JACKSON SOIL AND WATER CONSERVATION DISTRICT

FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

SEPTEMBER 30, 2025

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INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

To the Governing Board
Jackson Soil and Water Conservation District
Marianna, Florida

Report on the Audit of the Financial Statements

Opinions

I have audited the accompanying financial statements of the governmental activities and each Major Fund of Jackson Soil and Water Conservation District, Florida (the "District") as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, and each major fund of the District as of September 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

I conducted my 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. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am required to be independent of Jackson Soil and Water Conservation District and to meet my other ethical responsibilities, in accordance with the relevant ethical requirements relating to my audit. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my 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 District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

My objective is 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 my opinions. Reasonable assurance is a high level of assurance but it not absolute assurance and therefore is not a guarantee that an audit is 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 the 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 Jackson Soil and Water Conservation District'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 my judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Jackson Soil and Water Conservation District's ability to continue as a going concern for a reasonable period of time.

I am 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 I identified during the audit.

Required Supplementary Information:

My audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The Budgetary Comparison Schedule on page 32 as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. The schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations (CFR) Part 200, Uniform Administrative*

Requirements, Cost Principles, and Audit Requirements for Federal Awards, and Chapter 10.550, Local Government Audits, *Rules of the Auditor* General of the State of Florida, and neither schedule is a required part of the basic financial statements. Such information is the responsibility of management and was derived from and related directly to the underlying accounting and other records used to prepare 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 records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In my opinion, the supplemental information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

In connection with my audit of the basic financial statements, my 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, I conclude that an uncorrected material misstatement of the other information exists, I am required to describe it in my report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, I have also issued a report dated May 31, 2026 on my consideration of the District's internal control over financial reporting and my 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 my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Jackson Soil and Water Conservation District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

James Davis

Certified Public Accountant

May 31, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the Jackson Soil and Water Conservation District has prepared the following discussion and analysis to (a) assist the reader in focusing on significant financial issues; (b) provide an overview and analysis of the District's financial activities; (c) identify changes in the District's financial position; (d) identify material deviations from the approved budget; and (e) highlight significant issues in individual funds.

Because the information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transaction, events, and conditions, it should be considered in conjunction with the District's financial statements and notes to financial statements found on pages 11 through 20.

Its intent is to provide a brief, objective and easily readable analysis of the District's financial performance for the year and its financial position at fiscal year-end September 30, 2025.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2024-25 fiscal year are as follows:

- The assets of the District's exceeded its liabilities at the close of the most recent fiscal year by $331,064.
- The District's total net position, increased by $8,552.
- As of the close of the current fiscal year, the District's governmental fund reported a fund balance of $724,726.
- During the current year, General Fund revenues were more than expenditures by $277,313.

OVERVIEW OF THE FINANCIAL STATEMENTS

The basic financial statements consist of three components:

- Government-wide financial statements
- Fund financial statements
- Notes to financial statements

Government-Wide Financial Statements

The government-wide financial statements provide both short-term and long-term information about the District's overall financial condition in a manner similar to those of a private-sector business. The statements include a statement of net assets and a statement of activities that are designed to provide consolidated financial information about the governmental activities of the District presented on the accrual basis of accounting.

The statement of net assets provides information about the government's financial position, its assets and liabilities, using an economic resources measurement focus. The difference between the assets and liabilities, the net assets, is a measure of the financial health of the District. The statement of activities presents information about the change in the District's net assets, the results of operations, during the fiscal year. An increase or decrease in net assets may be an indication of whether the District's financial health is improving or deteriorating.

The government-wide statements present the District's activities in one category:

- Governmental activities – This represents the District's conservation services. Support functions such as administration are also included. Support from the State of Florida provides most of the resources that support these activities.

Fund Financial Statements

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

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

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

The governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances provide detailed information about the District's only fund, the General Fund.

Notes to Financial Statements

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net assets may serve over time as a useful indicator of a government's financial position. The following is a summary of the District's net position as of September 30, 2025.

The District's net position are spread approximately equally in cash and cash equivalents and a vehicle.

NET POSITION - END OF YEAR
Governmental Activities

	9/30/2025	9/30/2024
Current and Other Assets	$ 724,726	$ 712,849
Total Assets	724,726	712,849
Deferred Outflows Related to Pension	102,907	102,937
Total Deferred Inflows of Resources	102,907	102,937
Current Liabilities	37,344	451,433
Unearned Grant Revenue	267,749	451,433
Net Pension Liability	163,773	-
Total Liabilities	468,866	451,433
Deferred Inflows Related to Pension	23,703	41,841
Total Deferred Inflows of Resources	23,703	41,841
Net Position:		
Investment in Capital Assets	-	1,236
Unrestricted	331,064	321,276
Total Net Position	$ 331,064	$ 322,512

The key elements of the changes in the District's net position for the fiscal year ended September 30, 2025 are as follows:

Operating Results
Governmental
Activities

	9/30/2025	9/30/2024
Program Revenues		
Operating Grants	$ 880,615	$ 1,283,461
General Revenues		
Other Revenue	-	5,029
Total Revenue	880,615	1,288,490
Functions/Program Expenses:		
Conservation	872,063	1,193,718
Total Functions/Program Expenses	872,063	1,193,718
Increase (Decrease) in Net Position	$ 8,552	$ 94,772

Governmental activities decreased the District's net position by $8,552, or approximately 0.716 percent.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Major Governmental Funds

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, unreserved fund balance was $724,726 while the total fund balance was $724,726. As a measure of the General Fund's liquidity, it may be useful to compare both the unreserved fund balance and total fund balance to total General Fund expenditures. Unreserved fund balance represents 42.13 percent of total General Fund expenditures, while total fund balance represents 42.13 percent of that same amount. The unreserved total fund balance increased by $277,313 during the year ended September 30, 2025.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the course of the 2024-25 fiscal year, the District did not amend their budget. Actual expenditures were $584,402 less than budgeted expenditures.

