HERNANDO COUNTY, FLORIDA
ANNUAL COMPREHENSIVE FINANCIAL REPORT FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2024

PRINCIPAL OFFICIALS

as of September 30, 2024

BOARD OF COUNTY COMMISSIONERS

Elizabeth Narverud, *Chair* - District 1
Brian Hawkins, *Vice Chair* - District 2
John Allocco - District 3
Jerry Campbell - District 4
Steve Champion - District 5

TAX COLLECTOR
Sally L. Daniel, CFC

SHERIFF
Al Nienhuis

PROPERTY APPRAISER
John C. Emerson, CFA

SUPERVISOR OF ELECTIONS
Shirley Anderson

CLERK OF COURT AND COMPTROLLER
Doug Chorvat, Jr.

Prepared by the Office of the Clerk of Court and Comptroller, Department of Financial Services

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Doug Chorvat, Jr.
Clerk of Circuit Court & Comptroller, Hernando County FL
20 N. Main Street, Brooksville FL, 34601 (352) 754-4201

June 26, 2025

To the Citizens of Hernando County:

The Annual Comprehensive Financial Report of Hernando County, Florida, for the fiscal year ended September 30, 2024, is respectfully submitted. This report was prepared by the Clerk of Circuit Court and Comptroller, Department of Financial Services. Responsibility for both the accuracy of the data presented and the completeness and fairness of the presentation, including all disclosures, rests with the Clerk of Circuit Court and Comptroller (Clerk and Comptroller) as Chief Financial Officer of Hernando County. To provide a reasonable basis in meeting this responsibility, a comprehensive internal control framework has been established that is designed both to protect the County's assets from loss, theft, or misuse, and to compile sufficient reliable information for the preparation of the County's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). The Management's Discussion and Analysis in the Financial Section of this report should be read in conjunction with this Letter of Transmittal.

Profile of the County

Hernando County, population 210,577, is located in the west central region of the State of Florida, allowing easy access to the Tampa and Orlando metropolitan areas. As part of the Tampa Bay Region, it is bound by the Gulf of America on the west, Citrus County to the north, Sumter County to the east, and Pasco County to the south.

Hernando County, established in 1843, covers 473 square miles and is named in honor of Spanish explorer Hernando De Soto, who led an expedition through the county in 1539. Hernando County has one incorporated city: the City of Brooksville, the county seat, with a population of 9,752, rich in history and traditions. Hernando County's unincorporated areas include Weeki Wachee, Ridge Manor, Bayport, Aripeka, Lake Lindsey, Istachatta/Nobleton, Masaryktown, Hernando Beach, and most notably, Spring Hill. Spring Hill located in the southwest part of the County, is the largest unincorporated Hernando County community.

Hernando County is the heart of the Sunshine State's renowned Nature Coast. Hernando County offers scenic rolling hills, spectacular parks and waterways, some of the best paved bike trails in Florida, and eight locations along the Great Florida Birding Trail. Activities of the Nature Coast include hunting, camping, bird watching and hiking, as well as fishing, boating, paddling, and kayaking on the County's many waterways.

Situated at the geographic center of the state with easy access to major highways like the Veterans/Suncoast Parkway, Interstate 75, State Road 50 and US Highway 41 make Hernando County a strategic business location. Hernando County is unique in the Tampa Bay area with its variety of industrial and manufacturing site options including a vibrant general aviation airport and business complex, private land, and existing buildings with significant room for growth. Major industries include manufacturing, precision machining, distribution and healthcare. Growing retail trade and a wide selection of professional services enables Hernando County to offer significant choices for its residents.

Hernando County government provides a full range of services including law enforcement, emergency medical services, fire protection, public and mass transportation services, health and social services, cultural and recreational services, water, wastewater, solid waste disposal and business development.

The Hernando County Board of County Commissioners, as the legislative body for Hernando County, budgets and provides all of the funding used by its departments and the separate Constitutional Officers with the exception of certain fees collected by the Tax Collector, Clerk and Comptroller, Property Appraiser and Sheriff. Hernando County operates under a five-member policymaking elected Board. The Board appoints a county administrator who in turn appoints various department managers. All five Board members and the five constitutional officers are elected to four-year terms. Under the direction of the Clerk and Comptroller, the Department of Financial Services maintains the accounting system for the Board of County Commissioners and the Clerk and Comptroller. The Tax Collector, Property Appraiser, Supervisor of Elections and Sheriff maintain their own accounting systems. All of the Constitutional Officers invest their funds independently. The Clerk and Comptroller manages the investments of the Board of County Commissioners and the Clerk and Comptroller.

Formal budgetary integration is employed as a management control device during the year for all significant funds. The Board of County Commissioners adopts budgets on a basis consistent with Generally Accepted Accounting Principles (GAAP). The adoption and amendment of the budget is done consistent with the laws of Florida. The legal level of control is established on a fund basis; however, operational control is maintained during the year at the lower of the department or fund level. Budgetary control is maintained through the use of encumbrances.

Factors Affecting Financial and Economic Conditions

Local Economy. Following are some highlights of the County's economic status:

- The population of the County is currently approximately 210,577 which is an increase of 20.4% over what it was 10 years ago. The County's population is projected to be almost 225,000 by 2030 and over 250,000 by 2040.

- As part of the Tampa Bay region, Hernando County enjoys being a part of the largest consumer market in Florida.

- The Building Department had a total of 19,469 permits in 2023-24, averaging 77 permits per day. Total permits included 1,647 single family home permits and 63 commercial permits.

- Both residential and commercial development remain steady. The inventory of lots in existing developed subdivisions continues to decrease and new phases are being developed. Commercial development continues to be steady along SR 50 in Spring Hill, a major shopping corridor in the County. In addition, a significant number of large mixed-use developments previously approved by the County have retained the approved vested rights and are expected to be of interest to developers as the economy continues to improve.

- The County consistently manages 25-30 projects at various stages. To recruit industry to the County, Team Hernando met with various prospective investors at Business Facilities LiveXchange, SelectUSA Investment Summit, and Logistics Development Forum

Long Term Financial Planning. The County prepares a five-year Capital Improvement Plan which is adopted by the Board with the annual budget approval. It identifies all public capital facilities, public infrastructure, and equipment, with a value over $50,000 and a useful life over ten years. The plan identifies the funding source (taxes, grants, impact fees, etc.) for each project.

Major Initiatives. Hernando County government takes pride in its accomplishments for the fiscal year. The County is proud of the infrastructure, public facilities and programs that have been realized for the citizens of our County. Following is a list of some of our achievements for the year:

- Hernando County Utilities Department was selected as the winner of the Southwest District's 2024 Environmental Stewardship Award for the Department of Environmental Protection

- Hernando County Parks and Recreation Completed the Lake Townsen ADA Access Project

- Aquatic Services and Waterways began baseline monitoring for the sites selected as part of the Artificial Reef project. Baseline monitoring is anticipated to focus on metrics such as recreational usage, fish communities, and benthic macroinvertebrate communities

- UF/IFAS Hernando County Extension Office had volunteers dedicate an impressive 22,980 hours to support Extension programs, contributing services valued at $726,398

- Hernando County Veteran Services Served 1,496 clients in person, answered 1,511 telephone assistance calls, responded to 617 client emails, and assisted 12 clients with direct outreach

- The Tourist Development Tax Revenue has increased by 4.3% to $2,375,369

- Hernando County Fire Rescue responded to over 38,862 calls, performed 4,547 annual and new construction fire inspections, and performed 4,264 fire hydrants flow tests

- Hernando County finalized construction of the Judicial Center Renovations and hosted a Ribbon Cutting for the completion of the project

- Hernando County Economic Development hosted a Groundbreaking for Gunnery Backstop WWII Memorial to honor those who trained and lost their lives at BKV

Hernando County has adopted many budgetary and financial policies and continually monitors them for adherence and relevance. The establishment of budgetary and financial policies enables the Board, management, and the community to monitor County performance. Following are some of the more significant budgetary policies: The Board annually adopts a balanced budget; fund balances anticipated at the end of a fiscal year are budgeted as the beginning fund balance for the following year; any variance between budgeted fund balance forward and actual fund balance forward is adjusted through a budget amendment; the Board has adopted a Budget Reserve Policy and Reserve Stabilization Policy. The Budget Reserve Policy requires reserves in the General Fund to be maintained at 18.5%. See the Management Discussion and Analysis and Note A of the financial statements for more information.

Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Hernando County for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2023.

In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Annual Comprehensive Financial Report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Hernando County has received a Certificate of Achievement for the last thirty-nine consecutive years. We believe our current report continues to conform to the Certificate of Achievement Program requirements, and we are submitting it to the GFOA.

Acknowledgments

This report is the product of the dedication of the Department of Financial Services of the Clerk of Circuit Court and Comptroller of Hernando County as Auditor and Comptroller to the Board of County Commissioners.

We would like to express our appreciation and thanks to the Financial Services team, the County Administration and Budget Offices, and the firm of Forvis Mazars, LLP, who helped us with their comments and advice throughout the year.

Respectfully submitted,



Doug Chorvat, Jr.
Clerk of Circuit Court and Comptroller



Joshua Stringfellow, CPA
Chief Financial Officer

CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING

The Governmental Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Hernando County, Florida for its annual comprehensive financial report for the fiscal year ended September 30, 2023. The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports.

In order to be awarded a Certificate of Achievement, a government unit must publish an easily readable and efficiently organized annual comprehensive financial report, whose contents conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. Hernando County has received a Certificate of Achievement for the last thirty-eight consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA.

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

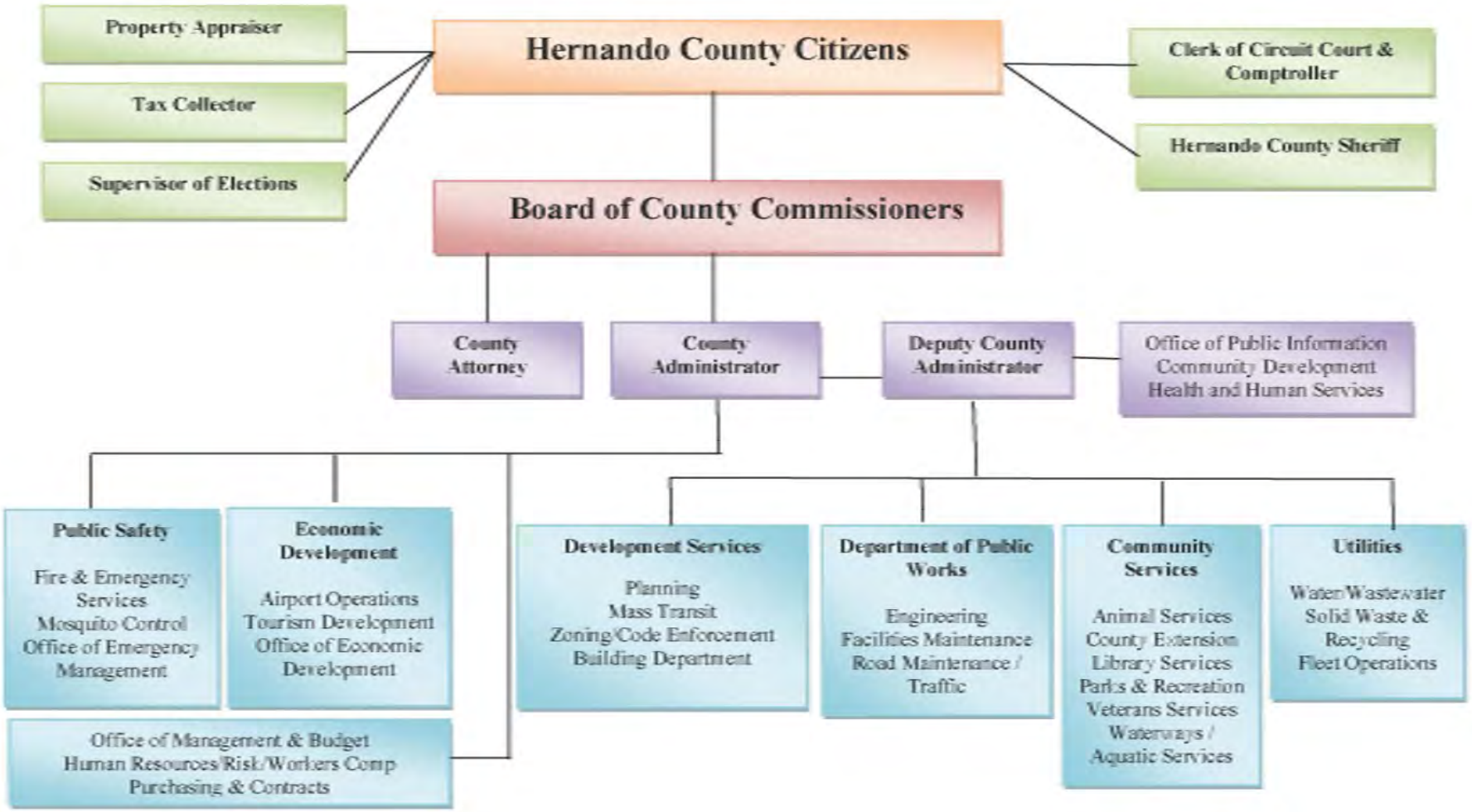
County of Hernando
Florida

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2023

Christopher P. Morrill

Executive Director/CEO


Property Appraiser
Tax Collector
Supervisor of Elections
Hernando County Citizens
Clerk of Circuit Court & Comptroller
Hernando County Sheriff
Board of County Commissioners
County Attorney
County Administrator
Deputy County Administrator
Office of Public Information
Community Development
Health and Human Services
Public Safety
Fire & Emergency Services
Mosquito Control
Office of Emergency Management
Economic Development
Airport Operations
Tourism Development
Office of Economic Development
Development Services
Planning
Mass Transit
Zoning/Code Enforcement
Building Department
Department of Public Works
Engineering
Facilities Maintenance
Road Maintenance / Traffic
Community Services
Animal Services
County Extension
Library Services
Parks & Recreation
Veterans Services
Waterways / Aquatic Services
Utilities
Water/Wastewater
Solid Waste & Recycling
Fleet Operations
Office of Management & Budget
Human Resources/Risk/Workers Comp
Purchasing & Contracts

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FINANCIAL SECTION

This section contains the following:

Independent Auditor's Report

Management's Discussion and Analysis

Basic Financial Statements

Notes to the Financial Statements

Required Supplementary Information

Combining and Individual Fund Statements and Schedules

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Independent Auditor's Report

Honorable Board of County Commissioners
Hernando County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the governmental activities, the business-type activity, each major fund, and the aggregate remaining fund information of Hernando County, Florida (the "County") as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities, the business-type activity, each major fund, and the aggregate remaining fund information of the County as of September 30, 2024, and the respective changes in its financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the general fund and each major special revenue fund for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America ("GAAS") and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). 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 audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, 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 currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS 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 GAAS and *Government Auditing Standards*, we:

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements as a whole. The combining and individual non-major fund financial statements and schedules and the Schedule of Deepwater Horizon Oil Spill Related Receipts and Expenditures, 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 and individual non-major fund financial statements and schedules and the Schedule of Deepwater Horizon Oil Spill Related Receipts and Expenditures 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 and individual non-major fund financial statements and Schedule of Deepwater Horizon Oil Spill Related Receipts and Expenditures are fairly stated, in all material respects, in relation to the financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and the statistical sections and the Bond Compliance information but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards,* we have also issued our report dated June 26, 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 that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.

Forvis Mazars, LLP

Tampa, Florida
June 26, 2025

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This discussion and analysis of Hernando County's financial statements provides an overview of the financial activity of the County for the fiscal year ended September 30, 2024. We encourage reading this narrative in conjunction with the Transmittal Letter in the Introductory Section.

FINANCIAL HIGHLIGHTS

At the close of the most recent fiscal year, September 30, 2024, the County's assets and deferred outflows exceeded its liabilities and deferred inflows by $865,738,505 representing net position. This represents an increase in net position of $95,537,684 over the prior year adjusted net position. Of the $865,738,505 net position, $101,311,384 was unrestricted.

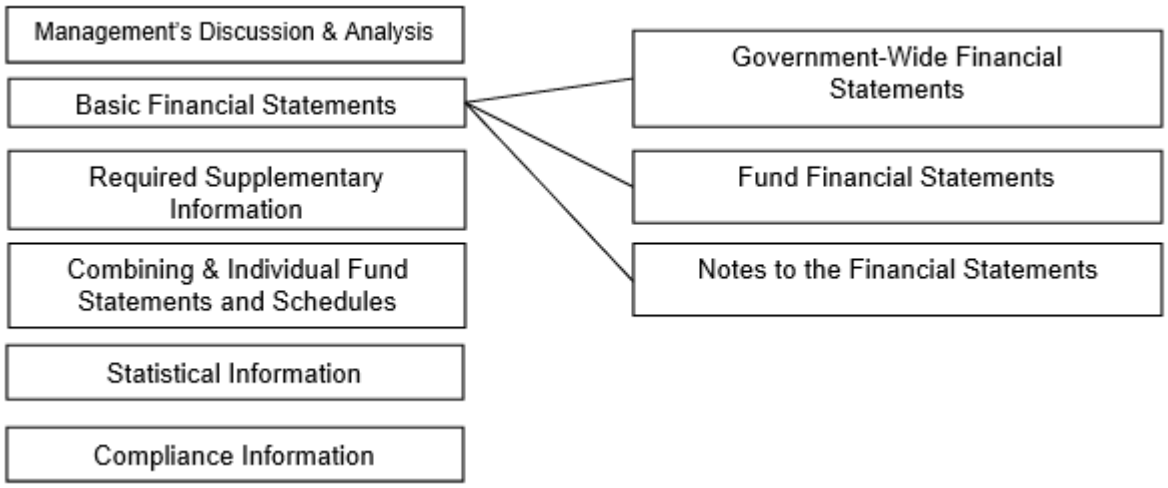
Net position of governmental activities increased $52,216,935 over prior year net position. Net position of business-type activities increased $43,320,749 over prior year net position. Accordingly, net position of both the governmental activities and business-type activities increased a total of $95,537,684.

As of September 30, 2024, unassigned fund balance in the governmental funds was $61,915,465, representing a 1.0% decrease from the previous year unassigned fund balance of $62,570,792. The net change in fund balances in the governmental funds decreased from $48,571,207 for the fiscal year 2022-23 to $13,249,836 for the fiscal year 2023-24. General Fund had an increase in fund balance of $25,361,142 for fiscal year 2022-23 compared to an increase of $213,951 in the current year. There was a decrease in the fund balance of Transportation Trust and Gas Taxes fund of $708,883 compared to an increase of $6,539,631 in the prior year. There was a decrease in the fund balance of Hernando County Fire Rescue-Fire of $13,338 compared to an increase of $1,274,143 in the prior year. There was an increase in the fund balance of Hernando County Fire Rescue-Rescue of $2,799,016 compared to an increase of $8,377,385 in the prior year. There was also an increase in fund balance of $9,713,798 for Nonmajor Governmental Funds.

The County's largest enterprise fund, the Water & Sewer District, had an increase in net position of $34,061,478 for the year compared to an increase of $29,632,689 in the prior year. Aviation Operations had an increase in net position of $2,234,537 for the year compared to an increase of $2,550,514 in the prior year. Waste Management had an increase in net position of $6,839,274 for the year compared to an increase of $4,662,024 in the prior year. The Building Department had an increase in net position of $185,460 for the year compared to an increase of $526,489 in the prior year.

OVERVIEW OF THE FINANCIAL STATEMENTS

The County's Annual Comprehensive Financial Report (Annual Report) consists of seven parts: an introductory section; management's discussion and analysis (this overview); the basic financial statements; required supplementary information; combining statements for non-major governmental funds, internal service funds and certain individual fund financial statements; statistical information; and compliance information. The basic financial statements consist of three parts: government-wide financial statements, fund financial statements and notes to the financial statements. Following is a diagram of the components of the Annual Report:



Government-Wide Financial Statements

The government-wide financial statements provide readers with a broad overview of Hernando County's finances using a governmental or business-type classification. The government-wide financial statements include a statement of net position and a statement of activities. The government-wide financial statements distinguish between functions that are principally supported by taxes and intergovernmental revenues (governmental activities) and those that are principally supported by user fees and charges (business-type activities). The government-wide financial statements are prepared using an economic resources measurement focus and the accrual basis of accounting.

The **statement of net position** presents information on all assets (plus deferred outflows) and liabilities (plus deferred inflows) of the County, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of Hernando County is improving or deteriorating.

The **statement of activities** presents information on all revenues and expenses of the County and the change in net position. This statement provides the expenses of a given function or activity offset by related program revenues resulting in the net expense or revenue for the function or activity. General revenues, such as taxes, are then presented resulting in a final change in net position. All revenues and expenses are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

Fund Financial Statements

The fund financial statements provide more detailed information about the County's major funds individually. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Hernando County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Some funds are required by state or local law, bond covenants or the County's desire to control, manage and account for designated revenues or expenses separately. All the funds of the County can be divided into three categories: governmental funds, proprietary funds, and fiduciary funds.

Governmental fund financial statements use the current financial resources measurement focus and the modified accrual basis of accounting, which measures current assets and liabilities, changes in current financial resources, and current available resources.

Because the focus of governmental fund financial statements is based on accounting for resources on a more current basis, it is useful to compare with information presented for governmental activities which

focus more on long-term resource accounting. Reconciliations of fund balance in governmental funds and changes in fund balance to net position and changes in net position of governmental activities are provided with the governmental fund financial statements.

Proprietary fund financial statements consist of two fund types: Enterprise Funds and Internal Service Funds. Proprietary funds use an economic resources measurement focus and the accrual basis of accounting, which measures all assets and liabilities, changes in economic resources, and total economic resources.

Fiduciary fund financial statements provide information concerning assets held in trust by the County on behalf of others. Fiduciary funds use the economic resources measurement focus and the accrual basis of accounting. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs.

Notes to the Financial Statements

The notes provide additional detail concerning the financial activities and balances of the County and are essential for the reader to have a full understanding of the statements.

ANALYSIS OF THE GOVERNMENT-WIDE FINANCIAL STATEMENTS

Hernando County's Net Position

	Governmental Activities		Business-type Activities		Totals	
	2023	2024	2023	2024	2023	2024
Current and other assets	$ 330,207,521	$ 345,335,076	$ 177,184,115	$ 197,994,529	$ 507,391,636	$ 543,329,605
Capital assets	368,591,223	406,253,919	312,556,720	331,545,853	681,147,943	737,799,772
Other long term assets	6,021,932	14,721,676	26,819,087	29,032,302	32,841,019	43,753,978
Total Assets	704,820,676	766,310,671	516,559,922	558,572,684	1,221,380,598	1,324,883,355
Deferred Outflows of Resources	42,744,857	54,490,565	2,601,960	3,293,926	45,346,817	57,784,491
Non-Current liabilities	248,705,189	254,329,814	103,282,775	100,350,092	351,987,964	354,679,906
Other liabilities	75,817,811	74,625,240	21,480,286	21,383,298	97,298,097	96,008,538
Total liabilities	324,523,000	328,955,054	124,763,061	121,733,390	449,286,061	450,688,444
Deferred Inflows of Resources	19,404,854	35,991,568	27,835,679	30,249,329	47,240,533	66,240,897
Net Position:						
Net invested in capital assets	340,222,933	369,995,503	244,667,332	267,115,770	584,890,265	637,111,273
Restricted	146,197,864	67,828,192	16,855,062	59,487,656	163,052,926	127,315,848
Unrestricted	(82,783,118)	18,030,919	105,040,748	83,280,465	22,257,630	101,311,384
Total Net Position	$ 403,637,679	$ 455,854,614	$ 366,563,142	$ 409,883,891	$ 770,200,821	$ 865,738,505

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of Hernando County, net position was $865,738,505 at the close of the most recent fiscal year. This represents an increase of $95,537,684 or 12.4% from the prior year.

The largest portion of Hernando County's net position (73%) reflects its investment in capital assets (e.g., land, infrastructure, buildings, improvements, construction in progress, intangible assets, equipment, and right-to-use assets), less any accumulated depreciation or amortization and related debt used to acquire those assets that is still outstanding. Hernando County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although Hernando County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position (15%) represents resources that are subject to external restrictions on how they may be used. The remaining balance of the County's net position (12%) is unrestricted.

Hernando County's Change in Net Position

	Governmental Activities		Business-type Activities		Totals	
	2023	2024	2023	2024	2023	2024
Revenues						
Program revenues:						
Charges for Services	$ 89,375,715	$ 98,919,910	$ 65,951,091	$ 70,017,129	$ 155,326,806	$ 168,937,039
Operating Grants and Contributions	18,343,043	29,447,667	1,566,391	2,661,749	19,909,434	32,109,416
Capital Grants and Contributions	961,305	1,161,098	18,314,185	18,735,793	19,275,490	19,896,891
General revenues:						
Property taxes	113,236,325	123,976,335	-	-	113,236,325	123,976,335
Other taxes	38,795,361	36,344,860	-	-	38,795,361	36,344,860
Investment earnings (loss)	10,479,792	21,157,464	5,785,611	11,947,376	16,265,403	33,104,840
Other	1,828,193	3,464,804	2,581,869	1,127,139	4,410,062	4,591,943
Total revenues	273,019,734	314,472,138	94,199,147	104,489,186	367,218,881	418,961,324
Expenses						
General government	43,222,337	43,023,441	-	-	43,222,337	43,023,441
Public safety	140,779,650	144,352,781	-	-	140,779,650	144,352,781
Physical environment	9,580,043	10,177,123	-	-	9,580,043	10,177,123
Transportation	31,621,436	32,533,750	-	-	31,621,436	32,533,750
Economic environment	2,962,319	3,448,692	-	-	2,962,319	3,448,692
Human services	9,308,710	9,488,667	-	-	9,308,710	9,488,667
Culture and recreation	8,063,677	8,575,222	-	-	8,063,677	8,575,222
Court operations	8,494,483	9,257,350	-	-	8,494,483	9,257,350
Interest on long-term debt	2,393,800	2,306,378	-	-	2,393,800	2,306,378
Water and sewer	-	-	37,609,653	40,881,234	37,609,653	40,881,234
Aviation operations	-	-	3,260,374	3,296,174	3,260,374	3,296,174
Waste management	-	-	10,226,275	10,617,265	10,226,275	10,617,265
Building department	-	-	4,894,260	5,465,563	4,894,260	5,465,563
Total expenses	256,426,455	263,163,404	55,990,562	60,260,236	312,417,017	323,423,640
Change in net position before transfers	16,593,279	51,308,734	38,208,585	44,228,950	54,801,864	95,537,684
Transfers	836,869	908,201	(836,869)	(908,201)	-	-
Change in net position	17,430,148	52,216,935	37,371,716	43,320,749	54,801,864	95,537,684
Net position - beginning	384,757,347	403,637,679	329,191,426	366,563,142	713,948,773	770,200,821
Adjustment to beginning net position	1,450,184	-	-	-	1,450,184	-
Net position - ending	$ 403,637,679	$ 455,854,614	$ 366,563,142	$ 409,883,891	$ 770,200,821	$ 865,738,505

Governmental Activities

Net position of the governmental activities increased $52,216,935 or 12.9% from prior year adjusted net position balance. Program revenues in the amount of $ 129,528,675 were used to offset program expenses of $266,842,855 resulting in a net program loss of $137,314,180. General revenues and transfers totaling $185,851,664 offset the difference in those program expenses and resulted in a total net increase of $48,537,484.

Program revenues increased 19.2% from prior year. Charges for services increased 10.7% from the prior year. Grants and Contributions increased 58.6%.

Property taxes increased $10,740,010 or 9.5% due to an increase in the taxable value of property in the County.

Investment earnings increased $10,677,672 from the prior year due to sustained higher interest rates.

Program expenses increased 2.6% from the prior year. The most significant changes were increases in General Government and Public Safety expenditures.

General Government expenses decreased 0.5%.

The increase in Public Safety expenses of 2.5% from prior year is attributed to normal cost increases for personnel and other operating expenses experienced across the organizations.

Business-Type Activities

Net position of the business-type activities increased $43,320,749 or 11.8% over prior year net position balance. Program revenues in the amount of $91,414,671 were used to offset program expenses of $60,260,236 resulting in net program income of $31,154,435. General revenues of $13,074,515 less transfers in the amount of $908,201 resulted in a total net increase of $43,320,749.

Water and Sewer charges for services increased $1,972,980 or 4.2%. This is associated with the fifth year of rate increases as part of a five-year rate plan. Expenditures did not vary significantly from prior year.

Aviation Operations charges for services increased $134,707, or 7.3. Grant funding is generally received for airport improvements and vary from year to year. Operating revenues and expenses were consistent with prior year.

Charges for services revenue increased for Waste Management by $1,842,989 or 16.2%. Expenses increased 3.8% mainly due to the annual adjustment for long term care and closure costs for the landfill. Estimated costs are recalculated annually and will fluctuate from year to year.

The Building Department experienced an increase of $73,044 or 1.5% in revenue from licenses and permits.

ANALYSIS OF THE FUND FINANCIAL STATEMENTS

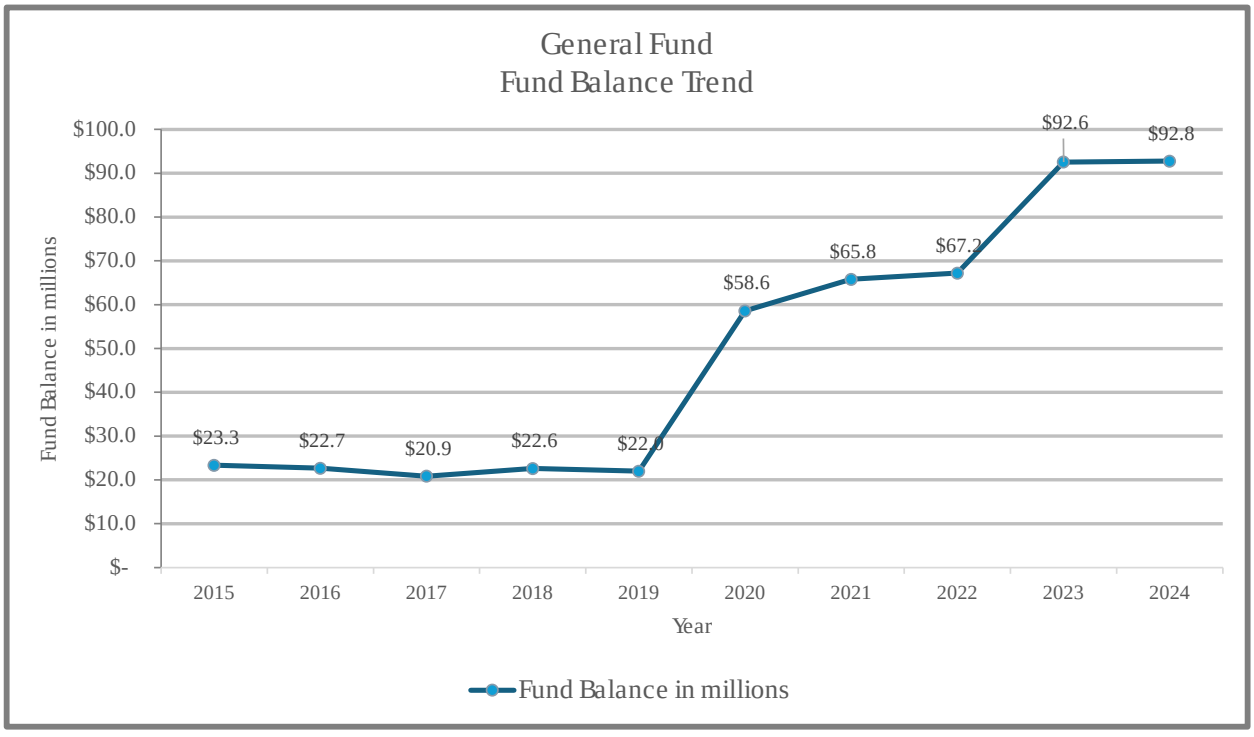
As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Following is a discussion of the financial statements on a fund accounting level.

Governmental Funds

As previously discussed, governmental funds measure current assets and liabilities and current or spendable resources. A fund's unassigned fund balance may provide a useful measure of the fund's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, Hernando County governmental funds reported fund balances of $251,140,794, an increase of $13,249,836 or 5.6% from prior year balances. Of the $251,140,794 fund balance in governmental funds, $61,915,465 constitutes unassigned fund balance, which is available for spending at the County's discretion and $ 520,696 which is non-spendable. The remainder of fund balance available for spending consists of the following: $156,070,461 in 'Restricted Fund Balance' which is restricted by law or externally imposed requirements; $15,739,125 in 'Committed Fund Balance' which is committed for a specific purpose by the Board; and $16,895,047 in 'Assigned Fund Balance' which is assigned for a specific purpose by the Board without formal approval. See Note A, Governmental Fund Balance Classifications, for more information.

Governmental funds are comprised of the General Fund, Special Revenue Funds, Debt Service Funds and a Capital Project Fund. The General Fund is the chief operating fund of the County. As of the end of the fiscal year, total fund balance for the General Fund was $92,786,515. Following is a chart of the fund balance trend over the past ten years for the General Fund.



In the **General Fund**, the fund balance increased $213,951, or 0.2% from prior year. General Fund revenues increased $15,113,700, or 10.3%. Revenue from taxes increased $7,465,751, or 8.3%, from the prior year due to an increase in the taxable value of property. Intergovernmental revenue increased $3,932,531, or 11.8%, from prior year. This was primary due to increases in State Revenue Sharing and Local Govt 1/2 Cent allocations. Investment revenues increased to $8,143,063 in fiscal year 2023-24 due to sustained higher interest rates.

General Fund expenditures increased $25,780,825, or 19.5%, from prior year. General Government expenditures increased $6,513,820, or 20.2%, from prior year. This increase was largely due to normal cost increases for personnel and other operating expenses experienced across the organizations.

Public Safety expenditures increased $9,467,889, or 13.6%. This is mainly due to an increase to normal cost increases for personnel and other operating expenses experienced across the organizations.

The fund balance of **Transportation Trust Fund** decreased $708,833, or 1.7%, from prior year. Tax revenue increased $1,468,018, or 7.4%, due to an increase in ad valorem due to increase in property taxable values. Investment income increased to $2,997,038 due to sustained higher interest rates.

The **Hernando County Fire Rescue-Fire** fund balance decreased $13,338 or 0.1% from prior year. Special Assessment revenue increased $4,515,648, or 15.8%, from prior year due to an increase in the taxable value of property in the County.

The **Hernando County Fire Rescue-Rescue** fund balance increased $2,799,016, or 14.5%. Tax revenue increased $1,565,876, or 13.6%, due to an increase in the taxable value of property in the County.

The **American Rescue Plan Act** fund balance increased from a ($125,693) in 2022-23 to $1,119,599 in 2023-24 due to investment revenue of $1,560,744 due to sustained higher interest rates.

Proprietary Funds

Proprietary fund statements provide the same information as the business-type activities in the government-wide financial statements, but in greater detail, and on a fund basis for enterprise funds.

The **Water and Sewer District** experienced an increase in net position of $34,061,478, or 12.0%. Operating revenues of $49,666,339 less operating expenses of $39,580,822 resulted in operating income of $10,085,517. The fund experienced an increase of $2,057,725, or 4.3%, in operating revenue, which is associated with the fourth year of rate increases as part of a five-year rate plan. Operating expenses increased $3,365,358, or 9.3%, due to an increase from Septic Upgrade Incentive Program funded by grants as well as a sharp increase in the FRS pension expense for the period. Non-operating revenues and expenses increased $4,509,733, from prior year. This is driven by investment income in FY24 due to continued higher interest rates.

Aviation Operations experienced an increase in net position of $2,234,537, or 5.3%. Operating revenues of $2,355,511 less operating expenses of $3,279,213 resulted in an operating loss of $923,702. Non-operating revenues and expenses increased $306,506, or 27.7%, from prior year. This is driven by investment income in FY24 due to continued higher interest rates.

The **Waste Management** fund had an increase in net position of $6,839,274, or 19.6%. Other services and charges expenses increased 8.5% mainly due to the annual adjustment for long term care and closure costs for the landfill. Estimated costs are recalculated annually and will fluctuate from year to year. Non-operating revenues and expenses increased $2,422,382, from prior year. This is driven by investment income in FY24 due to continued higher interest rates.

Building Department experienced an increase in net position of 185,460, or 4.3%. Operating revenues increased 2.1%. The Building Department experienced an increase of $73,044 or 1.5% in revenue from licenses and permits.

BUGETARY HIGHLIGHTS -- GENERAL FUND

Budget and actual comparison statements are provided in the Statement of Revenues, Expenditures and Changes in Fund Balances – Budget and Actual for the General Fund and all major special revenue funds with annually appropriated budgets. See page 47 of this report for the financial statement discussed below. This statement shows the original budget, final budget, actual amounts, and the variances between actual and final budgeted amounts. Budget amendments are approved throughout the year. Budgets are revised for a variety of reasons, such as new grant awards, unanticipated revenue sources, new bond or loan proceeds, unforeseen expenditures, etc. Below are a variety of explanations of the notable variances between the original and final budget, and the final budget and actual amounts in the General Fund:

- Final budgeted Capital Outlay increased $25,472,801 compared to original budget. This is primarily due to the carry forward of funding for the Tax collector building.

- Investment revenues exceeded budget by $7,527,788 due to sustained higher interest rates in 2023-24. The County typically appropriates Investment Income once realized.

- General Government expenditures were less than budget by $8,563,466 primarily driven by various personnel vacancies throughout the year.

- Actual Transportation expenditures were $6,147,604 less than budgeted as final expenses were under budget due to several capital projects that were not completed in fiscal year 2023-24. These projects were re-budgeted in fiscal year 2024-25.

- Actual Capital Outlay expenditures were $24,358,599 less than budgeted. The funding for the Tax Collector building of approx. $15M moved forward with design but was largely unexecuted in fiscal year 2023-24.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

Hernando County's investment in capital assets for its governmental and business-type activities as of September 30, 2024, amounts to $737,799,772 net of accumulated depreciation. This investment in capital assets includes land, buildings, infrastructure, improvements other than buildings, equipment, construction in progress, intangible assets, equipment and right-to-use assets. The total increase in Hernando County's investment in capital assets from the prior year was 8.3% which is comprised of a 10.2% increase for Governmental Activities and a 6.1% increase for Business-Type Activities.

Following is a schedule of the County's capital assets, net of accumulated depreciation, as of September 30, 2023, and 2024:

	Governmental Activities		Business-type Activities		Totals	
	2023	2024	2023	2024	2023	2024
Land	$ 33,622,020	$ 36,984,946	$ 10,429,374	$ 10,780,018	$ 44,051,394	$ 47,764,964
Buildings	65,290,330	61,718,450	13,654,004	13,013,264	78,944,334	74,731,714
Infrastructure	185,011,298	188,971,262	2,491,363	2,402,105	187,502,661	191,373,367
Improvements other than Buildings	10,478,450	9,835,255	234,415,762	239,976,085	244,894,212	249,811,340
Equipment	34,503,578	38,608,857	3,110,986	3,742,022	37,614,564	42,350,879
Construction in Progress	33,488,749	63,229,350	48,375,318	58,238,255	81,864,067	121,467,605
Intangible Assets	217,618	217,618	79,913	747,832	297,531	965,450
Right-to-Use Assets	5,979,180	6,688,181	-	2,646,272	5,979,180	9,334,453
Totals	$ 368,591,223	$ 406,253,919	$ 312,556,720	$ 331,545,853	$ 681,147,943	$ 737,799,772

Additional information on Hernando County's capital assets can be found in Note G to the basic financial statements. The change in capital asset activity in Governmental Activities for 2024 is mainly due to additions to Construction in Progress driven by the Courthouse Improvement project. The decrease in buildings and infrastructure in Governmental Activities was attributable to depreciation expense exceeding additions during the year. The increase in capital asset activity for Business-Type Activities is due to improvements to water and wastewater plants and force mains. Also, construction in progress increased due to the construction of the Waste Management Cell 4 landfill.

Debt Administration

Loans and notes payable amounted to $24,700,909 of which $24,480,412 is for Governmental Activities and $220,497 is for Business-Type Activities.

Hernando County had total bonded debt outstanding of $109,308,756. All of these bonds represent bonds secured solely by specified non-ad valorem revenue sources (i.e., revenue bonds).

Following is the activity of combined governmental and business-type debt for the fiscal year ended September 30, 2024:

	Beginning Balance	Additions	Reductions	Ending Balance
Loans & Notes Payable	$ 24,416,013	$ 4,765,000	$ 4,480,104	$ 24,700,909
Revenue Bonds	114,735,519	-	5,426,763	109,308,756
Leases Payable	4,479,405	3,428,414	358,230	7,549,589
SBITA Payable	276,949	640,798	797,537	120,210
	$ 143,907,886	$ 8,834,212	$ 11,062,634	$ 141,679,464

Following are the County's underlying ratings on bonds outstanding as of September 30, 2024:

	Moody's	Fitch	S&P
Taxable Water and Sewer Refunding Revenue Bonds Series 2021A	Aa2	AAA	NR
Taxable Water and Sewer Refunding Revenue Bonds Series 2021B	Aa2	AAA	NR
Non-Ad Valorem Revenue Bonds Series 2022	NR	NR	AA-

NR represents No Rating. Additional information on Hernando County's long-term debt can be found in Note I to the basic financial statements.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Local, state and national economic factors influence the County's revenues in a variety of ways. Positive economic growth correlates with increased revenues from property taxes, sales taxes, fuel taxes, charges for services, state revenue sharing as well as state and federal grants. Depressed economic growth correlates with decreases in the same revenue sources.

Economic growth may be measured by a variety of indicators such as employment growth, unemployment, new construction and assessed values, diversification of the property tax base, enterprise fund revenue and net asset growth.

- Hernando County's population grew from 176,819 in 2015 to 210,577 in 2024, a 19% increase over the period.

- Total taxable property value has increased 123% from 2015 to 2024. The ten largest taxpayers accounted for 7.0% of the total taxable assessed value in 2024 compared to 11.7% of total taxable value in 2015.

For fiscal year 2024-25 budget, certified taxable property values increased 11.2% to $16.5 billion. The General Fund millage rate was decreased from 6.6997 to 6.4497; however, the County was able to maintain General Fund reserves to adopted policy levels.

TO OBTAIN FURTHER INFORMATION

This financial report was designed to provide an overview of the County's finances. If you have any questions concerning budgets, long-term financial planning, or other subjects related to the management of County operations, please contact the County Administrator at the following:

Hernando County
15470 Flight Path Drive
Spring Hill, Florida 34604
(352) 754-4000
administration@hernandocounty.us

If you have any questions concerning financial reports or other accounting information in this report, please contact the Office of the Clerk and Comptroller, Financial Services Director at the following:

Hernando County 20 N. Main Street
Brooksville, Florida 34601
(352) 754-4201
clerkfinance@hernandoclerk.org

It is also suggested you visit our website at www.hernandocounty.us for general information about the County, and www.hernandoclerk.com for additional financial information.

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Basic Financial Statements

HERNANDO COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Current Assets:			
Cash and Cash Equivalents	$ 26,044,623	$ 29,609	$ 26,074,232
Pooled Cash and Investments	297,748,288	131,060,588	428,808,876
Restricted Cash and Investments:			
Pooled Cash and Investments	-	505,167	505,167
Cash with Fiscal Agent	5,149	-	5,149
Accounts Receivable (net)	12,114,254	6,809,481	18,923,735
Accrued Interest Receivable	438,126	183,850	621,976
Leases Receivable	113,646	432,191	545,837
Internal Balances	(72,644)	72,644	-
Due from Other Governments	8,678,965	2,951,566	11,630,531
Inventories	195,773	224,873	420,646
Prepaid Items	68,896	-	68,896
Total Current Assets	345,335,076	142,269,969	487,605,045
Non-Current Assets			
Restricted Assets:			
Pooled Cash and Investments	-	50,165,318	50,165,318
Cash with Fiscal Agent	-	5,559,242	5,559,242
Leases Receivable	14,721,676	29,032,302	43,753,978
Capital Assets, not being depreciated	100,214,296	69,018,273	169,232,569
Capital Assets, being depreciated, net	306,039,623	262,527,580	568,567,203
Total Non-Current Assets	420,975,595	416,302,715	837,278,310
Total Assets	**$ 766,310,671**	**$ 558,572,684**	**$ 1,324,883,355**
Deferred Outflows of Resources	**$ 54,490,565**	**$ 3,293,926**	**$ 57,784,491**
LIABILITIES			
Current Liabilities:			
Accounts Payable	19,866,357	4,201,305	24,067,662
Retainage Payable	2,413,296	722,898	3,136,194
Accrued Liabilities	8,290,479	1,736,201	10,026,680
Due to Other Governments	2,281,504	75,862	2,357,366
Unearned Revenue	23,083,585	1,944,097	25,027,682
Deposits	301,367	5,909,588	6,210,955
Due Within One Year	18,388,652	6,793,347	25,181,999
Total Current Liabilities	74,625,240	21,383,298	96,008,538
Non-Current Liabilities:			
Due in More Than One Year	254,329,814	88,234,881	342,564,695
Accrued Landfill closure/Postclosure	-	12,115,211	12,115,211
Total Non-Current Liabilities	254,329,814	100,350,092	354,679,906
Total Liabilities	**$ 328,955,054**	**$ 121,733,390**	**$ 450,688,444**
Deferred Inflows of Resources	**$ 35,991,568**	**$ 30,249,329**	**$ 66,240,897**
NET POSITION			
Net Investment in Capital Assets	369,995,503	267,115,770	637,111,273
Restricted for:			
Grant Funded Programs	7,809,633	-	7,809,633
Court Programs	6,489,308	-	6,489,308
Special Assessment Projects	4,460,602	-	4,460,602
Environment Conservation	5,276,687	-	5,276,687
Bond Covenants or Debt Service	943,812	-	943,812
Public Safety	5,424,279	-	5,424,279
Capital Projects	23,003,597	49,269,245	72,272,842
Renewal and Replacement	-	10,218,411	10,218,411
Other Purposes	14,420,274	-	14,420,274
Unrestricted (Deficit)	18,030,919	83,280,465	101,311,384
Total Net Position	**$ 455,854,614**	**$ 409,883,891**	**$ 865,738,505**

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

HERNANDO COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

Function/Program Activities	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position: Governmental Activities	Net (Expense) Revenue and Changes in Net Position: Business-Type Activities	Net (Expense) Revenue and Changes in Net Position: Total
Government Activities:							
General Government	$ 43,023,441	$ 17,614,921	$ 12,060,643	$ -	$ (13,347,877)	$ -	$ (13,347,877)
Public Safety	144,352,781	57,469,804	2,485,152	-	(84,397,825)	-	(84,397,825)
Physical Environment	10,177,123	8,395,927	361,120	-	(1,420,076)	-	(1,420,076)
Transportation	32,533,750	7,134,387	4,575,850	1,161,098	(19,662,415)	-	(19,662,415)
Economic Environment	3,448,692	38,394	2,759,582	-	(650,716)	-	(650,716)
Human Services	9,488,667	195,359	61,117	-	(9,232,191)	-	(9,232,191)
Culture and Recreation	8,575,222	1,610,274	559,452	-	(6,405,496)	-	(6,405,496)
Court Operations	9,257,350	6,460,844	6,584,751	-	3,788,245	-	3,788,245
Interest on Long-term Debt	2,306,378	-	-	-	(2,306,378)	-	(2,306,378)
Total Government Activities	263,163,404	98,919,910	29,447,667	1,161,098	(133,634,729)	-	(133,634,729)
Business-type Activities:							
Water and Sever District	40,881,234	49,267,524	2,057,415	16,961,810	-	27,405,515	27,405,515
Aviation Operations	3,296,174	1,975,348	39,816	1,773,983	-	492,973	492,973
Waste Management	10,617,265	13,231,052	557,407	-	-	3,171,194	3,171,194
Building Department	5,465,563	5,543,205	7,111	-	-	84,753	84,753
Total Business-Type Activities	60,260,236	70,017,129	2,661,749	18,735,793	-	31,154,435	31,154,435
Total	$ 323,423,640	$ 168,937,039	$ 32,109,416	$ 19,896,891	$ (133,634,729)	$ 31,154,435	$ (102,480,294)
General Revenues:							
Property Taxes					123,976,335	-	123,976,335
Fuel Tax					11,706,713	-	11,706,713
Sales Tax					12,801,255	-	12,801,255
Other Taxes					3,904,973	-	3,904,973
State Shared Revenue - Unrestricted					7,931,919	-	7,931,919
Investment Earnings (Loss)					21,157,464	11,947,376	33,104,840
Gain on Sale of Capital Assets					105,200	212,421	317,621
Miscellaneous					3,359,604	914,718	4,274,322
Transfers					908,201	(908,201)	-
Total General Revenues and Transfers					185,851,664	12,166,314	198,017,978
Change in Net Position					**52,216,935**	**43,320,749**	**95,537,684**
Net Position - Beginning					**403,637,679**	**366,563,142**	**770,200,821**
Net Position - Ending					**$ 455,854,614**	**$ 409,883,891**	**$ 865,738,505**

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

HERNANDO COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENT FUNDS
SEPTEMBER 30, 2024

	General Fund	Transportation Trust and Gas Taxes	Hernando County Fire Rescue-Fire
ASSETS			
Cash and Cash Equivalents	$ 9,683,448	$ 395	$ 150
Pooled Cash and Investments	88,520,320	43,288,923	17,100,877
Cash with Fiscal Agent	-	-	-
Accounts Receivable (net)	69,658	44,550	32,486
Accrued Interest Receivable	438,126	-	-
Leases Receivable	113,646	-	-
Due from Other Funds	61,011	-	-
Due from Other Governments	6,030,325	1,550,380	57,899
Advances to Other Funds	450,000	-	-
Inventories	-	-	-
Prepaid Items	68,870	-	-
Lease Receivable, Non-Current	14,721,676	-	-
Total Assets	**$ 120,157,080**	**$ 44,884,248**	**$ 17,191,412**
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilites			
Accounts Payable	$ 6,727,702	$ 2,100,089	$ 407,740
Retainage Payable	169,173	208,375	460,503
Accrued Liabilites	5,203,261	341,464	861,358
Due to Other funds	-	-	-
Due to Other Governments	343,703	-	-
Unearned Revenue	135,200	1,817	-
Deposits	78,635	3,120	-
Advances from Other Funds	-	-	-
Total Liabilities	12,657,674	2,654,865	1,729,601
Deferred Inflows of Resources			
Unavailable Revenues	4,200	335,064	3,974
Leases	14,708,691	-	-
Total Deferred Inflows of Resources	14,712,891	335,064	3,974
Fund Balances			
Nonspendable:			
Advances	450,000	-	-
Inventories	-	-	-
Prepaid Items	68,870	-	-
Restricted For:			
Grant Funded Programs	791,127	-	-
Court Programs	-	-	-
Special Assessment Projects	-	-	-
Environment Conservation	-	-	-
Bond covenants or debt service	-	63,084	-
Public Safety	-	-	15,457,837
Capital Projects	15,097,229	33,659,829	-
Other Purposes	-	-	-
Committed to:			
Budgeted Emergency and Contingency Reserves	7,287,887	-	-
Budgeted Stablilization Reservices	6,376,901	-	-
Other Purposes	-	-	-
Assigned to:			
Public Safety	-	-	-
Capital Projects	779,942	8,171,406	-
Other Purposes	-	-	-
Unassigned	61,934,559	-	-
Total Fund Balances	92,786,515	41,894,319	15,457,837
Total Liabilities, Deferred Inflows of Resources and Fund Balances	**$ 120,157,080**	**$ 44,884,248**	**$ 17,191,412**

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

Hernando County Fire Rescue-Rescue	American Rescue Plan Act	Nonmajor Governmental Funds	Total Governmental Funds
$ -	$ -	$ 6,736,620	$ 16,420,613
20,565,110	22,289,059	79,496,825	271,261,114
-	-	5,149	5,149
11,758,557	-	203,610	12,108,861
-	-	-	438,126
-	-	-	113,646
-	-	-	61,011
258,853	-	767,582	8,665,039
-	-	-	450,000
1,800	-	-	1,800
-	-	26	68,896
-	-	-	14,721,676
$ 32,584,320	**$ 22,289,059**	**$ 87,209,812**	**$ 324,315,931**
$ 681,029	$ -	$ 3,246,419	$ 13,162,979
236,841	450,000	888,404	2,413,296
551,273	-	287,778	7,245,134
-	-	133,655	133,655
8,101	-	1,929,700	2,281,504
183	20,719,460	2,226,925	23,083,585
-	-	219,612	301,367
-	-	450,000	450,000
1,477,427	21,169,460	9,382,493	49,071,520
9,051,529	-	159	9,394,926
-	-	-	14,708,691
9,051,529	-	159	24,103,617
-	-	-	450,000
1,800	-	-	1,800
-	-	26	68,896
-	-	7,809,633	8,600,760
-	-	6,489,308	6,489,308
-	-	4,460,602	4,460,602
-	-	5,276,687	5,276,687
-	-	943,812	1,006,896
22,053,564	-	5,424,279	42,935,680
-	1,119,599	23,003,597	72,880,254
-	-	14,420,274	14,420,274
-	-	-	7,287,887
-	-	-	6,376,901
-	-	2,074,337	2,074,337
-	-	7,346,977	7,346,977
-	-	-	8,951,348
-	-	596,722	596,722
-	-	(19,094)	61,915,465
22,055,364	1,119,599	77,827,160	251,140,794
$ 32,584,320	**$ 22,289,059**	**$ 87,209,812**	**$ 324,315,931**

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HERNANDO COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2024

Fund Balances - Total Governmental Funds		$ 251,140,794
Amounts reported for Governmental Activities in the Statement of Net Position are different because:		
Capital assets used in governmental activities are not current financial resources and therefore are not reported in the governmental funds:		
Capital Assets, not being depreciated	$ 100,186,946	
Capital Assets, net of accumulated depreciation	281,291,823	
		381,478,769
Unavailable revenue and deferred outflows of resources are not available to pay for current-period expenditures and are therefore not reported in the governmental funds:		
Unavailable taxes and fees	$ 9,394,926	
Deferred Outflows related to Debt Refunding	242,455	
Deferred Outflows related to Net Pension Liability	48,449,084	
Deferred Outflows related to Other Post Employment Benefits	5,543,473	
		63,629,938
Long-term liabilities are not due and payable in the current period, and therefore are not reported in the governmental funds:		
Accrued Liabilities - Interest	$ (811,890)	
Loans and Notes Payable	(12,972,173)	
Leases Payable	(4,555,643)	
SBITA Payable	(120,210)	
Bonds Payable	(32,172,108)	
Compensated Absences	(14,171,080)	
Other Post Employment Benefits	(21,310,939)	
Net Pension Liability	(167,402,661)	
		(253,516,704)
Deferred inflows of resources apply to a future period and will not be recognized as revenue until then:		
Deferred Inflows related to Net Pension Liability	$ (17,847,941)	
Deferred Inflows related to Other Post Employment Benefits	(3,267,708)	
		(21,115,649)
Internal Service Funds are used by management to charge the costs of certain activities to the individual funds:		
Net position of the Internal Service Funds that is reported in the Governmental Activities portion of the Statement of Net Position		34,237,466
Net Position of Governmental Activities		$ 455,854,614

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

HERNANDO COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

	General Fund	Transportation Trust and Gas Taxes	Hernando County Fire Rescue-Fire
Revenues			
Taxes	$ 97,750,234	$ 21,243,362	$ 1,999
Licenses and Permits	663,393	-	189,573
Intergovernmental	37,307,614	4,604,037	105,079
Charges for Services	16,697,013	1,769,970	157,366
Fines and Forfeitures	278,651	-	-
Special Assessments	-	-	33,019,260
Impact Fees	-	-	-
Investment Income (Loss)	8,143,063	2,997,038	1,527,332
Miscellaneous	1,322,389	165,739	473,871
Total Revenues	162,162,357	30,780,146	35,474,480
Expenditures			
Current			
General Government	38,790,674	-	-
Public Safety	78,923,080	51,314	30,433,623
Physical Environment	754,622	-	-
Transportation	4,145,973	16,609,873	-
Economic Environment	764,569	-	-
Human Services	5,957,841	-	-
Culture and Recreation	7,770,715	-	-
Court Operations	2,077,649	-	-
Debt Service			
Principal	1,140,635	-	475,074
Interest and Fiscal Charges	158,294	-	65,901
Capital Outlay	17,799,178	13,581,595	3,806,568
Total Expenditures	158,283,230	30,242,782	34,781,166
Excess of Revenues Over (Under) Expenditures	**3,879,127**	**537,364**	**693,314**
Other Financing Sources (Uses)			
Transfers In	1,482,182	477,959	383,054
Transfers Out	(6,574,773)	(1,724,206)	(1,089,706)
Lease financing	786,617	-	-
SBITA financing	640,798	-	-
Total Other Financing Sources (Uses)	(3,665,176)	(1,246,247)	(706,652)
Net Change in Fund Balances	**213,951**	**(708,883)**	**(13,338)**
Fund Balances at Beginning of Year	92,572,564	42,603,202	15,471,175
Fund Balances at End of Year	**$ 92,786,515**	**$ 41,894,319**	**$ 15,457,837**

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

Hernando County Fire Rescue-Rescue	American Rescue Plan Act	Nonmajor Government Funds	Total Governmental Funds
$ 13,051,975	$ -	$ 5,613,440	$ 137,661,010
-	-	-	852,966
489,001	6,557,145	6,357,256	55,420,132
12,300,398	-	12,063,225	42,987,972
-	-	1,649,665	1,928,316
-	-	10,332,132	43,351,392
-	-	5,989,495	5,989,495
1,527,521	1,560,744	5,401,764	21,157,462
69,037	-	2,518,109	4,549,145
27,437,932	8,117,889	49,925,086	313,897,890
-	267,726	2,077,816	41,136,216
20,370,752	-	5,994,619	135,773,388
-	43,495	9,031,027	9,829,144
-	-	1,436,373	22,192,219
-	16	2,701,450	3,466,035
-	-	1,938,263	7,896,104
-	-	297,261	8,067,976
-	-	7,070,499	9,148,148
231,163	-	2,565,212	4,412,084
35,149	-	1,867,608	2,126,952
3,599,057	6,561,360	9,589,202	54,936,960
24,236,121	6,872,597	44,569,330	298,985,226
3,201,811	**1,245,292**	**5,355,756**	**14,912,664**
198,939	-	12,780,306	15,322,440
(601,734)	-	(8,422,264)	(18,412,683)
-	-	-	786,617
-	-	-	640,798
(402,795)	-	4,358,042	(1,662,828)
2,799,016	**1,245,292**	**9,713,798**	**13,249,836**
19,256,348	(125,693)	68,113,362	237,890,958
$ 22,055,364	**$ 1,119,599**	**$ 77,827,160**	**$ 251,140,794**

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HERNANDO COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

Net Change in Fund Balances - Total Governmental Funds		$ 13,249,836
Amounts reported for Governmental Activities in the Statement of Activities are different because:		
Governmental Funds report Capital Outlays as Expenditures. In the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives. Donations of Capital Assets are not financial resources to Governmental Funds, however increase net position in the Statement of Activities. Governmental Funds report the sale of Capital Assets as a financial resource, however in the Statement of Activities, only the Gain/loss on the sale is reported:		
Expenditures for Capital Assets	$ 49,791,363	
Less current year depreciation	(15,911,913)	
		33,879,450
Additions to Long-Term Debt provide current financial resources to Governmental Funds, but issuing debt increases long-term liabilities in the Statement of Net Position. Repayment of principal and payments to refunding escrow agents are expenditures/other financing uses in the Governmental Funds, but reduce long-term liabilities in the Statement of Net Position.		
Principal Payments	$ 3,324,701	
Lease / SBITA Liabilities Issued	(1,427,415)	
Lease / SBITA Principal Payments	1,872,637	
		3,769,923
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 the Governmental Funds:		
Change in Accrued Interest on Long-Term Debt	$ (147,155)	
Amortization of current year Bond Discount/Premium	47,181	
Amortization of current year Prepaid Bond Insurance	(81,529)	
Change in Compensated Absences	(2,831,251)	
Change in Accrued Other Post Employment Benefits	(830,494)	
Change in Pension Expenses	167,941	
		(3,675,307)
Some revenues reported in the Statement of Activities do not provide a current financial resource, and therefore are not reported as revenue in the Governmental Funds:		
Change in earned revenue from charges for services	$ 2,767,931	
Change in earned revenue from taxes	(2,193,683)	
		574,248
Internal Service Funds are used by management to charge the costs of certain activities to individual funds. The Change in Net Position of the Internal Service Funds is reported within Governmental Activities.		4,418,785
Change in Net Position of Governmental Activities		$ 52,216,935

