563)	(300,091)
Other financing sources (uses)				
Transfers in	4,505,043	5,511,472	5,813,222	301,750
Transfers out	-	-	(239,060)	(239,060)
Other financing sources (uses)	-	-	237,401	237,401
Net other financing sources (uses)	4,505,043	5,511,472	5,811,563	300,091
Net change in fund balance	$ -	$ -	$ -	$ -

JEFFERSON COUNTY, FLORIDA
SHERIFF
NOTES TO BUDGETARY COMPARISON SCHEDULE
YEAR ENDED SEPTEMBER 30, 2023

Note 1 – Budgetary Information

The Sheriff's Office operates under budget procedures pursuant to Florida Statutes. The budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America. The budget for the Sheriff's General Fund is a "legally adopted" budget, whereas the budget for the Sheriff's Special Revenue Funds is prepared and used solely as an internal management tool and is not considered "legally adopted". The legal level of budgetary control is at the fund level.

OTHER SUPPLEMENTARY INFORMATION

JEFFERSON COUNTY, FLORIDA
SHERIFF
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	Emergency Operations Center	Inmate Welfare Fund	Investigative Fund	Charitable Contribution Fund	Total Nonmajor Governmental Funds
Assets					
Restricted cash and cash equivalents	$ 72,447	$ 66,628	$ 40,587	$5,081	$ 184,742
Total assets	72,447	66,628	40,587	5,081	184,742
Liabilities					
Accounts payable	-	-	-	-	-
Total liabilities	-	-	-	-	-
Fund balance - restricted	72,447	66,628	40,587	5,081	184,742
Total liabilities and fund balances	$ 72,447	$ 66,628	$ 40,587	$ 5,081	$ 184,742

JEFFERSON COUNTY, FLORIDA
SHERIFF
COMBINING BASIC STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
YEAR ENDED SEPTEMBER 30, 2023

	Emergency Operations Center	Inmate Welfare Fund	Investigative Fund	Charitable Contribution Fund	Total Nonmajor Governmental Funds
Revenues					
Grant revenues	$ 4,659	$ -	$ -	$ -	$ 4,659
Other fees and miscellaneous revenues	5,000	42,463	30,500	2,250	80,213
Total Revenues	9,659	42,463	30,500	2,250	84,872
Expenditures					
Public safety					
Personal services	92,469	-	-	-	92,469
Operating expenses	31,921	70,756	18,876	2,730	124,283
Capital outlay	57,713				57,713
Total Expenditures	182,103	70,756	18,876	2,730	274,465
Excess (deficiency) of revenues over (under) expenditures	(172,444)	(28,292)	11,624	(480)	(189,593)
Other financing sources (uses)					
Transfers in	201,129	-	-	-	201,129
Net other financing sources (uses)	201,129	-	-	-	201,129
Net change in fund balance	28,685	(28,292)	11,624	(480)	11,536
Fund balance - beginning	43,762	94,920	28,962	$5,561	173,206
Fund balance - ending	$ 72,447	$ 66,628	$ 40,587	$ 5,081	$ 184,742

JEFFERSON COUNTY, FLORIDA
SHERIFF
COMBINING BASIC STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2023

	Custodial Funds		
	Civil Process	**Commissary**	**Total**
Assets			
Cash	$ 2,960	$ 21,254	$ 24,214
Total assets	2,960	21,254	24,214
Liabilities			
Due to others	-	-	-
Total liabilities	-	-	-
Net Position			
Restricted	-	-	-
Held for others	2,960	21,254	24,214
Total net position	$ 2,960	$ 21,254	$ 24,214

JEFFERSON COUNTY, FLORIDA
SHERIFF
COMBINING BASIC STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED SEPTEMBER 30, 2023

	Custodial Funds		
	Civil Process	**Commissary**	**Total**
Additions			
Funds held for others	$ 10,850	$ 177,880	$ 188,730
Total additions	10,850	177,880	188,730
Deductions			
Funds held for others	10,850	181,157	192,007
Total deductions	10,850	181,157	192,007
Net change in fiduciary net position	-	(3,277)	(3,277)
Net position - beginning	2,960	24,531	27,491
Net position - ending	$ 2,960	$ 21,254	$ 24,214

COMPLIANCE SECTION

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

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

The Honorable Mac McNeill
Jefferson County Sheriff
Monticello, 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 the *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the general fund and the aggregate remaining fund information of the Jefferson County, Florida, Sheriff (the "Sheriff") as of and for the year ended September 30, 2023, and the related notes to the basic financial statements, which collectively comprise the Sheriff's basic financial statements and have issued our report thereon dated March 20, 2025.

Report on Internal Control Over Financial Reporting
In planning and performing our audit of the basic 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 basic 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 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.

Report on Compliance and Other Matters
As part of obtaining reasonable assurance about whether the Sheriff's basic 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 basic 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 Sheriff's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Moran & Smith LLP
Moran & Smith LLP
Tallahassee, Florida
March 20, 2025

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

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

The Honorable Mac McNeill
Jefferson County Sheriff
Monticello, Florida

We have examined the Jefferson County, Florida, Sheriff's (the "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 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 specific 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 used by anyone other than these specified parties.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
March 20, 2025

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF SECTION 365.172(10) and 3635.173(2)(d), FLORIDA STATUTES

The Honorable Mac McNeill
Jefferson County Sheriff
Monticello, Florida

We have examined the Jefferson County, Florida, Sheriff's (the "Sheriff") 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 Sheriff's compliance with those requirements. Our responsibility is to express an opinion on the Sheriff's compliance based on our examination.

Our examination was conducted in accordance with 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 specific 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 used by anyone other than these specified parties.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
March 20, 2025

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

The Honorable Mac McNeill
Jefferson County Sheriff
Monticello, Florida

Report on the Financial Statements
We have audited the basic financial statements of the Jefferson County, Florida, Sheriff (the "Sheriff"), as of and for the year ended September 30, 2023, and have issued our report thereon March 20, 2025.

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 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 March 20, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings
Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address 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 basic financial statements. This item was disclosed in the notes to the basic 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 have any such findings.