CAPITAL ASSETS

The District has capital assets, consisting of a vehicle and office equipment.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Jackson Soil and Water Conservation District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the, Jackson Soil and Water Conservation District, Marianna, Florida.

JACKSON SOIL AND WATER CONSERVATION DISTRICT
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

		Governmental Activities
ASSETS		
Cash & Cash Equivalents	$	724,726
Vehicle, net of depreciation		-
Total Assets	$	724,726
Deferred Outflows of Resources		102,907
LIABILITIES		
Accounts Payable and Accrued Wages	$	37,344
Deferred Inflows of Resources		23,703
Unearned Agreement Advances		267,749
Net Pension Liability		167,773
		496,569
NET ASSETS		
Net Investment in Capital Assets		-
Unrestricted		331,064
Total Net Position		331,064
TOTAL LIABILITIES AND NET POSITION	$	827,633

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

JACKSON SOIL AND WATER CONSERVATION DISTRICT
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue & Change in Net Assets
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Governmental Activities:					
Conservation	$ 872,063	$ -	$ 880,615	$ -	$ 8,552
Total Government Activi	$ 872,063	$ -	$ 880,615	$ -	$ 8,552
General Revenues:					
Sale of Equipment					-
Interest Income					-
Total General Revenue					-
Change in Net Position					8,552
Net Position -October 1, 2024					322,512
Net Position - September 30, 2025					$ 331,064

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

JACKSON SOIL AND WATER CONSERVATION DISTRICT
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	General Fund
ASSETS	
Cash & Cash Equivalents	$ 724,726
TOTAL ASSETS	$ 724,726
LIABILITIES AND FUND BALANCES	
Liabilities:	
Accounts Payable and Accrued Wages	$ -
Total Liabilities	-
Fund Balances:	
Unassigned	724,726
Total Fund Balances	724,726
TOTAL LIABILITIES AND FUND BALANCES	$ 724,726

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

JACKSON SOIL AND WATER CONSERVATION DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

Total Fund Balances - Governmental Funds	$	724,726
Amounts reported for governmental activities in the statement of net position are different because:		
Deferred outflows of resources are reported as a result of changes in deferred amounts on pensions in the statement of net position.		(125,913)
Long-term liabilities and deferred income are not payable in the current period and therefore are not reported in the governmental funds.		(267,749)
Capital assets used in governmental activities are not financial resources and, therefore, not reported in the governmental funds.		-
Total Net Position - Governmental Activities	$	331,064

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

JACKSON SOIL AND WATER CONSERVATION DISTRICT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	General Fund
REVENUES	
Intergovernmental:	
Local	$ 880,615
Miscellaneous:	
Other Revenue	-
TOTAL REVENUES	880,615
EXPENDITURES	
Current:	
Conservation	603,302
TOTAL EXPENDITURES	603,302
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	277,313
Fund Balances, October 1, 2024	447,413
FUND BALANCES, SEPTEMBER 30, 2025	$ 724,726

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

JACKSON SOIL AND WATER CONSERVATION DISTRICT
RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES
& CHANGES IN FUND BALANCES TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

Net Change in Fund Balance - Governmental Funds	$	277,313
Amounts reported for governmental activities in the statement of activities are different because:		
Unearned Advances		(268,761)
Capital assets purchased with governmental funds are accounted for as an expense of current funds.		-
Depreciation expense not recorded in governmental funds		-
Change in Net Position - Governmental Activities	$	8,552

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

JACKSON SOIL AND WATER CONSERVATION DISTRICT
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies as applicable to governmental units, which has been consistently, applied in the preparation of the financial statements of the various funds and account groups follows.

- Reporting Entity and Legal Authority

  The Jackson Soil and Water Conservation District was authorized under Chapters 582 of the Laws of Florida to promote conservation in Jackson County, Florida. District board members are nonpartisan and elected locally. The District was established July 20, 1987 as an independent special district in accordance with the provisions of the Soil and Water Conservation Law, Chapter 582, Florida Statutes, enacted by the Florida Legislature in 1937.

  The District is an independent special district administered by a five member board of supervisors elected by the voters of Jackson County. The District for financial reporting purposes includes all of the funds relevant to the operation of the District. There are not separately administered organizations, which are controlled by, or dependent on the District. Control or dependence is determined on the basis of budget adoption, taxing authority, funding and appointment of the respective governing board. Therefore, in accordance with U.S. generally accepted accounting principles, the District has determined that there are no potential component units that it must include within its financial statements.

  The purpose of the Jackson County Soil and Water Conservation District is to "annually assess the condition of the soils and waters, both above and below ground, in Jackson County; to educate the public about the state of the soils and waters; and to promote and advocate conservation practices and policies which will benefit the soils and waters of the County."

- Basis of Presentation

  These financial statements are fund financial statements that have been prepared in conformity with the accounting principles and reporting guidelines established by the Governmental Accounting Standards Board (GASB) and accounting practices prescribed by the State of Florida, Office of the Auditor General.

  As permitted by Chapter 10.556(4), Rules of the Auditor General State of Florida, the special-purpose financial statements consist of only the fund level financial statements as defined in GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – For State and Local Governments*.

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES (continued)

The District reports the following major governmental fund:

General Fund – The General Fund is the general operating fund of the District. It is used to account for all financial resources, which are not properly accounted for in another fund. Activities related to the promotion of conservation practices flow through the General Fund.

- Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the fund financial statements and relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental fund financial statements are reported using a current financial resources measurement focus on a modified accrual basis of accounting. The major modifications to the accrual basis are : (a) revenues are recorded in the accounting period in which they become available and measureable (available means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period, considered to be sixty days for revenue) and (b) expenditures are recorded in the accounting period in which the liability is incurred, if measureable, except for accumulated sick and vacation compensation, which are expensed when paid.

Fiduciary fund (agency fund) statements are prepared using economic resource measurement focus and the accrual basis of accounting. The District had no fiduciary funds at September 30, 2025.

- Measurement Focus

The accounting and financial reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus.

All governmental funds are accounted for on a spending or “financial flow” measurement focus. This means that generally, only current assets and current liabilities are included in the balance sheet. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they present a summary of sources and uses of “available spendable resources” during a period.