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

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HERNANDO COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Taxes	$ 96,064,136	$ 96,064,136	$ 97,750,234	$ 1,686,098
Licenses and Permits	581,638	586,993	663,393	76,400
Intergovernmental	32,893,838	38,954,950	37,307,614	(1,647,336)
Charges for Services	16,053,239	16,811,247	16,697,013	(114,234)
Fines and Forfeitures	125,005	125,005	278,651	153,646
Investment Income (Loss)	65,275	615,275	8,143,063	7,527,788
Miscellaneous	1,697,013	2,129,730	1,322,389	(807,341)
Total Revenues	147,480,144	155,287,336	162,162,357	6,875,021
Expenditures				
Current				
General Government	43,063,903	47,994,938	38,790,674	9,204,264
Public Safety	80,499,599	80,787,553	78,923,080	1,864,473
Physical Environment	877,372	1,226,122	754,622	471,500
Transportation	7,183,059	10,293,577	4,145,973	6,147,604
Economic Environment	2,004,313	2,945,110	764,569	2,180,541
Human Services	6,299,041	6,587,963	5,957,841	630,122
Culture and Recreation	8,542,941	9,043,553	7,770,715	1,272,838
Court Operations	2,001,640	2,090,907	2,077,649	13,258
Debt Service				-
Principal	53,252	53,252	1,140,635	(1,087,383)
Interest and Fiscal Charges	9,843	11,843	158,294	(146,451)
Capital Outlay	16,684,976	42,157,777	17,799,178	24,358,599
Total Expenditures	167,219,939	203,192,595	158,283,230	44,909,365
Excess of Revenues Over Expenditures	**(19,739,795)**	**(47,905,259)**	**3,879,127**	**51,784,386**
Other Financing Sources (Uses)				
Transfers In	9,120,281	9,656,306	1,482,182	(8,174,124)
Transfers Out	(7,215,855)	(8,185,892)	(6,574,773)	1,611,119
Lease financing	-	-	786,617	786,617
SBITA financing	-	-	640,798	640,798
Reserve for Contingencies	(37,513,524)	(45,318,949)	-	45,318,949
Total Other Financing Sources (Uses)	(35,609,098)	(43,848,535)	(3,665,176)	40,183,359
Net Change in Fund Balance	**(55,348,893)**	**(91,753,794)**	**213,951**	**91,967,745**
Fund Balance at Beginning of Year	55,348,893	91,753,794	92,572,564	818,770
Fund Balance at End of Year	**$ -**	**$ -**	**$ 92,786,515**	**$ 92,786,515**

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

HERNANDO COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
TRANSPORTATION TRUST AND GAS TAXES
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Taxes	$ 20,326,625	$ 20,326,625	$ 21,243,362	$ 916,737
Intergovernmental	9,543,964	18,497,331	4,604,037	(13,893,294)
Charges for Services	1,234,805	1,234,805	1,769,970	535,165
Investment Income (Loss)	-	-	2,997,038	2,997,038
Miscellaneous	91,670	91,670	165,739	74,069
Total Revenues	31,197,064	40,150,431	30,780,146	(9,370,285)
Expenditures				
Current				
Public Safety	-	231,398	51,314	180,084
Transportation	18,770,355	20,758,217	16,609,873	4,148,344
Capital Outlay	24,730,390	45,281,283	13,581,595	31,699,688
Total Expenditures	43,500,745	66,270,898	30,242,782	36,028,116
Excess of Revenues Over Expenditures	**(12,303,681)**	**(26,120,467)**	**537,364**	**26,657,831**
Other Financing Sources (Uses)				
Transfers In	104,000	5,699,267	477,959	(5,221,308)
Transfers Out	(1,463,170)	(4,337,429)	(1,724,206)	2,613,223
Reserve for Contingencies	(20,081,154)	(17,604,496)	-	17,604,496
Total Other Financing Sources (Uses)	(21,440,324)	(16,242,658)	(1,246,247)	14,996,411
Net Change in Fund Balance	**(33,744,005)**	**(42,363,125)**	**(708,883)**	**41,654,242**
Fund Balance at Beginning of Year	33,744,005	42,363,125	42,603,202	240,077
Fund Balance at End of Year	**$ -**	**$ -**	**$ 41,894,319**	**$ 41,894,319**

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

HERNANDO COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
HERNANDO COUNTY FIRE RESCUE - FIRE
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Taxes	$ -	$ -	$ 1,999	$ 1,999
Licenses and Permits	90,000	90,000	189,573	99,573
Intergovernmental	30,000	80,000	105,079	25,079
Charges for Services	150,000	150,000	157,366	7,366
Special Assessments	32,155,073	32,155,073	33,019,260	864,187
Investment Income (Loss)	-	-	1,527,332	1,527,332
Miscellaneous	451,140	451,140	473,871	22,731
Total Revenues	32,876,213	32,926,213	35,474,480	2,548,267
Expenditures				
Current				
Public Safety	32,911,883	32,467,770	30,433,623	2,034,147
Debt Service				
Principal	472,148	475,148	475,074	74
Interest and Fiscal Charges	64,591	65,991	65,901	90
Capital Outlay	2,195,011	4,339,301	3,806,568	532,733
Total Expenditures	35,643,633	37,348,210	34,781,166	2,567,044
Excess of Revenues Over Expenditures	**(2,767,420)**	**(4,421,997)**	**693,314**	**5,115,311**
Other Financing Sources (Uses)				
Transfers In	350,000	300,000	383,054	83,054
Transfers Out	(898,173)	(1,303,514)	(1,089,706)	213,808
Reserve for Contingencies	(10,545,197)	(10,034,407)	-	10,034,407
Total Other Financing Sources (Uses)	(11,093,370)	(11,037,921)	(706,652)	10,331,269
Net Change in Fund Balance	**(13,860,790)**	**(15,459,918)**	**(13,338)**	**15,446,580**
Fund Balance at Beginning of Year	13,860,790	15,459,918	15,471,175	11,257
Fund Balance at End of Year	**$ -**	**$ -**	**$ 15,457,837**	**$ 15,457,837**

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

HERNANDO COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
HERNANDO COUNTY FIRE RESCUE - RESCUE
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Taxes	$ 12,846,628	$ 12,846,628	$ 13,051,975	$ 205,347
Intergovernmental	21,000	489,085	489,001	(84)
Charges for Services	12,942,000	14,019,700	12,300,398	(1,719,302)
Investment Income (Loss)	-	-	1,527,521	1,527,521
Miscellaneous	54,779	54,779	69,037	14,258
Total Revenues	25,864,407	27,410,192	27,437,932	27,740
Expenditures				
Current				
Public Safety	21,392,072	23,806,923	20,370,752	3,436,171
Debt Service				
Principal	229,212	231,163	231,163	-
Interest and Fiscal Charges	38,650	38,650	35,149	3,501
Capital Outlay	1,916,424	4,151,097	3,599,057	552,040
Total Expenditures	23,576,358	28,227,833	24,236,121	3,991,712
Excess of Revenues Over Expenditures	**2,288,049**	**(817,641)**	**3,201,811**	**4,019,452**
Other Financing Sources (Uses)				
Transfers In	139,800	176,359	198,939	22,580
Transfers Out	(561,419)	(830,787)	(601,734)	229,053
Reserve for Contingencies	(10,673,074)	(16,182,341)	-	16,182,341
Total Other Financing Sources (Uses)	(11,094,693)	(16,836,769)	(402,795)	16,433,974
Net Change in Fund Balance	**(8,806,644)**	**(17,654,410)**	**2,799,016**	**20,453,426**
Fund Balance at Beginning of Year	8,806,644	17,654,410	19,256,348	1,601,938
Fund Balance at End of Year	**$ -**	**$ -**	**$ 22,055,364**	**$ 22,055,364**

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

HERNANDO COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
AMERICAN RESCUE PLAN ACT
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	$ 500,000	$ 8,808,720	$ 6,557,145	$ (2,251,575)
Investment Income (Loss)	-	-	1,560,744	1,560,744
Total Revenues	500,000	8,808,720	8,117,889	(690,831)
Expenditures				
Current				
General Government	-	2,000,000	267,726	1,732,274
Physical Environment	-	50,000	43,495	6,505
Economic Environment	-	-	16	(16)
Capital Outlay	500,000	7,011,360	6,561,360	450,000
Total Expenditures	500,000	9,061,360	6,872,597	2,188,763
Excess of Revenues Over Expenditures	**-**	**(252,640)**	**1,245,292**	**1,497,932**
Net Change in Fund Balance	**-**	**(252,640)**	**1,245,292**	**1,497,932**
Fund Balance at Beginning of Year	-	252,640	(125,693)	(378,333)
Fund Balance at End of Year	**$ -**	**$ -**	**$ 1,119,599**	**$ 1,119,599**

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

HERNANDO COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2024

	Business-Type Activities - Enterprise Funds		
	Water & Sewer District	**Aviation Operations**	**Waste Management**
ASSETS			
Current Assets			
Cash and Cash Equivalents	$ 2,276	$ 743	$ 1,765
Pooled Cash and Investments	86,331,309	6,043,650	31,954,178
Restricted Cash and Investments	505,167	-	-
Accounts Receivable, net	6,177,467	8,695	622,205
Accrued Interest Receivable	-	183,850	-
Leases Receivable	-	432,191	-
Due from Other:			
Other Funds	72,644	-	-
Other Governments	1,594,722	1,059,300	290,433
Inventories	212,568	-	12,305
Total Current Assets	94,896,153	7,728,429	32,880,886
Non-Current Assets:			
Restricted Assets:			
Pooled Cash and Investments	25,439,005	-	24,726,313
Cash with Fiscal Agent	5,559,242	-	-
Lease Receivable	-	29,032,302	-
Capital Assets, not depreciated	36,559,064	18,587,427	13,656,782
Capital Assets, net of accumulated depreciation	233,358,052	19,694,385	8,429,043
Total Non-Current Assets	300,915,363	67,314,114	46,812,138
Total Assets	395,811,516	75,042,543	79,693,024
Deferred Outflows of Resources	2,145,554	125,669	568,181
LIABILITIES			
Current Liabilities			
Accounts Payable	1,742,913	721,738	1,442,908
Retainage Payable	530,321	136,100	56,477
Accrued Liabilities	1,140,590	36,489	424,204
Due to Other Governments	37,591	-	-
Unearned Revenues	1,899,189	44,908	-
Deposits	4,641,932	207,301	77,404
Due Within One Year	4,941,848	228,922	1,585,469
Total Current Liabilities	14,934,384	1,375,458	3,586,462
Non-Current Liabilities			
Due in More Than One Year	62,751,065	585,188	22,647,875
Accrued Landfill Closure/ Postclosure Care	-	-	12,115,211
Total Non-Current Liabilities	62,751,065	585,188	34,763,086
Total Liabilities	77,685,449	1,960,646	38,349,548
Deferred Inflows of Resources	1,211,602	28,521,685	233,179
NET POSITION			
Net Investment in Capital Assets	211,405,410	37,945,216	16,504,044
Restricted for			
Capital Projects	49,269,245	-	-
Renewal and Replacement	10,218,411	-	-
Unrestricted	48,166,953	6,740,665	25,174,434
Total Net Position	$ 319,060,019	$ 44,685,881	$ 41,678,478

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

Building Department	Total	Governmental Activities Internal Service Funds
$ 24,825	$ 29,609	$ 9,624,010
6,731,451	131,060,588	26,487,174
-	505,167	-
1,114	6,809,481	5,393
-	183,850	-
-	432,191	-
-	72,644	-
7,111	2,951,566	13,926
-	224,873	193,973
6,764,501	142,269,969	36,324,476
-	50,165,318	-
-	5,559,242	-
-	29,032,302	-
215,000	69,018,273	27,350
1,046,100	262,527,580	24,747,800
1,261,100	416,302,715	24,775,150
8,025,601	558,572,684	61,099,626
454,522	3,293,926	255,553
293,746	4,201,305	6,703,378
-	722,898	
134,918	1,736,201	233,455
38,271	75,862	-
-	1,944,097	-
982,951	5,909,588	-
37,108	6,793,347	5,440,264
1,486,994	21,383,298	12,377,097
2,250,753	88,234,881	14,573,388
-	12,115,211	-
2,250,753	100,350,092	14,573,388
3,737,747	121,733,390	26,950,485
282,863	30,249,329	167,228
1,261,100	267,115,770	14,165,302
-	49,269,245	-
-	10,218,411	-
3,198,413	83,280,465	20,072,164
$ 4,459,513	$ 409,883,891	$ 34,237,466

HERNANDO COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

	Business-Type Activities - Enterprise Funds		
	Water & Sewer District	**Aviation Operations**	**Waste Management**
Operating Revenues			
Licenses and Permits	$ 18,150	$ -	$ 38,000
Charges for Services	49,249,374	1,975,348	13,193,052
Miscellaneous	398,815	380,163	132,835
Total Operating Revenues	49,666,339	2,355,511	13,363,887
Operating Expenses			
Personnel Services	11,523,705	764,500	2,715,312
Other Services & Charges	19,081,382	1,126,021	5,117,670
Claims	-	-	-
Depreciation and Amortization	8,975,735	1,388,692	1,813,184
Total Operating Expenses	39,580,822	3,279,213	9,646,166
Operating Income (Loss)	10,085,517	(923,702)	3,717,721
Non-Operating Revenues (Expenses)			
Investment Income (Loss)	6,792,666	1,391,635	3,484,639
Interest Expense	(1,816,292)	(16,961)	(1,009,801)
Operating Grants	2,057,415	39,816	557,407
Gain (Loss) on Sale of Capital Assets	21,686	-	190,735
Amortization of Bond Discount/Premium	515,880	-	38,702
Total Non-Operating Revenues (Expenses)	7,571,355	1,414,490	3,261,682
Income (Loss) Before Contributions and Transfers	17,656,872	490,788	6,979,403
Capital Grants and Contributions	16,961,810	1,773,983	-
Transfers In	12,243	-	-
Transfers Out	(569,447)	(30,234)	(140,129)
Total Contributions and Transfers	16,404,606	1,743,749	(140,129)
Change in Net Position	**34,061,478**	**2,234,537**	**6,839,274**
Net Position-Beginning	284,998,541	42,451,344	34,839,204
Net Position-Ending	**$ 319,060,019**	**$ 44,685,881**	**$ 41,678,478**

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

Building Department	Total	Governmental Activities - Internal Service Funds
$ 4,908,066	$ 4,964,216	$ -
635,139	65,052,913	44,172,123
2,905	914,718	2,203,284
5,546,110	70,931,847	46,375,407
		-
3,368,009	18,371,526	4,266,841
2,097,554	27,422,627	15,226,655
-	-	24,108,188
-	12,177,611	3,973,040
5,465,563	57,971,764	47,574,724
80,547	12,960,083	(1,199,317)
278,436	11,947,376	1,556,988
-	(2,843,054)	(384,434)
7,111	2,661,749	13,781
-	212,421	433,323
-	554,582	-
285,547	12,533,074	1,619,658
366,094	25,493,157	420,341
-	18,735,793	-
-	12,243	4,219,713
(180,634)	(920,444)	(221,269)
(180,634)	17,827,592	3,998,444
185,460	**43,320,749**	**4,418,785**
4,274,053	366,563,142	29,818,681
$ 4,459,513	**$ 409,883,891**	**$ 34,237,466**

HERNANDO COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

	Business-Type Activities - Enterprise Funds		
	Water & Sewer District	**Aviation Operations**	**Waste Management**
Cash Flows from Operating Activities			
Receipts from Customers	$ 49,066,516	$ 1,605,351	$ 12,789,533
Receipts from Inter-Fund Services	-	-	-
Payments to Suppliers	(20,634,743)	(651,024)	(4,040,708)
Payments to Employees	(11,764,219)	(771,501)	(2,761,622)
Claims Paid	-	-	-
Other Receipts	398,815	380,163	132,835
Net Cash provided by (used for) Operating Activities	17,066,369	562,989	6,120,038
Cash Flows from Noncapital Financing Activities			
Operating Grants	2,057,415	39,816	557,407
Transfers from Other Funds	12,243	-	-
Transfers to Other Funds	(569,447)	(30,234)	(140,129)
Net Cash Provided by (used for) Noncapital Financing Activities	1,500,211	9,582	417,278
Cash Flows From Capital and Related Financing Activites			
Additions to Capital Assets	(13,252,319)	(2,073,084)	(4,044,822)
Proceeds from Capital Debt	-	-	-
Principal Paid on Capital Debt	(4,090,000)	(212,179)	(310,000)
Interest Paid on Capital Debt	(1,817,137)	(16,961)	(930,631)
Principal Payments on Long-Term Leases	-	-	-
Interest Payments on Long-Term Leases	-	-	(84,336)
Capital Grants Revenue	2,148,821	1,773,983	-
Connection Fee Collections	5,658,267	-	-
Proceeds From Sale of Capital Assets	21,686	-	190,735
Net Cash provided by (used for) Capital and Related Financing Activities	(11,330,682)	(528,241)	(5,179,054)
Cash Flows from Investing Activities			
Interest Received	6,792,666	1,391,635	3,484,639
Net Cash Provided by Investing Activities	6,792,666	1,391,635	3,484,639
Net Increase (Decrease) in Cash and Cash Equivalents	**14,028,564**	**1,435,965**	**4,842,901**
Cash and Cash Equivalents at Beginning of Year	103,808,435	4,608,428	51,839,355
Cash and Cash Equivalents at End of Year	**$ 117,836,999**	**$ 6,044,393**	**$ 56,682,256**
Classified as:			
Current Assets	86,333,585	6,044,393	31,955,943
Restricted Assets - Current	505,167	-	-
Restricted Assets - Non-current	30,998,247	-	24,726,313
Totals	$ 117,836,999	$ 6,044,393	$ 56,682,256

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

Building Department	Total	Governmental Activities - Internal Service Funds
$ 5,649,774	$ 69,111,174	$ 33,996,854
-	-	10,188,662
(1,934,790)	(27,261,265)	(13,816,615)
(3,409,739)	(18,707,081)	(4,285,268)
-	-	(24,786,359)
2,905	914,718	2,203,284
308,150	24,057,546	3,500,558
7,111	2,661,749	13,781
-	12,243	4,219,713
(180,634)	(920,444)	(221,269)
(173,523)	1,753,548	4,012,225
-	(19,370,225)	(6,973,109)
-	-	4,765,000
-	(4,612,179)	(1,368,224)
-	(2,764,729)	(278,939)
-	-	(68,385)
-	(84,336)	(13,258)
-	3,922,804	-
-	5,658,267	-
-	212,421	433,323
-	(17,037,977)	(3,503,592)
278,436	11,947,376	1,627,936
278,436	11,947,376	1,627,936
413,063	**20,720,493**	**5,637,127**
6,343,213	166,599,431	30,474,057
$ 6,756,276	**$ 187,319,924**	**$ 36,111,184**
6,756,276	131,090,197	36,111,184
-	505,167	-
-	55,724,560	-
$ 6,756,276	$ 187,319,924	$ 36,111,184

Continued

HERNANDO COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

	Business-Type Activities - Enterprise Funds		
	Water & Sewer District	**Aviation Operations**	**Waste Management**
Reconciliation of Operating Income (Loss) to Net Cash Provided by Operating Activities			
Operating Income (Loss)	$ 10,085,517	$ (923,702)	$ 3,717,721
Adjustments to Reconcile Operating Income (Loss) to Net Cash provided by (used for) Operating Activities			
Depreciation and Amortization	8,975,735	1,388,692	1,813,184
Other Post-Employment Benefits	69,842	4,710	16,725
Pension Adjustments	(94,120)	(6,730)	(21,663)
Other Deferred Amounts	(4,295)	-	-
Landfill Closure/Postclosure Care Amortization	-	-	674,774
(Increase) Decrease in			
Accounts Receivable	665,152	16,593	(120,892)
Accrued Interest Receivable	-	(93,626)	-
Leases Receivable	-	(2,258,774)	-
Due from Other Funds	-	-	-
Due from Other Governments	(248,211)	61,006	(287,757)
Inventories	(41,903)	-	13,501
Prepaid Expenses	-	-	-
Increase (Decrease) in			
Accounts Payable	(1,637,485)	408,267	655,391
Retainage Payable	135,263	66,730	(266,704)
Accrued Liabilities	(211,941)	(4,981)	(41,372)
Due to Other Funds	-	-	-
Due to Other Governments	(9,236)	-	-
Unearned Revenues	(1,024,509)	(1,700)	-
Deposits	406,560	46,086	(32,870)
Claims Liabilities	-	-	-
Deferred Inflows-Leases	-	1,860,418	-
Total Adjustments	6,980,852	1,486,691	2,402,317
Net Cash Provided by (used for) Operating Activities	$ 17,066,369	$ 562,989	$ 6,120,038
Non-cash Investing, Financing, and Capital Activities:			
Contributions of Capital Assets from Developers	$ 9,154,722	$ -	$ -

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

Building Department	Total	Governmental Activities - Internal Service Funds
$ 80,547	$ 12,960,083	$ (1,199,317)
-	12,177,611	3,973,040
20,586	111,863	(10,653)
(26,067)	(148,580)	7,417
-	(4,295)	2,456
-	674,774	-
(1,114)	559,739	27,210
-	(93,626)	-
-	(2,258,774)	-
-	-	-
(7,111)	(482,073)	(13,817)
-	(28,402)	(34,134)
-	-	-
150,274	(423,553)	1,444,174
-	(64,711)	-
(36,249)	(294,543)	(17,647)
-	-	-
12,490	3,254	-
-	(1,026,209)	-
114,794	534,570	-
-	-	(678,171)
-	1,860,418	-
227,603	11,097,463	4,699,875
$ 308,150	$ 24,057,546	$ 3,500,558
$ -	$ 9,154,722	$ -

HERNANDO COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2024

ASSETS		
Cash and Cash Equivalents	$	8,729,943
Pooled Cash and Investments		2,794,324
Due from Other Governments		145,129
Total Assets		**11,669,396**
LIABILITIES		
Accounts Payable		2,315,520
Due to Other Governments		5,350,330
Installment Tax Escrow		5,246
Deposits		14,733
Other Current Liabilities		2,239,507
Total Liabilities		**9,925,336**
NET POSITION:		
Restricted for:		
Individuals and Other Governments		1,744,060
Total Net Position	**$**	**1,744,060**

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

HERNANDO COUNTY, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

ADDITIONS:		
Tax Collections for Other Governments	$	143,602,753
State of Florida collections		29,117,800
Other collections		44,199,852
Miscellaneous - Revenues		1,934,499
Total additions		**218,854,904**
DEDUCTIONS:		
Payments of Taxes to State of Florida		28,847,085
Payments of Taxes to Other Governments		143,602,753
Other Payments		46,949,542
Miscellaneous - Expenses		1,450
Total deductions		**219,400,830**
Change in net position		**(545,926)**
Net Position-beginning of the year		2,289,986
Net Position-end of year	**$**	**1,744,060**

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

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HERNANDO COUNTY, FLORIDA
September 30, 2024

NOTES TO THE FINANCIAL STATEMENTS

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NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. THE REPORTING ENTITY

Hernando County was created in 1843 as a political subdivision of the State of Florida, under Chapter 107, Section 1, Florida Statutes. It is governed by an elected Board of County Commissioners (the Board) which is governed by state statutes and regulations. In addition to the five members of the Board, there are five elected Constitutional Officers: Clerk of Circuit Court and Comptroller, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector. The Constitutional Officers maintain separate accounting records and budgets. The Board and Constitutional Officers provide the following services: public safety (police, fire, and rescue), highways and streets, sanitation, water and sewer utilities, health and social services, culture/recreation, public improvements, planning and zoning, and general administrative services.

In accordance with the provisions of generally accepted accounting standards, these financial statements present the financial position, results of operations, and cash flows of the applicable fund types. The statements present the government and its component units, entities for which the government is considered to be financially accountable. Blended component units are, in substance, part of the primary government's operations, even though they may be legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government. Otherwise, discretely presented component units, if there were any, would be reported in a separate column in the government-wide financial statements.

Blended Component Units

The following component units are included in the accompanying financial statements as part of the primary government because they satisfy the criteria for blending.

The following component units are in substance part of the County's operations, have the same governing board and management team as the County, and there is a specific benefit or burden relationship with the County:

Hernando County Water and Sewer District - established by Ordinance 80-4 to provide water and sewer service to residents of the County which are not serviced by other agencies or entities.

Kass Circle Community Redevelopment Agency - approved by Resolution 2016-44 to establish the necessary means by which redevelopment can be accomplished in the Kass Circle Neighborhood Revitalization Area, as authorized in Florida Statutes 163.356.

The following component units are in substance part of the County's operations, have the same management team as the County, there is a specific benefit or burden relationship with the County, and they provide services entirely to the County, strictly in an advisory capacity:

Hernando County Port Authority - established pursuant to Laws of Florida, Chapter 65-1618 and 71-666 for the purpose providing advisory services regarding waterway management.

Hernando County Law Library - established pursuant to Laws of Florida, Chapter 65-1627, to provide advisory services regarding a central law library which is available to County officials, judges, officers of the court and the public.

Separate financial statements are not prepared for any of the above component units.

2. GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

The basic financial statements are composed of the Government-Wide Financial Statements, the Fund Financial Statements and the Notes to the Financial Statements.

Government-Wide Financial Statements

The government-wide financial statements consist of a Statement of Net Position and a Statement of Activities. These statements report on the government as a whole and include separate columns for the governmental and business-type activities of the primary government. An additional separate column would be presented for any discretely presented component unit for which the County is financially accountable.

The Statement of Net Position presents information on all of the assets, deferred outflows, liabilities and deferred inflows of the County except the Fiduciary Funds. The difference between (assets plus deferred outflows) less (liabilities plus deferred inflows) is reported as net position. Changes in net position may serve as an indicator of whether the financial position of the County is improving or deteriorating. The Statement of Fiduciary Net Position is presented separately.

The Statement of Activities reports functional categories of programs provided by the County and demonstrates how and to what degree those programs are supported by specific revenue. The “Expenses” column reports direct expenses that are clearly identifiable with a specific function or program. “Program Revenues” are directly attributable to a specific function or program and are categorized as charges for services, operating grants and contributions, and capital grants and contributions. The net of program expenses less program revenues reflects the net cost of each function or program. The general revenues section includes revenues that are not program specific such as taxes and investment earnings.

As a general rule, interfund activities, with the exception of interfund services provided and used, have been removed from the government-wide financial statements. Residual amounts between governmental and business-type activities are reported as “internal balances.” These statements distinguish between the governmental and business-type activities of the County. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions. Business-type activities are financed in whole or in part by fees charged to external parties.

Fund Financial Statements

The underlying accounting system of the County is organized and operated on the basis of separate funds. A fund is a group of related accounts that are used to maintain control over resources that have been segregated for specific activities or purposes. Fund accounting is used to ensure and demonstrate compliance with legal, legislative, contractual and other finance-related provisions. All of the funds of the County may be divided into three categories: governmental funds, proprietary funds and fiduciary funds. The County’s major funds are reported as separate columns in the fund financial statements, and non-major funds are aggregated and presented as a single column on each statement. Fund financial statements are presented after the government-wide financial statements. A reconciliation is provided that converts the results of governmental fund accounting to the government-wide presentation.

Internal service funds of the County (which traditionally provide services primarily to other funds of the County) are presented, in summary form, as part of the proprietary fund financial statements. Since the principal users of the internal services are the County's governmental activities, financial statements of internal service funds are included in the governmental activities column when presented at the government-wide level. The costs of these services are allocated to the appropriate functional activity (Public Safety, Physical Environment, etc.).

The County's fiduciary funds are presented in the fund financial statements. Since, by definition, these assets are being held for the benefit of a third party (other local governments, private parties, etc.) and cannot be used to address activities or obligations of the government, these funds are not incorporated into the government-wide statements.

GASB sets forth minimum criteria for the determination of what are to be considered major funds for financial statement presentation. The County uses these criteria for major fund determination. The non-major funds are combined into one column in the respective fund financial statements.

The following are reported as major governmental funds:

General Fund – The general operating fund of the County. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Transportation Trust and Gas Taxes – To account for the proceeds of gas taxes and other revenues for the construction and maintenance of County roads.

Hernando County Fire Rescue-Fire - To account for assessments levied for fire protection services within the district.

Hernando County Fire Rescue-Rescue - To account for taxes and charges for services for rescue services within the district.

American Rescue Plan Act - To account for expenditures related to funds provided by Coronavirus State and Local Fiscal Recovery Funds program.

The following are reported as major enterprise funds:

Water and Sewer District – This fund is used to account for the operation of water, wastewater and reclaimed water services owned by Hernando County.

Aviation Operations – This fund is used to account for the operation of the Hernando County Airport and the Industrial Complex located on Airport property.

Waste Management – This fund is used to account for the operation of the sanitary landfill for the handling and disposal of solid waste.

Building Department – This fund is used to account for the operation of providing building permits and other construction-related services to County citizens. The fund is reported with major funds for simplicity due to it being the County's only non-major proprietary fund.

The County also reports the following funds:

Internal Service Funds - These funds are used to account for goods or services provided by one department to other departments of the County or to other governmental units on a cost reimbursement basis. Such goods and services include a central fueling system, vehicle and fleet maintenance and replacement, risk management, workers compensation management, computer replacement and health self-insurance.

Fiduciary Funds – These funds are used to account for assets held on behalf of outside parties, including other governments. Fiduciary Funds include jury and witness, court registry, tax, vehicle tags and law enforcement holdings. Financial information for fiduciary funds is not reported in the government-wide financial statements because these funds are not available to support the County's programs.

3. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The accounting policies of the County conform to generally accepted accounting principles as applicable to governments in accordance with the Government Accounting Standards Board (GASB). GASB is the accepted standard setting body for establishing governmental accounting and financial reporting principles. The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

The following is a summary of the more significant policies:

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements and proprietary fund statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 45 days of the end of the current fiscal period. The government considers Federal Emergency Management Agency (FEMA) Public Assistance (PA) related revenues to be available if they are collected within 45 days of the end of the current fiscal period. The government considers intergovernmental grant revenues, excluding FEMA PA Funding, to be available if they are expected to be collected within 360 days of the end of the current fiscal year. A majority of the County's grants are expenditure driven and the reimbursement is often approved after the 45-day availability period used for non-grant revenues. Receivables collected after these periods are reported as deferred inflows of resources until the revenue becomes available. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all recognized as revenues of the current fiscal period. Grant entitlements are recorded as revenues when all eligibility requirements are met and are accrued simultaneously with the grant expenditures. All other revenue items are considered to be measurable and available only when cash is received by the government.

Proprietary funds record both operating and non-operating revenues and expenses. Operating revenues are those that are obtained from the operations of the proprietary fund such as user fees. Non-operating revenues are not related to the operations of the proprietary fund and include interest income and grants. Operating expenses represent the cost of operations, which includes depreciation. Non-operating expenses are not related to operations, such as interest expense.

The fiduciary fund is recorded using the *economic resource measurement focus* and *accrual basis of accounting*.

4. GOVERNMENTAL FUND BALANCE CLASSIFICATIONS

Governmental fund balances are classified either as non-spendable or spendable. Spendable fund balances are further classified in a hierarchy based on the extent to which constraints are placed on the spending of these fund balances. Fund balances are reported in the governmental fund statements in the following classifications:

Non-spendable Fund Balance

This component of fund balance consists of amounts that are not in spendable form, or are legally or contractually required to be maintained intact.

Spendable Fund Balance

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

Committed Fund Balance – This component of fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (approval of a resolution by a majority of the Board) of the organization's governing authority (County Commission). These committed amounts cannot be used for any other purpose unless the governing authority removes or changes the specified use by taking the same type of action employed to constrain those amounts.

Assigned Fund Balance – 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 governing authority, the County Commission, has approved the assigned fund balances through action taken during the budget process. The County Commission has not delegated the responsibility to assign fund balances to any individual or body.

Unassigned Fund Balance – This classification is used for (a) negative unrestricted fund balances in any governmental fund, or (b) fund balances within the general fund that are not restricted, committed, or assigned.

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

5. BUDGETARY INFORMATION

The annual budget, formally adopted by the Board of County Commissioners, serves as the legal authorization for expenditures. Legal budgetary authority and control is established on a fund basis in accordance with Florida Statutes 129.03, however, operational control for management purposes is maintained during the year at the lower of the department or fund level. The adopted budget can only be changed by a budget amendment or a budget resolution. Management can transfer appropriations within a fund without the Board of County Commissioners approval unless the transfer affects a budgeted reserve. Pursuant to Florida Statutes 129.06 budget amendments require the approval of the Board of County Commissioners whenever the effect of the amendment is to increase the total appropriations of the fund, to transfer monies between the funds, or to transfer budgeted reserve funds.

The County's annual budgetary process is governed by Florida Statutes, Chapters 129 and 200. The total of the estimated receipts, including balances brought forward, must equal the total of the appropriations and reserves, therefore enabling a balanced budget. During the budgeting process, budgets are prepared on a basis consistent with generally accepted accounting principles. All appropriations lapse at year-end.

The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized executive changes applicable to the fiscal year, whenever legally authorized.

In 2009, the County established a General Fund Budget Reserve Policy, creating four reserve categories. Each of the following minimum levels are calculated as a percentage of the total approved General Fund budget, less reserves, transfers, debt and grants: Reserve for Contingencies established at .5% to be used for small unanticipated, non-recurring needs; an Emergency Reserve established at 3.5% to be used for more significant emergencies, those in excess of $100,000; a Stabilization Reserve established at 3.5% to be used when there is a one-time loss of a major revenue source and/or severe downturn in the economy; and a Reserve for Cash Forward established at 11.0% for the purpose of providing funds to support operations in the new fiscal year until the County's most significant revenue source, property tax, is received. The total of these reserves, 18.5%, is included in the annual approved budget. The policy also establishes the approval required to use these budgeted reserves, and the method in which they are to be replenished. The first three reserves are classified as committed fund balance on the accompanying balance sheet of the General Fund. The fourth reserve (reserve for cash forward) is included within the unassigned fund balance classification. During the budget process to establish the budget for Fiscal Years 2018-19 and 2019-20, due to the inability to fund the entire 18.5% reserve, the Board suspended the budget policy.

6. ASSETS, DEFERRED OUTFLOWS, LIABILITIES, DEFERRED INFLOWS AND NET POSITION

Cash, Cash Equivalents, Pooled Cash and Investments

The County considers cash and cash equivalents to be cash on hand, demand deposits, and highly liquid investments, including those held as restricted assets, with original maturities of three months or less when purchased. For purposes of the statement of cash flows, the County considers a fund's share of pooled cash and investments to be cash equivalents.

The County pools substantially all cash and investments, except for cash and investments which are maintained in accordance with legal restrictions. Each fund's equity share of the total pooled cash and investments is included under the caption "Pooled Cash and Investments". Interest earned is allocated to the various funds based on their average daily cash balances within the pooled account.

The County's investments are recorded at fair value unless the investment qualifies as an external investment pool under the guidance of GASB, which allows under certain criteria these investments to be recorded at amortized costs. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The method of measuring the fair value of investments uses the fair value hierarchy as defined by GASB. See Note C. The Local Government Surplus Funds Trust Fund (Florida Prime) is an investment pool reported at amortized cost which approximates fair value. The Florida Cooperative Liquid Assets Securities System (FLCLASS) and the Florida Local Government Investment Trust (Florida Trust) report all share information at Net Asset Value and reflects share value.

Receivables and Payables

The accounts receivable of the County are recorded in the government-wide and fund financial statements, and are net of an allowance for uncollectible accounts, which generally is equivalent to the receivables that are over 90 days.

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e. the non-current portion of interfund loans). Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances.

Advances between funds, as reported in the fund financial statements, are offset by a non-spendable fund balance account in applicable governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position may report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. For the County, there are three items that qualify for reporting in this category. One is a deferred charge on debt refunding. A deferred charge on debt refunding results from the difference in the carrying value of refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second item is related to pensions. The deferred outflows related to pensions result from County contributions to the County's retirement plan subsequent to the retirement plan's measurement date, and other timing differences. The third item is related to timing differences associated with benefits paid after the measurement period for post-employment benefits other than pensions.

In addition to liabilities, the statement of financial position may report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until then. There are four items that qualify for reporting in this category. The first two deferred inflows are related to pensions and other post-employment benefits and are the result of certain timing differences and changes in assumptions related to each plan. The third one, reported in the Business-Type Funds, results from grants and other funds available after the revenue recognition period. The County also has recorded amounts associated with long-term receivables, primarily leases, as deferred inflows.

The County also has a deferred inflow in the Balance Sheet of the Governmental Funds. This deferred inflow, unavailable revenue, consists of funds received/receivable by the County that are available in a future period.

Unbilled Revenue

Unbilled revenue in the Water and Sewer Fund generally represents revenue earned during the last month of the fiscal year for which bills are sent the following month. Revenue is recognized as Charges for Services when the customer has used the services provided by the County which is also considered to be when it is earned.

Unearned Revenue

Unearned revenue in the Water and Sewer Fund generally represents prepaid connection fees from developers. Such revenues are considered imposed non-exchange transactions. Revenue is recognized when the County has an enforceable legal claim to such connection fees at which time it is reported as capital grants and contributions. The majority of unearned revenue in the governmental funds represents prepaid impact fees which are refundable.

Inventories and Prepaid Items

Inventories are determined by physical count and are valued at cost using the first-in, first-out method. The cost is recorded as an expenditure using the consumption method at the time the individual inventory items are used. Certain payments to vendors represent costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. In most cases, the prepaid items are recorded as an expenditure using the consumption method at the time the prepaid items are received.

Restricted Assets

The use of certain Enterprise Fund assets is restricted by bond resolution and agreements with various parties. Assets so designated are identified as restricted assets on the Statement of Net Position.

Capital Assets

Capital assets, which include property (land), buildings, infrastructure assets (e.g. roads, bridges, sidewalks and similar items), improvements, equipment, construction in progress and intangible assets (e.g. software) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements as well as the proprietary fund financial statements.

The County has established the following thresholds for additions to capital assets, and estimated useful lives for depreciation purposes:

	Threshold	Useful Life-Years
Land	$ -	-
Easement	150,000	-
Right-of-Way	150,000	-
Buildings	10,000	20-40
Infrastructure	150,000	5-50
Improvements Other Than Buildings	10,000	20
Improvements -Water/Sewer Lines	10,000	50
General Asset Accounts	100,000	Based upon group characteristics
Leasehold Improvements	150,000	Life of lease or life of improvement whichever is shorter
Equipment	5,000	5-15
Intangible Assets	150,000	Per contractual provisions

Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Interest incurred during the construction phase of capital assets in business-type activities is included as part of the capitalized value of the assets constructed. Normal maintenance and repairs to capital assets are not included in the reported value because they do not increase the capacity or extend the useful life of the capital asset.

Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets. Depreciation is charged as an expense against the operations of the governmental and business-type activities in the government-wide financial statements. Depreciation of assets in the proprietary funds is charged as an expense at the fund level.

Compensated Absences

The County maintains a policy that permits employees to accumulate earned but unused paid time off benefits that will be used as time off in future reporting periods or that may be paid to employees upon separation from County service based on years of service if certain criteria are met. The County's policy also permits employees to either bank a limited amount of paid time off benefits or receive a limited cash buyout on an annual basis, depending on budget availability.

These benefits plus their related taxes are classified as compensated absences. Both the current and long-term portion of compensated absences are accrued and reported in the government-wide and proprietary fund financial statements. A liability is also reported in the governmental funds only if it has matured, for example, as a result of employee resignations and retirements, and is considered due and payable at year-end. Compensated absences have typically been liquidated by the fund in which the employees' salaries are charged, the most significant of these being General Fund, Transportation Trust and Gas Taxes, Hernando County Fire Rescue-Fire, and the Water and Sewer District.

Other Long-Term Obligations

In the government-wide financial statements and proprietary fund financial statements, discounts, premiums, and bond insurance costs related to long-term debt, and gains/losses on bond refundings are deferred and amortized over the life of the bonds using the straight-line method of accounting. Discounts and premiums are combined with the debt and classified as a liability. Bond insurance is classified as an asset. Gains/losses are classified as deferred inflows/outflows of resources. Discounts, premiums, bond insurance costs, and other issuance costs related to debt in the governmental fund financial statements are recorded as expenditures or other financing sources/uses when paid and therefore are not accounted for in subsequent periods.

State and federal laws and regulations require the Waste Management Division to place a final cover on the landfill cells when they stop accepting waste and to perform certain maintenance and monitoring functions at the site for thirty years after closure. Although closure and post-closure care costs will be paid only near or after the date that the landfill stops accepting waste, the Division accrues an estimated portion of these closure and post-closure costs at the balance sheet date.

The County's risk management activities are recorded in Internal Service Funds (Risk Management, Worker's Compensation and Health Insurance). The Worker's Compensation Fund is a self-insurance program for worker's compensation claims on losses up to established maximums and is insured against losses in excess of those amounts. Both the County Health Insurance and Sheriff Health Insurance are self-insurance funds for medical health insurance claims up to established maximums and are insured against losses in excess of those amounts.

Based on actuarial estimates, “Claims Liabilities” have been established in the Worker’s Compensation, County Health Insurance and Sheriff Health Insurance Funds for claims reported but not paid and incurred but not reported.

Long-term obligations associated with pensions, compensated absences and post-employment liabilities have typically been liquidated by the fund in which the employees’ salaries are charged, the most significant of these being General Fund, Transportation Trust and Gas Taxes, Hernando County Fire Rescue – Fire, and the Water and Sewer District.

Leases

The County is a lessee for noncancellable leases of land, building and equipment. The County recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide and proprietary fund statements.

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain indirect costs. The lease asset is amortized on a straight-line basis over the term of the lease.

Key estimated and judgments related to leases include how the County determines (1) the discount rate used to discount the expected lease payments to present value, (2) lease term, and (3) lease payments.

The County uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the County generally uses its estimated incremental borrowing rate as the discount rate for leases.

The lease term included the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are comprised of fixed payments and any purchase option price that the County is reasonably certain to exercise. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option or not exercise a termination option. Extension options are only included in the lease term if the lease is reasonably certain to be extended.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Leased assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments, less any lease incentives receivable
- Amounts expected to be payable by the County under residual value guarantees
- The exercise price of a purchase option if it is reasonably certain the option will be executed
- Payments of penalties for terminating the lease, if the lease term reflects the County exercising the option

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. Extension and termination options are included in a number of property and equipment leases across the County. These are used to maximize operation flexibility in terms of managing the assets used in the County's operations. The majority of extension and termination options held are exercisable only by the County and not by the respective lessor.

The lease payments are discounted using the interest rate implicit in the lease. If the rate cannot be readily determined, which is generally the case for leases in the group, the lessee's incremental borrowing rate is used. The incremental borrowing rate is the rate that the individual lease would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-to-use asset in a similar economic environment with similar terms, security and conditions.

Variable payments that depend on an index or a rate (such as the Consumer Price Index or a market interest rate) are initially measured using the index or rate as of the commencement of the lease term.

The County is a lessor for noncancellable leases of land and buildings. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide, governmental fund and proprietary fund statements.

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

The County uses its estimated incremental borrowing rate as the discounted rate for leases.

The lease term included the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable are comprised of fixed payments from the lessee.

The County monitors changes in circumstances that would require a measurement of its lease and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Subscription-Based Information Technology Arrangements (SBITAs)

The County has non-cancellable subscription-based information technology arrangements. A subscription liability and an intangible right-to-use asset are recognized in the government-wide financial statements. At the commencement of a subscription, the County initially measures the subscription liability at the present value of payments expected to be made during the subscription term and the liability is reduced by the principal portion of subsequent subscription payments made. The subscription asset is initially measured as the initial amount of the subscription liability, adjusted for subscription payments made at or before the subscription commencement date, plus certain initial direct costs and is amortized on a straight-line basis over its useful life. The County monitors changes in circumstances that would require a remeasurement of it subscriptions and will remeasure the subscription asset and subscription liability if certain changes occur that are expected to significantly affect the amount of the subscription liability.

7. EFFECTS OF NEW ACCOUNTING PRONOUNCEMENTS

During the year ended September 30, 2024, the County implemented the following Governmental Accounting Standards Board (GASB) Statements:

- GASB Statement No. 100, *Accounting Changes and Error Corrections* establishes accounting and financial reporting requirements for (a) accounting changes and (b) the correction of an error in previously issued financial statements (error correction). Its implementation has no impact on the County's Financial statements.

NOTE B – STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

1. BUDGETARY COMPARISONS

Only funds with legally adopted budgets are included when the budget to actual expenditures or revenues are compared. The actual figures are presented on the same basis of accounting as the budgeted figures on these statements. Only actual expenditures are compared to budgeted expenditures since all encumbrances lapse at year-end. All funds have legally adopted annual budgets for the fiscal year ended September 30, 2024.

2. DEFICIT FUND BALANCES/NET POSITION

For the year ended September 30, 2024, the following fund had a deficit fund balance:

Restore Act Projects	$	19,094

The deficit is due to a timing difference between expenditures and reimbursement from a grantor.

NOTE C – CASH AND INVESTMENTS

In order to minimize its cost basis and limit taxpayer liability in the provision of a full range of county services, the County manages a portfolio of cash and investments to maximize net investment earnings on invested surplus funds. The Board of County Commissioners and Constitutional Officers each maintain an approved investment policy in compliance with guidelines and restrictions established by Florida Statutes. The primary objective of the investment policy is to assure that investment risk is limited upon order entry. The second criterion is the assurance of liquidity and the third consideration is yield.

The County is authorized to invest surplus public funds in the following:

- The Local Government Surplus Funds Trust Fund, Florida Prime;
- The Florida Local Government Investment Trust, Florida Trust;
- Direct obligations of the United States Treasury;
- Federal agencies and instrumentalities;
- Certain obligations issued or guaranteed by the United States Government Agencies;
- Certain Supranationals;
- Certain Mortgage Backed Securities;
- Certain Interest-bearing time deposits or savings accounts in qualified public depositories;
- Certain repurchase agreements;
- Certain Registered money market funds;
- Certain commercial paper which is rated as prime by at least two nationally recognized statistical rating organizations;
- Certain corporate bonds;
- Certain Domestic Bankers' Acceptances;
- Certain Municipal Debt General Obligation securities;
- Certain Corporate Notes which are rated A or better by at least two nationally recognized statistical rating organizations;
- Certain Asset Backed Securities;
- Other Intergovernmental Investment Pools.

The following is a summary of the carrying amount of cash, investments and cash held with fiscal agent as of September 30, 2024:

	Governmental Activities	Business Type Activities	Statement of Fiduciary Net Position	Total
Cash and Cash Equivalents	$ 26,044,623	$ 29,609	$ 8,729,943	$ 34,804,175
Pooled Cash and Investments	297,748,288	181,731,073	2,794,324	482,273,685
Cash with Fiscal Agent	5,149	5,559,242	-	5,564,391
Total	$ 323,798,060	$ 187,319,924	$ 11,524,267	$ 522,642,251

The County had the following deposits, investments and cash held with fiscal agent at September 30, 2024:

Deposits	$ 52,187,962
Cash with Fiscal Agent	5,564,391
Carrying Amount of Investments	464,889,898
Total	$ 522,642,251

DEPOSITS

Deposits represent petty cash and cash held with banks in demand deposit and/or savings accounts. To manage custodial credit risk for deposits, all demand and time deposits, including money market accounts, are insured and collateralized in accordance with Chapter 280, Florida Statutes, which established the Public Deposit Security Trust Fund, a multiple financial institution collateral pool. Florida Statutes Section 280.08 provides for assessments against the members of the pool on a pro rata basis in the event that the collateral pool is insufficient to cover the losses of a member financial institution that fails. As such, all deposits covered by this collateral pool are considered to be fully insured.

CASH WITH FISCAL AGENT

At fiscal yearend, the County had the following funds held by a fiscal agent for the County:

Non-major Governmental Funds	5,149
Water & Sewer District	5,559,242
Total	$ 5,564,391

These funds are held by the State in conjunction for utility relocation projects, and other road improvement projects.

INVESTMENTS

At September 30, 2024, the County's investments consisted of the following:

	Par Value	Fair Value	0-3 years	1-5 years
United States Treasuries	$ 195,275,000	$ 193,914,464	$ 94,269,850	$ 99,644,614
Federal Farm Credit Banks Funding Corportation	10,800,000	10,869,657	6,054,083	4,815,574
Federal Hermes, Inc.	5,754,705	5,754,705	2,551,466	3,203,239
Federal Home Loan Bank	8,725,000	8,780,784	3,485,899	5,294,885
Federal National Mortgage Associatation	560,000	539,990	-	539,990
Money Market Fund	1,425,614	1,425,614	1,425,614	-
Supranationals	13,000,000	13,172,904	6,691,809	6,481,095
Corportate Notes	23,090,000	23,579,007	11,821,081	11,757,926
Municipals	3,815,000	3,942,912	1,485,677	2,457,235
Local Government Surplus Funds Trust Fund (Florida Prime)	64,800,482	64,800,482	64,800,482	-
Florida Local Government Investment Trust (Florida Trust)	32,960,246	32,960,246	32,960,246	-
Florida Cooperative Liquid Assets Securities System (FLCLASS)	105,149,133	105,149,133	105,149,133	-
	$ 465,355,180	$ 464,889,898	$ 330,695,340	$ 134,194,558

The County participates in Securities Exchange Commission Registered Money Market Funds. Money Market Funds use amortized cost, which is reported at a stable NAV, typically $1.00 per share. The money market funds are rated AAAm for Credit Quality by Fitch.

The County also participates in the following investment pools:

The State of Florida Local Government Surplus Funds Trust Fund (Florida Prime) administered by the State Board of Administration (SBA). This investment pool was created by Section 218.415, Florida Statutes, and operates under investment guidelines established by Section 215.47, Florida Statues. The County's investments in this pool are reported at amortized cost which approximates fair value and are not subject to the fair value hierarchy.

The Florida Local Government Investment Trust (Florida Trust), which is administered by a Board of Trustees appointed by the Florida Association of Court Clerks and Comptrollers, and the Florida Association of Counties, Inc. The Florida Trust was created in 1992 to provide a means for public entities to pool surplus funds to maintain safety of principal and maximize available yield. The Florida Trust reports all share information at Net Asset Value and reflects share value.

The Florida Cooperative Liquid Assets Securities System (FLCLASS), an independent local government investment pool designed to provide a safe and competitive investment alternative for Florida governmental entities. The management of FLCLASS is under the direction of an appointed Board of Trustees comprised of eligible participants of the FLCLASS program. The FLCLASS reports all share information at Net Asset Value and reflects share value.

None of the pools have limitations or restrictions on participant withdrawals including items such as redemption notices, maximum transaction amounts, or authority to impose liquidity fees or redemption gates.

GASB Statement No. 72, *Fair Value Measurement and Application*, sets forth the framework for measuring fair value and establishes a Fair Value Hierarchy. The County's investments are recorded at fair value unless the investment qualifies as an external investment pool under the guidance in GASB Statement No. 79. The County's valuation measurement is reflected in the chart above. The Fair Value Hierarchy categorizes the inputs of valuation techniques used to measure fair value into three levels. The Fair Value Hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs. Following is a description of the three levels of valuation techniques and the specific technique the County uses.

- Level 1 inputs: quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access a the measurement date. US Treasuries are valued using quoted prices in active markets from the custodian bank's primary external pricing vendors. Money Market Funds are valued using quoted market prices.

- Level 2 inputs: certain inputs other than quoted prices that are observable for the asset or liability. US Agencies and Instrumentalities, Corporate Notes and Municipal Notes are valued using prices from the custodian bank's external pricing vendors, and often involves the use of evaluation models such as Matrix Pricing, which is based on the securities' relationship to benchmark quoted prices..

- Level 3 inputs: unobservable inputs for an asset or liability. The County didn't have any investments with a Fair Value Hierarchy of Level 3.

At September 30, 2024, the County's investments carried the following Credit Rating and Fair Value Hierarchy:

Type of Investment	Credit Rating			Fair Value Hierarchy
	S&P's	Moody's	Fitch	
United States Treasuries	AA+	Aaa	NA	1
Federal Farm Credit Banks Funding Corportation	AA+	Aaa	NA	2
Federated Hermes, Inc.	AAAm	Aaa	NA	2
Federal Home Loan Bank	AA+	Aaa	NA	2
Federal National Mortgage Associatation	AA+	Aaa	NA	2
Money Market Fund	NA	NA	AAAmmf	1
Supranationals	AAA	Aaa		2
Corportate Notes	A to AA+	A2 to Aaa	NA	2
Municipal Notes	AA- to AAA	Aa3 to Aa2	NA	2
Local Government Surplus Funds Trust Fund (Florida Prime)	AAAm	NA	NA	N/A
Florida Local Government Investment Trust (Florida Trust)	NA	NA	AAAf/S1	N/A
Florida Cooperative Liquid Assets Securities System (FLCLASS)	AAAm	NA	NA	N/A

Management of the following investment risks are addressed below:

- Custodial credit risk – risk that a government will not be able to recover deposits or the value of an investment that's in the possession of a failed institution or counterparty;
- Credit risk – risk of loss from an issuer's failure to repay principal and/or interest on a debt obligation;
- Liquidity risk – risk that an investment cannot be bought or sold quickly enough to minimize a loss stemming from a lack of marketability;
- Concentration of investment risk – increasing probability of loss arising from heavily lopsided exposure to an asset class, issuer, structure or maturity;
- Interest rate risk – risk that a security's value will decrease with a rise in interest rates.

To manage custodial credit risk for investments, the County's investment policy specifies the County will execute a Third-Party Custodial Safekeeping Agreement with a commercial bank's trust department separately chartered by the U.S. Government or State of Florida. In addition, no more than 25% of the entire portfolio may be placed with any one financial institution or securities dealer. All securities purchased by the County are properly designated as an asset of the County and are held in safekeeping by the bank's trust department.

To manage credit risk, the County's investment policy identifies and limits investments to only top ratings issued by nationally recognized statistical rating organizations. At order entry, the County's investments in Federal Farm Credit Bank, Federal Home Loan Bank, Federal National Mortgage Association, and Supranationals were rated Aaa by Moody's Investor Service. At order entry, the County's investments in corporate and municipal notes were rated A or better.

To manage liquidity risk, the County's investment policy identifies and limits investment to only top ratings issued by nationally recognized statistical rating organizations. In order to ensure deep liquid markets, the County's investment policy identifies and limits investment in corporate notes to domestic issuers. Position size is also taken into consideration with regard to liquidity risk.

To manage concentration of investment risk, the County's investment policy stipulates maximum limitation guidelines for diversification by instrument. A maximum of 50% of the portfolio may be invested in each of the Florida Trust and Local Government Surplus Funds Trust Fund (Florida Prime) individually. Investment maximum limitations range from 10% to 80% for each of the remaining types of investments. More than 5% of the County's total investments are invested in US Treasuries and Corporate Notes.

To manage interest rate risk, the County maintains a formal investment policy that limits investment maturities not to exceed seven (7) years. The County maintains and reports interest rate risk using the segmented time distribution method. This coupled with a diversified portfolio of differing maturities that employ callable, floating, and structured securities limits exposure to fair value losses arising from interest rate risk.

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NOTE D – RECEIVABLES

Accounts receivable at September 30, 2024, for the County's individual major funds and non-major funds in total, including applicable allowances for uncollectible accounts were as follows:

	Accounts Receivable Gross	Allowance for Uncollectible Accounts	Accounts Receivable Net
General Fund	$ 809,613	$ 739,955	$ 69,658
Transportation Trust and Gas Taxes	89,023	44,473	44,550
Hernando County Fire Rescue -Fire	91,157	58,671	32,486
Hernando County Fire Rescue -Rescue	23,084,744	11,326,187	11,758,557
Water and Sewer District	6,519,950	342,483	6,177,467
Aviation Operations	84,086	75,391	8,695
Waste Management	680,956	58,751	622,205
Building Department	188,612	187,498	1,114
Non-major government funds	14,110,465	13,906,855	203,610
Internal Service Funds	5,393	-	5,393
Total	$ 45,663,999	$ 26,740,264	$ 18,923,735

Included in accounts receivable in the Water and Sewer District are unbilled amounts totaling $2,696,363 earned in September 2024 but billed in October 2024.

The County's State Housing Initiatives Partnership (SHIP) program offers zero-interest rate loans for housing rehabilitation or down payment assistance to qualified recipients. Currently, the loans are required to be repaid at the sale/transfer of the property if made before 30 years. Loans are forgiven if the recipient remains in the house beyond 30 years. The County has recorded the gross amount of the receivable as an asset of $13.9 million, fully offset by an allowance for uncollectible receivables.

Due from Other Governments at September 30, 2024, for the County's individual major funds and non-major funds were as follows:

	Due from Grantors	Due from State	Other	Total
General Fund	$ 3,099,881	$ 1,198,873	$ 1,731,571	$ 6,030,325
Transportation Trust and Gas Taxes	157,384	1,392,996	-	1,550,380
Hernando County Fire Rescue -Fire	57,899	-	-	57,899
Hernando County Fire Rescue -Rescue	251,593	-	7,260	258,853
Water and Sewer District	1,560,191	-	34,531	1,594,722
Aviation Operations	1,059,300	-	-	1,059,300
Waste Management	290,433	-	-	290,433
Building Department	7,111	-	-	7,111
Non-major government funds	436,607	-	330,975	767,582
Internal Service Funds	13,781	145	-	13,926
Total	$ 6,934,180	$ 2,592,014	$ 2,104,337	$ 11,630,531

NOTE E – LEASE RECEIVABLES

The County leases land and buildings to third parties. As of September 30, 2024, The County's lease receivables were valued at $44,299,815 and the deferred inflow of resources associated with these leases that will be recognized as revenue over the term of the leases was $43,157,530. Included in revenue was lease revenue of $335309 and $423,612 for governmental and business-type activities, respectively. Interest revenue from leases of $143,294 and $945,816 was recorded for governmental and business-type activities, respectively.

The lease receivables for Governmental and Business-Type Activities at September 30, 2024 were as follows:

Governmental Activities	
Land leases - annual lease payments totaling $78,819 plus interest for 2024 at rates ranging from 3.42% to 4.00%, final maturities ranging from 2026 to 2060	$ 2,031,926
Building leases - annual lease payments totaling $34,827 plus interest for 2024 at rates ranging from 3.42% to 3.90%, final maturities ranging from 2025 to 2123	12,803,396
Total Governmental Activities Lease Receivables	$ 14,835,322
Business-Type Activities	
Land leases - annual lease payments totaling $432,191 plus interest for 2024 at rates ranging from 3.42% to 4.00%, due dates ranging from 2025 to 2090	$ 29,464,493
Total Business-Type Activities Lease Receivables	$ 29,464,493

NOTE F – RESTRICTED ASSETS

As of September 30, 2024, restricted assets were held for the following purposes:

	Cash with Fiscal Agent	Pooled Cash and Investments and Other Investments	Total
Non-major government funds	$ 5,149	$ -	$ 5,149
Total Governmental Activities	5,149	-	5,149
Water and Sewer District			
Construction	5,559,242	19,968,549	25,527,791
Renewal and Replacement	-	5,975,623	5,975,623
Total Water and Sewer District	5,559,242	25,944,172	31,503,414
Waste Management			
Construction	-	13,043,398	13,043,398
Landfill Closure/Post-closure	-	11,682,915	11,682,915
TotalWaste Management	-	24,726,313	24,726,313
Total Business-Type Activities	$ 5,559,242	$ 50,670,485	$ 56,229,727

NOTE G – CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2024, was as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital assets, not being depreciated/amortized:				
Land	$ 33,622,020	$ 3,362,926	$ -	$ 36,984,946
Construction in Progress	33,488,749	29,740,601	-	63,229,350
Total capital assets, not being depreciated/amortized:	67,110,769	33,103,527	-	100,214,296
Capital assets, being depreciated/amortized:				
Buildings	135,978,574	-	-	135,978,574
Infrastructure	334,751,141	13,674,094	-	348,425,235
Improvements other than buildings	34,740,582	354,750	-	35,095,332
Equipment	87,595,408	9,632,100	1,067,616	96,159,892
Software	1,329,960	-	-	1,329,960
Right-to-use land	3,789,035	-	-	3,789,035
Right-to-use building	1,328,585	786,617	-	2,115,202
Right-to-use equipment	394,419	-	394,419	-
SBITA	2,067,860	946,571	-	3,014,431
Total capital assets, being depreciated/amortized:	601,975,564	25,394,132	1,462,035	625,907,661
Less accumulated depreciation/amortization for:				
Buildings	70,688,244	3,571,880	-	74,260,124
Infrastructure	149,739,843	9,714,130	-	159,453,973
Improvements other than buildings	24,262,132	997,945	-	25,260,077
Equipment	53,091,830	5,526,821	1,067,616	57,551,035
Software	1,112,342	-	-	1,112,342
Right-to-use land	324,040	181,717	-	505,757
Right-to-use building	539,674	279,536	-	819,210
Right-to-use equipment	394,418	-	394,418	-
SBITA	342,587	562,933	-	905,520
Total accumulated depreciation/amortization for:	300,495,110	20,834,962	1,462,034	319,868,038
Total capital assets, being depreciated/amortized, net	301,480,454	4,559,170	1	306,039,623
Capital assets, net	$ 368,591,223	$ 37,662,697	$ 1	$ 406,253,919

	Beginning Balance	Increases	Decreases	Ending Balance
Business-Type Activities				
Capital assets, not being depreciated/amortized:				
Land	$ 10,429,374	$ 350,644	$ -	$ 10,780,018
Construction in Progress	48,375,318	9,862,937	-	58,238,255
Total capital assets, not being depreciated/amortized:	58,804,692	10,213,581	-	69,018,273
Capital assets, being depreciated:				
Buildings	22,426,247	-	-	22,426,247
Infrastructure	3,563,251	-	-	3,563,251
Improvements other than buildings	446,167,051	15,572,659	-	461,739,710
Equipment	9,864,488	1,212,218	71,831	11,004,875
Software	228,323	713,584	-	941,907
Right-to-use equipment	-	3,454,702	-	3,454,702
Total capital assets, being depreciated:	482,249,360	20,953,163	71,831	503,130,692
Less accumulated depreciation/amortization for:				
Buildings	8,772,243	640,740	-	9,412,983
Infrastructure	1,071,888	89,258	-	1,161,146
Improvements other than buildings	211,751,289	10,012,336	-	221,763,625
Equipment	6,753,502	581,182	71,831	7,262,853
Software	148,410	45,665	-	194,075
Right-to-use equipment	-	808,430	-	808,430
Total accumulated depreciation/amortization for:	228,497,332	12,177,611	71,831	240,603,112
Total capital assets, being depreciated, net	253,752,028	8,775,552	-	262,527,580
Capital assets, net	$ 312,556,720	$ 18,989,133	$ -	$ 331,545,853

Depreciation and amortization expense was charged to functions as follows:

Governmental Activities	
General Government	$ 6,722,152
Public Safety	1,110,815
Physical Environment	368,355
Transportion	10,429,807
Human Services	1,575,297
Culture and Recreation	530,715
Court Operations	97,821
Total Depreciation and Amortization for Governmental Activities	$ 20,834,962
Business-Type Activities	
Water and Sewer District	$ 8,975,735
Aviation Operations	1,388,692
Waste Management	1,813,184
Total Depreciation and Amortization for Business-Type Activities	$ 12,177,611

Construction or capital improvement commitments outstanding as measured by purchase orders and contracts outstanding at September 30, 2024 were as follows:

	Construction Commitments Outstanding
General Fund	$ 17,453,324
Transportation Trust and Gas Taxes	5,215,245
Hernando County Fire Rescue - Fire	32,292
Hernando County Fire Rescue - Rescue	30,728
Non-major governmental funds	
Stormwater Management	992,966
Court-Related Funds	361,329
Miscellaneous Special Revenue Funds	216
Impact Fees Capital Projects Fund	2,128,069
Restore Act Projects	74,998
Water and Sewer District	12,181,887
Aviation Operations	4,719,029
Waste Management	4,736,662
Internal service funds	
Central Fueling System	14,817
Fleet Replacement	9,405,819
Total	$ 57,347,381

NOTE H – INTERFUND TRANSACTIONS

1. DUE TO / DUE FROM OTHER FUNDS

Interfund balances at September 30, 2024 were as follows:

	Interfund Receivable	Interfund Payable
General Fund		
Non-major Governmental Funds	$ 61,011	$ -
	61,011	-
Non-major Governmental Funds		
General Fund	-	61,011
Water and Sewer District	-	72,644
	-	133,655
Water and Sewer District		
Non-major Governmental Funds	72,644	-
	72,644	-
Total	$ 133,655	$ 133,655

The outstanding balances between funds generally result from recording excess fees associated with Tax Collector and Property Appraiser services, as excess fees are allocated from the General Fund back to the funds that paid for the collection services. Excess fees are calculated after year end, and as such are interfund receivables and payables. Other outstanding balances are the result of time delays between transactions recorded in the accounting system and payments being made between funds.