Purpose of the 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 Jefferson County, Florida, Sheriff and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
March 20, 2025

JEFFERSON COUNTY, FLORIDA
TAX COLLECTOR

BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

JEFFERSON COUNTY, FLORIDA
TAX COLLECTOR
SEPTEMBER 30, 2023

TABLE OF CONTENTS

Independent Auditor's Report 1

Basic Financial Statements
Basic Balance Sheet – General Fund 4
Basic Statement of Revenues, Expenditures, and Changes in Fund Balance – General Fund 5
Basic Statement of Fiduciary Net Position – Fiduciary Funds 6
Basic Statement of Changes in Fiduciary Net Position – Fiduciary Funds 7
Notes to Basic Financial Statements 8

Required Supplementary Information
Budgetary Comparison – General Fund 14
Notes to Budgetary Comparison – General Fund 15

Supplementary Information
Combining Basic Statement of Fiduciary Net Position – Fiduciary Funds 16
Combining Basic Statement of Changes in Fiduciary Net Position – Fiduciary Funds 17

Compliance Section
Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters based on an Audit of Basic Financial Statements Performed in Accordance with *Government Auditing Standards* 18
Independent Accountant's Report on Compliance With Section 218.415, Florida Statutes, *Local Government Investment Policies* 20
Independent Auditor's Management Letter 21

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

INDEPENDENT AUDITOR'S REPORT

The Honorable Shanna Boutwell
Jefferson County Tax Collector
Monticello, Florida

Opinions

We have audited the accompanying financial statements of the general fund and the aggregate remaining fund information of the Jefferson 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 the general fund and the aggregate remaining fund information of the Tax Collector, as of September 30, 2023, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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 Financial Statements section of our report. We are required to be independent of the Jefferson County, Florida 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, accompanying financial statements are intended to present the financial position and changes in financial position of the major fund, and the aggregate remaining fund information, only for the portion of the major fund, and the aggregate remaining fund information, of Jefferson County, Florida that are attributable to the Tax Collector. They do not purport to, and do not, present fairly the financial position of Jefferson 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.

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.

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 judgement 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 judgement 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 judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Tax Collector's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule and related notes, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the basic financial reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated March 20, 2025, 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 included under the heading *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 Governmental Auditing Standards*. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tax Collector's internal control over financial reporting and compliance.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
March 20, 2025

BASIC FINANCIAL STATEMENTS

JEFFERSON COUNTY, FLORIDA
TAX COLLECTOR
BASIC BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2023

	General Fund
Assets	
Cash	$ 431,480
Due from other funds	49,468
Total assets	480,949
Liabilities	
Accounts payable	16,176
Due to Board of County Commisioners	464,773
Total liabilities	480,949
Fund balance	-
Total liabilities and fund balance	$ 480,949

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

JEFFERSON COUNTY, FLORIDA
TAX COLLECTOR
BASIC STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2023

	General Fund
Revenues	
Charges for services	$ 961,277
Miscellaneous	192
Total revenues	961,469
Expenditures	
General government	
Personal services	344,552
Operating expenses	152,144
Total expenditures	496,696
Excess (Deficiency) of revenues over (under) expenditures	464,773
Other financing sources (uses)	
Transfers out	(464,773)
Net other financing sources (uses)	(464,773)
Net change in fund balance	-
Fund balance - beginning	-
Fund balance - ending	$ -

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

JEFFERSON COUNTY, FLORIDA
TAX COLLECTOR
BASIC STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2023

	Custodial Funds
Assets	
Cash	$ 5,081,392
Total assets	5,081,392
Liabilities	
Deposits	333,472
Due to other governments	4,719,090
Due to others	28,830
Total liabilities	5,081,392
Net Position	
Restricted	-
Held for others	-
Total net position	$ -

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

JEFFERSON COUNTY, FLORIDA
TAX COLLECTOR
BASIC STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED SEPTEMBER 30, 2023

	Custodial Funds
Additions	
Property taxes collected for other governments	$ 15,136,567
Funds held for others	53,906,942
Total additions	69,043,509
Deductions	
Property taxes distributed to other governments	15,101,471
Funds held for others	53,942,038
Total deductions	69,043,509
Net change in fiduciary net position	-
Net position - beginning	-
Net position - ending	$ -

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

NOTES TO BASIC FINANCIAL STATEMENTS

Note 1 – Summary of Significant Accounting Policies

Reporting Entity

The Office of the Jefferson County Tax Collector (the "Tax Collector") is an integral part of the Jefferson County, Florida ("County") and is an elected Constitutional Office that is governed by state statutes and regulations. The financial statements of the Tax Collector are included in Jefferson County, Florida's basic financial statements. The Tax Collector operates on a fee system. Under the fee system, the officer retains fees, commissions, and other revenue to pay all operating expenditures, including statutory compensation. Any excess funds after the end of the fiscal year are distributed to each governmental unit in the same proportion as the fees paid by that governmental unit to the total fee income.

The Tax Collector's basic financial statements have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the "Rules"). These basic financial statements are the fund financial statements prepared in accordance with generally accepted accounting principles ("GAAP"). However, these fund financial 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 other postemployment benefit related required supplementary information. Also, certain notes to basic financial statements may supplement rather than duplicate the notes included in the County's financial statements. In conformity with the Rules, the accompanying basic financial statements are intended to present the financial position and changes in financial position of the major fund and the aggregate remaining fund information, only for the portion of the major fund, and the aggregate remaining fund information of Jefferson County, Florida that is attributable to the Tax Collector. They do not purport to, and do not, present the financial position of Jefferson County, Florida, as of September 30, 2023, and the changes in its financial position, for the fiscal year then ended in accordance with GAAP.

Basis of Presentation

These basic financial statements have been prepared in conformity with the accounting principles and reporting guidelines established by Governmental Accounting Standards Board (GASB) and accounting practices prescribed by the Auditor General, State of Florida. The financial statements for the County as a whole, which includes the funds of the Tax Collector, were prepared in conformity with generally accepted accounting principles in the United States of America.

The Tax Collector utilizes the following fund type:

- **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.

- **Fiduciary Fund:**
  - **Custodial Funds** – The custodial fund is used to account for assets held by the Tax Collector as an agent for individuals, private organizations, other funds, and other governments. The Tax Collector reports Boats and Licenses, Tag, Tax, and Driver's License transactions in the custodial fund.