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES (continued)

- Cash and Cash Equivalents

  Cash and cash equivalents represent cash on hand as well as demand deposits, and certificates of deposit with original maturities of twelve months or less.

- Inventory and Prepaid Items

  The purchase method is used to account for inventory and payments to vendors for costs applicable to future periods (prepaid). Under the purchase method, expenditures are recognized when the available financial resource is expended. Inventory is not deemed significant and therefore no amount has been reported.

- Estimates

  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 these estimates.

- Governmental Fund Balances

  Fund balances are classified either as nonspendable or spendable. Spendable fund balances are further classified in a hierarchy based on the extent to which there are external internal constraints on the spending of these fund balances. These classifications are described as follows:

  Nonspendable fund balances included amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact. There were no nonspendable fund balances at the Jackson Soil and Water Conservation District as of September 30, 2025.

  Spendable fund balances are classified based on a hierarchy of the Jackson Soil and Water Conservation District's' ability to control the spending of these fund balances.

  Restricted fund balances are fund balance amounts that are constrained for specific purposes which are externally imposed by creditors, grantors, contributors, or laws or regulations or imposed by law through constitutional provisions or enabling legislation. As of September 30, 2025, the Jackson Soil and Water Conservation District had no restricted fund balances.

NOTE 1 - SUMMARY OF ACCOUNTING POLICIES (continued)

Committed fund balances are fund balances constrained for specific purposes imposed by the Jackson Soil and Water Conservation District's formal action of highest level of decision-making authority. As of September 30, 2025, the Jackson Soil and Water Conservation District had no committed fund balances.

Assigned fund balances are fund balances intended to be used for specific purposes, but which are neither restricted nor committed. As of September 30, 2025, the Jackson Soil and Water Conservation District had no assigned fund balances as indicated on the Balance Sheet.

Unassigned fund balances represent the residual positive fund balance within the general fund, which has not been assigned to other funds and has not been restricted, committed or assigned. In funds other than the general fund, unassigned fund balances are limited to negative residual fund balances. As of September 30, 2025, the Jackson Soil and Water Conservation District had only unassigned fund balances.

When expenditures are incurred for purposes for which restricted or unrestricted fund classifications could be used, it is the Jackson Soil and Water Conservation District's policy to use restricted funds first, then unrestricted.

NOTE 2 – CASH AND CASH EQUIVALENTS

Cash and cash equivalents at September 30, 2025 consisted of $724,726 maintained in local checking accounts and certificates of deposits. This depository qualifies as a "public depository", as required by law (Florida Security for Public Deposits Act Chapter 280, Florida Statutes). All the cash deposits of the Jackson Soil and Water Conservation District are classified as category one risk, which means they are insured or collateralized.

NOTE 3 – CHANGE IN CAPITAL ASSETS

Changes in capital assets are presented in the table below:

Depreciation expense for the year ended September 30, 2025 was $0.

NOTE 3 – CHANGE IN CAPITAL ASSETS (continued)

	BALANCE 10/1/2024	ADDITIONS	DELETIONS	BALANCE 9/30/2025
GOVERNMENTAL ACTIVITIES				
Equipment	$ 30,870	$ -	$ -	$ 30,870
Accumulated Depreciation	(30,870)	-	-	(30,870)
Total Capital Assets - net	$ -	$ -	$ -	$ -

NOTE 4 – DEPOSITS

At September 30, 2025, the District's carrying amount was $724,726 and bank balance was $724,726, consisting entirely of demand deposits. The entire amount of the demand deposits is deposited in a state of Florida qualified depository and, therefore, is fully collateralized.

Custodial Credit Risk is the risk that in the event of a bank failure the government's deposits may not be returned to it. The Authority's monies must be deposited in banks designated as qualified public depositories by the Chief Financial Officer, Florida Department of Financial Services. Therefore, the Authority's total deposits are insured by the Federal Depository Insurance Corporation and collateralized by the Bureau of Collateral Management, Division of Treasury, and Florida Department of Financial Services. The law requires the Chief Financial Officer to ensure that funds are entirely collateralized throughout the fiscal year. Other than the preceding, the Authority has no policy on custodial credit risk.

Collateral is provided for demand deposits through the Florida Security for Public Deposits Act. This law establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements, and characteristics of eligible collateral. Under this law, the qualified public depository must pledge at least 25% of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance.

Additional collateral, up to a maximum of 150%, may be required if deemed necessary under the conditions set forth in this law. Eligible collateral consists of obligations of the United States and its agencies and obligations of states and their local political subdivisions and unaffiliated corporations.

NOTE 4 – DEPOSITS (continued)

Obligations pledged to secure deposits must be delivered to the Department of Financial Services or, with the approval of the Chief Financial Officer, to a bank, savings association, or trust company provided a power of attorney is delivered to the Chief Financial Officer. On a monthly basis, the Chief Financial Officer determines that the collateral has a market value adequate to cover the deposits under the provisions of this law.

NOTE 5 - DEFINED BENEFIT PENSION PLANS

Background

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

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

The District's pension contributions totaled $4,739 for both the FRS Pension Plan and HIS Plan for the fiscal year ended September 30, 2025.

Florida Retirement System Pension Plan

Substantially all full-time District employees are participants in the System, a defined benefit, cost sharing, multiple employer public retirement system, which is controlled by the State Legislature and administered by the State of Florida, Department of Administration, Division of Retirement. The plan covers full time employees of various governmental units within the State of Florida.

The System's funding policy provides for monthly employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are adequate to accumulate sufficient assets to pay benefits when due (see rates below). Level percentages of payroll employer contribution rates established by state law are determined using the entry-age actuarial funding method.

