

2024

Gadsden County, Florida

Financial Statements and
Independent Auditor's Report

September 30, 2024

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Gadsden County, Florida

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Independent Auditor's Report

September 30, 2024

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORTS**

GADSDEN COUNTY, FLORIDA

SEPTEMBER 30, 2024

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**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORTS**

GADSDEN COUNTY, FLORIDA

SEPTEMBER 30, 2024

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INTRODUCTORY SECTION

GADSDEN COUNTY, FLORIDA

LIST OF ELECTED AND APPOINTED OFFICIALS

SERVING AS OF SEPTEMBER 30, 2024

ELECTED OFFICIALS

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

APPOINTED OFFICIALS

County Administrator	Edward Dixon
County Attorney	Thornton J. Williams

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

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

Opinions

We have audited the accompanying financial statements of the governmental activities, each major fund, and aggregate remaining fund information of Gadsden County, Florida (the County) as of and for the year ended September 30, 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 respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the County as of September 30, 2024; the respective changes in financial position thereof; and the respective budgetary comparison of the general fund, and each major special revenue fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the County and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

CERTIFIED PUBLIC ACCOUNTANTS

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INDEPENDENT AUDITOR'S REPORT

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to these risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Emphasis of Matter

As described in Note 2 to the financial statements, the County adopted Governmental Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections*, as of October 1, 2023. Our opinions are not modified with respect to this matter.

INDEPENDENT AUDITOR'S REPORT

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the GASB, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying combining non-major fund financial statements and schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and Chapter 10.550, *Rules of the Auditor General* of the State of Florida, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual non-major fund financial statements and the schedule of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included with the financial statements. The other information comprises the introductory section 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.

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

INDEPENDENT AUDITOR'S REPORT

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated June 24, 2025, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Purvis Gray

June 24, 2025
Tallahassee, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Gadsden County, Florida (the County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2024. We encourage readers to consider the information presented here in conjunction with the County's basic financial statements.

FINANCIAL HIGHLIGHTS

Government-Wide Statements

The government-wide assets (and deferred outflows of resources) of the County exceeded liabilities (and deferred inflows of resources) at the close of the 2023-2024 fiscal year by \$73,193,167 (*net position*). Of this amount, (\$7,957,762) is considered unrestricted, \$13,173,100 is restricted for specific purposes (*restricted net position*), and \$67,977,929 is the County's *net investment in capital assets*.

Fund Statements

At September 30, 2024, the County's governmental funds reported combined ending fund balances of \$27,973,073 an increase of \$921,538 in comparison with the \$27,051,535 ending fund balances on September 30, 2023. This increase is partly due to the County not spending as much money on projects that are taking longer to complete.

The general fund's unassigned fund balance at September 30, 2024, was \$8,598,606, or 30.82% of total general fund expenditures excluding transfers. This indicates a 1.06% increase from the prior fiscal year, where unassigned fund balance was 29.76% of the total general fund expenditures.

OVERVIEW OF THE FINANCIAL STATEMENTS

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

- (1) Government-wide financial statements
- (2) Fund financial statements
- (3) Notes to the basic financial statements

A brief description of the different financial statements follows.

Government-Wide Financial Statements

The government-wide financial statements (statement of net position and statement of activities found on pages 14-15 concentrate on the County as a whole and do not emphasize fund types. The governmental activities comprise the primary government. Fiduciary funds are not included in the government-wide financial statements. The County does not have any business-type activities.

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

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

Fund Financial Statements

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

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

Governmental Fund Financial Statements

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

The fund financial statements provide a presentation of the County's major funds, along with a column for all non-major funds. In the case of governmental activities, outlays for long lived assets are reported as expenditures, and long-term liabilities - such as general obligation bonds - are not included in the fund financial statements. To facilitate a comparison between the fund financial statements and the government-wide financial statements, a reconciliation of the balance sheet to the statement of net position and a reconciliation of the statement of revenues, expenditures, and changes in fund balances to the statement of activities are presented on pages 17 and 20, respectively.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fiduciary Fund Financial Statements

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

Notes to the Basic Financial Statements

The notes provide additional information that is essential to a full understanding of the data presented in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 27-59 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following schedule provides a summary of assets, deferred outflows, liabilities, deferred inflows, and net position of the County for fiscal years ended September 30, 2024 and 2023.

The largest portion of the County's net position, 92%, reflects its investment in capital assets (land, buildings, improvements, equipment, furniture, vehicles, construction in progress, and infrastructure) less any related debt to acquire those assets that is still outstanding. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

The increase in property tax revenues resulted from increases in property values within the County and the repayment of over \$1m from the City of Midway for prior CRA tax distributions.

Total Expenses decreased by \$2.9m from the prior year. This was primarily driven by the impact of changes in the net pension liability and related deferred inflows and outflows related to the FRS and HIS pension plans the County is a participant in (\$3.4m increase in expenses in 2023 compared to a \$335k reduction in expenses in 2024).

MANAGEMENT'S DISCUSSION AND ANALYSIS

Gadsden County Florida Summary of Net Position

	Governmental Activities	
	2024	2023
Assets		
Current Assets	\$ 40,660,361	\$ 37,561,716
Non-Current Assets	83,596,161	77,941,962
Total Assets	<u>124,256,522</u>	<u>115,503,678</u>
 Deferred Outflows of Resources		
Pension Related	6,830,387	6,359,223
OPEB Related	84,000	113,200
Total Deferred Outflows of Resources	<u>6,914,387</u>	<u>6,472,423</u>
 Liabilities		
Current Liabilities	13,052,145	11,334,472
Non-Current Liabilities	39,379,478	40,584,920
Total Liabilities	<u>52,431,623</u>	<u>51,919,392</u>
 Deferred Inflows of Resources		
Pension Related	3,234,264	2,075,273
OPEB Related	317,600	411,500
Lease Related	1,994,255	2,260,433
Total Deferred Inflows of Resources	<u>5,546,119</u>	<u>4,747,206</u>
 Net Position		
Net Investment in Capital Assets	67,977,829	62,143,257
Restricted	13,173,100	12,469,657
Unrestricted	(7,957,762)	(9,303,411)
Total Net Position	<u><u>\$ 73,193,167</u></u>	<u><u>\$ 65,309,503</u></u>

MANAGEMENT'S DISCUSSION AND ANALYSIS

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

Gadsden County Florida Summary of Changes in Net Position

	Governmental Activities	
	2024	2023
Revenues		
Program Revenues:		
Charges for Services	\$ 5,311,031	\$ 5,453,343
Operating Grants and Contributions	6,176,464	8,217,084
Capital Grants and Contributions	7,408,373	5,509,219
Total Program Revenues	<u>18,895,868</u>	<u>19,179,646</u>
General Revenues		
Property Taxes	18,164,233	14,851,786
Sales Tax and State Shared Revenue	9,904,160	9,446,570
Local Option Taxes	7,927,734	8,114,972
Motor Fuel Tax	2,423,368	2,516,367
Other	2,727,521	2,122,171
Total General Revenues	<u>41,147,016</u>	<u>37,051,866</u>
Total Revenues	<u>60,042,884</u>	<u>56,231,512</u>
Expenses		
Program Expenses:		
General Government	13,419,521	14,377,403
Public Safety	19,742,925	20,757,932
Physical Environment	752,734	661,597
Transportation	9,257,059	8,790,702
Economic Environment	1,026,322	1,546,083
Human Services	3,601,865	4,553,286
Court Related	2,328,202	2,325,057
Culture/Recreation	1,654,782	1,694,888
Interest on Long-Term Debt	375,810	379,650
Total Expenses	<u>52,159,220</u>	<u>55,086,598</u>
Increase in Net Position	7,883,664	1,144,914
Net Position, Beginning of Year	65,309,503	64,164,589
Net Position, End of Year	<u>\$ 73,193,167</u>	<u>\$ 65,309,503</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS

FUND FINANCIAL ANALYSIS

Governmental Funds

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

As of the end of fiscal year 2024, the County's governmental funds reported combined ending fund balances of \$27,973,073, an increase of \$921,538 in comparison with the prior year. Of the approximately \$27 million total fund balance, unassigned fund balance is \$8.5 million and is available for spending at the County's discretion.

The General fund is the chief operating fund of the County and had an increase in fund balance of \$231,098. The total general fund balance was \$9,718,208 of which \$8,598,606 is unassigned. As a measure of the general fund's liquidity, it may be useful to compare unassigned fund balance to total general fund expenditures. Unassigned fund balance represents 30.82% of total general fund expenditures, excluding transfers.

GENERAL FUND BUDGETARY HIGHLIGHTS

The General fund's budgeted expenditures plus transfers increased during fiscal year 2023-2024 in the amount of \$1,958,852 from the original budget. A major portion of the increase was from the transfer of funds to other funds within the County with the largest amount being to subsidize the EMS fund. Actual expenditures in the general fund were below budget by \$1.95m.

CAPITAL ASSETS AND DEBT MANAGEMENT

Capital Assets

The County's investment in capital assets for its governmental activities as of September 30, 2024, amounts to \$81.6 million (net of accumulated depreciation). This investment in capital assets includes land, buildings, equipment, and infrastructure, net of depreciation.

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

- The County purchased two new ambulances totaling \$368k and added Enterprise lease vehicles totaling \$1.8m including the Constitutional Officers.
- Construction on various road projects within the County continued during the year. The most significant projects were Attapulgis Highway (\$2.4m), Hardaway Highway (\$1.7m), Spooner Road (\$805k), Ralph Strong Road (\$842k).

MANAGEMENT'S DISCUSSION AND ANALYSIS

CAPITAL ASSETS AND DEBT MANAGEMENT

Capital Assets

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

Capital assets at September 30, 2024 and 2023, are as follows:

**Gadsden County Florida
Capital Assets
(Net of Depreciation)**

	Governmental Activities	
	2024	2023
Land	\$ 2,806,304	\$ 2,806,304
Construction in Progress	6,460,691	2,209,150
Buildings	23,142,761	23,886,337
Improvements Other Than Buildings	6,909,498	6,614,180
Machinery and Equipment	10,392,413	9,897,728
Leased Assets	2,179,633	658,873
Subscription-Based IT Arrangements (SBITAs)	44,515	150,489
Infrastructure	29,728,467	29,604,027
Total	\$ 81,664,282	\$ 75,827,088

Debt Management

During fiscal year 2024, the County incurred additional debt obligations for two new ambulances, new leased vehicles and additional IT equipment for the Clerk's office totaling \$2.4 million.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS

Gadsden County Florida Outstanding Debt

	2024	2023	Increase (Decrease)
Revenue Bonds	\$ 7,153,541	\$ 8,352,559	\$ (1,199,018)
Notes, Loans, Leases, and SBITAs Payable	6,532,912	5,331,272	1,201,640
Compensated Absences	1,516,274	1,433,274	83,000
Other Postemployment Benefits	564,100	536,100	28,000
Net Pension Liability	26,870,306	27,893,311	(1,023,005)
Total	\$ 42,637,133	\$ 43,546,516	\$ (909,383)

ECONOMIC FACTORS AND NEXT YEAR'S BUDGET AND RATES

Gadsden County is Florida's 45th most populous County and is home to 0.2% of Florida's population. The unemployment rate at September 30, 2024, was 4.2% as compared to the state's percentage of 3.4% (Information provided by the Bureau of Labor Statistics). Gadsden County is once again designated as a fiscally constrained County in the State of Florida and is included in the governor's designated Northwest Florida Rural Area of Economic Concern.

Gadsden County millage rate for the 2025 budget was adopted at 9.0000 mills, which is the same as the millage rate for 2024. The total adopted budget for 2025 of \$63,588,650 was an increase over 2024's budget in the amount of \$593,169 or 0.9%.

CONTACTING THE COUNTY'S FINANCIAL MANAGEMENT

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

BASIC FINANCIAL STATEMENTS

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

	Governmental Activities
Assets	
Current Assets:	
Cash and Cash Equivalents	\$ 30,390,474
Investments	1,535,735
Accounts Receivable, Net	425,141
Due from Agency Funds	134,428
Due from Other Governments	7,781,864
Prepaid Items	94,247
Inventories	115,477
Leases Receivable	182,995
Total Current Assets	<u>40,660,361</u>
Non-Current Assets:	
Leases Receivable	1,931,879
Capital Assets:	
Non-Depreciable	9,266,995
Depreciable, Net	70,173,139
Leased Assets, Net	2,179,633
ROU Assets Under SBITAs, Net	44,515
Total Non-Current Assets	<u>83,596,161</u>
Total Assets	<u><u>124,256,522</u></u>
Deferred Outflows of Resources	
Pension Related	6,830,387
OPEB Related	84,000
Total Deferred Outflows of Resources	<u><u>6,914,387</u></u>
Liabilities	
Current Liabilities:	
Accounts Payable and Accrued Expenses	4,516,548
Due to Other Governments	628,210
Accrued Wages Payable	779,898
Unearned Revenue	3,869,834
Bonds and Notes Payable	2,040,955
Leases Payable	506,962
SBITAs Payable	39,242
Accrued Compensated Absences	670,496
Total Current Liabilities	<u>13,052,145</u>
Non-Current Liabilities:	
Accrued Compensated Absences	845,778
Other Postemployment Benefits Obligation	564,100
Bonds and Notes Payable	9,416,444
Leases Payable	1,682,850
Net Pension Liability	26,870,306
Total Non-Current Liabilities	<u>39,379,478</u>
Total Liabilities	<u><u>52,431,623</u></u>
Deferred Inflows of Resources	
Pension Related	3,234,264
OPEB Related	317,600
Lease Related	1,994,255
Total Deferred Inflows of Resources	<u><u>5,546,119</u></u>
Net Position	
Net Investment in Capital Assets	67,977,829
Restricted	13,173,100
Unrestricted	(7,957,762)
Total Net Position	<u><u>\$ 73,193,167</u></u>