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 when revenues and expenditures or expenses are recognized in the accounts and reported in the basic 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 investment revenue are recorded as earned.

The fiduciary fund statements are prepared using the economic resource 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.

Budgets and Budgetary Accounting

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 basic 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 Tax Collector shall submit to the Department of Revenue a budget for the operation of their 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 Basic 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 only budgeted revenues and expenditures appropriated and approved by the Board of County Commissioners.

Cash

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.

Note 1 – Summary of Significant Accounting Policies (*continued*)

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 Position in the County's financial statements. The Tax Collector maintains custodial responsibility for the capital assets used by their office.

Estimated useful lives, in years, for depreciable assets are as follows:

Furniture, machinery, and equipment	3-30 years

Accumulated Compensated Absences
The Tax Collector maintains a policy that permits permanent full-time employees to accumulate earned but unused personal leave hours that will be paid to employees upon separation if certain criteria are met. These benefits, plus their related tax and retirement cost are classified as compensated absences. Employees may be paid for unused personal leave hours accrued up to a maximum amount in accordance with the personnel policy.

The Tax Collector'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 statements for these amounts until payment is due. Compensated absences liability is based on current rate of pay.

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 the 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 (*concluded*)

Risk Management and Insurance

The Tax Collector is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors or omissions; injuries to employee and/or the public; or damage to property of others. The Tax Collector is covered under the Board of County Commissioners insurance policies. 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 amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Subsequent Events

Subsequent events have been evaluated through the date of the Independent Auditor's Report, which is the date the basic financial statements were available to be issued.

Fund Balance Reporting

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

- **Nonspendable**—This component of fund balance consists of amounts that cannot be spent because (a) they are not expected to be converted to cash, or (b) they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund. The Tax Collector does not have any nonspendable funds.
- **Restricted—**This component of fund balance consists of amounts that are constrained either externally by third parties (creditors, grantors, contributors, laws or regulations of other governments), or (b) by law through constitutional provisions or enabling legislation.
- **Committed—**This component of fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (e.g., ordinance or resolution) of the County's governing body. These committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (e.g., ordinance or resolution) it employed previously to constrain those amounts.
- **Assigned—**This component of fund balance consists of amounts that are constrained by a less-than-formal action of the organization's governing authority, or by an individual or body to whom the governing authority has delegated this responsibility. The Tax Collector has not delegated the responsibility to assign fund balances to any individual or body.
- **Unassigned—**This classification is used for (a) negative unrestricted fund balances in any governmental fund, or (b) fund balances within the General Fund that are not restricted, committed or assigned.

Note 2 – Recently Issued Accounting Pronouncement

For the year ended September 30, 2023, the Tax Collector adopted new accounting guidance by implementing Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITAs). The implementation of this standard requires SSBITAs to be reported as right-to-use assets, which are intangible assets, with a corresponding subscription liability. The new guidance also provides capitalization criteria for outlays other than subscription payments, including the implementation costs of a SBITA, and requires note disclosures regarding SBITA. Because of the current financial resources management focus, the accompanying fund financial statements do not report those assets or long-term liabilities, and such amounts are instead reported in the government-wide financial statements of the County. The Tax Collector's financial statements report subscription payments for applicable SBITAs as debt service expenditures. SBITAs that commence during the year are also reported as other financing sources and capital outlay.

Note 3 – Deposits and Investments

At September 30, 2023, the carrying amount of the Tax Collector's cash and cash equivalents was $431,480 in the general fund and $5,081,392 in the custodial funds. 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 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 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 have any investments that were considered to have a concentration of credit risk.

Note 4 – Long-term Liability for Compensated Absences

The Tax Collector has a long-term liability of $10,202 for accrued compensated absences, management estimates that $2,550 will be due and payable within one year. The liability is not reported in the basic financial statements of the Tax Collector since it is not payable from available resources at September 30, 2023. The liability is reported on the Statement of Net Position in the County-wide financial statements.

Note 5 – Pension and Postemployment Benefits Other Than Pension Benefits

Florida Retirement System (FRS) Pension Benefits

The Tax Collector participates in the Florida Retirement System to provide benefits to their employees. A detailed plan description and any liability for employees of the Tax Collector are included in the financial statements of the County.

Postemployment Benefits Other Than Pensions

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

Note 6 – 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 $464,773 are accrued and reported as a transfer out.

REQUIRED SUPPLEMENTARY INFORMATION

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

	Budgeted Amounts		Actual Amounts	Variance With Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Charges for services	$1,027,867	$1,027,867	$ 961,277	$ (66,590)
Miscellaneous	-	-	192	192
Total revenues	1,027,867	1,027,867	961,469	(66,398)
Expenditures				
General government				
Personal services	431,967	431,967	344,552	87,415
Operating expenses	145,900	145,900	152,144	(6,244)
Total expenditures	577,867	577,867	496,696	81,171
Excess (deficiency) of revenues over (under) expenditures	450,000	450,000	464,773	14,773
Other financing sources (uses)				
Transfers out	(450,000)	(450,000)	(464,773)	(14,773)
Net other financing sources (uses)	(450,000)	(450,000)	(464,773)	(14,773)
Net change in fund balances	$ -	$ -	$ -	$ -

JEFFERSON COUNTY, FLORIDA
TAX COLLECTOR
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2023

The Tax Collector's Office operates under budget procedures pursuant to Florida Statutes. An annual budget is adopted for the general fund on a basis consistent with accounting principles generally accepted in the United States of America. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is at the fund level.