The System provides for those employees hired prior to July 1, 2011 vesting of benefits after six years of creditable service. Normal retirement benefits are available to employees who retire at or after age 62 with six or more years of service. For Special Risk Class members, normal retirement is age 55 with at least six years of Special Risk service, or twenty-five years of Special Risk service, regardless of age, or age 52 with 25 years of Special Risk service and up to four years of active duty wartime service. Early retirement is available after six years of service with a 5% reduction of benefits for each year prior to the normal retirement age. For those employees hired on or after July 1, 2011, the System provides for vesting of benefits after eight years of credible service. Normal retirement benefits are available to these employees who retire at or after age 65 with eight years Florida Retirement System Pension Plan (continued) of service or thirty-three years regardless of age.

For Special Risk Class members, normal retirement is age 60 with at least eight years of Special Risk service, or thirty years of Special Risk service, regardless of age. Retirement benefits are based upon age, average compensation and years-of-service credit where average compensation is computed as the average of an individual’s five highest years of earnings.

Participating employer contributions are based upon state-wide rates established by the State of Florida. These rates are applied to employee salaries as follows: regular employees-14.03% DROP Program-22.02%, special risk employees-35.19%, senior management-33.24% and elected officials-54.57%. The rate applied to employee salaries for employee contributions was 3.00% for all classifications with the exception of DROP program participants who do not make contributions.

The District’s contributions to the System Pension Plan (“Pension Plan”) for the years ended September 30, 2025 and 2024 were $3,499 and $5,692 respectively, and equal to the actuarially determined contributions for each year. The District’s contributions to the Retiree Health Insurance Subsidy Program (“HIS”) for the years ended September 30, 2025 and 2024 were $18,866, and $18,892 respectively, and equal to the actuarially determined contributions for each year. These contributions were paid by their due date.

NOTE 5 - DEFINED BENEFIT PENSION PLANS

Total payroll for the District employee covered by the System pension plan and HIS was $147,834 the year ended September 30, 2025. The District's total payroll was $147,834 for the same period.

The District has no responsibility to the System other than to make the periodic payments required by State Statutes. The Florida Division of Retirement issues a publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing Florida Division of Retirement, PO Box 9000, Tallahassee, FL 32315- 9000.

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions. At September 30, 2025, the District reported a liability of $129,604 for its proportionate share of the collective net pension liability for the Pension Plan. The net pension liability was measured as of June 30, 2025 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2025. The District's proportion of the collective net pension liability was based on the employers' shares of contributions to the Pension Plan relative to the total employer contributions of all participating employers. At June 30, 2025, the System's proportion of the Pension Plan was 0.000333630%, which was a decrease of 0.000055873% from its proportion measured as of June 30, 2025.

For the year ended September 30, 2025, the District recognized pension expense of $37,280 at September 30, 2025, the District reported deferred outflows and deferred inflows of resources related to the Pension Plan from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense, Net
Differences Between Expected and Actual Economic Experience	$ 13,039	$ -	$ -
Changes in Actuarial Assumptions	17,689	-	$ -
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	-	-	$ (8,578)
Changes in Proportion and Differences Between District Contributions and Proportionate Share of Contributions	43,501	(5,855)	$ (15,125)
District Contributions Subsequent to the Measurement Date	4,248	-	-
Total	$ 78,477	$ (5,855)	$ (23,703)

NOTE 5 - DEFINED BENEFIT PENSION PLANS (continued)

$4,258 of deferred outflows resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2025.

The balance of deferred outflows and deferred inflows of resources will be recognized in pension expense as follows:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense, Net
2025	$ 7,457	$ -	$ 7,457
2026	7,457		7,457
2027	7,457	-	7,457
2028	7,457		7,457
2029	7,457	-	7,457
Thereafter	41,162		41,162
Total	$ 78,447	$ -	$ 78,447

Actuarial assumptions. The total pension liability for the Pension Plan was determined by an actuarial valuation as of June 30, 2025 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40% per year
Salary Increases	3.5%, Average, including inflation
Investment Rate of Return	6.7%, Net of Pension Plan Investment Expense, Including Inflation

The actuarial assumptions used in the actuarial valuation as of June 30, 2025 for the Pension Plan were based on the results of an investigation of the economic and demographic experience for the System based upon participant data for the period July 1, 2013 to June 30, 2018.

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

The long-term expected rate of return for the Pension Plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

NOTE 5 - DEFINED BENEFIT PENSION PLANS (continued)

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.00%	2.90%	2.90%	1.10%
Fixed Income	19.80%	4.50%	4.40%	3.40%
Global Equity	54.00%	8.70%	7.10%	18.10%
Real Estate (Property)	10.30%	7.60%	6.10%	14.80%
Private Equity	11.10%	11.90%	8.80%	6.30%
Strategic Investments	3.80%	6.30%	6.10%	7.70%
Totals	100.00%			

Note: (1) As outlined in the Pension Plan's investment policy
* Includes assumed rate of inflation of 2.40%

Discount rate. The discount rate used to measure the total pension liability for the Pension Plan was 6.70%. The Plan's fiduciary net position was projected to be available to make all 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 District's proportionate share of the net pension liability to changes in the discount rate. The following table presents the District's proportionate share of the net pension liability calculated using the discount rate of 6.70% for the Pension Plan, as well as what the District'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%)
Differences Between Expected and Actual Economic Experience	$ 79,910	$ 46,780	$ 19,063

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued System Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024. The supporting actuarial information is included in the GASB Statement No. 68 Report for the System prepared as of June 30, 2025. The auditor's report dated January 12, 2024 on the total pension liability, total deferred outflows of resources, total deferred inflows of resources, total pension expense for the sum of all participating entities as of June 30, 2025 along with supporting schedules is also available. The additional financial and

NOTE 5 - DEFINED BENEFIT PENSION PLANS (continued)

actuarial information is available from the following website:
http://www.dms.myflorida.com/workforce_operations/retirement/publications.

Health Insurance Subsidy Program

Health Insurance Subsidy Program Chapter 112, Florida Statutes, established the HIS, 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. Contributions to the HIS plan are included in contributions to the Pension Plan noted above. The Pension Plan contributes 1.66% of each covered employee's salary to the HIS Plan. The remainder is contributed to the Pension Plan, with the exception for 0.04% that is contributed to administrative expenses.