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

GADSDEN COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position in Net Position Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities:					
General Government	\$ 13,419,521	\$ 663,613	\$ 264,567	\$ -	\$ (12,491,341)
Public Safety	19,742,925	3,264,577	3,518,406	-	(12,959,942)
Physical Environment	752,734	-	43,296	-	(709,438)
Transportation	9,257,059	143,190	56,732	7,408,373	(1,648,764)
Economic Environment	1,026,322	250,949	502,923	-	(272,450)
Human Services	3,601,865	14,743	693,458	-	(2,893,664)
Court-Related	2,328,202	935,096	809,646	-	(583,460)
Culture and Recreation	1,654,782	38,863	287,436	-	(1,328,483)
Interest on Long-Term Debt	375,810	-	-	-	(375,810)
Total Primary Government	\$ 52,159,220	\$ 5,311,031	\$ 6,176,464	\$ 7,408,373	(33,263,352)
General Revenues					
Taxes:					
Property Taxes					18,164,233
Franchise and Utility Taxes					174,859
Discretionary Sales Surtax					6,490,532
Local Option Gas Tax					1,262,343
Motor Fuel Tax					2,423,368
Other Taxes					353,869
Sales Tax and Other Shared Revenues					9,904,160
Investment Earnings					1,383,392
Miscellaneous					990,260
Total General Revenues					41,147,016
Change in Net Position					7,883,664
Net Position, Beginning of Year					65,309,503
Net Position, End of Year					\$ 73,193,167

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

GADSDEN COUNTY, FLORIDA
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

	General Fund	County Transportation	Capital Projects Public Works	Indigent Surtax	American Rescue Plan	Other Governmental Funds	Total Governmental Funds
Assets							
Cash and Cash Equivalents	\$ 7,749,352	\$ 2,218,646	\$ 550,336	\$ 5,121,416	\$ 3,162,539	\$ 11,588,185	\$ 30,390,474
Investments	1,535,735	-	-	-	-	-	1,535,735
Accounts Receivable (Net of Allowance for Uncollectibles)	42,423	90	-	-	-	382,628	425,141
Leases Receivable	2,114,874	-	-	-	-	-	2,114,874
Due from Other Funds	1,237,677	-	-	-	-	684,908	1,922,585
Due from Other Governments	2,346,232	568,000	2,001,662	541,851	-	2,324,119	7,781,864
Prepaid Expenses	93,151	1,096	-	-	-	-	94,247
Inventories, at Cost	89,725	25,752	-	-	-	-	115,477
Total Assets	15,209,169	2,813,584	2,551,998	5,663,267	3,162,539	14,979,840	44,380,397
Liabilities							
Accounts Payable and Accrued Expenses	1,190,732	101,798	1,786,460	84,673	-	1,352,885	4,516,548
Due to Other Funds	314,024	-	283,069	-	-	1,191,064	1,788,157
Due to Other Governments	52,284	-	-	-	-	575,926	628,210
Accrued Wages Payable	309,302	171,869	-	-	-	298,727	779,898
Unearned Revenues	50,000	-	-	-	3,162,539	657,295	3,869,834
Total Liabilities	1,916,342	273,667	2,069,529	84,673	3,162,539	4,075,897	11,582,647
Deferred Inflows of Resources							
Unavailable Revenues	1,580,364	346,616	-	380,515	-	522,927	2,830,422
Lease Related	1,994,255	-	-	-	-	-	1,994,255
Total Deferred Inflows of Resources	3,574,619	346,616	-	380,515	-	522,927	4,824,677
Fund Balances							
Non-Spendable	182,876	26,848	-	-	-	-	209,724
Restricted	286,539	2,166,453	482,469	5,198,079	-	5,039,560	13,173,100
Committed	-	-	-	-	-	48,965	48,965
Assigned	650,187	-	-	-	-	5,300,552	5,950,739
Unassigned	8,598,606	-	-	-	-	(8,061)	8,590,545
Total Fund Balances	9,718,208	2,193,301	482,469	5,198,079	-	10,381,016	27,973,073
Total Liabilities and Fund Balances	\$ 15,209,169	\$ 2,813,584	\$ 2,551,998	\$ 5,663,267	\$ 3,162,539	\$ 14,979,840	\$ 44,380,397

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

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

Total Fund Balances of Governmental Funds	\$ 27,973,073
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**Amounts Reported for Governmental Activities in the Statement
of Net Position are Different Because:**

Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds.	81,664,282
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Receivables that do not provide current financial resources are reported as deferred inflows of resources in the governmental funds.	2,830,422
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Certain pension related amounts are being deferred and amortized over a period of years or are being deferred as contributions to the plan made after the measurement date:

Deferred Outflows Related to Pensions	\$ 6,830,387		
Deferred Inflows Related to Pensions	(3,234,264)		
Deferred Outflows Related to OPEB	84,000		
Deferred Inflows Related to OPEB	<u>(317,600)</u>		3,362,523

Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds.
Long-term liabilities at year-end consist of:

Bonds and Installment Notes Payable	(11,457,399)		
Lease Payable	(2,189,812)		
SBITAs Payable	(39,242)		
Accrued Compensated Absences	(1,516,274)		
Accrued OPEB Obligation	(564,100)		
Net Pension Liability	<u>(26,870,306)</u>		<u>(42,637,133)</u>

Total Net Position of Governmental Activities	\$ 73,193,167
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The notes to the financial statements are an integral part of this statement.

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

	General Fund	County Transportation
Revenues		
Taxes	\$ 17,238,247	\$ 3,888,694
Licenses and Permits	174,859	-
Intergovernmental Revenues	10,475,579	-
Charges for Services	757,914	143,200
Fines and Forfeitures	-	-
Miscellaneous Revenues	1,283,610	196,301
Total Revenues	29,930,209	4,228,195
Expenditures		
Current:		
General Government	12,512,234	-
Public Safety	9,571,923	-
Physical Environment	484,736	-
Transportation	-	5,461,788
Economic Environment	460,522	-
Human Services	2,224,141	-
Court-Related	280,411	-
Culture and Recreation	242,544	-
Debt Service:		
Principal	382,067	9,564
Interest	63,328	4,523
Capital Outlay:		
General Government	1,078,597	-
Public Safety	416,741	-
Transportation	-	390,936
Economic Environment	-	-
Physical Environment	80,360	-
Economic Environment	101,868	-
Culture and Recreation	6,423	-
(Total Expenditures)	(27,905,895)	(5,866,811)
Excess (Deficiency) of Revenues Over (Under) Expenditures	2,024,314	(1,638,616)
Other Financing Sources (Uses)		
Transfers in	9,255,603	886,197
Transfers (out)	(12,583,957)	(339,921)
Lease Obligation	1,535,138	169,368
Total Other Financing Sources (Uses)	(1,793,216)	715,644
Net Change in Fund Balances	231,098	(922,972)
Fund Balances at Beginning of Year, As Originally Reported	9,487,110	3,116,273
Change Within Financial Reporting Entity	-	-
Fund Balances at Beginning of Year, As Restated	9,487,110	3,116,273
Fund Balances at End of Year	\$ 9,718,208	\$ 2,193,301

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

Capital Projects Public Works	Indigent Surtax	American Rescue Plan	Other Governmental Funds	Total Governmental Funds
\$ -	2,729,994	\$ -	\$ 2,057,824	\$ 25,914,759
-	-	-	361,661	536,520
7,408,373	-	204,760	7,197,561	25,286,273
-	-	-	3,866,812	4,767,926
-	-	-	115,537	115,537
29,693	236,820	-	836,769	2,583,193
7,438,066	2,966,814	204,760	14,436,164	59,204,208
-	-	-	151,497	12,663,731
-	-	-	9,568,286	19,140,209
-	-	-	179,361	664,097
68,202	-	-	171,050	5,701,040
-	-	85,853	469,980	1,016,355
-	654,244	-	238,747	3,117,132
-	-	-	1,996,640	2,277,051
-	-	1,400	1,296,844	1,540,788
-	-	-	1,998,249	2,389,880
-	-	-	307,959	375,810
-	-	-	518,839	1,597,436
-	-	-	1,529,048	1,945,789
7,408,038	-	-	43,362	7,842,336
-	-	117,507	-	117,507
-	-	-	-	80,360
-	-	-	63,000	164,868
-	-	-	40,155	46,578
(7,476,240)	(654,244)	(204,760)	(18,573,017)	(60,680,967)
(38,174)	2,312,570	-	(4,136,853)	(1,476,759)
-	-	-	13,936,179	24,077,979
-	(645,836)	-	(10,508,265)	(24,077,979)
-	-	-	693,791	2,398,297
-	(645,836)	-	4,121,705	2,398,297
(38,174)	1,666,734	-	(15,148)	921,538
520,643	-	-	13,927,509	27,051,535
-	3,531,345	-	(3,531,345)	-
520,643	3,531,345	-	10,396,164	27,051,535
\$ 482,469	\$ 5,198,079	\$ -	\$ 10,381,016	\$ 27,973,073

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

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

Net Change in Fund Balances - Total Governmental Funds \$ 921,538

**Amounts Reported for Governmental Activities in the Statement of
Activities are Different Because:**

Capital outlays are reported in governmental funds as expenditures.
However, in the statement of activities, the cost of those activities
is allocated over their estimated useful lives as depreciation expense:

Expenditures for Capital Outlays	\$ 12,050,311	
(Loss)/Gain on Disposal	(348,087)	
(Current Year Depreciation)	<u>(5,865,030)</u>	5,837,194

Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		2,389,880
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The issuance of long-term debt provides current financial resources to governmental funds, while it has no effect on the statement of activities.		(2,398,297)
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Certain pension related amounts are being deferred and amortized over
a period of years or are being deferred as contributions to the pension and
OPEB plans made after the measurement date:

Deferred Inflows Related to Pensions	471,164	
Deferred Outflows Related to Pensions	(1,158,991)	
Deferred Inflows Related to OPEB	93,900	
Deferred Outflows Related to OPEB	<u>(29,200)</u>	(623,127)

Some expenses in the statement of activities do not require the use
of current financial resources and, therefore, are not reported as
expenditures in the governmental funds:

Compensated Absences	(83,000)	
Lease Termination Value Adjustments	5,795	
OPEB	(28,000)	
Net Pension Liability	<u>1,023,005</u>	917,800

Revenues in the statement of activities that do not provide
current financial resources are not reported as revenues
in the governmental funds.

838,676

Change in Net Position - Governmental Activities **\$ 7,883,664**

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

GADSDEN COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Taxes	\$ 16,910,866	\$ 16,910,866	\$ 17,238,247	\$ 327,381
Licenses and Permits	180,000	180,000	174,859	(5,141)
Intergovernmental Revenues	9,039,815	9,350,644	10,475,579	1,124,935
Charges for Services	805,703	694,952	757,914	62,962
Miscellaneous Revenues	881,749	887,873	1,283,610	395,737
Total Revenues	27,818,133	28,024,335	29,930,209	1,905,874
Expenditures				
Current:				
General Government	13,011,154	13,716,087	12,512,234	1,203,853
Public Safety	9,795,017	9,810,184	9,571,923	238,261
Physical Environment	525,232	525,232	484,736	40,496
Economic Environment	580,430	530,430	460,522	69,908
Human Services	2,333,342	2,343,342	2,224,141	119,201
Court-Related	263,766	263,766	280,411	(16,645)
Culture and Recreation	355,434	342,434	242,544	99,890
Debt Service:				
Principal	281,600	281,600	382,067	(100,467)
Interest	38,400	38,400	63,328	(24,928)
Capital Outlay:				
General Government	338,800	1,330,029	1,078,597	251,432
Public Safety	76,000	162,544	416,741	(254,197)
Physical Environment	-	80,360	80,360	-
Economic Environment	20,000	153,575	101,868	51,707
Human Services	1,000	1,000	-	1,000
Court Related	3,000	3,000	-	3,000
Culture and Recreation	52,000	49,897	6,423	43,474
Contingency	1,801,522	227,480	-	227,480
(Total Expenditures)	(29,476,697)	(29,859,360)	(27,905,895)	1,953,465
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,658,564)	(1,835,025)	2,024,314	3,859,339
Other Financing Sources (Uses)				
Transfers in	11,374,959	9,255,604	9,255,603	(1)
Transfers (out)	(10,901,175)	(12,477,364)	(12,583,957)	(106,593)
Lease Obligation	320,000	1,562,605	1,535,138	(27,467)
Total Other Financing Sources (Uses)	793,784	(1,659,155)	(1,793,216)	(134,061)
Net Change in Fund Balance	(864,780)	(3,494,180)	231,098	3,725,278
Fund Balance, Beginning of Year	864,780	3,494,180	9,487,110	5,992,930
Fund Balance, End of Year	\$ -	\$ -	\$ 9,718,208	\$ 9,718,208

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

GADSDEN COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
COUNTY TRANSPORTATION
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Taxes	\$ 4,241,961	\$ 4,241,961	\$ 3,888,694	\$ (353,267)
Intergovernmental Revenues	1,000	1,000	-	(1,000)
Charges for Services	116,710	116,710	143,200	26,490
Miscellaneous Revenues	95,500	95,500	196,301	100,801
Total Revenues	<u>4,455,171</u>	<u>4,455,171</u>	<u>4,228,195</u>	<u>(226,976)</u>
Expenditures				
Current:				
Transportation	5,447,071	5,447,070	5,461,788	(14,718)
Debt Service:				
Principal	-	-	9,564	(9,564)
Interest	-	-	4,523	(4,523)
Capital Outlay:				
Transportation	385,000	768,369	390,936	377,433
(Total Expenditures)	<u>(5,832,071)</u>	<u>(6,215,439)</u>	<u>(5,866,811)</u>	<u>348,628</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,376,900)</u>	<u>(1,760,268)</u>	<u>(1,638,616)</u>	<u>121,652</u>
Other Financing Sources (Uses)				
Transfers in	886,197	886,197	886,197	-
Transfers (out)	-	-	(339,921)	(339,921)
Lease Obligation	-	169,368	169,368	-
Total Other Financing Sources (Uses)	<u>886,197</u>	<u>1,055,565</u>	<u>715,644</u>	<u>(339,921)</u>
Net Change in Fund Balance	<u>(490,703)</u>	<u>(704,703)</u>	<u>(922,972)</u>	<u>(218,269)</u>
Fund Balance, Beginning of Year	<u>490,703</u>	<u>704,703</u>	<u>3,116,273</u>	<u>2,411,570</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,193,301</u>	<u>\$ 2,193,301</u>