2. ADVANCES TO / ADVANCES FROM OTHER FUNDS

Individual interfund advances were as follows:

	Advances to Other Funds	Advances from Other Funds
General Fund	$ 450,000	$ -
Special Revenue Funds		
Miscellaneous Special Revenue Funds	-	450,000
The General Fund advanced $450,000 at 0% interest, to establish a separate fund within Miscellaneous Special Revenue funds for the Hernando/Citrus Metropolitan Planning Organization. A date for final reimbursement has not been determined		
Total	$ 450,000	$ 450,000

3. INTERFUND TRANSFERS

Transfers are used to (1) move revenues from the fund in which statute or budget requires the money to be collected to the fund in which statute or budget requires the money to be spent, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due and (3) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

	Transfers In	Transfers Out
General Fund		
Transportation Trust and Gas Taxes	$ 1,251,510	$ 160,269
Hernando County Fire Rescue - Fire	69,759	383,054
Hernando County Fire Rescue - Rescue	47,729	168,939
Non-major Governmental Funds	113,184	4,548,349
Water and Sewer District	-	12,243
Internal Service Funds	-	1,301,919
	1,482,182	6,574,773
Transportation Trust and Gas Taxes		
General Fund	160,269	1,251,510
Non-Major Governmental Funds	232,425	63,411
Internal Service Funds	85,265	409,285
	477,959	1,724,206
Hernando County Fire Rescue - Fire		
General Fund	383,054	69,759
Non-Major Governmental Funds	-	269,706
Internal Service Funds	-	750,241
	383,054	1,089,706
Hernando County Fire Rescue - Rescue		
General Fund	168,939	47,729
Non-Major Governmental Funds	30,000	134,843
Internal Service Funds	-	419,162
	198,939	601,734

(continued)

Non-major Governmental Funds		
General Fund	4,548,349	113,184
Transportation Trust and Gax Taxes	63,411	232,425
Hernando County Fire Rescue - Fire	269,706	-
Hernando County Fire Rescue - Rescue	134,843	30,000
Non-major Governmental Funds	7,700,587	7,700,587
Internal Service Funds	63,410	346,068
	12,780,306	8,422,264
Water and Sewer District		
General Fund	12,243	-
Internal Service Funds	-	569,447
	12,243	569,447
Aviation Operations		
Internal Service Funds	-	30,234
	-	30,234
Waste Managmenet		
Internal Service Funds	-	140,129
	-	140,129
Building Department		
Internal Service Funds	-	180,634
	-	180,634
Internal Service Funds		
General Fund	1,301,919	-
Transportation Trust and Gas Taxes	409,285	85,265
Hernando County Fire Rescue - Fire	750,241	-
Hernando County Fire Rescue - Rescue	419,162	-
Non-major Governmental Funds	346,068	63,410
Water and Sewer District	569,447	-
Aviation Operations	30,234	-
Waste Managmenet	140,129	-
Building Department	180,634	-
Internal Service Funds	72,594	72,594
	4,219,713	221,269
Total	$ 19,554,396	$ 19,554,396

NOTE I – LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Governmental Activities					
Bonds Payable from direct borrowings/direct placements	$ 31,710,000	$ -	$ 425,000	$ 31,285,000	$ -
Net Bond Premium	934,289	-	47,181	887,108	45,017
Total Bonds Payable	32,644,289	-	472,181	32,172,108	45,017
Loans & Notes from direct borrowings/direct placements	23,983,337	4,765,000	4,267,925	24,480,412	4,325,345
Leases Payable	4,479,405	786,617	358,230	4,907,792	351,945
SBITA Payable	276,949	640,798	797,537	120,210	120,210
Compensated Absences	11,414,718	2,824,060	-	14,238,778	8,343,911
Other Post Employment Benefits	20,991,524	564,215	-	21,555,739	1,280,848
Net Pension Liability	164,340,287	3,931,764	-	168,272,051	-
Claims Liability	7,649,547	24,108,188	24,786,359	6,971,376	3,921,376
Total Governmental Activities	$ 265,780,056	$ 37,620,642	$ 30,682,232	$ 272,718,466	$ 18,388,652
Business-Type Activities					
Bonds Payable from direct borrowings/direct placements	$ 74,379,950	$ -	$ 4,400,000	$ 69,979,950	$ 4,554,950
Net Bond Premium	7,711,280	-	554,582	7,156,698	554,582
Total Bonds Payable	82,091,230	-	4,954,582	77,136,648	5,109,532
Loans & Notes from direct borrowings/direct placements	432,676	-	212,179	220,497	220,497
Leases Payable	-	2,641,797	-	2,641,797	1,134,932
Compensated Absences	1,330,217	-	48,275	1,281,942	159,209
Other Post Employment Benefits	2,848,937	75,215	-	2,924,152	169,177
Net Pension Liability	10,800,685	22,507	-	10,823,192	-
Landfill Closure/ Postclosure Liability	11,440,437	674,774	-	12,115,211	-
Total Business-Type Activities	$ 108,944,182	$ 3,414,293	$ 5,215,036	$ 107,143,439	$ 6,793,347

	Water & Sewer District	Aviation Operations	Waste Management	Building Department	Total
Business-Type Activities					
Bonds Payable from direct borrowings/direct placements	$ 51,449,950	$ -	$ 18,530,000	$ -	$ 69,979,950
Net Bond Premium	6,491,485	-	665,213	-	7,156,698
Total Bonds Payable	57,941,435	-	19,195,213	-	77,136,648
Loans & Notes from direct borrowings/direct placements	-	220,497	-	-	220,497
Leases Payable	-	-	2,641,797	-	2,641,797
Compensated Absences	809,701	68,287	180,432	223,522	1,281,942
Other Post Employment Benefits	1,893,090	96,828	460,120	474,114	2,924,152
Net Pension Liability	7,048,687	428,498	1,755,782	1,590,225	10,823,192
Landfill Closure/ Postclosure Liability	-	-	12,115,211		12,115,211
Total Business-Type Activities	$ 67,692,913	$ 814,110	$ 36,348,555	$ 2,287,861	$ 107,143,439

See Note J for a discussion of the Net Pension Liability. See Note K for a discussion of the liability for Other Post-Employment Benefits. See Note N for a discussion of the liability for Claims Liabilities. See Note O for a discussion of the liability for landfill closure/postclosure.

1. LOANS & NOTES FROM DIRECT BORROWINGS/DIRECT PLACEMENTS

Summary of Loans & Notes

	Governmental Activities	Business-Type Activities
Non-revolving Lines of Credit	$ 14,416,000	$ 220,497
Other Loans and Notes	10,064,412	-
Total	$ 24,480,412	$ 220,497

Governmental Activities

The following are summaries of Non-Revolving Lines of Credit at September 30, 2024:

Governmental Activities - Governmental Funds

Non-revolving line of credit dated August 4, 2014 with a bank for $10,000,000 to be used to finance improvement projects. The minimum draw for a project is $50,000 and the resulting note is to be amortized over 3, 5, 7, 10, 15 years, as determined at the time of the draw. Payment of principal and interest on these notes is secured by covenant to budget and appropriate legally available non-ad valorem revenues or special assessments levied and collected for the project. The master notes and the draws are secured by and payable solely from Non-Ad Valorem revenues budgeted and appropriated to pay debt service. In the event of default, the Noteholder may take action in any court to enforce and compel performance. The term to make draws from this line of credit has expired, and thus there is no unused amount available to the County. As of year-end the following notes had been executed under this agreement:	
Courthouse Energy Performance Study. Applicable rate of interest: 2.8% until January 1, 2018 then 3.40%. Average annual principal payment of $62,848 due until May 1, 2029. Interest is paid semi-annually May 1 and November 1.	$ 289,477
Hancock Lake Paving. Applicable rate of interest: 2.44% until January 1, 2018 then 2.96%. Average annual principal payments of $14,079 due until May 1, 2025. Interest is paid semi-annually May 1 and November 1.	13,744

Crum Paving. Applicable rate of interest: 2.44% until January 1, 2018 then 2.96%. Average annual principal payments of $8,529 due until May 1, 2025. Interest is paid semi-annually May 1 and November 1.	8,326	
Hernando County Fire Department Fire Engine. Applicable rate of interest: 2.52% until January 1, 2018 then 3.06%. Average annual principal payment of $147,080 due until May 1, 2025. Interest is paid semi-annually May 1 and November 1.	143,465	
Hernando County Fire Department Emergency Services Equipment. Applicable rate of interest: 2.52% until January 1, 2018 then 3.06%. Average annual principal payment of $42,265 due until May 1, 2025. Interest is paid semi-annually May 1 and November 1.	41,227	
		$ 496,239

Non-revolving line of credit dated October 22, 2015 with a bank for $15,000,000 to be used to finance improvement projects. The minimum draw for a project is $50,000 and the resulting note is to be amortized over 3, 5, 7, 10 or 15 years, as determined at the time of the draw. Payment of principal and interest on these notes is secured by covenant to budget and appropriate legally available non-ad valorem revenues or special assessments levied and collected for the project. The master notes and the draws are secured by and payable solely from Non-Ad Valorem revenues budgeted and appropriated to pay debt service. In the event of default, the Noteholder may take action in any court to enforce and compel performance. The term to make draws from this line of credit has expired, and thus there is no unused amount available to the County. As of year-end the following notes had been executed under this agreement:

Royal Highlands Area C Paving. Applicable rate of interest: 2.73% until January 1, 2018 then 3.32%. Average annual principal payments of $46,817 due until May 1, 2025. Interest is paid semi-annually May 1 and November 1.	$ 45,573	
Royal Highlands Area E Paving. Applicable rate of interest: 2.73% until January 1, 2018 then 3.32%. Average annual principal payments of $27,923 due until May 1, 2025. Interest is paid semi-annually May 1 and November 1.	27,181	
Royal Highlands Area F Paving. Applicable rate of interest: 2.73% until January 1, 2018 then 3.32%. Average annual principal payments of $11,372 due until May 1, 2025. Interest is paid semi-annually May 1 and November 1.	11,070	
Royal Highlands Area G Paving. Applicable rate of interest: 2.34% until January 1, 2018 then 2.84%. Average annual principal payments of $34,880 due until May 1, 2026. Interest is paid semi-annually May 1 and November 1.	75,539	

Royal Highlands Area B Paving. Applicable rate of interest: 2.34% until January 1, 2018 then 2.84%. Average annual principal payments of $15,372 due until May 1, 2026. Interest is paid semi-annually May 1 and November 1.	332,899
Golden Warbler Paving. Applicable rate of interest: 2.34% until January 1, 2018 then 2.84%. Average annual principal payments of $4,690 due until May 1, 2026. Interest is paid semi-annually May 1 and November 1.	10,157
Paramount Area Paving. Applicable rate of interest: 2.34% until January 1, 2018 then 2.84%. Average annual principal payments of $7,309 due until May 1, 2026. Interest is paid semi-annually May 1 and November 1.	15,828
Pine Warbler Paving. Applicable rate of interest: 2.81% until January 1, 2018 then 3.42%. Average annual principal payments of $14,095 due until May 1, 2027. Interest is paid semi-annually May 1 and November 1.	40,013
Mexican Canary Paving. Applicable rate of interest: 2.81% until January 1, 2018 then 3.42%. Average annual principal payments of $9,308 due until May 1, 2027. Interest is paid semi-annually May 1 and November 1.	26,422
Godwit Paving. Applicable rate of interest: 2.81% until January 1, 2018 then 3.42%. Average annual principal payments of $6,872 due until May 1, 2027. Interest is paid semi-annually May 1 and November 1.	19,564
Pelican Paving. Applicable rate of interest: 2.81% until January 1, 2018 then 3.42%. Average annual principal payments of $5,225 due until May 1, 2027. Interest is paid semi-annually May 1 and November 1.	14,833
Furley Paving. Applicable rate of interest: 2.81% until January 1, 2018 then 3.42%. Average annual principal payments of $6,243 due until May 1, 2027. Interest is paid semi-annually May 1 and November 1.	17,722
Royal Highlands Area I Paving. Applicable rate of interest: 3.92%. Average annual principal payments of $37,859 due until May 1, 2028 Interest is paid semi-annually May 1 and November 1.	168,048
Royal Highlands Driveway Aprons. Applicable rate of interest: 3.92%. Average annual principal payments of $8,391 due until May 1, 2028. Interest is paid semi-annually May 1 and November 1.	37,246

Maberly Paving. Applicable rate of interest: 3.92%. Average annual principal payments of $13,124 due until May 1, 2028. Interest is paid semi-annually May 1 and November 1.	58,257
Taylor St Millings. Applicable rate of interest: 3.86%. Average annual principal payments of $5,904 due until May 1, 2028. Interest is paid semi-annually May 1 and November 1.	26,000
Sweetgum Road Millings. Applicable rate of interest: 3.86%. Average annual principal payments of $9,233 due until May 1, 2028. Interest is paid semi-annually May 1 and November 1.	40,663
Painted Bunting Paving. Applicable rate of interest: 3.86%. Average annual principal payments of $10,101 due until May 1, 2028. Interest is paid semi-annually May 1 and November 1.	44,486
Carnes Area Paving. Applicable rate of interest: 3.86%. Average annual principal payments of $20,090 due until May 1, 2028. Interest is paid semi-annually May 1 and November 1.	88,481
Jackdaw Road Paving. Applicable rate of interest: 4.09%. Average annual principal payments of $4,928 due until May 1, 2029. Interest paid semi-annually May 1 and November 1.	24,481
Jaybird Road Paving. Applicable rate of interest: 4.09%. Average annual principal payments of $15,289 due until May 1, 2029. Interest paid semi-annually May 1 and November 1.	75,953
Kodiak Wren Road Paving. Applicable rate of interest: 4.09%. Average annual principal payments of $6,478 due until May 1, 2029. Interest paid semi-annually May 1 and November 1.	32,182
Old Squaw Avenue Paving. Applicable rate of interest: 4.09%. Average annual principal payments of $12,859 due until May 1, 2029. Interest paid semi-annually May 1 and November 1.	63,881
Quill Paving. Applicable rate of interest: 4.09%. Average annual principal payments of $3,396 due until May 1, 2029. Interest paid semi-annually May 1 and November 1.	16,871
Wood Owl Road Paving. Applicable rate of interest: 3.14%. Average annual principal payments of $14,010 due until May 1, 2029. Interest paid semi-annually May 1 and November 1.	75,165
Tinamou Area Paving. Applicable rate of interest: 3.14%. Average annual principal payments of $19,150 due until May 1, 2029. Interest paid semi-annually May 1 and November 1.	102,742

Alberta Street Paving. Applicable rate of interest: 3.14%. Average annual principal payments of $10,860 due until May 1, 2029. Interest paid semi-annually May 1 and November 1.	58,265	
White Road Paving. Applicable rate of interest: 3.03%. Average annual principal payments of $18,592 due until May 1, 2029. Interest paid semi-annually May 1 and November 1.	99,048	
		$ 1,648,570

Non-revolving line of credit dated March 11, 2020 with a bank for $15,000,000 to be used to finance improvement projects. The minimum draw for a project is $50,000 and the resulting note is to be amortized over 3, 5, 7, 10, or 15 years, as determined at the time of the draw. Payment of principal and interest on these notes is secured by a covenant to budget and appropriate legally available non-ad valorem revenues or special assessments levied and collected for the project. The master notes and the draws are secured by and payable solely from non-Ad Valorem revenues budgeted and appropriated to pay debt service. In the event of default, the Noteholder may take action in any court to enforce and compel performance. The term to make draws from this line of credit has expired, and thus there is no unused amount available to the County. As of year-end the following notes had been executed under this agreement:

Marsh Wren Avenue Paving. Applicable rate of interest: 2.327%. Average annual principal payments of $5,961 due until May 1, 2030. Interest is paid semi-annually May 1 and November 1.	$ 37,330	
Nordica Road Paving. Applicable rate of interest: 2.327%. Average annual principal payments of $4,968 due until May 1, 2030. Interest is paid semi-annually May 1 and November 1.	31,113	
Piping Plover Area Road Paving. Applicable rate of interest: 2.327%. Average annual principal payments of $17,752 due until May 1, 2030. Interest is paid semi-annually May 1 and November 1.	111,170	
Royal Highlands Area L Road Paving. Applicable rate of interest: 2.327% Average annual principal payments of $18,782 due until May 1, 2030. Interest is paid semi-annually May 1 and November 1.	117,624	
Dolquieb Lane Area Road Paving. Applicable rate of interest: 2.327%. Average annual principal payments of $19,424 due until May 1, 2030. Interest is paid semi-annually May 1 and November 1.	121,646	
Michigan Avenue Road Paving. Applicable rate of interest: 2.06%. Average annual principal payments of $16,017 due until May 1, 2031. Interest is paid semi-annually May 1 and November 1.	113,834	
Hurricane Drive Road Paving. Applicable rate of interest: 2.06%. Average annual principal payments of $14,737 due until May 1, 2031. Interest is paid semi-annually May 1 and November 1.	104,735	

Pleasant Area Road Paving. Applicable rate of interest: 3.63%. Average annual principal payments of $44,041 due until May 1, 2032. Interest is paid semi-annually May 1 and November 1.	358,546	
Mandrake/Canary Road Paving. Applicable rate of interest: 3.2847%. Average annual principal payments of $13,109 due until May 1, 2032. Interest is paid semi-annually May 1 and November 1.	106,555	
Station 5 - Fire. Applicable rate of interest: 2.06%. Average annual principal payments of $490,000 due until May 1, 2031. Interest is paid semi-annually May 1 and November 1.	3,482,459	
Station 6 - Fire. Applicable rate of interest: 2.06%. Average annual principal payments of $50,000 due until May 1, 2031. Interest is paid semi-annually May 1 and November 1.	355,353	
		$ 4,940,365

Non-Ad Valorem Refunding Revenue Note, Series 2012 dated November 13, 2012 with a bank for $24,430,000 is a direct borrowing to be used to refinance Capital Improvement and Refunding Bonds, Series 2002 and a portion of Capital Improvement and Refunding Bonds, Series 2004. Payment of principal and interest on this note is secured by and payable solely from Non-Ad Valorem revenues budgeted and appropriated to pay debt service. In the event of default, the Noteholder may take action in any court to enforce and compel performance.

Applicable rate of interest: 2.572%. Average annual principal payments of $1,987,624 due until February 1, 2028. Interest is paid semi-annually February 1 and August 1.	$ 5,887,000

Governmental Activities - Internal Service Funds Funds

Non-revolving line of credit dated October 22, 2015 with a bank for $15,000,000 to be used to finance improvement projects. The minimum draw for a project is $50,000 and the resulting note is to be amortized over 3, 5, 7, 10 or 15 years, as determined at the time of the draw. Payment of principal and interest on these notes is secured by covenant to budget and appropriate legally available non-ad valorem revenues or special assessments levied and collected for the project. The master notes and the draws are secured by and payable solely from Non-Ad Valorem revenues budgeted and appropriated to pay debt service. In the event of default, the Noteholder may take action in any court to enforce and compel performance. The term to make draws from this line of credit has expired, and thus there is no unused amount available to the County. As of year-end the following notes had been executed under this agreement:

Vehicle purchases. Applicable rate of interest: 2.16% until January 1, 2018 then 2.63%. Average annual principal payments of $200,000 due until May 1, 2027. Interest is paid semi-annually May 1 and November 1.	$ 196,089	
Vehicle purchases. Applicable rate of interest 3.723%. Average annual payments of $140,571 due until May 1, 2025. Interest is paid semi-annually May 1 and November 1.	156,180	
		$ 352,269

Non-revolving line of credit dated March 11, 2020 with a bank for $15,000,000 to be used to finance improvement projects. The minimum draw for a project is $50,000 and the resulting note is to be amortized over 3, 5, 7, 10, or 15 years, as determined at the time of the draw. Payment of principal and interest on these notes is secured by a covenant to budget and appropriate legally available non-ad valorem revenues or special assessments levied and collected for the project. The master notes and the draws are secured by and payable solely from non-Ad Valorem revenues budgeted and appropriated to pay debt service. In the event of default, the Noteholder may take action in any court to enforce and compel performance. The term to make draws from this line of credit has expired, and thus there is no unused amount available to the County. As of year-end the following notes had been executed under this agreement:		
Vehicle purchases. Applicable rate of interest: 2.104%. Average annual principal payments of $252,280 due until May 1, 2030. Interest is paid semi-annually May 1 and November 1.	$ 1,580,738	
Vehicle purchases. Applicable rate of interest: 1.73%. Average annual principal payments of $60,820 due until May 1, 2027. Interest is paid semi-annually May 1 and November 1.	188,254	
Vehicle purchases. Applicable rate of interest: 1.98%. Average annual principal payments of $99,024 due until May 1, 2030. Interest is paid semi-annually May 1 and November 1.	615,471	
Vehicle purchases. Applicable rate of interest: 3.2921%. Average annual principal payments of $47,729 due until May 1, 2029. Interest is paid semi-annually May 1 and November 1.	242,506	
		$ 2,626,969
Non-Ad Valorem Revenue Note, Series 2023 dated June 20, 2023 with a bank for $4,062,000 is a direct borrowing to be used to finance vehicle purchases. Payment of principal and interest on this note is secured by and payable solely from Non-Ad Valorem revenues budgeted and appropriated to pay debt service. In the event of default, the Noteholder may take action in any court to enforce and compel performance.		
Vehicle purchases. Applicable rate of interest: 3.9%. Average annual principal payments of $406,200 due until May 1, 2033. Interest is paid semi-annually May 1 and November 1.		3,764,000
Vehicle purchases. Applicable rate of interest: 4.0%. Average annual principal payments of $476,500 due until May 1, 2034. Interest is paid semi-annually May 1 and November 1.		4,765,000
Total Governmental Activities Loans and Notes		$ 24,480,412

Below is a summary of debt service requirements until maturity for the Governmental Activities Loans & Notes Payable:

Year ended September 30	Principal	Interest	Total
2025	$ 4,325,346	$ 765,474	$ 5,090,820
2026	3,996,175	617,974	4,614,149
2027	3,873,730	495,768	4,369,498
2028	3,794,964	376,628	4,171,592
2029	2,202,287	283,451	2,485,738
2030-2034	6,287,910	564,737	6,852,647
	$ 24,480,412	$ 3,104,032	$ 27,584,444

Business-Type Activities

The following is a summary of Loans & Notes at September 30, 2024:

Aviation Operations

Non-revolving line of credit dated October 22, 2015 with a bank for $15,000,000 to be used to finance improvement projects. The minimum draw for a project is $50,000 and the resulting note is to be amortized over 3, 5, 7, 10 or 15 years, as determined at the time of the draw. Payment of principal and interest on these notes is secured by covenant to budget and appropriate legally available non-ad valorem revenues or special assessments levied and collected for the project. The master notes and the draws are secured by and payable solely from Non-Ad Valorem revenues budgeted and appropriated to pay debt service. In the event of default, the Noteholder may take action in any court to enforce and compel performance. The term to make draws from this line of credit has expired, and thus there is no unused amount available to the County. As of year-end the following notes had been executed under this agreement:	
Construction of multiple T-Hangar buildings known as Southeast T-Hanger Construction Phase III. Applicable rate of interest: 3.92%. Average annual principal payments of $190,000 due until May 1, 2025. Interest is paid semi-annually May 1 and November 1.	$ 220,497

Below is a summary of debt service requirements until maturity for the Business-Type Activities Loans & Notes:

Year ended September 30	Principal	Interest	Total
2025	$ 220,497	$ 8,643	$ 229,140

2. LEASES PAYABLE

Governmental Activities

The County is a lessee for noncancellable leaes of land, building and equipment. At September 30, 2024, the County's Long-term Lease payable was composed of the following:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Land	$ 3,654,763	$ -	$ 79,553	$ 3,575,210	$ 88,866
Building	824,642	786,617	278,677	1,332,582	263,079
Equipment	-	-	-	-	-
Total Long-Term Leases	$ 4,479,405	$ 786,617	$ 358,230	$ 4,907,792	$ 351,945

The County has entered into land lease agreements. The lease agreements qualify as other than short-term leases under GASB 87 and , therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. The lease terms range from 2027 to 2054. There are no variable components of the lease. The leases liability is measured at discount rates ranging from 3.42% to 3.90% representing the County's incremental borrowing rate based on the time each lease was established. As a result of the leases, the County has recorded right-to-use assets with a total net book value of $3,283,278 at September 30, 2024.

The future minimum lease obligations and the net present value of the minimum lease payments as of September 30, 2024 were as follows:

Year ended September 30	Principal	Interest
2025	$ 88,866	$ 120,906
2026	98,343	117,719
2027	63,846	114,895
2028	71,196	112,907
2029	79,594	110,032
2030-2034	535,564	501,389
2035-2039	814,811	387,302
2040-2044	791,179	234,978
2045-2049	699,518	121,074
2050-2054	332,293	17,009
Total	$ 3,575,210	$ 1,838,211

The County has entered into building lease agreements. The lease agreements qualify as other than short-term leases under GASB 87 and , therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. The lease terms range from 2025 to 2031. Three are no variable components of the lease. The leases liability is measured at discount rates ranging from 3.42% to 3.90% representing the County's incremental borrowing rate based on the time each lease was established. As a result of the leases, the County has recorded right-to-use assets with a total net book value of $1,295,992 at September 30, 2024.

The future minimum lease obligations and the net present value of the minimum lease payments as of September 30, 2024 were as follows:

Year ended September 30	Principal	Interest
2025	$ 263,078	$ 45,798
2026	267,637	35,822
2027	238,472	26,389
2028	175,781	18,444
2029	179,486	11,665
2030-2031	208,128	4,930
Total	$ 1,332,582	$ 143,048

Business-Type Activities

The County is a lessee for noncancellable leaes of equipment. At September 30, 2024, the County's Long-term Lease payable was $2,641,797.

The County has entered into equipment lease agreements. The lease agreements qualify as other than short-term leases under GASB 87 and , therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception. The lease terms extend thru 2027. There are no variable components of the lease. The leases liability is measured at a discount rate of 4.00% representing the County's incremental borrowing rate based on the time these leases were established. As a result of the leases, the County has recorded right-to-use assets with a total net book value of $2,646,272 at September 30, 2024.

The future minimum lease obligations and the net present value of the minimum lease payments as of September 30, 2024 were as follows:

Year ended September 30	Principal	Interest
2025	$ 1,134,932	$ 85,010
2026	1,181,202	38,740
2027	325,663	2,323
Total	$ 2,641,797	$ 126,073

3. Subscription Based Information Technology Arrangements (SBITAs)

Governmental Activities

The County has various subscription-based information technology arrangements with various terms under long-term, non-cancelable agreements. The lease payments end in 2025. The SBITA liability is measured at a discount rate of 3.90% to 4.00% representing the County's incremental borrowing rate based on the time each SBITA was established.

The future minimum payments and the net present value of the minimum payments as of September 30, 2024 were as follows:

Year ended September 30	Principal	Interest
2025	120,211	4,789

4. BONDS PAYABLE

Governmental Activities

NON-AD VALOREM REVENUE BONDS, SERIES 2022

Non-Ad Valorem Revenue Bonds, Series 2022 dated October 12, 2022 in the aggregate amount of $50,700,000 were issued as a direct placement during the fiscal year ended September 30, 2023. Of the total bonds issued, the portion attributable to Governmental Funds is $31,285,000. The bonds were issued to fund the capital projects of the Hernando County Judicial Renovations, Hernando County Westside Tax Collector Building, and the Hernando County Fire Station #2 and to pay certain costs and expenses relating to the issuance of the Series 2022 Bonds.

The Series 2022 Bonds are payable solely from the County's covenant to budget and appropriate in its annual budget Non-Ad Valorem revenues sufficient to pay principal and interest when due. For the fiscal year 2024, pledged revenues in the amount of $56.2 million provided a coverage ratio of 10.74 times the annual debt service for the Non-Ad Valorem Refunding Revenue Note, Series 2012, and the Non-Ad Valorem Revenue Bonds, Series 2022.

Interest on the bonds is payable December 1 and June 1 of each year, commencing December 2022. The bonds carry interest rates varying from 4.0% to 5.0%, depending upon maturity date. Bonds maturing on or before June 1, 2032 are not subject to optional redemption prior to their respective stated dates of maturity. Bonds maturing on June 1, 2032 and thereafter are subject to redemption prior to their respective dates of maturity.

The following are the debt service requirements until maturity for the governmental activity bonds outstanding as of September 30, 2024:

	Non-Ad Valorem Refunding Revenue Bonds Series 2022 (Governmental Portion)	
Year	Principal	Interest
2025	$ -	$ 1,540,868
2026	-	1,540,869
2027	-	1,540,868
2028	-	1,540,869
2029	-	1,540,869
2030-2034	2,840,000	7,567,843
2035-2039	5,685,000	6,553,231
2040-2044	7,070,000	5,162,850
2045-2049	9,050,000	3,177,164
2050-2052	6,640,000	698,201
Total	$ 31,285,000	$ 30,863,632

Business-Type Activities

Water & Sewer District

HOLLAND SPRINGS BONDS

Revenue bonds (“Series E Bonds”) were issued to finance the construction of the Holland Springs water project, in the amount of $659,450. The direct placement bonds were scheduled to mature April 1, 2025 with interest thereon at the rate of 7% per year payable each April 1 and October 1 beginning October 1, 1985. During the fiscal year ended September 30, 1989, an amended agreement was executed whereby $619,500 of these revenue bonds were canceled in exchange for connection fee credits to the developer in a like amount. The remaining $39,950 of bonds remain outstanding and payable in accordance with the original bond provisions. The bonds are payable from Net Revenues only up to an amount per annum equal to twenty-five percent (25%) of that portion of the revenues in the immediately preceding fiscal year derived from the Holland Springs system in excess of $20,000, as certified by the Consulting Engineer.

In the event that insufficient revenues to pay principal of and interest on the Series E Bonds are so derived from the Holland Springs system at the maturity date of the Series E Bonds, the lien of the Series E Bonds on Net Revenues shall be extinguished, and the County shall be under no obligation to provide for the payment of the principal or interest on the Series E Bonds. As of year-end, insufficient revenues have been generated to require payment of principal or interest on these bonds. As such, these bonds have not been included in the following schedule of debt service requirements.

WATER AND SEWER REFUNDING REVENUE BONDS, SERIES 2021 BONDS

Taxable Water and Sewer Refunding Revenue Bonds, Series 2021A in the amount of $25,565,000, and Water and Sewer Refunding Revenue Bonds, Series 2021B in the amount of $37,135,000 (collectively the "Series 2021 Bonds") dated April 15, 2021, were issued as a direct placement during the fiscal year ended September 30, 2021.

The Series 2021 Bonds are payable solely from and secured by a lien upon and pledge of Net Revenues and Connection Fees of the System. For the fiscal year 2024, Pledged Funds in the amount of $31 million provided a coverage ratio of 5.29 times the annual debt service for the combined bonds.

Taxable Water and Sewer Refunding Revenue Bonds, Series 2021A

The Taxable Water and Sewer Refunding Revenue Bonds, Series 2021A were issued to provide funds together with other legally available monies of the County, sufficient to refund all outstanding Water and Sewer Refunding Revenue Bonds, Series 2013A, and to pay certain costs and expenses relating to the issuance of the Series 2021A Bonds.

Interest on the Series 2021 Bonds is payable June 1 and December 1 of each year, commencing December 2021. The bonds carry interest varying from .315% to 2.441% depending upon maturity date. The Series 2021 Bonds maturing before June 1, 2032 are not subject to optional redemption prior to their respective stated dates of maturity. Bonds maturing on or after June 1, 2032 are subject to redemption prior to their respective stated dates of maturity at the option of the County.

Water and Sewer Refunding Revenue Bonds, Series 2021B

Water and Sewer Refunding Revenue Bonds, Series 20121B were issued to provide funds, together with other legally available monies of the County, sufficient to prepay all the County's outstanding loans with the Florida Department of Environmental Protection under the State Revolving Fund program, and to pay certain costs and expenses relating to the issuance of the Series 2021B bonds.

Interest on the bonds is payable June 1 and December 1 of each year, commencing December 2021. The bonds carry interest rates varying from 3.0% to 5.0%, depending upon maturity date. Bonds maturing on or before June 1, 2023 are not subject to optional redemption prior to their respective stated dates of maturity. Bonds maturing after June 1, 2032 are subject to redemption prior to their respective dates of maturity at the option of the County.

The following are the debt service requirements until maturity for the Hernando County Water and Sewer District revenue bonds, excluding the Holland Springs Bonds, as noted previously:

	Taxable Water and Sewer Refunding Revenue Bonds Series 2021A		Water and Sewer Refunding Revenue Bonds Series 2021B		Water and Sewer Refunding Revenue Bonds Total	
Year	Principal	Interest	Principal	Interest	Principal	Interest
2025	$ 1,865,000	$ 378,611	$ 2,325,000	$ 1,365,400	$ 4,190,000	$ 1,744,011
2026	1,885,000	359,699	2,415,000	1,272,400	4,300,000	1,632,099
2027	1,910,000	336,816	2,540,000	1,151,650	4,450,000	1,488,466
2028	1,940,000	307,898	2,665,000	1,024,650	4,605,000	1,332,548
2029	1,970,000	274,647	2,795,000	891,400	4,765,000	1,166,047
2030-2034	10,485,000	737,473	13,300,000	2,370,100	23,785,000	3,107,573
2035-2037	-	-	5,315,000	283,800	5,315,000	283,800
Total	$ 20,055,000	$ 2,395,144	$ 31,355,000	$ 8,359,400	$ 51,410,000	$ 10,754,544

Waste Management

NON-AD VALOREM REVENUE BONDS, SERIES 2022

Non-Ad Valorem Revenue Bonds, Series 2022 dated October 12, 2022 in the aggregate amount of $47,515,000 were issued as a direct placement during the fiscal year ended September 30, 2023. Of the total bonds issued, the portion attributable to the Waste Management Enterprise Funds is $19,415,000. The bonds were issued to fund the capital project of the Hernando County Class I Cell 4 and to pay certain costs and expenses relating to the issuance of the Series 2022 Bonds.

The Series 2010 Bonds are payable solely from the County’s covenant to budget and appropriate in its annual budget Non-Ad Valorem revenues sufficient to pay principal and interest when due. For the fiscal year 2024, pledged revenues in the amount of $56.2 million provided a coverage ratio of 10.74 times the annual debt service for the Non-Ad Valorem Refunding Revenue Note, Series 2012, and the Non-Ad Valorem Revenue Bonds, Series 2022.

Interest on the bonds is payable December 1 and June 1 of each year, commencing December 2022. The bonds carry interest rates varying from 4.0% to 5.0%, depending upon maturity date. Bonds maturing on or before June 1, 2032 are not subject to optional redemption prior to their respective stated dates of maturity. Bonds maturing on June 1, 2032 and thereafter are subject to redemption prior to their respective dates of maturity.

The following are the debt service requirements until maturity for the Hernando County Non-Ad Valorem Revenue Bonds, Series 2022 attributable to the Waste Management Fund:

	Non-Ad Valorem Refunding Revenue Bonds Series 2022 (Waste Management Portion)	
Year	Principal	Interest
2025	$ 325,000	$ 915,131
2026	345,000	898,881
2027	360,000	881,631
2028	380,000	863,631
2029	395,000	844,631
2030-2034	2,300,000	3,905,405
2035-2039	2,885,000	3,325,819
2040-2044	3,585,000	2,619,977
2045-2049	4,590,000	1,613,476
2050-2052	3,365,000	354,688
Total	$ 18,530,000	$ 16,223,270

5. DEFEASED BONDS

In prior years, the County defeased certain revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on old bonds. Accordingly, the trust account assets and the liability for the defeased bonds were not included in the County's financial statements. As of September 30, 2024, there were no defeased bonds.

6. DEBT COMPLIANCE

Various bond indentures contain significant limitations and restrictions on the County regarding annual debt service requirements, the use of certain restricted accounts, minimum sinking fund balances, and minimum revenue bond coverage. Management believes that the County has complied with all material financial related covenants.

7. CONDUIT DEBT OBLIGATIONS

Periodically, Hernando County has issued Industrial Revenue Development Bonds to provide financial assistance to private-sector entities for the acquisition and construction of industrial and commercial facilities deemed to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Hernando County is not obligated in any manner for the repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of September 30, 2024 there was one series of outstanding Industrial Revenue Development Bonds, with an outstanding principal amount of $7,720,833.

NOTE J – RETIREMENT SYSTEM

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

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

For the year ended September 30, 2024, the County's contributions to all Plans totaled $25,902,328. For further information of contributions by plan for each of the Constitutional Officers, see the schedule below:

	Florida Retirement System (FRS)	Health Insurance Subsidy (HIS)	Investment Plan	Total
Board of County Commissioners	$ 9,849,996	$ 1,080,990	$ 986,214	$ 11,917,200
Clerk of Circuit Court	715,278	121,475	175,721	1,012,474
Property Appraiser	406,618	49,850	33,082	489,550
Tax Collector	466,334	53,419	54,122	573,875
Sheriff	9,892,460	858,563	973,631	11,724,654
Supervisor of Elections	146,827	13,978	23,770	184,575
	$ 21,477,513	$ 2,178,275	$ 2,246,540	$ 25,902,328

Payables to the Pension Plan—The County reported a payable of $2,353,177 for the outstanding amount of contributions to the Plan required for the fiscal year ended September 30, 2024.

Total pension expense was $23,327,400 for the fiscal year ended September 30, 2024.

1. FRS PENSION PLAN

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

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

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

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipts of monthly benefit payments while continuing employment with an FRS employer.

An employee may participate in DROP for a period not to exceed 96 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

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

Class, Initial Enrollment and Retirement age/Years of Service	Percent Value
Regular Class Members Initially Enrolled Before July 1, 2011:	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 years of service	1.68
Regular Class Members Initially Enrolled on or After July 1, 2011:	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 years of service	1.68
Elected County Officers	3.00
Circuit and County Court Judges	3.33
Senior Management Service Class	2.00
Special Risk Class	
Service from December 1, 1970 thru September 30, 1974	2.00
Service on and after October 1, 1974	3.00

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an

individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Contributions. The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2023-2024 fiscal year (September 30th) were as follows:

	Year Ended June 30, 2024 Percent of Gross Compensation		Year Ended June 30, 2025 Percent of Gross Compensation	
	Employee	Employer	Employee	Employer
FRS, Regular	3.00	11.51	3.00	11.57
FRS, Special Risk Regular	3.00	30.61	3.00	30.73
FRS, Elected County Officers	3.00	56.62	3.00	56.62
FRS, Circuit and County Court Judges	3.00	42.83	3.00	43.39
FRS, Senior Management Service	3.00	32.46	3.00	32.46
DROP, Applicable to Members from All of the Above Classes	0.00	19.13	0.00	19.13

Notes: (1) These rates include the normal cost and unfunded actuarial liability contributions but do not include the 2.00% contribution for the Retiree Health Insurance Subsidy and the fee of 0.06% for administration of the FRS Investment Plan and provision of educational tools for both plans.

The County contributions, including employee contributions, to the Plan totaled $21,477,513 for the fiscal year ended September 30, 2024. This excludes the HIS and Investment Plan contributions.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At September 30, 2024, the County reported a liability of $141,823,364 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The County's proportionate share of the net pension liability was based on the County's 2023-24 fiscal year contributions relative to the 2023-24 fiscal year contributions of all participating members. At June 30, 2024, the County's proportion was 0.366613552%, which was an increase of .023008706% from its proportion measured as of June 30, 2023.

For the year ended September 30, 2024, the County recognized pension expense of $26,861,154 related to the Plan. At September 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions Subsequent to the Measurement Date	$ 5,967,332	$ -
Difference between Expected and Actual Experience	14,327,968	-
Changes in Assumptions	19,438,189	-
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	9,426,319
Employer Specific Amounts Due to Changes in Employer Proportion	7,970,113	4,773,272
Total	$ 47,703,602	$ 14,199,591

The deferred outflows of resources related to pensions, totaling $5,967,332, resulting from County contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending	Amount
2025	$ (2,314,966)
2026	23,677,794
2027	3,026,208
2028	1,447,167
2029	1,700,476
Total	$ 27,536,679

For information regarding the Net Pension Liability, Deferred Outflows of Resources, and Deferred Inflows of Resources by Constitutional Officer, see the table below:

	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
Board of County Commissioners	$ 65,858,428	$ 20,102,588	$ 6,820,977
Clerk of Circuit Court	4,836,378	1,586,248	580,893
Property Appraiser	2,723,188	792,294	311,968
Tax Collector	3,094,551	956,136	306,951
Sheriff	64,320,750	23,925,898	6,041,350
Supervisor of Elections	990,069	340,438	137,452
	$ 141,823,364	$ 47,703,602	$ 14,199,591

Actuarial Assumptions. The total pension liability in the July 1, 2024 actuarial valuation was determined using the individual entry age cost method and the following actuarial assumptions:

Inflation	2.40%
Salary Increases	3.50% Average, Included Inflation
Discount Rate	6.70%
Long-term Expected Rate of Return, Net of Investment Expense	6.70%
Municipal Bond Index	N/A

Mortality rates were based on the PUB2010 Base Table, varying by member, category & sex, projected generationally with SCALE MP 2021.

The actuarial assumptions used in the June 30, 2024 valuation were based on the results of an actuarial experience study for the period July 1, 2018, through June 30, 2023.

The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class

assumption is based on a consistent set of underlying assumptions, and includes an adjustment or the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.3%	3.3%	1.1%
Fixed Income	29.0%	5.7%	5.6%	3.9%
Global Equity	45.0%	8.6%	7.0%	18.2%
Real Estate	12.0%	8.1%	6.8%	16.6%
Private Equity	11.0%	12.4%	8.8%	28.4%
Strategic Investments	2.0%	6.6%	6.2%	8.7%
Total	100.0%			
Assumed Inflation-Mean			2.4%	1.5%

Discount Rate. The discount rate used to measure the total pension liability in the July, 2024 valuation was 6.70%. The Plan's fiduciary net pension 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.

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

	1% Decrease 5.70%	Current Discount Rate 6.70%	1% Increase 7.70%
Employer's Proportionate Share of Net Pension Liability (Asset)	$ 249,462,331	$ 141,823,364	$ 51,652,898

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

2. HIS PENSION PLAN

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

Benefits Provided. For the fiscal year ended June 30, 2024, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of service credited at retirement multiplies by $5. The minimum HIS payment is $30 and the maximum payment is $150 per month, pursuant to Section 112.363, Florida

Statutes. To be eligible to receive a HIS Plan benefit, a retiree under the State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions. The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the Plan fiscal years ended June 30, 2024, the contribution rates were 2.0% of payroll, pursuant to Section 112.363, Florida Statutes. The County contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide a full subsidy benefit to all participants, benefits may be reduced or cancelled.

The County's contributions to the HIS Plan totaled $2,178,275 for the fiscal year ended September 30, 2024. This excludes the Pension Plan and Investment Plan contributions.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At September 30, 2024, the County reported a liability of $37,271,879 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The County's proportionate share of the net pension liability was based on the County's 2023-24 fiscal year contributions relative to the 2023-24 fiscal year contributions of all participating members. At June 30, 2024, the County's proportion was 0.248463016%, which was an increase of .007769659% from its proportion measured as of June 30, 2023.

For the year ended September 30, 2024, the County recognized pension expense of $1,867,432 related to the Plan. At September 30, 2024, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Contributions Subsequent to the Measurement Date	$ 600,389	$ -
Difference between Expected and Actual Experience	359,885	71,567
Changes in Assumptions	659,625	4,412,513
Net Difference between Projected and Actual Earnings on Pension Plan Investments	-	13,479
Employer Specific Amounts Due to Changes in Employer Proportion	1,842,673	611,277
Total	$ 3,462,572	$ 5,108,836

The deferred outflows of resources related to pensions, totaling $600,389, resulting from County contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending	Amount
2025	$ (257,880)
2026	(455,856)
2027	(768,502)
2028	(521,406)
2029	(196,663)
Thereafter	(46,346)
Total	$ (2,246,653)

For information regarding the Net Pension Liability, Deferred Outflows of Resources, and Deferred Inflows of Resources by Constitutional Officer, see the table below:

	Net Pension Liability	Deferred Outflows of Resources	Deferred Inflows of Resources
Board of County Commissioners	$ 18,642,802	$ 1,344,554	$ 2,774,576
Clerk of Circuit Court	2,101,496	219,478	255,481
Property Appraiser	859,516	48,440	148,964
Tax Collector	924,692	70,051	135,199
Sheriff	14,499,960	1,738,638	1,749,695
Supervisor of Elections	243,413	41,411	44,921
	$ 37,271,879	$ 3,462,572	$ 5,108,836

Actuarial Assumptions. The total pension liability in the July 1, 2024 actuarial valuation, was determined using the individual entry age cost method and the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary Increases	3.50% Average, Included Inflation
Discount Rate	3.93%
Long-term Expected Rate of Return, Net of Investment Expense	N/A
Municipal Bond Index	3.93%

Mortality rates were based on the Generational PUB 2010 with Projection Scale MP 2021.

The actuarial assumptions used in the June 30, 2024 valuation, were based on the results of an actuarial experience study for the period July 1, 2018, through June 30, 2023.

Discount Rate. The discount rate used to measure the total pension liability was 3.93%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the County's proportionate share of the net pension liability calculated using the discount rate of 3.93%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.93%) or 1-percentage-point higher (4.93%) than the current rate:

	1% Decrease 2.93%	Current Discount Rate 3.93%	1% Increase 4.93%
Employer's Proportionate Share of Net Pension Liability (Asset)	$ 42,429,245	$ 37,271,879	$ 32,990,433

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

3. FRS-DEFINED CONTRIBUTION PENSION PLAN

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

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. County employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to the individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officials, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Allocations to the Investment members' accounts during the 2023-24 fiscal year are as follows:

	Percent of Gross Compensation	
	Employee	Employer
FRS, Regular	3.00	8.30
FRS, Special Risk Regular	3.00	16.00
FRS, Elected County Officers	3.00	13.34
FRS, Senior Management Service	3.00	9.67

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Plan is transferred to the Investment Plan, the member must have the years of service required for Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll and by forfeit benefits of Investment Plan members. For the fiscal year September 30, 2024, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the County.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

Pension expense for the County’s Investment Plan totaled $2,246,540 for the fiscal year ended September 30, 2024.

NOTE K – POST EMPLOYMENT BENEFITS OTHER THAN PENSION

1. SUMMARY AND PLAN DESCRIPTION

In addition to the retirement plan described in Note J, the County provides post-retirement health care benefits in accordance with Section 112.0801, Florida Statutes, to all employees who retire from employment with the County. This is administered via a single-employer defined benefit healthcare plan (the "Plan"). In most cases, the retiree pays 100% of the premium cost for the retiree to participate in the County's insurance program. Because retirees are paying for insurance at the County group rate, the cost is lower than age adjusted rates they would acquire on their own. When a single premium is established for both active employees and retirees, the retiree 'benefits' from an abnormally low premium. Governmental Accounting Standards Board (GASB) Statement No. 45 describes such an arrangement as an 'implicit rate subsidy' and mandates that it be treated as Other Post-Employment Benefits (OPEB) even though the employer makes no payments directly on behalf of retirees. The Plan provides healthcare benefits including medical coverage, prescription drug benefits, vision care, dental care and life insurance coverage to both active and eligible retired employees. Dental and vision care benefits are immaterial and are not believed to result in an OPEB; therefore, they are not included in the OPEB calculation. The Plan does not issue a separate financial report.

Currently, there are no direct subsidies provided by any of the County agencies to retired employees. The Sheriff's Office has offered a subsidy to help pay the premium required to continue coverage under the County's plan, but effective November 1, 2010, that was discontinued.

Eligibility for participation in the Plan is limited to full time employees of the County, employees who are active participants in the Plan at the time of retirement, who retire and are either vested with the Florida Retirement System (FRS), are vested in the FRS and are age 62, have 30 years of creditable service before age 62, or meet alternative criteria if disabled or a member of a Special Risk Class. Surviving spouses or dependents of participating retirees may continue in the Plan if eligibility criteria specific to those classes are met. In an open session, the County approves the Plan rates for the enrollment period, and may amend the Plan with changes to the benefits, premiums and/or levels of participant contribution at any time.

The actuarial valuation of the OPEB liabilities was determined as of September 30, 2022 with a measurement date of September 30, 2023. These liabilities are used for the reporting period ending September 30, 2024.

Actuarial Valuation Date	9/30/2022
Measurement Date	9/30/2023
County's Reporting Date	9/30/2024

At September 30, 2022, the date of the latest actuarial valuation, plan participation consisted of:

Active Plan Participants	1435
Retirees and Beneficiaries Receiving Benefits	101
Total Membership	1536

2. FUNDING POLICY

Currently, the County's OPEB benefits are unfunded. The County has the authority to establish and amend a funding policy; however, no Trust contributions are legally or contractually required, and no assets are accumulated in a trust that meets the criteria of GASB Statement 75.

3. TOTAL OPEB LIABILITY

The components of the County's OPEB Liability at the Measurement Date of September 30, 2023 are as follows:

Total OPEB Liability	$ 24,479,891
OPEB Plan Fiduciary Net Position	-
County's Net OPEB Liability	$ 24,479,891
OPEB Plan Fiduciary Net Position as a Percentage of Total OPEB Liabililty	0.00%

4. CHANGES IN TOTAL OPEB LIABILITY

The changes in the OPEB Liability for the Reporting Period Ended September 30, 2024 are as follows:

Total OPEB Liability:	
Service Cost	$ 851,716
Interest on Total OPEB Liability	1,055,333
Charges of Benefit Terms	579,329
Difference between Expected and Actual Expense Liability	-
Changes in Assumptions and Other Inputs	(432,289)
Benefit Payments	(1,414,659)
Net Change in Total OPEB Liability	639,430
Total OPEB Liability-Beginning	23,840,461
Total OPEB Liability-Ending	$ 24,479,891
Covered Employee Payroll	$ 89,448,119
Total OPEB Liability as a Percentage of Covered Employee Payroll	27.37%

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

The following table presents the total OPEB liability, calculated using the discount rate of 4.63%, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is one percentage-point lower (3.63%) or one percentage-point higher (5.63%) than the current discount rate:

	1% Decrease 3.63%	Current Discount Rate 4.63%	1% Increase 5.63%
Total OPEB Liability	$ 26,490,331	$ 24,479,891	$ 22,658,951

Sensitivity of the Total OPEB Liability to Changes in Healthcare Cost Trend Rates

The following table presents the total OPEB liability of the County using the healthcare cost trend rate of 6.50% decreasing to 4.00%, as well as what the County's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage-point lower or one percentage-point higher than the current healthcare cost trend rate.

	1% Decrease (5.50% decreasing to 3.00%)	Current Healthcare Discount Rate Assumption (6.50% decreasing to 4.00%)	1% Increase (7.50% decreasing to 5.00%)
Total OPEB Liability	$ 21,808,055	$ 24,479,891	$ 27,706,805

5. OPEB EXPENSE AND DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES RELATED TO OPEB

Differences between expected and actual experience and changes in assumptions are recognized in OPEB expense using a systematic and rational method over a closed period equal to the average of the expected remaining service lives of all employees that are provided with OPEB through the OPEB plan (active employees and inactive employees) determined as of the beginning of the measurement period.

At the beginning of the measurement period, the average of the expected remaining service lives for purposes of recognizing the applicable combined deferred outflows and inflows of resources established in the measurement period is 13.4 years.

For the year ended September 30, 2024, the County recognized OPEB expense of $2,480,063.

OPEB Expense:	
Service Cost	$ 851,716
Interest on Total OPEB Liability	1,055,333
Current-Period Benefit Changes	579,329
OPEB Plan Administrative Expense	-
Outflow(Inflow) of Resources due to Liability	(6,315)
Total OPEB Expense	$ 2,480,063

At September 30, 2024, the County has Deferred Outflows of Resources and Deferred Inflows of Resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net Deferred Amounts
Differences between Expected and Actual Experience	$ 2,255,177	$ -	$ 2,255,177
Changes in Assumptions and Other Inputs	2,591,611	3,772,484	(1,180,873)
Benefits Paid after the Measurement Date	1,529,074	-	1,529,074
	$ 6,375,862	$ 3,772,484	$ 2,603,378

Deferred Inflows of Resources by Year are recognized in future OPEB expenses:

Fiscal Year Ending	Amount
2024	$ (6,315)
2025	(6,315)
2026	(6,315)
2027	(6,315)
2028	38,627
Thereafter	1,060,937
Total	$ 1,074,304

Estimated Deferred Outflow of Resources due to benefits paid after the measurement date is $1,529,074.

6. ACTUARIAL METHODS AND ASSUMPTIONS

The total OPEB liability at September 30, 2024 was based on actuarial valuation data, from the Measurement Date of September 30, 2023, using the following actuarial assumptions:

Actuarial cost method	Entry Age Normal
Inflation	2.50%
Discount Rate	4.63%
Salary Increases	3.4% - 7.8%
Retirement Age	FRS actuarial calculated
Mortality Rates	Tables of Regular and Special Risk Class members of 7/1/2022 Florida Retirement System actuarial valuation
Healthcare Cost Trend Rates	Getzen Model, trend starting at 6.50% (20.5% for premiums to reflect actual increase) for 2023, 6.25% for 2024 and gradually decreasing to an ultimate trend rate of 4.00%
Aging factors	2013 SOA Study "Health Care Costs-From Birth to Death
Expenses	Administrative expenses included in the per capital health costs

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NOTE L – ARBITRAGE REBATE LIABILITY

Hernando County calculates and records the estimated liability for arbitrage rebate on its outstanding bonds. The rebate calculations are done pursuant to Internal Revenue Code Section 148. The amount to be rebated is calculated as the excess of amounts earned on investments of bond proceeds over amounts that would have been earned if investments had been invested at a rate equal to the rate of yield on the bond issue, plus any income attributable to such excess. The regulations provide that the first rebate payment must be made not later than sixty (60) days after the end of the fifth bond year of the issue; the last installment payment must be made within sixty (60) days after the day on which the issue's last obligation is redeemed. As of September 30, 2024, there is no estimated rebate liability on any of the County's bond issues.

NOTE M – PROPERTY TAXES

Property tax collections, sales, and liens are governed by Chapter 197 of the Florida Statutes.

The Just/Market Value of all properties in the County is established by the Property Appraiser as of January 1 of each year for the subsequent fiscal year. Taxable Value is computed after deducting from Assessed Value various exemptions including governmental, educational, religious, institutional and qualified personal exemptions e.g.; homestead, widow or widower, blind, disabled, and various veteran's exemptions.

All property taxes are levied and become due and payable on November 1 of each year, and are delinquent on April 1 of the following year. Discounts are allowed for early payment of 4%, 3%, 2% and 1% in November through February, respectively. Delinquent taxes on real property may be paid after the date of delinquency but prior to the sale of a tax certificate by paying all taxes, costs, advertising charges, and interest of 18% per annum. For all real property with delinquent taxes, the Tax Collector advertises as required by Statute and sells tax certificates. All unsold certificates are issued to the County.

Any person owning real property upon which a tax certificate has been sold may redeem the property by paying the face amount of the tax certificate plus interest and costs associated with the sale of the certificate.

After taxes have been delinquent (April 1) for two years, the owner of a tax certificate may file an application for tax deed sale. The County is able to do the same for two years after taxes were due (November 1). All taxes imposed on any property become a first lien; superior to all other liens, as of January 1, of the year the taxes are levied.

NOTE N – RISK MANAGEMENT

The County's risk management activities are recorded in the Internal Service Funds (Risk Management, Workers' Compensation, County and Sheriff Health Insurance). The purpose of these funds is to administer workers' compensation, unemployment and disability insurance, property and liability insurance and health insurance. These funds account for the risk financing activities of the County but do not constitute a transfer of risk from the County.

Significant losses are covered by commercial insurance for all major programs, except workers' compensation. The County and the Sheriff are self-insured for health benefits. For insured programs, there have been no significant reductions in insurance coverage from the prior year. Settlement amounts have not exceeded insurance coverage for the current year or prior three years.

The Workers' Compensation fund is a self-insurance program for workers' compensation claims on losses up to $1,250,000 per occurrence and is indemnified against losses in excess of these amounts. The Workers' Compensation fund has indemnified each fund against any losses in a given year in excess of the fee charged. In the event actual losses are less than the fee charged, such amounts will be retained in the Workers' Compensation fund. Claim settlements and losses are accrued and subsequently paid from the Workers' Compensation fund. As of September 30, 2024, claims accrued, including an estimate for claims incurred but not reported, were $5,620,000. The County records an estimated liability for workers' compensation. Claims liabilities are based on estimates of the ultimate cost of reported claims and an estimate for claims incurred but not reported based on historical experience.

On October 1, 2011, the Sheriff's Office established a self-insurance program under Florida Statute 112.08 to reduce employee medical costs. The program is administered by an outside third party, and uses a combination of self-insurance and specific and aggregate stop-loss coverage to minimize risk exposure. It is accounted for in an Internal Service Fund. Fund revenues are primarily contributions from other funds, retirees, and employees, for amounts needed to pay insurance premiums, anticipated self-insured losses, and administrative expenses.

On October 1, 2014, the Board of County Commissioners established a County self-insurance program under Florida Statute 112.08 to reduce employee medical costs. The program facilitates self-insurance for the Board, Clerk of Court and Comptroller, Supervisor of Elections, Tax Collector and Property Appraiser. The program is administered by an outside third party, and uses a combination of self-insurance and aggregate stop-loss coverage to minimize risk exposure. It is accounted for in an Internal Service Fund. Fund revenues are primarily contributions from other funds, retirees, and employees for amounts needed to pay insurance premiums, anticipated self-insured losses, and administrative expenses.