Eligible retirees and beneficiaries receive a monthly HIS payment of $5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $30 and a maximum payment of $150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions. At September 30, 2025, the District reported a liability of $58,169 for its proportionate share of the collective net pension liability. For the Health Insurance Subsidy program ("HIS Plan"), the net pension liability was measured as of June 30, 2025 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2025. The District's proportion of the collective net pension liability was based on the employers' shares of contributions to the HIS Plan relative to the total employer contributions of all participating employers. At June 30, 2025, the District's proportion of the HIS Plan was 0.000387766%, which was a decrease of 0.000079446% from its proportion measured as of June 30, 2024.

For the year ended September 30, 2025, the District recognized HIS Plan pension expense of $8,431. At September 30, 2025, the District reported deferred outflows and deferred inflows of resources related to the HIS Plan from the following sources:

NOTE 5 - DEFINED BENEFIT PENSION PLANS (continued)

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	$ 562	$ (112)
Changes in Assumptions	1,029	(6,886)
Net Difference Between Projected and Actual Earnings on Pension Program Investments	-	(21)
Changes in Proportion and Differences Between Employer Contributions and Proportionate	22,135	(11,119)
Employer Contributions Subsequent to the Measurement Date	734	-
Total	$ 24,460	$ (18,138)

$219 of deferred outflows resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2025. Amounts reported as deferred outflows and deferred inflows of resources related to the HIS Plan will be recognized in the pension's expense as follows:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense, Net
2026	$ 734	$ -	$ 734
2027	734		734
2028	734	-	734
2029	734		734
2030	734	-	734
Thereafter	20,790		20,790
Total	$ 24,460	$ -	$ 24,460

The total pension liability for the HIS Plan was determined by an actuarial valuation as of July 1, 2022 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40% per year
Investment Rate of Return	3.5%, Average, including inflation
Projected Salary Increases	3.25%, Net of Pension Plan Investment Expense, Including Inflation

NOTE 5 - DEFINED BENEFIT PENSION PLANS (continued)

The actuarial assumptions used in the actuarial valuation as of July 1, 2022 for the HIS Plan were based on the results of an investigation of the economic and demographic experience for the Florida Retirement System ("FRS") based upon participant data for the period July 1, 2013 to June 30, 2018.

Mortality rates were based on the Generational PUB-2010 with Projected Scale MP-2018.

The long-term expected rate of return for the HIS Plan investments was based on the Bond Buyer General Obligation 20-Bond Municipal Bond Index.

Discount rate. The discount rate used to measure the total pension liability for the HIS Plan was 3.65%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion rate 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 District's proportionate share of the net pension liability to changes in the discount rate. The following table presents the District's proportionate share of the net pension liability calculated using the discount rate of 3.65% for the HIS Plan as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.65%) or 1-percentage point higher (4.65%) than the current rate:

	1% Decrease (2.65%)	Current Discount Rate (3.65%)	1% Increase (4.65%)
District's proportionate share of collective net pension liability	$ 58,756	$ 58,169	$ 59,344

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued System Annual Comprehensive Financial Report for the fiscal year ended June 30, 2025. The supporting actuarial information is included in the GASB Statement No. 68 Report for the System prepared as of June 30, 2025. The auditor's report dated January 12, 2024 on the total pension liability, total deferred outflows of resources, total deferred inflows of resources, total pension expense for the sum of all participating entities as of June 30, 2025 along with supporting schedules is also available. The additional financial and

NOTE 5 - DEFINED BENEFIT PENSION PLANS (continued)

actuarial information is available from the following website:
http://www.dms.myflorida.com/workforce_operations/retirement/publications.

NOTE 6 - DEFINED CONTRIBUTION PLAN

Florida Retirement System Pension Plan

The Florida State Board of Administration (SBA) administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

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. District employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment

Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Special Risk Class, 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.

Costs of administering plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during the 2023-24 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class. The percentages are the same as those listed previously to the FRS Plan.

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS

NOTE 6 - DEFINED CONTRIBUTION PLAN (continued)

Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2025, 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 District.

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

The District's Investment Plan pension expense totaled $0 for the year ended September 30, 2025.

NOTE 6 – RISK MANAGEMENT

The Jackson Soil and Water Conservation District is exposed to various risk of loss related to torts; thefts of, damage to property of others. The Jackson Soil and Water Conservation District purchases insurance to protect itself against these risks.

NOTE 7 – SIGNIFICANT FUNDING SOURCE

During the fiscal year ended September 30, 2025, the District received a substantial amount of its funding from Jackson County. Significant reductions in the level of this funding, if this were to occur, could have an adverse effect on the District’s programs and activities.

NOTE 8 – POST EMPLOYMENT BENEFITS OTHER THAN PENSION

No post employment benefits were provided by the District, as there were no employees with benefits.

NOTE 9 – CONTINGENCIES

Amounts received from grantor agencies are subject to audit and adjustment by grantor agencies, principally the State of Florida. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed.

NOTE 10 – SUBSEQUENT EVENTS

The District has evaluated events and transactions for potential recognition or disclosure in the financial statements through May 31, 2026, the date which the financial statements were available to be issued. No subsequent events have been recognized or disclosed.