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

GADSDEN COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
INDIGENT SURTAX
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Taxes	\$ 1,956,297	\$ 1,956,297	\$ 2,729,994	\$ 773,697
Miscellaneous Revenues	54,500	54,500	236,820	182,320
Total Revenues	<u>2,010,797</u>	<u>2,010,797</u>	<u>2,966,814</u>	<u>956,017</u>
Expenditures				
Current:				
Human Services	1,364,961	1,364,961	654,244	710,717
(Total Expenditures)	<u>(1,364,961)</u>	<u>(1,364,961)</u>	<u>(654,244)</u>	<u>710,717</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>645,836</u>	<u>645,836</u>	<u>2,312,570</u>	<u>1,666,734</u>
Other Financing (Uses)				
Transfers (out)	(645,836)	(645,836)	(645,836)	-
Total Other Financing (Uses)	<u>(645,836)</u>	<u>(645,836)</u>	<u>(645,836)</u>	<u>-</u>
Net Change in Fund Balance	-	-	1,666,734	1,666,734
Fund Balance, Beginning of Year	<u>3,531,345</u>	<u>3,531,345</u>	<u>3,531,345</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 3,531,345</u>	<u>\$ 3,531,345</u>	<u>\$ 5,198,079</u>	<u>\$ 1,666,734</u>

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

GADSDEN COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
AMERICAN RESCUE PLAN
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues				
Intergovernmental Revenues	\$ -	\$ -	\$ 204,760	\$ 204,760
Total Revenues	-	-	204,760	204,760
Expenditures				
Current:				
Economic Environment	-	3,365,899	85,853	3,280,046
Culture and Recreation	-	-	1,400	(1,400)
Capital Outlay:				
Economic Environment	-	-	117,507	(117,507)
(Total Expenditures)	-	(3,365,899)	(204,760)	3,161,139
Net Change in Fund Balance	-	(3,365,899)	-	3,365,899
Fund Balance, Beginning of Year	-	3,365,899	-	(3,365,899)
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -

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

GADSDEN COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
SEPTEMBER 30, 2024

	Private Purpose Trust Fund	Custodial Funds
Assets		
Cash and Cash Equivalents	\$ 3,320,676	\$ 1,317,547
Investments	11,530,384	-
Accounts Receivable	13,121	23,654
Due from Other Governments	-	1,147
Total Assets	14,864,181	1,342,348
Liabilities		
Accounts Payable	-	31,421
Due to Other Funds	-	134,428
Due to Individuals	-	24,531
Due to Other Governments	-	116,759
Assets Held for Others	-	20,488
Installment Tax Deposits	-	219,373
Total Liabilities	-	547,000
Net Position, Restricted for Individuals and Organizations	\$ 14,864,181	\$ 795,348

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

GADSDEN COUNTY, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
SEPTEMBER 30, 2024

	Private Purpose Trust Fund	Custodial Funds
Additions		
Investment Earnings:		
Net Appreciation in Fair Value of Investments	\$ 1,814,638	\$ -
Interest and Dividends	484,279	-
Fines, Forfeitures, and Fees Collected	-	4,153,408
Tax Deeds and Fees Collected	-	208,165
Support and Fees Collected	-	410,482
Registry of the Court and Fees Collected	-	837,347
Recording Fees Collected	-	2,136,368
Bail Bonds and Fees Collected	-	79,600
Inmate Funds Collected	-	347,493
Licenses and Tag Fees Collected	-	5,375,668
Property Taxes and Fees Collected	-	18,870,084
Hunting and Fishing Licenses Collected	-	25,210
Total Additions	<u>2,298,917</u>	<u>32,443,825</u>
Deductions		
Administrative Fees	57,737	-
Fines, Forfeitures, and Fees Distributed	-	4,146,901
Tax Deeds and Fees Distributed	-	410,130
Support and Fees Distributed	-	410,482
Registry of the Court and Fees Distributed	-	658,423
Recording Fees Distributed	-	2,143,159
Bail Bonds and Fees Distributed	-	84,943
Inmate Funds Disbursed	-	348,499
Licenses and Tag Fees Disbursed	-	5,375,674
Property Taxes and Fees Disbursed	-	18,873,951
Hunting and Fishing Licenses Disbursed	-	25,210
Total Deductions	<u>(57,737)</u>	<u>(32,477,372)</u>
Net Increase (Decrease)	2,241,180	(33,547)
Net Position, Beginning of Year	<u>12,623,001</u>	<u>828,895</u>
Net Position, End of Year	<u>\$ 14,864,181</u>	<u>\$ 795,348</u>

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

GADSDEN COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Note 1 - Reporting Entity

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

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

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

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

- **Gadsden County Hospital (the Hospital)**—The Hospital was created pursuant to Chapter 24534, *Laws of Florida 1947*. In evaluating this potential component unit, it was determined that the Hospital is not a separate legal entity as it generally cannot transact business in its own name and, therefore, should be included as part of the primary government for reporting purposes. The Hospital does not function as an operating hospital but provides the facilities and the maintenance and repair of such facilities for a provider who contracts with the County to operate the Hospital. The Hospital did not have any financial activity in fiscal year 2024.
- **Gadsden County Industrial Development Authority (the Development Authority)**—The Development Authority was created by resolution of the Board pursuant to Chapter 159, Part III, Florida Statutes. The Development Authority members are appointed by the Board; however, the Board's accountability for the Development Authority does not extend beyond making the appointments. Accordingly, the Development Authority is considered to be a related organization only and is not included in the financial reporting entity.

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- **Quincy-Gadsden Airport Authority (the Airport Authority)**—The Airport Authority was created by Chapter 88-439, *Laws of Florida*. The Authority is composed of five members. Two members are appointed by the City of Quincy, Florida, two members are appointed by the Board, and one member is appointed by these four members. The Airport Authority is a local unit of special purpose government and is not considered a component unit of the County and is not included in the financial reporting entity.
- **Gadsden County Enterprise Zone Development Agency (the Agency)**—The Agency was created by ordinance of the Board pursuant to Chapter 290, Florida Statutes, to carry out economic development and redevelopment activities. The Agency Board members are appointed by the Board and the Board retains various powers, including approving expenditures, borrowing funds, investing funds, and approving assistance to businesses within the enterprise zone. Accordingly, the activities of the Agency are included as a blended component unit in the County's financial statements. The Agency did not have any activity in fiscal year 2024.
- **Gadsden Hospital, Inc.**—The Gadsden Hospital, Inc. is a not-for-profit corporation established to assist with the operation of the Hospital and other health care facilities in Gadsden County. The Gadsden Hospital, Inc. members are appointed by the Board and the Board approves its funding and operations. Accordingly, the activities of Gadsden Hospital, Inc. have been included as a blended component unit in the County's financial statements and have been included as a special revenue fund in the accompanying financial statements. The Gadsden Hospital, Inc. did not have financial activity in fiscal year 2024.

Note 2 - Summary of Significant Accounting Policies

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

Government-Wide and Fund Financial Statements

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

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

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

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

The County reports the following major governmental funds:

- **General Fund**—The General Fund is the County’s primary operating fund. It accounts for all resources traditionally associated with governments except those required to be accounted for in another fund.
- **County Transportation**—The County Transportation fund accounts for the operation of the Public Works Department of the County. Funding is provided principally from gas taxes and other charges for services.
- **Capital Projects Public Works**—The Capital Project Public Works fund was set up to provide funds for road building and resurfacing projects and to track those funds separate from operating expenses, which is the source of revenue for this fund.
- **Indigent Surtax**—In 2009, the County levied a one-half percent Indigent Care Sales Surtax as the result of voter approval of Gadsden County Ordinance 08-025. The surtax is used to provide health care services to eligible participants including Gadsden County Health Department and Capital Regional Medical Center, the company operating the Gadsden Community Hospital. A portion of the proceeds are pledged to service the bond indebtedness incurred to finance the reconstruction of the County Hospital.
- **American Rescue Plan**—The American Rescue Plan is funded by the U.S. Department of Treasury. The program funds are not subject to any spending plan agreement or other controls through any State Agency. The County has broad flexibility to help those disproportionately impacted by the COVID-19 pandemic. The County must demonstrate the funds supported public health response or that recipients of the Recovery Funds experienced economic harm from the pandemic.

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

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

Governmental fund financial statements are reported using *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are considered to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues to be available if they are collected within thirty days of the end of the current fiscal period and one-hundred and eighty days for grants. Expenditures generally

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are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and other postemployment benefits are recorded only when payment is due.

Budgets and Budgetary Accounting

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

- Budgets are generally prepared for the governmental funds on a basis consistent with generally accepted accounting principles.
- Budgets are prepared, public hearings are held, and original budgets are adopted annually for all governmental funds in accordance with procedures and time intervals prescribed by law.
- Appropriations lapse at year-end to the extent that they have not been expended. Budget appropriations may not be legally exceeded on a fund basis.

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

Cash and Cash Equivalents

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

Investments

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

Receivables

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

Due from (to) Other Funds

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds".

Prepaid Items

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

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Inventories

Inventories shown in the General Fund consist of fuel and office supplies valued at cost. General Fund inventory is recorded under the consumption method. Inventories shown in the County transportation fund consist predominately of repair parts and are valued at cost. On the governmental fund balance sheet, the inventory balances are offset by a non-spendable fund balance classification, which indicates these balances do not constitute “available spendable resources” even though it is a component of net current assets. The costs of governmental fund type inventories are recorded as expenditure when consumed; therefore, the inventory is not available for appropriation.

Capital Assets

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

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

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

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

Leases

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

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The County is lessor for certain building assets owned by the County. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide, governmental fund, and enterprise fund financial statements. At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of the lease payments received. The deferred inflow or resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term. Key estimates and judgments include how the County determines: (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

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

Long-Term Obligations

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

Deferred Inflows/Outflows of Resources

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

- ***Pension and Other Postemployment Benefits (OPEB) Related***—Pension and OPEB Related Deferred Inflows and Outflows represent the difference between expected and actual experience with regard to economic or demographic factors and changes to assumptions in the measurement of total pension or OPEB liability, and the differences between expected and actual earnings on pension plan investments, and changes in the County's proportionate share of pension contributions. These amounts are reported as deferred inflows or outflows of resources, to be recognized in expense over time. Also included in deferred outflows are amounts contributed to the pension or OPEB plans subsequent to the measurement date. See Note 11 for more information on Pension Related Deferred Inflows and Outflows. See Note 15 for more information on OPEB Related Deferred Inflows and Outflows.
- ***Lease Related***—Lease related deferred inflows represent the unamortized portion of lease payments expected to be received under leasing arrangements where the County is a lessor. This amount is being amortized on a straight-line basis over the expected lease term. See Note 9 for more information on the County's leasing arrangements.

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

Compensated Absences

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

Net Pension Liability

In the government-wide financial statements, the net pension liability represents the County’s proportionate share of the net pension liability of the cost-sharing pension plans in which it participates. This liability represents a share of the present value of projected benefit payments to be provided through cost-sharing plans, less the amount of the cost-sharing plans’ fiduciary net position. The County participates in both the Florida Retirement System (FRS) defined benefit pension plan and the Health Insurance Subsidy Program (HIS) defined benefit plan administered by the Florida Division of Retirement. Additional information on the County’s Net Pension Liability can be found in Note 11.

Other Postemployment Benefits

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

Property Taxes

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

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

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

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

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

Fund Balance

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

- **Non-Spendable**—This component of fund balance consists of amounts that cannot be spent because: (a) they are not expected to be converted to cash; or (b) they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund.
- **Restricted**—This component of fund balance consists of amounts that are constrained either: (a) externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments); or (b) by law through constitutional provisions or enabling legislation.
- **Committed**—This component of fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (e.g., ordinance) of the organization's governing authority (the Board). These committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (e.g., ordinance) employed to constrain those amounts.
- **Assigned**—This component of fund balance consists of amounts that are constrained by a less-than-formal action of the organization's governing authority, or by an individual or body to whom the governing authority has delegated this responsibility. In addition, residual balances in capital projects and debt service funds are considered assigned for the general purpose of the respective fund.
- **Unassigned**—This classification is used for: (a) negative unrestricted fund balances in any governmental fund; or (b) fund balances within the General Fund that are not restricted, committed, or assigned.
- **Flow Assumption**—When both restricted and unrestricted resources are available for use, it is the Board's policy to use restricted resources first, then unrestricted resources (committed, assigned, and unassigned) as they are needed. When unrestricted resources (committed, assigned, and unassigned) are available for use in any governmental fund, it is the Board's policy to use committed resources first, then assigned, and then unassigned as needed.

Net Position

Net position of governmental activities are made up of three components. Net investment in capital assets represents net capital assets less related long-term liabilities. Any unspent debt proceeds increase this amount. Restricted net position represents assets that are legally restricted for specific purposes. They include bond sinking and reserve funds; special revenues restricted by statute, ordinance, bond proceeds or grant agreements; and other sources restricted for capital projects or improvements. The balance of net position is considered unrestricted net position.

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Adoption of New Accounting Pronouncement

Effective October 1, 2023, the County adopted GASB Statement No. 100, *Accounting Changes and Error Corrections*. The statement enhances accounting and financial reporting requirements for accounting changes and error corrections. The statement defines accounting changes as: (a) changes in accounting principles, and (b) changes in accounting requirements. Disclosure requirements include descriptions of accounting changes and error corrections and their quantitative effects on account balances. The County's financial statements were impacted by the implementation of this statement because the Indigent Surtax fund now qualifies as a major fund. Previously, this fund was reported as a non-major fund. There was no change to total fund balance or total net position.