CLAIMS LIABILITIES

Description	Workers' Compensation	County Health Insurance	Sheriff Health Insurance	Total Claims Liabilities
Liability balance September 30, 2022	$ 6,430,000	$ 839,456	$ 373,970	$ 7,643,426
Claims incurred	988,350	15,132,819	9,324,453	25,445,622
Reinsurance recoverable	-	(3,054,947)	-	(3,054,947)
Claims paid	(938,350)	(12,147,481)	(9,298,723)	(22,384,554)
Liability balance September 30, 2023	6,480,000	769,847	399,700	7,649,547
Claims incurred	(519,087)	14,074,594	10,552,681	24,108,188
Reinsurance recoverable	-	-	-	-
Claims paid	(340,913)	(14,057,867)	(10,387,579)	(24,786,359)
Liability balance September 30, 2024	$ 5,620,000	$ 786,574	$ 564,802	$ 6,971,376
Cash available to pay claims September 30, 2024 reported in governmental activities	$ 10,879,863	$ 7,058,845	$ 8,915,290	

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NOTE O – CLOSURE AND POSTCLOSURE CARE COSTS

The County's active landfills are at the Northwest facility, and include a Class 1 landfill (Cells 1, 2 & 3) and a Construction & Demolition (C&D) landfill. State and federal laws and regulations require the Waste Management Division (the Division) to place final covers on the active County landfills when they stop accepting waste and to perform certain maintenance and monitoring functions at the site. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the Division reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. As of September 30, 2024, the Division has accrued a total of $12,115,211 in liabilities related to estimated closure and postclosure care costs.

Cells 1 and 2 at the Class 1 landfill were partially closed in 2014 at a cost of $3,158,604. Remaining closure costs of $7,948,046 as shown in the table below, are primarily for Cell 3. Cell 3 is approximately 80% filled at September 30, 2024 and has a remaining design life of approximately 5 years. Postclosure maintenance and monitoring functions will be required for thirty years after closure. Remaining estimated postclosure costs for the Class 1 landfill (all Cells) are $6,279,447. The class 1 landfill (all Cells) is approximately 89% filled at September 30, 2024. The County will recognize the remaining costs that have not been accrued (closure costs of $1,604,400 and postclosure costs of $717,264) as the remaining estimated capacity is filled.

The C&D landfill is approximately 100% filled at September 30, 2024. Postclosure maintenance and monitoring functions will be required for five years after closure. Remaining estimated postclosure costs for the C&D landfill are $209,382.

All cost estimates are in current dollars. Actual costs may be higher or lower due to inflation, changes in technology or processes, or changes in regulations.

Following is a table showing the remaining costs and amount accrued for the combined Northwest facility:

Landfill	Estimated Remaining Closure Costs	Percent Accrued	Closure Accrued Liability at 9/30/24	Estimated Remaining Postclosure Costs	Percent Accrued	Postclosure Accrued Liability at 9/30/24	Total Accrued Liability at 9/30/24
NW Cells 1, 2, & 3	$ 7,948,046	79.81%	$ 6,343,646	$ 6,279,447	88.58%	$ 5,562,183	$ 11,905,829
NW C & D	-		-	209,382	100.00%	209,382	209,382
	$ 7,948,046		$ 6,343,646	$ 6,488,829		$ 5,771,565	$ 12,115,211

Amortization expense for 2024 was an increase of $667,298 for the Class 1 landfill and $7,276 for the C&D landfill.

The Division is required by state and federal laws and regulations to make contributions to a trust to finance closure and postclosure care. The Division believes it is in compliance with these requirements, and at September 30, 2024, cash and investments of $11,682,915 are held for these purposes. These are reported as restricted assets on the Statement of Net Position. The Division expects that future inflation costs will be paid from the interest earnings on these contributions.

NOTE P – DEFERRED OUTFLOWS OF RESOURCES AND DEFERRED INFLOWS OF RESOURCES

The deferred outflows of resources and deferred inflows of resources in the Statement of Net Position and Statement of Governmental Funds Balance Sheet are aggregated. Following are details of the aggregated amounts.

	Governmental Activities	Business-Type Activities
Statement of Net Position		
Deferred Outflows of Resources:		
Pensions	$ 48,639,405	$ 2,526,769
Other Post Employment Benefits	5,608,705	767,157
Deferred Charges on Debt Refunding	242,455	-
	$ 54,490,565	$ 3,293,926
Deferred Inflows of Resources:		
Pensions	17,967,158	1,341,269
Other Post Employment Benefits	3,313,263	459,221
Leases	14,708,691	28,448,839
Other items, applicable to a future period	2,456	-
	$ 35,991,568	$ 30,249,329
Statement of Governmental Funds Balance Sheet		
Deferred Inflows of Resources:		
Taxes, applicable to a future period	-	
Ambulance fees, applicable to a future period	9,055,503	
Lease payments, applicable to a future period	14,708,691	
Other items, applicable to a future period	339,423	
	$ 24,103,617	

NOTE Q – SEGMENT INFORMATION

The County has four enterprise funds and has elected to separately report each as a major fund in the Basic Financial Statements. For this reason, segment information is not provided in the notes.

NOTE R – CONTINGENCIES

1. GENERAL LITIGATION

As part of the ordinary course of operations, the County is exposed to various risks of losses related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Currently, the County is at varying stages in certain actions against it. Although the outcome of these actions is not presently determinable, in the opinion of the County Attorney, the resolution of these matters will not have a material adverse effect on the financial condition of the County.

2. GRANTS AND CONTRACTS

The County participates in various federal and state assisted grant programs that are subject to review and audit by the grantor agencies. Entitlement to these resources is generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal and state regulations, including the expenditure of resources for allowable purposes. Failure to comply may result in questions concerning the allowability of related direct and indirect charges pursuant to such agreements. Any disallowance resulting from a federal or state audit may become a liability of the County.

It is believed that the ultimate disallowance pertaining to these regulations, if any, will be immaterial to the overall financial condition of the County.

3. DISASTER ASSISTANCE

The County receives federal disaster assistance through the FEMA Public Assistance Program (Assistance Listing No. 97.036), which is based on approved Project Worksheets (PWs) outlining eligible expenses and the defined scope of recovery efforts. During fiscal year 2024, the County received over $1 million in reimbursements related to three prior disaster events.

In September 2024, the County sustained damages from Hurricane Helene, which impacted the State of Florida. In addition to this event, the County continues to administer active grants for recovery efforts from previous disasters, including Hurricane Hermine, Hurricane Irma, Hurricane Ian, Hurricane Idalia, and the COVID-19 pandemic. The County has executed Federally Funded Subaward and Grant Agreements related to these events and is coordinating with FEMA and the Florida Division of Emergency Management (FDEM) for reimbursement of eligible expenditures. These grants are in various stages of project formulation, validation, obligation, and close-out.

Additionally, the County received federal assistance under the Coronavirus Aid, Relief, and Economic Security (CARES) Act to support response and recovery efforts related to the COVID-19 pandemic. In fiscal years 2021 and 2022, the County received awards under the Coronavirus Local Fiscal Recovery Fund, established by the American Rescue Plan Act (ARPA), to continue pandemic-related response efforts and to implement other eligible initiatives as outlined in the Act. In accordance with federal guidelines, these ARPA funds must be obligated by December 21, 2024, and fully expended by December 31, 2026.

HERNANDO COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST EMPLOYMENT BENEFIT PLAN (OPEB)
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY
SEPTEMBER 30, 2024

	2018	2019
Total OPEB Liability:		
Service Cost	$ 1,181,694	$ 1,137,228
Interest on Total OPEB Liability	589,509	682,764
Changes of benefit terms	-	-
Difference between Expected and Actual Expense	-	3,055,234
Changes in Assumptions and Other Inputs	(725,447)	(5,912,172)
Benefit Payments	(552,150)	(468,206)
Net Change in Total OPEB Liability	$ 493,606	$ (1,505,152)
Total OPEB Liability-Beginning	18,110,814	18,604,420
Total OPEB Liability-Ending	$ 18,604,420	$ 17,099,268
Covered Employee Payroll	$ 79,723,027	$ 71,544,598
Total OPEB Liability as a Percentage of Covered Employee Payroll	23.34%	23.90%

Note: No Plan Assets are accumulated in a Trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

Changes in Assumptions: The discount rate was changed from 4.40% as of the beginning of the measurement period to 4.63% as of the September 30, 2023 measurement date. This changed reflected in Note J, Schedule of Changes in Total OPEB Liability. There were no benefit changes during the year reported.

Historical information is required only for measurement periods for which GASB Statement No. 75 is applicable. Additional information will be provided annually until ten years' data is presented.

2020	2021	2022	2023	2024
$ 887,762	$ 1,158,078	$ 932,064	$ 1,009,017	$ 851,716
674,524	559,255	499,456	471,389	1,055,333
-	-	-	-	579,329
-	119,256	-	794,215	-
1,686,520	(291,981)	344,953	1,591,261	(432,289)
(750,886)	(837,449)	(1,024,189)	(1,082,052)	(1,414,659)
$ 2,497,920	$ 707,159	$ 752,284	$ 2,783,830	$ 639,430
17,099,268	19,597,188	20,304,347	21,056,631	23,840,461
$ 19,597,188	$ 20,304,347	$ 21,056,631	$ 23,840,461	$ 24,479,891
$ 74,406,382	$ 76,535,704	$ 78,831,775	$ 86,842,834	$ 89,448,119
26.34%	26.53%	26.71%	27.45%	27.37%

HERNANDO COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST EMPLOYMENT BENEFIT PLAN (OPEB)
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY
SEPTEMBER 30, 2024

Valuation Date	September 30, 2022
Measurement Date	September 30, 2023

Methods and Assumptions Used to Determine Total OPEB Liability:

Actuarial Cost Method	Entry Age Normal
Inflation	2.50%
Discount Rate	4.63%
Salary Increases	Salary increase rates used in the July 1, 2022 actuarial valuation of the Florida Retirement System; 3.4%-7.8%, including inflation.
Retirement Age	Retirement rates used in the July 1, 2022 actuarial valuation of the Florida Retirement System. They are based on the results of a statewide experience study covering the period 2013 through 2018.
Mortality	Mortality tables used for Regular and Special Risk Class members in the July 1, 2022 actuarial valuation of the Florida Retirement System. They are based on the results of a statewide experience study covering the period 2013 through 2018 and include generational projections.
Healthcare Cost Trend Rates	For the Board of County Commissioners Plan, based on the Getzen Model, with trend starting at 6.50% (20.5% for premiums to relfect actual increase) for 2023, 6.25% for 2024 and gradually trending to an ultimate trend rate of 4.00% plus 0% increase for excise tax. For the Sheriff Plan, based on the Getzen Model, with trend starting at 6.50% for 2023, 6.25% for 2024 and gradually trending to an ultimate trend rate of 4.00%.
Aging Factors	Based on the 2013 SOA study “Health Care Costs-From Birth to Death”
Expenses	Administrative expenses are included in the per capita health costs.

HERNANDO COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
RETIREMENT SYSTEM-SCHEDULE OF COUNTY'S
PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
SEPTEMBER 30, 2024

Last Ten Fiscal Years

FLORIDA RETIREMENT SYSTEM PENSION PLAN

Year Ended June 30,	County's Proportion of the FRS Net Pension Plan	County's Proportion Share of the FRS Net Pension Plan Liability	County's Covered Payroll (FYE June 30)	County's Proportionate Share of the FRS Net Pension Liability as a Percentage of its Covered Payroll	FRS Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.336186138%	$ 43,422,948	$ 67,871,564	63.98%	92.00%
2016	0.374836315%	94,646,463	72,504,583	130.54%	84.88%
2017	0.366968106%	108,546,704	73,706,909	147.27%	83.89%
2018	0.367093765%	110,570,546	77,006,547	143.59%	84.26%
2019	0.373614200%	128,667,529	80,431,045	159.97%	82.61%
2020	0.372436302%	161,419,382	82,071,964	196.68%	78.85%
2021	0.345012032%	26,061,739	84,464,514	30.86%	96.40%
2022	0.344601354%	128,219,397	88,881,468	144.26%	82.89%
2023	0.343604846%	136,915,657	95,549,759	143.29%	82.38%
2024	0.366613552%	141,823,364	105,381,497	134.58%	83.70%

HEALTH INSURANCE SUBSIDY PENSION PLAN

Year Ended June 30,	County's Proportion of the HIS Net Pension Plan	County's Proportion Share of the HIS Net Pension Plan Liability	County's Covered Payroll (FYE June 30)	County's Proportionate Share of the HIS Net Pension Liability as a Percentage of its Covered Payroll	HIS Plan Fiduciary Net Position as a Percentage of the Total Pension Liability
2015	0.223082288%	$ 22,750,520	$ 67,871,564	33.52%	0.50%
2016	0.234274954%	27,303,775	72,504,583	37.66%	0.97%
2017	0.230722126%	24,669,874	73,706,909	33.47%	1.64%
2018	0.235431734%	24,918,358	77,006,547	32.36%	2.15%
2019	0.240008828%	26,854,586	80,431,045	33.39%	2.63%
2020	0.236121420%	28,830,041	82,071,964	35.13%	3.00%
2021	0.238770916%	29,288,844	84,464,514	34.68%	3.56%
2022	0.243559752%	25,796,867	88,881,468	29.02%	4.81%
2023	0.240693357%	38,225,315	95,549,759	40.01%	4.12%
2024	0.248463016%	37,271,879	105,381,497	35.37%	4.80%

Note: The amounts shown above for both tables as reported on the date indicated have a measurement date three months prior. Covered payroll is for the year shown.

HERNANDO COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
RETIREMENT SYSTEM-SCHEDULE OF COUNTY'S CONTRIBUTIONS
SEPTEMBER 30, 2024

Last Ten Fiscal Years

FLORIDA RETIREMENT SYSTEM PENSION PLAN

Year Ended September 30,	Contractually Required Contribution	FRS Contribution in Relation to the Contractually Required Contribution	FRS Contribution Deficiency (Excess)	County's Covered Payroll (FYE September 30)	FRS Contributions as a Percentage of Covered Payroll
2015	$ 8,393,369	$ (8,393,369)	$ -	$ 68,825,669	12.20%
2016	9,279,559	(9,279,559)	-	72,387,348	12.82%
2017	9,637,808	(9,637,808)	-	74,200,644	12.99%
2018	10,692,565	(10,692,565)	-	77,625,482	13.77%
2019	11,780,902	(11,780,902)	-	80,988,686	14.55%
2020	12,792,391	(12,792,391)	-	84,190,948	15.19%
2021	13,787,937	(13,787,937)	-	87,067,438	15.84%
2022	15,171,292	(15,171,292)	-	91,063,551	16.66%
2023	17,428,657	(17,428,657)	-	96,466,611	18.07%
2024	21,477,513	(21,477,513)	-	108,936,209	19.72%

HEALTH INSURANCE SUBSIDY PENSION PLAN

Year Ended September 30,	Contractually Required Contribution	HIS Contribution in Relation to the Contractually Required Contribution	HIS Contribution Deficiency (Excess)	County's Covered Payroll (FYE September 30)	HIS Contributions as a Percentage of Covered Payroll
2015	$ 933,326	$ (933,326)	$ -	$ 68,825,669	1.36%
2016	1,195,301	(1,195,301)	-	72,387,348	1.65%
2017	1,233,196	(1,233,196)	-	74,200,644	1.66%
2018	1,286,008	(1,286,008)	-	77,625,482	1.66%
2019	1,342,774	(1,342,774)	-	80,988,686	1.66%
2020	1,396,091	(1,396,091)	-	84,190,948	1.66%
2021	1,444,307	(1,444,307)	-	87,067,438	1.66%
2022	1,509,420	(1,509,420)	-	91,063,551	1.66%
2023	1,686,524	(1,686,524)	-	96,466,611	1.75%
2024	2,178,278	(2,178,278)	-	108,936,209	2.00%

HERNANDO COUNTY, FLORIDA
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2024

NOTE 1 - SCHEDULES OF NET PENSION LIABILITY AND SCHEDULES OF CONTRIBUTIONS

Changes in Benefit Terms from the year ended June 30, 2023 to June 30, 2024:

FRS - No significant changes.

HIS - No significant changes.

Changes in Assumptions from the year ended June 30, 2023 to June 30, 2024:

FRS - No significant changes.

HIS - Both the discount rate and Municipal Bond Index rate changed from 3.65% to 3.93%

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Combining and Individual Fund Statements and Schedules

Nonmajor Governmental Funds

Special Revenue Funds

Stormwater Management

To account for the proceeds of ad valorem taxes and other revenues for funding Stormwater Management.

State Housing Initiative Partnership

To account for the grant proceeds and associated expenditures of a low-income housing assistance program.

Court-Related Funds

To account for the proceeds of revenues received for the purpose of funding court-related technology, court improvements, court innovations, juvenile alternative programs, law library, legal aid, youth court and treatment of alcohol and other drug abuse.

Municipal Service Benefit Units Special Revenue Fund

To account for the proceeds of assessments levied for the purpose of funding road improvements, street lighting, fire hydrant maintenance, and other services within the various Municipal Service Benefit Units of the County.

Miscellaneous Special Revenue Funds

To account for the revenues from specific taxes or other earmarked revenue sources which by law are designated to finance particular functions or activities of government and which, therefore, cannot be diverted to other uses. Included in this fund are the following: Hernando/Citrus Metropolitan Planning Organization, Florida Boating Improvement Program, Health Department, State and Local Mosquito Control, Law Enforcement Trust Fund, Crime Prevention, Hernando County Sheriff Revenue Fund, Federal Forfeiture-Justice Fund, Federal Forfeiture-Treasury Fund, Tourist Development Tax, Affordable Housing, Kass Circle Neighborhood Community Redevelopment Agency, Landscape Enhancement, Dori Slosberg Driver Education Safety, Library Estate Fund and Local Provider Participation Fund.

Clerk of Court & Comptroller Special Revenue Funds

To account for the funds received in the Clerk of Circuit Court's Records Modernization Fund and Fines and Forfeitures Fund.

Property Appraiser Special Revenue Funds

To account for the funds received in the Property Appraiser's Graphic Information Systems Fund, Addressing Fund, Addressing Fees Fund, GIS Business Units Fund and the County Fees and Commissions Fund.

Sheriff Special Revenue Funds

To account for the funds received in the Federal Forfeitures, E911 Fund, Inmate Welfare, Inmate Revenue, 800MHz Fund, Sheriff's Law Enforcement Education Fund, Child Saver Program Fund, Grants and Contributions Fund.

Debt Service Funds

Non-Ad Valorem Refunding Revenue Bonds 2010

To account for the debt service requirements of the Non-Ad Valorem Refunding Revenue Bonds, Series 2010.

Non-Ad Valorem Refunding Revenue Note 2012

To account for the debt service requirements of the Non-Ad Valorem Refunding Revenue Note, Series 2012.

Non-Ad Valorem Revenue Bonds 2022

To account for the debt service requirements of the Non-Ad Valorem Revenue Bonds, Series 2022.

Capital Project Funds

Impact Fees

To account for the proceeds of impact fees levied by the County, and associated expenditures for roads, parks, public buildings, library, law enforcement and emergency services.

Restore Act

To account for the capital outlay expenditures under the Restore Act. The Restore Act, passed by Congress in 2012, allocates penalties and fines resulting from the Deepwater Horizon oil spill to Gulf Coast States and local governments.

HERNANDO COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

	Special Revenue Funds		
	Stormwater Management	**State Housing Initiative Partnership**	**Court-Related Funds**
ASSETS			
Cash and Cash Equivalents	$ -	$ -	$ -
Pooled Cash and Investments	5,436,906	8,642,184	7,159,009
Cash with Fiscal Agent	5,149	-	-
Accounts Receivable (net)	-	-	-
Due from Other Governments	-	-	87,654
Prepaid Items	-	-	-
Total Assets	**5,442,055**	**8,642,184**	**7,246,663**
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilites			
Accounts Payable	16,936	277,226	129,621
Retainage Payable	139,379	-	605,497
Accrued Liabilites	9,053	-	22,237
Due to Other funds	-	-	-
Due to Other Governments	-	-	-
Unearned Revenue	-	884,000	-
Deposits	-	-	-
Advances from Other Funds	-	-	-
Total Liabilities	165,368	1,161,226	757,355
Deferred Inflows of Resources			
Unavailable Revenues	-	-	-
Total Deferred Inflows of Resources	-	-	-
Fund Balances			
Nonspendable:			
Inventories	-	-	-
Prepaid Items	-	-	-
Restricted For:			
Grant Funded Programs	-	7,480,958	-
Court Programs	-	-	6,489,308
Special Assessment Projects	-	-	-
Environment Conservation	5,276,687	-	-
Bond covenants or debt service	-	-	-
Public Safety	-	-	-
Capital Projects	-	-	-
Other Purposes	-	-	-
Committed to:			
Other Purposes	-	-	-
Assigned to:			
Public Safety	-	-	-
Other Purposes	-	-	-
Unassigned	-	-	-
Total Fund Balances	5,276,687	7,480,958	6,489,308
Total Liabilities, Deferred Inflows of Resources and Fund Balances	**$ 5,442,055**	**$ 8,642,184**	**$ 7,246,663**

See accompanying independent auditors' report.

Special Revenue Funds					
Municipal Service Benefit Units	**Miscellaneous Special Revenue Fund**	**Clerk of Court and Comptroller**	**Property Appraiser Special Revenue Funds**	**Sheriff Special Revenue Funds**	**Total Special Revenue Funds**
$ 250	$ -	$ -	$ 1,372,714	$ 5,363,656	$ 6,736,620
7,209,942	20,733,301	5,328,023	-	-	54,509,365
-	-	-	-	-	5,149
12,758	155,611	-	-	35,241	203,610
-	238,397	29,607	-	301,368	657,026
-	26	-	-	-	26
7,222,950	**21,127,335**	**5,357,630**	**1,372,714**	**5,700,265**	**62,111,796**
1,562,175	370,944	5,633	4,332	122,755	2,489,622
-	-	-	-	-	744,876
-	47,982	55,275	-	153,231	287,778
72,644	-	-	-	-	72,644
-	803,266	1,126,419	15	-	1,929,700
-	7,031	-	-	-	891,031
-	-	219,612	-	-	219,612
-	450,000	-	-	-	450,000
1,634,819	1,679,223	1,406,939	4,347	275,986	7,085,263
-	159	-	-	-	159
-	159	-	-	-	159
-	-	-	-	-	-
-	26	-	-	-	26
-	328,675	-	-	-	7,809,633
-	-	-	-	-	6,489,308
4,460,602	-	-	-	-	4,460,602
-	-	-	-	-	5,276,687
873,355	-	-	-	-	873,355
-	-	-	-	5,424,279	5,424,279
254,174	-	-	-	-	254,174
-	10,469,583	3,950,691	-	-	14,420,274
-	705,970	-	1,368,367	-	2,074,337
-	7,346,977	-	-	-	7,346,977
-	596,722	-	-	-	596,722
-	-	-	-	-	-
5,588,131	19,447,953	3,950,691	1,368,367	5,424,279	55,026,374
$ 7,222,950	**$ 21,127,335**	**$ 5,357,630**	**$ 1,372,714**	**$ 5,700,265**	**$ 62,111,796**

HERNANDO COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

	Debt Service Funds		
	Non-Ad Valorem Refunding Revenue Bonds 2010	Non-Ad Valorem Refunding Revenue Note 2012	Non-Ad Valorem Revenue Bonds 2022
ASSETS			
Cash and Cash Equivalents	$ -	$ -	$ -
Pooled Cash and Investments	16,753	53,700	4
Cash with Fiscal Agent	-	-	-
Accounts Receivable (net)	-	-	-
Due from Other Governments	-	-	-
Prepaid Items	-	-	-
Total Assets	**16,753**	**53,700**	**4**
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilites			
Accounts Payable	-	-	-
Retainage Payable	-	-	-
Accrued Liabilites	-	-	-
Due to Other funds	-	-	-
Due to Other Governments	-	-	-
Unearned Revenue	-	-	-
Deposits	-	-	-
Advances from Other Funds	-	-	-
Total Liabilities	-	-	-
Deferred Inflows of Resources			
Unavailable Revenues	-	-	-
Total Deferred Inflows of Resources	-	-	-
Fund Balances			
Nonspendable:			
Inventories	-	-	-
Prepaid Items	-	-	-
Restricted For:			
Grant Funded Programs	-	-	-
Court Programs	-	-	-
Special Assessment Projects	-	-	-
Environment Conservation	-	-	-
Bond covenants or debt service	16,753	53,700	4
Public Safety	-	-	-
Capital Projects	-	-	-
Other Purposes	-	-	-
Committed to:			
Other Purposes	-	-	-
Assigned to:			
Public Safety	-	-	-
Other Purposes	-	-	-
	-	-	-
Total Fund Balances	16,753	53,700	4
Total Liabilities, Deferred Inflows of Resources and Fund Balances	**$ 16,753**	**$ 53,700**	**$ 4**

See accompanying independent auditors' report.

	Capital Projects Funds			
Total Debt Service Funds	**Impact Fees**	**Restore Act Projects**	**Total Capital Projects Funds**	**Total Nonmajor Governmental Funds**
$ -	$ -	$ -	$ -	$ 6,736,620
70,457	24,917,003	-	24,917,003	79,496,825
-	-	-	-	5,149
-	-	-	-	203,610
-	-	110,556	110,556	767,582
-	-	-	-	26
70,457	**24,917,003**	**110,556**	**25,027,559**	**87,209,812**
-	707,252	49,545	756,797	3,246,419
-	124,434	19,094	143,528	888,404
-	-	-	-	287,778
-	-	61,011	61,011	133,655
-	-	-	-	1,929,700
-	1,335,894	-	1,335,894	2,226,925
-	-	-	-	219,612
-	-	-	-	450,000
-	2,167,580	129,650	2,297,230	9,382,493
-	-	-	-	159
-	-	-	-	159
-	-	-	-	-
-	-	-	-	26
-				
-	-	-	-	7,809,633
-	-	-	-	6,489,308
-	-	-	-	4,460,602
-	-	-	-	5,276,687
70,457	-	-	-	943,812
-	-	-	-	5,424,279
-	22,749,423	-	22,749,423	23,003,597
-	-	-	-	14,420,274
-	-	-	-	2,074,337
-	-	-	-	7,346,977
-	-	-	-	596,722
-	-	(19,094)	(19,094)	(19,094)
70,457	22,749,423	(19,094)	22,730,329	77,827,160
$ 70,457	**$ 24,917,003**	**$ 110,556**	**$ 25,027,559**	**$ 87,209,812**

HERNANDO COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

	Special Revenue Funds		
	Stormwater Management	State Housing Initiative Partnership	Court-Related Funds
Revenues			
Taxes	$ 1,633,880	$ -	$ -
Intergovernmental	-	2,691,181	283,110
Charges for Services	67,859	-	1,127,153
Fines and Forfeitures	-	-	-
Special Assessments	-	-	-
Impact Fees	-	-	-
Investment Income (Loss)	327,023	500,465	1,025,567
Miscellaneous	6,774	283,553	1
Total Revenues	2,035,536	3,475,199	2,435,831
Expenditures			
Current			
General Government	-	-	-
Public Safety	-	-	-
Physical Environment	539,233	-	-
Transportation	-	-	-
Economic Environment	-	1,371,877	-
Human Services	-	-	-
Culture and Recreation	-	-	-
Court Operations	-	-	1,749,631
Debt Service			
Principal	-	-	-
Interest and Fiscal Charges	-	-	-
Capital Outlay	391,124	-	2,405,096
Total Expenditures	930,357	1,371,877	4,154,727
Excess of Revenues Over (Under) Expenditures	**1,105,179**	**2,103,322**	**(1,718,896)**
Other Financing Sources (Uses)			
Transfers In	21,148	-	524,087
Transfers Out	(7,752)	-	(31,012)
Issuance of Long-Term Debt	-	-	-
Total Other Financing Sources (Uses)	13,396	-	493,075
Net Change in Fund Balance	**1,118,575**	**2,103,322**	**(1,225,821)**
Fund Balances at Beginning of Year	4,158,112	5,377,636	7,715,129
Fund Balances at End of Year	**$ 5,276,687**	**$ 7,480,958**	**$ 6,489,308**

See accompanying independent auditors' report.

Special Revenue Funds					
Municipal Service Benefit Units	Miscellaneous Special Revenue Fund	Clerk of Court and Comptroller	Property Appraiser Special Revenue Funds	Sheriff Special Revenue Funds	Total Special Revenue Funds
$ -	$ 3,979,560	$ -	$ -	$ -	$ 5,613,440
-	917,731	308,357	1,480,565	509,022	6,189,966
-	6,617	4,108,309	88,046	6,665,241	12,063,225
-	219,061	1,225,382	-	205,222	1,649,665
10,332,132	-	-	-	-	10,332,132
-	-	-	-	-	-
416,542	1,211,667	300,260	781	70,336	3,852,641
126,283	1,515,557	184,384	-	252,818	2,369,370
10,874,957	7,850,193	6,126,692	1,569,392	7,702,639	42,070,439
-	589,827	25,217	1,460,656	-	2,075,700
2,712	232,343	-	-	5,545,850	5,780,905
8,336,065	6,129	-	-	-	8,881,427
1,252,858	175,077	-	-	-	1,427,935
-	1,329,573	-	-	-	2,701,450
-	1,938,263	-	-	-	1,938,263
-	96,044	-	-	-	96,044
-	-	5,320,868	-	-	7,070,499
761,212	-	-	-	-	761,212
111,715	-	-	-	-	111,715
-	96,148	-	290,172	762,825	3,945,365
10,464,562	4,463,404	5,346,085	1,750,828	6,308,675	34,790,515
410,395	**3,386,789**	**780,607**	**(181,436)**	**1,393,964**	**7,279,924**
112,926	5,007,570	-	-	3,545,913	9,211,644
(232,425)	(3,206,054)	-	(113,184)	(4,609,901)	(8,200,328)
-	-	-	-	-	-
(119,499)	1,801,516	-	(113,184)	(1,063,988)	1,011,316
290,896	**5,188,305**	**780,607**	**(294,620)**	**329,976**	**8,291,240**
5,297,235	14,259,648	3,170,084	1,662,987	5,094,303	46,735,134
$ 5,588,131	**$ 19,447,953**	**$ 3,950,691**	**$ 1,368,367**	**$ 5,424,279**	**$ 55,026,374**

HERNANDO COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

	Debt Service Funds		
	Non-Ad Valorem Refunding Revenue Bonds 2010	Non-Ad Valorem Refunding Revenue Note 2012	Non-Ad Valorem Revenue Bonds 2022
Revenues			
Taxes	$ -	$ -	$ -
Intergovernmental	-	-	-
Charges for Services	-	-	-
Fines and Forfeitures	-	-	-
Special Assessments	-	-	-
Impact Fees	-	-	-
Investment Income (Loss)	811	44,594	-
Miscellaneous	-	-	-
Total Revenues	811	44,594	-
Expenditures			
Current			
General Government	2	4	-
Public Safety	-	-	-
Physical Environment	-	-	-
Transportation	-	-	-
Economic Environment	-	-	-
Human Services	-	-	-
Culture and Recreation	-	-	-
Court Operations	-	-	-
Debt Service			
Principal	425,000	1,379,000	-
Interest and Fiscal Charges	8,765	206,260	1,540,868
Capital Outlay	-	-	-
Total Expenditures	433,767	1,585,264	1,540,868
Excess of Revenues Over (Under) Expenditures	**(432,956)**	**(1,540,670)**	**(1,540,868)**
Other Financing Sources (Uses)			
Transfers In	442,532	1,585,260	1,540,870
Transfers Out	-	-	-
Issuance of Long-Term Debt	-	-	-
Total Other Financing Sources (Uses)	442,532	1,585,260	1,540,870
Net Change in Fund Balance	**9,576**	**44,590**	**2**
Fund Balances at Beginning of Year	7,177	9,110	2
Fund Balances at End of Year	**$ 16,753**	**$ 53,700**	**$ 4**

See accompanying independent auditors' report.

	Capital Projects Funds			
Total Debt Service Funds	Impact Fees	Restore Act Projects	Total Capital Projects Funds	Total Nonmajor Governmental Funds
$ -	$ -	$ -	$ -	$ 5,613,440
-	-	167,290	167,290	6,357,256
-	-	-	-	12,063,225
-	-	-	-	1,649,665
-	-	-	-	10,332,132
-	5,989,495	-	5,989,495	5,989,495
45,405	1,503,718	-	1,503,718	5,401,764
-	148,739	-	148,739	2,518,109
45,405	7,641,952	167,290	7,809,242	49,925,086
6	2,110	-	2,110	2,077,816
-	213,714	-	213,714	5,994,619
-	-	149,600	149,600	9,031,027
-	8,438	-	8,438	1,436,373
-	-	-	-	2,701,450
-	-	-	-	1,938,263
-	201,217	-	201,217	297,261
-	-	-	-	7,070,499
1,804,000	-	-	-	2,565,212
1,755,893	-	-	-	1,867,608
-	5,626,147	17,690	5,643,837	9,589,202
3,559,899	6,051,626	167,290	6,218,916	44,569,330
(3,514,494)	**1,590,326**	**-**	**1,590,326**	**5,355,756**
3,568,662	-	-	-	12,780,306
-	(221,936)	-	(221,936)	(8,422,264)
-	-	-	-	-
3,568,662	(221,936)	-	(221,936)	4,358,042
54,168	**1,368,390**	**-**	**1,368,390**	**9,713,798**
16,289	21,381,033	(19,094)	21,361,939	68,113,362
$ 70,457	**$ 22,749,423**	**$ (19,094)**	**$ 22,730,329**	**$ 77,827,160**

HERNANDO COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
STORMWATER MANAGEMENT
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
Revenues				
Taxes	$ 1,607,508	$ 1,607,508	$ 1,633,880	$ 26,372
Intergovernmental	1,231,000	1,231,000	-	(1,231,000)
Charges for Services	20,000	20,000	67,859	47,859
Investment Income (Loss)	-	-	327,023	327,023
Miscellaneous	155,500	155,500	6,774	(148,726)
Total Revenues	3,014,008	3,014,008	2,035,536	(978,472)
Expenditures				
Current				
Physical Environment	510,926	765,830	539,233	226,597
Capital Outlay	5,485,925	5,668,471	391,124	5,277,347
Total Expenditures	5,996,851	6,434,301	930,357	5,503,944
Excess of Revenues Over (Under) Expenditures	**(2,982,843)**	**(3,420,293)**	**1,105,179**	**4,525,472**
Other Financing Sources (Uses)				
Transfers In	14,000	14,000	21,148	7,148
Transfers Out	(3,000)	(7,752)	(7,752)	-
Reserve for Contingencies	(918,968)	(742,793)	-	742,793
Total Other Financing Sources (Uses)	(907,968)	(736,545)	13,396	749,941
Net Change in Fund Balance	**(3,890,811)**	**(4,156,838)**	**1,118,575**	**5,275,413**
Fund Balance at Beginning of Year	3,890,811	4,156,838	4,158,112	1,274
Fund Balance at End of Year	**$ -**	**$ -**	**$ 5,276,687**	**$ 5,276,687**

See accompanying independent auditors' report.

HERNANDO COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
STATE HOUSING INITIATIVE PARTNERSHIP
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	$ 1,896,694	$ 1,896,694	$ 2,691,181	$ 794,487
Investment Income (Loss)	8,000	8,000	500,465	492,465
Miscellaneous	400,000	400,000	283,553	(116,447)
Total Revenues	2,304,694	2,304,694	3,475,199	1,170,505
Expenditures				
Current				
Economic Environment	3,338,946	3,288,946	1,371,877	1,917,069
Total Expenditures	3,338,946	3,288,946	1,371,877	1,917,069
Excess of Revenues Over (Under) Expenditures	**(1,034,252)**	**(984,252)**	**2,103,322**	**3,087,574**
Other Financing Sources (Uses)				
Transfers Out	-	50,000	-	(50,000)
Reserve for Contingencies	(3,877,311)	(4,343,383)	-	4,343,383
Total Other Financing Sources (Uses)	(3,877,311)	(4,293,383)	-	4,293,383
Net Change in Fund Balance	**(4,911,563)**	**(5,277,635)**	**2,103,322**	**7,380,957**
Fund Balance at Beginning of Year	4,911,563	5,377,635	5,377,636	1
Fund Balance at End of Year	**$ -**	**$ 100,000**	**$ 7,480,958**	**$ 7,380,958**

See accompanying independent auditors' report.

HERNANDO COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
COURT RELATED FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	$ 83,742	$ 338,633	$ 283,110	$ (55,523)
Charges for Services	955,847	955,847	1,127,153	171,306
Fines and Forfeitures	324	324	-	(324)
Investment Income (Loss)	1,400	1,400	1,025,567	1,024,167
Miscellaneous	-	-	1	1
Total Revenues	1,041,313	1,296,204	2,435,831	1,139,627
Expenditures				
Current				
Court Operations	1,665,778	4,439,780	1,749,631	2,690,149
Debt Service				
Interest and Fiscal Charges	-	-	-	-
Capital Outlay	71,500	80,402	2,405,096	(2,324,694)
Total Expenditures	1,737,278	4,520,182	4,154,727	365,455
Excess of Revenues Over (Under) Expenditures	**(695,965)**	**(3,223,978)**	**(1,718,896)**	**1,505,082**
Other Financing Sources (Uses)				
Transfers In	524,087	524,087	524,087	-
Transfers Out	(12,000)	(31,012)	(31,012)	-
Issuance of Long-Term Debt	-	-	-	-
Reserve for Contingencies	(3,842,837)	(4,891,661)	-	4,891,661
Total Other Financing Sources (Uses)	(3,330,750)	(4,398,586)	493,075	4,891,661
Net Change in Fund Balance	**(4,026,715)**	**(7,622,564)**	**(1,225,821)**	**6,396,743**
Fund Balance at Beginning of Year	4,026,715	7,622,564	7,715,129	92,565
Fund Balance at End of Year	**$ -**	**$ -**	**$ 6,489,308**	**$ 6,489,308**

See accompanying independent auditors' report.

HERNANDO COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MUNICIPAL SERVICE BENEFIT UNITS
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Special Assessments	$ 11,016,060	$ 11,016,060	$ 10,332,132	$ (683,928)
Investment Income (Loss)	40,000	40,000	416,542	376,542
Miscellaneous	103,625	103,625	126,283	22,658
Total Revenues	11,159,685	11,159,685	10,874,957	(284,728)
Expenditures				
Current				
Public Safety	42,598	42,598	2,712	39,886
Physical Environment	8,708,176	8,708,176	8,336,065	372,111
Transportation	1,364,118	1,367,118	1,252,858	114,260
Debt Service				
Principal	761,420	761,420	761,212	208
Interest and Fiscal Charges	111,935	111,935	111,715	220
Capital Outlay	-	-	-	-
Total Expenditures	10,988,247	10,991,247	10,464,562	526,685
Excess of Revenues Over (Under) Expenditures	**171,438**	**168,438**	**410,395**	**241,957**
Other Financing Sources (Uses)				
Transfers In	85,000	85,000	112,926	27,926
Transfers Out	-	(292,271)	(232,425)	59,846
Issuance of Long-Term Debt	-	-	-	-
Reserve for Contingencies	(5,129,953)	(5,359,670)	-	5,359,670
Total Other Financing Sources (Uses)	(5,044,953)	(5,566,941)	(119,499)	5,447,442
Net Change in Fund Balance	**(4,873,515)**	**(5,398,503)**	**290,896**	**5,689,399**
Fund Balance at Beginning of Year	4,873,515	5,398,503	5,297,235	(101,268)
Fund Balance at End of Year	**$ -**	**$ -**	**$ 5,588,131**	**$ 5,588,131**

See accompanying independent auditors' report.

HERNANDO COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
MISCELLEOUS SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Taxes	$ 3,555,289	$ 3,555,289	$ 3,979,560	$ 424,271
Intergovernmental	1,552,176	1,701,868	917,731	(784,137)
Charges for Services	1,622,800	6,300	6,617	317
Fines and Forfeitures	285,000	175,000	219,061	44,061
Investment Income (Loss)	5,300	5,300	1,211,667	1,206,367
Miscellaneous	94,700	296,051	1,515,557	1,219,506
Total Revenues	7,115,265	5,739,808	7,850,193	2,110,385
Expenditures				
Current				
General Government	1,026,600	1,061,287	589,827	471,460
Public Safety	3,041,000	1,283,442	232,343	1,051,099
Physical Environment	5,831	5,831	6,129	(298)
Transportation	202,848	304,598	175,077	129,521
Economic Environment	2,187,288	2,218,788	1,329,573	889,215
Human Services	2,371,248	2,389,436	1,938,263	451,173
Culture and Recreation	90,445	349,470	96,044	253,426
Capital Outlay	2,396,651	2,552,275	96,148	2,456,127
Total Expenditures	11,321,911	10,165,127	4,463,404	5,701,723
Excess of Revenues Over (Under) Expenditures	**(4,206,646)**	**(4,425,319)**	**3,386,789**	**7,812,108**
Other Financing Sources (Uses)				
Transfers In	4,135,928	4,145,884	5,007,570	861,686
Transfers Out	(3,177,711)	(3,226,210)	(3,206,054)	20,156
Reserve for Contingencies	(11,258,150)	(10,726,074)	-	10,726,074
Total Other Financing Sources (Uses)	(10,299,933)	(9,806,400)	1,801,516	11,607,916
Net Change in Fund Balance	**(14,506,579)**	**(14,231,719)**	**5,188,305**	**19,420,024**
Fund Balance at Beginning of Year	14,506,579	14,231,719	14,259,648	27,929
Fund Balance at End of Year	**$ -**	**$ -**	**$ 19,447,953**	**$ 19,447,953**

See accompanying independent auditors' report.

HERNANDO COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
CLERK OF COURT AND COMPTROLLER
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	$ 441,735	$ 379,890	$ 308,357	$ (71,533)
Charges for Services	3,540,470	3,602,315	4,108,309	505,994
Fines and Forfeitures	1,084,800	1,084,800	1,225,382	140,582
Investment Income (Loss)	35,000	35,000	300,260	265,260
Miscellaneous	-	-	184,384	184,384
Total Revenues	5,102,005	5,102,005	6,126,692	1,024,687
Expenditures				
Current				
General Government	490,000	490,000	25,217	464,783
Court Operations	5,497,005	5,497,005	5,320,868	176,137
Capital Outlay	40,000	40,000	-	40,000
Total Expenditures	6,027,005	6,027,005	5,346,085	680,920
Excess of Revenues Over (Under) Expenditures	**(925,000)**	**(925,000)**	**780,607**	**1,705,607**
Other Financing Sources (Uses)				
Reserve for Contingencies	(940,000)	(940,000)	-	940,000
Total Other Financing Sources (Uses)	(940,000)	(940,000)	-	940,000
Net Change in Fund Balance	**(1,865,000)**	**(1,865,000)**	**780,607**	**2,645,607**
Fund Balance at Beginning of Year	1,865,000	1,865,000	3,170,084	1,305,084
Fund Balance at End of Year	**$ -**	**$ -**	**$ 3,950,691**	**$ 3,950,691**

See accompanying independent auditors' report.

HERNANDO COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
PROPERTY APPRAISER SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	$ 1,480,565	$ 1,480,565	$ 1,480,565	$ -
Charges for Services	-	-	88,046	88,046
Investment Income (Loss)	-	-	781	781
Total Revenues	1,480,565	1,480,565	1,569,392	88,827
Expenditures				
Current				
General Government	1,606,390	1,551,884	1,460,656	91,228
Capital Outlay	235,666	290,172	290,172	-
Total Expenditures	1,842,056	1,842,056	1,750,828	91,228
Excess of Revenues Over (Under) Expenditures	**(361,491)**	**(361,491)**	**(181,436)**	**180,055**
Other Financing Sources (Uses)				
Transfers Out	-	-	(113,184)	(113,184)
Total Other Financing Sources (Uses)	-	-	(113,184)	(113,184)
Net Change in Fund Balance	**(361,491)**	**(361,491)**	**(294,620)**	**66,871**
Fund Balance at Beginning of Year	101,855	101,855	1,662,987	1,561,132
Fund Balance at End of Year	**$ (259,636)**	**$ (259,636)**	**$ 1,368,367**	**$ 1,628,003**

See accompanying independent auditors' report.

HERNANDO COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
SHERIFF SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	$ 366,252	$ 891,422	$ 509,022	$ (382,400)
Charges for Services	5,615,000	5,615,000	6,665,241	1,050,241
Fines and Forfeitures	160,000	160,000	205,222	45,222
Investment Income (Loss)	3,300	3,300	70,336	67,036
Miscellaneous	93,200	93,200	252,818	159,618
Total Revenues	6,237,752	6,762,922	7,702,639	939,717
Expenditures				
Current				
Public Safety	5,859,930	6,310,951	5,545,850	765,101
Capital Outlay	279,608	1,512,581	762,825	749,756
Total Expenditures	6,139,538	7,823,532	6,308,675	1,514,857
Excess of Revenues Over (Under) Expenditures	**98,214**	**(1,060,610)**	**1,393,964**	**2,454,574**
Other Financing Sources (Uses)				
Transfers In	3,114,681	3,114,681	3,545,913	431,232
Transfers Out	(3,200,000)	(3,500,000)	(4,609,901)	(1,109,901)
Reserve for Contingencies	(3,027,807)	(2,647,174)	-	2,647,174
Total Other Financing Sources (Uses)	(3,113,126)	(3,032,493)	(1,063,988)	1,968,505
Net Change in Fund Balance	**(3,014,912)**	**(4,093,103)**	**329,976**	**4,423,079**
Fund Balance at Beginning of Year	3,101,088	3,165,316	5,094,303	1,928,987
Fund Balance at End of Year	**$ 86,176**	**$ (927,787)**	**$ 5,424,279**	**$ 6,352,066**

See accompanying independent auditors' report.

HERNANDO COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
NON-AD VALOREM REFUNDING REVENUE BONDS 2010
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Investment Income (Loss)	$ -	$ -	$ 811	$ 811
Total Revenues	-	-	811	811
Expenditures				
Current				
General Government	8	8	2	6
Debt Service				
Principal	433,766	433,766	425,000	8,766
Interest and Fiscal Charges	9,591	9,591	8,765	826
Total Expenditures	443,365	443,365	433,767	9,598
Excess of Revenues Over (Under) Expenditures	**(443,365)**	**(443,365)**	**(432,956)**	**10,409**
Other Financing Sources (Uses)				
Transfers In	442,533	442,533	442,532	(1)
Reserve for Contingencies	(6,832)	(6,344)	-	6,344
Total Other Financing Sources (Uses)	435,701	436,189	442,532	6,343
Net Change in Fund Balance	**(7,664)**	**(7,176)**	**9,576**	**16,752**
Fund Balance at Beginning of Year	7,664	7,176	7,177	1
Fund Balance at End of Year	**$ -**	**$ -**	**$ 16,753**	**$ 16,753**

See accompanying independent auditors' report.

HERNANDO COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
NON-AD VALOREM REFUNDING REVENUE NOTE 2012
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Investment Income (Loss)	$ -	$ -	$ 44,594	$ 44,594
Total Revenues	-	-	44,594	44,594
Expenditures				
Current				
General Government	20	20	4	16
Debt Service				
Principal	1,379,000	1,379,000	1,379,000	-
Interest and Fiscal Charges	206,262	206,262	206,260	2
Total Expenditures	1,585,282	1,585,282	1,585,264	18
Excess of Revenues Over (Under) Expenditures	**(1,585,282)**	**(1,585,282)**	**(1,540,670)**	**44,612**
Other Financing Sources (Uses)				
Transfers In	1,585,264	1,585,264	1,585,260	(4)
Reserve for Contingencies	(3,798)	(9,091)	-	9,091
Total Other Financing Sources (Uses)	1,581,466	1,576,173	1,585,260	9,087
Net Change in Fund Balance	**(3,816)**	**(9,109)**	**44,590**	**53,699**
Fund Balance at Beginning of Year	3,816	9,109	9,110	1
Fund Balance at End of Year	**$ -**	**$ -**	**$ 53,700**	**$ 53,700**

See accompanying independent auditors' report.

HERNANDO COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
NON-AD VALOREM REVENUE BONDS 2022
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Investment Income (Loss)	$ -	$ -	$ -	$ -
Total Revenues	-	-	-	-
Expenditures				
Current				
General Government	-	-	-	-
Debt Service				
Principal	310,000	310,000	-	310,000
Interest and Fiscal Charges	2,471,502	2,471,504	1,540,868	930,636
Total Expenditures	2,781,502	2,781,504	1,540,868	1,240,636
Excess of Revenues Over (Under) Expenditures	**(2,781,502)**	**(2,781,504)**	**(1,540,868)**	**1,240,636**
Other Financing Sources (Uses)				
Transfers In	2,781,502	2,781,502	1,540,870	(1,240,632)
Reserve for Contingencies	-	-	-	-
Total Other Financing Sources (Uses)	2,781,502	2,781,502	1,540,870	(1,240,632)
Net Change in Fund Balance	**-**	**(2)**	**2**	**4**
Fund Balance at Beginning of Year	-	2	2	-
Fund Balance at End of Year	**$ -**	**$ -**	**$ 4**	**$ 4**

See accompanying independent auditors' report.

HERNANDO COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
IMPACT FEES CAPITAL PROJECT FUND
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Impact Fees	$ 3,191,949	$ 3,211,949	$ 5,989,495	$ 2,777,546
Investment Income (Loss)	-	-	1,503,718	1,503,718
Miscellaneous	-	-	148,739	148,739
Total Revenues	3,191,949	3,211,949	7,641,952	4,430,003
Expenditures				
Current				
General Government	124,000	271,121	2,110	269,011
Public Safety	220,000	728,371	213,714	514,657
Transportation	-	2,193,560	8,438	
Culture and Recreation	304,085	813,093	201,217	611,876
Capital Outlay	7,847,785	9,057,026	5,626,147	3,430,879
Total Expenditures	8,495,870	13,063,171	6,051,626	4,826,423
Excess of Revenues Over (Under) Expenditures	**(5,303,921)**	**(9,851,222)**	**1,590,326**	**9,256,426**
Other Financing Sources (Uses)				
Transfers Out	(221,938)	(221,938)	(221,936)	2
Reserve for Contingencies	(9,744,820)	(11,444,457)	-	11,444,457
Total Other Financing Sources (Uses)	(9,966,758)	(11,666,395)	(221,936)	11,444,459
Net Change in Fund Balance	**(15,270,679)**	**(21,517,617)**	**1,368,390**	**22,886,007**
Fund Balance at Beginning of Year	15,270,679	21,517,617	21,381,033	(136,584)
Fund Balance at End of Year	**$ -**	**$ -**	**$ 22,749,423**	**$ 22,749,423**

See accompanying independent auditors' report.

HERNANDO COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
RESTORE ACT PROJECTS
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

	Budgeted Amounts			
	Original	Final	Actual Amounts	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	$ 233,692	$ 3,535,585	$ 167,290	$ (3,368,295)
Total Revenues	233,692	3,535,585	167,290	(3,368,295)
Expenditures				
Current				
Physical Environment	77,217	318,427	149,600	168,827
Capital Outlay	156,475	3,217,158	17,690	3,199,468
Total Expenditures	233,692	3,535,585	167,290	3,368,295
Net Change in Fund Balance	**-**	**-**	**-**	**-**
Fund Balance at Beginning of Year	-	-	(19,094)	(19,094)
Fund Balance at End of Year	**$ -**	**$ -**	**$ (19,094)**	**$ (19,094)**

See accompanying independent auditors' report.

Internal Service Funds

Central Fueling System

To account for the internal operation of the central fueling division of Hernando County.

Risk Management

To account for the internal operation of the general insurance programs used by the County.

Workers' Compensation

To account for the internal operations of the self-insured workers' compensation program.

Computer Replacement

To account for the management and replacement of County computers.

Vehicle Maintenance

To account for the internal operation of the privatized vehicle maintenance program.

Fleet Replacement

To account for the management and replacement of County vehicles.

County Health Insurance

To account for self-insured medical insurance provided to the employees by the

Sheriff Health Insurance

To account for self-insured medical insurance provided to the employees by the Sheriff.

HERNANDO COUNTY, FLORIDA
COMBINING STATEMENT OF NET POSITION
INTERNAL SERVICE FUNDS
SEPTEMBER 30, 2024

	Central Fueling System	Risk Management	Workers' Compensation
ASSETS			
Current Assets:			
Cash and Cash Equivalents	$ -	$ -	$ 200,000
Pooled Cash and Investments	380,412	1,708,662	10,879,863
Accounts Receivable (net)	3,636	-	-
Due from Other Governments	-	-	-
Inventories	52,817	-	-
Total Current Assets	436,865	1,708,662	11,079,863
Non-Current Assets:			
Capital Assets, not depreciated	27,350	-	-
Capital Assets, net of accumulated depreciation	355,621	-	-
Total Non-Current Assets	382,971	-	-
Total Assets	819,836	1,708,662	11,079,863
Deferred Outflows of Resources	10,536	36,932	24,640
LIABILITIES			
Current Liabilities:			
Accounts Payable	181,623	1,965	31,437
Accrued Liabilities	3,157	6,035	4,111
Due Within One Year	1,728	1,212	2,570,986
Total Current Liabilities	186,508	9,212	2,606,534
Non-Current Liabilities:			
Due in More Than One Year	74,275	131,576	3,164,227
Total Non-Current Liabilities	74,275	131,576	3,164,227
Total Liabilities	260,783	140,788	5,770,761
Deferred Inflows of Resources	7,228	15,421	12,490
NET POSITION			
Net Investment in Capital Assets	382,971	-	-
Unrestricted	179,390	1,589,385	5,321,252
Total Net Position	$ 562,361	$ 1,589,385	$ 5,321,252

See accompanying independent auditors' report.

Computer Replacement	Vehicle Maintenance	Fleet Replacement	County Health Insurance	Sheriff Health Insurance	Total
$ -	$ 720	$ -	$ 508,000	$ 8,915,290	$ 9,624,010
599,968	898,195	4,961,229	7,058,845	-	26,487,174
-	1,757	-	-	-	5,393
-	13,926	-	-	-	13,926
-	141,156	-	-	-	193,973
599,968	1,055,754	4,961,229	7,566,845	8,915,290	36,324,476
-	-	-	-	-	27,350
-	1,129,228	22,940,490	73,731	248,730	24,747,800
-	1,129,228	22,940,490	73,731	248,730	24,775,150
599,968	2,184,982	27,901,719	7,640,576	9,164,020	61,099,626
-	162,425	15,182	5,838	-	255,553
-	220,685	275,896	4,986,847	1,004,925	6,703,378
-	32,141	184,573	2,701	737	233,455
-	14,958	1,419,789	832,218	599,373	5,440,264
-	267,784	1,880,258	5,821,766	1,605,035	12,377,097
-	702,076	10,191,630	72,915	236,689	14,573,388
-	702,076	10,191,630	72,915	236,689	14,573,388
-	969,860	12,071,888	5,894,681	1,841,724	26,950,485
-	118,998	7,235	5,856	-	167,228
-	1,129,228	12,579,372	73,731	-	14,165,302
599,968	129,321	3,258,406	1,672,146	7,322,296	20,072,164
$ 599,968	$ 1,258,549	$ 15,837,778	$ 1,745,877	$ 7,322,296	$ 34,237,466

HERNANDO COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN FUND NET POSITION
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

	Central Fueling System	Risk Management	Workers' Compensation
Operating Revenues			
Charges for Services	$ 1,527,125	$ 6,187,816	$ 1,822,749
Miscellaneous	-	355	6,048
Total Operating Revenues	1,527,125	6,188,171	1,828,797
Operating Expenses			
Personnel Services	80,793	156,864	100,751
Other Services & Charges	1,502,933	5,932,493	301,664
Claims	-	-	(519,087)
Depreciation and Amortization	1,306	-	-
Total Operating Expenses	1,585,032	6,089,357	(116,672)
Operating Income (Loss)	(57,907)	98,814	1,945,469
Non-Operating Revenues (Expenses)			
Investment Income (Loss)	24,701	89,051	637,099
Interest Expense	-	-	-
Operating Grants	-	-	-
Gain (Loss) on Sale of Capital Assets	-	-	-
Total Non-Operating Revenues (Expenses)	24,701	89,051	637,099
Income (Loss) Before Transfers	(33,206)	187,865	2,582,568
Transfers In	-	-	-
Transfers Out	(5,271)	(6,201)	(5,039)
Total Contributions and Transfers	(5,271)	(6,201)	(5,039)
Change in Net Position	**(38,477)**	**181,664**	**2,577,529**
Net Position-Beginning	600,838	1,407,721	2,743,723
Net Position-Ending	**$ 562,361**	**$ 1,589,385**	**$ 5,321,252**

See accompanying independent auditors' report.

Computer Replacement	Vehicle Maintenance	Fleet Replacement	County Health Insurance	Sheriff Health Insurance	Total
$ 40,631	$ 3,877,500	$ 6,258,525	$ 13,494,515	$ 10,963,262	$ 44,172,123
-	112,773	932	1,119,724	963,452	2,203,284
40,631	3,990,273	6,259,457	14,614,239	11,926,714	46,375,407
-	892,063	82,981	2,912,961	40,428	4,266,841
6,165	2,636,311	1,114,423	1,352,740	2,379,926	15,226,655
-	-	-	14,074,594	10,552,681	24,108,188
-	70,790	3,826,769	36,865	37,310	3,973,040
6,165	3,599,164	5,024,173	18,377,160	13,010,345	47,574,724
34,466	391,109	1,235,284	(3,762,921)	(1,083,631)	(1,199,317)
36,628	34,883	208,299	231,341	294,986	1,556,988
-	-	(371,262)	(3,357)	(9,815)	(384,434)
-	13,781	-	-	-	13,781
-	12,506	420,817	-	-	433,323
36,628	61,170	257,854	227,984	285,171	1,619,658
71,094	452,279	1,493,138	(3,534,937)	(798,460)	420,341
-	-	8,400	3,945,382	265,931	4,219,713
-	(199,381)	(4,702)	(675)	-	(221,269)
-	(199,381)	3,698	3,944,707	265,931	3,998,444
71,094	**252,898**	**1,496,836**	**409,770**	**(532,529)**	**4,418,785**
528,874	1,005,651	14,340,942	1,336,107	7,854,825	29,818,681
$ 599,968	**$ 1,258,549**	**$ 15,837,778**	**$ 1,745,877**	**$ 7,322,296**	**$ 34,237,466**

HERNANDO COUNTY, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

	Central Fueling System	Risk Management	Workers' Compensation
Cash Flows from Operating Activities			
Receipts from Customers	$ 1,526,721	$ 6,187,816	$ 1,822,749
Receipts from Inter-Fund Services	-	-	-
Payments to Suppliers	(1,486,250)	(5,931,149)	(323,464)
Payments to Employees	(80,842)	(153,828)	(98,344)
Claims Paid	-	-	(340,913)
Other Receipts (Payments)	-	355	6,048
Net Cash provided by (used in) Operating Activities	(40,371)	103,194	1,066,076
Cash Flows from Noncapital Financing Activities			
Operating Grants	-	-	-
Transfers from Other Funds	-	-	-
Transfers to Other Funds	(5,271)	(6,201)	(5,039)
Net Cash Provided by (used in) Noncapital Financing Activities	(5,271)	(6,201)	(5,039)
Cash Flows From Capital and Related Financing Activites			
Additions to Capital Assets	(354,751)	-	-
Proceeds from Capital Debt	-	-	-
Principal Paid on Capital Debt	-	-	-
Interest Paid on Capital Debt	-	-	-
Principal Payments on Long-Term Leases	-	-	-
Interest Payments on Long-Term Leases	-	-	-
Proceeds From Sale of Capital Assets	-	-	-
Net Cash provided by (used for) Capital and Related financing activities	(354,751)	-	-
Cash Flows for Investing Activities			
Interest Received	24,701	89,051	637,099
Net Cash Provided by Investing Activities	24,701	89,051	637,099
Net Increase (Decrease) in Cash and Cash Equivalents	**(375,692)**	**186,044**	**1,698,136**
Cash and Cash Equivalents at Beginning of Year	756,104	1,522,618	9,381,727
Cash and Cash Equivalents at End of Year	**$ 380,412**	**$ 1,708,662**	**$ 11,079,863**

See accompanying independent auditors' report.