JACKSON SOIL AND WATER CONSERVATION DISTRICT
REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE -
GENERAL AND MAJOR SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES				
Intergovernmental	$ 18,900	$ 18,900	$ 880,615	$ 861,715
Miscellaneous:				
Other Revenue	-	-	-	-
TOTAL REVENUE	18,900	18,900	880,615	861,715
EXPENDITURES				
Conservation:				
Personnel	-	-	64,058	(64,058)
Other Expenditures	18,900	18,900	539,244	(520,344)
TOTAL EXPENDITURES	18,900	18,900	603,302	(584,402)
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	-	-	277,313	33,468
Fund Balances, October 1, 2024	326,725	326,725	447,413	73,458
FUND BALANCES, SEPTEMBER 30, 2025	$ 326,725	$ 326,725	$ 724,726	$ 106,926

See Independent Auditor's Report

JACKSON SOIL AND WATER CONSERVATION DISTRICT
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE
NET PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM PENSION PLAN[1]
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025*

	2025	2024	2023	2022	2021	2020
District's proportion of the net pension liability (asset)	0.0000333%	0.000334%	0.000392%	0.000323%	0.000286%	0
District's proportionate share of the net pension liability (asset)	$ 129,064	$ 129,064	$ 156,269	$ 120,340	$ 21,569	$ -
District's covered-employee payroll	$ 147,834	$ 164,975	$ 181,563	$ 171,287	$ 126,991	$ -
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	87.30%	86.07%	86.07%	70.26%	16.98%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	82.59%	82.38%	82.38%	82.89%	96.40%	0.00%

	2019	2018	2017	2016	2015
District's proportion of the net pension liability (asset)	0	0			
District's proportionate share of the net pension liability (asset)	$ -	$ -			
District's covered-employee payroll	$ -	$ -			
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%			
Plan fiduciary net position as a percentage of the total pension liability	0.00%	0.00%			

*The amounts presented for each fiscal year were determined as of June 30.

[1] Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the District will present information for only those years for which information is available.

See Independent Auditor's Report

JACKSON SOIL AND WATER CONSERVATION DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS -
FLORIDA RETIREMENT SYSTEM PENSION PLAN[1]
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025*

	2025	2024	2023	2022	2021	2020
Contractually required contribution	$ 18,892	$ 18,306	$ 18,347	$ 16,157	$ 10,873	$ -
Contributions in relation to the contractually required contribution	(18,892)	(18,306)	(18,347)	(16,157)	(10,873)	-
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 147,834	$ 164,975	$ 181,563	$ 171,287	$ 126,991	$ -
Contributions as a percentage of covered-employee payroll	12.78%	11.10%	10.11%	9.43%	8.56%	0.00%

	2019	2018	2017	2016	2015
Contractually required contribution	$ -	$ -	$ -	$ -	$ -
Contributions in relation to the contractually required contribution	-	-	-	-	-
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ -	$ -	$ -	$ -	$ -
Contributions as a percentage of covered-employee payroll	0.00%	0.00%	0.00%	0.00%	0.00%

***The amounts presented for each fiscal year were determined as of June 30.

[1] Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the District will present information for only those years for which information is available.

JACKSON SOIL AND WATER CONSERVATION DISTRICT
SCHEDULE OF DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
HEALTH INSURANCE SUBSIDY PENSION PLAN
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025*

	2025	2024	2023	2022	2021	2020
District proportion of the net pension liability (asset)	0.000387%	0.000387%	0.000392%	0.000323%	0.000286	0
District's proportionate share of the net pension liability (asset)	$ 58,169	$ 58,169	$ 156,269	$ 120,340	$ 21,569	$ -
District's covered-employee payroll	$ 147,834	$ 164,975	$ 181,563	$ 181,563	$ 126,991	$ -
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	39.35%	35.26%	86.07%	86.07%	16.98%	0.00%
Plan fiduciary net position as a percentage of the total pension liability	84.80%	4.80%	82.38%	82.38%	96.40%	0.00%

	2019	2018	2017	2016	2015
District proportion of the net pension liability (asset)	0	0			
District's proportionate share of the net pension liability (asset)	$ -	$ -			
District's covered-employee payroll	$ -	$ -			
District's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	0.00%	0.00%			
Plan fiduciary net position as a percentage of the total pension liability	0.00%				

*The amounts presented for each fiscal year were determined as of June 30.

[1] Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the District will present information for only those years for which information is available.

JACKSON SOIL AND WATER CONSERVATION DISTRICT
SCHEDULE OF DISTRICT CONTRIBUTIONS
HEALTH INSURANCE SUBSIDY PENSION PLAN[1]
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025*

	2025	2024	2023	2022	2021	2020
Contractually required contribution	$ 3,073	$ 3,179	$ 3,041	$ 2,841	$ 2,181	$ -
Contributions in relation to the contractually required contribution	(3,073)	(3,179)	(3,041)	(2,841)	(2,181)	-
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -
District's covered-employee payroll	$ 147,834	$ 164,975	$ 181,563	$ 171,287	$ 171,287	$ -
Contributions as a percentage of covered-employee payroll	2.08%	1.93%	1.67%	1.66%	1.66%	0.00%

	2019	2018	2017	2016	2015
Contractually required contribution	$ -	$ -			
Contributions in relation to the contractually required contribution	-	-			
Contribution deficiency (excess)	$ -	$ -			
District's covered-employee payroll	$ -	$ -			
Contributions as a percentage of covered-employee payroll	0.00%	0.00%			

*****The amounts presented for each fiscal year were determined as of June 30.

[1] Information is required to be presented for 10 years. However, until a full 10-year trend is compiled, the District will present information for only those years for which information is available.

JAMES DAVIS, CPA
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Phone: (850) 445-5878

REPORT ON COMPLIANCE AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Directors
Jackson Soil and Water Conservation District
Marianna, Florida

I have audited the financial statements of Jackson Soil and Water Conservation District, Florida (the District), as of and for the year ended September 30, 2025, and have issued my report thereon dated May 31, 2026. I conducted my 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.

Internal Control Over Financial Reporting

In planning and performing my audit of the financial statements, I considered the District's internal control over financial reporting to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, I do not express an opinion on the effectiveness of the District's internal control.

My consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying management letter, I identified certain deficiencies in internal control that I consider to be material weaknesses. I noted certain other prior year matters that were reported to the District in the Management Letter (Finding 2006-001, 2007-001, 2023-001, 2023-002, 2021-001).

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 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. During my audit I did not identify any deficiencies in internal control that I consider to be a significant deficiency. However, significant deficiencies may exist that have not been identified.

Compliance and Other Matters

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

District's Response to Findings

The District's responses to the findings identified in my audit are included in the accompanying management letter. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, I express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of my 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.