Note 3 - Cash and Investments

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

Public Purpose

As of September 30, 2024, the County's public purpose programs had the following in cash, cash equivalents, and investments:

	<u>Carrying Amount</u>
Cash on Hand	\$ 3,160
Deposits in Qualified Public Depositories (Including Repurchase Agreement)	19,684,614
Money Market	25,999
Certificates of Deposit	1,535,735
State Board of Administration (SBA) Florida PRIME	<u>11,994,248</u>
Total Cash, Cash Equivalents, and Investments	<u>\$ 33,243,756</u>

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

Statement of Net Position	
Cash and Cash Equivalents	\$ 30,390,474
Investments	1,535,735
Statement of Fiduciary Net Position – Custodial Funds	
Cash and Cash Equivalents	<u>1,317,547</u>
Total Cash, Cash Equivalents, and Investments	<u>\$ 33,243,756</u>

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

1. The Florida PRIME (formerly the Local Government Surplus Trust Funds Investment Pool) administered by the SBA.
2. Negotiable direct obligations of, or obligations of the principal and interest of which are unconditionally guaranteed by the United States Government, which include, but are not limited to: treasury bills, treasury notes, treasury bonds, and treasury strips.

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3. Bonds, debentures, notes or other evidence of indebtedness, issued or guaranteed by United States agencies provided such obligations are backed by the full faith and credit of the United States Government, which include, but are not limited to: Farmers Home Administration, Federal Financing Bank, Federal Housing Administration Debentures, and Government National Mortgage Association.
4. Bonds, debentures, notes or other evidence of indebtedness, issued or guaranteed by United States government agencies (federal instrumentalities), which are not full-faith and credit agencies limited to the following: Federal Farm Credit Bank, Federal Home Loan Bank or its district banks, Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, and Student Loan Marketing Association.
5. Non-Negotiable interest-bearing time certificates of deposit, money market accounts, or savings accounts in banks/savings and loan associations organized under the laws of the United States.
6. Repurchase agreements (for purchase and subsequent sale) for any of the investments authorized above in items 3 and 4.

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

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

The SBA's interpretation of GASB Statement No. 79 is that the Florida PRIME investment pool currently meets all necessary criteria to measure its investments at amortized cost. Therefore, as a participant in the SBA's Florida PRIME investment pool, the County's investments in Florida PRIME were also measured at amortized cost for fiscal year 2023-24. There were no limitations or restrictions on participant withdrawals, including items such as redemption notices, maximum transaction amounts, and the pool's authority to impose liquidity fees or redemption gates; however, the fund may on the occurrence of an event that has a material impact on liquidity or operations, impose restrictions on withdrawals for up to 48 hours.

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

Credit Risk—Public Purpose Funds

The current rating for the Florida PRIME is AAAm by Standards & Poor's.

The securities utilized by the financial institution to pledge against the County's overnight repurchase agreement at September 30, 2024, consist primarily of treasury notes and agency securities from the Federal National Mortgage Association and Government National Mortgage Association. The treasury notes are triple A-rated by a nationally recognized statistical rating organization. The agency securities are not fully rated. Certificates of Deposit are not rated.

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Custodial Credit Risk—Public Purpose Funds

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

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

Interest Rate Risk—Public Purpose Funds

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The County limits interest rate risk for the repurchase agreement by utilizing an overnight sweep agreement to invest excess cash balances. The weighted-average investment maturity for Florida PRIME is 39 days. Certificates of deposit have maturities between 12 and 24 months.

Hospital Endowment Trust Fund

As of September 30, 2024, the Hospital Endowment Trust Fund had the following balances in cash and investments:

	Fair Value
Cash in Bank	\$ 586,533
Money Market Funds	826,088
SBA Florida PRIME	1,908,055
US Treasuries and Government Obligations	3,737,616
Corporate Bonds	248,243
Mutual Funds - (Fixed Income)	1,216,315
Equities	<u>6,328,210</u>
Total Cash and Investments	<u><u>\$ 14,851,060</u></u>

As of September 30, 2024, the Hospital Endowment Trust Fund had cash deposits of \$586,533 in a qualified public depository.

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

Credit Risk—Hospital Endowment Trust Fund

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

The Trust Fund investment policy does not address exposure to credit risk. However, U.S. Treasury Bonds and Notes, and the U.S. Government Agency holdings of the Hospital Endowment Trust Fund are triple A-rated by a nationally recognized statistical rating organization. The Florida Prime is rated AAAM by Standard & Poor's.

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Custodial Credit Risk—Hospital Endowment Trust Fund

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the government may not be able to recover the value of its investments that are in the possession of the outside party. The Trust Fund investment policy does not address exposure to custodial credit risk. Custody of the Hospital Endowment Trust Fund's investments is maintained in the County's name by Capital City Trust Company, the fiduciary of the account.

Concentration of Credit Risk—Hospital Endowment Trust Fund

Concentration of credit risk is the risk of loss attributed to the investments of the Hospital Endowment Trust Fund in any one issuer that represents a significant percentage of the total investment. The Trust Fund investment policy does not address exposure to concentration of credit risk; however, there were no individual investments that represented more than 6% of the total trust fund investment balance.

Interest Rate Risk—Hospital Endowment Trust Fund

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Trust Fund investment policy does not address exposure to interest rate risk; however, the Trust Fund includes the following investments on a time-segmented basis:

<u>Investment Type</u>	<u>Fair Value</u>	<u>Less Than One Year</u>	<u>1-5 Years</u>
U.S. Treasuries and Government Obligations	\$ 3,737,616	\$ 197,846	\$ 3,539,770
Corporate Bonds	248,243	248,243	-
Mutual Funds - Fixed	1,216,315	1,216,315	-
Equities	6,328,210	6,328,210	-
Total	<u>\$ 11,530,384</u>	<u>\$ 7,990,614</u>	<u>\$ 3,539,770</u>

In addition to the above, the Florida Prime has an investment maturity of 39 days.

Fair Value Measurements—Hospital Endowment Trust Fund

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

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

- **Level 1 Inputs**—are quoted prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- **Level 2 Inputs**—are inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.
- **Level 3 Inputs**—are unobservable inputs for an asset or liability. The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs.

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Fair value measurements for the Hospital Endowment Trust are as follows at September 30, 2024:

		Fair Value Measurements Using		
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by Fair Value Level	Amount			
U.S. Treasury Notes	\$ 3,737,616	\$ 3,737,616	\$ -	\$ -
Corporate Bonds	248,243	248,243	-	-
Equities	6,328,210	6,328,210	-	-
Total Investments Measured at Fair Value	\$ 10,314,069	\$ 10,314,069	\$ -	\$ -

	Amount	Unfunded Commitments	Redemption Frequency (if Currently Eligible)	Redemption Notice Period
Investments Measured at the Net Asset Value (NAV)				
Mutual Funds - Fixed	\$ 1,216,315	\$ -	Daily	None
Total Investments	\$ 11,530,384			

Note 4 - Receivables

Accounts Receivable at September 30, 2024, consist of the following:

	Gross Accounts Receivable	Allowance for Uncollectibles	Net Receivables
General	\$ 42,423	\$ -	\$ 42,423
County Transportation	90	-	90
Other Governmental Funds:			
Emergency Medical Services	1,172,707	(790,109)	382,598
Capital Projects	30	-	30
Fiduciary Funds:			
Custodial Funds - Tax	23,654	-	23,654
Private Purpose Trust	13,121	-	13,121
Total Receivables	\$ 1,252,025	\$ (790,109)	\$ 461,916

Leases Receivable at September 30, 2024, consist of the following:

	Gross Leases Receivable	Allowance for Uncollectibles	Net Leases Receivable
General	\$ 2,114,874	\$ -	\$ 2,114,874
Total Receivables	\$ 2,114,874	\$ -	\$ 2,114,874

Note 5 - Interfund Receivables, Payables, and Transfers

Interfund balances at September 30, 2024, consisted of the following:

	Due From	Due To
General Fund	\$ 1,237,677	\$ 314,024
Capital Projects - Public Works	-	283,069
Other Governmental Funds	684,908	1,191,064
Fiduciary Funds:		
Custodial Funds	-	134,428
Total	\$ 1,922,585	\$ 1,922,585

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

Interfund transfers for the year ended September 30, 2024, consisted of the following:

	Interfund	
	Transfers In	Transfers (Out)
General Fund	\$ 9,255,603	\$ (12,583,957)
County Transportation	886,197	(339,921)
Indigent Surtax	-	(645,836)
Other Governmental Funds	13,936,179	(10,508,265)
Total Interfund Transfers	\$ 24,077,979	\$ (24,077,979)

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

Note 6 - Capital Assets

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

	Beginning Balance	Increases	(Decreases)	Ending Balance
Governmental Activities				
Capital Assets Not Being Depreciated:				
Land	\$ 2,806,304	\$ -	\$ -	\$ 2,806,304
Construction Work in Progress	2,209,150	8,041,230	(3,789,689)	6,460,691
Total Capital Assets Not Being Depreciated	5,015,454	8,041,230	(3,789,689)	9,266,995
Capital Assets Being Depreciated:				
Buildings	41,675,133	94,522	-	41,769,655
Improvements Other Than Buildings	8,652,928	470,590	-	9,123,518
Machinery and Equipment:				
Board and Clerk	22,179,511	1,440,647	(1,159,430)	22,460,728
Sheriff	2,579,971	642,852	-	3,222,823
Total Machinery and Equipment	24,759,482	2,083,499	(1,159,430)	25,683,551
Leased Assets	1,311,922	1,812,343	(562,376)	2,561,889
Right-of-Use Assets Under SBITAs	254,530	-	(5,796)	248,734
Infrastructure	91,308,096	3,337,816	-	94,645,912
Total Capital Assets Being Depreciated	167,962,091	7,798,770	(1,727,602)	174,033,259
Less Accumulated Depreciation:				
Buildings	(17,788,796)	(838,098)	-	(18,626,894)
Improvements Other Than Buildings	(2,038,748)	(175,272)	-	(2,214,020)
Machinery and Equipment	(14,861,754)	(1,244,592)	815,208	(15,291,138)
Leased Assets	(653,049)	(291,583)	562,376	(382,256)
Right-of-Use Assets Under SBITAs	(104,041)	(102,109)	1,931	(204,219)
Infrastructure	(61,704,069)	(3,213,376)	-	(64,917,445)
Total Accumulated Depreciation	(97,150,457)	(5,865,030)	1,379,515	(101,635,972)
Total Capital Assets Being Depreciated, Net	70,811,634	1,933,740	(348,087)	72,397,287
Total Governmental Activities Capital Assets, Net	\$ 75,827,088	\$ 9,974,970	\$ (4,137,776)	\$ 81,664,282

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

General Government	\$ 429,293
Public Safety	988,816
Physical Environment	92,305
Transportation	3,598,040
Economic Environment	13,202
Human Services	549,596
Court-Related	70,923
Culture and Recreation	122,855
Total Depreciation Expense	5,865,030
Governmental Activities	\$ 5,865,030

Note 7 - Long-Term Debt

Summary of Changes in Long-Term Debt

The following is a summary of changes in long-term debt for the year ended September 30, 2024:

	Balance 10/1/23	Additions	Deductions	Balance 9/30/24	Due Within One Year
Employee Compensated Absences Payable	\$ 1,433,274	\$ 1,535,997	\$ (1,452,997)	\$ 1,516,274	\$ 670,496
Other Postemployment Benefits	536,100	28,000	-	564,100	-
Net Pension Liability	27,893,311	-	(1,023,005)	26,870,306	-
Loan with BB&T for 2016 Sales Tax Revenue Refunding Bond, Monthly Principal and Interest Payment of \$53,819, Commencing August 2016 through March 2030, Interest at 2.00%, Funds Used for Refunding of 2013 Hospital Bond.	3,933,447	-	(572,395)	3,361,052	583,948
Gas Tax Revenue and Refunding Bond, Series 2015, Monthly Principal and Interest Payments of \$60,588, Commencing June 2015, Interest at 2.43%, Funds Used for Refunding the 2013 Gas Tax Revenue Refunding Bond and for Construction and Improvement of Certain Roads in Gadsden County.	4,419,112	-	(626,623)	3,792,489	642,020
Installment Purchase with Santander Bank, N.A. for one Frazer Diesel Ambulance. Annual Principal and Interest Payments of \$40,076, Including Interest of 3.30%.	147,916	-	(35,200)	112,716	36,360
Financed with Stryker for EMS Equipment. Annual Principal and Interest Payment of \$78,993, Including Interest of 1.135 %.	640,785	-	(71,684)	569,101	72,502
Installment Purchase with Leasing 2 for two Ambulances. Annual Principal and Interest Payments of \$141,325, Commencing on January 25, 2025 through January 25, 2027. Interest Rate of 5.76%.	-	368,060	-	368,060	108,067
Installment Purchase with Santander Bank, N.A. for four Frazer Diesel Ambulances. Annual Principal and Interest Payments of \$166,885.44, Including Interest of 3.94%.	120,044	-	(120,044)	-	-
Motorola Loan - Cell Tower and Radio Communications Annual Principal and Interest Payments of \$274,026, Commencing November 2021 through November 15, 2027. Interest Rate of 2.62%. Funds Used for Building New Cell Tower and Updating Radio Communications.	1,268,693	-	(240,786)	1,027,907	247,095

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	Balance 10/1/23	Additions	Deductions	Balance 9/30/24	Due Within One Year
Installment Purchase with Ring Investments					
Public Works Equipment. Principal and Interest Payment of \$339,921, Commencing January 2021 through January 2026 Interest of 3.25%.	\$ 1,686,507	\$ -	\$ (285,110)	\$ 1,401,397	\$ 294,376
USDA Loan for Agriculture Center Annual					
Principal and Interest Payment of \$31,166, Commencing April 2022 - April 2051, Interest Rate of 2.25%.	642,252	-	(16,716)	625,536	17,092
Clerk Installment Purchase of IT Equipment					
Monthly Principal and Interest Payments of \$3,772 and \$1,048, Commencing January 2024 through December 2028, Interest Rates of 10.28% and 9.66%, Respectively.	-	227,513	(28,372)	199,141	39,495
Leases - See Note 9 for More Information	679,145	1,802,724	(292,057)	2,189,812	506,962
SBITAs - See Note 10 for More Information	145,930	-	(106,688)	39,242	39,242
Total	\$ 43,591,716	\$ 3,962,294	\$ (4,871,677)	\$ 42,682,698	\$ 3,257,655

Interest expense and other debt-related charges during 2024 on long-term debt totaled \$375,810.