OTHER SUPPLEMENTARY INFORMATION

JEFFERSON COUNTY, FLORIDA
TAX COLLECTOR
COMBINING BASIC STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2023

	Custodial Funds		
	Property Tax Fund	**Tag Fund**	**Total**
Assets			
Cash	$ 414,306	$ 4,667,086	$ 5,081,392
Total assets	414,306	4,667,086	5,081,392
Liabilities			
Deposits	333,472	-	333,472
Due to other governments	52,004	4,667,086	4,719,090
Due to others	28,830	-	28,830
Total liabilities	414,306	4,667,086	5,081,392
Net Position			
Restricted	-	-	-
Held for others	-	-	-
Total net position	$ -	$ -	$ -

JEFFERSON COUNTY, FLORIDA
TAX COLLECTOR
COMBINING BASIC STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
YEAR ENDED SEPTEMBER 30, 2023

	Custodial Funds		
	Property Tax Fund	**Tag Fund**	**Total**
Additions			
Property taxes collected for other governments	$ 15,136,567	$ -	$ 15,136,567
Funds held for others	-	53,906,942	53,906,942
Total additions	15,136,567	53,906,942	69,043,509
Deductions			
Property taxes distributed to other governments	15,101,471	-	15,101,471
Funds held for others	35,096	53,906,942	53,942,038
Total deductions	15,136,567	53,906,942	69,043,509
Net change in fiduciary net position	-	-	-
Net position - beginning	-	-	-
Net position - ending	$ -	$ -	$ -

COMPLIANCE SECTION

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

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

The Honorable Shanna Boutwell
Jefferson County Tax Collector
Monticello, 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 the *Government Auditing Standards* issued by the Comptroller General of the United States, the basic financial statements of the major fund and the aggregate remaining fund information of the Jefferson County, Florida, Tax Collector (the "Tax Collector") as of and for the year ended September 30, 2023, and the related notes to the basic financial statements, which collectively comprise the Tax Collector's basic financial statements and have issued our report thereon dated March 20, 2025 which contains an emphasis of matter referring to a basis of presentation required for compliance with state reporting requirements. Our opinions were not modified with respect to this matter.

Internal Control Over Financial Reporting
In planning and performing our audit of the basic 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 basic 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.

Compliance and Other Matters
As part of obtaining reasonable assurance about whether the Tax Collector's basic 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 basic 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.*

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

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.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
March 20, 2025

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

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

The Honorable Shanna Boutwell
Jefferson County Tax Collector
Monticello, Florida

We have examined the Jefferson County, Florida, Tax Collector's (the "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 specific 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 Tax Collector's compliance with specified requirements.

In our opinion, the Tax Collector 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 used by anyone other than these specified parties.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
March 20, 2025

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

The Honorable Shanna Boutwell
Jefferson County Tax Collector
Monticello, Florida

Report on the Basic Financial Statements
We have audited the accompanying basic financial statements and the aggregate remaining fund information of the Jefferson 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, and have issued our report thereon dated March 20, 2025.

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 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 March 20, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings
Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report. There were no findings and associated 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. The Jefferson 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 Jefferson County, Florida, Tax Collector.

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 have any such findings.

Purpose of the 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 Jefferson 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.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
March 20, 2025

JEFFERSON COUNTY, FLORIDA
PROPERTY APPRAISER

BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

JEFFERSON COUNTY, FLORIDA
PROPERTY APPRAISER
SEPTEMBER 30, 2023

TABLE OF CONTENTS

Independent Auditor's Report 1

Basic Financial Statements
Balance Sheet – General Fund 4
Statement of Revenues, Expenditures, and Changes in
Fund Balance – General Fund 5
Notes to Basic Financial Statements 6

Required Supplementary Information
Budgetary Comparison Schedule – General Fund 12
Notes to Budgetary Comparison Schedule – General Fund 13

Compliance Section
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* 14
Independent Accountant's Report on Compliance
With the Requirements of Section 218.415, Florida Statutes 16
Independent Auditor's Management Letter 17

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

INDEPENDENT AUDITOR'S REPORT

The Honorable Angela C. Gray
Property Appraiser of Jefferson County, Florida
Monticello, Florida

Opinion

We have audited the accompanying financial statements of the general fund of the Jefferson County, Florida Property Appraiser (the "Property Appraiser"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Property Appraiser's basic financial statements 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 general fund of the Property Appraiser, as of September 30, 2023, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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 Financial Statements section of our report. We are required to be independent of the Jefferson County, Florida 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 opinion.

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, accompanying financial statements are intended to present the financial position and changes in financial position, where applicable, of the major fund, only for the portion of the major fund of Jefferson County, Florida that is attributable to the Property Appraiser. They do not purport to, and do not, present fairly the financial position of Jefferson 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.

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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 judgement 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 judgement 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 judgement, there are conditions or events considered in the aggregate, that raise substantial doubt about the Property Appraiser's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information
Accounting principles generally accepted in the United States of America require that the Budgetary Comparison Schedule – General Fund, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the basic financial reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards,* we have also issued our report dated March 20, 2025, 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 included under the heading *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 Governmental Auditing Standards*. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Property Appraiser's internal control over financial reporting and compliance.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
March 20, 2025

BASIC FINANCIAL STATEMENTS

JEFFERSON COUNTY, FLORIDA
PROPERTY APPRAISER
BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2023

		General Fund
Assets		
Cash	$	13,480
Total assets		13,480
Liabilities		
Due to Board of County Commissioners		13,480
Total liabilities		13,480
Fund balance		
Committed		-
Assigned		-
Total fund balance		-
Total liabilities and fund balance	$	13,480

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

JEFFERSON COUNTY, FLORIDA
PROPERTY APPRAISER
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
YEAR ENDED SEPTEMBER 30, 2023

		General Fund
Revenues		
Governmental		
Charges for services	$	26,674
Intergovernmental		6,512
Interest income		207
Total revenues		33,393
Expenditures		
General government		
Personal services		601,090
Operating expenses		152,171
Capital outlay		9,578
Total expenditures		762,839
Excess (deficiency) of revenues over (under) expenditures		(729,446)
Other financing sources (uses)		
Transfers in		742,926
Transfers out		(13,480)
Net other financing sources		729,446
Net change in fund balance		-
Fund balance - beginning		-
Fund balance - ending	$	-

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

NOTES TO BASIC 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 the significant principles and policies used in the preparation of the accompanying financial statements.

Reporting Entity

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

The Jefferson County, Florida, Property Appraiser (the "Property Appraiser") is an elected official of the County pursuant to the Constitution of the State of Florida, Article VIII, Section 1(d), and is a part of the primary government of the County. The Property Appraiser is responsible for the administration and the operation of the Property Appraiser's office. The Property Appraiser's financial statements do not include the financial statements of the Board or the other Constitutional Officers of the County.