James Davis
Certified Public Accountant

May 31, 2026

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INDEPENDENT ACCOUNTANT'S REPORT ON AN EXAMINATION CONDUCTED IN ACCORDANCE WITH AICPA PROFESSIONAL STANDARDS, SECTION 601, REGARDING COMPLIANCE REQUIREMENTS IN ACCORDANCE WITH CHAPTER 10.550, RULES OF THE AUDITOR GENERAL

Jackson Soil and Water Conservation District
Marianna, Florida

I have examined the Jackson Soil and Water Conservation District's (the District) compliance with the requirements of Section 218.415, Florida Statues, Local Government Investment Policies, during the year ended September 30, 2025. Management is responsible for the District's compliance with those requirements. My responsibility is to express an opinion on the District's compliance based on my examination.

My examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants, and, accordingly, included examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my examination provides a reasonable basis for my opinion. My examination does not provide a legal determination on the District's compliance with specified requirements.

In my opinion, the District complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2025.

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

James Davis
Certified Public Accountant

May 31, 2026

JAMES DAVIS, CPA
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INDEPENDENT AUDITOR'S MANAGEMENT LETTER

Jackson Soil and Water Conservation District
Marianna, Florida

Report on the Financial Statements

I have audited the financial statements of Jackson Soil and Water conservation District as of and for the fiscal year ended September 30, 2025 and have issued my report thereon dated May 31, 2026.

Auditor's Responsibility

I conducted my 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; OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations;* and Chapter 10.550, Rules of the Auditor General.

Other Reports and Schedules

I have issued my Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards;* Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, Section 601, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated, May 31, 2026, 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 I determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. I reported no findings and recommendations, which Jackson Soil and Water Conservation District has been unable to address due to financial constraints, in the preceding annual financial report.

2006-001 – Segregation of Duties

Criteria – Custody of assets, record keeping and recording of assets should have adequate separation.

Condition – Due to the size of the organization, proper separation of duties may not be feasible.

Effect – Controls should be implemented to help compensate for the weaknesses.

Cause – This is a small one-person bookkeeping system.

Recommendation – Management should remain very active and involved in the day-to day operations. It is essential that records be maintained current and up-to-date. Controls should be established to provide checks and balances.

Response – The Jackson SWCD continues to make every effort to separate the record keeping duties from the custody of assets.

2007-001 – Financial Reporting

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

Condition – The District relies on the external auditor to assist with preparing and explaining financial statements in conformity with generally accepted accounting principles.

Effect – Since the auditor cannot be part of an entity's system of internal accounting control, the District's system of internal accounting control over the financial reporting is not sufficient, by itself, to prevent, detect or correct misstatements in the audited financial statements.

Cause – The District has a small accounting staff necessitated by the overall small size of the entity. They do not consider it cost effective to develop and maintain a system of internal accounting control sufficient by itself to allow the preparation of financial statements in accordance with generally accepted accounting principles, nor to maintain internal staff with sufficient knowledge to develop and maintain controls to prevent, detect or correct misstatements in audited financial statements.

Recommendation – The District should continue to consider the effects of the cost of developing and benefits of implementing such a system as compared with understanding that due to the size of their accounting department, they will continue to need external assistance with the preparation and understanding of financial statements in accordance with generally accepted accounting principles.

Response – The Jackson SWCD considers the cost of maintaining a pure system of internal controls to be prohibitive. The small size of our entity, and the one person staff precludes establishing such a system.

2023-001 – Budget

Criteria – Per Florida Statute Chapter 189.016 the Jackson Soil and Water Conservation District is required to adopt a budget by resolution and may not expend or contract for expenditures except pursuant to the adopted budget.

Condition – The Conservation District had expenditures in excess of the adopted budget.

Effect – The Conservation District is in violation of Florida Statutes, Chapter 189.016.

Cause – Due to grants awarded the District's funding can fluctuate from year to year making budget preparation difficult.

Recommendation – The Conservation District should make necessary budget amendments throughout the year in order to be in compliance with Florida Statute 189.016.

Response – In the future, the District will amend its budget as necessary in order to be in compliance with Florida Statutes.

2023-002 – Lack of Financial Management

Criteria – Proper financial and account management requires a system of internal controls sufficient in design and operation to reduce to a relatively low level the risk of errors and irregularities in the control of assets, and that financial misstatements caused by errors or fraud in material amounts be detected in a timely period.

Condition – Internal controls are not adequate to prevent the potential for unauthorized expenditures which could potentially cause the financial statements to be misstated.

Effect – The possibility exists that errors, intentional or unintentional, could occur and not be detected in a timely manner.

Cause – The District lacks proper financial and accounting control to ascertain that unauthorized expenditures will be detected in a timely manner.

Recommendation – The District should develop internal controls sufficient to reduce to a relatively low lever the risks of error and irregularities in the control of assets and financial statements.

Response – The District has on developed and implemented stronger internal control policies for accounting staff.

2024-001 – Misappropriation of Funds

Criteria – Florida Statutes

Condition – The District's business analyst was arrested and ultimately charged with misappropriating between $5,000 and $10,000 of district funds for personal use.

Cause – The District had inadequate internal control surrounding the use and oversight of district credit/debit cards.

Effect – The District's debit card was inappropriately used to purchase personal items resulting in a financial loss for the district.

Recommendation – We recommend the Board of Directors take immediate action to strengthen internal controls related to the use of the debit card.

Response – The District board has developed and implemented stronger internal control policies surrounding the use of the debit card.

Current Year Audit Findings

There are no new audit findings for the year ended September 30, 2025.

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. This information is contained in the footnotes on page 15.

Financial Condition

Section 10.554(1)(i)5.a., Rules of the Auditor General, requires that I report the results of my determination as to whether or not Jackson Soil and Water Conservation District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific condition(s) met. In connection with my audit, I determined Jackson Soil and Water Conservation District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.c. ad 10.556(8), Rules of the Auditor General, I applied financial condition assessment procedures. It is management's responsibility to monitor Jackson Soil and Water Conservation District's financial condition, and my financial condition assessment was based in part on representations made by management and the review of financial information provided by the same.