Maturities of Long-Term Debt

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

Year Ending September 30	Principal	Interest
2025	\$ 2,040,955	\$ 295,290
2026	2,912,528	226,797
2027	1,854,708	141,616
2028	1,724,292	90,631
2029	1,448,803	48,715
2030-2034	1,476,113	158,447
	<u>\$ 11,457,399</u>	<u>\$ 961,496</u>

Note 8 - Pledged Revenues

The County has pledged certain revenues to repay bonds outstanding as of September 30, 2024. The following table reports the revenues pledged for each debt issue, the amounts of such revenues received in the current year principal and interest paid on the debt, the approximated percentage of each revenue which is pledged to meet the debt obligation, the date through which the revenue is pledged under the debt agreement, and the total pledged future revenues for each debt, which is the amount of the remaining principal and interest on the bonds and notes at September 30, 2024.

Pledged Revenue	Description of Bonds	Revenue Received	Principal and Interest Paid	Estimated Percentage Pledged	Outstanding Principal and Interest	Pledged Through
County Fuel Tax	Revenue Bond for Infrastructure Revenue Bond, Series 2015	<u>\$ 1,631,369</u>	<u>\$ 727,059</u>	44.57%	<u>\$ 4,059,411</u>	2030
Indigent Surtax Revenues	Sales Tax and Revenue Refund Bond, Series 2016	<u>\$ 2,729,994</u>	<u>\$ 645,836</u>	23.66%	<u>\$ 3,552,096</u>	2030

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Note 9 - Leases

County as Lessee

The County has entered into various vehicle and tower rental agreements the terms of which are summarized as follows:

Description	Lease Inception Date	Lease Term	Payment Amount	Interest Rate	Initial Lease Liability	Outstanding Balance 9/30/2024
4 Tower Leases - BOCC	Various	60 to 120 months	\$5,786 per month	3.50%	\$ 319,240	\$ 202,721
43 Vehicles - BOCC	Various	60 month terms	\$28,526 per month	6.92% to 8.37%	1,484,974	1,358,597
18 Vehicles - Sheriff	Various	48 month terms	\$16,120 per month	6.83% to 8.20%	730,706	562,749
1 Vehicle - Property Appraiser	7/1/2024	60 month term	\$1,396 per month	8.19%	68,549	65,745
Total					<u>\$ 2,603,469</u>	<u>\$ 2,189,812</u>

As of September 30, 2024, the County's leased assets and accumulated amortization by major class of underlying asset is as follows:

	Lease Asset Value	Accumulated Amortization	Net
Tower Leases - BOCC	\$ 319,240	\$ (128,614)	\$ 190,626
Vehicle Leases - BOCC	1,425,968	-	1,425,968
Vehicle Leases - Sheriff	748,056	(249,072)	498,984
Vehicle Lease - Property Appraiser	68,625	(4,570)	64,055
Total	<u>\$ 2,561,889</u>	<u>\$ (382,256)</u>	<u>\$ 2,179,633</u>

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

Year Ending September 30	Principal	Interest	Total Payments
2025	\$ 467,467	\$ 128,544	\$ 596,011
2026	493,422	92,985	586,407
2027	465,589	56,889	522,478
2028	476,741	21,736	498,477
2029	268,253	88,585	356,838
2030	18,340	242	18,582
Total	<u>\$ 2,189,812</u>	<u>\$ 388,981</u>	<u>\$ 2,578,793</u>

County as Lessor

Hospital Lease

Pursuant to the County's amended agreement entered into on February 24, 2020, to lease the Hospital to a third-party operator, the County has agreed to pay the operator \$200,000 a year from March – February each year from the proceeds of the one-half cent sales surtax for health care not otherwise committed to repayment of the County's Sales Tax Revenue Refunding Bonds, Series 2013. This amended lease shall have an initial term of fifteen years beginning on the commencement date and ending on the last day of

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the month, fifteen years after the commencement date. The term of this amended lease shall automatically be renewed for up to two additional consecutive terms of five years; unless, either party delivers written notice to the other party that it will not renew at least 12 months prior to the end of the term then in effect.

During each lease year of the amended lease terms, the operator shall pay rent to the County at the rate of \$200,000 per annum, payable in equal monthly installments of \$16,667 each on the first day of each calendar month during the balance of the lease term along with the sales or privilege tax required under applicable law. The base rent shall be increased by 5% over the then-current rate every three years beginning on the first day of the first month following the 3rd anniversary of the effective date of the amended lease. The County calculated the present value of the lease payments expected to be received under the lease agreement using an imputed interest rate of 2.5%.

Building Lease

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

As of September 30, 2024, the leases receivable balance was \$2,114,874, of which \$185,995 is expected to be recognized in the next fiscal year. The deferred inflow related to the leases totaled \$1,994,255 at September 30, 2024.

The County received, or was entitled to receive, rental payments of \$289,407 during the fiscal year and recognized the following inflows of resources related to the above leases:

Lease Revenue (Amortization of Deferred Inflow)	\$ 266,178
Interest Revenue	<u>58,072</u>
Total Lease Revenue Recognized	<u>\$ 324,250</u>

Note 10 - Subscription-Based Information Technology Arrangements

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

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

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

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As of September 30, 2024, the County's SBITA assets and accumulated amortization is as follows:

	SBITA Asset Value	Accumulated Amortization	Net
Microsoft Office Software	\$ 130,896	\$ (125,660)	\$ 5,236
Mapping Software	117,838	(78,559)	39,279
Total	\$ 248,734	\$ (204,219)	\$ 44,515

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

Year Ending September 30	Principal	Interest	Total Payments
2025	\$ 39,242	\$ 2,158	\$ 41,400

Note 11 - Employee Retirement Plan

General Information about the Florida Retirement System (FRS)

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

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

FRS Pension Plan

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

- *Regular Class*—Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officer Class*—Members who hold specified elective offices in local government.

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- *Senior Management Service Class*—Members in senior management level positions.
- *Special Risk Class*—Members who are employed as law enforcement officers and meet the criteria to qualify for this class.

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

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

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

Class, Initial Enrollment, and Retirement Age/Years of Service	Percent Value
<i>Regular Class Members Initially Enrolled Before July 1, 2011:</i>	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 or more years of service	1.68

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

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3% per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3% determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3%. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

Contributions. The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the County's 2023-24 fiscal year were as follows:

Class	Year Ended June 30, 2024 Percent of Gross Salary		Year Ended June 30, 2025 Percent of Gross Salary	
	Employee	Employer (2)	Employee	Employer (2)
FRS, Regular	3.00	11.51	3.00	11.57
FRS, Elected County Officers	3.00	56.62	3.00	56.62
FRS, Senior Management Service	3.00	32.46	3.00	32.46
FRS, Special Risk Regular	3.00	30.61	3.00	30.73
DROP – Applicable to Members from All of the Above Classes	0.00	19.13	0	19.13
FRS, Reemployment Retiree	(1)	(1)	(1)	(1)

Notes: (1) Contribution rates are dependent upon retirement class in which reemployed.

(2) These rates include the normal cost and unfunded actuarial liability contributions but do not include the contribution for HIS of 2.00% for the Plan FYE 2024 and FYE 2025 and the fee of 0.06% for administration of the FRS Investment Plan and provision of education tools for both plans.

The County's contributions (employer) to the FRS Plan totaled \$3,100,252 for the fiscal year ended September 30, 2024. This excludes the HIS defined benefit pension plan contributions.

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Pension Liabilities and Pension Expense. At September 30, 2024, the County reported a liability of \$20,919,442 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 of all participating members. At June 30, 2024, the County's proportion was 0.054076779%, which was a decrease of 0.0001067379% from its proportion measured as of June 30, 2023.

For the year ended September 30, 2024, the County recognized pension expense of \$2,887,275 related to the Plan.

Actuarial Assumptions. The total pension liability in the June 30, 2024 actuarial valuation, was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary Increases	3.50% Average, Including Inflation
Discount Rate	6.70%
Long-Term Expected Rate of Rate of Return, Net of Investment Expense	6.70%

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

The actuarial assumptions used in the June 30, 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 for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Annual Target Allocation⁽¹⁾	Annual Arithmetic Return	Geometric Return	Standard Deviation
Cash	1.0%	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%			
Assumed Inflation – Mean			2.4%	1.5%

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

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Discount Rate. The discount rate used to measure the total pension liability was 6.70%. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. The discount rate was 6.70% in the July 1, 2024 valuation.

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

FRS – County:

	1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)
County's Proportionate Share of the Net Pension Liability	\$ 36,796,565	\$ 20,919,442	\$ 7,618,983

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

HIS Pension Plan

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

Benefits Provided. For the Plan fiscal year ended June 30, 2024, eligible retirees and beneficiaries received a monthly HIS payment equal to the years of service credited at retirement multiplied by \$7.50. The minimum HIS payment is \$45 and a maximum payment is \$225 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under the state-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions. The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the Plan fiscal years ended June 30, 2025 and 2024, the contribution rates were 2.00% and 1.66% of payroll, respectively, pursuant to Section 112.363, Florida Statutes. The County contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

**GADSDEN COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

The County's contributions to the HIS Plan totaled \$343,851 for the fiscal year ended September 30, 2024.

Pension Liabilities and Pension Expense. At September 30, 2024, the County reported a net pension liability of \$5,950,864 for its proportionate share of the HIS Plan's 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, 2023. The County's proportionate share of the net pension liability was based on the County's contributions relative to the total contributions of all participating members. At June 30, 2024, the County's proportionate share was 0.0003966984%, which was a decrease of .00000569942% from its proportionate share measured as of June 30, 2023.

For the fiscal year ended September 30, 2024, the County recognized pension expense of \$221,649 related to the HIS Plan.

Actuarial Assumptions. The total pension liability for the HIS Pension Plan was determined by an actuarial valuation as of July 1, 2023. The following actuarial assumptions, applied to all periods included in the measurement, were used to determine the total pension liability:

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

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

The actuarial assumptions used to determine the total pension liability as of June 30, 2024, were based on certain results of an actuarial experience study of the FRS 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:

GADSDEN COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

	1% Decrease (2.93%)	Current Discount Rate (3.93%)	1% Increase (4.93%)
County's Proportionate Share of the Net Pension Liability	\$ 6,774,293	\$ 5,950,864	\$ 5,267,284

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

Additional Disclosures – Defined Benefit Plans

Net Pension Liability

	FRS	HIS	Total
Net Pension Liability	\$ 20,919,442	\$ 5,950,864	\$ 26,870,306

Deferred Outflows of Resources

	FRS	HIS	Total
Employer Contributions After Measurement Date	\$ 750,419	\$ 85,298	\$ 835,717
Difference Between Expected and Actual Experience	2,113,425	57,460	2,170,885
Changes in Assumptions	2,867,200	105,317	2,972,517
Changes in Proportion	548,894	302,374	851,268
Net Difference Between Projected and Actual Earnings on Investments	-	-	-
Total Deferred Outflows of Resources	\$ 6,279,938	\$ 550,449	\$ 6,830,387

Deferred Inflows of Resources

	FRS	HIS	Total
Difference Between Expected and Actual Experience	\$ -	\$ 11,426	\$ 11,426
Changes in Assumptions	-	704,507	704,507
Changes in Proportion	829,813	295,951	1,125,764
Net Difference Between Projected and Actual Earnings on Investments	1,390,415	2,152	1,392,567
Total Deferred Inflows of Resources	\$ 2,220,228	\$ 1,014,036	\$ 3,234,264

Deferred outflows of resources related to pensions resulting from County contributions subsequent to the measurement date totaling \$835,717 will be recognized as a reduction of the net pension liability in the year ending September 30, 2025. Other amounts reported as deferred outflows and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

GADSDEN COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Fiscal Year			
Ending	FRS	HIS	Total
2025	\$ (551,131)	(89,079)	(640,210)
2026	3,377,185	(116,983)	3,260,202
2027	275,948	(155,478)	120,470
2028	19,565	(108,960)	(89,395)
2029	187,724	(61,021)	126,703
Thereafter	-	(17,364)	(17,364)
Total	\$ 3,309,291	\$ (548,885)	\$ 2,760,406

Pension Expense

For the year ended September 30, 2024, the County recognized pension expense from the defined benefit pension plans as follows:

	FRS	HIS	Total
Board of County Commissioners, Supervisor of Elections, and Property Appraiser	\$ 1,705,144	\$ 168,006	\$ 1,873,150
Clerk of the Circuit Court/Comptroller	339,658	20,281	359,939
Tax Collector	(4,799)	3,284	(1,515)
Sheriff	904,601	31,114	935,715
Total Pension Expense	\$ 2,944,604	\$ 222,685	\$ 3,167,289

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

- **FRS**—no changes.
- **HIS**—In the July 1, 2024 actuarial valuation, the municipal rate used to determine total pension liability increased from 3.65% to 3.93%.

FRS – Defined Contribution Pension Plan

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

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

**GADSDEN COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

contributions and account balances among various approved investment choices. Allocations to the investment member's accounts during the 2023-2024 and 2024-2025 Investment Plan fiscal years were as follows:

Class	Year Ended June 30, 2024		Year Ended June 30, 2025	
	Percent of Gross Compensation		Percent of Gross Compensation	
	Employee	Employer	Employee	Employer
FRS, Regular Class	3.00	8.30	3.00	8.30
FRS, Special Risk Class	3.00	16.00	3.00	16.00
FRS, Senior Management Service Class	3.00	9.67	3.00	9.67
FRS, Elected County Officers	3.00	13.34	3.00	13.34

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll and by forfeited benefits of Investment Plan members. For the fiscal year ended September 30, 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 FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan or remain in the Investment Plan and rely upon that account balance for retirement income.