Computer Replacement	Vehicle Maintenance	Fleet Replacement	County Health Insurance	Sheriff Health Insurance	Total
$ 40,631	$ 3,864,947	$ 6,284,875	$ 13,494,515	$ 774,600	$ 33,996,854
-	-	-	-	10,188,662	10,188,662
(6,165)	(2,710,678)	(955,096)	(147,939)	(2,255,874)	(13,816,615)
-	(910,131)	(85,541)	(2,916,154)	(40,428)	(4,285,268)
-	-	-	(14,057,867)	(10,387,579)	(24,786,359)
-	112,773	932	1,119,724	963,452	2,203,284
34,466	356,911	5,245,170	(2,507,721)	(757,167)	3,500,558
-	13,781	-	-	-	13,781
-	-	8,400	3,945,382	265,931	4,219,713
-	(199,381)	(4,702)	(675)	-	(221,269)
-	(185,600)	3,698	3,944,707	265,931	4,012,225
-	-	(6,618,358)	-	-	(6,973,109)
-	-	4,765,000	-	-	4,765,000
-	-	(1,368,224)	-	-	(1,368,224)
-	-	(278,939)	-	-	(278,939)
-	-	-	(36,635)	(31,750)	(68,385)
-	-	-	(3,357)	(9,901)	(13,258)
-	12,506	420,817	-	-	433,323
-	12,506	(3,079,704)	(39,992)	(41,651)	(3,503,592)
36,628	34,883	208,299	231,341	365,934	1,627,936
36,628	34,883	208,299	231,341	365,934	1,627,936
71,094	**218,700**	**2,377,463**	**1,628,335**	**(166,953)**	**5,637,127**
528,874	680,215	2,583,766	5,938,510	9,082,243	30,474,057
$ 599,968	**$ 898,915**	**$ 4,961,229**	**$ 7,566,845**	**$ 8,915,290**	**$ 36,111,184**

Continued

HERNANDO COUNTY, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

	Central Fueling System	Risk Management	Workers' Compensation
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities			
Operating Income (Loss)	$ (57,907)	$ 98,814	$ 1,945,469
Adjustments to Reconcile Operating Income (Loss) to Net Cash provided by (used for) Operating Activities			
Depreciation and Amortization	1,306	-	-
Other Post-Employment Benefits	513	(1,745)	(892)
Pension Adjustments	(702)	928	666
Other Deferred Amounts	2,456		
(Increase) Decrease in			
Accounts Receivable	(513)	-	-
Due from Other Funds	-	-	-
Due from Other Governments	109	-	-
Inventories	(34,134)	-	-
Increase (Decrease) in			
Accounts Payable	50,817	1,344	(21,800)
Accrued Liabilities	(2,316)	3,853	2,633
Due to Other Funds	-	-	-
Unearned Revenues	-	-	-
Claims Liabilities	-	-	(860,000)
Total Adjustments	17,536	4,380	(879,393)
Net cash Provided by (used in) Operating Activities	**$ (40,371)**	**$ 103,194**	**$ 1,066,076**

See accompanying independent auditors' report.

Computer Replacement	Vehicle Maintenance	Fleet Replacement	County Health Insurance	Sheriff Health Insurance	Total
$ 34,466	$ 391,109	$ 1,235,284	$ (3,762,921)	$ (1,083,631)	$ (1,199,317)
-	70,790	3,826,769	36,865	37,310	3,973,040
-	(7,019)	(721)	(789)	-	(10,653)
-	5,562	527	436	-	7,417
					2,456
-	1,373	26,350	-	-	27,210
-	-	-	-	-	-
-	(13,926)	-	-	-	(13,817)
-	-	-	-	-	(34,134)
					-
-	(74,367)	159,327	1,204,801	124,052	1,444,174
-	(16,611)	(2,366)	(2,840)	-	(17,647)
-	-	-	-		-
-	-	-	-	-	-
-	-	-	16,727	165,102	(678,171)
-	(34,198)	4,009,886	1,255,200	326,464	4,699,875
$ 34,466	**$ 356,911**	**$ 5,245,170**	**$ (2,507,721)**	**$ (757,167)**	**$ 3,500,558**

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Custodial Funds

Board of County Commissioners Custodial Fund

To account for assets held by the Board of County Commissioners as agent, including industrial bond escrow funds and impact fees held for the School Board of Hernando County.

Clerk of Circuit Court Custodial Fund

To account for assets held by the Clerk of Circuit Court as agent, including fines and fees, court registry funds, child support and alimony payments, and juror and witness funds.

Sheriff Custodial Fund

To account for assets held by the Sheriff as agent, including service fees.

Tax Collector Custodial Fund

To account for assets held by the Tax Collector as agent, including tax and tag funds.

HERNANDO COUNTY, FLORIDA
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2024

	Board of County Commissioners	Clerk of the Circuit Court	Sheriff
ASSETS			
Cash and Cash Equivalents	$ -	$ 4,868,208	$ 200,445
Pooled Cash and Investments	2,794,324	-	-
Due from Other Governments	-	-	-
Total Assets	**2,794,324**	**4,868,208**	**200,445**
LIABILITIES			
Accounts Payable	2,237,826	15,911	53,926
Due to Other Governments	541,765	944,243	71,006
Installment Tax Escrow	-	-	-
Deposits	14,733	-	-
Other Current Liabilities	-	2,239,507	-
Total Liabilities	**2,794,324**	**3,199,661**	**124,932**
NET POSITION:			
Restricted for:			
Individuals and Other Governments	-	1,668,547	75,513
Total Net Position	**$ -**	**$ 1,668,547**	**$ 75,513**

See accompanying independent auditors' report.

Tax Collector	Total
$ 3,661,290	$ 8,729,943
-	2,794,324
145,129	145,129
3,806,419	**11,669,396**
7,857	2,315,520
3,793,316	5,350,330
5,246	5,246
-	14,733
-	2,239,507
3,806,419	**9,925,336**
-	1,744,060
$ -	**$ 1,744,060**

HERNANDO COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES TO FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMEBER 30, 2024

	Board of County Commissioners	Clerk of the Circuit Court	Sheriff
ADDITIONS:			
Tax Collections for Other Governments	$ -	$ -	$ -
State of Florida collections	-	29,117,800	-
Other collections	7,268,003	36,931,849	-
Miscellaneous - Revenues	-	-	1,933,049
Total additions	**7,268,003**	**66,049,649**	**1,933,049**
DEDUCTIONS:			
Payments of Taxes to State of Florida	-	28,847,085	-
Payments of Taxes to Other Governments	-	-	
Other Payments	7,268,003	37,705,635	1,975,904
Miscellaneous - Expenses	-	-	-
Total deductions	**7,268,003**	**66,552,720**	**1,975,904**
Change in net position	-	(503,071)	(42,855)
Net Position-beginning of the year	-	2,171,618	118,368
Net Position-end of year	**$ -**	**$ 1,668,547**	**$ 75,513**

See accompanying independent auditors' report.

Tax Collector	Total
$ 143,602,753	$ 143,602,753
-	29,117,800
-	44,199,852
1,450	1,934,499
143,604,203	**218,854,904**
-	28,847,085
143,602,753	143,602,753
-	46,949,542
1,450	1,450
143,604,203	**219,400,830**
-	(545,926)
-	2,289,986
$ -	**$ 1,744,060**

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STATISTICAL TABLES

This section contains the following:

The statistical data is information gathered by the Clerk of Circuit Court and relates to the physical, economic, social, and political characteristics of the County. It is intended to provide financial report users with a more broad and more complete understanding of the County and its financial affairs than is possilbe from the Financial Statements and supporting schedules included in the Financial Section. Many of these tables cover multiple fiscal years and present data from outside the account records. Therefore, the Statistical Section data has not been subjected to independent audit.

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STATISTICAL SECTION

This part of Hernando County's annual comprehensive financial report presents detailed information as context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

Contents

Financial Trends

These tables contain trend information to help the reader understand how the government's financial performance and well-being have changed over time.

Revenue Capacity

These tables contain information to help the reader assess the government's most significant local revenue source, the property tax.

Debt Capacity

These tables present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information

These tables offer demographic and economic indivators to help the reader understand the environment within which the government's financial activities take place.

Operating Information

These tables contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

HERNANDO COUNTY, FLORIDA
NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(DOLLARS EXPRESSED IN THOUSANDS)

	FISCAL YEAR			
	2015[(a)]	2016	2017	2018
Governmental Activities				
Net Investment in Capital Assets	$ 303,506	$ 306,373	$ 304,605	$ 304,941
Restricted	61,254	62,476	57,323	60,065
Unrestricted	(28,753)	(42,266)	(46,513)	(61,512)
Total Governmental Activities Net Position	$ 336,007	$ 326,583	$ 315,415	$ 303,494
Business-type Activities				
Net Investment in Capital Assets	$ 171,560	$ 174,660	$ 171,817	$ 172,789
Restricted	9,597	12,753	17,783	18,818
Unrestricted	37,215	42,892	49,047	54,634
Total Business-type Activities Net Position	$ 218,372	$ 230,305	$ 238,647	$ 246,241
Primary Government				
Net Investment in Capital Assets	$ 475,066	$ 481,033	$ 476,422	$ 477,730
Restricted	70,851	75,229	75,106	78,884
Unrestricted	8,462	626	2,534	(6,878)
Total Primary Government Net Position	$ 554,379	$ 556,888	$ 554,062	$ 549,736

(a) GASB 68 was implemented in 2015, requiring a reduction in beginning net position of $37,122,821 (governmental) and $4,813,564 (business-type). Prior years have not been restated in this schedule.

(b) GASB 87 was implemented in 2022, requiring an increase in beginning net position of $543,985 (governmental). Prior years have not been restated in this schedule.

(c) GASB 96 was implemented in 2023, requiring an increase in beginning net position of $1,450,184 (governmental). Prior years have not been restated in this schedule.

FISCAL YEAR					
2019	**2020**	**2021**	**2022**[(b)]	**2023**[(c)]	**2024**
$ 306,203	$ 331,520	$ 312,258	$ 318,931	$ 340,223	$ 369,996
78,821	90,385	102,989	111,550	146,198	67,828
(85,382)	(90,418)	(46,020)	(45,724)	(82,783)	18,031
$ 299,642	$ 331,487	$ 369,227	$ 384,757	$ 403,638	$ 455,855
$ 178,095	$ 188,883	$ 202,054	$ 225,879	$ 244,667	$ 267,116
18,818	51,337	20,932	20,932	16,855	59,487
64,808	32,345	76,324	82,381	105,041	83,280
$ 261,721	$ 272,565	$ 299,310	$ 329,192	$ 366,563	$ 409,883
$ 484,298	$ 520,403	$ 514,312	$ 544,810	$ 584,890	$ 637,112
97,639	141,722	123,921	132,482	163,053	127,315
(20,574)	(58,073)	30,304	36,657	22,258	101,311
$ 561,363	$ 604,052	$ 668,537	$ 713,949	$ 770,201	$ 865,738

HERNANDO COUNTY, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(DOLLARS EXPRESSED IN THOUSANDS)

	FISCAL YEAR			
	2015	2016	2017	2018
Expenses				
Governmental Activities:				
General Government	$ 22,134	$ 24,583	$ 26,219	$ 28,208
Public Safety	74,105	86,582	92,685	99,101
Physical Environment	1,195	1,230	1,304	1,402
Transportation	20,187	23,236	24,465	25,206
Economic Environment	2,355	3,095	3,487	2,856
Human Services	8,762	7,275	7,504	7,936
Culture and Recreation	5,146	5,714	5,712	6,220
Court Operations	6,868	6,773	7,163	7,384
Interest on Long-term Debt	1,062	1,038	1,074	1,162
Total Governmental Activities Expenses	$ 141,814	$ 159,526	$ 169,613	$ 179,475
Business-type Activities:				
Water and Sewer District	$ 25,882	$ 27,673	$ 30,933	$ 31,357
Aviation Operations	2,242	2,567	2,233	2,257
Waste Management	3,348	6,447	7,594	9,792
Building Department	2,218	2,786	2,807	3,258
Total Business-type Activities Expenses	33,690	39,473	43,567	46,664
Total Primary Government Expenses	$ 175,504	$ 198,999	$ 213,180	$ 226,139
Program Revenues				
Governmental Activities:				
Charges for Services:				
General Government	$ 14,238	$ 12,050	$ 12,419	$ 13,428
Public Safety	29,063	31,168	31,312	35,831
Physical Environment	214	345	865	503
Transportation	4,856	5,398	5,692	6,307
Economic Environment	96	-	66	-
Human Services	229	250	231	242
Culture and Recreation	833	915	1,037	1,051
Court Operations	5,059	4,832	4,848	5,090
Operating Grants and Contributions	5,033	4,935	5,993	5,361
Capital Grants and Contributions	3,006	1,777	4,728	6,035
Total Government Activities Program Revenues	$ 62,627	$ 61,670	$ 67,191	$ 73,848
Business-type Activities:				
Charges for Services:				
Water and Sewer District	$ 28,569	$ 31,032	$ 33,832	$ 33,861
Aviation Authority	1,607	1,806	1,701	1,895
Waste Management	7,668	7,653	7,803	7,896
Building Department	2,602	2,970	2,915	3,547
Zoning Department	-	-	-	-
Operating Grants and Contributions	294	94	110	107
Capital Grants and Contributions	2,531	5,306	4,469	6,629
Total Business-type Activities Program Revenues	43,271	48,861	50,830	53,935
Total Primary Government Program Revenues	$ 105,898	$ 110,531	$ 118,021	$ 127,783

FISCAL YEAR					
2019	2020	2021	2022	2023	2024
$ 30,046	$ 30,576	$ 28,309	$ 29,912	$ 43,222	$ 43,024
112,171	120,003	96,101	114,899	140,780	144,353
6,393	8,128	8,325	8,805	9,580	10,177
26,123	27,506	27,643	20,418	31,621	32,534
2,561	4,808	5,943	2,320	2,962	3,449
8,302	8,444	9,204	6,693	9,309	9,488
6,823	6,418	6,665	6,734	8,064	8,575
7,641	7,525	7,940	8,175	8,494	9,257
1,226	1,094	887	707	2,394	2,306
$ 201,286	$ 214,502	$ 191,017	$ 198,663	$ 256,426	$ 263,163
$ 32,622	$ 34,129	$ 33,721	$ 44,316	$ 37,610	$ 40,881
2,692	3,028	3,071	2,839	3,260	3,296
8,943	12,227	9,230	10,627	10,226	10,617
3,524	4,142	4,162	4,575	4,894	5,466
47,781	53,526	50,184	62,357	55,990	60,260
$ 249,067	$ 268,028	$ 241,201	$ 261,020	$ 312,416	$ 323,423
$ 14,555	$ 15,481	$ 12,809	$ 31,585	$ 15,975	$ 17,615
46,038	47,217	49,221	41,534	50,707	57,470
101	223	264	309	8,242	8,396
13,234	13,510	13,862	18,494	6,911	7,134
18	19	24	573	30	38
278	215	239	229	234	195
961	890	1,177	1,889	1,891	1,610
5,059	4,413	4,953	980	5,386	6,461
6,393	32,962	14,807	2,340	18,343	29,448
4,546	7,952	5,957	5,330	961	1,161
$ 91,183	$ 122,882	$ 103,313	$ 103,263	$ 108,680	$ 129,528
$ 35,859	$ 38,933	$ 41,625	$ 45,281	$ 47,295	$ 49,268
1,972	2,120	2,183	12,311	1,840	1,975
8,169	9,032	9,406	11,131	11,388	13,231
3,677	3,803	4,453	4,802	5,428	5,543
-	-	-	-	-	-
1,521	842	165	44	1,566	2,662
7,870	8,533	16,127	11,400	18,314	18,736
59,068	63,263	73,959	84,969	85,831	91,415
$ 150,251	$ 186,145	$ 177,272	$ 188,232	$ 194,511	$ 220,943

HERNANDO COUNTY, FLORIDA
CHANGES IN NET POSITION
LAST TEN FISCAL YEARS
(ACCRUAL BASIS OF ACCOUNTING)
(DOLLARS EXPRESSED IN THOUSANDS)

	FISCAL YEAR			
	2015	**2016**	**2017**	**2018**
Net (Expense)/Revenue				
Governmental Activities	$ (79,187)	$ (97,856)	$ (102,422)	$ (105,627)
Business-type Activities	9,581	9,388	7,263	7,271
Total Primary Government Net Expense	$ (69,606)	$ (88,468)	$ (95,159)	$ (98,356)
General Revenues and Other Changes in Net Position				
Governmental Activities:				
Taxes				
Property Taxes	$ 58,984	$ 61,572	$ 62,915	$ 69,647
Fuel Taxes	6,242	8,146	8,722	8,970
Sales Taxes	8,697	9,100	9,337	9,878
Other Taxes	2,530	2,560	2,597	2,710
State Shared Revenue	4,756	4,889	5,102	5,335
Investment Earnings	1,671	1,437	562	532
Miscellaneous	1,274	1,378	1,597	1,682
Gain on Sale of Capital Assets	221	349	205	53
Transfers	610	(998)	217	154
Total Governmental Activities	84,985	88,433	91,254	98,961
Business-type Activities:				
Investment Earnings	743	701	348	245
Gain on Sale of Capital Assets	46	28	(11)	315
Miscellaneous	864	818	958	1,057
Transfers	(610)	998	(217)	(154)
Total Business-type Activities	1,043	2,545	1,078	1,463
Total Primary Government	$ 86,028	$ 90,978	$ 92,332	$ 100,424
Change in Net Position				
Governmental Activities	$ 5,798	$ (9,423)	$ (11,168)	$ (6,666)
Business-type Activities	10,624	11,933	8,341	8,734
Total Primary Government	$ 16,422	$ 2,510	$ (2,827)	$ 2,068

FISCAL YEAR					
2019	**2020**	**2021**	**2022**	**2023**	**2024**
$ (110,103)	$ (91,620)	$ (87,704)	$ (95,400)	$ (147,746)	$ (133,635)
11,287	9,737	23,775	22,612	29,841	31,155
$ (98,816)	$ (81,883)	$ (63,929)	$ (72,788)	$ (117,905)	$ (102,480)
$ 72,134	$ 86,534	$ 91,910	$ 98,386	$ 113,236	$ 123,976
8,872	8,328	8,841	9,016	12,497	11,707
10,241	10,458	12,286	13,501	15,279	12,801
2,454	2,597	2,570	3,276	2,968	3,905
5,601	5,317	6,133	7,775	8,051	7,932
5,190	4,126	405	(5,488)	10,480	21,157
1,613	4,640	2,936	1,959	1,828	3,360
-	-	564	1,319	-	105
145	119	(201)	5,525	837	908
106,250	122,119	125,444	135,269	165,176	185,851
3,514	2,610	175	(3,387)	5,786	11,947
12	47	1,914	(858)	204	212
812	676	681	1,163	2,378	915
(145)	(119)	201	3,542	(837)	(908)
4,193	3,214	2,971	460	7,531	12,166
$ 110,443	$ 125,333	$ 128,415	$ 135,729	$ 172,707	$ 198,017
$ (3,853)	$ 30,499	$ 37,740	$ 39,869	$ 17,430	$ 52,216
15,480	12,951	26,746	23,072	37,372	43,321
$ 11,627	$ 43,450	$ 64,486	$ 62,941	$ 54,802	$ 95,537

HERNANDO COUNTY, FLORIDA
FUND BALANCE OF GOVERNMENT FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(DOLLARS EXPRESSED IN THOUSANDS)

	FISCAL YEAR			
	2015	**2016**	**2017**	**2018**
General Fund				
Nonspendable	$ 829	$ 4,570	$ 7,503	$ 5,890
Restricted	142	341	771	1,015
Committed	5,374	5,320	5,717	5,913
Assigned	4,000	3,000	-	28
Unassigned	12,992	9,443	6,860	9,760
Total General Fund	$ 23,337	$ 22,674	$ 20,851	$ 22,606
All other Governmental Funds				
Nonspendable	$ 65	$ 57	$ 51	$ 51
Restricted	59,257	59,914	54,225	55,439
Committed	1,140	1,247	1,286	1,353
Assigned	10,164	8,104	15,252	12,207
Unassigned	-	-	(471)	2,643
Total all other Governmental Funds	$ 70,626	$ 69,322	$ 70,343	$ 71,693

FISCAL YEAR					
2019	2020	2021	2022	2023	2024
$ 3,909	$ 1,469	$ 811	$ 699	$ 679	$ 519
1,046	1,676	913	860	15,999	15,888
7,677	7,052	7,510	10,093	11,985	13,665
-	339	4,791	7,460	1,213	780
9,346	48,035	51,771	47,982	62,697	61,934
$ 21,978	$ 58,571	$ 65,796	$ 67,094	$ 92,573	$ 92,786
$ 181	$ 128	$ 157	$ 46	$ 40	$ 3
72,330	81,497	92,823	105,209	130,299	140,182
1,625	1,823	2,014	2,024	2,227	2,074
11,864	13,412	14,714	14,829	12,878	16,114
-	-	-	-	(126)	(19)
$ 86,000	$ 96,860	$ 109,708	$ 122,108	$ 145,318	$ 158,354

HERNANDO COUNTY, FLORIDA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)
(DOLLARS EXPRESSED IN THOUSANDS)

	FISCAL YEAR			
	2015	2016	2017	2018
Revenue				
Taxes	$ 67,733	$ 72,115	$ 74,178	$ 81,305
Licenses and Permits	390	446	504	529
Intergovernmental	23,624	23,916	27,279	28,931
Charges for Services	28,395	26,403	25,585	29,449
Fines and Forfeitures	1,621	1,543	1,540	1,732
Special Assessments	19,140	20,404	21,479	23,056
Impact Fees	892	1,299	2,733	3,129
Interest	1,460	1,281	486	454
Miscellaneous	2,552	2,553	2,428	2,690
Total Revenues	$ 145,807	$ 149,960	$ 156,212	$ 171,275
Expenditures				
Current				
General Government	$ 20,258	$ 21,271	$ 21,946	$ 23,999
Public Safety	75,963	78,707	81,327	86,506
Physical Environment	1,131	1,094	1,144	1,188
Transportation	13,584	14,932	15,720	15,600
Economic Environment	2,298	3,031	3,415	2,771
Human Services	7,043	5,520	5,710	6,094
Culture and Recreation	4,615	4,758	4,852	5,291
Court Operations	6,708	6,585	6,952	7,222
Debt Service				
Principal	2,888	3,854	4,075	4,185
Interest and Fiscal Charges	990	978	975	987
Capital Outlay	19,297	13,475	12,268	14,878
Total Expenditures	$ 154,775	$ 154,205	$ 158,384	$ 168,721
Excess of Revenues Over (Under) Expenditures	(8,968)	(4,245)	(2,172)	2,554
Other Financing Sources (Uses)				
Transfers In	6,046	10,989	14,063	14,640
Transfers Out	(7,834)	(9,469)	(15,061)	(15,333)
Sale of Capital Assets	-	-	-	53
Additions to Long-Term Debt	1,864	757	2,368	1,189
Lease Financing	-	-	-	-
SBITA Financing	-			
Total Other Financing Sources (Uses)	76	2,277	1,370	549
Net Change in Fund Balances	(8,892)	(1,968)	(802)	3,103
Debt Service as a Percentage of Noncapital Expenditures	2.8%	3.6%	3.5%	3.4%

FISCAL YEAR					
2019	**2020**	**2021**	**2022**	**2023**	**2024**
$ 83,660	$ 97,420	$ 103,329	$ 111,084	$ 126,832	$ 137,661
625	579	611	610	643	853
29,157	56,962	40,671	38,809	44,516	55,420
32,234	33,764	36,749	37,816	40,606	42,988
1,642	1,653	1,764	1,585	1,725	1,928
36,458	36,730	37,266	38,044	38,821	43,351
3,176	3,264	4,550	5,052	4,274	5,990
4,580	3,732	383	(5,259)	10,480	21,157
2,975	6,843	4,562	4,550	3,661	4,549
$ 194,507	$ 240,947	$ 229,885	$ 232,291	$ 271,558	$ 313,897
$ 24,519	$ 24,113	$ 27,806	$ 30,781	$ 34,603	$ 41,136
92,621	97,700	102,462	109,531	120,764	135,774
6,170	7,913	8,161	8,806	9,362	9,829
15,851	17,215	18,408	20,195	20,719	22,192
2,478	4,701	5,957	2,320	2,871	3,466
6,448	6,577	7,670	6,693	7,143	7,896
5,783	5,482	6,243	6,661	7,015	8,068
7,490	7,358	7,856	8,057	8,365	9,148
4,322	4,576	4,964	4,137	4,893	4,412
1,035	912	671	732	1,849	2,127
14,150	17,190	20,395	23,608	36,115	54,937
$ 180,867	$ 193,737	$ 210,593	$ 221,521	$ 253,699	$ 298,985
13,640	47,210	19,292	10,770	17,859	14,912
15,961	16,208	14,480	11,730	3,472	15,322
(16,977)	(17,482)	(19,404)	(12,771)	(1,298)	(18,413)
-	-	-	-	-	-
1,056	1,516	5,708	3,626	32,262	-
-	-	-	-	87	787
				538	641
40	242	784	2,585	30,712	(1,663)
13,680	47,452	20,076	13,355	48,571	13,249
3.2%	3.1%	3.0%	2.5%	3.1%	2.7%

HERNANDO COUNTY, FLORIDA
GENERAL GOVERNMENT STATE SHARED REVENUES BY SOURCE
LAST TEN FISCAL YEARS
(DOLLARS EXPRESSED IN THOUSANDS)

Fiscal Year	Local Government Half-Cent Sales Tax	State Revenue Sharing Proceeds	Constitutional Fuel Tax	County Fuel Tax	Local Option 1 - 6 cents	State Housing Initiative Partnership
2015	$ 8,647	$ 4,392	$ 1,724	$ 756	$ 4,257	$ 864
2016	9,099	4,519	1,780	787	4,571	878
2017	9,306	4,735	1,836	808	4,594	1,167
2018	9,823	5,208	1,880	826	4,753	796
2019	10,113	5,461	1,947	843	4,754	360
2020	10,334	5,150	1,747	758	4,402	404
2021	12,179	5,963	1,848	809	4,727	555
2022	13,501	7,606	1,949	850	4,830	2,050
2023	14,104	8,051	1,967	875	5,099	619
2024	13,976	7,738	2,026	877	5,129	2,691

(a) Note that these revenue sources are a component of Intergovernmental Revenues on the financial statements. Other components of Intergovernmental Revenues include federal, state, and local government grants.

HERNANDO COUNTY, FLORIDA
FAIR MARKET, ASSESSED VALUE, AND TAXABLE VALUE OF PROPERTY
LAST TEN FISCAL YEARS
(DOLLARS EXPRESSED IN THOUSANDS)

	Fair Market [a][i]		Assessed Value [b][i]		Exemptions [c][i]		Taxable Value [d][i]				
Tax Roll Year	Real Property [f]	Personal Property [g]	Real Property [f]	Personal Property [g]	Real Property [f]	Personal Property [g]	Real Property [f]	Personal Property [g]	Centrally Assessed [h]	Total	Total Direct Tax Rate [e]
2015	$10,800,268	$ 1,585,644	$9,795,639	$1,584,744	$3,403,429	$ 600,482	$6,392,210	$ 984,263	$ 7,869	$7,384,342	8.5941
2016	11,208,262	1,703,765	10,044,161	1,703,015	3,473,220	596,852	6,570,941	1,106,163	8,326	7,685,431	8.5942
2017	12,247,949	1,834,656	10,572,795	1,766,495	3,555,440	600,848	7,017,354	1,165,647	7,483	8,190,484	8.9692
2018	13,300,360	1,846,816	11,165,701	1,776,293	3,646,183	601,446	7,519,519	1,174,846	7,926	8,702,291	8.7342
2019	15,210,973	1,721,661	11,880,508	1,693,762	3,780,811	609,861	8,099,697	1,083,901	7,694	9,191,292	9.7344
2020	16,567,712	1,766,669	12,807,078	1,739,675	3,963,063	612,477	8,844,015	1,127,198	9,594	9,980,807	9.4844
2021	17,656,641	1,817,025	13,794,061	1,790,065	4,121,443	608,847	9,672,619	1,181,218	9,948	10,863,785	9.3844
2022	24,884,232	1,883,804	16,033,070	1,857,269	4,413,228	617,692	11,619,842	1,239,577	10,937	12,870,356	8.9344
2023	28,928,102	2,059,565	18,217,430	2,026,581	4,777,494	639,703	13,439,935	1,386,878	11,185	14,837,998	8.6429
2024	30,562,802	2,123,904	20,176,004	2,092,082	5,138,009	643,033	15,037,995	1,449,049	11,116	16,498,160	8.3929

(a) Florida law requires that 'Just Value' of all property be determined each year. The Florida Supreme Court has declared Just Value to be legally synonymous to Full Cash Value and Fair Market Value. The Just Value or Fair Market Value is the amount it could sell for in a competitive open market, assuming that the buyer and seller both acted knowledgeably and without duress.

(b) Assessed value is different than just/market value for those properties that have assessment limitations on them. Examples of assessment limitations include Save our Homes (SOH) limitation for homestead properties, "greenbelt" for properties which have an agricultural use classification, and pollution control devices.

(c) There are a number of property tax exemptions which include, but are not limited to; homestead, widow/widowers, blind, disabled, veterans, government and institutional.

(d) Taxable value is the resulting value after all applicable exemptions have been deducted from the assessed value of the property. The taxable value is what the millage rates are applied to develop the ad valorem property tax.

(e) Total Direct Tax Rate is the weighted average of the direct rates in each area. See Schedule 7, "Direct and Overlapping Property Tax Rates" for more information.

(f) Real Property means land, buildings, fixtures, and all other improvements to land.

(g) Personal Property commonly known as Tangible Personal Property (TPP) is defined as furniture, fixtures and equipment used in the operation of a business.

(h) Centrally assessed property are the railroad tracks and train cars which cross county lines and are assessed by the Florida Department of Revenue who provide the assessed values to the respective Property Appraiser. No exemptions are applicable to Centrally Assessed Properties.

(i) The year previous to current year may be restated due to changes made subsequent to release of previous year's values.

Data represents the tax roll for the year effective January 1 of the year reflected, billed in October of that year, and is collected to support the fiscal year beginning in that year.

Source: Hernando County Property Appraiser

HERNANDO COUNTY, FLORIDA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
LAST TEN FISCAL YEARS

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
DIRECT RATES[a]										
Countywide										
Hernando County Government:										
General Fund	6.9912	6.9912	6.8912	6.8912	7.8912	7.6412	7.4412	6.9912	6.6997	6.4497
Special Revenue										
Transportation Trust Fund	0.7091	0.7091	0.7091	0.7091	0.7091	0.7091	0.8091	0.8091	0.8091	0.8091
Health Department	0.1102	0.1102	0.1102	0.1102	0.1102	0.1102	0.1102	0.1102	0.1102	0.1102
Total Countywide	**7.8105**	**7.8105**	**7.7105**	**7.7105**	**8.7105**	**8.4605**	**8.3605**	**7.9105**	**7.6190**	**7.3690**
Maximum Allowed[b]	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Other										
Hernando County Government:										
Municipal Services Taxing Units										
Stormwater Management Program	0.1139	0.1139	0.1139	0.1139	0.1139	0.1139	0.1139	0.1139	0.1139	0.1139
Emergency Medical Services	0.6700	0.6700	0.6700	0.9100	0.9100	0.9100	0.9100	0.9100	0.9100	0.9100
Fire Services	-	-	0.5000	-	-	-	-	-	-	
Total Other	**0.7839**	**0.7839**	**1.2839**	**1.0239**	**1.0239**	**1.0239**	**1.0239**	**1.0239**	**1.0239**	**1.0239**
Maximum Allowed Per Taxpayer[b]	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000	10.0000
Total Direct Tax Rates[c]	**8.5941**	**8.5942**	**8.9692**	**8.7342**	**9.7344**	**9.4844**	**9.3844**	**8.9344**	**8.6429**	**8.3929**
OVERLAPPING RATES[d]										
Countywide										
School Board	7.1960	6.8690	6.6190	6.3400	6.1630	5.9130	6.7770	6.5250	6.3400	6.2710
Southwest Florida Water Management District	0.3488	0.3317	0.3131	0.2955	0.2801	0.2669	0.2535	0.2260	0.2043	0.1909
Not Countywide										
Municipalities										
City of Brooksville	6.6439	6.6426	6.9763	6.2000	6.2000	5.9000	5.9000	5.9000	5.9000	5.9000
City of Weeki Wachee	2.7622	2.8478	2.8470	2.8421	2.8658	-	-	-	-	-

(a) Direct rates support the ad valorem revenue base for County Government operations.

(b) Section 200.071, Florida Statutes, a county may not levy in excess of 10 mills, except for voted levies and for services or facilities provided through a municipal services taxing unit (MSTU).

(c) Total Direct Tax Rate is the weighted average of the direct rates in each area.

(d) Overlapping rates are those rates levied by other local governments who overlap Hernando County's geographic area. Not all rates apply to all Hernando County residents; for example, each incorporated municipality within the County also taxes its respective residents.

Data represents the millage used to approve the budget and calculate taxes to support the following year, and are based on the tax roll effective January 1 for the reflected year.

Source: Hernando County Property Appraiser

HERNANDO COUNTY, FLORIDA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT FISCAL YEAR COMPARED TO THE FISCAL YEAR NINE YEARS EARLIER
(DOLLARS EXPRESSED IN THOUSANDS)

		2024			2015		
Taxpayer	**Type of Business**	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**	**Taxable Assessed Value**	**Rank**	**Percentage of Total Taxable Assessed Value**
Cemex, Inc.	Manufacturing	$ 321,392	1	1.94%	$ 265,321	1	3.59%
Withlacoochee River Electric Co-op	Electric Utility	268,466	2	1.62%	184,270	2	2.50%
Duke Energy	Electric Utility	126,700	4	0.77%	79,704	4	1.08%
Wal-Mart Regional Distribution	Distribution	102,841	3	0.62%			
HCA Health Services of Florida, Inc.	Hospital/Health Care	84,587	5	0.51%	46,493	6	0.63%
BW Hibiscus Springs LLC	Apartments	67,726	6	0.41%			
Wal-Mart Stores, Inc.	Retail Sales	63,173	7	0.38%	123,510	3	1.67%
Florida Gas Transmissions	Utility	48,227	8	0.29%	47,087	5	0.64%
Oak Hill Community Hospital	Hospital	43,942	9	0.27%			
Wal-Mart Stores East LP	Retail Sales	35,000	10	0.21%			
AT&T Telecommunications	Telecommunications				37,475	7	0.51%
Bright House Networks	Cable Utility				30,850	8	0.42%
BRE DDR	Retail Sales				25,648	9	0.35%
Millenennium Venture Limited	Senior Care				22,094	10	0.30%
Totals		$ 1,162,054		7.02%	$ 862,452		11.69%

Source: Hernando County Property Appraiser

HERNANDO COUNTY, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS
(DOLLARS EXPRESSED IN THOUSANDS)

Fiscal Year Ended September 30	Certified Taxes Levied for the Fiscal Year[a] [d]	Certificates of Correction by Property Appraiser	Adjusted Taxes Levied for the Fiscal Year [a]	Collected Within the Fiscal year of the Levy[b]				Prior Year Taxes Collected[c]	Total Taxes Collected	
				Levied Collections	Discounts/ Penalties	Adjusted Collections	Percentage Collected		Amount	Percentage Collected
2015	$ 85,321	$ (419)	$ 84,902	$ 84,555	$ (2,629)	$ 81,926	96.49%	$ 229	$ 82,155	96.76%
2016	88,933	(112)	88,821	88,485	(2,778)	85,707	96.49%	403	86,110	96.95%
2017	92,969	(161)	92,808	91,320	(2,890)	88,430	95.28%	451	88,881	95.77%
2018	101,714	(120)	101,594	99,973	(3,189)	96,784	95.27%	231	97,015	95.49%
2019	118,155	(116)	118,039	116,432	(3,715)	112,717	95.49%	107	112,824	95.58%
2020	132,568	(152)	132,416	132,321	(4,266)	128,055	96.71%	199	128,254	96.86%
2021	138,406	(105)	138,301	138,149	(4,585)	133,564	96.57%	168	133,732	96.70%
2022	147,864	(208)	147,656	147,545	(4,969)	142,576	96.56%	149	142,725	96.66%
2023	161,913	(544)	161,369	161,216	(5,952)	155,264	96.22%	273	155,537	96.39%
2024	182,021	(1,050)	180,971	180,572	(5,797)	174,775	96.58%	130	174,905	96.65%

(a) Certified taxes levied is the original tax assessment due to Hernando County before any adjustments are determined by Property Appraiser and/or the Value Adjustment Board, and before any tax amounts are determined to be uncollectible due to insolvencies and/or litigation. Adjusted Taxes Levied reflects changes made throughout the fiscal year. The tax levy represents only the taxes due to the Hernando County financial reporting entity and therefore, excludes taxes due to the School Board, the City of Brooksville, Southwest Florida Water Management District and certain governmental entities. This corresponds to the Direct Tax Rates section of Schedules 6 and 7.

(b) In accordance with Florida Statutes, property taxes become due and payable on November 1 of each year and are delinquent on April 1 of the following year. A 4% discount is allowed if the taxes are paid in November, with the discount declining by 1% each month thereafter. Taxes collected will not equal 100% of the tax levy due to insolvencies, litigation and county certificates. In the table above, taxes collected November 1, 2022 through March 31, 2023 are reflected as levied for the Fiscal Year Ending September 30, 2023. Tax Certificates for unpaid taxes and assessments for that year will be sold no later than June 1, 2023.

(c) Includes all delinquent tax collections received during the year regardless of the year in which the taxes were originally levied.

(d) Includes Non-Ad Valorem taxes that are not on the tax notice. Non-ad valorem taxes are reported as Special Assessments in Governmental Funds and as Charges for Services in Proprietary Funds.

Source: Hernando County Tax Collector

HERNANDO COUNTY, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(DOLLARS EXPRESSED IN THOUSANDS, EXCEPT PER CAPITA)

	Governmental Activites					Business-Type Activities					
Fiscal Year Ended September 30 [c]	Revenue and Revenue Refunding Bonds[a]	Notes Payable	Financed Purchase Obligations	Leases Payable	SBITA Payable	Water and Sewer Revenue Bonds[a]	Notes Payable	Leases Payable	Total Primary Government	Debt as a Ratio to Personal Income[b]	Debt Per Capita
2015	$ 5,209	$31,665	$ 54	$ -	$ -	$ 38,337	$40,540	$ -	$ 115,805	1.92%	$ 655
2016	3,964	29,852	-	-	-	35,949	57,739	-	127,504	2.00%	712
2017	2,691	30,413	-	-	-	33,465	57,955	-	124,524	1.87%	679
2018	2,345	30,789	-	-	-	30,901	55,047	-	119,082	1.69%	642
2019	1,993	27,135	-	-	-	28,228	52,193	-	109,549	1.48%	574
2020	1,622	27,009	823	-	-	26,852	49,274	-	105,580	1.28%	549
2021	1,240	27,561	451	1,763	-	70,779	833	1,706	104,333	1.13%	513
2022	844	24,287	342	4,791	618	67,063	637	865	99,447	1.11%	499
2023	31,710	23,983	-	4,479	277	74,380	432	-	135,261	1.45%	662
2024	31,285	24,480	-	4,908	120	69,980	221	2,642	133,636	1.31%	635

(a) Bonds are shown net of related deferred gains or losses on bond refundings and net of related unamortized bond issue premiums or discounts.

(b) See Table 14 for the personal income and population figures used for this percentage calculation.

(c) Effective 2014, debt amounts exclude losses which have been reclassified to deferred outflows on the balance sheet in accordance with GASB 65.

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

HERNANDO COUNTY, FLORIDA
RATIOS OF GENERAL BONDED DEBT OUTSTANDING
LAST TEN FISCAL YEARS
(DOLLARS EXPRESSED IN THOUSANDS, EXCEPT PER CAPITA)

Fiscal Year Ended September 30	Revenue and Revenue Refunding Bonds[a]	Less: Amounts Available in Debt Service Fund	Net General Bonded Debt	Percentage of Taxable Value of Property[b]	General Debt Per Capita[c]
2015	$ 5,209	$ 82	$ 5,127	0.07%	$ 29
2016	3,964	22	3,942	0.05%	22
2017	2,691	24	2,667	0.03%	15
2018	2,345	9	2,336	0.03%	13
2019	1,993	12	1,981	0.02%	10
2020	1,622	13	1,609	0.02%	9
2021	1,240	12	1,228	0.01%	6
2022	844	11	833	0.01%	4
2023	32,644	16	32,628	0.22%	160
2024	30,398	70	30,328	0.18%	144

Note: Details regarding the County's outstanding debt can be found in the notes to the financial statements.

(a) Bonds are shown net of related deferred gains or losses on bond refundings and net of related unamortized bond issue premiums or discounts.

(b) Taxable Value information can be found on Schedule 6, Schedule of Fair Market, Assessed Value and Taxable Value of Property for property value data.

(c) Population data can be found on Schedule 14, Schedule of Demographic and Economic Statistics.

HERNANDO COUNTY, FLORIDA
COMPUTATION OF DIRECT AND OVERLAPPING DEBT

Government Unit	Payable from Ad Valorem Taxes	Non-Self-Supporting Revenue Debt	Estimated Percentage Applicable	Amount Applicable to Primary Government
SCHOOL BOARD[(a)]				
State Board of Education Bonds, Series 2014A Refunding	$ -	$ 35,000		
State Board of Education Bonds, Series 2020A Refunding	-	494,000		
Bonds Payable-Unamortized Premium		96,436		
Installment-Purchase Payable	-	3,643,442		
Certificates of Participation, Series 2016A	-	76,885,000		
Certificates of Participation - Unamortized Premium	-	6,932,158		
Capital Improvement Bonds - 2020 Series Refunding		3,135,000		
Capital Improvement Bonds - Unamortized Premium		232,616		
Total School Board	$ -	$ 91,453,652	100%	$ 91,453,652
CITY OF BROOKSVILLE				
USDA Loan	$ -	$ 85,000		
Florida Capital Improvement Revenue Note, Series 2011	-	649,467		
Patch Truck Loan		30,438		
USDA Fire Truck Loan		48,243		
2021 Mini Pumper Loan		256,306		
DPW Building		3,128,817		
Total City of Brooksville	$ -	$ 4,198,271	5%	$ 209,914
Subtotal Overlapping Debt	**$ -**	**$ 95,651,923**		**$ 91,663,566**
COUNTY BOARD				
Non-revolving line of credit draws	$ -	$ 7,085,174		
Non-Ad Valorem Refunding Revenue Note, Series 2012	-	5,887,000		
Non-Ad Valorem Revenue Bonds, Series 2022	-	31,285,000		
Lease Financing	-	4,907,792		
SBITA Financing	-	120,210		
Hernando County, Florida Direct Debt	$ -	$ 49,285,176	100%	49,285,176
Total Direct and Overlapping Debt	**$ -**	**$ 144,937,099**		**$ 140,948,742**

Sources: Outstanding debt and applicable percentages provided by each Governmental unit.

(a) Outstanding debt obligations for Hernando County School Board at June 30, 2023.

HERNANDO COUNTY, FLORIDA
SCHEDULE OF NON-AD VALOREM DEBT COVERAGE
NON-AD VALOREM REFUNDING REVENUE BONDS, SERIES 2010,
NON-AD VALOREM REFUNDING REVENUE NOTE, SERIES 2012,
NON-AD VALOREM REVENUE BOND, SERIES 2022, AND
NON-AD VALOREM REFUNDING REVENUE NOTE, SERIES 2023
LAST TEN FISCAL YEARS
(DOLLARS EXPRESSED IN THOUSANDS)

Fiscal Year Ended September 30	Gross Revenues[a]	Expenditures[b]	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2015	$ 33,869	$ -	$ 33,869	$ 557	$ 749	$ 1,306	25.93
2016	34,711	-	34,711	1,935	720	2,655	13.07
2017	34,003	-	34,003	1,986	667	2,653	12.82
2018	36,328	-	36,328	2,997	601	3,598	10.10
2019	39,570	-	39,570	3,074	614	3,688	10.73
2020	71,536	-	71,536	3,160	502	3,662	19.53
2021	52,468	-	52,468	3,236	412	3,648	14.38
2022	43,166	-	43,166	1,707	332	2,039	21.17
2023	52,652	-	52,652	2,332	1,718	4,050	13.00
2024	56,210	-	56,210	2,412	2,823	5,235	10.74

(a) Gross revenues reflect the pledged revenues for the bonds and notes. Pledged revenues consist of non-ad valorem revenues.

(b) No expenditures relate directly to the gross revenue, however gross revenues not used for debt service are used for other purposes.

HERNANDO COUNTY, FLORIDA
SCHEDULE OF REVENUE BOND COVERAGE
TAXABLE WATER AND SEWER REFUNDING REVENUE BOND, SERIES 2021A
WATER AND SEWER REFUNDING REVENUE BOND, SERIES 2021B
LAST TEN FISCAL YEARS
(DOLLARS EXPRESSED IN THOUSANDS)

Fiscal Year Ended September 30	Gross Revenues[a]	Expenses[b]	Net Revenue Available for Debt Service	Connection Fees	Pledged Funds[c]	Debt Service Requirements			Coverage
						Principal[e]	Interest[d]	Total	
2015	$ 29,089	$ 16,062	$ 13,027	$ 1,384	$ 14,411	$ 2,150	$ 1,652	$ 3,802	3.79
2016	31,925	17,805	14,120	2,178	16,298	2,210	1,590	3,800	4.29
2017	34,461	17,863	16,598	2,113	18,711	2,305	1,507	3,812	4.91
2018	34,739	19,276	15,463	2,269	17,732	2,563	1,419	3,982	4.45
2019	38,860	20,359	18,501	2,303	20,804	2,674	1,308	3,982	5.22
2020	40,999	22,870	18,129	2,200	20,329	1,377	1,201	2,578	7.89
2021	42,015	20,774	21,241	3,365	24,606	1,830	1,046	2,876	8.56
2022	42,626	22,293	20,333	2,999	23,332	5,361	438	5,799	4.02
2023	50,413	27,907	22,506	4,076	26,582	4,000	1,937	5,937	4.48
2024	56,459	30,605	25,854	5,526	31,380	4,090	1,844	5,934	5.29

(a) Pursuant to bond definitions, gross revenues include operating revenue and interest income, but do not include sewer connection fees, water connection fees, or special assessment proceeds.

(b) Pursuant to bond definitions, expenses do not include amortizations or depreciation. Similarly, charges associated with replacement of vehicles in lieu of depreciation have not been included.

(c) Effective with the issuance of the Water and Sewer Refunding Revenue Bonds Series 2003, connection fees are included in the definition of pledged funds.

(d) Includes Water and Sewer Refunding Revenue Bonds, Series 2013A, and the Water and Sewer portion of the Non-Ad Valorem Refunding Revenue Bonds, Series 2010.

(e) For FY 2021, the principal amount including the bond premium is $27,241,605. See Note H.

HERNANDO COUNTY, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population[a]				Permanent Households[a]	Personal Income Per Capital[c][f]	Total Personal Income (in thousands)[c][f]	Median Age[b]	Citizens With a Bachelors Degree[b]	Public School Enrollment[d]	Unemployment Rate[e]
	City of Brooksville	City of Weeki Wachee	Unincorporated Hernando County	Total							
2015	7,780	5	169,034	176,819	72,951	$ 33,098	$ 6,033,940	48.0	15.5%	21,421	6.5%
2016	8,006	5	171,492	179,503	73,402	34,899	6,371,015	48.4	15.7%	21,613	6.2%
2017	8,074	9	173,799	181,882	75,883	35,601	6,649,676	49.0	16.0%	22,153	4.3%
2018	8,410	9	177,185	185,604	77,493	36,878	7,038,712	48.9	17.1%	23,615	4.3%
2019	8,661	9	179,688	188,358	78,718	38,223	7,412,217	49.1	17.5%	23,770	3.6%
2020	8,983	9	183,194	192,186	80,375	41,385	8,226,932	47.4	12.0%	22,185	5.9%
2021	9,165	-	187,375	196,540	80,484	46,080	9,245,435	48.0	12.6%	23,415	4.2%
2022	9,481	-	189,726	199,207	81,503	45,456	8,965,617	50.0	12.8%	24,058	3.2%
2023	9,566	-	194,699	204,265	83,399	46,269	9,338,268	47.9	14.3%	23,624	4.2%
2024	9,752	-	200,825	210,577	85,945	49,176	10,185,699	49.7	20.4%	23,238	4.2%

(a) Source: Bureau of Economic and Business Research (BEBR), University of Florida. These numbers have been adjusted to reflect BEBR data available through April 1 annually.

(b) Source: Hernando County Office of Economic Development

(c) Source: Bureau of Economic and Business Research, University of Florida

(d) Source: Hernando County School Board (Not Including Charter School Enrollment)

(e) Source: Florida Department of Economic Opportunity, September annually (not seasonally adjusted)

(f) Note: Personal Income Per Capita is reported based on the prior calendar year data, due to timing of census data annually.

HERNANDO COUNTY, FLORIDA
PRINCIPAL EMPLOYERS
NON-RETAIL, NON-GOVERNMENT
CURRENT FISCAL YEAR COMPARED TO THE FISCAL YEAR NINE YEARS EARLIER

		2024			2015		
Employer	**Type of Operation**	**Employees**	**%**	**Rank**	**Employees**	**%**	**Rank**
Oak Hill Hospital	Healthcare	1,700	2.24	1	1,156	1.96	2
Tampa General Hospital (formerly Bravera/Bayfront Health)	Healthcare	1,102	1.45	2	965	1.64	3
Walmart Distribution Center	Distribution Center	975	1.29	3	1,200	2.04	1
Barrette Outdoor Living	Manufacturer	400	0.53	4			
Healthsouth	Healthcare	350	0.46	5	288	0.49	4
Cemex	Manufacturer	264	0.35	6	240	0.41	6
HPH Hospice	Healthcare	221	0.29	7	119	0.20	8
Accuform Signs, Inc.	Manufacturer	209	0.28	8	290	0.49	5
Micro-Matic	Supplier	200	0.26	9			
Sparton Electronics	Manufacturer	132	0.17	10	200	0.34	7
Suntrust Bank	Banking	-	-		85	0.14	9
Withlacoochee River Electric Coop	Utilities	-	-		79	0.13	10
	Totals	5,553	7.32 %		4,622	7.84 %	
	Total Employment of Hernando County	75,752			62,873		

Note: Percentages shown represent the number of employees as a percent of Hernando County's total employment.

Source: Hernando County Office of Business Development

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HERNANDO COUNTY, FLORIDA
COUNTY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Governmental Activities										
General Government	225	237	244	247	236	249	251	263	284	292
Public Safety	776	782	782	791	859	859	890	917	946	992
Physical Environment	7	8	8	1	1	1	1	1	2	1
Transportation	93	92	96	93	90	94	97	97	101	100
Economic Environment	8	10	10	10	9	9	8	8	11	11
Human Services	20	19	21	23	21	21	23	23	24	18
Culture and Recreation	63	63	70	66	61	62	61	61	80	68
Courts	85	78	83	79	81	77	77	77	77	81
Business-Type Activities										
Airport	4	4	4	4	6	6	5	4	9	11
Water and Wastewater	134	132	131	134	136	136	134	134	150	143
Business Development	27	27	31	34	34	35	41	42	46	49
Solid Waste	33	32	32	31	30	32	33	31	41	34
Total	1,475	1,484	1,512	1,513	1,564	1,581	1,621	1,658	1,771	1,800

Source: Hernando County Department of Financial Services.

HERNANDO COUNTY, FLORIDA
OPERATING INDICATORS BY FUNCTION
LAST TEN FISCAL YEARS

Function	2015	2016	2017	2018
General Government				
Number of public programs broadcast	190	196	288	233
Number of employee records managed	771	782	795	783
Public Safety				
Total incidents responded to (HCFR)	28,951	30,496	31,704	32,023
Number of emergency citizen volunteers	27	431	0	22
Number of building permits issued	12,048	12,525	12,370	14,622
Physical Environment				
Extension Classes/programs	29,730	32,267	30,770	37,798
Transportation				
Number of signals maintained	85	85	86	88
Number of lane miles of roads re-surfaced	42	39	8	72
Economic Environment				
Number of sucessful business projects	8	8	3	1
Number of veteran clients served	7,916	8,909	6,141	8,418
Human Services				
Animals impounded	2,950	2,725	3,143	2,867
Number of human service requests processed	10,789	6,285	9,558	7,843
Culture and Recreation				
Registered library card holders	109,366	116,994	122,503	110,813
Number of participants in the County Recreation programs	20,045	22,049	24,790	23,596
Court Operations				
Number of judicial cases managed	53,796	51,869	66,156	61,550
Water and Sewer				
Water consumption in millions of gallons a day	16.7	17.7	18.8	18.3
Average number of water accounts	58,251	58,281	59,952	62,756
Number of meter reads	719,986	751,440	773,101	778,212
Aviation Operations				
Number of airport & industrial park leases	138	133	173	184
Waste Management				
Total tons landfilled	117,230	122,259	127,047	131,425
Tons of Convenience Center waste Collected	6,945	7,814	7,968	7,986
Tons of recyclables collected & processed	11,839	11,685	10,815	10,069

Source: Various County Departments.

2019	2020	2021	2022	2023	2024
230	196	133	98	122	133
784	777	801	801	816	797
30,772	31,646	37,727	38,064	38,752	38,364
7	0	8	19	18	5
14,725	15,790	19,575	21,580	19,905	17,075
40,905	51,938	54,858	41,030	39,842	35,640
88	89	89	92	97	93
11	15	15	0	38	45
2	4	2	1	3	4
10,030	3,800	3,453	4,028	3,834	3,636
3,156	2,318	2,232	2,682	2,896	3,361
6,685	7,065	7,452	7,517	5,469	4,458
101,723	92,940	95,172	80,236	78,317	70,894
31,516	4,848	5,808	21,890	20,753	4,445
59,204	52,225	56,742	56,754	62,217	66,103
18.8	19.5	19.8	20.5	21.6	21.6
61,425	63,226	63,910	64,631	66,126	67,033
787,143	793,812	802,722	817,963	819,606	831,187
190	188	190	193	193	196
130,683	137,799	149,024	160,636	142,065	169,207
7,270	8,031	8,632	10,405	7,976	5,219
10,088	10,541	10,747	8,740	8,281	3,695

HERNANDO COUNTY, FLORIDA
CAPITAL ASSET AND INFRASTRUCTURE STATISTICS BY FUNCTION/PROGRAM
LAST TEN FISCAL YEARS

Function/Program	2015	2016	2017	2018
General Government				
Number of buildings	165	169	177	176
Fleet Vehicles	403	378	392	398
Public Safety				
Sheriff's patrol vehicles:	325	336	348	365
Radio Towers	5	4	4	4
Transportation				
Lane miles	2,457	2,492	2,516	2,556
Culture and Recreation				
Park acreage - developed	340	340	340	340
Park acreage - undeveloped	1,206	1,206	1,206	1,206
Trails-Jogging/Exercise/Nature	30	30	30	30
Playgrounds	14	14	13	13
Boat ramps (lanes)	16	16	8	8
Picnic shelters	190	190	190	190
Number of libraries/branches	5	4	4	4
Aviation Operations				
Number of runways	2	2	2	2
Runways in linear feet	12,000	12,000	12,000	12,000
Land (acres)	2,400	2,400	2,400	2,400
Waste Management				
Volume developed for landfill use (million cubic yards)	6,601,544	6,601,544	6,601,544	6,601,544
Remaining available landfill capacity (cubic yards)	2,452,353	2,435,065	2,059,982	1,878,573
Water				
Trans & dist lines (miles)	1,232	1,232	1,709	1,096
Maximum daily storage capacity (million gallons)	19.08	19.78	19.78	19.78
Number of meters in service	58,251	58,281	63,139	62,756
Sewer				
Number of pumping or lift stations	301	301	307	298
Collection & Trans lines (miles)	501	513	515	507
Reclaimed water trans & dist lines (miles)	4.30	4.30	4.30	4.30
Number of manholes	7,106	7,165	7,200	7,200

Source: Various County Departments.

2019	2020	2021	2022	2023	2024
160	159	158	159	158	158
421	432	412	428	444	484
376	391	391	391	346	293
4	4	4	4	4	4
2,771	2,776	2,795	2,795	2,798	2,780
340	340	340	340	340	338
1,206	1,206	1,206	1,206	1,206	1,206
30	30	30	30	30	30
12	12	12	12	12	13
8	8	8	8	8	8
190	192	192	192	192	200
4	4	4	4	4	4
2	2	2	2	2	2
12,000	12,000	12,000	11,200	11,200	11,201
2,400	2,400	2,400	2,400	2,400	2,400
6,601,544	6,601,544	6,601,544	6,008,640	6,008,640	6,008,640
1,701,456	1,512,854	1,309,446	1,080,970	883,652	686,329
1,019	1,070	1,070	1,082	1,089	1,089
19.77	19.77	19.77	19.07	19.75	19.41
61,425	65,008	65,592	69,252	68,778	69,974
299	310	312	314	314	321
515	515	518	521	530	527
2.09	14.60	14.60	14.60	8.25	9.28
7,300	7,300	7,300	7,420	7,420	7,734

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Compliance Section

This section contains the following:

Single Audit Reports and Grant Compliance

Bond Compliance Information

Affidavit

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Single Audit Reports and Grant Compliance

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

Independent Auditor's Report

Honorable Board of County Commissioners
Hernando County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activity, each major fund, and the aggregate remaining fund information of Hernando County, Florida (the "County") as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon date June 26, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our 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 deficiency, or 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 over financial reporting that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that were not identified.

Report on Compliance and Other Matters

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

Pursuant to provisions of Chapter 10.550, *Rules of the Auditor General,* we reported certain matters to management in a separate management letter and Independent Accountant's Report dated June 26, 2025.

Purpose of this Report

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

Forvis Mazars, LLP

Tampa, Florida
June 26, 2025

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Report on Compliance for Each Major Federal Program and Major State Project and on Internal Control over Compliance, and Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*

Independent Auditor's Report

Honorable Board of County Commissioners
Hernando County, Florida

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

Opinion on Each Major Federal Program and Major State Project

We have audited the compliance of Hernando County, Florida (the "County") with the types of compliance requirements described in the U.S. Office of Management and Budget ("OMB") *Compliance Supplement* and the requirements described in the Department of Financial Services' *State Projects Compliance Supplement* that could have a direct and material effect on each of the County's major federal programs and major state projects for the fiscal year ended September 30, 2024. The County's major federal programs and major state projects are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to in the first paragraph that could have a direct and material effect on each of the County's major federal programs and major state projects for the fiscal year ended September 30, 2024.

Basis for Opinion on Each Major Federal Program and Major State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. *Code of Federal Regulations,* Part 200, *Uniform Administrative Requirements, Cost Principles, and the Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.550, *Rules of the Auditor General.* Our responsibilities under those standards, the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General* are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program and major state project. Our audit does not provide a legal determination of the County's compliance with the compliance requirements referred to above.

Responsibility of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and 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 major 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, 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 and state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program and 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 and 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. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

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

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.

Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*

We have audited the basic financial statements of the governmental activities, the business-type activity, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the County as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements. We issued our report thereon dated June 26, 2025, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis, as required by the Uniform Guidance, Chapter 69I-5, *Schedule of Expenditures of State Financial Assistance,* Rules of the Department of Financial Services, and Chapter 10.550, *Rules of the Auditor General*, 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 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 schedule of expenditures of federal awards and state financial assistance is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

Forvis Mazars, LLP

Tampa, Florida
June 26, 2025

HERNANDO COUNTY, FLORIDA
Schedule of Federal Awards and State Financial Assistance
Year Ended September 30, 2024

Federal/State/Pass Through Grantor Grant Program Name		Assistance Listing	Grant ID	Expenditures
DEPARTMENT OF AGRICULTURE				
Direct				
	Urban Agriculture & Innovative Production	10.935	NR233A750005C007	$ 297,038
Total	*DEPARTMENT OF AGRICULTURE*			297,038
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
	CDBG- Entitlement/Special Purpose Grants Cluster:			
Direct				
	Community Development Block Grant Program for Entitlement Communities	14.218	B-24-UC-12-2102	38,140
	Total CDBG- Entitlement/Special Purpose Grants Cluster (AL 14.218)			38,140
Pass Through	FLORIDA DEPARTMENT OF COMMERCE			
	Community Development Block Grant (CDBG)	14.228	23DB-H08 (H2534)	262
Total	*DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT*			38,402
DEPARTMENT OF JUSTICE				
Direct				
	Public Safety Partnership and Community Policing Grants (COPS Hiring)	16.710	15JCOPS-23-GG-04929-UHPX	60,010
Direct				
	Edward Byrne Memorial Justice Assistance Grant Program (JAG)	16.738	15PBJA-21-GG-01388-JAGX	2,352
	Edward Byrne Memorial Justice Assistance Grant Program (JAG)	16.738	15PBJA-23-GG-03272-JAGX	41,206
Pass Through	FLORIDA DEPARTMENT OF LAW ENFORCEMENT			
	Edward Byrne Memorial Justice Assistance Grant Program (JAG)	16.738	15PBJA-22-GG-00656-MUMU R7096	14,835
	Edward Byrne Memorial Justice Assistance Grant Program (JAG)	16.738	R7133	44,507
	Subtotal AL 16.738			*102,900*
Direct				
	Equitable Sharing Program/Federal Forfeitures	16.922	FL0270000	2
Total	*DEPARTMENT OF JUSTICE*			*162,912*
DEPARTMENT OF TRANSPORTATION				
Direct				
	Airport Improvement Program	20.106	3-12-0008-024-2020	132,449
Pass Through	FLORIDA DEPARTMENT OF TRANSPORTATION			
	Highway Planning & Construction- Federal Aid Highway Program (PL)	20.205	G2774; FPN 493335-4-14-01	584,425
	Highway Planning & Construction- Federal Aid Highway Program (PL)	20.205	G2V07; FPN 493335-5-14-01	173,619
	Highway Planning & Construction- Federal Aid Highway Program (LAP)	20.205	G2L29; FPN 437484-1-58/68-01/02	650,296
	Highway Planning & Construction- Federal Aid Highway Program (LAP)	20.205	G2700; FPN 441103-1-38-01-02	231,542
	Highway Planning & Construction- Federal Aid Highway Program (LAP)	20.205	G2701; FPN 441107-1-38-01-02	119,982
	Highway Planning & Construction- Federal Aid Highway Program (LAP)	20.205	G2472: FPN 438651-1-38-01/02	2,290
	Highway Planning & Construction- Federal Aid Highway Program (LAP)	20.205	G2681: FPN 439508-1-58/68-01/02	88,055
	Highway Planning & Construction- Federal Aid Highway Program (LAP)	20.205	G2Z70: FPN 438651-1-58/68-01/02	1,814
	Subtotal AL 20.205			*1,852,023*
	Federal Transit Cluster:			
Direct				
	Urbanized Area Formula Program (Section 5307)	20.507	FL-2018-031; X970	64,643
	Urbanized Area Formula Program (Section 5307)	20.507	FL-2018-105; X998	127,353
	Urbanized Area Formula Program (Section 5307)	20.507	FL-2019-082; Y037	1,640

HERNANDO COUNTY, FLORIDA
Schedule of Federal Awards and State Financial Assistance
Year Ended September 30, 2024

Federal/State/Pass Through Grantor Grant Program Name		Assistance Listing	Grant ID	Expenditures
	Urbanized Area Formula Program (Section 5307)	20.507	FL-2020-092; Y091 (CARES)	296,803
	Urbanized Area Formula Program (Section 5307)	20.507	FL-2021-082; Y149	172,457
	Urbanized Area Formula Program (Section 5307)	20.507	FL-2024-045	1,705,578
	Urbanized Area Formula Program (Section 5307)	20.507	FL-2022-033; Y177 (ARPA)	206,548
	Subtotal AL 20.507			*2,575,022*
Direct				
	Bus and Bus Facilities Formula Program	20.526	FL-2022-051	*52,060*
	Total Federal Transit Cluster (AL 20.507 & 20.526)			*2,627,082*
Pass Through	FLORIDA DEPARTMENT OF TRANSPORTATION			
	Formula Grants for Rural Areas (Section 5311)	20.509	G1H25; FPN 401982-2-84-20	88,526
	Formula Grants for Rural Areas (Section 5311)	20.509	G1W00; FPN 401982-1-84-21	128,689
	Formula Grants for Rural Areas (Section 5311)	20.509	G2401; FPN 401982-1-84-22	320,822
	Subtotal AL 20.509			*538,037*
Direct				
	Safe Streets & Roads for all Grant Program	20.939	693JJ32340138	*67,118*
Total	*DEPARTMENT OF TRANSPORTATION*			*5,216,709*
DEPARTMENT OF TREASURY				
Direct				
	Gulf Restore- Direct Component	21.015	1RDCGR110125-01-00	17,690
Direct				
	Coronavirus State & Local Fiscal Recovery Funds	21.027	SLT-1502	7,009,713
Pass Through	FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION			
	Coronavirus State & Local Fiscal Recovery Funds	21.027	WG049	712,823
	Coronavirus State & Local Fiscal Recovery Funds	21.027	WG026	42,379
	Coronavirus State & Local Fiscal Recovery Funds	21.027	WG021	1,030,000
	Subtotal AL 21.027			8,794,915
Direct				
	Local Assistance & Tribal Consistency Fund	21.032	LATCF-1545	87,149
Total	*DEPARTMENT OF TREASURY*			*8,899,754*
GULF COAST ECOSYSTEM RESTORATION COUNCIL				
Pass Through	THE GULF CONSORTIUM			
	Oil Spill Impact Program	*87.052*	*200110141.01; GNTSP20FL0110*	*149,600*
Total	*GULF COAST ECOSYSTEM RESTORATION COUNCIL*			*149,600*
DEPARTMENT OF HEALTH & HUMAN SERVICES				
Direct				
	Substance Abuse & Mental Health Service Administration (SAMHSA)	93.243	5H79TI081928-05	268,275
Pass Through	FLORIDA DEPARTMENT OF REVENUE			
	Child Support Enforcement	93.563	CDC27	169,800
Total	*DEPARTMENT OF HEALTH & HUMAN SERVICES*			*438,075*

HERNANDO COUNTY, FLORIDA
Schedule of Federal Awards and State Financial Assistance
Year Ended September 30, 2024

Federal/State/Pass Through Grantor Grant Program Name		Assistance Listing	Grant ID	Expenditures
DEPARTMENT OF HOMELAND SECURITY				
Pass Through	FLORIDA DIVISION OF EMERGENCY MANAGEMENT			
	Disaster Grants - Public Assistance	97.036	Z3008 (PA-00-05-37-02-179)	706,118
	Disaster Grants - Public Assistance	97.036	Z3946 (24-AA-0000-99-EF-D1261)	334,445
	Disaster Grants - Public Assistance	97.036	Z2205	130,895
	Subtotal AL 97.036			1,171,458
Pass Through	FLORIDA DIVISION OF EMERGENCY MANAGEMENT			
	Hazard Mitigation Grant Program (HMGP)	97.039	H0359; 4337-148-R	41,895
Pass Through	FLORIDA DIVISION OF EMERGENCY MANAGEMENT			
	Emergency Management Performance Grant	97.042	G04477 (DHS-23-GPD-042-04-01)	59,576
Direct				
	Assistance to Firefighters Grant (AFG)	97.044	EMW-2022-FG-07564	20,596
Total	*DEPARTMENT OF HOMELAND SECURITY*			*1,293,525*
TOTAL EXPENDITURES OF FEDERAL AWARDS				***$ 16,496,015***
FLORIDA EXECUTIVE OFFICE OF THE GOVERNOR				
	Emergency Management Program (EMPA)	31.063	A0357	$ 71,942
	Emergency Management Program (EMPA)	31.063	A0464	3,000
	Subtotal CSFA 31.063			*74,942*
	Hurricane Loss Mitigation Program	31.066	DEM-HL00091	*173,098*
	State Hurricane Recovery Grant Program- Hurricane Idalia	31.085	D1545	*350,000*
Total	*FLORIDA EXECUTIVE OFFICE OF THE GOVERNOR*			*598,040*
FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION				
	Statewide Water Quality Restoration Projects	37.039	LPF2701	2,022,884
	Statewide Water Quality Restoration Projects	37.039	LPA0109	
	Subtotal CSFA 37.039			2,022,884
	Resilient Florida Program	37.098	23PLN49	168,025
Total	*FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION*			*2,190,909*
FLORIDA DEPARTMENT OF COMMERCE				
	Economic Development Grant Program	40.043	G0081	*3,600,624*
Total	*FLORIDA DEPARTMENT OF COMMERCE*			*3,600,624*
FLORIDA HOUSING FINANCE CORPORATION				
	State Housing Initiatives Partnership Program (SHIP)	40.901	2019/2020	186,339
	State Housing Initiatives Partnership Program (SHIP)	40.901	2020/2021	106,311
	State Housing Initiatives Partnership Program (SHIP)	40.901	2021/2022	884,368
	State Housing Initiatives Partnership Program (SHIP)	40.901	2022/2023	184,601
	State Housing Initiatives Partnership Program (SHIP)	40.901	2023/2024	10,258
	Subtotal CSFA 40.901			*1,371,877*
Total	*FLORIDA HOUSING FINANCE CORPORATION*			*1,371,877*

HERNANDO COUNTY, FLORIDA
Schedule of Federal Awards and State Financial Assistance
Year Ended September 30, 2024

Federal/State/Pass Through Grantor Grant Program Name		Assistance Listing	Grant ID	Expenditures
FLORIDA DEPARTMENT ARGICULTURE & CONSUMER SERVICES				
	Mosquito Control	42.003	30625	68,163
Total	*FLORIDA DEPARTMENT ARGICULTURE & CONSUMER SERVICES*			*68,163*
FLORIDA DEPARTMENT OF STATE				
	State Aid to Libraries	45.030	20-ST-19	16,294
	State Aid to Libraries	45.030	21-ST-19	42,742
	State Aid to Libraries	45.030	22-ST-19	88,147
	State Aid to Libraries	45.030	23-ST-19	379,004
	Subtotal CSFA 45.030			526,187
Total	*FLORIDA DEPARTMENT OF STATE*			*526,187*
DEPARTMENT OF EDUCATION & COMMISSIONER OF EDUCATION				
	Coach Aaron Feis Guardian Program	48.140	01B-90210-4D001	84,112
Total	*DEPARTMENT OF EDUCATION & COMMISSIONER OF EDUCATION*			*84,112*
FLORIDA DEPARTMENT OF TRANSPORTATION				
	Commission for Transportation Disadvantaged Planning Grant	55.002	G2I90	16,182
	Commission for Transportation Disadvantaged Planning Grant	55.002	G2I76	15,615
	Commission for Transportation Disadvantaged Planning Grant	55.002	G3012	9,573
	Commission for Transportation Disadvantaged Planning Grant	55.002	G2Z98	9,232
	Subtotal CSFA 55.002			*50,602*
	Aviation Development Grants	55.004	G1U46; FPN 444468-1-94-01	388,110
	Aviation Development Grants	55.004	G2440; FPN 450402-1-94-01	18,883
	Aviation Development Grants	55.004	G2I03; FPN 452521-1-94-01	39,815
	Aviation Development Grants	55.004	G2I02; FPN 452862-1-94-01	123,200
	Aviation Development Grants	55.004	G2M85; FPN 453462-1-94-01	998,212
	Aviation Development Grants	55.004	G2M86; FPN 450703-1-94-01	1,170
	Aviation Development Grants	55.004	G2572; FPN 448724-1-94-01	25,283
	Subtotal CSFA 55.004			*1,594,673*
	Small County Outreach Program (SCOP)	55.009	G2879; FPN 448503-1-54-01	473,037
	Small County Outreach Program (SCOP)	55.009	G3059; FPN 449059-1-54-01	
	Subtotal CSFA 55.009			473,037
	Public Transit Block Program	55.010	G2662; FPN 408104-1-84-22	25,294
	Public Transit Block Program	55.010	G2S69; FPN 408104-1-84-24	63,481
	Public Transit Block Program	55.010	G1H26; FPN 408104-1-84-20	240,591
	Public Transit Block Program	55.010	G1U23; FPN 408104-1-84-21	384,108
	Subtotal CSFA 55.010			*713,474*
	Local Transportation Projects	55.039	G1G22; FPN 445742-1-94-01	86,676
Total	*FLORIDA DEPARTMENT OF TRANSPORTATION*			*2,918,462*
FLORIDA DEPARTMENT OF HEALTH				
	Emergency Medical Services (EMS) Matching Awards	64.003	M2429	179,919
	County Grant Awards (EMS)	64.005	C2426	20,625
Total	*FLORIDA DEPARTMENT OF HEALTH*			*200,544*

HERNANDO COUNTY, FLORIDA
Schedule of Federal Awards and State Financial Assistance
Year Ended September 30, 2024

Federal/State/Pass Through Grantor Grant Program Name		Assistance Listing	Grant ID	Expenditures
FLORIDA DEPARTMENT OF LAW ENFORCEMENT				
	FDLE Drone Replacement Program	71.092	3X023	41,378
	Local Firearms Safety Training Program	71.103	9H027	30,492
	Rapid DNA Local Government Grant	71.113	J3006	248,954
Total	*FLORIDA DEPARTMENT OF LAW ENFORCEMENT*			*320,824*
FLORIDA DEPARTMENT OF MANAGEMENT SERVICES				
	Prepaid Next Generation 911 (NG911) State Grant Program	72.003	S22-23-01-34	61,650
Total	*FLORIDA DEPARTMENT OF MANAGEMENT SERVICES*			*61,650*
TOTAL EXPENDITURES OF STATE FINANCIAL ASSISTANCE				***$ 11,941,392***

HERNANDO COUNTY, FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED SEPTERMBER 30, 2024

Note 1 - General

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

The County reporting entity is defined in Note A to the County's basic financial statements for the year ended September 30, 2024. All federal awards and state financial assistance received directly from federal or state agencies, as well as federal awards and state financial assistance passed through other governmental agencies, are included in the schedule.

Note 2 - Basis of Accounting

The accompanying schedule of expenditures of federal awards and state financial assistance is presented using the same basis of accounting as the fund in which the grant is recorded, generally the accrual or modified accrual basis, as described in Note A to the County's financial statements.

Note 3 - Loans Outstanding

The County has the following loan balances outstanding at September 30, 2024:

Program	Assistance Listing	Loan Outstanding
State Housing Initiatives Partnership (SHIP)	40.901	$ 13,899,484

Only current year loans issued to eligible recipients are included as expenditures on the accompanying schedule. The County has recorded the gross amount of the loan offset entirely by an allowance for uncollectible receivables.

Note 4 - Contingencies

Grant funds received and disbursed by the County are for specific purposes and are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to the disallowance of expenditures. Based upon prior experience, the County does not believe that such disallowances, if any, would have a material effect on the financial position of the County.

Note 5 – Expenditures & Program Income

The amounts shown as current year expenditures on the accompanying schedule represent only the grant portion of the program/project costs. The only exception to this is the funding received under

Assistance Listing 97.036- FEMA Public Assistance Program (See Note 7 for additional details). The total expenditures of the program/project may be more than shown.

Negative expenditures reported on the Schedules of Expenditures of Federal Awards and State Financial Assistance may be the result of a correction from entries included in a prior fiscal year. While current expenditures for a grant may be negative, the aggregate of all expenditures during the entire period of performance will be positive.

Program income generated by and expended on a Federal or State award during the period of performance is included on this schedule if the program income is added to the award amount or if specifically directed by the awarding agency and/or required by program guidance. Program income that reduces the total allowable expenditures (deduction method) is not included.

Note 6 – Indirect Costs

Hernando County Board of County Commissioners elected to use the 10% de minimis cost rate in fiscal year 2024 as covered in 2 CFR 200.414.

Note 7 – Disaster Public Assistance

Disaster funding received from the FEMA Public Assistance Program (Assistance Listing 97.036) is based on Project Worksheets (PWs) that outline the eligible expenses and the scope of the project. Expenditures recorded on this schedule are contingent on when a funding agreement is executed, funds are obligated and approved, and the County has incurred eligible expenditures. PWs are categorized as either “small” or “large” based on the total expenses. “Small” PWs are reported based on the amount obligated, while “large” PWs are determined by actual eligible expenditures. Eligible expenditures incurred in prior years were reported on the schedule this year. See Note A of the ACFR for additional details regarding the accounting of funds received under this program.

Section I – Summary of Auditor's Results

Financial Statements

1. Type of report the auditor issued on whether the financial statements audited were prepared in accordance with GAAP:

   (Check each description that applies)

   ☒ Unmodified ☐ Qualified ☐ Adverse ☐ Disclaimer

2. Internal control over financial reporting:

   Material weakness(es) identified? ☐ Yes ☒ No

   Significant deficiency(ies) identified? ☐ Yes ☒ None reported

3. Noncompliance material to the financial statements noted? ☐ Yes ☒ No

Federal Awards and State Financial Assistance

4. Internal control over major federal programs and major state projects:

   Material weakness(es) identified? ☐ Yes ☒ No

   Significant deficiency(ies) identified? ☐ Yes ☒ None reported

5. Type of auditor's report issued on compliance for major federal program(s) and major state project(s):

   (Check each description that applies. If any other than unmodified apply, also list the name of each major program by the type of opinion applicable to that program.)

   ☒ Unmodified ☐ Qualified ☐ Adverse ☐ Disclaimer

6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a) or Chapter 10.557, *Rules of the Auditor General*? ☐ Yes ☒ No

7. Identification of major federal programs and major state projects:

Assistance Listing Number(s)	Name of Federal Program or Cluster
20.205	Federal Highway Planning and Construction
21.027	Coronavirus State and Local Fiscal Recovery Funds (CSLFRF)
97.036	Disaster Grants - Public Assistance (Presidentially Declared Disasters)

CSFA Numbers	Name of State Projects
55.004	Aviation Grant Programs
40.043	Economic Development Tax Refund, Tax Credit, and Grant Program
40.901	State Housing Initiatives Partnership Program (SHIP)

8. Dollar threshold used to distinguish between Type A and Type B programs:

   Federal: $750,000
   State: $750,000

9. Auditee qualified as a low-risk auditee? ☒ Yes ☐ No

Section II – Financial Statement Findings

Reference Number	Finding
	No matters are reportable.

Section III – Federal Award and State Financial Assistance Findings and Questioned Costs

Reference Number	Finding
	No matters are reportable.

Hernando County, Florida
Summary Schedule of Prior Audit Findings
Year Ended September 30, 2024

Reference Number	Finding
	No matters were reported over federal awards and state financial assistance in the prior year.

Hernando County Board of County Commissioners
Other Supplemental Information
Schedule of Receipts & Expenditures related to Deepwater Horizon Oil Spill
For the Fiscal Year Ending September 30, 2024

CSFA	Assistance Listing	Program	Funding Agency	Pass-Thru	Project	Award Identifier	Expenditures	Revenue			
								Federal	State	Local	Total
	21.015	Gulf RESTORE - Direct Component	Department of Treasury	N/A	Linda Pedersen Park Improvements	1 RDCGR110125-01-00	$ 17,690	$ 17,690	$ -	$ -	$ 17,690
	87.052	RESTORE Council Oil Spill Impact Program	Gulf Coast Ecosystem Restoration Council	The Gulf Consortium	Artificial Reef Program	GNTSP20FL0110	$ 149,600	$ 149,600	$ -	$ -	$ 149,600
							$ 167,290	$ 167,290	$ -	$ -	$ 167,290

Note 1: Expenditures included on this schedule are subject to Federal Single Audit requirements of 2CFR Part 200 & will be reported on the County's Schedule of Expenditures of Federal Awards.
Note 2: CFDA 21.015 was authorized under the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States Act of 2012, Title 31, Part 34, 126 Stat. 588, 33 U.S.C 1321(t)(1).
Note 3: CFDA 87.052 was authorized under the Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States (RESTORE) Act of 2012, Title 33, Part 1321(t)(3), Section 1603(3), Public Law 112-141, Statute 126,588, 33 US Code 1321(t)(2).

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Independent Auditor's Management Letter

Honorable Board of County Commissioners
Hernando County, Florida

Report on the Financial Statements

We have audited the basic financial statements of Hernando County, Florida (the "County") as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated June 26, 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 the Audit Requirements for Federal Awards* ("Uniform Guidance"); and Chapter 10.550, *Rules of the Auditor General.*

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards;* Independent Auditor's Report on Compliance for Each Major Federal Program and Major State Project and on Internal Control over Compliance and Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General;* Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards,* AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General.* Disclosures in those reports and schedule, which are dated June 26, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal County

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

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General,* require us to apply appropriate procedures and communicate the results of our determination as to whether or not the County met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the County did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

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

Property Assessed Clean Energy (PACE) Programs

As required by Section 10.554(1)(i)6.a., *Rules of the Auditor General,* a PACE program authorized pursuant to Section 13.081 or Section 163.082, Florida Statutes, did not operate within the County's geographical boundaries during the fiscal year under audit.

Special District Component Units

Section 10.554(1)(i)5.c., *Rules of the Auditor General,* requires that we determine whether or not a special district that is a component unit of a county, municipality, or special district, provided the financial information necessary for proper reporting of the component unit, within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

As required by Section 218.39(3)(c), Florida Statues, and Section 10.554(1)(i)6, *Rules of the Auditor General*, the County has identified the Kass Circle Community, the Hernando County Law Library, Hernando County Port Authority and the Hernando County Water and Sewer District as dependent special districts included within the reporting entity. These special districts do not have employees, independent contractors, construction projects or budget variances.

Additional Matters

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

Purpose of this Letter

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

Forvis Mazars, LLP

Tampa, Florida
June 26, 2025

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Independent Accountant's Report

Honorable Board of County Commissioners
Hernando County, Florida

We have examined the compliance of Hernando County, Florida (the "County") with the requirements of Sections 218.415 and 365.172(10), and 365.172(2)(d), Florida Statutes, during the fiscal year ended September 30, 2024. Management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County's compliance based on our examination.

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

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

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

In our opinion, the County complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2024.

Forvis Mazars, LLP

Tampa, Florida
June 26, 2025

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Independent Accountant's Report

Honorable Board of County Commissioners
Hernando County, Florida

We have examined Hernando County, Florida's (the "County") compliance with the requirements of Title 33 U.S. Code s. 1321(t), during the year ended September 30, 2024. Management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County's compliance based on our examination.

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

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

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

In our opinion, the County complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2024.

Forvis Mazars, LLP

Tampa, Florida
June 26, 2025

BOND COMPLIANCE

HERNANDO COUNTY, FLORIDA
SUPPLEMENTAL INFORMATION
FOR FISCAL YEAR ENDING SEPTEMBER 30, 2024
(UNAUDITED)

BOND COMPLIANCE INFORMATION

TAXABLE WATER AND SEWER REFUNDING REVENUE BONDS, SERIES 2021A
WATER AND SEWER REFUNDING REVENUE BONDS, SERIES 2021B

The following table sets forth data regarding the Historic Growth of Water and Wastewater System Customers, Historic Water Consumption Flows, and Historic Wastewater Treatment Plant Flows for the last ten fiscal years for Hernando County, Florida:

HISTORIC GROWTH OF WATER AND WASTEWATER SYSTEM CUSTOMERS

	Number of Active Accounts	
Fiscal Year	**Water**	**Sewer**
2015	58,251	27,688
2016	58,281	27,688
2017	59,952	28,778
2018	62,756	30,770
2019	61,425	29,631
2020	63,018	30,606
2021	63,910	31,415
2022	65,643	32,351
2023	66,136	32,648
2024	68,150	45,413
Average Annual Compound Growth Rate	**1.75%**	**5.82%**

Note: Figures represent number of active accounts at the close of each Fiscal Year ended September 30.

HISTORIC WATER CONSUMPTION FLOWS

Fiscal Year	**Average Daily Flow (MGD)**	**Peak Daily Flow (MGD)**
2015	16.725	23.957
2016	17.707	24.664
2017	18.766	27.684
2018	18.306	26.074
2019	18.832	26.68
2020	19.505	26.695
2021	19.867	31.118
2022	20.453	27.078
2023	21.598	29.468
2024	21.627	31.061

HISTORIC WASTEWATER TREATMENT PLANT FLOWS

Fiscal Year	**Average Daily Flow (MGD)**
2015	4.191
2016	4.470
2017	4.802
2018	4.546
2019	4.645
2020	4.453
2021	4.586
2022	4.578
2023	4.693
2024	4.947

Source: Hernando County Utilities Department

HERNANDO COUNTY, FLORIDA
SUPPLEMENTAL INFORMATION
FOR FISCAL YEAR ENDING SEPTEMBER 30, 2024
(UNAUDITED)

WATER SYSTEM
Monthly User Rates

	2022	2023	2024	2025
Monthly Base Charge:				
Residential Single-Family Services and Residential Irrigation Service:				
Base Charge All Meter Sizes	$ 8.75	$ 8.97	$ 9.19	$ 9.85
Commercial, Residential Multi-Family and Commercial Irrigation Service:				
Meter Size				
5/8"	$ 8.75	$ 8.97	$ 9.19	$ 9.85
3/4"	13.14	13.47	13.81	14.78
1"	21.88	22.43	22.99	24.63
1-1/2"	43.71	44.80	45.92	49.25
2"	70.01	71.76	73.55	78.80
3"	140.00	143.50	147.09	157.60
4"	218.75	224.22	229.83	246.25
6"	437.51	448.45	459.66	492.50
8"	700.01	717.51	735.45	788.00
10"	1,006.26	1,031.42	1,057.21	1,132.75
12"	1,881.28	1,928.31	1,976.52	2,117.75
Consumption Charge (Per 1,000 Gallons):				
Residential Single-Family Service:				
0 - 5,000	$ 1.54	$ 1.58	$ 1.62	$ 1.64
5,001 - 10,000	1.81	1.86	1.91	2.00
10,001 - 20,000	2.71	2.78	2.85	3.20
20,001 - 30,000	3.61	3.70	3.79	4.80
30,001 - 50,000	5.42	5.56	5.70	6.90
50,000-75,000	9.03	9.26	9.49	9.80
Above 75,000	12.65	12.97	13.29	13.50
Residential Irrigation Service:				
0 - 10,000	$ 1.81	$ 1.86	$ 1.91	$ 2.00
10,001 - 20,000	2.71	2.78	2.85	3.20
20,001 - 30,000	3.61	3.70	3.79	4.80
30,001 - 50,000	5.42	5.56	5.70	6.90
50,001 - 75,000	9.03	9.26	9.49	9.80
Above 75,000	12.65	12.97	13.29	13.50
Commercial, Residential Multi-Family and Commercial Irrigation Service:				
Block 1	$ 1.81	$ 1.86	$ 1.91	$ 2.00
Block 2	2.71	2.78	2.85	3.20
Block 3	3.61	3.70	3.79	4.80
Block 4	5.42	5.56	5.70	6.90
Block 5	9.03	9.26	9.49	9.80
Block 6	12.65	12.97	13.29	13.50

Note: Amounts shown to be applied on a per ERU basis.

Source: Hernando County Utilities Department

HERNANDO COUNTY, FLORIDA
SUPPLEMENTAL INFORMATION
FOR FISCAL YEAR ENDING SEPTEMBER 30, 2024
(UNAUDITED)

WASTEWATER SYSTEM
Monthly User Rates

	2022	2023	2024	2025
Monthly Base Charge:				
Residential Single-Family Services:				
Base Charge All Meter Sizes	$ 23.22	$ 24.38	$ 25.60	$ 26.00
Commercial, Residential Multi-Family Service:				
Base Charge by Meter Size:				
5/8"	$ 23.22	$ 24.38	$ 25.60	$ 26.00
3/4"	34.83	36.57	38.40	39.00
1"	58.05	60.95	64.00	65.00
1-1/2"	116.11	121.92	128.02	130.00
2"	185.79	195.08	204.83	208.00
3"	371.50	390.08	409.58	416.00
4"	580.47	609.49	639.96	650.00
6"	1,160.93	1,218.98	1,279.93	1,300.00
8"	1,857.49	1,950.36	2,047.88	2,080.00
10"	2,670.15	2,803.66	2,943.84	2,990.00
12"	4,992.02	5,241.62	5,503.70	5,590.00
Consumption Charge (Per 1,000 Gallons of Metered Water):				
Residential Single-Family Service	$ 5.17	$ 5.43	$ 5.70	$ 6.01
Commercial, Residential Multi-Family Service:				
customer with 5/8" Meter through 10" Meter	$ 5.17	$ 5.43	$ 5.70	$ 6.01
customer with 12" Meter	$ 5.17	$ 5.43	$ 5.70	$ 6.01

Source: Hernando County Utilities Department

HERNANDO COUNTY, FLORIDA
SUPPLEMENTAL INFORMATION
FOR FISCAL YEAR ENDING SEPTEMBER 30, 2024
(UNAUDITED)

COUNTY SYSTEM RATES

CONNECTION FEE ERU

Set forth below is a table which summarizes the water and wastewater system Connection Fees for each respective meter size for the last five fiscal years:

Meter Size	ERU Meter Factor	2020		2021		2022		2023		2024	
		Water	Sewer	Water	Sewer	Water	Sewer	Water	Sewer	Water	Sewer
5/8"	1	$ 1,147	$ 3,544	$ 1,147	$ 3,544	$ 1,147	$ 3,544	$ 1,147	$ 3,544	$ 1,147	$ 3,544
3/4"	1.5	1,721	5,316	1,721	5,316	1,721	5,316	1,726	5,316	1,726	5,316
1"	2.5	2,868	8,860	2,868	8,860	2,868	8,860	2,868	8,860	2,868	8,860
1 1/2"	5	5,735	17,720	5,735	17,720	5,735	17,720	5,735	17,720	5,735	17,720
2"	8	9,176	28,352	9,176	28,352	9,176	28,352	9,176	28,352	9,176	28,352
3"	16	18,352	56,704	18,352	56,704	18,352	56,704	18,352	56,704	18,352	56,704
4"	25	28,675	88,600	28,675	88,600	28,675	88,600	28,675	88,600	28,675	88,600
6"	50	57,350	177,200	57,350	177,200	57,350	177,200	57,350	177,200	57,350	177,200
8"	80	91,760	283,520	91,760	283,520	91,760	283,520	91,760	283,520	91,760	283,520
10"	115	131,905	407,560	131,905	407,560	131,905	407,560	131,905	407,560	131,905	407,560

Source: Hernando County Utilities Department

COUNTY SYSTEM RATES (CONTINUTED)

OTHER COUNTY SYSTEM RATES AND CHARGES

The County has several other charges that are applicable to miscellaneous or customer-related services. Set forth in the table below is a summary of other miscellaneous charges imposed by the County that are common in the utility industry, for the last five fiscal years:

Charges/Fee Description	2020	2021	2022	2023	2024
Water Hook-up Fees					
Meter Size:					
5/8" x 3/4"	$ 350	$ 350	$ 350	$ 350	$ 350
5/8" x 3/4" - Short/Long Tap-In	690	690	690	690	690
1"	860	860	860	860	860
1 1/2"	1,550	1,550	1,550	1,550	1,550
2"	1,685	1,685	1,685	1,685	1,685
3"	Contracted	Contracted	Contracted	Contracted	Contracted
4"	Contracted	Contracted	Contracted	Contracted	Contracted
6"	Contracted	Contracted	Contracted	Contracted	Contracted
8"	Contracted	Contracted	Contracted	Contracted	Contracted
Wastewater Hook-up Fees					
Residential	N/A	N/A	N/A	N/A	N/A
Commercial	N/A	N/A	N/A	N/A	N/A
Utility Service Fee					
Workdays - 8:00 a.m. to 5:00 p.m.	$ 35	$ 35	$ 35	$ 40	$ 40
After 5:00 p.m., Weekends, Holidays	70	70	70	80	80

Source: Hernando County Utilities Department

HERNANDO COUNTY, FLORIDA
SUPPLEMENTAL INFORMATION
FOR FISCAL YEAR ENDING SEPTEMBER 30, 2024
(UNAUDITED)

The following two tables set forth a summary of the Hernando County Water and Sewer Capital Improvements and Funding Sources for the next five years.

FIVE-YEAR CAPITAL IMPROVEMENTS PROGRAM

	Fiscal Year Ending September 30					
	2025	**2026**	**2027**	**2028**	**2029**	**TOTAL**
WATER SYSTEM						
Water Production	$ 19,564,944	$ 3,635,000	$ 8,212,200	$ -	$ -	$ 31,412,144
Water Distribution/Storage	5,947,810	5,077,750	21,616,000	500,000	510,000	33,651,560
Total Water Systems	25,512,754	8,712,750	29,828,200	500,000	510,000	65,063,704
WASTEWATER SYSTEM						
Treatment and Effluent Disposal	36,839,795	69,000,000	-	-	-	$ 105,839,795
W.W. Collection/Effluent Transmission	33,818,431	11,725,490	718,000	21,994,650	1,700,000	69,956,571
Total Wastewater System	70,658,226	80,725,490	718,000	21,994,650	1,700,000	175,796,366
TOTAL - WATER & WASTEWATER SYSTEM	$ 96,170,980	$ 89,438,240	$ 30,546,200	$ 22,494,650	$ 2,210,000	$ 240,860,070

FUNDING SOURCES FOR FIVE-YEAR WATER AND SEWER CAPITAL IMPROVEMENTS PROGRAM

	2025	**2026**	**2027**	**2028**	**2029**	**TOTAL**
WATER SYSTEM						
Capital Reserves	$ 16,081,898	$ 4,000,000	$ 29,598,200	$ -	$ -	$ 49,680,098
Renewal & Replacement Fund	4,593,201	2,412,750	230,000	500,000	510,000	8,245,951
Connection Fees	346,424	1,500,000	-	-	-	1,846,424
Other Funding Sources	4,491,231	800,000	-	-	-	5,291,231
Total Water Systems	25,512,754	8,712,750	29,828,200	500,000	510,000	65,063,704
WASTEWATER SYSTEM						
Capital Reserves	$ 29,734,059	$ 71,800,000	$ 68,000	$ 1,265,000	$ -	$ 102,867,059
Renewal & Replacement Fund	3,961,842	2,646,000	350,000	3,574,650	1,700,000	12,232,492
Connection Fees	9,319,165	2,600,000	300,000	3,000,000	-	15,219,165
Other Funding Sources	27,643,160	3,679,490	-	14,155,000	-	45,477,650
Total Wastewater System	70,658,226	80,725,490	718,000	21,994,650	1,700,000	175,796,366
TOTAL - WATER & WASTEWATER SYSTEM	$ 96,170,980	$ 89,438,240	$ 30,546,200	$ 22,494,650	$ 2,210,000	$ 240,860,070

HERNANDO COUNTY, FLORIDA
SUPPLEMENTAL INFORMATION
FOR FISCAL YEAR ENDING SEPTEMBER 30, 2024
(UNAUDITED)

HISTORICAL OPERATING RESULTS AND DEBT SERVICE COVERAGE - COUNTY SYSTEM

The following table shows certain historical operating data for the Water and Sewer Systrem for the last five fiscal years. Presentation of such figures is intended to reflect the provisions of the Resolution. The historical figures are derived from the County's audited financial statements.

	Fiscal Year Ending September 30				
	2020	**2021**	**2022**	**2023**	**2024**
REVENUE					
Water & Wastewater Sales Revenues	$ 38,922,432	$ 41,614,139	$ 44,541,692	$ 47,280,354	$ 49,249,374
Other Operating Revenues	412,227	298,658	385,477	328,260	429,208
Investment Income (Loss)	1,664,166	101,977	(2,301,508)	2,804,962	6,792,666
Total Gross Revenues[(a)]	40,998,825	42,014,774	42,625,661	50,413,576	56,471,248
OPERATING EXPENSES[(b)]					
Personal Services	10,225,603	8,966,060	9,920,134	11,534,476	11,523,705
Other Operating Expenses	13,097,421	12,624,161	13,440,060	16,372,471	19,081,382
Depreciation Equivalent Charges[(c)]	(453,088)	(816,113)	(1,067,592)	(1,421,479)	-
Total Operating Expenses	22,869,936	20,774,108	22,292,602	26,485,468	30,605,087
NET REVENUES[(d)]	**$18,128,889**	**$21,240,666**	**$20,333,059**	**$23,928,108**	**$ 25,866,161**
CONNECTION FEES					
Water Connection Fees	763,215	1,214,679	1,091,244	1,157,001	1,577,111
Wastewater Connection Fees	1,436,950	2,150,737	1,908,221	2,919,017	3,948,989
Total Connection Fees	2,200,165	3,365,416	2,999,465	4,076,018	5,526,100
Pledged Funds[(e)]	20,329,054	24,606,082	23,332,524	28,004,126	31,392,261
Actual Senior Lien Debt Service	$ 2,577,705	$ 1,830,428	$ 5,361,035	$ 5,938,466	$ 5,934,337
Actual Coverage on Net Revenues[(f)]	7.03	11.60	3.79	4.03	4.36
Required Coverage	1.10	1.35	1.35	1.35	1.35
Actual Coverage on Pledged Funds[(f)]	7.89	13.44	4.35	4.72	5.29
Required Coverage	1.20	1.20	1.20	1.20	1.20

(a) Pursuant to the Resolution, does not include Sewer Connection Fees, Water Connection Fees, or Special Assessment Proceeds.

(b) Pursuant to the Resolution, does not include amortization or depreciation.

(c) For purposes of this table, charges associated with replacement of vehicles in-lieu of depreciation have been eliminated. This is consistent with definition of Operating Expenses in the Resolution, which excludes depreciation, amortization, and other similar charges.

(d) Net revenues are defined in the Resolution as Gross Revenues less Operating Expenses.

(e) Pledged Funds are defined in the Resolution as Net Revenues plus Connection Fees, together with certain other funds and accounts which are not accounted for in this table.

(f) Upon issuance of the Series 2021A and 2021B Bonds, required coverage on Net Revenues increased from 1.10 to 1.35 times. For purposes of these calculations, it has been assumed that the Fund Balance is equal to $0.00.

HERNANDO COUNTY, FLORIDA
SUPPLEMENTAL INFORMATION
FOR FISCAL YEAR ENDING SEPTEMBER 30, 2024
(UNAUDITED)

TOP TEN UTILITY CUSTOMERS (BASED ON SALES REVENUE)

The following table shows the ten largest customers of Hernando County for the fiscal year ending September 30, 2023.

Customer	Class	Meter Size	Type of Service	System Revenue	% of Total County Sales Revenue
Oak Hill Hospital	Commercial	6"	Water & Sewer	$ 282,707	0.57%
Hernando County Jail	Commercial	6"	Water & Sewer	193,944	0.39%
Oak Hill Hospital - Cooling Tower	Commercial	2"	Water	153,422	0.31%
Hernando Correctional Institute	Commercial	6"	Water & Sewer	124,801	0.25%
Bridgewater Club Apartments	Commercial	6"	Water & Sewer	97,332	0.20%
Vitality Living Spring Hill	Commercial	4"	Water & Sewer	71,726	0.15%
Evergreen Woods	Commercial	4"	Water & Sewer	70,572	0.14%
Brooksville Regional Hospital	Commercial	6"	Water & Sewer	69,906	0.14%
Hernando County School Board	Commercial	6"	Water & Sewer	59,654	0.12%
Spring Hill Hospital - Cooling Tower	Commercial	2"	Water	15,508	0.03%

Source: Hernando County Utilities Department

HERNANDO COUNTY, FLORIDA
SUPPLEMENTAL INFORMATION
FOR FISCAL YEAR ENDING SEPTEMBER 30, 2024
(UNAUDITED)

HISTORICAL NON-AD VALOREM REVENUES IN GENERAL FUND

	FISCAL YEAR ENDING SEPTEMBER 30					
REVENUES	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**
Taxes						
Local Communications Services Tax	$ 1,494,033	$ 1,508,963	$ 1,504,621	$ 1,656,179	$ 1,644,002	$ 1,648,383
Licenses and Permits - Other	489,033	485,251	530,672	504,505	426,455	663,393
Intergovernmental						
Local Governmental Half-Cent Sales Tax[(a)]	10,113,257	10,333,528	12,179,208	13,550,762	14,103,869	13,976,296
State Revenue Sharing	5,223,897	4,913,385	5,726,289	7,369,002	7,814,124	7,931,919
Other[(b)]	6,023,774	32,700,262	13,730,732	4,900,011	5,701,178	9,654,385
Charges for Service						
General Government	9,373,508	13,179,182	10,500,253	9,710,211	13,825,704	11,579,093
Public Safety	2,791,145	476,860	3,752,649	3,765,060	758,583	312,884
Physical Environment	-	173,550	140,264	200,314	-	-
Transportation	147,853	120,283	118,139	132,034	147,805	169,660
Human Services	224,203	181,143	194,870	184,655	170,411	130,673
Culture and Recreation	764,664	737,690	1,028,982	1,021,659	973,028	399,239
Other	29,197	29,720	31,998	30,417	-	
Fines and Forfeitures	137,409	128,878	198,608	147,248	248,671	278,651
Investment Income (Loss)	1,120,746	1,166,271	84,734	(2,371,310)	4,997,392	8,143,063
Miscellaneous Revenue	1,637,594	5,401,409	2,746,219	2,483,866	1,841,042	1,322,389
Total Sources of Non-Ad Valorem Revenues	**$ 39,570,313**	**$ 71,536,375**	**$ 52,468,238**	**$ 43,284,613**	**$ 52,652,264**	**$ 56,210,028**

(a) This revenue source is pledged as the source of security for payment for the Non-Ad Valorem Refunding Revenue Note, Series 2012, the Non-Ad Valorem Revenue Bond, Series 2022, and the Non-Revolving Lines of Credit.

(b) Increases/decreases predominantly due to changes in grant funding provided by other Governmental Agencies.

HERNANDO COUNTY, FLORIDA
SUPPLEMENTAL INFORMATION
FOR FISCAL YEAR ENDING SEPTEMBER 30, 2024
(UNAUDITED)

OTHER OBLIGATIONS PAYABLE FROM NON-AD VALOREM REVENUES

The County has other debt issues outstanding which are secured by and payable from specific Non-Ad Valorem revenues (excluding gas taxes and net revenues of the Water and Sewer enterprise fund, neither of which are legally available to pay debt service on the Series 2012 Bonds). Such indebtedness is summarized below.

Description	Source of Security	Amount Outstanding	Final Maturity	Maximum Annual Debt Service
Non-Revolving Line of Credit	Covenant to Budget and Appropriate Legally Available Non-Ad Valorem Revenues	$ 7,085,174	5/1/2032	$ 2,878,317
Non-Ad Valorem Refunding Revenue Bonds, Series 2012	Covenant to Budget and Appropriate Legally Available Non-Ad Valorem Revenues	$ 5,887,000	2/1/2028	$ 1,549,449
Non-Ad Valorem Revenue Bonds, Series 2022	Covenant to Budget and Appropriate Legally Available Non-Ad Valorem Revenues	$ 50,125,000	6/1/2052	$ 3,690,788

HERNANDO COUNTY, FLORIDA
SUPPLEMENTAL INFORMATION
FOR FISCAL YEAR ENDING SEPTEMBER 30, 2024
(UNAUDITED)

GENERAL FUND REVENUES AND EXPENDITURES

The following table shows information regarding the General Fund for the County's fiscal years ending September 30, 2018 through September 30, 2024.

	FISCAL YEAR ENDING SEPTEMBER 30					
	2019	**2020**	**2021**	**2022**	**2023**	**2024**
REVENUES						
Taxes	$ 58,402,513	$ 71,651,035	$ 75,177,661	$ 79,668,627	$ 90,284,483	$ 97,750,234
Licenses and Permits	489,034	485,251	530,672	504,505	426,455	663,393
Intergovernmental	21,360,928	47,947,175	31,636,229	25,769,775	33,375,083	37,307,614
Charges for Services	13,330,570	14,898,428	15,767,155	15,044,350	15,875,531	16,697,013
Fines and Forfeitures	137,409	128,878	198,608	147,248	248,671	278,651
Investment Income (Loss)	1,120,746	1,166,271	84,734	(2,371,310)	4,997,392	8,143,063
Miscellaneous Revenue	1,637,594	5,401,409	2,746,219	2,483,866	1,841,042	1,322,389
TOTAL REVENUES	**$ 96,478,794**	**$ 141,678,447**	**$ 126,141,278**	**$ 121,247,061**	**$ 147,048,657**	**$ 162,162,357**
EXPENDITURES						
Current						
General Government	$ 22,766,601	$ 22,837,187	$ 26,002,200	$ 27,475,790	$ 32,276,854	$ 38,790,674
Public Safety	51,776,924	55,173,881	57,634,971	62,627,142	69,455,191	78,923,080
Physical Environment	444,670	496,058	515,117	603,428	619,375	754,622
Transportation	2,415,463	2,723,307	2,878,645	3,179,680	3,181,742	4,145,973
Economic Environment	558,060	2,949,502	4,928,949	713,316	1,028,384	764,569
Human Services	4,686,387	4,828,136	5,941,076	4,965,909	5,270,636	5,957,841
Culture and Recreation	5,675,994	5,442,599	6,177,042	6,597,701	6,980,987	7,770,715
Court Operations	1,388,518	1,540,870	1,558,259	1,671,019	1,845,366	2,077,649
Debt Service						
Principal	441,217	563,348	811,662	910,419	1,607,299	1,140,635
Interest and Fiscal Charges	69,632	78,403	75,771	70,940	297,839	158,294
Capital Outlay	3,607,192	4,155,093	7,729,843	8,157,892	9,938,732	17,799,178
TOTAL EXPENDITURES	**$ 93,830,658**	**$ 100,788,384**	**$ 114,253,535**	**$ 116,973,236**	**$ 132,502,405**	**$ 158,283,230**
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	$ 2,648,136	$ 40,890,063	$ 11,887,743	$ 4,273,825	$ 14,546,252	$ 3,879,127
OTHER FINANCING SOURCES (USES)						
Transfers In[(a)]	$ 2,390,979	$ 775,376	$ 357,922	$ 855,149	$ 1,374,146	$ 1,482,182
Transfers Out[(a)]	(5,666,358)	(5,629,608)	(5,019,325)	(4,174,031)	(6,306,615)	(6,574,773)
Lease Financing	-	-	-	459,141	86,953	786,617
SBITA Financing	-	-	-	-	537,507	640,798
Additions to Long-Term Debt	-	556,530	-	-	15,122,899	-
TOTAL OTHER FINANCING SOURCES (USES)	**$ (3,275,379)**	**$ (4,297,702)**	**$ (4,661,403)**	**$ (2,859,741)**	**$ 10,814,890**	**$ (3,665,176)**
Net Change in Fund Balances	$ (627,243)	$ 36,592,361	$ 7,226,340	$ 1,414,084	$ 25,361,142	$ 213,951
BEGINNING FUND BALANCE	22,605,880	$ 21,978,637	$ 58,570,998	$ 65,797,338	$ 67,211,422	$ 92,572,564
ENDING FUND BALANCE	**$ 21,978,637**	**$ 58,570,998**	**$ 65,797,338**	**$ 67,211,422**	**$ 92,572,564**	**$ 92,786,515**

(a) Transfers from or to other funds within the County.

Affidavit

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BOARD OF COUNTY COMMISSIONERS
20 NORTH MAIN STREET • ROOM 263 • BROOKSVILLE, FLORIDA 34601
P 352.754.4002 • F 352.754.4477 • W www.HernandoCounty.us

AFFIDAVIT OF IMPACT FEE COMPLIANCE

Hernando County, Florida has complied with Section 163.31801 of Florida Statutes regarding accounting and reporting of Impact Fee collections and expenditures.

Joshua Stringfellow, CPA
Financial Services Director
Office of Doug Chorvat Jr., Clerk of Circuit Court and Comptroller

State of Florida
County of Hernando

The foregoing instrument, Affidavit, dated 6/17/25 and consisting of 1 pages, was acknowledged before me this 17 day of June, 2025 by Joshua Stringfellow who is personally known to me or has produced _____ as identification.

(Seal)

EMILY IRENE CHILDS
MY COMMISSION # HH 194092
EXPIRES: November 2, 2025
Bonded Thru Notary Public Underwriters

Emily C. Childs
NOTARY SIGNATURE

Hernando County, Florida
Tax Collector

Independent Auditor's Report and Financial Statements

September 30, 2024

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Independent Auditor's Report

Honorable Amy Blackburn
Hernando County, Florida Tax Collector

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Hernando County Tax Collector (the "Tax Collector") as of and for the fiscal year ended September 30, 2024, 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the Tax Collector as of September 30, 2024, and the respective changes in financial position, and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the Tax Collector, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

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 12 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 GAAS 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 GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Tax Collector's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Tax Collector's ability to continue as a going concern for a reasonable period of time.

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

Emphasis-of-Matter

As discussed in Note 1 of the financial statements, the accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557(3), *Rules of the Auditor General for Local Government Entity Audits.* These financial statements are not intended to be a complete presentation of the financial position of Pinellas County, Florida as of September 30, 2024, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying supplemental information is the responsibility of management 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 other 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 information is 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 February 3, 2025, on our consideration of Tax Collector's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements, and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance, and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Tax Collector's internal control over financial reporting and compliance.

Forvis Mazars, LLP

Tampa, Florida
February 3, 2025

Hernando County, Florida
Tax Collector
Balance Sheet - General Fund
September 30, 2024

ASSETS	
Equity in pooled cash	$ 3,679,626
Accounts receivable	1,338
Due from other government units	2,365
Total Assets	$ 3,683,329
LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts payable	$ 10,310
Salaries and benefits payable	71,048
Due to the Hernando County, Florida Board of County Commissioners	3,159,158
Due to other governmental units	315,104
Unearned revenue	127,709
Total Liabilities	3,683,329
Total Fund Balance	-
Total Liabilities and Fund Balance	$ 3,683,329

Hernando County, Florida
Tax Collector
Statement of Revenues, Expenditures and Changes in Fund Balance - General Fund
September 30, 2024

Revenues	
Hernando County, Florida Board of County Commissioners	$ 5,365,067
Other governmental units	535,128
Charges for services	2,120,262
Other income	1,078
Total Revenues	8,021,535
Expenditures	
General government:	
Personnel services	4,144,885
Operating	402,388
Total Expenditures	4,547,273
Other Financing Uses	
Transfers (out):	
Distribution of excess commissions to the Hernando County, Florida Board of County Commissioners	(3,159,158)
Distribution of excess commissions to other governmental units	(315,104)
Total Other Financing Uses	(3,474,262)
Net Change in Fund Balance	-
Fund Balance, Beginning of Year	-
Fund Balance, End of Year	$ -

Hernando County, Florida
Tax Collector
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
September 30, 2024

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Commissions:				
Hernando County, Florida				
Board of County Commissioners	$ 5,250,000	$ 5,250,000	$ 5,365,067	$ 115,067
Other governmental units	489,500	489,500	535,128	45,628
Charges for services	1,796,560	1,796,560	2,120,262	323,702
Investment income	150	150	-	(150)
Other income	1,000	1,000	1,078	78
Total Revenues	7,537,210	7,537,210	8,021,535	484,325
Expenditures				
General government:				
Personnel services	4,564,293	4,564,293	4,144,885	419,408
Operating	624,221	624,221	402,388	221,833
Capital outlay	90,000	90,000	-	90,000
Total Expenditures	5,278,514	5,278,514	4,547,273	731,241
Excess of Revenues over Expenditures	2,258,696	2,258,696	3,474,262	1,215,566
Other Financing Uses				
Distribution of excess commissions to the Hernando County, Florida Board of County Commissioners	(2,066,060)	(2,066,060)	(3,159,158)	(1,093,098)
Distribution of excess commissions to other governmental units	(192,636)	(192,636)	(315,104)	(122,468)
Total Other Financing Uses	(2,258,696)	(2,258,696)	(3,474,262)	(1,215,566)
Net Change in Fund Balance	$ -	$ -	$ -	$ -

Hernando County, Florida
Tax Collector
Statement of Fiduciary Net Position - Custodial Funds
September 30, 2024

Assets	
Cash and cash equivalents	$ 3,700,783
Due from the Hernando County, Florida Board of County Commissioners	139,739
Due from other government agencies	5,390
Total Assets	3,845,912
Liabilities	
Accounts payable	7,857
Due to other government agencies	3,793,316
Due to the Hernando County, Florida Board of County Commissioners	39,493
Installment tax escrow	5,246
Total Liabilities	3,845,912
Net Position	
Restricted for:	
Individuals and other governments	$ -

Hernando County, Florida
Tax Collector
Statement of Changes in Fiduciary Net Position - Custodial Funds
September 30, 2024

Additions	
Tax collections for Hernando County BOCC	$ 174,882,583
Tax collections for other governments	143,602,753
Miscellaneous	1,450
Total Additions	318,486,786
Deductions	
Payments of taxes to Hernando County BOCC	174,882,583
Payments of taxes to other governments	143,602,753
Miscellaneous	1,450
Total Deductions	318,486,786
Net Increase in Fiduciary Net Position	-
Net Position - Beginning of Year	-
Net Position - End of Year	$ -

Note 1. Summary of Significant Accounting Policies

Reporting Entity

Hernando County, Florida (the "County"), is a political subdivision of the State of Florida. It is governed by an elected Board of County Commissioners (the "Board") and managed by an appointed County Administrator. The Hernando County, Florida Tax Collector (the "Tax Collector") is an elected constitutional officer of the County as provided for by the Constitution of the State of Florida. Pursuant to Chapter 195.087, Florida Statutes, the Tax Collector's budget is submitted to the Florida Department of Revenue for approval, and a copy is forwarded to the Board for coordination with the Board's budget.

As an elected official of the County, the Tax Collector is charged with responsibility for the collection of ad valorem taxes levied by the County, the School Board, special taxing districts, municipalities, and other taxes and fees levied by the County. The Tax Collector's office is funded by fees charged based on the amount of collections. Additionally, the Tax Collector performs services for various state agencies. The following are the State of Florida agencies for which the Tax Collector collects fees:

- Department of Highway Safety and Motor Vehicles - the Tax Collector serves as agent for the Division of Motor Vehicles, processes title applications and transfers, renews and issues license plates and decals, handles boat title transfers, and registers both pleasure and commercial boats on an annual basis.
- Florida Department of Revenue - collects sales tax on vessels, motor vehicles, and Lemon Law fees.
- Florida Fish and Wildlife Conservation Commission - issues hunting and fishing permits and licenses.

For financial reporting purposes, the Tax Collector is deemed to be part of the primary government of the County and, as such, is included in the County's Annual Comprehensive Financial Report.

Basis of Presentation

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

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

The focus of governmental fund financial statements is generally on major funds rather than reporting funds by type. GAAP sets forth minimum criteria (percentage of total assets, liabilities, revenues, or expenditures) for the determination of major funds. However, the general fund, by definition, is always a major fund. In the governmental fund financial statements, each major fund is reported in a separate column, but since the Tax Collector has only one governmental fund (the general fund); the governmental fund financial statements contain only one column.

The focus on fiduciary-type fund financial statements is by fund type, not major fund. The Tax Collector has only one fiduciary fund type, the custodial fund, but has two such funds. Accordingly, the two custodial funds are combined into one column in the fiduciary fund financial statement. Custodial funds are used to account for assets held in a trustee capacity or as an agent for individuals, private organizations, and other governments.

Measurement Focus and Basis of Accounting

Governmental funds are accounted for using the flow of current financial resources measurement focus. Only current assets and current liabilities, generally, are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets. Custodial funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations or have a measurement focus.

The modified accrual basis of accounting is used by governmental funds. Custodial funds use the accrual basis. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available to finance liabilities of the current fiscal year). For this purpose, the Tax Collector considers revenues to be available if they are collected within 45 days of the end of the current period. Expenditures are recorded when the related fund liability is incurred, except for compensated absences, which are recognized as expenditures to the extent they have matured.

Substantially all of the Tax Collector's revenue is received from taxing authorities. These monies are generally unrestricted and are revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenue at the time of receipt; earlier if the susceptible to accrual criteria are met.

Charges for services and interest income are recognized when earned, provided they are also measurable and available to pay liabilities of the current period. Interest income is reported net of fees.

Florida Statutes provide that the amount by which revenues and transfers exceed annual expenditures be remitted to the Board and other taxing districts within one month following the fiscal year during which the funding was provided. Florida Statutes further provide that the excess of revenues over expenditures held by the Tax Collector be distributed to each governmental agency in the same proportion as the commissions and fees paid. The amounts of these distributions are recorded as liabilities and as other financing uses in the accompanying financial statements.

Equity in Pooled Cash

The Tax Collector pools substantially all cash except for change funds. Each fund's equity share of the total pooled cash is included on the balance sheet under the caption "Equity in Pooled Cash." Interest earned on this money is allocated to the various funds based upon the average cash balances within the consolidated account.

Unearned Revenue

Unearned revenue represents the portion of biennial service fees attributable to future years.

Compensated Absences

All full-time employees of the Tax Collector are entitled to time off with pay in accordance with policy. The employees are generally allowed to accumulate leave time up to a maximum of 300 hours. Upon voluntary termination or retirement, the employee is paid for up to 75% or 100% of the accumulated paid time off, respectively. Leave payments are included in expenditures in the period paid or due. The Tax Collector does not, nor is she required to, accumulate financial resources for these unmatured obligations. Accordingly, the liability for compensated absences is not reported in the general fund, but rather is reported in the basic financial statements of the County.

Use of Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the amounts reported or disclosed in the financial statements and accompanying notes. Actual results could differ from those estimates.

Net Pension Liability

The Tax Collector participates in the Florida Retirement System ("FRS") defined benefit pension plan and the Health Insurance Subsidy ("HIS") defined benefit plan administered by Florida Division of Retirement. As a participating employer, the Tax Collector is required to report the employers' proportionate share of the net pension liabilities and related pension amounts of the defined benefit pension plans. However, these liabilities would be recorded in government-wide financial statements, which are not required in this presentation. The cost-sharing multiple-employer plans mentioned above operate on a fiscal year ending June 30.

Total Other Postemployment Benefits Liability

Pursuant to the requirements of the Florida Statutes, the Tax Collector participates in the County's plan 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 2. Property Taxes

Taxes in the County are levied by the Board and other taxing authorities. The millage levies are determined on the basis of estimates of revenue needs and the total taxable valuations within the jurisdiction of the Board and other taxing authorities. No aggregate ad valorem tax millage in excess of 10 mills on the dollar can be levied by the Board against property in the County, as specified in Florida Statutes, Section 200.071.

Each year the total taxable property valuation is established by the Hernando County, Florida, Property Appraiser (the "Property Appraiser") and the list of property assessments is submitted to the Florida Department of Revenue for approval. Taxes assessed as of January 1 of each year are due and payable on November 1 of each year, or as soon thereafter as the assessment roll is opened for collection. Pursuant to Florida law, all owners of property have the responsibility of ascertaining the amount due and paying it before April 1 of the year following the year in which the tax was assessed.

Property tax collections, sales, and liens are governed by Chapter 197 of the Florida Statutes.

Assessed value is established by the Property Appraiser as of January 1 for the subsequent fiscal year of the County for tax roll preparation. Taxable value is computed after deducting from assessed value various exemptions including governmental, educational, religious, health care, and scientific properties, and qualified exemptions, including $25,000 or $50,000 homestead exemptions and added exemptions if a widow or disabled.

All property taxes are levied and become due and payable on November 1 of each year and are delinquent on April 1 of the following year. Discounts are allowed for early payment of 4%, 3%, 2%, and 1% in November through February, respectively. Delinquent taxes on real property may be paid after the date of delinquency but prior to the sale of a tax certificate by paying all taxes, costs, advertising charges, and interest of 18% per annum.

For all real property with delinquent taxes, the Tax Collector advertises as required by Florida Statute and sells tax certificates. All unsold certificates are issued to the County. Any persons owning real property upon which a tax certificate has been sold may redeem the property by paying the Tax Collector the face amount of the tax certificate plus interest and costs associated with the sale of the certificate.

After taxes have been delinquent (April 1) for two years, the owner of a tax certificate may file an application for tax deed sale. The County, as a certificate owner, may exercise similar procedures two years after taxes have been delinquent (after April 1). All taxes imposed on any property become a first lien; superior to all other liens, as of January 1, of the year the taxes are levied.

Note 3. Budgetary Process

Florida Statutes, Section 195.087, governs the preparation, adoption, and administration of the Tax Collector's annual budget. Prior to August 1, the Tax Collector submits to the Florida Department of Revenue for approval a proposed operating budget for the general fund for the fiscal year commencing the following October 1. The operating budget includes the proposed expenditures for the upcoming year. Any subsequent amendments to the budget must be approved by the Florida Department of Revenue. The budget for the general fund is prepared on a basis consistent with GAAP. The annual budget serves as the legal authorization for expenditures. Budgetary control is maintained at the departmental major object expenditure level. Expenditures may not legally exceed appropriations at the fund level. Appropriations lapse at year end. Budgetary changes within major object expenditure categories are made at the discretion of the Tax Collector.

The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized changes applicable to the fiscal year.

Note 4. Cash and Investments

At September 30, 2024, the fair value of the Tax Collector's cash and cash equivalents were as follows:

	Carrying Value	Credit Rating
Cash on Hand	$ 10,200	N/A
Demand Deposits and Money Market Funds	7,370,209	N/A
Total Cash and Cash Equivalents	$ 7,380,409	

Such amounts are reported as cash and cash equivalents of $3,679,626 and $3,700,783 in the governmental and custodial funds, respectively.

The Tax Collector's bank deposits are held in qualified public depositories ("QPDs") pursuant to Chapter 280, Florida Statutes. Under this Chapter, each QPD is required to pledge collateral to the State Treasurer against the public deposits. In the event of default by a QPD, all claims for public deposits would be satisfied by the State Treasurer from the proceeds of federal deposit insurance, pledged collateral of the QPD in default and, if necessary, assessments against other QPDs of the same type as the depositor in default.

Authorized Investments

The Tax Collector's investment policy follows guidance set forth in Section 219.075, Florida Statutes regarding the deposit of funds received and the investment of surplus funds. The policy authorizes the following investments:

(A) Florida Tax Collectors, Inc. Investment Trust Fund or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act, as provided in Florida Statute 163.01.

(B) Negotiable direct obligations of the United States Government, which are unconditionally guaranteed by the United States Government. Such securities include, but are not limited to:

1. Treasury Bills
2. Treasury Notes
3. Treasury Bonds

(C) Non-negotiable interest-bearing time certificates of deposit, money market accounts or savings accounts in banks/savings and loan associations organized under the laws of the United States, doing business and situated in this state, provided that such deposits are secured by the Florida Security for Public Deposits Act, Chapter 280, Florida Statutes.

(D) Repurchase agreements for any of the investments authorized above in item b.

Credit Quality Risk

The investment policy does not address credit quality. Instead, this risk is managed through the list of permitted investments.

Custodial Credit Risk

The investment policy requires independent third-party custodians, and limits the portfolio composition as follows:

- Florida Tax Collectors, Inc. Investment Trust Fund — Maximum of 80%
- Certificates of Deposit — Maximum of 50%
- United States Government Securities — Maximum of 50%

In addition, the policy requires assets to be diversified to control the risk of over-concentration of assets in a specific maturity, issuer, instrument, counterparty dealer, or bank. The policy requires counterparties to be qualified public depositories or primary securities broker/dealers, as designated by the New York Federal Reserve.

Interest Rate Risk

The Tax Collector does not own any fixed rate investments and did not own any such investments during 2024. The investment policy identifies safety of capital as the first objective, followed by liquidity, then finally, investment return. In addition, the investment policy seeks to manage interest rate risk by matching maturities to known cash needs and limiting maturities of operating funds to no more than one year. Additional guidance is provided for times when rates are expected to rise or fall.