The accompanying financial statements present the financial position and results of operations of the various fund types for all the funds controlled by the Jefferson County Property Appraiser's Office.

The Property Appraiser is a separate 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 Jefferson 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 Property Appraiser'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 purposes. Therefore, the Property Appraiser is reported as part of the primary government of Jefferson County, Florida.

These financial statements are not intended to be a complete presentation of the financial position and results of operations of Jefferson 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 presentation of *government-wide* financial statements of the Property Appraiser.

The operations of the Property Appraiser are primarily 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 financial 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
These financial statements have been prepared in conformity with the accounting principles and reporting guidelines established by the Governmental Accounting Standards Board (GASB) and accounting practices prescribed by the Auditor General, State of Florida. The basic financial statements for the County as a whole, which includes the funds of the Property Appraiser, were prepared in conformity with accounting principles generally accepted in the United States of America.

The Property Appraiser utilizes the following fund type:

- **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.

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 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 investment 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.

Budgetary Requirements
Expenditures are controlled by appropriations in accordance with the budget requirements set forth in *Florida Statutes*.

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund. Budgetary control is exercised at the expenditure classification level (personal services, operating expenditures and capital outlay). Budgetary changes within expenditure classification are made

Note 1 – Summary of Significant Accounting Policies (*continued*)

at the discretion of the Property Appraiser. Amendments between expenditure classifications must be submitted to the State of Florida Department of Revenue for approval. The budgeted revenues and expenditures in the accompanying financial statements reflect all approved amendments.

Cash

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 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 their office.

Estimated useful lives, in years, for depreciable assets are as follows:

Furniture, machinery, and equipment	3-30 years

Accumulated Compensated Absences

The Property Appraiser maintains a policy that permits permanent full-time employees to accumulate earned but unused personal leave hours that will be paid to employees upon separation if certain criteria are met. These benefits, plus their related tax and retirement cost are classified as compensated absences. Employees may be paid for unused personal leave hours accrued up to a maximum amount in accordance with the personnel policy.

The Property Appraiser's accumulated compensated absences are reported in the statement of net assets in the County's financial statements. No expenditure is reported in the government fund level statements 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 exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors or omissions; injuries to employee and/or the public; or damage to property of others. The Property Appraiser is covered under the Board of County Commissioners insurance policies. 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 amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Subsequent Events

Management has evaluated subsequent events through the date the financial statements were available to be issued, March 20, 2025, and determined there were no events that occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Note 1 – Summary of Significant Accounting Policies (*concluded*)

Fund Balance Reporting
Governmental funds report fund balances and are classified either as non-spendable, or as spendable. Spendable fund balances are further classified based on the extent to which there are external and internal constraints on the spending of these fund balances. These classifications are described as follows:

- **Non-spendable** – Amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact.
- **Restricted**—Amounts that are constrained for specific purposes which are externally imposed by creditors, grantors, contributors, or laws or regulations or imposed by laws through constitutional provisions or enabling legislations.
- **Committed –**Amounts that are constrained for specific purposes imposed by the Property Appraiser's formal action of highest level of decision-making authority.
- **Assigned—**Includes spendable fund balances intended to be used for specific purposes, but which are neither restricted nor committed.
- **Unassigned –** Represents the residual positive fund balance within the General Fund that has not been restricted, committed, or assigned.

It is the Property Appraiser's intent to first spend restricted amounts when both restricted and unrestricted fund balances are available.

Note 2 – Recently Issued Accounting Pronouncement

For the year ended September 30, 2023, the Property Appraiser adopted new accounting guidance by implementing Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITAs). The implementation of this standard requires SSBITAs to be reported as right-to-use assets, which are intangible assets, with a corresponding subscription liability. The new guidance also provides capitalization criteria for outlays other than subscription payments, including the implementation costs of a SBITA, and requires note disclosures regarding SBITA. Because of the current financial resources management focus, the accompanying fund financial statements do not report those assets or long-term liabilities, and such amounts are instead reported in the government-wide financial statements of the County. The Property Appraiser's financial statements report subscription payments for applicable SCITAs as debt service expenditures. SBITAs that commence during the year are also reported as other financing sources and capital outlay.

Note 3 – Deposits and Investments

On September 30, 2023, the carrying amount of the Property Appraiser's cash and cash equivalents was $13,480 and the bank balance was $90,807. 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.

Note 3 – Deposits and Investments *(concluded)*

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.

Custodial Credit Risk
At September 30, 2023, the Property Appraiser did not hold any deposits or investments that were considered to have custodial 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.

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 4 – Long-term Liability for Compensated Absences

The Property Appraiser has a long-term liability of $13,722 for accrued compensated absences, management estimates that $3,430 will be due and payable within one year.

The liability is reported on the Statement of Net Position and is included in the general long-term debt footnote in the County-wide financial statements.

Note 5 – Pension and Postemployment Benefits Other Than Pension Benefits

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

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

Note 6 – Excess Revenue

Pursuant to Section 218.36(2), Florida Statutes, each Constitutional 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. For the current year there was $13,480 in excess revenue that was returned to the Board.

Note 7 – Fund Equity

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. For the year ended September 30, 2023, the Property Appraiser 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 though constitutional provisions or enabling legislation. Unassigned fund balances have not been restricted, committed or assigned to specific purposes within the general fund.

Unassigned fund balance is the residual classification for the Property Appraiser's fund balances. The Property Appraiser had no unassigned fund balance at September 30, 2023.