The County's Investment Plan pension expense totaled \$856,295 for the fiscal year ended September 30, 2024.

Note 12 - Risk Management

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

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

**GADSDEN COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

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

Note 13 - Hospital Endowment Trust Fund

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

Note 14 - Commitments and Contingencies

Litigation

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

Construction Commitments

The following is a summary of construction contracts in progress as of September 30, 2024:

<u>Project</u>	<u>Fund</u>	<u>Contract Amount</u>	<u>Expended as of September 30, 2024</u>
Const. for New EMS Bldg	General Grants	\$ 2,500,000	\$ 148,367
Steven's School Rehab	General Grants	1,777,469	406,677
Small Co. EOC Design Initiative	General Grants	200,000	193,500
Dogtown Rd - Design	Capital Projects – Public Works	181,369	90,685
Providence Rd - Design	Capital Projects – Public Works	292,771	285,841
Ben Bostic Rd - Design	Capital Projects – Public Works	147,325	144,244
Hardaway Hwy	Capital Projects – Public Works	4,091,811	2,117,452
Spooner Rd	Capital Projects – Public Works	1,662,618	1,128,806
Ralph Strong Rd	Capital Projects – Public Works	1,002,025	936,797
Iron Bridge Road	Capital Projects – Public Works	662,540	657,106
Total		<u>\$ 12,517,928</u>	<u>\$ 6,109,475</u>

Note 15 - Postemployment Benefits Other Than Pension Benefits

Plan Description

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

GADSDEN COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

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

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

Retiree and Beneficiaries Currently Receiving Benefits	3
Active Employees	<u>289</u>
Total	<u><u>292</u></u>

Funding Policy

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

Actuarial Methods and Assumptions

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

Actuarial Assumptions:

Salary Increases	2.75%
Discount Rate	4.70%
Investment Rate of Return	0.0%
Healthcare Cost Trend Rates	8.40% for fiscal year end 2023 for the County and 7.02% for fiscal year-end 2023 for the Sheriff's Office (to reflect actual experience), then 6.25% for fiscal year-end 2024, decreasing 0.25% per year to an ultimate rate of 5.00%
Mortality	RP-2014 Mortality Table, fully generational with base year 2006, projected using two-dimensional mortality improvement scale MP-2021
Actuarial Cost Method	Entry Age Actuarial Cost Method

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

GADSDEN COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Total OPEB Liability

The County's total OPEB liability was measured as of October 1, 2023, which is one year prior to the reporting date.

Changes in the Total OPEB Liability include the following:

	<u>Total OPEB Liability</u>
Balance at October 1, 2023	\$ 536,100
Changes for the Year:	
Service Cost	29,600
Interest	24,500
Differences Between Expected and Actual Experience	7,200
Assumption Changes	(14,600)
Contributions - Employer	(18,700)
Net Changes	<u>28,000</u>
Balance at September 30, 2024	<u>\$ 564,100</u>

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

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

	<u>1% Decrease (3.40%)</u>	<u>Discount Rate (4.40%)</u>	<u>1% Increase (5.40%)</u>
Total OPEB Liability	\$ 613,900	\$ 564,100	\$ 518,900

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

The following presents the total OPEB liability for the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare trend rates that are 1-percentage-point lower (7.40%) or 1-percentage-point higher (9.40%) than the current healthcare cost trend rates:

	<u>1% Decrease</u>	<u>Healthcare Cost Trend Rates 8.40%</u>	<u>1% Increase</u>
Total OPEB Liability	\$ 498,800	\$ 564,100	\$ 642,200

For the year ended September 30, 2024, the employer OPEB expense/(credit) is \$(17,300). Deferred inflows and outflows related to the OPEB plan at the measurement date are as follows:

GADSDEN COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference Between Expected and Actual Experience	\$ 8,100	\$ (233,900)
Changes in Assumptions	57,200	(83,700)
Employer Contributions After Measurement Date	<u>18,700</u>	<u>-</u>
Total	<u><u>\$ 84,000</u></u>	<u><u>\$ (317,600)</u></u>

Of the total amount reported as deferred inflows of resources related to OPEB, \$25,500 resulting from benefits paid subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the total OPEB liability in the fiscal year ended September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ending</u>	<u>Amount</u>
2025	\$ (78,800)
2026	(79,700)
2027	(77,400)
2028	(13,500)
2029	(900)
Thereafter	<u>(2,000)</u>
Total	<u><u>\$ (252,300)</u></u>

Note 16 - Other Disclosures

Fund Balance Classifications

The following is a summary of the County's fund balance classifications and the purpose of each as of September 30, 2024:

Non-Spendable Fund Balance	
Prepaid Expenses	\$ 94,247
Inventory	<u>115,477</u>
Total Non-Spendable Fund Balance	<u><u>209,724</u></u>
 Restricted Fund Balance	
Transportation	3,942,954
Public Safety	690,735
Cares Act	2,817
Capital Projects – Roads	482,469
Indigent Surtax	5,198,079
Debt Service USDA	31,208
Debt Service Hospital	942,181
Judicial Services	396,612
Library Donation	2,458
Tourist Development	662,218

GADSDEN COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024

Boating Improvements	\$ 118,588
Building Inspection	477,881
Public Records Modernization	56,949
Drivers Education	<u>167,951</u>
Total Restricted Fund Balance	<u>13,173,100</u>
 Committed Fund Balance	
Teen Court	<u>48,965</u>
Total Committed Fund Balance	<u>48,965</u>
 Assigned Fund Balance	
Capital Projects	\$ 903,124
Subsequent Year's Budget	650,187
Public Safety	3,011,816
Landfill	103,763
Library Services	20,616
General Grants	565,892
Public Health	288,343
Debt Service	<u>406,998</u>
Total Assigned Fund Balance	<u>5,950,739</u>
 Unassigned Fund Balance	<u>8,590,545</u>
Total Fund Balance	<u>\$ 27,973,073</u>

(Deficit) Unrestricted Net Position

At September 30, 2024, there was a deficit in unrestricted net position of \$7,957,762 in the County-wide statement of net position. This deficit primarily resulted from the recording of the unfunded pension liabilities related to the FRS in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*.

There was a deficit in fund balance in the Court Facilities fund of \$8,061. This deficit resulted from Court Related expenses exceeding revenues in the fund during the year. This fund will be evaluated by the County going forward to ensure that revenues and/or transfers from the General Fund will exceed annual expenditures.

Budget Over-Expenditures

The County incurred actual expenditures in excess of budgeted appropriations in the following funds:

<u>Fund</u>	<u>Expenditures in Excess of Appropriations</u>
Library Services	\$ 11,300
E-911 Surcharges	582,847
Grant Funds:	
Older Americans Act	80,817
Hazard Mitigation Grant	4,494

**GADSDEN COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2024**

This was caused primarily by additional grant funding received during the year that was not anticipated during the budgeting process.

Note 17 - Tax Abatements

In March of 2012, the County established a tax abatement program by adopting Ordinance 2012-003, which was later amended by Ordinance 2015-005. These ordinances allow the Board to grant ad valorem tax exemptions for new and expanding businesses within the unincorporated and incorporated area of the County if the businesses meet certain criteria. The ordinance provides for exemption of only those ad valorem taxes levied by the Board. The authority to grant the tax exemptions under this ordinance expires ten years after it was adopted. For the fiscal year ended September 30, 2024, there were no businesses who had received tax abatements under the program.

REQUIRED SUPPLEMENTARY INFORMATION

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

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
County's Proportion of the Net Pension Liability	0.054076779%	0.054183517%	0.053308499%	0.053965064%	0.056188618%	0.059231450%	0.059283048%	0.062579916%	0.062937069%	0.060673599%
County's Proportionate Share of the Net Pension Liability	\$ 20,919,442	\$ 21,590,416	\$ 19,835,046	\$ 4,076,447	\$ 24,352,975	\$ 20,398,487	\$ 17,856,359	\$ 18,510,719	\$ 15,891,659	\$ 7,836,809
County's Covered Payroll (FYE 06/30)	\$ 16,792,800	\$ 15,727,169	\$ 14,389,940	\$ 13,931,627	\$ 13,291,566	\$ 13,547,892	\$ 12,893,614	\$ 13,157,048	\$ 12,902,289	\$ 12,782,607
County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	124.57%	137.28%	137.84%	29.26%	183.22%	150.57%	138.49%	140.69%	123.17%	61.31%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.70%	82.38%	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%

Notes to Schedule:

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

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contributions	\$ 3,100,252	\$ 2,748,356	\$ 2,272,818	\$ 2,130,641	\$ 1,892,770	\$ 1,825,024	\$ 1,728,563	\$ 1,630,549	\$ 1,606,989	\$ 1,493,376
Contributions in Relation to the										
Contractually Required Contribution	(3,100,252)	(2,748,356)	(2,272,818)	(2,130,641)	(1,892,770)	(1,825,024)	(1,728,563)	(1,630,549)	(1,606,989)	(1,493,376)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's Covered Payroll (FYE 09/30)	\$ 17,192,550	\$ 16,246,536	\$ 14,128,795	\$ 14,116,145	\$ 13,366,807	\$ 13,443,554	\$ 12,961,265	\$ 13,075,873	\$ 13,324,993	\$ 12,782,607
Contributions as a Percentage of										
Covered Payroll	18.03%	16.92%	16.09%	15.09%	14.16%	13.58%	13.34%	12.47%	12.06%	11.68%

Note to Schedule:

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

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

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
County's Proportion of the Net Pension Liability	0.0396698%	0.0396874%	0.0394778%	0.0393442%	0.0382889%	0.0405003%	0.0394677%	0.0412691%	0.0417857%	0.0415987%
County's Proportionate Share of the Net Pension Liability	\$ 5,950,864	\$ 6,302,895	\$ 4,181,330	\$ 4,826,156	\$ 4,675,014	\$ 4,531,579	\$ 4,177,302	\$ 4,412,678	\$ 4,869,952	\$ 4,242,418
County's Covered Payroll (FYE 06/30)	\$ 16,792,800	\$ 15,727,169	\$ 14,389,940	\$ 13,931,627	\$ 13,291,566	\$ 13,547,892	\$ 12,893,614	\$ 13,157,048	\$ 12,902,289	\$ 12,782,607
County's Proportionate Share of the Net Pension Liability as a Percentage of its Covered Payroll	35.44%	40.08%	29.06%	34.64%	35.17%	33.45%	32.40%	33.54%	37.74%	33.19%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	4.80%	4.12%	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%

Notes to Schedule:

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

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

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually Required Contributions	\$ 373,851	\$ 282,834	\$ 234,538	\$ 234,328	\$ 221,391	\$ 223,163	\$ 215,157	\$ 217,059	\$ 221,017	\$ 172,438
Contributions in Relation to the										
Contractually Required Contribution	(373,851)	(282,834)	(234,538)	(234,328)	(221,391)	(223,163)	(215,157)	(217,059)	(221,017)	(172,438)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's Covered Payroll (FYE 09/30)	\$ 17,192,550	\$ 16,246,536	\$ 14,128,795	\$ 14,116,145	\$ 13,435,380	\$ 13,563,263	\$ 12,961,265	\$ 13,075,843	\$ 13,324,993	\$ 12,782,607
Contributions as a Percentage of										
Covered Payroll	2.17%	1.74%	1.66%	1.66%	1.65%	1.65%	1.66%	1.66%	1.66%	1.35%

Note to Schedule:

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

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

Actuarial Valuation Date	9/30/2022	9/30/2022	9/30/2020	9/30/2020	9/30/2018	9/30/2018	9/30/2016
Measurement Date	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018	9/30/2017
Reporting Date	9/30/2024	9/30/2023	9/30/2022	9/30/2021	9/30/2020	9/30/2019	9/30/2018
Total OPEB Liability							
Service Cost	\$ 29,600	\$ 67,900	\$ 65,300	\$ 59,800	\$ 49,800	\$ 41,600	\$ 40,500
Interest on the Total OPEB Liability	24,500	19,700	20,400	23,600	28,500	24,200	22,300
Changes of Benefit Terms							
Difference Between Expected and Actual							
Experience of the Total OPEB Liability	7,200	(258,700)	(23,900)	(150,800)	(28,000)	17,300	-
Changes in Assumptions and Other Inputs	(14,600)	(111,600)	17,000	79,200	74,000	(22,800)	-
Benefit Payments	(18,700)	(25,500)	(35,000)	(22,100)	(15,800)	(15,800)	(4,400)
Net Change in Total OPEB Liability	28,000	(308,200)	43,800	(10,300)	108,500	44,500	58,400
Total OPEB Liability - Beginning of Year	536,100	844,300	800,500	810,800	702,300	657,800	599,400
Total OPEB Liability - End of Year	564,100	536,100	844,300	800,500	810,800	702,300	657,800
Plan Fiduciary Net Position							
Contributions - Employer	18,700	25,500	35,000	22,100	15,800	15,800	4,400
Benefit Payments	(18,700)	(25,500)	(35,000)	(22,100)	(15,800)	(15,800)	(4,400)
Net Change in Plan Fiduciary Net Position	-	-	-	-	-	-	-
Plan Fiduciary Net Position - Beginning of Year	-	-	-	-	-	-	-
Plan Fiduciary Net Position - End of Year	-	-	-	-	-	-	-
Net OPEB Liability	\$ 564,100	\$ 536,100	\$ 844,300	\$ 800,500	\$ 810,800	\$ 702,300	\$ 657,800
Estimated Covered-Employee Payroll	\$ 12,467,100	\$ 12,467,100	\$ 13,190,500	\$ 13,190,500	\$ 11,236,000	\$ 11,236,000	\$ 10,505,400
Total OPEB Liability as a percentage of Covered-Employee Payroll	4.52%	4.30%	6.40%	6.07%	7.22%	6.25%	6.26%

Note to Schedule:

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

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

	September 30, 2024	September 30, 2023	September 30, 2022	September 30, 2021	September 30, 2020	September 30, 2019	September 30, 2018
Actuarially Determined Contribution	\$ 18,700	\$ 25,500	\$ 35,000	\$ 22,100	\$ 15,800	\$ 15,800	\$ 4,400
Contributions in Relation to the							
Actuarially Determined Contribution	(18,700)	(25,500)	(35,000)	(22,100)	(15,800)	(15,800)	(4,400)
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Expected Covered-Employee Payroll	\$ 12,467,100	\$ 12,467,100	\$ 13,190,500	\$ 13,190,500	\$ 11,236,000	\$ 11,236,000	\$ 10,505,400
Contributions as a Percentage of							
Covered-Employee Payroll	0.15%	0.20%	0.27%	0.17%	0.14%	0.14%	0.04%

Notes to Schedule:

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

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

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

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

COMBINING NON-MAJOR FUND STATEMENTS

**GADSDEN COUNTY, FLORIDA
COMBINING BALANCE SHEET
ALL NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024**

	Special Revenue			
	Landfill	Cares Act	Emergency Medical Services	Library Services
Assets				
Cash and Cash Equivalents	\$ 142,101	\$ 2,817	\$ 344	\$ 67,577
Accounts Receivable (Net of Allowance for Uncollectible)	-	-	382,598	-
Due from Other Funds	-	-	-	-
Due from Other Governments	-	-	-	-
Total Assets	142,101	2,817	382,942	67,577
Liabilities and Fund Balances				
Liabilities				
Accounts Payable and Accrued Expenses	231	-	44,383	15,812
Due to Other Funds	-	-	-	-
Due to Other Governments	-	-	-	-
Accrued Wages	4,116	-	182,190	28,691
Unearned Revenue	33,991	-	-	-
Total Liabilities	38,338	-	226,573	44,503
Deferred Inflows of Resources	-	-	125,947	-
Fund Balances				
Restricted	-	2,817	-	2,458
Committed	-	-	-	-
Assigned	103,763	-	30,422	20,616
Unassigned	-	-	-	-
Total Fund Balances	103,763	2,817	30,422	23,074
Total Liabilities and Fund Balances	\$ 142,101	\$ 2,817	\$ 382,942	\$ 67,577

Special Revenue

Judicial Services Fund	Fire Assessment	Court Facilities	Tourist Development	Opioid Settlement	General Grants
\$ 400,408	\$ 2,961,543	\$ 987	\$ 670,520	\$ 289,529	\$ 599,291
-	-	-	-	-	-
-	-	-	-	-	15,527
-	367,755	-	36,497	-	919,272
<u>400,408</u>	<u>3,329,298</u>	<u>987</u>	<u>707,017</u>	<u>289,529</u>	<u>1,534,090</u>
3,796	105,517	9,048	24,958	1,186	454,967
-	-	-	-	-	511,239
-	403,640	-	-	-	1,991
-	8,493	-	1,176	-	-
-	-	-	-	-	-
<u>3,796</u>	<u>517,650</u>	<u>9,048</u>	<u>26,134</u>	<u>1,186</u>	<u>968,197</u>
-	258,256	-	18,665	-	-
396,612	-	-	662,218	-	-
-	-	-	-	-	-
-	2,553,392	-	-	288,343	565,893
-	-	(8,061)	-	-	-
<u>396,612</u>	<u>2,553,392</u>	<u>(8,061)</u>	<u>662,218</u>	<u>288,343</u>	<u>565,893</u>
\$ 400,408	\$ 3,329,298	\$ 987	\$ 707,017	\$ 289,529	\$ 1,534,090

**GADSDEN COUNTY, FLORIDA
COMBINING BALANCE SHEET
ALL NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024**

	Special Revenue			
	E-911	Building Inspection Fund	Fines and Forfeitures	Indigent Surtax
Assets				
Cash and Cash Equivalents	\$ 276,742	\$ 495,025	\$ 610,005	\$ -
Accounts Receivables (Net of Allowance for Uncollectible)	-	-	-	-
Due from Other Funds	-	-	40,635	-
Due from Other Governments	603,735	16,700	343	-
Total Assets	880,477	511,725	650,983	-
Liabilities and Fund Balances				
Liabilities				
Accounts Payable and Accrued Expenses	584,283	3,694	12,049	-
Due to Other Funds	135,601	-	101,156	-
Due to Other Governments	-	-	-	-
Accrued Wages	-	30,150	-	-
Unearned Revenue	39,069	-	-	-
Total Liabilities	758,953	33,844	113,205	-
Deferred Inflows of Resources	-	-	-	-
Fund Balances				
Restricted	121,524	477,881	109,777	-
Committed	-	-	-	-
Assigned	-	-	428,001	-
Unassigned	-	-	-	-
Total Fund Balances	121,524	477,881	537,778	-
Total Liabilities and Fund Balances	\$ 880,477	\$ 511,725	\$ 650,983	\$ -

Debt Service				
SHIP	Debt Service Hospital	Debt Service USDA Agr Center	Debt Service Public Works	Debt Service General
\$ 515,155	\$ 942,181	\$ 31,208	\$ 1,636,540	\$ 406,998
-	-	-	-	-
-	-	-	-	-
-	-	-	260,019	-
<u>515,155</u>	<u>942,181</u>	<u>31,208</u>	<u>1,896,559</u>	<u>406,998</u>
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
515,155	-	-	-	-
<u>515,155</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	120,059	-
-	942,181	31,208	1,776,500	-
-	-	-	-	-
-	-	-	-	406,998
-	-	-	-	-
<u>-</u>	<u>942,181</u>	<u>31,208</u>	<u>1,776,500</u>	<u>406,998</u>
<u>\$ 515,155</u>	<u>\$ 942,181</u>	<u>\$ 31,208</u>	<u>\$ 1,896,559</u>	<u>\$ 406,998</u>

GADSDEN COUNTY, FLORIDA
COMBINING BALANCE SHEET
ALL NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024

Page 3 of 3

	<u>Capital Projects</u>	<u>Constitutional</u>	<u>Constitutional</u>	<u>Total</u>
	<u>Capital</u>	<u>Officer</u>	<u>Officer</u>	<u>Non-Major</u>
	<u>Projects</u>	<u>Sheriff</u>	<u>Clerk of the</u>	<u>Governmental</u>
	<u>General/Parks</u>	<u>Special</u>	<u>Circuit</u>	<u>Funds</u>
		<u>Revenues</u>	<u>Court</u>	
Assets				
Cash and Cash Equivalents	\$ 903,094	\$ 248,994	\$ 387,126	\$ 11,588,185
Accounts Receivables (Net of Allowance for Uncollectible)	30	-	-	382,628
Due from Other Funds	-	611,146	17,600	684,908
Due from Other Governments	-	106,706	13,092	2,324,119
Total Assets	<u>903,124</u>	<u>966,846</u>	<u>417,818</u>	<u>14,979,840</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable and Accrued Expenses	-	10,612	82,349	1,352,885
Due to Other Funds	-	429,996	13,072	1,191,064
Due to Other Governments	-	-	170,295	575,926
Accrued Wages	-	-	43,911	298,727
Unearned Revenue	-	17,838	51,242	657,295
Total Liabilities	<u>-</u>	<u>458,446</u>	<u>360,869</u>	<u>4,075,897</u>
Deferred Inflows of Resources	<u>-</u>	<u>-</u>	<u>-</u>	<u>522,927</u>
Fund Balances				
Restricted	-	459,435	56,949	5,039,560
Committed	-	48,965	-	48,965
Assigned	903,124	-	-	5,300,552
Unassigned	-	-	-	(8,061)
Total Fund Balances	<u>903,124</u>	<u>508,400</u>	<u>56,949</u>	<u>10,381,016</u>
Total Liabilities and Fund Balances	<u>\$ 903,124</u>	<u>\$ 966,846</u>	<u>\$ 417,818</u>	<u>\$ 14,979,840</u>

GADSDEN COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Special Revenue			
	Landfill	Cares Act	Emergency Medical Services	Library Services
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-
Intergovernmental	37,749	-	-	286,036
Charges for Services	-	-	2,958,240	11,764
Fines and Forfeitures	-	-	-	-
Miscellaneous	3,262	-	12,196	33,812
Total Revenues	41,011	-	2,970,436	331,612
Expenditures				
Current:				
General Government	-	-	-	-
Public Safety	-	-	5,277,731	-
Physical Environment	119,206	-	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Court-Related	-	-	-	-
Culture and Recreation	-	-	-	1,296,844
Debt Service:				
Principal Payments	-	-	778	542
Interest	-	-	358	240
Capital Outlay:				
General Government	-	-	-	-
Public Safety	-	-	433,900	-
Physical Environment	-	-	-	-
Economic Environment	-	-	-	-
Culture and Recreation	-	-	-	40,155
(Total Expenditures)	(119,206)	-	(5,712,767)	(1,337,781)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(78,195)	-	(2,742,331)	(1,006,169)
Other Financing Sources (Uses)				
Transfers in	-	-	1,904,581	635,952
Transfers (out)	-	-	(1,306)	-
Lease Obligation	-	-	426,123	40,155
Total Other Financing Sources (Uses)	-	-	2,329,398	676,107
Net Change in Fund Balances	(78,195)	-	(412,933)	(330,062)
Fund Balances, Beginning of Year, As Originally Reported	181,958	2,817	443,355	353,136
Change Within Financial Reporting Entity	-	-	-	-
Fund Balances, Beginning of Year, As Restated	181,958	2,817	443,355	353,136
Fund Balances, End of Year	\$ 103,763	\$ 2,817	\$ 30,422	\$ 23,074

Special Revenue

Judicial Services Fund	Fire Assessment	Court Facilities	Tourist Development	Opioid Settlement	General Grants
\$ -	\$ 1,852,770	\$ -	\$ 205,054	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	1,806,783
62,443	-	97,045	-	-	-
-	-	-	-	-	483
-	4,541	-	37,626	272,498	194
62,443	1,857,311	97,045	242,680	272,498	1,807,460
-	-	-	-	-	223
-	1,363,151	-	-	-	64,700
-	-	-	-	-	60,155
-	-	-	-	-	171,050
-	-	-	166,331	-	30,677
-	-	-	-	11,173	227,574
246,018	-	270,236	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	291,326
-	366,376	-	-	-	98,367
-	-	-	-	-	43,362
-	-	-	-	-	63,000
-	-	-	-	-	-
(246,018)	(1,729,527)	(270,236)	(166,331)	(11,173)	(1,050,434)
(183,575)	127,784	(173,191)	76,349	261,325	757,026
198,182	-	190,000	-	-	141,126
-	-	-	-	-	(829,465)
-	-	-	-	-	-
198,182	-	190,000	-	-	(688,339)
14,607	127,784	16,809	76,349	261,325	68,687
382,005	2,425,608	(24,870)	585,869	27,018	497,206
-	-	-	-	-	-
382,005	2,425,608	(24,870)	585,869	27,018	497,206
\$ 396,612	\$ 2,553,392	\$ (8,061)	\$ 662,218	\$ 288,343	\$ 565,893

GADSDEN COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Special Revenue			
	E-911	Building Inspection Fund	Fines and Forfeitures	Indigent Surtax
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	361,661	-	-
Intergovernmental	936,229	-	166,313	-
Charges for Services	-	45,700	28,421	-
Fines and Forfeitures	-	-	3,069	-
Miscellaneous	11,150	-	3,675	-
Total Revenues	<u>947,379</u>	<u>407,361</u>	<u>201,478</u>	<u>-</u>
Expenditures				
Current:				
General Government	-	-	-	-
Public Safety	676,660	528,637	284,728	-
Physical Environment	-	-	-	-
Transportation	-	-	-	-
Economic Environment	-	-	-	-
Human Services	-	-	-	-
Court-Related	-	-	-	-
Culture and Recreation	-	-	-	-
Debt Service:				
Principal Payments	-	-	-	-
Interest	-	-	-	-
Capital Outlay:				
General Government	-	-	-	-
Public Safety	-	-	-	-
Physical Environment	-	-	-	-
Economic Environment	-	-	-	-
Culture and Recreation	-	-	-	-
(Total Expenditures)	<u>(676,660)</u>	<u>(528,637)</u>	<u>(284,728)</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>270,719</u>	<u>(121,276)</u>	<u>(83,250)</u>	<u>-</u>
Other Financing Sources (Uses)				
Transfers in	-	-	8,615,781	-
Transfers (out)	(198,085)	-	(8,593,212)	-
Lease Obligation	-	-	-	-
Total Other Financing Sources (Uses)	<u>(198,085)</u>	<u>-</u>	<u>22,569</u>	<u>-</u>
Net Change in Fund Balances	<u>72,634</u>	<u>(121,276)</u>	<u>(60,681)</u>	<u>-</u>
Fund Balances, Beginning of Year, As Originally Reported	48,890	599,157	598,459	3,531,345
Change Within Financial Reporting Entity	-	-	-	(3,531,345)
Fund Balances, Beginning of Year, As Restated	<u>48,890</u>	<u>599,157</u>	<u>598,459</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ 121,524</u>	<u>\$ 477,881</u>	<u>\$ 537,778</u>	<u>\$ -</u>

Special Revenue	Debt Service			
	Debt Service Hospital	Debt Service USDA Agr Center	Debt Service Public Works	Debt Service General
SHIP				
\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-
250,949	-	-	1,631,369	-
-	-	-	-	-
-	-	-	-	-
22,023	48,878	-	66,996	-
272,972	48,878	-	1,698,365	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
272,972	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	572,395	16,716	911,732	467,714
-	73,441	14,492	155,247	50,217
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
(272,972)	(645,836)	(31,208)	(1,066,979)	(517,931)
-	(596,958)	(31,208)	631,386	(517,931)
-	645,836	31,208	339,922	517,933
-	-	-	(886,197)	-
-	-	-	-	-
-	645,836	31,208	(546,275)	517,933
-	48,878	-	85,111	2
-	893,303	31,208	1,691,389	406,996
-	-	-	-	-
-	893,303	31,208	1,691,389	406,996
\$ -	\$ 942,181	\$ 31,208	\$ 1,776,500	\$ 406,998