Note 5. Capital Assets

Pursuant to Florida Statutes, capital assets used by the Tax Collector are owned by the Board. The Tax Collector maintains custodial responsibility for the capital assets used by the office. The office space used in the Tax Collector's operations is provided at no cost by the Board.

Capital assets paid for by the Tax Collector are recorded as expenditures in the general fund of the Tax Collector and are capitalized in the basic financial statements of the County. Donated capital assets are recorded directly in the County's books at their estimated fair value on the date received. Depreciation is recorded at the County level.

Note 6. Long-Term Liability

The following is a summary of changes in general long-term liabilities, which are reported in the basic financial statements of the County:

	Balance October 1, 2023	Additions	Retirements	Balance September 30, 2024	Due Within One Year
Accrued Compensation Balance	$ 213,576	$ 240,488	$ (232,449)	$ 221,615	$ 22,162

Of these above obligations, $22,162 are expected to be paid during the fiscal year ending September 30, 2025, primarily from the general fund, and so are considered current. These liabilities are not reported in the fund financial statements of the Tax Collector since they have not matured.

Note 7. Florida Retirement System for Pension Benefits

The Tax Collector participates in the FRS for Pension Benefits. A detailed plan description and any liability for employees of the Tax Collector are included in the financial statements of the County.

The Tax Collector's contributions to the FRS for the fiscal years ended September 30, 2022 through 2024 were: $423,366, $482,111, and $573,875, respectively, which were equal to the required contribution for each fiscal period.

Employees are required to contribute 3% towards the FRS. Employee withholdings for this purpose amount to $66,889 $68,521, and $76,674, for the fiscal years ended September 30, 2022 through 2024, respectively, which were equal to the required contribution for each fiscal year.

Note 8. Risk Management

The Tax Collector participates in the insurance programs of the Board including general liability, workers' compensation, property and casualty, and employee health insurance. These risk management activities are handled through internal service funds maintained by the Board. All liabilities associated with these self-insured risks are reported in the basic financial statements of the Board. The purpose of these funds is to administer employee life, health, workers' compensation, unemployment, disability insurance, and property and liability insurance. These funds account for the risk financing activities of the County, but do not constitute a transfer of risk from the County.

Significant losses are covered by commercial insurance for all major programs except workers' compensation for which the County retains risk of loss. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage in any of the last three years.

The Tax Collector paid premiums of $675,812 for employee life and health insurance coverage to the Board for the fiscal year ended September 30, 2024.

The Board's Workers' Compensation Internal Service Fund is a self-insurance program for workers' compensation claims on losses up to $1,250,000 per occurrence. The Workers' Compensation Fund has indemnified the Tax Collector against any losses in a given year in excess of the fee charged. In the event actual losses are less than the fee charged, such amounts will be retained in the Workers' Compensation Fund. Claim settlements and losses are accrued and subsequently paid from the Workers' Compensation Fund. Premium payments to the Board by the Tax Collector, which are based on a percentage of salaries paid according to salary classifications, totaled $15,094 for the fiscal year ended September 30, 2024.

Supplementary Information

Hernando County, Florida
Tax Collector
Custodial Funds
September 30, 2024

Custodial funds are used to account for assets held by a governmental unit as trustee or agent for individuals, private organizations, and other governmental units.

Tax and Tag Fund - This fund is used to account for the receipt and distribution of ad valorem taxes, hunting and fishing licenses, boat registrations and titles, motor vehicle registrations, titles, and sales tax, and permits collected for Hernando County and other independent taxing authorities.

Delinquent Tax Fund - This fund is used to account for the receipt and distribution of tax certificates.

Hernando County, Florida
Tax Collector
Combining Statement of Fiduciary Net Position - Custodial Funds
September 30, 2024

	Tax and Tag	Delinquent Tax	Total
Assets			
Cash and cash equivalents	$ 3,700,783	$ -	$ 3,700,783
Due from other funds	141,323	-	141,323
Due from the Hernando County, Florida Board of County Commissioners	-	139,739	139,739
Due from other government agencies	106	5,284	5,390
Total Assets	3,842,212	145,023	3,987,235
Liabilities			
Accounts payable	4,157	3,700	7,857
Due to other government agencies	3,793,316	-	3,793,316
Due to other funds	-	141,323	141,323
Due to the Hernando County, Florida Board of County Commissioners	39,493	-	39,493
Installment tax escrow	5,246	-	5,246
Total Liabilities	3,842,212	145,023	3,987,235
Net Position			
Restricted for:			
Individuals and other governments	$ -	$ -	$ -

Hernando County, Florida
Tax Collector
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds
September 30, 2024

	Tax and Tag	Delinquent Tax	Total
Additions			
Tax collections for Hernando County BOCC	$ 174,818,914	$ 63,669	$ 174,882,583
Tax collections for other governments	143,595,938	6,815	143,602,753
Miscellaneous	-	1,450	1,450
Total Additions	318,414,852	71,934	318,486,786
Deductions			
Payments of taxes to Hernando County BOCC	174,818,914	63,669	174,882,583
Payments of taxes to other governments	143,595,938	6,815	143,602,753
Miscellaneous	-	1,450	1,450
Total Deductions	318,414,852	71,934	318,486,786
Net Increase in Fiduciary Net Position	-	-	-
Net Position - Beginning of Year	-	-	-
Net Position - End of Year	$ -	$ -	$ -

Other Reports

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Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Honorable Amy Blackburn
Hernando County, Florida Tax Collector

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the Hernando County, Florida Tax Collector (the "Tax Collector"), which comprise the Tax Collector's statement of financial position as of September 30, 2024, and have issued our report thereon dated February 3, 2025.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Forvis Mazars, LLP

Tampa, Florida
February 3, 2025

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Independent Accountant's Report

Honorable Amy Blackburn
Hernando County, Florida Tax Collector

We have examined the Hernando County, Florida Tax Collector's (the "Tax Collector") compliance with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2024. The Tax Collector's 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 with the aforementioned requirements in all material respects. An examination involves performing procedures to obtain evidence about the Tax Collector's compliance with those requirements, in all material respects. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the Tax Collector's compliance with those requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement. Our examination does not provide a legal determination on the Tax Collector's compliance with the specified requirements.

In our opinion, the Tax Collector complied with the aforementioned requirements for the fiscal year ended September 30, 2024, in all material respects.

Forvis Mazars, LLP

Tampa, Florida
February 3, 2025

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Independent Auditor's Management Letter

Honorable Amy Blackburn
Hernando County, Florida Tax Collector

We have audited the basic financial statements of the Hernando County Tax Collector (the "Tax Collector") as of and for the fiscal year ended September 30, 2024 and have issued our report thereon dated February 3, 2025.

Auditor's Responsibility

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 and Chapter 10.550, *Rules of the Auditor General.*

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and 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 February 3, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General,* requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. In connection with the preceding audit, there were no findings or recommendations.

Official Title and Legal Authority

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

Financial Management

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

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General,* requires that we 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 Tax Collector and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

Forvis Mazars, LLP

Tampa, Florida
February 3, 2025

Hernando County, Florida
Sheriff

Independent Auditor's Report, Financial Statements, and Supplementary Information

September 30, 2024

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Hernando County, Florida Sheriff
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Independent Auditor's Report

Honorable Al Nienhuis
Hernando County, Florida Sheriff

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Hernando County, Florida Sheriff (the "Sheriff") as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the Sheriff as of September 30, 2024, and the respective change in financial position, and where applicable, cash flows thereof for the fiscal 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 the Financial Statements section of our report. We are required to be independent of the Sheriff, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sheriff's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Sheriff's ability to continue as a going concern for a reasonable period of time.

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

Emphasis-of-Matter

As described in Note 1 to the financial statements, the accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557(3), *Rules of the Auditor General for Local Governmental Entity Audits*. These financial statements are not intended to be a complete presentation of the financial position of Hernando County, Florida as of September 30, 2024, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying supplemental information is the responsibility of management 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 other 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 information is 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 January 24, 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, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.

Forvis Mazars, LLP

Tampa, Florida
January 24, 2024

Hernando County, Florida Sheriff
Balance Sheet -
Governmental Funds
September 30, 2024

	General	E-911	Inmate Welfare	Inmate Revenue	Non-Major Governmental Funds	Total
ASSETS						
Cash and cash equivalents	$ 3,645,670	$ 1,247,803	$ 2,094,135	$ 597,995	$ 1,971,843	$ 9,557,446
Due from other funds	35,765	-	35,241	-	-	71,006
Due from other governments	909,187	61,650	-	95,596	144,122	1,210,555
Total Assets	$ 4,590,622	$ 1,309,453	$ 2,129,376	$ 693,591	$ 2,115,965	$ 10,839,007
LIABILITIES AND FUND BALANCE						
Liabilities						
Accounts payable	$ 391,647	$ 86,355	$ 1,826	$ 32,969	$ 1,605	$ 514,402
Accrued wages and benefits payable	3,229,833	8,621	17,011	112,502	15,097	3,383,064
Due to Hernando County, Florida Board of County Commissioners	969,142	-	-	548,120	-	1,517,262
Total Liabilities	4,590,622	94,976	18,837	693,591	16,702	5,414,728
Fund Balances						
Restricted for:						
Law enforcement activities	-	-	-	-	598,388	598,388
Communications	-	1,214,477	-	-	1,238,383	2,452,860
Education and training	-	-	-	-	262,492	262,492
Inmate benefits	-	-	2,110,539	-	-	2,110,539
Total Fund Balances	-	1,214,477	2,110,539	-	2,099,263	5,424,279
Total Liabilities and Fund Balance	$ 4,590,622	$ 1,309,453	$ 2,129,376	$ 693,591	$ 2,115,965	$ 10,839,007

Hernando County, Florida Sheriff
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds
September 30, 2024

	General	E-911	Inmate Welfare	Inmate Revenue	Non-Major Governmental Funds	Total
Revenues						
Intergovernmental	$ -	$ -	$ -	$ -	$ 509,022	$ 509,022
Charges for services	301,852	1,135,663	997,520	3,905,250	626,808	6,967,093
Fines and forfeitures	-	-	-	-	205,222	205,222
Interest revenue	536,862	2,833	27,853	23,373	16,277	607,198
Miscellaneous	51,287	-	6,030	-	246,788	304,105
Total Revenues	890,001	1,138,496	1,031,403	3,928,623	1,604,117	8,592,640
Expenditures						
Public safety:						
Personnel services	64,912,533	765,879	411,590	2,368,542	126,059	68,584,603
Operating expenditures	9,243,536	254,194	218,724	601,361	799,501	11,117,316
Capital outlay	2,170,118	56,514	37,298	9,431	659,582	2,932,943
Court services:						
Personnel services	1,704,652	-	-	-	-	1,704,652
Operating expenditures	336,833	-	-	-	-	336,833
Total Expenditures	78,367,672	1,076,587	667,612	2,979,334	1,585,142	84,676,347
Excess (Deficiency) of Revenues over (under) Expenditures	(77,477,671)	61,909	363,791	949,289	18,975	(76,083,707)
Other Financing Sources (Uses)						
Transfers in:						
Hernando County, Florida, Board of County Commissioners:						
Appropriations	78,745,773	-	-	3,114,681	131,232	81,991,686
Other revenues	-	-	-	-	300,000	300,000
Transfers (out):						
Other funds	(20,000)	(300,000)	-	-	(245,931)	(565,931)
Hernando County, Florida, Board of County Commissioners:						
Other revenues	(889,901)	-	-	(3,905,250)	-	(4,795,151)
Excess fees	(358,201)	-	-	(158,720)	-	(516,921)
Total Other Financing Sources (Uses)	77,477,671	(300,000)	-	(949,289)	185,301	76,413,683
Net Change in Fund Balance	-	(238,091)	363,791	-	204,276	329,976
Fund Balance, Beginning of Year	-	1,452,568	1,746,748	-	1,894,987	5,094,303
Fund Balance, End of Year	$ -	$ 1,214,477	$ 2,110,539	$ -	$ 2,099,263	$ 5,424,279

Hernando County, Florida Sheriff
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
September 30, 2024

	Budget			Variance With Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Charges for services	$ 286,000	$ 286,000	$ 301,852	$ 15,852
Interest revenue	30,000	30,000	536,862	506,862
Miscellaneous	32,500	32,500	51,287	18,787
Total Revenues	348,500	348,500	890,001	541,501
Expenditures				
Public safety:				
Personnel services	65,989,583	64,930,548	64,912,533	18,015
Operating expenditures	8,550,605	9,309,563	9,243,536	66,027
Capital outlay	1,404,600	2,445,460	2,170,118	275,342
Court services:				
Personnel services	1,605,213	1,704,592	1,704,652	(60)
Operating expenditures	345,772	335,610	336,833	(1,223)
Total Expenditures	77,895,773	78,725,773	78,367,672	358,101
Excess (Deficiency) of Revenues over (under) Expenditures	(77,547,273)	(78,377,273)	(77,477,671)	899,602
Other Financing Sources (Uses)				
Transfers in:				
Hernando County, Florida, Board of County Commissioners:	77,895,773	78,745,773	78,745,773	-
Transfers (out):				
Transfer to other fund	-	(20,000)	(20,000)	-
Hernando County, Florida, Board of County Commissioners:				
Other revenues	(348,500)	(348,500)	(889,901)	(541,401)
Excess fees	-	-	(358,201)	(358,201)
Total Other Financing Sources (Uses)	77,547,273	78,377,273	77,477,671	(899,602)
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	$ -	$ -	$ -	$ -

Hernando County, Florida Sheriff
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - E-911 Fund
September 30, 2024

	Budget			Variance With Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Charges for services	$ 985,000	$ 985,000	$ 1,135,663	$ 150,663
Interest revenue	1,500	1,500	2,833	1,333
Total Revenues	986,500	986,500	1,138,496	151,996
Expenditures				
Public safety:				
Personnel services	898,900	898,900	765,879	133,021
Operating expenditures	308,960	355,343	254,194	101,149
Capital outlay	25,000	92,280	56,514	35,766
Total Expenditures	1,232,860	1,346,523	1,076,587	269,936
Excess (Deficiency) of Revenues over (under) Expenditures	(246,360)	(360,023)	61,909	421,932
Other Financing Sources (Uses)				
Transfers (out)	-	(300,000)	(300,000)	-
Reserve for contingencies	(1,080,020)	(792,545)	-	792,545
Total Other Financing Sources (Uses)	(1,080,020)	(1,092,545)	(300,000)	792,545
Net Change in Fund Balance	(1,326,380)	(1,452,568)	(238,091)	1,214,477
Fund Balance, Beginning of Year	1,326,380	1,452,568	1,452,568	-
Fund Balance, End of Year	$ -	$ -	$ 1,214,477	$ 1,214,477

Hernando County, Florida Sheriff
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Inmate Welfare Fund
September 30, 2024

	Budget			Variance With Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Charges for services	$ 800,000	$ 800,000	$ 997,520	$ 197,520
Interest revenue	1,000	1,000	27,853	26,853
Miscellaneous	4,500	4,500	6,030	1,530
Total Revenues	805,500	805,500	1,031,403	225,903
Expenditures				
Public safety:				
Personnel services	403,116	403,116	411,590	(8,474)
Operating expenditures	229,305	229,305	218,724	10,581
Capital outlay	-	31,198	37,298	(6,100)
Total Expenditures	632,421	663,619	667,612	(3,993)
Excess (Deficiency) of Revenues over (under) Expenditures	173,079	141,881	363,791	221,910
Other Financing Sources (Uses)				
Reserve for contingencies	(1,947,787)	(1,854,629)	-	1,854,629
Total Other Financing Sources (Uses)	(1,947,787)	(1,854,629)	-	1,854,629
Net Change in Fund Balance	(1,774,708)	(1,712,748)	363,791	2,076,539
Fund Balance, Beginning of Year	1,774,708	1,712,748	1,746,748	34,000
Fund Balance, End of Year	$ -	$ -	$ 2,110,539	$ 2,110,539

Hernando County, Florida Sheriff
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - Inmate Revenue Fund
September 30, 2024

	Budget			Variance With Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Charges for services	$ 3,200,000	$ 3,200,000	$ 3,905,250	$ 705,250
Interest revenue	-	-	23,373	23,373
Total Revenues	3,200,000	3,200,000	3,928,623	728,623
Expenditures				
Public safety:				
Personnel services	2,282,949	2,282,949	2,368,542	(85,593)
Operating expenditures	831,732	831,732	601,361	230,371
Capital outlay	-	-	9,431	(9,431)
Total Expenditures	3,114,681	3,114,681	2,979,334	135,347
Excess (Deficiency) of Revenues over (under) Expenditures	85,319	85,319	949,289	863,970
Other Financing Sources (Uses)				
Transfers in:				
Hernando County, Florida, Board of County Commissioners	3,114,681	3,114,681	3,114,681	-
Transfers (out):				
Hernando County, Florida, Board of County Commissioners:				
Other revenue	(3,200,000)	(3,200,000)	(3,905,250)	(705,250)
Excess fees	-	-	(158,720)	(158,720)
Total Other Financing Sources (Uses)	(85,319)	(85,319)	(949,289)	(863,970)
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	$ -	$ -	$ -	$ -

Hernando County, Florida Sheriff
Statement of Net Position
Proprietary Fund Type - Internal Service Fund
September 30, 2024

	Internal Service
Assets	
Cash and cash equivalents	$ 8,915,290
Right to use leased assets, net of amortization	248,730
Total Assets	9,164,020
Liabilities	
Accounts payable	1,004,925
Accrued interest	737
Liability for unpaid claims	564,802
Long-term leases	271,260
Total Liabilities	1,841,724
Net Position	
Unrestricted	7,322,296
Total Net Position	$ 7,322,296

Hernando County, Florida Sheriff
Statement of Revenues, Expenditures and Changes in Fund Net Position
Proprietary Fund - Internal Service Fund
September 30, 2024

	Internal Service
Operating Revenues	
Inter-fund charges	$ 10,188,662
Premiums - employees	394,471
Premiums - retirees	380,129
Miscellaneous	963,452
Total Operating Revenues	11,926,714
Operating Expenses	
Personnel	40,428
Claims	10,552,681
Other services and charges	1,969,369
Insurance	410,557
Amortization	37,310
Total Operating Expenses	13,010,345
Operating Loss	(1,083,631)
Non-Operating Revenues (Expenses)	
Interest earnings	294,986
Interest expense	(9,815)
Total Non-Operating Revenues (Expenses)	285,171
Loss Before Transfers	(798,460)
Transfers in	265,931
Total Transfers	265,931
Change in Net Position	(532,529)
Net Position, Beginning of Year	7,854,825
Net Position, End of Year	$ 7,322,296

Hernando County, Florida Sheriff
Statement of Cash Flows
Proprietary Fund - Internal Service Fund
September 30, 2024

	Internal Service
Operating Activities	
Cash received from inter-fund charges	$ 10,188,662
Cash received from employees	394,471
Cash received from retirees	380,129
Other cash receipts	963,452
Payments to employees	(40,428)
Payments to suppliers	(2,255,874)
Claims paid	(10,387,579)
Net Cash Used by Operating Activities	(757,167)
Investing Activities	
Interest received	365,934
Capital and Related Financing Activities	
Transfers in from other funds	265,931
Interest payments on long-term leases	(9,901)
Principal payments on long-term leases	(31,750)
Net Cash Provided by Capital and Related Financing Activities	224,280
Net Decrease in Cash and Cash Equivalents	(166,953)
Cash and Cash Equivalents, Beginning of Year	9,082,243
Cash and Cash Equivalents, End of Year	8,915,290
Reconciliation of operating loss to cash and cash equivalents used by operating activities:	
Operating loss	(1,083,631)
Adjustment to reconcile operating loss to net cash provided by operating activities:	
Amortization	37,310
Changes in assets and liabilities:	
Increase in accounts payable	124,052
Increase in liability for unpaid claims	165,102
Total Adjustments	326,464
Net Cash Used by Operating Activities	$ (757,167)

Hernando County, Florida Sheriff
Statement of Fiduciary Net Position
Custodial Funds
September 30, 2024

Assets		
Cash and cash equivalents	$	206,503
Total Assets		206,503
Liabilities		
Accounts payable		53,926
Due to other funds		71,006
Due to other governments:		
Hernando County, Florida, Board of County Commissioners		6,058
Total Liabilities		130,990
Net Position		
Restricted for:		
Individuals and other governments	$	75,513

Hernando County, Florida Sheriff
Statement of Changes in Fiduciary Net Position
Custodial Funds
September 30, 2024

Additions		
Miscellaneous	$	1,933,049
Total Additions		1,933,049
Deductions		
Payments to Hernando County, Florida, Board of County Commissioners		1,975,329
Other payments		575
Total Deductions		1,975,904
Net Decrease in Fiduciary Net Position		(42,855)
Net Position, Beginning of Year		118,368
Net Position, End of Year	$	75,513

Note 1. Summary of Significant Accounting Policies

Reporting Entity

Hernando County, Florida (the "County"), is a political subdivision of the State of Florida. It is governed by an elected Board of County Commissioners (the "Board") and managed by an appointed County Administrator. The Hernando County, Florida, Sheriff (the "Sheriff") is an elected constitutional officer of the County as provided for by the Constitution of the State of Florida. Pursuant to Chapter 129, Florida Statutes, the Sheriff's budget is submitted to the Board for approval.

The Sheriff is the chief law enforcement officer of the County. Funding for the Sheriff's operations comes primarily from annual appropriations from the Board and all unexpended proceeds must be returned to the Board at year end.

For financial reporting purposes, the Sheriff is deemed to be part of the primary government of the County and, as such, is included in the County's Annual Comprehensive Financial Report.

Blended Component Unit

In fiscal year 2020, the Sheriff established the Hernando County Sheriff's Office Section 115 Trust (the "Trust") to administer the Sheriff's Employee Group Health, Dental Insurance Program, and Clinic. Assets necessary to fund the programs are transferred to the Trust; however, under the terms of the Trust Agreement, the Sheriff retains control of the assets. Due to the substantive economic relationship between the Sheriff and the Trust, the financial activities of the Trust are reported in the accompanying basic financial statements as an internal service fund.

Basis of Presentation

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

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

The focus of governmental fund financial statements is on major funds rather than reporting funds by type. GAAP sets forth minimum criteria (percentage of total assets, liabilities, revenues, or expenditures) for the determination of major funds. Each major fund is reported in a separate column.

The Sheriff reports the following major governmental funds:

- **General Fund** - The general fund is used to account for the general operations of the Sheriff and includes all transactions, which are not accounted for in other funds.
- **E-911 Fund** - This fund is used to account for the proceeds of telephone charges collected for the installation and operation of an Emergency 911 System.

- **Inmate Welfare Fund** - This fund is used to account for revenue from commissions from the commissary and pay phone. The funds are used for expenditures in the commissary operation, including overall inmate welfare.
- **Inmate Revenue Fund** - This fund is used to account for the proceeds of housing federal and other local government inmates at the detention facility.

The Sheriff also reports the following non-major special revenue funds:

- 800 MHz Fund
- Law Enforcement Educational Fund
- Grants and Contributions Fund

The Sheriff reports the following other fund types:

- **Proprietary Fund Type - Internal Service Funds** - These funds are used to account for health, dental, and clinic insurance benefits, including a wellness program, provided to the employees by the Sheriff. Their funding is based upon an annual actuarial study of expected benefit payouts.
- **Fiduciary Fund Type - Custodial Funds** - These funds are used to account for assets held by the Sheriff in a trustee capacity or as an agent for individuals, private organizations, and other governments.

Measurement Focus and Basis of Accounting

Governmental funds are accounted for using the flow of current financial resources measurement focus. Only current assets and current liabilities, generally, are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available to finance liabilities of the current fiscal year). For this purpose, the Sheriff considers revenues to be available if they are collected within 60 days after year end. Grants must also meet eligibility requirements to be accrued.

For governmental funds, expenditures are recorded when the related fund liability is incurred, except for certain compensated absences, which are recognized as expenditures when paid. Substantially all of the Sheriff's operating budget funding is appropriated by the Board. These resources are reflected as other financing sources at the time of receipt. Interest and other revenue are recognized as they are earned and become measurable and available to pay liabilities of the current period.

The proprietary fund type - internal service fund accounts for medical and dental insurance coverage for the Sheriff's employees. Proprietary fund types use the accrual basis of accounting, where revenues are recognized when they are earned and expenses are recognized when they are incurred, regardless of the timing of related cash flows. In addition, proprietary funds distinguish operating revenues and expenses from non-operating items.

The focus on fiduciary type fund financial statements is by fund type, not major fund. The Sheriff only has one fiduciary fund type, the custodial fund type. Accordingly, there is only one column in the fiduciary fund financial statements. Custodial funds are accounted for under the economic resources method and accrual basis of accounting.

Excess Fees and Other Revenues

Florida Statutes provide that the amount by which revenues and transfers exceed annual expenditures be remitted to the Board within one month following the fiscal year for which the funding was provided or following the fiscal year during which other revenue was recognized. This requirement is reflected in the Sheriff's General Fund where the amount of this distribution is recorded as a liability and as another financing use. Other revenues due to the Board consist of those third-party revenues received directly by the Sheriff for certain expenditures that are owed to the Board.

Cash Equivalents

Cash equivalents are defined as highly liquid investments with original maturities of three months or less.

Right-to-Use Assets

The Sheriff has recorded right to use assets within its proprietary fund as a result of implementing Governmental Accounting Standards Board ("GASB") 87. The right-to-use lease assets are initially measured at an amount equal to the initial measurement of the related lease liability plus any payments made prior to the term, less incentives, and plus ancillary charges necessary to place the asset into service. The right-to-use assets are amortized on a straight-line basis over the life of the related agreement. Right-to-use assets in governmental fund types have not been recorded, see Note 5.

Compensated Absences

Eligible full-time employees are entitled to accrue compensatory time, annual vacation, and sick leave up to predetermined thresholds, and received pay for those hours at termination or retirement. For terminations in good standing, the employee is paid for 25% of all accumulated sick leave, 100% of all compensatory time and 100% of accumulated annual time up to 500 hours. Upon retirement, (separation from the agency), current employees with consecutive years of service, will receive a payout of sick leave as follows: 20+ years of service equals 100%; 15-19 years of service equals 75%; and up to 14 years of service equals 50%. For all payments of sick leave, the employee is paid at their pay rate effective at termination or retirement.

Vacation and sick leave payments are included in personnel services when the payments are made to the employees. The Sheriff does not, nor is he legally required to, accumulate financial resources for these obligations. Accordingly, the liability for compensated absences is not reported in the governmental funds but rather is reported in the basic financial statements of the County.

Fund Balances

The Sheriff reports its fund balance information in classifications based on the extent to which the Sheriff is bound to honor constraints on the specific purpose for which amounts in the fund can be spent. Fund balance is reported in five components - non-spendable, restricted, committed, assigned, and unassigned:

- **Non-Spendable** - This component of fund balance consists of amounts that cannot be spent because: (a) they are not expected to be converted to cash; or (b) they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund.
- **Restricted** - This component of fund balances consists of amounts that are constrained either: (a) externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments); or (b) by law through constitutional provisions or enabling legislation.

- **Committed** - This component of fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (e.g., policy) of the organization's governing authority. By statute, the Sheriff himself is the governing authority. These committed amounts cannot be used for any other purpose unless the Sheriff removes or changes the specified use by taking the same type of action (e.g., policy) he employed to constrain those amounts.
- **Assigned** - This component of fund balance consists of amounts that are constrained by a less-than-formal action of the organization's governing authority, or by an individual or body to whom the governing authority has delegated this responsibility. The Sheriff has not delegated the responsibility to assign fund balances to any individual or body.
- **Unassigned** - This classification is used for: (a) negative unrestricted fund balances in any governmental fund; or (b) fund balances within the General Fund that are not restricted, committed, or assigned.

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

Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the amounts reported or disclosed in the financial statements and accompanying notes. Actual results could differ from those estimates.

Note 2. Budgetary Process

Florida Statutes, Sections 30.49, 129.021, and 129.03 govern the preparation, adoption, and administration of the Sheriff's annual budget. The Sheriff prepares individual budgets for the General Fund, E-911, 800 MHz, and the Inmate Revenue Fund Special Revenue Funds, and submits them to the Board for approval. Any budgets that are not subject to the approval of the Board shall follow the same procedures as those approved by the Board with the exception that the Sheriff is the approver rather than the Board.

The budgets are prepared on a basis consistent with GAAP and serve as the legal authorization for expenditures. Amendments increasing total fund expenditures must be approved by the Sheriff and/or Board. Budgetary changes between or among expenditures within a fund may be made at the discretion of the Comptroller.

The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized changes applicable to the fiscal year and approved by the Board or Sheriff within 60 days after year end.

Note 3. Cash and Investments

At September 30, 2024, the fair value of the Sheriff's cash and cash equivalents was as follows:

	Fair Value
Cash on Hand	$ 10,815
Demand Deposits	5,875,518
Certificates of Deposit	12,792,906
Total Cash and Cash Equivalents	$ 18,679,239

Such amounts are reported as cash and cash equivalents of $9,557,446, $8,915,290, and $206,503 in the governmental, internal service, and custodial funds, respectively.

The Sheriff's bank deposits are held in qualified public depositories ("QPDs") pursuant to Chapter 280, Florida Statutes. Under this Chapter, each QPD is required to pledge collateral to the State Treasurer against the public deposits. In the event of default by a QPD, all claims for public deposits would be satisfied by the State Treasurer from the proceeds of federal deposit insurance, pledged collateral of the QPD in default and, if necessary, assessments against other QPDs of the same type as the depositor in default.

Authorized Investments

The Sheriff's Investment Policy follows the state's guidance set forth in Section 219.075, Florida Statutes, regarding the deposit of funds received and the investment of surplus funds. That Section requires local governments without written investment policies, including County officers, to follow the state policy in Section 218.415(17), Florida Statutes. That Section authorizes the following investments:

(A) The Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized pursuant to the *Florida Interlocal Cooperation Act,* as provided in Florida Statute 163.01.

(B) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

(C) Interest-bearing time deposits or savings accounts in qualified public depositories.

(D) Direct obligations of the United States Treasury.

Note 4. Capital Assets/Right-to-Use Assets

Pursuant to Florida Statutes, the Sheriff can own tangible capital assets, and the Sheriff maintains custody and recordkeeping responsibility for these assets. However, office space and facilities used in the Sheriff's operations are provided at no cost by the Board.

Capital assets paid for by the Sheriff are recorded as expenditures in the governmental funds of the Sheriff but are capitalized in the basic financial statements of the County. The capitalization threshold is $5,000. Donated capital assets are recorded at their estimated fair value on the date received. Effective October 1, 2010, the Sheriff is responsible for recording all grant-related assets regardless of whether the grant origin was the County or the Sheriff. Depreciation is recorded at the County level. Most of the capital assets listed below are being depreciated over five years.

The Sheriff has recorded one right-to-use leased asset for a leased building. The related lease is discussed in the Long-Term Liabilities section. The right-to-use asset is amortized on a straight-line basis over the term of the related lease.

Capital/Right-to-use asset activity for which the Sheriff had custodial and recordkeeping responsibility, for the year ended September 30, 2024, was as follows:

	Balance October 1, 2023	Additions	Deletions	Balance September 30, 2024
Automobile and Other Vehicles	$ 16,180,459	$ 1,731,475	$ (489,491)	$ 17,422,443
Furniture and Equipment	11,068,305	1,036,755	(1,928,228)	10,176,832
Right-to-Use Asset - Building	360,660	-	-	360,660
Construction in Progress	328,645	309,458	-	638,103
Total at Cost	27,938,069	3,077,688	(2,417,719)	28,598,038
Accumulated Amortization	(74,620)	(37,310)	-	(111,930)
Accumulated Depreciation	(19,542,427)	(2,766,718)	2,354,451	(19,954,694)
Book Value	$ 8,321,022	$ 273,660	$ (63,268)	$ 8,531,414

Proceeds from the sale or disposal of vehicles are netted against capital outlay in the accompanying statement of revenues, expenditures, and changes in fund balance. Following is a reconciliation of 2024 capital asset additions above to capital outlay on the accompanying statement of revenues, expenditures, and changes in fund balance:

Capital Outlay	$ 2,874,874
Proceeds from Vehicle Sales/Disposals	147,883
Other Funding Sources	54,931
Total Additions	$ 3,077,688

Note 5. Long-Term Liabilities

The following is a summary of changes in general long-term liabilities, which are reported in the basic financial statements of the County:

	Balance October 1, 2023	Additions	Retirement	Balance September 30, 2024	Due Within One Year
Long-Term Lease - Building	$ 303,010	$ -	$ (31,750)	$ 271,260	$ 34,571
Accrued Compensation Absences	6,402,603	7,690,006	(4,640,565)	9,452,044	6,805,472
Total Long-Term Liabilities	$ 6,705,613	$ 7,690,006	$ (4,672,315)	$ 9,723,304	$ 6,840,043

The Sheriff has entered into a building lease agreement. The lease term terminates on May 2031 with monthly payments ranging from $3,229 to $3,853. There are no variable payment components of the lease. The lease liability is measured at a discount rate of 3.42%, which is the County's incremental borrowing rate at October 1, 2021. As a result of the lease, the Sheriff has recorded a right-to-use asset with a net book value of $248,730 at September 30, 2024.

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2024, were as follows:

Year Ending September 30,	Principal	Interest
2025	$ 34,571	$ 8,744
2026	37,531	7,516
2027	40,049	6,186
2028	41,427	4,808
2029	42,880	3,355
2030-2031	74,802	2,256
Total	$ 271,260	$ 32,865

The Sheriff may lease assets for various terms under certain agreements that meet the definition of a lease under GASB Statement No. 87 – *Leases.* Additionally, the Sheriff may enter into various agreements meeting the definition of subscription-based-information technology arrangements ("SBITAs") under GASB Statement No. 96. Detailed information about the Sheriff's governmental fund type leases and SBITAs, if applicable, can be found in basic financial statements of the County.

Any governmental fund type leases or SBITAs that would be entered into by the Sheriff are included in the County financial statements as other financing sources and capital outlay expenditures in the Statement of Revenues, Expenditures, and Changes in Fund Balance in the year of inception. Any payments made in accordance with the terms of the lease or SBITA are reported in the County financial statements as debt service expenditures (principal and interest) in the Statement of Revenues, Expenditures, and Changes in Fund Balance as they are incurred. In the Sheriff financial statements, these payments are included in operating expenditures.

Note 6. Detention Operations

For 22 years, the Hernando County jail was operated by a private corporation. Effective August 27, 2010, the Sheriff took over the detention operations based on an interlocal agreement between the Sheriff and the Board. An updated agreement was entered into and shall continue until September 30, 2024, with one automatic one-year renewal period, expiring on September 30, 2025.

Note 7. General Fund Revenues and Expenditures

General Fund revenues and expenditures for the year ended September 30, 2024 were as follows:

	Total	Law Enforcement	Detention	Courthouse
Revenues				
Inmate Booking	$ 36,343	$ -	$ 36,343	$ -
Inmate Medical	38,615	-	38,615	-
Inmate Subsistence	203,694	-	203,694	-
Inmate Social Security	23,200	-	23,200	-
Charges for Services	301,852	-	301,852	-
Interest Income	536,862	536,862	-	-
Miscellaneous	51,187	51,187	-	-
Total Revenues	$ 889,901	$ 588,049	$ 301,852	$ -
Expenditures				
Personnel Services	$ 66,617,185	$ 47,421,223	$ 17,491,310	$ 1,704,652
Operating Expenditures	9,580,369	6,673,523	2,570,013	336,833
Capital Outlays	2,170,118	2,164,770	5,348	-
Debt Service	-	-	-	-
Total Expenditures	$ 78,367,672	$ 56,259,516	$ 20,066,671	$ 2,041,485

Note 8. Employee Retirement Plan

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

Funding Policy

The Sheriff's contributions to the FRS for fiscal years ended September 30, 2022 through 2024 were: $7,430,220, $9,159,872, and $11,724,654, respectively, which were equal to the required contribution for each fiscal year.

Employees are required to contribute 3% towards the FRS. Employee withholdings for this purpose amounted to $921,227, $1,033,103, and $1,189,627 for the fiscal years ended September 30, 2022 through 2024, respectively, which were equal to the required contribution for each fiscal year.

Note 9. Other Post-Employment Benefits

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

Note 10. Risk Management

The Sheriff participates in the Florida Sheriff's Risk Management Fund to insure against automobile, workers' compensation, and general liabilities claims. Except as disclosed in the next paragraph, there have been no significant reductions in insurance coverage from the prior year. Settlement amounts have not exceeded insurance coverage for any of the last three years.

Effective October 1, 2011, the Sheriff became self-insured for employee and retiree health coverage. Effective October 1, 2014, the Sheriff became self-insured for employee and retiree dental coverage. Prior to those dates, the Sheriff carried commercial insurance for its health and dental coverage.

Note 11. Self-Insurance Internal Service Fund

The self-insurance program was established under Florida Statute 112.08 to reduce employee medical costs for the Sheriff's Office. The program is administered by an outside third-party, and uses a combination of self-insurance and specific and aggregate stop-loss coverage to minimize risk exposure. It is accounted for in an internal service fund. Fund revenues are primarily contributions from other funds, retirees, and employees for amounts needed to pay insurance premiums, anticipated self-insured losses, administrative expenses, and clinic expenses.

Changes in claims liability amounts for the years ended September 30, 2024 and 2023 were as follows:

	2024	2023
Unpaid Claims, Beginning of Year	$ 399,700	$ 373,970
Incurred Claims	10,552,681	9,324,453
Claim Payments	(10,387,579)	(9,298,723)
Unpaid Claims, End of Year	$ 564,802	$ 399,700

Note 12. Claims and Contingencies

Litigation

The Sheriff is involved as defendant or plaintiff in certain litigation and claims arising from the ordinary course of operations. Any judgments against the Sheriff in excess of insurance limits would be settled by the Board. In the opinion of the Sheriff and legal counsel, the range of potential recoveries or liabilities will not materially affect the financial position of the Sheriff.

Federal and State Grants

Grant funds received by the Sheriff are subject to audit by grantor agencies. Audits of these grants may result in disallowed costs, which may constitute a liability of the Sheriff. In the opinion of management disallowed costs, if any, would be insignificant to the financial position and operations of the Sheriff.

Supplementary Information

Hernando County, Florida Sheriff
Special Revenue Funds
September 30, 2024

Special revenue funds are used to account for the proceeds of special revenue sources that are legally restricted to specified purposes. The Hernando County, Florida Sheriff (the "Sheriff") has the following non-major special revenue funds:

- **800MHz Fund -** This fund derives its resources from lease payments for space leased on the Hernando County's (the "County") primary tower site, fees assessed to each radio user department for maintenance contract costs, and a $12.50 fee included in each fine paid for a traffic citation. The 800MHz system is maintained to ensure continuous and optimum radio communications for all public safety and the County radio users.

- **Law Enforcement Education Fund -** This fund derives its resources from court cost assessments pursuant to Sections 938.15 and 318.18 of the Florida Statutes. The assessments are collected by the Clerk of the Circuit Court and remitted to the Sheriff monthly. Use of the funds received is restricted to criminal justice education and training in approved programs.

- **Grants and Contributions Fund -** This fund derives its resources from grants and donations. Each grant and donation is separately accounted for within the fund, to assure proper accounting in accordance with the grant agreements.

Hernando County, Florida Sheriff
Combining Balance Sheet
Non-Major Governmental Funds
September 30, 2024

	Special Revenue Funds			
	800MHz	Law Enforcement Education	Grants and Contributions	Total Non-Major Governmental Funds
ASSETS				
Cash and cash equivalents	$ 1,238,543	$ 263,778	$ 469,522	$ 1,971,843
Due from other governments	-	-	144,122	144,122
Total Assets	$ 1,238,543	$ 263,778	$ 613,644	$ 2,115,965
LIABILITIES				
Accounts payable	$ 160	$ 1,286	$ 159	$ 1,605
Accrued wages and benefits payable	-	-	15,097	15,097
Total Liabilities	160	1,286	15,256	16,702
Fund Balances				
Restricted for:				
Law enforcement activities	-	-	598,388	598,388
Communications	1,238,383	-	-	1,238,383
Education and training	-	262,492	-	262,492
Total Fund Balances	1,238,383	262,492	598,388	2,099,263
Total Liabilities and Fund Balance	$ 1,238,543	$ 263,778	$ 613,644	$ 2,115,965

Hernando County, Florida Sheriff
Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Non-Major Governmental Funds
September 30, 2024

	Special Revenue Funds			
	800MHz	Law Enforcement Education	Grants and Contributions	Total Non-Major Governmental Funds
Revenues				
Intergovernmental	$ -	$ -	$ 509,022	$ 509,022
Charges for services	626,808	-	-	626,808
Fines and forfeitures	142,695	62,527	-	205,222
Interest revenue	9,339	5,764	1,174	16,277
Miscellaneous	89,414	-	157,374	246,788
Total Revenues	868,256	68,291	667,570	1,604,117
Expenditures				
Public safety:				
Personnel services	-	-	126,059	126,059
Operating expenditures	590,333	26,793	182,375	799,501
Capital outlay	-	-	659,582	659,582
Total Expenditures	590,333	26,793	968,016	1,585,142
Excess (Deficiency) of Revenues over (under) Expenditures	277,923	41,498	(300,446)	18,975
Other Financing Sources (Uses)				
Transfers in:				
Hernando County, Florida, Board of County Commissioners:				
Appropriations	-	-	131,232	131,232
Other funds	-	-	300,000	300,000
Transfers (out):				
Other funds	-	-	(245,931)	(245,931)
Total Other Financing Sources	-	-	185,301	185,301
Net Change in Fund Balance	277,923	41,498	(115,145)	204,276
Fund Balance, Beginning of Year	960,460	220,994	713,533	1,894,987
Fund Balance, End of Year	$ 1,238,383	$ 262,492	$ 598,388	$ 2,099,263

Hernando County, Florida Sheriff
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - 800 MHz Fund
September 30, 2024

	Budget			Variance With Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Charges for services	$ 630,000	$ 630,000	$ 626,808	$ (3,192)
Fines and forfeitures	110,000	110,000	142,695	32,695
Interest revenue	-	-	9,339	9,339
Miscellaneous	88,700	88,700	89,414	714
Total Revenues	828,700	828,700	868,256	39,556
Expenditures				
Public safety:				
Operating expenditures	598,700	598,700	590,333	8,367
Total Expenditures	598,700	598,700	590,333	8,367
Excess (Deficiency) of Revenues over (under) Expenditures	230,000	230,000	277,923	47,923
Other Financing Sources (Uses)				
Reserve for contingencies	(1,190,651)	(1,190,460)	-	1,190,460
Total Other Financing Sources (Uses)	(1,190,651)	(1,190,460)	-	1,190,460
Net Change in Fund Balance	(960,651)	(960,460)	277,923	1,238,383
Fund Balance, Beginning of Year	960,651	960,460	960,460	-
Fund Balance, End of Year	$ -	$ -	$ 1,238,383	$ 1,238,383

Hernando County, Florida Sheriff
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Law Enforcement Education Fund
September 30, 2024

	Budget			Variance With Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Fines and forfeitures	$ 50,000	$ 50,000	$ 62,527	$ 12,527
Interest revenue	800	800	5,764	4,964
Total Revenues	50,800	50,800	68,291	17,491
Expenditures				
Public safety:				
Operating expenditures	160,100	160,100	26,793	133,307
Total Expenditures	160,100	160,100	26,793	133,307
Excess (Deficiency) of Revenues over (under) Expenditures	(109,300)	(109,300)	41,498	150,798
Other Financing Sources (Uses)				
Reserve for contingencies	(114,192)	(111,694)	-	111,694
Total Other Financing Sources (Uses)	(114,192)	(111,694)	-	111,694
Net Change in Fund Balance	(223,492)	(220,994)	41,498	262,492
Fund Balance, Beginning of Year	223,492	220,994	220,994	-
Fund Balance, End of Year	$ -	$ -	$ 262,492	$ 262,492

Hernando County, Florida Sheriff
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - Grants and Contributions Fund
September 30, 2024

	Budget			Variance With Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Intergovernmental	$ 366,252	$ 891,422	$ 509,022	$ (382,400)
Interest revenue	-	-	1,174	1,174
Miscellaneous	1,100	157,474	157,374	(100)
Total Revenues	367,352	1,048,896	667,570	(381,326)
Expenditures				
Public safety:				
Personnel services	-	361,634	126,059	235,575
Operating expenditures	146,168	189,172	182,375	6,797
Capital outlay	254,608	1,389,103	659,582	729,521
Total Expenditures	400,776	1,939,909	968,016	971,893
Excess (Deficiency) of Revenues over (under) Expenditures	(33,424)	(891,013)	(300,446)	590,567
Other Financing Sources (Uses)				
Transfers in:				
Hernando County, Florida, Board of County Commissioners:				
Appropriations	-	131,232	131,232	-
Other funds	-	300,000	300,000	-
Transfers (Out)	-	(245,931)	(245,931)	-
Reserve for contingencies	(150)	(7,821)	-	7,821
Total Other Financing Sources (Uses)	(150)	177,480	185,301	7,821
Net Change in Fund Balance	(33,574)	(713,533)	(115,145)	598,388
Fund Balance, Beginning of Year	33,574	713,533	713,533	-
Fund Balance, End of Year	$ -	$ -	$ 598,388	$ 598,388

Hernando County, Florida Sheriff
Internal Service Funds
September 30, 2024

Internal service funds are used when a fund primarily provides benefits for other funds, departments, or agencies of the primary government. The Hernando County, Florida Sheriff (the "Sheriff") has internal service funds that account for:

- **Health Insurance -** This is used to account for the Sheriff's self-insurance program for employee health benefits.

- **Dental Insurance -** This is used to account for the Sheriff's self-insurance program for employee dental benefits.

- **Wellness Clinic -** This is used to account for the Sheriff's self-insurance program for the operation of the health clinic.

- **Wellness Program -** This is used to account for the Sheriff's self-insurance program for the operation of the health program.

Hernando County, Florida Sheriff
Combining Statement of Revenues, Expenditures and Changes in Fund Net Position - Internal Service Funds
September 30, 2024

	Health Insurance	Dental Insurance	Wellness Clinic	Wellness Program	Total Internal Service
Operating Revenues					
Inter-fund charges	$ 8,883,559	$ 202,344	$ 1,102,759	$ -	$ 10,188,662
Premiums - employees	280,528	113,943	-	-	394,471
Premiums - retirees	339,465	40,664	-	-	380,129
Miscellaneous	932,952	-	-	30,500	963,452
Total Operating Revenues	10,436,504	356,951	1,102,759	30,500	11,926,714
Operating Expenses					
Personnel services		-	-	40,428	40,428
Claims	10,194,322	358,359	-	-	10,552,681
Professional services	582,810	26,783	1,154,603	-	1,764,196
Repairs and maintenance	-	-	16,107	-	16,107
Materials and supplies	-	-	180,626	770	181,396
Other expenses	-	-	7,670	-	7,670
Insurance	410,557	-	-	-	410,557
Amortization	-	-	37,310	-	37,310
Total Operating Expenses	11,187,689	385,142	1,396,316	41,198	13,010,345
Operating Income (Loss)	(751,185)	(28,191)	(293,557)	(10,698)	(1,083,631)
Non-Operating Revenues (Expenses)					
Interest earnings	294,832	-	-	154	294,986
Interest expense	-	-	(9,815)	-	(9,815)
Total Non-Operating Revenues (Expenses)	294,832	-	(9,815)	154	285,171
Loss Before Transfers	(456,353)	(28,191)	(303,372)	(10,544)	(798,460)
Transfers in	-	-	-	265,931	265,931
Total Transfers	-	-	-	265,931	265,931
Change in Net Position	(456,353)	(28,191)	(303,372)	255,387	(532,529)
Net Position, Beginning of Year	7,071,211	431,593	352,021	-	7,854,825
Net Position, End of Year	$ 6,614,858	$ 403,402	$ 48,649	$ 255,387	$ 7,322,296

Hernando County, Florida Sheriff
Custodial Funds
September 30, 2024

Custodial funds are used to account for assets held by the Hernando County, Florida Sheriff (the "Sheriff") in a Trustee capacity or as an agent for individuals, private organizations, and other governments. The Sheriff has the following custodial funds:

- **Civil Trust Fund -** This fund is used to account for fees received by the Sheriff for serving documents (civil process) pursuant to Florida Statute 30.231(5). The funds received are returned to the Hernando County Board of County Commissioners on a monthly basis. This fund is also used for cost deposits provided by plaintiffs or their attorneys in advance, to pay for the Sheriff's statutory fees and costs in executing Sheriff's levies and Writs of Attachment.

- **Property & Evidence Fund** - This fund accounts for confiscated property and evidence.

- **Inmate Trust Fund** - This fund accounts for inmate personal accounts and the proceeds from certain inmate programs.

Hernando County, Florida Sheriff
Combining Statement of Fiduciary Net Position
All Custodial Funds
September 30, 2024

	Civil Trust Fund	Property & Evidence Fund	Inmate Trust Fund	Total Custodial Funds
Assets				
Cash and cash equivalents	$ 6,058	$ 39,281	$ 161,164	$ 206,503
Total Assets	6,058	39,281	161,164	206,503
Liabilities				
Accounts payable	-	419	53,507	53,926
Due to other funds	-	-	71,006	71,006
Due to other governments:				
Hernando County, Florida, Board of County Commissioners	6,058	-	-	6,058
Total Liabilities	6,058	419	124,513	130,990
Net Position				
Restricted for:				
Individuals and other governments	$ -	$ 38,862	$ 36,651	$ 75,513

Hernando County, Florida Sheriff
Combining Statement of Changes in Fiduciary Net Position
All Custodial Funds
September 30, 2024

	Civil Trust Fund	Property & Evidence Fund	Inmate Trust Fund	Total Custodial Funds
Additions				
Miscellaneous	$ 86,566	$ 320,584	$ 1,525,899	$ 1,933,049
Total Additions	86,566	320,584	1,525,899	1,933,049
Deductions				
Payments to Hernando County, Florida Board of County Commissioners	85,991	358,887	1,530,451	1,975,329
Other payments	575	-	-	575
Total Deductions	86,566	358,887	1,530,451	1,975,904
Net Increase (Decrease) in Fiduciary Net Position	-	(38,303)	(4,552)	(42,855)
Net Position, Beginning of Year	-	77,165	41,203	118,368
Net Position, End of Year	$ -	$ 38,862	$ 36,651	$ 75,513

Other Reports

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Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Honorable Al Nienhuis
Hernando County, Florida Sheriff

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the Hernando County, Florida Sheriff (the "Sheriff") as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated January 24, 2025.

Report on Internal Control over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or 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 over financial reporting 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 Sheriff's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

We noted certain matters that we reported to management of the Sheriff in a separate letter dated January 24, 2025.

Purpose of this Report

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

Forvis Mazars, LLP

Tampa, Florida
January 24, 2025

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Independent Accountant's Report

Honorable Al Nienhuis
Hernando County, Florida Sheriff

We have examined the Hernando County, Florida Sheriff's (the "Sheriff") compliance with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2024. The Sheriff's 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 AICPA. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Sheriff complied with the aforementioned requirements in all material respects. An examination involves performing procedures to obtain evidence about the Sheriff's compliance with those requirements, in all material respects. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the Sheriff's compliance with those requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement. Our examination does not provide a legal determination on the Sheriff's compliance with the specified requirements.

In our opinion, the Sheriff complied with the aforementioned requirements for the fiscal year ended September 30, 2024, in all material respects.

Forvis Mazars, LLP

Tampa, Florida
January 24, 2025

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Independent Auditor's Management Letter

Honorable Al Nienhuis
Hernando County, Florida Sheriff

We have audited the basic financial statements of the Hernando County, Florida Sheriff (the "Sheriff") as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated January 24, 2025.

Auditor's Responsibility

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 and Chapter 10.550, *Rules of the Auditor General.*

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards,* AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General.* Disclosures in those reports, which are dated January 24, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Management

Section 10.554(1)(i)2., *Rules of the Auditor General,* requires that we address in the management letter 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 that we 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 Sheriff and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

Forvis Mazars, LLP

Tampa, Florida
January 24, 2025

HERNANDO COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT

FINANCIAL STATEMENTS

Year Ended September 30, 2024

HERNANDO COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT

FINANCIAL STATEMENTS

Year Ended September 30, 2024

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Independent Auditor's Report

To the Honorable Doug Chorvat, Jr.
Clerk of the Circuit Court and Comptroller
Hernando County, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Hernando County, Florida Clerk of the Circuit Court and Comptroller (the "Clerk") as of and for the fiscal year ended September 30, 2024, 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the Clerk as of September 30, 2024, and the respective change in financial position, and the budgetary comparison for the General Fund and major special revenue funds for the fiscal 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 the Financial Statements section of our report. We are required to be independent of the Clerk, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 Responsibility for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Clerk's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Clerk's ability to continue as a going concern for a reasonable period of time.

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

Emphasis-of-Matter

As described in Note 1 to the financial statements, the accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557(3), *Rules of the Auditor General for Local Governmental Entity Audits*. These financial statements are not intended to be a complete presentation of the financial position of Hernando County, Florida as of September 30, 2024, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying supplementary information is the responsibility of management 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 other 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 information is 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 June 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, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.

Forvis Mazars, LLP

Tampa, Florida
June 20, 2025

HERNANDO COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT

BALANCE SHEET
GOVERNMENTAL FUNDS

September 30, 2024

	General	Records Modernization	Fines and Forfeitures	Total
ASSETS				
Cash	$ 6,100	$ -	$ -	$ 6,100
Equity in pooled cash and investments	1,994,315	3,950,691	1,377,332	7,322,338
Accounts receivable	37,392	-	-	37,392
Due from other government agencies	134,105	-	29,607	163,712
Prepaid items	68,870	-	-	68,870
TOTAL ASSETS	$ 2,240,782	$ 3,950,691	$ 1,406,939	$ 7,598,412
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable	$ 249,113	$ -	$ 5,633	$ 254,746
Accrued wages and benefits	187,803	-	55,275	243,078
Due to Hernando County Board of County Commissioners	1,728,936	-	-	1,728,936
Due to other government agencies	-	-	1,126,419	1,126,419
Deposits	74,930	-	219,612	294,542
TOTAL LIABILITIES	2,240,782	-	1,406,939	3,647,721
FUND BALANCES				
Restricted for:				
Record modernization	-	3,950,691	-	3,950,691
TOTAL FUND BALANCES	-	3,950,691	-	3,950,691
TOTAL LIABILITIES AND FUND BALANCE	$ 2,240,782	$ 3,950,691	$ 1,406,939	$ 7,598,412

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

HERNANDO COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS

Year Ended September 30, 2024

	General	Records Modernization	Fines and Forfeitures	Total
REVENUES				
Intergovernmental	$ -	$ -	$ 308,357	$ 308,357
Charges for services	1,676,309	570,470	3,537,839	5,784,618
Fines and forfeitures	-	-	1,225,382	1,225,382
Interest income	386,500	249,956	50,304	686,760
Miscellaneous	10,039	-	184,384	194,423
TOTAL REVENUES	2,072,848	820,426	5,306,266	8,199,540
EXPENDITURES				
General government:				
Personnel services	5,410,018	-	-	5,410,018
Operating expenditures	4,488,001	25,216	-	4,513,217
Court operations:				
Personnel services	-	-	3,480,557	3,480,557
Operating expenditures	-	9,139	108,307	117,446
Capital outlay	33,657	-	-	33,657
TOTAL EXPENDITURES	9,931,676	34,355	3,588,864	13,554,895
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(7,858,828)	786,071	1,717,402	(5,355,355)
OTHER FINANCING SOURCES (USES)				
Transfers in:				
Hernando County Board of County Commissioners	9,585,597	-	-	9,585,597
Transfers (out):				
Distribution of excess appropriations to the Hernando County Board of County Commissioners	(1,726,769)	-	-	(1,726,769)
Distribution of excess court revenue to the State of Florida	-	-	(1,722,866)	(1,722,866)
TOTAL OTHER FINANCING SOURCES (USES)	7,858,828	-	(1,722,866)	6,135,962
NET CHANGE IN FUND BALANCE	-	786,071	(5,464)	780,607
FUND BALANCE, BEGINNING OF YEAR	-	3,164,620	5,464	3,170,084
FUND BALANCE, END OF YEAR	$ -	$ 3,950,691	$ -	$ 3,950,691

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

HERNANDO COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND

Year Ended September 30, 2024

	Budget			Variance With Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Charges for services	$ 1,476,500	$ 2,107,780	$ 1,676,309	$ (431,471)
Interest income	30,500	580,500	386,500	(194,000)
Miscellaneous	-	12,000	10,039	(1,961)
TOTAL REVENUES	1,507,000	2,700,280	2,072,848	(627,432)
EXPENDITURES				
General government:				
Personnel services	6,224,377	5,644,377	5,410,018	234,359
Operating expenditures	4,489,967	6,607,843	4,488,001	2,119,842
Capital outlay	61,000	33,657	33,657	-
TOTAL EXPENDITURES	10,775,344	12,285,877	9,931,676	2,354,201
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(9,268,344)	(9,585,597)	(7,858,828)	1,726,769
OTHER FINANCING SOURCES (USES)				
Transfers in:				
Hernando County Board of County Commissioners	9,268,344	9,585,597	9,585,597	-
Transfers (out):				
Distribution of excess appropriations to the Hernando County Board of County Commissioners	-	-	(1,726,769)	(1,726,769)
TOTAL OTHER FINANCING SOURCES (USES)	9,268,344	9,585,597	7,858,828	(1,726,769)
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
FUND BALANCE, END OF YEAR	$ -	$ -	$ -	$ -

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

HERNANDO COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - RECORDS MODERNIZATION FUND

Year Ended September 30, 2024

	Budget			Variance With Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Charges for services	$ 590,000	$ 590,000	$ 570,470	$ (19,530)
Interest income	15,000	15,000	249,956	234,956
TOTAL REVENUES	605,000	605,000	820,426	215,426
EXPENDITURES				
General government:				
Operating expenditures	490,000	490,000	25,216	464,784
Court operations:				
Personnel services	446,000	446,000	-	446,000
Operating expenditures	554,000	554,000	9,139	544,861
Capital outlay	40,000	40,000	-	40,000
Reserves	940,000	940,000	-	940,000
TOTAL EXPENDITURES	2,470,000	2,470,000	34,355	2,435,645
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(1,865,000)	(1,865,000)	786,071	(2,220,219)
NET CHANGE IN FUND BALANCE	(1,865,000)	(1,865,000)	786,071	2,651,071
FUND BALANCE, BEGINNING OF YEAR	1,865,000	1,865,000	3,164,620	1,299,620
FUND BALANCE, END OF YEAR	$ -	$ -	$ 3,950,691	$ 3,950,691

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

HERNANDO COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - FINES AND FORFEITURES FUND

Year Ended September 30, 2024

	Budget			Variance With Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Intergovernmental	$ 441,735	$ 379,890	$ 308,357	$ (71,533)
Charges for services	2,950,470	3,012,315	3,537,839	525,524
Fines and forfeitures	1,084,800	1,084,800	1,225,382	140,582
Interest income	20,000	20,000	50,304	30,304
Miscellaneous	-	-	184,384	184,384
TOTAL REVENUES	4,497,005	4,497,005	5,306,266	809,261
EXPENDITURES				
Court operations:				
Personnel services	3,993,524	3,906,112	3,480,557	425,555
Operating expenditures	97,514	184,926	108,307	76,619
TOTAL EXPENDITURES	4,091,038	4,091,038	3,588,864	502,174
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	405,967	405,967	1,717,402	1,311,435
OTHER FINANCING SOURCES (USES)				
Transfers (out):				
Distribution of excess court revenue to State of Florida	(405,967)	(405,967)	(1,722,866)	(1,316,899)
NET CHANGE IN FUND BALANCE	-	-	(5,464)	(5,464)
FUND BALANCE, BEGINNING OF YEAR	-	-	5,464	5,464
FUND BALANCE, END OF YEAR	$ -	$ -	$ -	$ -

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

HERNANDO COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT

STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS

September 30, 2024

ASSETS		
Equity in pooled cash and investments		$ 4,951,425
	TOTAL ASSETS	4,951,425
LIABILITIES		
Accounts payable		15,911
Due to Hernando County Board of County Commissioners		83,217
Due to other government agencies		944,243
Other current liabilities		2,239,507
	TOTAL LIABILITIES	3,282,878
NET POSITION		
Restricted for:		
Individuals and other governments		$ 1,668,547

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

HERNANDO COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS

Year Ended September 30, 2024

ADDITIONS		
State of Florida collections		$ 29,117,800
Hernando County Board of County Commissioners collections		1,495,214
Other collections		36,931,849
	TOTAL ADDITIONS	67,544,863
DEDUCTIONS		
Payments to Hernando County Board of County Commissioners		1,518,643
Payments to the State of Florida		28,847,085
Other payments		37,682,206
	TOTAL DEDUCTIONS	68,047,934
	NET DECREASE IN FIDUCIARY NET POSITION	(503,071)
NET POSITION-BEGINNING OF THE YEAR		2,171,618
NET POSITION-END OF THE YEAR		$ 1,668,547

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

HERNANDO COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Hernando County, Florida (the "County") is a political subdivision of the State of Florida. It is governed by an elected Board of County Commissioners (the "Board") and managed by an appointed County Administrator. The Hernando County, Florida Clerk of the Circuit Court (the "Clerk") is an elected constitutional officer as provided for by the Constitution of the State of Florida. Pursuant to Section 28.36, Florida Statutes, the Clerk's budget for the court activities in the Fines and Forfeitures Fund is submitted to the Clerks of Court Operations Corporation ("CCOC").