REQUIRED SUPPLEMENTARY INFORMATION

JEFFERSON COUNTY, FLORIDA
PROPERTY APPRAISER
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
SEPTEMBER 30, 2023

	General Fund			
	Budgeted Amounts		Actual Amounts (Budgetary Basis)	Variance With Final Budget Favorable (Unfavorable)
	Original	Final		
Revenues				
Charges for services	$ 26,674	$ 26,674	$ 26,674	$ -
Intergovernmental	6,512	6,512	6,512	-
Interest income	207	207	207	-
Total revenues	33,393	33,393	33,393	-
Expenditures				
General government				
Personal services	604,042	604,042	601,090	2,952
Operating expenses	162,321	162,321	152,171	10,150
Capital outlay	9,956	9,956	9,578	378
Total expenditures	776,319	776,319	762,839	13,480
Excess (deficiency) of revenues over (under) expenditures	(742,926)	(742,926)	(729,446)	13,480
Other financing sources (uses)				
Transfers in	742,926	742,926	742,926	-
Transfers out	-	-	(13,480)	(13,480)
Net other financing sources (uses)	742,926	742,926	729,446	(13,480)
Net change in fund balances	$ -	$ -	$ -	$ -

JEFFERSON COUNTY, FLORIDA
PROPERTY APPRAISER
NOTES TO BUDGETARY COMPARISON SCHEDULE – GENERAL FUND
SEPTEMBER 30, 2023

Note 1 – Budgetary Information

The Property Appraiser's Office operates under budget procedures pursuant to Florida Statutes. An annual budget is adopted for the general fund on a basis consistent with accounting principles generally accepted in the United States of America. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is at the fund level.

COMPLIANCE SECTION

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

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

The Honorable Angela C. Gray
Jefferson County Property Appraiser
Monticello, 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 the *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Jefferson County, Florida, Property Appraiser (the "Property Appraiser") as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Property Appraiser's financial statements and have issued our report thereon dated March 20, 2025, which contains an emphasis of matter referring to a basis of presentation required for compliance with state reporting requirements. Our opinion was not modified with respect to this matter.

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. 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.

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 the 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.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
March 20, 2025

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES

The Honorable Angela C. Gray
Jefferson County Property Appraiser
Monticello, Florida

We have examined the Jefferson County, Florida, Property Appraiser's (the "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 specific 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.

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

This report is intended solely for the information and use of management and the State of Florida Auditor General and is not intended to be used by anyone other than these specified parties.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
March 20, 2025

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

The Honorable Angela C. Gray
Jefferson County Property Appraiser
Jefferson County, Florida

Report on the Basic Financial Statements
We have audited the accompanying financial statements of the Jefferson County, Florida, Property Appraiser (the "Property Appraiser"), as of and for the year ended September 30, 2023, and have issued our report thereon March 20, 2025, which contains an emphasis of matter to refer to a basis of accounting required for compliance with state filing requirements, however, our report is not modified with respect to this matter.

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 March 20, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings
Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report. There were no findings and associated recommendations made in the preceding audit report.

Official Title and Legal Authority
Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. This item was 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 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, the Property Appraiser, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
March 20, 2025

JEFFERSON COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS

BASIC FINANCIAL STATEMENTS

SEPTEMBER 30, 2023

JEFFERSON COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
SEPTEMBER 30, 2023

TABLE OF CONTENTS

Independent Auditor's Report 1

Basic Financial Statements

Balance Sheet – General Fund 4

Statement of Revenues, Expenditures, and Changes in Fund Balance
General Fund 5

Notes to Basic Financial Statements 6

Required Supplementary Information

Budgetary Comparison Schedule – General Fund 12

Notes to Budgetary Comparison Schedule – General Fund 13

Compliance Section

Report on Internal Control over Financial Reporting and on Compliance and
Other Matters Based on an Audit of Financial Statements Performed in
Accordance with *Governmental Auditing Standards* 14

Independent Accountant's Report on Compliance
With Section 218.415, Florida Statutes 16

Management Letter 17

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

INDEPENDENT AUDITOR'S REPORT

The Honorable Michelle Milligan
Jefferson County Supervisor of Elections
Monticello, Florida

Opinions

We have audited the accompanying financial statements of the general fund of the Jefferson County, Florida Supervisor of Elections (the "Supervisor of Elections"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' basic financial statements 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 general fund of the Supervisor of Elections, as of September 30, 2023, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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 Financial Statements section of our report. We are required to be independent of the Jefferson County, Florida 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, accompanying financial statements are intended to present the financial position and changes in financial position, where applicable, of the major fund, only for the portion of the major fund of Jefferson County, Florida that is attributable to the Supervisor of Elections. They do not purport to, and do not, present fairly the financial position of Jefferson 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.

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 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 judgement 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 judgement 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 judgement, 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.

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 Budgetary Comparison Schedule – General Fund, as listed in the table of contents, be presented to supplement the financial statements. Such information, although not a required part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of the basic financial reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated March 20, 2025, on our consideration of the Supervisor of Elections' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters included under the heading *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 Governmental Auditing Standards*. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the result of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Supervisor of Elections' internal control over financial reporting and compliance.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
March 20, 2025

BASIC FINANCIAL STATEMENTS

JEFFERSON COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
BALANCE SHEET
SEPTEMBER 30, 2023

	General Fund
Assets	
Cash and cash equivalents	$ 9,600
Restricted cash	215
Prepaid	19,874
Total assets	29,689
Liabilities	
Deferred revenue	19,874
Due to Board of County Commissioners	9,600
Total liabilities	29,474
Fund balance - restricted for security grant	215
Total liabilities and fund balance	$ 29,689

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

JEFFERSON COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE
SEPTEMBER 30, 2023

	General Fund
Revenues	
Grant revenue	$ 45,301
Miscellaneous income	-
Total revenues	45,301
Expenditures	
General government	
Personal services	301,050
Operating expenses	190,226
Total expenditures	491,276
Excess (deficiency) of revenues over (under) expenditures	(445,975)
Other financing sources (uses)	
Transfers in	455,575
Transfers out	(9,600)
Net other financing sources (uses)	445,975
Net change in fund balance	-
Fund balance - beginning	215
Fund balance - ending	$ 215

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

NOTES TO BASIC 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 applicable to governmental units in accordance with the Governmental Accounting Standards Board. The following is a summary of the significant principles and policies used in the preparation of the accompanying financial statements.

Reporting Entity

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

The Jefferson County, Florida Supervisor of Elections (the "Supervisor of Elections") is an elected official of the County pursuant to the Constitution of the State of Florida, Article VIII, Section 1(d), and is a part of the primary government of the County. The Supervisor of Elections is responsible for the administration and the operation of the Supervisor of Elections' office, and the Supervisor of Elections' financial statements do not include the financial statements of the Board or the other Constitutional Officers of the County.

The accompanying financial statements present the financial position and results of operations of the various fund types for all the funds controlled by the Jefferson County Supervisor of Elections' Office.