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 163.081 or Section 163.082, Florida Statutes, did not operate within the Jackson Soil and Water Conservation District's boundaries during the fiscal year under audit.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that I communicate any recommendations to improve financial management. In connection with my audit, please see schedule of findings items 2023-002.

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that I communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statues. In connection with my audit, I did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statues. The District does not include any special district component units.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, the Jackson Soil and Water Conservation District reported:

a. The total number of district employees compensated in the last pay period of the District's fiscal year is 2.

b. The total number of independent contracts to whom nonemployee compensation was paid in the last month of the District's fiscal year was 0.

c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency is $147,834.

d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency was $0.

f. There are no construction projects with a total cost of at least $65,000 approved by the District that are scheduled to begin on or after October 1st of the fiscal year being reported.

g. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes. The District did not amend its budget during the year ended September 30, 2025.

Annual Financial Report

Section 10.554(1)(i)5.b., Rules of the Auditor General, requires that I report the results of my determination as to whether the annual financial report for Jackson Soil and Water Conservation District for the fiscal year ended September 30, 2025, to be filed with the Florida Department of Financial Services pursuant to Section 218.32(1)(1), Florida Statutes, is in agreement with the annual financial audit report for the fiscal year ended September 30, 2025. In connection with my audit, I determined that these two reports were in agreement. This report is delinquent.

Other Matters

Section 10.554(1)(i)2., Rules of the Auditor General, requires that I address in the management letter any recommendations to improve financial management. In connection with my audit, I did not have any such recommendations.

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

Purpose of this Letter

My 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, Jackson Soil and Water Conservation District, and applicable management and is not intended to be and should not be used by anyone other than these specified parties.

James Davis
Certified Public Accountant

May 31, 2026

JACKSON SOIL AND WATER CONSERVATION DISTRICT
SCHEDULE OF FINANCIAL ASSISTANCE
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025

STATE AGENCY/PASS THROUGH ENTITY/PROJECT	CFDA/CFSA NUMBER	CONTRACT/GRANT NUMBER	EXPENDITURES
STATE ASSISTANCE			
Florida Department of Agriculture and Consumer Services			
Agriculture Nonpoint Souce Best Management Practices Implementation	42.017	26239	$ 104,810
Agriculture Nonpoint Souce Best Management Practices Implementation	42.017	27062	249,542
Agriculture Nonpoint Souce Best Management Practices Implementation	42.017	27699	345,092
Agriculture Nonpoint Souce Best Management Practices Implementation	42.017	32685	101,831
Agriculture Nonpoint Souce Best Management Practices Implementation	42.017	32796	300,250
Total State Grant Revenue			1,101,525
Total Assistance			$ 1,101,525

SCHEDULE OF FINDINGS AND QUESTIONED COSTS - STATE PROJECTS
FISCAL YEAR ENDED SEPTEMBER 30, 2025

A. SUMMARY OF AUDITOR'S RESULTS

1. The auditor's report expresses an unqualified opinion on the general purpose financial statements of Jackson Soil and Water Conservation District.

2. No significant deficiencies were reported in the Independent Auditor's report on Compliance and on Internal Control over Financial Reporting Based on an Audit of the General Purpose Financial Statements Performed in Accordance with Government Auditing Standards.

3. No instances of noncompliance material to the financial statements of Jackson Soil and Water Conservation District were disclosed during the audit.

4. The audit disclosed no significant deficiencies in internal control over any major federal program and state project.

5. The report on compliance with requirements applicable to the major state projects expressed an unqualified opinion.

6. The audit disclosed no findings related to the major state project.

7. The District had one major state program (FDACS #27699).

8. The threshold for distinguishing Type A and Type B project was $330,458 for major state projects.

B. FINDINGS – FINANCIAL STATEMENTS

See Management Letter for discussion of recommendations resulting from audit of financial statement.

Management response is included in the Management Letter.

C. FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL PROGRAM AND STATE PROJECTS

None

D. OTHER ISSUES

1. No Summary Schedule of Prior Audit Findings is required as there were no prior audit findings related to Federal programs or State projects.

2. No Corrective Action Plan is required because there were no findings required to be reported under the Federal or Florida Single Audit Acts.

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

To Jackson Soil and Water Conservation District

Report on Compliance for Each Major Federal Program and State Project

I have audited the Jackson Soil and Water Conservation District's compliance with the types of compliance requirements described in the *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 Jackson Soil and Water Conservation District's major Federal programs and State projects for the year ended September 30, 2025. The Jackson Soil and Water Conservation District's major Federal programs and State projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with Federal and State Statues, regulations, and the terms and conditions of its Federal awards and State projects applicable to its Federal programs and State projects.

Auditor's Responsibility

My responsibility is to express an opinion on compliance for each of the Jackson Soil and Water Conservation District's major Federal programs and State projects based on my audit of the types of compliance requirements referred to above. I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements' Cost Principles,* and *Audit Requirements for Federal Awards* (Uniform Guidance); Chapter **10.550**, Rules of the Auditor General. Those standards, the Uniform Guidance, and Chapter **10.550**, Rules of the Auditor General, require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above

that could have a direct and material effect on a major Federal program or State project occurred. An audit includes examining, on a test basis, evidence about the Jackson Soil and Water Conservation District's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major Federal program and State project. However, my audit does not provide a legal determination of the Jackson Soil and Water Conservation District's compliance.

Opinion on Each Major Federal Program and State Project

In my opinion, the Jackson Soil and Water Conservation District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs and State projects for the year ended September 30, 2025.

Report on Internal Control Over Compliance

Management of the Jackson Soil and Water Conservation District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered the Jackson Soil and Water Conservation District internal control over compliance with the types of requirements that could have a direct and material effect on each major Federal program or State project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major Federal program and State project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter **10.550**, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of the Jackson Soil and Water Conservation District's internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a Federal program or State project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a Federal program or State project will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or as a combination of deficiencies, in internal control over compliance with the type of compliance requirement of a Federal program or State project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of my testing of internal control over compliance and 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.

James Davis
Certified Public Accountant

May 31, 2026