The Clerk is responsible for the administration and operation of the Clerk's office, including the Circuit and County court systems. The operations of the Clerk are funded primarily from fees and charges authorized under applicable Florida Statutes, or state general appropriations.

Certain costs of the court systems (communications services; existing radio systems; existing multi-agency criminal justice information systems; and the cost of construction or lease, maintenance, utilities, and security of facilities for the trial courts, public defenders' offices, and state attorneys' offices) are required by Article V, *Florida Constitution*, to be funded by the Board. Such costs are not included herein.

For financial reporting purposes, the Clerk is deemed to be part of the primary government of the County and, as such, is included in the County's Annual Comprehensive Financial Report.

Basis of Presentation

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

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

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

Basis of Presentation *(Continued)*

The focus of governmental fund financial statements is on major funds rather than reporting funds by type. GAAP sets forth minimum criteria (percentage of total assets, liabilities, revenues, or expenditures) for the determination of major funds. Each major fund is reported in a separate column. The Clerk reports the following major governmental funds:

- **General Fund** - The General Fund is used to account for the general operations of the Clerk and includes all transactions which are not accounted for in another fund.
- **Records Modernization Fund** - The Records Modernization Fund was created pursuant to Florida Statutes 631 effective July 1, 1987. The Clerk charges a fee for each instrument recorded in the official records. The fee is deposited into this fund. The money in this fund is to be held by the Clerk and is restricted exclusively for equipment, personnel training, and technical assistance in modernizing the official records system. Effective July 1, 2004, an additional amount is collected pursuant to Section 28.24(12)(e), Florida Statutes, and is used exclusively for funding court-related technology needs. Beginning July 1, 2009, the fund also receives 10% of the Clerk's fees on civil and criminal fines collections to be used for additional court-related operational needs and program enhancements.
- **Fines and Forfeitures Fund** - The Fines and Forfeitures Fund was created pursuant to Florida Statutes 28.36, effective July 1, 2004. The fund accounts for court-related functions pursuant to Florida Statutes 28.35(3)(a). From July 1, 2009 through June 30, 2013, related fees and charges were remitted monthly to the state, and the court-related functions were funded by a monthly state appropriation. Beginning July 1, 2013, the state appropriations were terminated, and related fees and charges (including those received in June 2013) are no longer remitted to the state, but are instead retained to fund court-related functions. Excess revenues are returned to the state.

The Clerk also reports the following fund type:

- **Custodial Funds** - To account for assets held by the Clerk in a trustee capacity or as an agent for individuals, private organizations, and other governments.

With the implementation of Revision 7 to Article V on July 1, 2004, the Clerk's activities are now classified as court-related and non-court-related. Non-court-related activities are reported in the Clerk's General Fund. These activities are funded primarily with service charges for recording instruments and documents into the official records, and through transfers in from the Board. Excess revenues at the end of the year are due back to the Board, and are shown as a liability and transfer out in the General Fund.

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

Basis of Presentation *(Continued)*

Court-related activities are reported in the Fines and Forfeitures Fund. Excess revenues are due back to the state periodically, except that one month's revenues can be retained for cash flow needs. Based on the legal opinion provided by the CCOC general counsel of the provisions of Section 28.37(3), Florida Statutes, which was adopted as policy by the CCOC Finance and Budget Committee, all excess court-related funds have been included in a fund liability, due to other government agencies.

Measurement Focus and Basis of Accounting

Governmental funds are accounted for using the flow of current financial resources measurement focus. Only current assets and current liabilities, generally, are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The focus on fiduciary type fund financial statements is by fund type, not major fund. The Clerk only has one fiduciary fund type, the custodial fund type. Accordingly, there is only one column in the fiduciary fund financial statements. Custodial funds are accounted for under the economic resources method and accrual basis of accounting.

The modified accrual basis of accounting is used by the governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available to finance liabilities of the current fiscal year). For this purpose, the Clerk considers revenues to be available if they are collected within 45 days of the end of the current period. Grants are the same, as the Clerk considers revenues to be available if they are collected within 45 days of the end of the current period. Expenditures are recorded when the related fund liability is incurred, except for certain compensated absences, which are recognized as expenditures to the extent they have matured. Prepaid items are recorded under the consumption method.

Charges for services, interest income, and other revenue are recognized as they are earned and become measurable and available to pay liabilities of the current period.

The general operations of the Clerk are funded principally by fees from third parties and appropriations from the Board. The appropriations from the Board are presented in the Clerk's financial statements as transfers in.

Excess Fees

For the General Fund, Florida Statutes provide that the amount by which revenues and transfers exceed annual expenditures be remitted to the Board immediately following the fiscal year for which the funding was provided or following the fiscal year during which other revenue was recognized. The amount of this distribution is recorded as a liability and as another financing use in the General Fund in the accompanying financial statements.

Excess Fees *(Continued)*

For the Fines and Forfeitures Fund, the Clerk makes monthly payments to the state from its budget surplus and is required to return additional net revenues annually. Amounts returned were $502,496 and net revenues accrued were $1,220,370 for a total state distribution of $1,722,866. This distribution is recorded as an "other financing use" in the Fines and Forfeitures Fund. Net revenues are returned to the state on a basis that straddles the fiscal year (i.e., September revenues can be carried over for working capital needs). Amounts recorded as due to other governmental agencies in the Fines and Forfeitures Fund totaling $1,126,419 included net revenues of $754,873 scheduled to be returned to the state in January 2025, and $371,546 available for carryover.

Equity in Pooled Cash

The Clerk pools substantially all cash and investments. Pooled cash includes cash on hand and on deposit with financial institutions. Short-term investments are with Florida State Board of Administrations' ("SBA") Florida PRIME, Florida Local Government Investment Trust (the "Trust"), and Florida Cooperative Liquid Assets Securities System ("FLCLASS"), all of which are external investment pools. Earnings from pooled cash and investments are allocated to each fund based on a monthly weighted average of the equity balance of each fund. Additionally, all other investments, if any, are reported at fair value.

Compensated Absences

All full-time employees of the Clerk are entitled to annual paid time off ("PTO"). PTO is an employee benefit that combines traditional vacation and sick leave programs into one plan with two components.

The employees are generally allowed to accumulate PTO up to a certain maximum, based on length of employment. Upon termination before retirement, the employee is paid for up to 80% of accrued and unused PTO. Retiring employees receive up to 100% of their accrued PTO balance. PTO payments are included in operating costs when the payments are made to the employees. The Clerk does not, nor is he legally required to, accumulate financial resources for these un-matured obligations. Accordingly, the liability for compensated absences is not reported in the governmental funds but rather is reported in the basic financial statements of the County.

Fund Balances

Generally accepted accounting principles for governments established fund balance classifications that comprise a hierarchy based primarily on the extent to which the organization is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components: non-spendable, restricted, committed, assigned, and unassigned:

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

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

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

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

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

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

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

Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the amounts reported or disclosed in the financial statements and accompanying notes. Actual results could differ from those estimates.

NOTE 2 - BUDGETARY PROCESS

Generally, Florida Statutes 129.021 and 129.03 govern the preparation, adoption, and administration of the Clerk's annual budget. The Clerk prepares a budget for all funds. Subsequent amendments can be made to these budgets without Board approval, except when they increase the total General Fund budget. The Clerk also prepares an annual budget for the Fines and Forfeiture Fund that is submitted to the CCOC.

Budgets are prepared on a basis consistent with GAAP. The annual budget serves as the legal authorization for expenditures. Budgetary control is maintained at the departmental major object expenditure level. Expenditures may not legally exceed appropriations at the fund level. Appropriations lapse at year-end. Budgetary changes within major object expenditures categories are made at the discretion of the Clerk.

The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized changes applicable to the fiscal year, whenever legally authorized.

NOTE 3 - CASH AND EQUITY IN POOLED CASH AND INVESTMENTS

Cash and Cash Equivalents

At September 30, 2024, the fair value of the Clerk's cash and cash equivalents was as follows:

	Fair Value	Credit Rating
Cash on Hand	$ 6,100	N/A
Demand Deposits	2,378,712	N/A
Total Cash and Cash Equivalents	$ 2,384,812	

NOTE 3 - CASH AND EQUITY IN POOLED CASH AND INVESTMENTS *(Continued)*

Cash and Cash Equivalents *(Continued)*

The Clerk's bank deposits are held in qualified public depositories ("QPDs") pursuant to Chapter 280, Florida Statutes. Under this Chapter, each QPD is required to pledge collateral to the State Treasurer against the public deposits. In the event of default by a QPD, all claims for public deposits would be satisfied by the State Treasurer from the proceeds of federal deposit insurance, pledged collateral of the QPD in default and, if necessary, assessments against other QPDs of the same type as the depositor in default.

Investments

The Clerk's investment policy follows guidance set forth in Section 219.075, Florida Statutes, regarding the deposit of funds received and the investment of surplus funds. The policy authorizes the following investments:

External Investment Pools

- Direct Obligations of (or Unconditionally Guaranteed by) the United States (U.S.) Government
- Certain Obligations Issued or Guaranteed by U.S. Agencies
- Certificates of Deposit, Money Market Accounts, etc. in QPDs
- Certain Repurchase Agreements
- Certain Securities Exchange Commission Registered Money Market Funds
- Certain PRIME-rated Commercial Paper
- Certain Domestic Bankers' Acceptances
- Qualified Municipal Debt General Obligation Securities Rated at Least "A or Equivalent"
- Certain Corporate Debt Securities Rated at Least "A or Equivalent"

The primary objective of the investment policy is to assure that investments are of minimum risk. The second criterion is the assurance of liquidity, and the third consideration is yield.

Credit Risk

In an effort to limit credit risk, the Clerk's investment policy identifies and limits investments to only top ratings issued by nationally recognized statistical rating organizations.

Concentration of Investment Risk

To manage concentration of investment risk, the Clerk's investment policy stipulates maximum limitation guidelines for diversification by instrument. A maximum of 80% of the portfolio may be invested in each of the Florida Trust Funds or Florida PRIME. Investment maximum limitations range from 10% to 80% for each of the remaining types of investments.

Custodial Credit Risk

To manage custodial credit risk for investments, the Clerk's investment policy specifies the Clerk will execute a third-party Custodial Safekeeping Agreement with a commercial bank's trust department separately chartered by the U.S. Government or State of Florida. All securities purchased by the Clerk are properly designated as an asset of the Clerk and are held in safekeeping by the bank's trust department.

Interest Rate Risk

To manage interest rate risk, the Clerk maintains a formal investment policy that limits investment maturities not to exceed two years. This coupled with a diversified portfolio limits exposure to fair value losses arising from increasing interest rates.

The Clerk participates in the following external investment pools:

- The State Board of Administration for participation in the Local Government Investment Pool (Florida PRIME^{TM}) created by Section 218.415, Florida Statutes. This investment pool operates under investment guidelines established by Section 215.47, Florida Statutes. The Clerk's investments in Florida PRIME^{TM}, an external investment pool, are reported at amortized cost.

- The Florida Local Government Investment Trust (the "Trust"), which is administered by a Board of Trustees appointed by the Florida Association of Court Clerks and County Comptroller, and the Florida Association of Counties, Inc. The Trust was created in to provide a means for public entities to pool surplus funds to maximize net earnings. The Trust invests in money market and U.S. treasury notes, collateralized mortgage obligations, asset backed securities, agency notes, 2020 ARM pass-through, corporate bonds, government related securities, and certificates of deposit. The Clerk's investment in the Trust's Day to Day Fund is valued at Stable Net Asset Value ("NAV") and is report at amortized costs. The Clerk's investment in the Trust Short-Term Bond Fund is valued at Variable NAV, which approximates fair value.

- FLCLASS, an independent local government investment pool designed to provide a safe and competitive investment alternative for Florida governmental entities. FLCLASS is measured at NAV, which approximates fair value.

NOTE 3 - CASH AND EQUITY IN POOLED CASH AND INVESTMENTS *(Continued)*

Interest Rate Risk *(Continued)*

Following is a list of investments held at September 30, 2023 (Ratings from Standard and Poor's):

	Maturity	Fair Value	Rating
Investments			
Investment Pools:			
Florida Trust - Short-Term Bond Fund	Immediate	$ 1,617,835	AAAf
Florida Trust - Day to Day Fund	Immediate	369,577	AAAmmf
FLCLASS	51 days	2,783,843	AAAm
Florida PRIME Local Government Surplus Trust	48 Days	5,123,796	AAAm
Total Investments		$ 9,895,051	

None of the pools have limitations or restrictions on participant withdrawals, including items such as redemption notices, maximum transaction amounts, and the pool's authority to impose liquidity fees or redemption gates.

The above cash and investments are reported as $6,100, $7,322,338, and $4,951,425 in the governmental funds and custodial funds, respectively.

Fair Value Measurement

The Clerk holds assets that are defined as short-term investments. The Clerk's investments are recorded at fair value unless the investment qualifies as an external investment pool. None of the investments are subject to a fair value hierarchy valuation.

NOTE 4 - CAPITAL ASSETS

Pursuant to Florida Statutes, capital assets used by the Clerk are owned by the Board. The Clerk maintains custodial and record-keeping responsibility for the tangible and intangible capital assets used by the office. The office space used in the Clerk's operations is provided at no cost by the Board.

Capital assets paid for by the Clerk are recorded as expenditures in the governmental funds of the Clerk and are capitalized in the basic financial statements of the County. Donated assets are recorded directly on the County's books at their estimated fair value on the date received. Depreciation is recorded at the County level.

NOTE 5 - LONG-TERM LIABILITY

The following is a summary of changes in general long-term liabilities, which are reported in the basic financial statements of the County:

	Balance October 1, 2023	Net Change	Balance September 30, 2024	Due Within One Year
Accrued Compensated Balance	$ 357,360	$ 33,764	$ 391,124	$ 391,124

The long-term liabilities above are not reported in the financial statements of the Clerk since they have not matured.

NOTE 6 - EMPLOYEE RETIREMENT PLAN

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

Funding Policy

The Clerk's contributions to the FRS for fiscal years ended September 30, 2022 through 2024 were: $758,871, $863,279, and $1,012,474, respectively, which were equal to the required contribution for each fiscal year.

Employees are required to contribute 3% towards the FRS. Employee withholdings for this purpose amounted to $143,875, $152,144, and $172,433 for the fiscal years ended September 30, 2022 through 2024, respectively, which were equal to the required contribution for each fiscal year.

NOTE 7 - POST-EMPLOYMENT BENEFITS OTHER THAN PENSIONS

Pursuant to the requirements of the Florida Statutes, the Clerk participates in the County's plan to provide OPEB 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 8 - RISK MANAGEMENT

The Clerk participates in the insurance programs of the Board, including general liability, workers' compensation, and employee health insurance. These risk management activities are handled through internal service funds maintained by the Board. All liabilities associated with these self-insured risks are reported in the basic financial statements of the Board. The purpose of these funds is to administer employee life, health, workers' compensation, unemployment, disability insurance, and property and liability insurance. These funds account for the risk financing activities of the County, but do not constitute a transfer of risk from the County.

NOTE 8 - RISK MANAGEMENT *(Continued)*

Significant losses are covered by commercial insurance for all major programs except workers' compensation, for which the County retains risk of loss. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage in any of the last three years.

The Clerk paid premiums of $1,217,244 for life and health insurance coverage to the Board for the fiscal year ended September 30, 2024.

The Board's Workers' Compensation Internal Service Fund is a self-insurance program for workers' compensation claims on losses up to $1,250,000 per occurrence. The Workers' Compensation fund has indemnified the Clerk against any losses in a given year in excess of the fee charged. In the event actual losses are less than the fee charged, such amounts will be retained in the Workers' Compensation fund. Claim settlements and losses are accrued and subsequently paid from the Workers' Compensation fund. Premium payments to the Board by the Clerk totaled $9,261 for the fiscal year ended September 30, 2024.

NOTE 9 - COMMITMENTS, CLAIMS, AND CONTINGENCIES

Litigation

The Clerk is involved as defendant or plaintiff in certain litigation and claims arising from the ordinary course of operations. Any judgments against the Clerk in excess of insurance limits would be settled by the Board. In the opinion of the Clerk and legal counsel, the range of potential recoveries or liabilities will not materially affect the financial position of the Clerk.

Federal and State Grants

Grant funds received by the Clerk are subject to audit by grantor agencies. Audits of these grants may result in disallowed costs, which may constitute a liability of the Clerk. In the opinion of management, disallowed costs, if any, would be insignificant to the financial position and operations of the Clerk.

SUPPLEMENTARY INFORMATION

HERNANDO COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT

Year Ended September 30, 2024

FIDUCIARY FUNDS

Custodial Funds are used to account for assets held by a governmental unit as trustee or agent for individuals, private organizations, and other governmental units.

- **Trust Fund** - This fund is used to account for the receipt and subsequent activity of monies temporarily held for others. Court related fines, fees, and service charges collected by the Hernando County Clerk of the Circuit Court are deposited into this fund and remitted to the State of Florida on a monthly basis. Other deposits include monies for fines to be remitted to other government agencies, intangible and documentary taxes collected to be distributed to the State of Florida, court ordered bonds, and other miscellaneous items.

- **Domestic Relations** - This fund is used to account for child support and alimony payments, and distribution of such funds processed through the Clerk. These payments are electronically transferred nightly to the State of Florida for proper disbursement via the State Distribution Unit in Tallahassee. The daily activity nets to zero. The Clerk uses the fund to track domestic relations activity.

- **Court Registry** - This fund is used to account for registry funds that have been ordered to be posted with the Clerk.

- **Ordinary Witness** - This fund was established pursuant to Florida Statute 40.29, effective July 1, 2004. The fund accounts for the payment of witnesses on behalf of the state attorney and public defender.

HERNANDO COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT

COMBINING STATEMENT OF FIDUCIARY NET POSITION
ALL CUSTODIAL FUNDS

September 30, 2024

	Trust Fund	Court Registry	Ordinary Witness	Total
ASSETS				
Equity in pooled cash and investments	$ 2,698,377	$ 2,241,423	$ 11,625	$ 4,951,425
TOTAL ASSETS	2,698,377	2,241,423	11,625	4,951,425
LIABILITIES				
Accounts payable	2,370	1,916	11,625	15,911
Due to Hernando County Board of County Commissioners	83,217	-	-	83,217
Due to other government agencies	944,243	-	-	944,243
Other current liabilities	-	2,239,507	-	2,239,507
TOTAL LIABILITIES	1,029,830	2,241,423	11,625	3,282,878
NET POSITION				
Restricted for:				
Individuals and other governments	$ 1,668,547	$ -	$ -	$ 1,668,547

HERNANDO COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
ALL CUSTODIAL FUNDS

Year Ended September 30, 2024

	Trust Fund	Court Registry	Domestic Relations	Ordinary Witness	Total
ADDITIONS					
State of Florida collections	$ 29,117,800	$ -	$ -	$ -	$ 29,117,800
Hernando County Board of County Commissioners collections	1,495,214	-	-	-	1,495,214
Other collections	34,464,798	2,241,423	214,003	11,625	36,931,849
TOTAL ADDITIONS	65,077,812	2,241,423	214,003	11,625	67,544,863
DEDUCTIONS					
Payments to Hernando County Board of County Commissioners	1,518,643	-	-	-	1,518,643
Payments to the State of Florida	28,847,085	-	-	-	28,847,085
Other payments	35,215,155	2,241,423	214,003	11,625	37,682,206
TOTAL DEDUCTIONS	65,580,883	2,241,423	214,003	11,625	68,047,934
NET DECREASE IN FIDUCIARY NET POSITION	(503,071)	-	-	-	(503,071)
NET POSITION-BEGINNING OF THE YEAR	2,171,618	-	-	-	2,171,618
NET POSITION-END OF THE YEAR	$ 1,668,547	$ -	$ -	$ -	$ 1,668,547

OTHER REPORTS

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

Independent Auditor's Report

To the Honorable Doug Chorvat, Jr.
Clerk of the Circuit Court and Comptroller
Hernando County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Hernando County, Florida Clerk of the Circuit Court and Comptroller (the "Clerk") as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated June 20, 2025.

Report on Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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 over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards.*

We noted certain matters that we reported to management of the Clerks in a separate letter dated June 20, 2025.

Purpose of this Report

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

Forvis Mazars, LLP

Tampa, Florida
June 20, 2025

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Independent Accountant's Report

To the Honorable Doug Chorvat, Jr.
Clerk of the Circuit Court and Comptroller
Hernando County, Florida

We have examined the Hernando County, Florida Clerk of the Circuit Court and Comptroller's (the "Clerk") compliance with the requirements of Sections 28.35, 28.36, 61.181 and 218.415, Florida Statutes, during the fiscal year ended September 30, 2024. The Clerk's 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 with those requirements, in all material respects. An examination involves performing procedures to obtain evidence about the Clerk's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the Clerk's compliance with specified requirements.

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

In our opinion, the Clerk complied with the aforementioned requirements for the fiscal year ended September 30, 2024, in all material respects.

Forvis Mazars, LLP

Tampa, Florida
June 20, 2025

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Independent Auditor's Management Letter

To the Honorable Doug Chorvat, Jr.
Clerk of the Circuit Court and Comptroller
Hernando County, Florida

We have audited the basic financial statements of the Hernando County, Florida Clerk of the Circuit Court's (the "Clerk") as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated June 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;.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards;* Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards,* AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General.* Disclosures in those reports and schedule, which are dated June 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 findings and recommendations made in the preceding annual financial audit report. There were no findings or recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

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

Financial Management

Section 10.554(1)(i)2., *Rules of the Auditor General,* requires that we address in the management letter 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 that we 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 Clerk and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

Forvis Mazars, LLP

Tampa, Florida
June 20, 2025

Hernando County, Florida
Supervisor of Elections

Independent Auditor's Report and Financial Statements

September 30, 2024

Hernando County, Florida
Supervisor of Elections
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September 30, 2024

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Independent Auditor's Report

Honorable Denise LaVancher
Supervisor of Elections
Hernando County, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Hernando County, Florida Supervisor of Elections (the "Supervisor of Elections") as of and for the fiscal year ended September 30, 2024, 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 accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the Supervisor of Elections as of September 30, 2024, and the respective changes in financial position, and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for 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 the Financial Statements section of our report. We are required to be independent of the Supervisor of Elections, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Supervisor of Elections' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Supervisor of Elections' ability to continue as a going concern for a reasonable period of time.

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

Emphasis-of-Matter

As described in Note 1 to the financial statements, the accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557(3), *Rules of the Auditor General for Local Governmental Entity Audits*. These financial statements are not intended to be a complete presentation of the financial position of Hernando County, Florida as of September 30, 2024, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards,* we have also issued our report dated February 12, 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, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.

Forvis Mazars, LLP

Tampa, Florida
February 12, 2025

Hernando County, Florida
Supervisor of Elections
Balance Sheet - General Fund
September 30, 2024

ASSETS		
Cash	$	768,814
Total Assets	$	768,814
LIABILITIES AND FUND BALANCE		
Accounts payable	$	97,506
Accrued liabilities		19,719
Due to the Hernando County, Florida Board of County Commissioners		651,589
Total Liabilities		768,814
Total Fund Balance		-
Total Liabilities and Fund Balance	$	768,814

Hernando County, Florida
Supervisor of Elections
Statement of Revenues, Expenditures, and Changes in Fund Balance - General Fund
Year Ended September 30, 2024

Revenues	
Charges for services	$ 7,041
Total Revenues	7,041
Expenditures	
General government:	
Personnel services	1,373,295
Operating	669,658
Total Expenditures	2,042,953
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,035,912)
Other Financing Sources (Uses)	
Transfers in:	
Hernando County, Florida Board of County Commissioners appropriations	2,687,501
Transfers (out):	
Distribution of excess appropriations to the Hernando County, Florida Board of County Commissioners	(651,589)
Total Other Financing Sources (Uses)	2,035,912
Net Change in Fund Balance	-
Fund Balance, Beginning of Year	-
Fund Balance, End of Year	$ -

Hernando County, Florida
Supervisor of Elections
Statement of Revenues, Expenditures, and Changes in
Fund Balance - Budget and Actual (Budgetary Basis) - General Fund
Year Ended September 30, 2024

	Budget			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
Revenues				
Charges for services	$ -	$ -	$ 7,041	$ 7,041
Total Revenues	-	-	7,041	7,041
Expenditures				
General government:				
Personnel services	1,742,833	1,742,833	1,373,295	369,538
Operating	944,668	944,668	669,658	275,010
Total Expenditures	2,687,501	2,687,501	2,042,953	644,548
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,687,501)	(2,687,501)	(2,035,912)	651,589
Other Financing Sources (Uses)				
Transfers in:				
Hernando County, Florida Board of County Commissioners appropriations	2,687,501	2,687,501	2,687,501	-
Transfers (out):				
Distribution of excess appropriations to the Hernando County, Florida Board of County Commissioners	-	-	(651,589)	(651,589)
Total Other Financing Sources (Uses)	2,687,501	2,687,501	2,035,912	(651,589)
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	$ -	$ -	$ -	$ -

Note 1. Summary of Significant Accounting Policies

Reporting Entity

Hernando County, Florida (the "County") is a political subdivision of the State of Florida. It is governed by an elected Board of County Commissioners (the "Board"), and managed by an appointed County Administrator. The Hernando County, Florida Supervisor of Elections (the "Supervisor of Elections") is an elected constitutional officer as provided for by the Constitution of the State of Florida. Pursuant to Chapter 129, Florida Statutes, the Supervisor of Elections' budget is submitted to the Board for approval.

Transfers are provided by appropriations from the Board pursuant to law. Estimated receipts and budgeted fund balances must equal appropriations. The Supervisor of Elections is required to refund to the Board all excess appropriations annually; therefore, no unappropriated fund balance is carried forward.

For financial reporting purposes, the Supervisor of Elections is deemed to be part of the primary government of the County, and as such, is included in the County's Annual Comprehensive Financial Report ("ACFR").

Basis of Presentation

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

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

The focus of governmental fund financial statements is generally on major funds rather than reporting funds by type. GAAP sets forth minimum criteria (percentage of total assets, liabilities, revenues, or expenditures) for the determination of major funds. However, the general fund, by definition, is always a major fund. In the governmental fund financial statements, each major fund is reported in a separate column, but since the Supervisor of Elections has only one governmental fund (the general fund); the governmental fund financial statements contain only one column.

The Supervisor of Elections reports the following governmental fund type:

Governmental Fund

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

Measurement Focus and Basis of Accounting

Governmental funds are accounted for using the flow of current financial resources measurement focus. Only current assets and current liabilities, generally, are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when it becomes measurable and available to finance liabilities of the current fiscal year). For this purpose, the Supervisor of Elections considers revenues to be available if they are collected within 45 days of the end of the current period and can be used for paying current period expenditures. Expenditures are recorded when the related fund liability is incurred, except for compensated absences, which are recognized as expenditures to the extent they have matured.

The appropriations from the Board are the primary source of funds considered to be susceptible to accrual.

Intergovernmental revenues are recognized when eligibility requirements are met and related amounts are available from the grantor. Charges for services are recognized as they are earned and become measurable and available to pay liabilities of the current period.

Excess Fees

The Board funds primarily the entire operating budget of the Supervisor of Elections. Payments by the Board to fund the operations of the Supervisor of Elections are recorded as transfers in on the financial statements of the Supervisor of Elections. In accordance with Florida Statutes, the Supervisor of Elections distributes all general fund revenues in excess of expenditures to the Board within 31 days following the end of the fiscal year.

Compensated Absences

All full-time employees of the Supervisor of Elections are entitled to accrue a maximum of 480 hours of paid time off (“PTO”) and must use a minimum of 80 hours of PTO each fiscal year. Upon termination, the employee is paid 50% to 100%, based on tenure, of accumulated PTO.

The Supervisor of Elections’ accrued compensated absences are not reported in the general fund, but rather in the basic financial statements of the County.

Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make a number of estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Net Pension Liability

The Supervisor of Elections participates in the Florida Retirement System (“FRS”) defined benefit pension plan and the Health Insurance Subsidy (“HIS”) defined benefit plan administered by Florida Division of Retirement. As a participating employer, the Supervisor of Elections is required to report the employers’ proportionate share of the net pension liabilities and related pension amounts of the defined benefit pension plans. However, these liabilities would be recorded in government-wide financial statements, which are not required in this special-purpose presentation. As such, the financial information and disclosures are included in the County’s ACFR. In addition, the cost-sharing multiple-employer plans mentioned above operate on June 30 fiscal year end.

Note 2. Budgetary Process

Florida Statutes, Section 195.087, governs the preparation, adoption, and administration of the Supervisor of Elections' annual budget. The Supervisor of Elections submits a budget for the general fund to the Board for approval. Any subsequent amendments to the Supervisor of Elections' total budget must be approved by the Board. The annual budget serves as the legal authorization for expenditures. Expenditures may not legally exceed appropriations at the fund level. Appropriations lapse at fiscal year end. Budgetary control is maintained at the major object expenditure level. Budgetary changes within major object expenditure categories are made at the discretion of the Supervisor of Elections.

The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized changes applicable to the fiscal year.

Note 3. Cash and Investments

At September 30, 2024, the fair value of the Supervisor of Elections' cash was as follows:

	Fair Value	Credit Rating
Demand Deposits and Money Market Funds	$ 768,814	N/A

The Supervisor of Elections' bank deposits are held in qualified public depositories ("QPDs") pursuant to Chapter 280, Florida Statutes. Under this Chapter, each QPD is required to pledge collateral to the State Treasurer against the public deposits. In the event of default by a QPD, all claims for public deposits would be satisfied by the State Treasurer from the proceeds of federal deposit insurance, pledged collateral of the QPD in default and, if necessary, assessments against other QPDs of the same type as the depositor in default.

Authorized Investments

The Supervisor of Elections has not adopted an investment policy and so, by statute, follows the state's guidance set forth in Section 219.075, Florida Statutes, regarding the deposit of funds received and the investment of surplus funds. That Section requires local governments without written investment policies, including County officers, to follow the state policy in Section 218.415(17), Florida Statutes. That Section authorizes the following investments:

(A) The Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized pursuant to the *Florida Interlocal Cooperation Act*, as provided in Florida Statute 163.01.

(B) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

(C) Interest-bearing time deposits or savings accounts in qualified public depositories.

(D) Direct obligations of the United States Treasury.

The Supervisor of Elections does not have policies that address credit risk, custodial credit risk, or interest rate risk. The Supervisor of Elections had no investments at fiscal year end or during the year.

Note 4. Capital Assets

Pursuant to Florida Statutes, capital assets used by the Supervisor of Elections are owned by the Board. The Supervisor of Elections maintains custodial responsibility for the capital assets used by the office. The office space used in the Supervisor of Elections' operations is provided at no cost by the Board.

Capital assets paid for by the Supervisor of Elections are recorded as expenditures in the general fund of the Supervisor of Elections and are capitalized in the basic financial statements of the County. Donated capital assets are recorded directly on the County's books at their estimated acquisition value on the date received. Depreciation is recorded at the County level.

Note 5. Long-Term Liability

The following is a summary of changes in general long-term liabilities, which are reported in the basic financial statements of the County:

	Balance October 1, 2023	Additions	Retirements	Balance September 30, 2024	Due Within One Year
Accrued Compensated Balance	$ 6,982	$ 2,646	$ -	$ 9,628	$ 9,628

These liabilities are not reported in the financial statements of the Supervisor of Elections, but rather are reported in the basic financial statements of the County.

Note 6. Florida Retirement System (FRS) for Pension Benefits

The Supervisor of Elections participates in the FRS for Pension Benefits. A detailed plan description and any liability for employees of the Supervisor of Elections are included in the financial statement of the County.

Funding Policy

The Supervisor of Elections contributions to the FRS for fiscal years ended September 30, 2022 through 2024 were as follows: $140,067, $165,543, and $184,575 respectively, which were equal to the required contribution for each fiscal year.

Employees are required to contribute 3% towards the FRS. Employee withholdings for this purpose amounted to $18,058, $19,882, and $20,962 for the fiscal years ended September 30, 2022 through 2024, respectively, which were equal to the required contribution for each fiscal year.

Note 7. Other Post-Employment Benefits

Pursuant to the requirements of the Florida Statutes, the Supervisor of Elections participates in the County's plan 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 8. Risk Management

The Supervisor of Elections participates in the insurance programs of the Board including general liability, workers' compensation, property and casualty, and employee health insurance. These risk management activities are handled through internal service funds maintained by the Board. All liabilities associated with these self-insured risks are reported in the basic financial statements of the Board. The purpose of these funds is to administer employee life, health, workers' compensation, unemployment and disability insurance, and property and liability insurance. These funds account for the risk financing activities of the County, but do not constitute a transfer of risk from the County.

Significant losses are covered by commercial insurance for all major programs except workers' compensation for which the County retains risk of loss. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage in any of the last three years.

The Supervisor of Elections paid premiums of $12,125 for property and casualty, and $156,731 for health insurance coverage to the Board for the fiscal year ended September 30, 2024.

The workers' compensation internal service fund is a self-insurance program for workers' compensation claims on losses up to $750,000 per occurrence. The workers' compensation fund has indemnified the Supervisor of Elections against any losses in a given year in excess of the fee charged. In the event actual losses are less than the fee charged, such amounts will be retained in the workers' compensation fund. Claim settlements and losses are accrued and subsequently paid from the workers' compensation fund. Premium payments to the Board by the Supervisor of Elections, which are based on a percentage of salaries paid according to salary classifications, totaled $1,388 for the fiscal year ended September 30, 2024.

Note 9. Claims and Contingencies

Grants

Grant funds received by the Supervisor of Elections are subject to audit by grantor agencies. Audits of these grants may result in disallowed costs, which may constitute a liability of the Supervisor of Elections. In the opinion of management, disallowed costs, if any, would be immaterial to the financial position of the Supervisor of Elections.

Other Reports

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Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Honorable Denise Lavancher
Supervisor of Elections
Hernando County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Hernando County, Supervisor of Elections (the "Supervisor of Elections") as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated February 12, 2025.

Report on Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Supervisor of Elections' internal control over financial reporting (internal control) as a basis for designing 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 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 over financial reporting 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 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 statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards.*

We noted certain matters that we reported to management of the Supervisor of Elections in a separate letter dated February 12, 2025.

Purpose of this Report

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

Forvis Mazars, LLP

Tampa, Florida
February 12, 2025

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Independent Accountant's Report

Honorable Denise LaVancher
Supervisor of Elections
Hernando County, Florida

We have examined the Hernando County, Supervisor of Elections (the "Supervisor of Elections") compliance with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2024. The Supervisor of Elections' management is responsible for the Supervisor of Elections' compliance with those requirements. Our responsibility is to express an opinion on the Supervisor of Elections' compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Supervisor of Elections complied with the aforementioned requirements in all material respects. An examination involves performing procedures to obtain evidence about the Supervisor of Elections' compliance with those requirements, in all material respects. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the Supervisor of Elections' compliance with those requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement. Our examination does not provide a legal determination on the Supervisor of Elections' compliance with the specified requirements.

In our opinion, the Supervisor of Elections complied with the aforementioned requirements for the fiscal year ended September 30, 2024, in all material respects.

Forvis Mazars, LLP

Tampa, Florida
February 12, 2025

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Independent Auditor's Management Letter

Honorable Denise LaVancher
Supervisor of Elections
Hernando County, Florida

We have audited the basic financial statements of the Hernando County, Florida Supervisor of Elections (the "Supervisor of Elections") as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated February 12, 2025.

Auditor's Responsibility

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 and Chapter 10.550, *Rules of the Auditor General.*

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and 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 February 12, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Management

Section 10.554(1)(i)2., *Rules of the Auditor General,* requires that we address in the management letter 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 that we 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 Supervisor of Elections and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

Forvis Mazars, LLP

Tampa, Florida
February 12, 2025

HERNANDO COUNTY, FLORIDA
PROPERTY APPRAISER

FINANCIAL STATEMENTS

Year Ended September 30, 2024

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MSL
Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Honorable John C. Emerson
Property Appraiser
Hernando County, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the Hernando County, Florida Property Appraiser (the "Property Appraiser") as of and for the fiscal year ended September 30, 2024, 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 Property Appraiser as of September 30, 2024, and the respective change in financial position, and the budgetary comparison for the general fund and the geographic information system fund for the fiscal year then ended in conformity 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 the Financial Statements section of our report. We are required to be independent of the Property Appraiser, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, 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 Responsibility for the Audit of the Financial Statements

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

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Property Appraiser's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Property Appraiser's ability to continue as a going concern for a reasonable period of time.

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

Emphasis-of-Matter

As described in Note 1 to the financial statements, the accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557(3), *Rules of the Auditor General for Local Governmental Entity Audits*. These financial statements are not intended to be a complete presentation of the financial position of Hernando County, Florida as of September 30, 2024, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. The accompanying supplemental information is the responsibility of management 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 other 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 information is 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 December 23, 2024, on our consideration of the Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.

MSL, P.A.
Certified Public Accountants

Tampa, Florida
December 23, 2024

HERNANDO COUNTY, FLORIDA
PROPERTY APPRAISER

BALANCE SHEET
GOVERNMENTAL FUNDS

September 30, 2024

	General Fund	Geographic Information System Fund	Non-Major Governmental Funds	Total
ASSETS				
Cash and cash equivalents	$ 289,404	$ 1,372,651	$ 113,232	$ 1,775,287
TOTAL ASSETS	$ 289,404	$ 1,372,651	$ 113,232	$ 1,775,287
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Vouchers payable	$ 1,636	$ 4,284	$ 48	$ 5,968
Due to the Hernando County, Florida, Board of County Commissioners	284,010	-	113,169	397,179
Due to other governments	3,758	-	15	3,773
TOTAL LIABILITIES	289,404	4,284	113,232	406,920
FUND BALANCES				
Committed for GIS function	-	1,368,367	-	1,368,367
TOTAL FUND BALANCES	-	1,368,367	-	1,368,367
TOTAL LIABILITIES AND FUND BALANCES	$ 289,404	$ 1,372,651	$ 113,232	$ 1,775,287

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

HERNANDO COUNTY, FLORIDA
PROPERTY APPRAISER

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - GOVERNMENTAL FUNDS

Year Ended September 30, 2024

	General Fund	Geographic Information System Fund	Non-Major Governmental Funds	Total
REVENUES				
Intergovernmental revenues:				
Hernando County, Florida, Board of County Commissioners	$ 3,501,181	$ 1,054,127	$ 281,009	$ 4,836,317
Other taxing districts	46,809	145,429	-	192,238
Total intergovernmental revenues	3,547,990	1,199,556	281,009	5,028,555
Charges for services	-	13,530	74,516	88,046
Interest	-	781	-	781
TOTAL REVENUES	3,547,990	1,213,867	355,525	5,117,382
EXPENDITURES				
General government:				
Personnel services	2,730,379	817,884	220,870	3,769,133
Operating	421,611	400,431	21,471	843,513
Capital outlay	111,129	290,172	-	401,301
TOTAL EXPENDITURES	3,263,119	1,508,487	242,341	5,013,947
EXCESS OF REVENUES OVER EXPENDITURES	284,871	(294,620)	113,184	103,435
OTHER FINANCING USES				
Transfers (out):				
Distribution of excess fees to the Hernando County, Florida, Board of County Commissioners	(281,113)	-	(113,169)	(394,282)
Distribution of excess fees to other taxing districts	(3,758)	-	(15)	(3,773)
TOTAL OTHER FINANCING USES	(284,871)	-	(113,184)	(398,055)
NET CHANGE IN FUND BALANCES	-	(294,620)	-	(294,620)
FUND BALANCE, BEGINNING OF YEAR	-	1,662,987	-	1,662,987
FUND BALANCE, END OF YEAR	$ -	$ 1,368,367	$ -	$ 1,368,367

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

HERNANDO COUNTY, FLORIDA
PROPERTY APPRAISER

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND

Year Ended September 30, 2024

	Budget			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Intergovernmental revenues:				
Hernando County, Florida, Board of County Commissioners	$ 3,501,181	$ 3,501,181	$ 3,501,181	$ -
Other taxing districts	46,809	46,809	46,809	-
TOTAL REVENUES	3,547,990	3,547,990	3,547,990	-
EXPENDITURES				
General government:				
Personnel services	3,013,497	3,013,497	2,730,379	283,118
Operating	423,364	423,364	421,611	1,753
Capital outlay	12,000	111,129	111,129	-
Non-operating	99,129	-	-	-
TOTAL EXPENDITURES	3,547,990	3,547,990	3,263,119	284,871
EXCESS OF REVENUES OVER EXPENDITURES	-	-	284,871	284,871
OTHER FINANCING SOURCES (USES)				
Transfers (out):				
Distribution of excess fees to the Hernando County, Florida, Board of County Commissioners	-	-	(281,113)	(281,113)
Distribution of excess fees to Other taxing districts	-	-	(3,758)	(3,758)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(284,871)	(284,871)
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
FUND BALANCE, END OF YEAR	$ -	$ -	$ -	$ -

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

HERNANDO COUNTY, FLORIDA
PROPERTY APPRAISER

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GEOGRAPHIC INFORMATION SYSTEM FUND

Year Ended September 30, 2024

	Budget			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Intergovernmental revenues:				
Hernando County, Florida, Board of County Commissioners	$ 1,054,127	$ 1,054,127	$ 1,054,127	$ -
Other taxing districts	145,429	145,429	145,429	-
Total intergovernmental revenues	1,199,556	1,199,556	1,199,556	-
Charges for services	-	-	13,530	13,530
Interest	-	-	781	781
TOTAL REVENUES	1,199,556	1,199,556	1,213,867	14,311
EXPENDITURES				
General government:				
Personnel services	852,592	852,592	817,884	34,708
Operating	472,789	418,283	400,431	17,852
Capital outlay	235,666	290,172	290,172	-
TOTAL EXPENDITURES	1,561,047	1,561,047	1,508,487	52,560
NET CHANGE IN FUND BALANCES	(361,491)	(361,491)	(294,620)	66,871
FUND BALANCE, BEGINNING OF YEAR	101,855	101,855	1,662,987	1,561,132
FUND BALANCE, END OF YEAR	$ (259,636)	$ (259,636)	$ 1,368,367	$ 1,628,003

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

HERNANDO COUNTY, FLORIDA
PROPERTY APPRAISER

NOTES TO FINANCIAL STATEMENTS

Year Ended September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

Hernando County, Florida (the "County"), is a political subdivision of the State of Florida. It is governed by an elected Board of County Commissioners (the "Board") and managed by an appointed County Administrator. The Hernando County, Florida Property Appraiser (the "Property Appraiser") is an elected constitutional officer of the County as provided for by the Constitution of the State of Florida. Pursuant to Chapters 129 and 195, Florida Statutes, the Property Appraiser's budget is submitted to the Florida Department of Revenue for approval, and a copy is forwarded to the Board for coordination with the Board's budget.

Funding of the Property Appraiser's office comes from quarterly billings to the Board and other taxing districts in proportion to prior year taxes levied, or in the case of non-ad valorem districts, by other reasonable methods. By statute, municipalities and school boards are exempt.

For financial reporting purposes, the Property Appraiser is deemed to be part of the primary government of the County and, as such, is included in the County's Annual Comprehensive Financial Report.

Basis of Presentation

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

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

The focus of governmental fund financial statements is on major funds rather than reporting funds by type. GAAP sets forth minimum criteria (percentage of total assets, liabilities, revenues, or expenditures) for the determination of major funds. Each major fund is reported in a separate column.

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

The Property Appraiser reports the following major governmental funds:

- **General Fund** - The general fund is used to account for the general operations of the Property Appraiser and includes all transactions, which are not accounted for in other funds.

- **Geographic Information System ("GIS") Fund** - This fund is used to account for revenue received in accordance with a contract with the Board pursuant to Section 197.3632(2), Florida Statutes, which is designated to finance the establishment and maintenance of the GIS for the County. Although neither the contract nor the law requires that a budget be prepared for the expenditures of these funds, the Property Appraiser prepares an annual budget internally for this fund and follows the same recording and reporting procedures as those with legally required budgets for the purpose of management control.

The Property Appraiser also reports the following non-major governmental funds:

- **County Fees and Commissions Fund** - This fund is used to account for revenues and expenditures pursuant to Section 119, Florida Statutes. The Property Appraiser uses this fund to track revenues and expenditures directly related to providing aerial maps, tax rolls, copies, and real property tags to the public.

- **Addressing Fund** - The addressing fund was created to account for the revenues and expenditures for the creation and maintenance of the County-wide addressing system.

- **Addressing Fees Fund** - The addressing fees fund was created to account for the revenues received under an agreement with the Board to provide address assignments, annual subscription renewal, and unnamed petition fees to the public.

- **GIS Business Units Fund** - The Hernando County Property Appraiser's Office serves as the lead entity for operating and managing the Hernando Central GIS. As part of that responsibility, a fund was created in 2010 to account for the revenues and expenditures for the GIS Planning, GIS Information Technology and GIS Environmental Services Business Units, per agreements with the respective County agencies, to provide GIS services.

Measurement Focus and Basis of Accounting

Governmental funds are accounted for using the flow of current financial resources measurement focus. Only current assets and current liabilities, generally, are included on the balance sheet. Operating statements for these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used by governmental funds. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual (i.e., when they become measurable and available to finance liabilities of the current fiscal year). For this purpose, the Property Appraiser considers revenues to be available if they are collected within 45 days of the end of the current period. Expenditures are recorded when the related fund liability is incurred, except for compensated absences, which are recognized as expenditures to the extent they have matured.

Substantially all of the Property Appraiser's revenue is received from taxing authorities. These monies are generally unrestricted and are revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenue at the time of receipt; earlier if the *susceptible to accrual* criteria are met.

Charges for services and interest income are recognized when earned, provided they are also measurable and available to pay liabilities of the current period. Interest income is reported net of fees.

Florida Statutes provide that the amount by which revenues and transfers exceed annual expenditures be credited back to the Board and other taxing districts in the quarter immediately following the fiscal year during which the revenue was recognized. Florida Statutes further provide that this excess be distributed to each governmental agency in the same proportion as the fees paid by each governmental agency bear to total fees revenues. The amount of this distribution is recorded as a liability and another financing use in the accompanying financial statements.

Cash Equivalents

Cash equivalents are defined as highly liquid investments with original maturities of three months or less.

Compensated Absences

All full-time employees of the Property Appraiser are entitled to paid time off. The employees are generally allowed to accumulate paid time off up to a maximum of 320 hours. Upon termination, the employee is paid for accumulated and unused paid time off. Paid time off payments are included in expenditures in the period paid or due. The Property Appraiser does not, nor is he legally required to, accumulate financial resources for these unmatured obligations. Accordingly, the liability for compensated absences is not reported in the governmental funds, but rather is reported in the basic financial statements of the County.

Fund Balances

The Property Appraiser implemented the provisions of Governmental Accounting Standards Board ("GASB") Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions,* in 2011, as required. The purpose of GASB Statement No. 54 was to improve the consistency and usefulness of fund balance information to the financial statement user. The statement established fund balance classifications that comprise a hierarchy, based primarily on the extent to which the organization is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components - non-spendable, restricted, committed, assigned, and unassigned:

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

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

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

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

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

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

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

Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the amounts reported or disclosed in the financial statements and accompanying notes. Actual results could differ from those estimates.

Net Pension Liability

The Property Appraiser participates in the Florida Retirement System ("FRS") defined benefit pension plan and the Health Insurance Subsidy ("HIS") defined benefit plan administered by Florida Division of Retirement. As a participating employer, the Property Appraiser is required to report the employers' proportionate share of the net pension liabilities and related pension amounts of the defined benefit pension plans. However, these liabilities would be recorded in government-wide financial statements, which are not required in this presentation. The cost-sharing multiple-employer plans mentioned above operate on a June 30 fiscal year end.

Other Post-Employment Benefits

Pursuant to the requirements of the Florida Statutes, the Property Appraiser participates in the County's plan to provide other post-employment 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 2 - BUDGETARY PROCESS

Section 195.087, Florida Statutes, governs the preparation, adoption, and administration of the Property Appraiser's annual budget. The Property Appraiser prepares a budget for the general fund and submits it to the Florida Department of Revenue for approval. Any subsequent amendments to the Property Appraiser's total budget must be approved by the Florida Department of Revenue. The budget is prepared on a basis consistent with GAAP and serves as the legal authorization for expenditures.

Budgetary control is maintained at the major object expenditure level. Expenditures may not legally exceed appropriations at the fund level. Appropriations lapse at year end. Budgetary changes within major object expenditure categories are made at the discretion of the Property Appraiser.

Budgets have also been prepared for the GIS, Addressing, and GIS Business Units funds, but not the County Fees and Commissions, or Addressing Fees funds. These budgets are not required to be submitted to the Department of Revenue for approval and have no specific legal level of authority.

The original budget is the first complete appropriated budget. The final budget is the original budget adjusted by all reserves, transfers, allocations, supplemental appropriations, and other legally authorized changes applicable to the fiscal year.

NOTE 3 - CASH AND INVESTMENTS

At September 30, 2024, the fair value of the Property Appraiser's cash and cash equivalents was as follows:

	Carrying Value	Credit Rating
Cash on Hand	$ 150	N/A
Demand Deposits and Money Market Funds	1,775,137	N/A
Total Cash and Cash Equivalents	$ 1,775,287	

The Property Appraiser's bank deposits are held in qualified public depositories ("QPDs") pursuant to Chapter 280, Florida Statutes. Under this Chapter, each QPD is required to pledge collateral to the State Treasurer against the public deposits. In the event of default by a QPD, all claims for public deposits would be satisfied by the State Treasurer from the proceeds of federal deposit insurance, pledged collateral of the QPD in default and, if necessary, assessments against other QPDs of the same type as the depositor in default.

Authorized Investments

The Property Appraiser has not adopted an investment policy and so, by statute, follows the state's guidance set forth in Section 219.075, Florida Statutes regarding the deposit of funds received and the investment of surplus funds. That Section requires local governments without written investment policies, including County officers, to follow the state policy in Section 218.415(17), Florida Statutes. That Section authorizes the following investments:

a. The Local Government Surplus Funds Trust Fund or any intergovernmental investment pool authorized pursuant to the *Florida Interlocal Cooperation Act,* as provided in Florida Statute 163.01.

b. Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

c. Interest-bearing time deposits or savings accounts in qualified public depositories.

d. Direct obligations of the United States Treasury.

The Property Appraiser does not have policies that address credit risk, custodial credit risk, or interest rate risk. The Property Appraiser had no investments at year end or during the year.

NOTE 4 - CAPITAL ASSETS

Pursuant to Florida Statutes, capital assets used by the Property Appraiser are owned by the Board. The Property Appraiser maintains custodial and record-keeping responsibility for the tangible capital assets used by the office. The office space used in the Property Appraiser's operations is provided at no cost by the Board.

Capital assets paid for by the Property Appraiser are recorded as expenditures in the governmental funds of the Property Appraiser and are capitalized in the basic financial statements of the County. Donated assets are recorded directly in the County's books at their estimated fair value on the date received. Depreciation is recorded at the County level.

NOTE 5 - LONG-TERM LIABILITY

The following is a summary of changes in general long-term liabilities, which are reported in the basic financial statements of the County:

	Balance October 1, 2023	Additions	Retirements	Balance September 30, 2024	Due Within One Year
Accrued Compensated Balance	$ 255,178	$ 232,918	$ (233,048)	$ 255,048	$ 229,543

These liabilities are not reported in the financial statements of the Property Appraiser but are reported in the basic financial statements of the County.

NOTE 6 - FLORIDA RETIREMENT SYSTEM ("FRS") FOR PENSION BENEFITS

The Property Appraiser participates in the FRS for Pension Benefits. A detailed plan description and any liability for employees of the Property Appraiser are included in the financial statements of the County.

Funding Policy

The Property Appraiser's contributions to the FRS for fiscal years ended September 30, 2022 through 2024 were: $378,747, $428,180, and $489,550, respectively, which were equal to the required contribution for each fiscal year.

Employees are required to contribute 3% towards the FRS. Employee withholdings for this purpose amounted to $65,445, $64,468, and $70,758, for the fiscal years ended September 30, 2022 through 2024, respectively, which were equal to the required contribution for each fiscal year.

NOTE 7 - RISK MANAGEMENT

The Property Appraiser participates in the insurance programs of the Board including general liability, workers' compensation, property and casualty, and employee health insurance. These risk management activities are handled through internal service funds maintained by the Board. All liabilities associated with these self-insured risks are reported in the basic financial statements of the Board. The purpose of these funds is to administer employee life, health, workers' compensation, unemployment, disability insurance, and property and liability insurance. These funds account for the risk financing activities of the Board, but do not constitute a transfer of risk from the County.

Significant losses are covered by commercial insurance for all major programs except workers' compensation for which the County retains risk of loss. For insured programs, there have been no significant reductions in insurance coverage. Settlement amounts have not exceeded insurance coverage in any of the last three years.

The Property Appraiser paid premiums of $13,074 for general liability and $592.889 for employee life and health insurance coverage to the Board for the fiscal year ended September 30, 2024.

The Board's Workers' Compensation Internal Service Fund is a self-insurance program for workers' compensation claims on losses up to $1,250,000 per occurrence. The workers' compensation fund has indemnified the Property Appraiser against any losses in a given year in excess of the fee charged. In the event actual losses are less than the fee charged, such amounts will be retained in the Workers' Compensation fund. Claim settlements and losses are accrued and subsequently paid from the Workers' Compensation fund. Premium payments to the Board by the Property Appraiser, which are based on a percentage of salaries paid according to salary classifications, totaled $11,364 for the fiscal year ended September 30, 2024.

NOTE 8 - LITIGATION

The Property Appraiser is involved as defendant or plaintiff in certain litigation and claims arising from the ordinary course of operations, primarily relating to challenges on property value assessments. Any judgments against the Property Appraiser would be settled by the Board. In the opinion of the Property Appraiser and legal counsel, the range of potential recoveries or liabilities will not materially affect the financial position of the Property Appraiser.

NOTE 9 - COMMITMENT

The Property Appraiser has the following future commitment to one vendor for six separate aerial mapping projects:

Year Ending September 30,	Amount
2025	$ 173,576
2026	218,776
	$ 392,352

SUPPLEMENTARY INFORMATION

Combining and Individual Fund Financial Statements and Schedule

HERNANDO COUNTY, FLORIDA
PROPERTY APPRAISER

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS

September 30, 2024

	County Fees and Commissions Fund	Addressing Fund	Addressing Fees Fund	GIS Business Units Fund	Total
ASSETS					
Cash and cash equivalents	$ 1,139	$ 25,729	$ 73,139	$ 13,225	$ 113,232
TOTAL ASSETS	$ 1,139	$ 25,729	$ 73,139	$ 13,225	$ 113,232
LIABILITIES AND FUND BALANCE					
LIABILITIES					
Vouchers payable	$ 10	$ 10	$ -	$ 28	$ 48
Due to the Hernando County, Florida, Board of County Commissioners	1,114	25,719	73,139	13,197	113,169
Due to other governments	15	-	-	-	15
TOTAL LIABILITIES	1,139	25,729	73,139	13,225	113,232
FUND BALANCES					
Committed for specific purpose	-	-	-	-	-
TOTAL FUND BALANCES	-	-	-	-	-
TOTAL LIABILITIES AND FUND BALANCES	$ 1,139	$ 25,729	$ 73,139	$ 13,225	$ 113,232

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

HERNANDO COUNTY, FLORIDA
PROPERTY APPRAISER

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS

Year Ended September 30, 2024

	County Fees and Commissions Fund	Addressing Fund	Addressing Fees Fund	GIS Business Units Fund	Total
REVENUES					
Intergovernmental revenues:					
Hernando County, Florida, Board of County Commissioners	$ -	$ 144,092	$ -	$ 136,917	$ 281,009
Charges for services	1,377	-	73,139	-	74,516
TOTAL REVENUES	1,377	144,092	73,139	136,917	355,525
EXPENDITURES					
General government:					
Personnel services	-	104,684	-	116,186	220,870
Operating	248	13,689	-	7,534	21,471
TOTAL EXPENDITURES	248	118,373	-	123,720	242,341
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	1,129	25,719	73,139	13,197	113,184
OTHER FINANCING SOURCES (USES)					
Transfers (out):					
Distribution of excess fees to the Hernando County, Florida, Board of County Commissioners	(1,114)	(25,719)	(73,139)	(13,197)	(113,169)
Distribution of excess fees to other taxing districts	(15)	-	-	-	(15)
TOTAL OTHER FINANCING SOURCES (USES)	(1,129)	(25,719)	(73,139)	(13,197)	(113,184)
NET CHANGE IN FUND BALANCES	-	-	-	-	-
FUND BALANCE, BEGINNING OF YEAR	-	-	-	-	-
FUND BALANCE, END OF YEAR	$ -	$ -	$ -	$ -	$ -

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

HERNANDO COUNTY, FLORIDA
PROPERTY APPRAISER

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - ADDRESSING FUND

Year Ended September 30, 2024

	Budget			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Intergovernmental revenues:				
Hernando County, Florida, Board of County Commissioners	$ 144,092	$ 144,092	$ 144,092	$ -
TOTAL REVENUES	144,092	144,092	144,092	-
EXPENDITURES				
General government:				
Personnel services	130,403	130,403	104,684	25,719
Operating	13,689	13,689	13,689	-
TOTAL EXPENDITURES	144,092	144,092	118,373	25,719
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	25,719	25,719
OTHER FINANCING SOURCES (USES)				
Transfers (out):				
Distribution of excess fees to the Hernando County, Florida, Board of County Commissioners	-	-	(25,719)	(25,719)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(25,719)	(25,719)
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
FUND BALANCE, END OF YEAR	$ -	$ -	$ -	$ -

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

HERNANDO COUNTY, FLORIDA
PROPERTY APPRAISER

SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GIS BUSINESS UNITS FUND

Year Ended September 30, 2024

	Budget			Variance with Final Budget Positive
	Original	Final	Actual	(Negative)
REVENUES				
Intergovernmental revenues:				
Hernando County, Florida, Board of County Commissioners	$ 136,917	$ 136,917	$ 136,917	$ -
TOTAL REVENUES	136,917	136,917	136,917	-
EXPENDITURES				
General government:				
Personnel services	125,112	125,112	116,186	8,926
Operating	11,805	11,805	7,534	4,271
TOTAL EXPENDITURES	136,917	136,917	123,720	13,197
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	13,197	13,197
OTHER FINANCING SOURCES (USES)				
Transfers (out):				
Distribution of excess fees to the Hernando County, Florida, Board of County Commissioners	-	-	(13,197)	(13,197)
TOTAL OTHER FINANCING SOURCES (USES)	-	-	(13,197)	(13,197)
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
FUND BALANCE, END OF YEAR	$ -	$ -	$ -	$ -

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

OTHER REPORTS

MSL
Certified Public Accountants

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

Honorable John C. Emerson
Property Appraiser
Hernando County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Hernando County, Florida Property Appraiser (the "Property Appraiser") as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated December 23, 2024.

Report on Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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 over financial reporting 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.

Honorable John C. Emerson
Property Appraiser
Hernando County, Florida

Report on Compliance and Other Matters

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

We noted certain matters that we reported to management of the Property Appraiser in a separate letter dated December 23, 2024.

Purpose of this Report

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

MSL, P.A.
Certified Public Accountants

Tampa, Florida
December 23, 2024

MSL
Certified Public Accountants

INDEPENDENT ACCOUNTANT'S REPORT

Honorable John C. Emerson
Property Appraiser
Hernando County, Florida

We have examined the Hernando County, Florida Property Appraiser's (the "Property Appraiser") compliance with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2024. The Property Appraiser's 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 with the aforementioned requirements in all material respects. An examination involves performing procedures to obtain evidence about the Property Appraiser's compliance with those requirements, in all material respects. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the Property Appraiser's compliance with those requirements, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

We are required to be independent and to meet our ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement. Our examination does not provide a legal determination on the Property Appraiser's compliance with the specified requirements.

In our opinion, the Property Appraiser complied with the aforementioned requirements for the fiscal year ended September 30, 2024, in all material respects.

MSL, P.A.
Certified Public Accountants

Tampa, Florida
December 23, 2024

MSL
Certified Public Accountants

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

Honorable John C. Emerson
Property Appraiser
Hernando County, Florida

We have audited the basic financial statements of the Property Appraiser (the "Property Appraiser") as of and for the fiscal year ended September 30, 2024 and have issued our report thereon dated December 23, 2024.

Auditor's Responsibility

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 and Chapter 10.550, *Rules of the Auditor General.*

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and 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 December 23, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General,* requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. In connection with the preceding audit, there were no findings or recommendations.

Official Title and Legal Authority

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

Honorable John C. Emerson
Property Appraiser
Hernando County, Florida

Financial Management

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we address in the management letter 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 that we 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.

MSL, P.A.

Certified Public Accountants

Tampa, Florida
December 23, 2024