The Supervisor of Elections is a separate 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 Jefferson 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 Supervisor of Elections' 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 purposes. Therefore, the Supervisor of Elections is reported as part of the primary government of Jefferson County, Florida.

These financial statements are not intended to be a complete presentation of the financial position and results of operations of Jefferson 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 presentation of *government-wide* financial statements of the Supervisor of Elections.

The operations of the Supervisor of Elections are primarily 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
These financial statements have been prepared in conformity with the accounting principles and reporting guidelines established by the Governmental Accounting Standards Board (GASB) and accounting practices prescribed by the Auditor General, State of Florida. The basic financial statements for the County as a whole, which includes the funds of the Supervisor of Elections, were prepared in conformity with accounting principles generally accepted in the United States of America.

The Supervisor of Elections utilizes the following fund type:

- **General Fund –** The general fund is the general operating fund of the Supervisor of Elections. It is used to account for all financial resources, except 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 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 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 the restricted resources first, the unrestricted resources as needed.

Budgetary Requirements
Expenditures are controlled by appropriations in accordance with the budget requirements set forth in *Florida Statutes*.

Annual budgets are adopted on a basis consistent with generally accepted accounting principles for the General Fund. Budgetary control is exercised at the expenditure classification level (personnel services, operating expenditures and capital outlay). Budgetary changes within expenditure classification are made at the discretion of the Supervisor of Elections. Amendments between expenditure classifications must be submitted to the State of Florida Department of Revenue for approval. The budgeted revenues and expenditures in the accompanying financial statements reflect all approved amendments.

Note 1 – Summary of Significant Accounting Policies (*continued*)

Deposits and Investments
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.

Prepaid Expenses
Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid expenses in both government-wide and fund financial statements. For the year ended September 30, 2023 the Supervisor of Elections prepaid $19,874 related to software costs.

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 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 Assets in the County's financial statements. The Supervisor of Elections maintains custodial responsibility for the capital assets used by their office.

Estimated useful lives, in years, for depreciable assets are as follows:

Furniture, machinery, and equipment	3-30 years

Accumulated Compensated Absences
The Supervisor of Elections maintains a policy that permits permanent full-time employees to accumulate earned but unused personal leave hours that will be paid to employees upon separation if certain criteria are met. These benefits, plus their related tax and retirement cost are classified as compensated absences. Employees may be paid for unused personal leave hours accrued up to a maximum amount in accordance with the personnel policy.

The Supervisor of Elections' accumulated compensated absences are reported in the statement of net assets in the County's financial statements. No expenditure is reported in the government fund level statements for these amounts until payment is due. Compensated absences' liability is based on current rate of pay.

Risk Management and Insurance
The Supervisor of Elections is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors or omissions; injuries to employee and/or the public; or damage to property of others. The Supervisor of Elections is covered under the Board of County Commissioners insurance policies. 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 amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

Note 1 – Summary of Significant Accounting Policies (*concluded*)

Subsequent Events

Management has evaluated subsequent events through the date the financial statements were available to be issued, March 20, 2025, and determined there were no events that occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Fund Balance Reporting

Governmental funds report fund balances and are classified either as non-spendable, or as spendable. Spendable fund balances are further classified based on the extent to which there are external and internal constraints on the spending of these fund balances. These classifications are described as follows:

- **Non-spendable** – Amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact.
- **Restricted**—Amounts that are constrained for specific purposes which are externally imposed by creditors, grantors, contributors, or laws or regulations or imposed by laws through constitutional provisions or enabling legislations.
- **Committed** —Amounts that are constrained for specific purposes imposed by the Supervisor's formal action of highest level of decision-making authority.
- **Assigned—**Includes spendable fund balances intended to be used for specific purposes, but which are neither restricted nor committed.
- **Unassigned –** Represents the residual positive fund balance within the General Fund that has not been restricted, committed, or assigned.

It is the Supervisor's intent to first spend restricted amounts when both restricted and unrestricted fund balances are available.

Note 2 – Recently Issued Accounting Pronouncement

For the year ended September 30, 2023, the Supervisor of Elections adopted new accounting guidance by implementing Governmental Accounting Standards Board (GASB) Statement No. 96, *Subscription-Based Information Technology Arrangements* (SBITAs). The implementation of this standard requires SSBITAs to be reported as right-to-use assets, which are intangible assets, with a corresponding subscription liability. The new guidance also provides capitalization criteria for outlays other than subscription payments, including the implementation costs of a SBITA, and requires note disclosures regarding SBITA. Because of the current financial resources management focus, the accompanying fund financial statements do not report those assets or long-term liabilities, and such amounts are instead reported in the government-wide financial statements of the County. The Supervisor of Elections' financial statements report subscription payments for applicable SBITAs as debt service expenditures. SBITAs that commence during the year are also reported as other financing sources and capital outlay.

Note 3 – Deposits and Investments

Cash Deposits

On September 30, 2023, the carrying amount of the Supervisor of Elections' cash and cash equivalents was $9,815 and the bank balance was $47,737. 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 statues allow the Supervisor of Elections to in invest 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 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 credit risk.

Concentration of Credit Risk

At September 30, 2023, the Supervisor of Elections did not have any investments that were considered to have a concentration of credit risk.

Note 4 – Long-term Liability for Compensated Absences

The Supervisor of Elections has a long-term liability of $35 for accrued compensated absences, management estimates that $9 will be due and payable within one year. The liability is not reported in the financial statements of the Supervisor of Elections since it is not payable from available resources at September 30, 2023. The liability is reported on the Statement of Net Position in the County-wide financial statements.

Note 5 – Pension and Postemployment Benefits Other Than Pension Benefits

Florida Retirement System (FRS) Pension Benefits

The Supervisor of Elections participates in the Florida Retirement System to provide benefits to their employees. A detailed plan description and any liability for employees of the Supervisor of Elections are included in the financial statements of the County. The obligations and disclosures required under GASB Statement No. 68, Accounting and Financial Reporting for Pensions – an amendment of GASB No 27, are accounted for and disclosed in the County's financial statements.

Postemployment Benefits Other Than Pensions

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

Note 6 – Excess Revenue

Pursuant to Statute 218.36(2), Florida Statues, each Constitutional 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 in the amount of $9,600 were returned to the Board of County Commissioners as required by Florida Statues after year end.

REQUIRED SUPPLEMENTARY INFORMATION

JEFFERSON COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
SEPTEMBER 30, 2023

	General Fund			
	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual Amounts	Favorable (Unfavorable)
Revenues				
Grant revenue	$ -	$ -	$ 45,301	$ 45,301
Miscellaneous income	-	-	-	-
Total revenues	-	-	45,301	45,301
Expenditures				
General government				
Personal services	293,282	293,282	301,050	7,768
Operating expenses	162,293	162,293	190,226	27,933
Total expenditures	455,575	455,575	491,276	35,701
Excess (deficiency) of revenues over (under) expenditures	(455,575)	(455,575)	(445,975)	9,600
Other financing sources (uses)				
Transfers in	455,575	455,575	455,575	-
Transfers out	-	-	(9,600)	(9,600)
Net other financing sources (uses)	455,575	455,575	445,975	(9,600)
Net change in fund balance	$ -	$ -	$ -	$ -

JEFFERSON COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
NOTES TO BUDGETARY COMPARISON SCHEDULE - GENERAL FUND
SEPTEMBER 30, 2023

Note 1 – Budgetary Information

The Supervisor of Elections' Office operates under budget procedures pursuant to Florida Statutes. An annual budget is adopted for the general fund on a basis consistent with accounting principles generally accepted in the United States of America. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is at the fund level.

COMPLIANCE SECTION

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

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

The Honorable Michelle Milligan
Jefferson County Supervisor of Elections
Monticello, 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 the *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Jefferson County, Florida, Supervisor of Elections (the "Supervisor of Elections") as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' financial statements and have issued our report thereon dated March 20, 2025, which contains an emphasis of matter referring to a basis of presentation required for compliance with state reporting requirements. Our opinion was not modified with respect to this matter.

Report on Internal Control Over Financial Reporting
In planning and performing our audit of the financial statements, we considered the Supervisor of Elections' internal control over financial reporting (internal control) 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 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 may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described below as Finding No. SOE2023-001, that we consider to be a significant deficiency.

CURRENT YEAR FINDING:

FINDING SOE2023-001: NEED FOR SEGREGATION OF DUTIES

CRITERIA: The internal control environment should include proper segregation of duties and responsibilities over accounting functions.

CONDITION: There is a lack of segregation of duties between employees who have recordkeeping responsibility and employees in custody of the Supervisor of Elections' assets.

CAUSE: The Supervisor of Elections has limited personnel in the accounting department.

EFFECT: The possibility exists that unintentional or intentional errors or irregularities could occur and not be promptly detected.

RECOMMENDATION: We realize that due to the size of the Supervisor of Elections' administrative staff, it is difficult to achieve ideal separation of duties. However, the Supervisor of Elections should remain very active and involved in the day-to-day operations. Controls should be implemented to help compensate for these weaknesses and to provide checks and balances.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Supervisor of Elections' financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
March 20, 2025

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH THE REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES

The Honorable Michelle Milligan
Jefferson County Supervisor of Elections
Monticello, Florida

We have examined the Jefferson County, Florida Supervisor of Elections' (the "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 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 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 specific 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 requirements of Section 218.415, Florida Statutes, *Local Government Investment 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 used by anyone other than these specified parties.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
March 20, 2025

MORAN & SMITH LLP
Certified Public Accountants
MORANSMITHCPA.COM

2260 WEDNESDAY STREET STE 400
TALLAHASSEE, FLORIDA 32308
850.879.0636

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

The Honorable Michelle Milligan
Jefferson County Supervisor of Elections
Monticello, Florida

Report on the Financial Statements
We have audited the accompanying financial statements of the Jefferson County, Florida Supervisor of Elections (the "Supervisor of Elections"), as of and for the year ended September 30, 2023, and have issued our report thereon March 20, 2025, which contains an emphasis of matter to refer to a basis of accounting required for compliance with state filing requirements, however, our report is not modified with respect to this matter.

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 March 20, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings
Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address significant findings and recommendations made in the preceding annual financial audit report. Corrective actions have not been taken to address findings and recommendations made in the preceding annual financial audit report.

Tabulation of Uncorrected Audit Findings		
Current Year Finding No.	**2021-22 FY Finding No.**	**2020-21 FY Finding No.**
SOE2023-001	SOE2008-001	SOE2008-001

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 item was disclosed in the notes to the financial statements. The Supervisor of Elections was established by the Constitution of the State of Florida, article VIII Section 1(d). The Supervisor of Elections has no component units.

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

Additional Matters
Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate 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 issued a schedule of findings all of which are considered significant deficiencies.

Purpose of the 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 Supervisor of Elections, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

Moran & Smith LLP

Moran & Smith LLP
Tallahassee, Florida
March 20, 2025

MICHELLE MILLIGAN
Jefferson County Supervisor of Elections

Michelle Milligan, Supervisor of Elections
1175 W. Washington Street
Monticello, FL 32344

RE: Management's Response

Auditor General's Office
Post Office Box 1735
Tallahassee, FL 32302

Dear Sir or Madam:

This is in reply to the auditor's findings reported in my audit for the year ending September 30, 2023.

I agree with the auditor's findings and recommendations and have made certain changes that help to segregate duties in regards to the finances of this office. I have retained an independent accountant to handle the payment of expenses, payroll processing and bank reconciliations. Accordingly, I will continue to review bank statements prior to giving them to the person responsible for bank reconciliations. I will sign all checks and review supporting documentation.

I will continue to utilize Moran & Smith LLC to provide financial advice on certain issues when necessary and we will also continue to use Moran & Smith LLC to prepare the annual financial audit report. I do not have the expertise or the resources to prepare the year-end audit report. I do not have access to all GAAP disclosures and other accounting pronouncements. I will continue assisting in the audit report preparation and review the draft for approval.

Please feel free to contact me if you have any questions.

Sincerely,

Michelle Milligan

Michelle Milligan
Jefferson County Supervisor of Elections

1175 W. Washington Street • Monticello, Florida 32344 • (850) 997-3348
Fax: (850) 997-6958 • E-mail: soe@jeffersoncountyfl.gov • www.jeffersonvotes.com