GADSDEN COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Page 3 of 3

	<u>Capital Projects</u>	<u>Constitutional</u>	<u>Constitutional</u>	<u>Total</u>
	<u>Capital</u>	<u>Officer</u>	<u>Officer</u>	<u>Non-Major</u>
	<u>Projects</u>	<u>Sheriff</u>	<u>Clerk of the</u>	<u>Governmental</u>
	<u>General/Parks</u>	<u>Special</u>	<u>Circuit</u>	<u>Funds</u>
		<u>Revenues</u>	<u>Court</u>	
Revenues				
Taxes	\$ -	\$ -	\$ -	\$ 2,057,824
Licenses and Permits	-	-	-	361,661
Intergovernmental	-	1,272,487	809,646	7,197,561
Charges for Services	-	43,152	620,047	3,866,812
Fines and Forfeitures	-	-	111,985	115,537
Miscellaneous	40,404	275,535	3,979	836,769
Total Revenues	<u>40,404</u>	<u>1,591,174</u>	<u>1,545,657</u>	<u>14,436,164</u>
Expenditures				
Current:				
General Government	-	-	151,274	151,497
Public Safety	-	1,372,679	-	9,568,286
Physical Environment	-	-	-	179,361
Transportation	-	-	-	171,050
Economic Environment	-	-	-	469,980
Human Services	-	-	-	238,747
Court-Related	-	-	1,480,386	1,996,640
Culture and Recreation	-	-	-	1,296,844
Debt Service:				
Principal Payments	-	-	28,372	1,998,249
Interest	-	-	13,964	307,959
Capital Outlay:				
General Government	-	-	227,513	518,839
Public Safety	-	630,405	-	1,529,048
Physical Environment	-	-	-	43,362
Economic Environment	-	-	-	63,000
Culture and Recreation	-	-	-	40,155
(Total Expenditures)	<u>-</u>	<u>(2,003,084)</u>	<u>(1,901,509)</u>	<u>(18,573,017)</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>40,404</u>	<u>(411,910)</u>	<u>(355,852)</u>	<u>(4,136,853)</u>
Other Financing Sources (Uses)				
Transfers in	350,500	365,158	-	13,936,179
Transfers (out)	-	-	-	(10,508,265)
Lease Obligation	-	-	227,513	693,791
Total Other Financing Sources (Uses)	<u>350,500</u>	<u>365,158</u>	<u>227,513</u>	<u>4,121,705</u>
Net Change in Fund Balances	<u>390,904</u>	<u>(46,752)</u>	<u>(128,339)</u>	<u>(15,148)</u>
Fund Balances, Beginning of Year, As Originally Reported	512,220	555,152	185,288	13,927,509
Change Within Financial Reporting Entity	-	-	-	(3,531,345)
Fund Balances, Beginning of Year, As Restated	<u>512,220</u>	<u>555,152</u>	<u>185,288</u>	<u>10,396,164</u>
Fund Balances, End of Year	<u>\$ 903,124</u>	<u>\$ 508,400</u>	<u>\$ 56,949</u>	<u>\$ 10,381,016</u>

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

	Clerk of the Courts		
	Clerk Trust	Cash Bond	Child Support
Assets			
Cash	\$ 674,747	\$ 176,340	\$ 3,268
Accounts Receivable	-	-	-
Due from Other Governments	23	-	200
Total Assets	<u>674,770</u>	<u>176,340</u>	<u>3,468</u>
Liabilities			
Accounts Payable	-	-	-
Due to Other Funds	-	4,529	-
Due to Individuals	19,684	-	2,187
Due to Other Governments	77,463	-	1,281
Installment Tax Deposits	-	-	-
Tag Renewal Deposits	-	-	-
Total Liabilities	<u>97,147</u>	<u>4,529</u>	<u>3,468</u>
Net Position, Held in a Custodial Capacity to be Disbursed	<u>\$ 577,623</u>	<u>\$ 171,811</u>	<u>\$ -</u>

Sheriff			Tax Collector	
Civil Account	Confiscated Funds	Inmate Commissary	Tax	Totals
\$ 29,154	\$ 305	\$ 158,770	\$ 274,963	\$ 1,317,547
-	-	-	23,654	23,654
-	-	-	924	1,147
29,154	305	158,770	299,541	1,342,348
-	-	31,421	-	31,421
27,425	-	95,093	7,381	134,428
1,729	305	-	626	24,531
-	-	-	38,015	116,759
-	-	-	219,373	219,373
-	-	-	20,488	20,488
29,154	305	126,514	285,883	547,000
\$ -	\$ -	\$ 32,256	\$ 13,658	\$ 795,348

GADSDEN COUNTY, FLORIDA
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Clerk Trust	Cash Bond	Child Support
Additions			
Fines, Forfeitures, and Fees Collected	\$ 4,121,882	\$ -	\$ -
Tax Deeds and Fees Collected	208,165	-	-
Support and Fees Collected	-	-	410,482
Registry of the Court and Fees Collected	837,347	-	-
Recording Fees Collected	2,136,368	-	-
Bail Bonds and Fees Collected	-	79,600	-
Inmate Funds Collected	-	-	-
Licenses and Tag Fees Collected	-	-	-
Property Taxes and Fees Collected	-	-	-
Hunting and Fishing Licenses Collected	-	-	-
Total Additions	<u>7,303,762</u>	<u>79,600</u>	<u>410,482</u>
Deductions			
Fines, Forfeitures, and Fees Distributed	4,115,375	-	-
Tax Deeds and Fees Distributed	410,130	-	-
Support and Fees Distributed	-	-	410,482
Registry of the Court and Fees Distributed	658,423	-	-
Recording Fees Distributed	2,143,159	-	-
Bail Bonds and Fees Distributed	-	84,943	-
Inmate Funds Disbursed	-	-	-
Licenses and Tag Fees Disbursed	-	-	-
Property Taxes and Fees Disbursed	-	-	-
Hunting and Fishing Licenses Disbursed	-	-	-
Total Deductions	<u>(7,327,087)</u>	<u>(84,943)</u>	<u>(410,482)</u>
Change in Net Position	(23,325)	(5,343)	-
Net Position, Beginning of Year	<u>600,948</u>	<u>177,154</u>	<u>-</u>
Net Position, Ending	<u>\$ 577,623</u>	<u>\$ 171,811</u>	<u>\$ -</u>

Civil Account	Confiscated Funds	Inmate Commissary	Tax Fund	Total
\$ 31,526	\$ -	\$ -	\$ -	\$ 4,153,408
-	-	-	-	208,165
-	-	-	-	410,482
-	-	-	-	837,347
-	-	-	-	2,136,368
-	-	-	-	79,600
-	-	347,493	-	347,493
-	-	-	5,375,668	5,375,668
-	-	-	18,870,084	18,870,084
-	-	-	25,210	25,210
31,526	-	347,493	24,270,962	32,443,825
31,526	-	-	-	4,146,901
-	-	-	-	410,130
-	-	-	-	410,482
-	-	-	-	658,423
-	-	-	-	2,143,159
-	-	-	-	84,943
-	-	348,499	-	348,499
-	-	-	5,375,674	5,375,674
-	-	-	18,873,951	18,873,951
-	-	-	25,210	25,210
(31,526)	-	(348,499)	(24,274,835)	(32,477,372)
-	-	(1,006)	(3,873)	(33,547)
-	-	33,262	17,531	828,895
\$ -	\$ -	\$ 32,256	\$ 13,658	\$ 795,348

OTHER INFORMATION

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

GADSDEN COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Federal Grantor/Pass-Through Grantor/ Grant Program	Assistance Listing Number (AL)	Grant ID Number	Federal Expenditures
Department of Housing and Urban Development			
CDBG-CV	14.228	22CV-S09	\$ 285,076
CDBG-DR	14.228	M0026	104,840
CDBG	14.228	DBF22	30,677
Subtotal for AL No. 14.228			<u>420,593</u>
Total Department of Housing and Urban Development			<u>420,593</u>
U.S. Department of Justice			
Passed Through the State of Florida Department of Juvenile Justice:			
Gadsden County Restoring Families	16.540	10749	217,773
Gadsden County Civil Citation Grant	16.540	10712	36,094
Subtotal for AL No. 16.540			<u>253,867</u>
Passed Through the State of Florida Office of the Attorney General:			
Crime Victim Assistance	16.575	V00249	58,371
Total U.S. Department of Justice			<u>312,238</u>
U.S. Department of Transportation / Federal Highway Administration			
Passed Through State of Florida Department of Transportation:			
Highway Planning and Construction:			
LAPA - Adams St Sidewalk	20.205	436992-1-58-01	992,306
LAPA - Ralph Strong Rd	20.205	440385-1-58-01	936,797
LAPA - Iron Bridge Rd	20.205	440649-1-58-01	179,082
Subtotal for AL No. 20.205			<u>2,108,185</u>
Passed Through City of Tallahassee, Florida:			
Federal Transit - Formula Grants	20.507	Gad Express FL-COTLH-0001074495	56,732
Total U.S. Department of Transportation / Federal Highway Administration			<u>2,164,917</u>
U.S. Department of Treasury			
Passed Through Florida Office of the Governor:			
Covid-19 - Coronavirus State and Local Fiscal Recovery Funds	21.027	Unknown	203,360
Total U.S. Department of Treasury			<u>203,360</u>
U.S. Department of Education			
Passed Through State of Florida Department of Education:			
Education Stabilization Fund - Coach Aaron Feis Guardian Program	84.425	97F-90210-4D001	135,951
Total U.S. Department of Education			<u>135,951</u>
U.S. Department of Health and Human Services			
Passed Through Area Agency for Aging for North Florida:			
Special Programs for the Aging, Title III, Part B Grants for Supportive Services and Senior Centers	93.044	BA023	3,565
Coronavirus Consolidated Appropriations Act for Nutrition Services under Title III-C of OAA	93.044	BRP21	7,639
Special Programs for the Aging, Title III, Part B Grants for Supportive Services and Senior Centers	93.044	BA024	58,023
Subtotal for AL No. 93.044			<u>69,227</u>

GADSDEN COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2024

Federal Grantor/Pass-Through Grantor/ Grant Program	Assistance Listing Number (AL)	Grant ID Number	Federal Expenditures
Special Programs for the Aging, Title III, Part C Nutrition Services	93.045	BA023	\$ 41,741
Special Programs for the Aging, Title III, Part C Nutrition Services	93.045	BRP21	1,673
Special Programs for the Aging, Title III, Part C Nutrition Services	93.045	BA024	52,086
Subtotal for AL No. 93.045			<u>95,500</u>
Nutrition Services Incentive Program	93.053	BA023	2,646
Nutrition Services Incentive Program	93.053	BA024	53,017
Nutrition Services Incentive Program	93.053	BA024	7,186
Subtotal for AL No. 93.053			<u>62,849</u>
Passed Through State of Florida Department of Revenue:			
Child Support Services	93.563	COC20	<u>214,567</u>
Total U.S. Department of Health and Human Services			<u>442,143</u>
U.S. Department of Homeland Security			
Passed Through State of Florida Executive Office of the Governor:			
Emergency Management Performance Grants	97.042	G0487	<u>43,642</u>
Subtotal for AL No. 97.042			<u>43,642</u>
Total U.S. Department of Homeland Security			<u>43,642</u>
Total Federal Awards			<u><u>\$ 3,722,844</u></u>

GADSDEN COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR YEAR ENDED SEPTEMBER 30, 2024

State Grantor/Pass-Through Grantor/ Program Title	CSFA Number	Pass-Through/ Grantor Number	State Expenditures
Florida Executive Office of the Governor			
Emergency Management Preparedness FY24 (07/01-06/30)	31.063	A0405	\$ 78,021
Emergency Management Preparedness FY25 (07/01-06/30)	31.063	A0480	32,089
Subtotal for CFSFA No. 31.063			<u>110,110</u>
Local Emergency Management and Mitigation Initiatives	31.064	F0073	63,000
Total Florida Executive Office of the Governor			<u>173,110</u>
Florida Department of Environmental Protection			
Small County Consolidated Grants	37.012	SC408	99,024
Total Florida Department of Environmental Protection			<u>99,024</u>
Florida Housing Finance Corporation			
State Housing Initiatives Partnership Grant	40.901	Unknown	272,972
Total Florida Housing Finance Corporation			<u>272,972</u>
Florida Department of Agriculture and Consumer Services			
Arthropod Control/Mosquito Control FY24	42.003	29483	37,749
Total Florida Department of Agriculture and Consumer Services			<u>37,749</u>
Florida Department of Financial Services			
Fire Decontamination Equipment Project Grant	43.013	FM842	3,919
Total Florida Department of Financial Services			<u>3,919</u>
Florida Department of State			
Division of Library and Information Systems:			
State Aid to Libraries	45.030	22-ST-11	285,231
Total Florida Department of State			<u>285,231</u>
Florida Department of Transportation			
Small County Outreach Program - Dogtown Rd	55.009	451773-1-34-01	90,685
Small County Outreach Program - Attapulugus Hwy	55.009	440622-1-54-01	2,871,912
Small County Outreach Program - Hardaway Hwy	55.009	448604-1-54-01	2,117,452
Small County Outreach Program - Spooner Rd	55.009	446575-1-54-01	992,306
Small County Outreach Program - Providence Rd	55.009	451777-1-34-01	128,861
Small County Outreach Program - Ben Bostic Rd	55.009	448611-1-34-01	78,010
Subtotal for CSFA No. 55.009			<u>6,279,226</u>
Total Florida Department of Transportation			<u>6,279,226</u>
Florida Department of Children and Families			
Criminal Justice Mental Health and Substance Abuse Reinvestment Grant	60.115	LHZ96	4,698
Total Florida Department of Children and Families			<u>4,698</u>
Florida Department of Law Enforcement			
Criminal Justice Data Transparency Project	71.044	2022-DTSFA-D2-019	824,924
Law Enforcement Salary Assistance Grant - FY23-24	71.067	5V008	497,968
Law Enforcement Salary Assistance Grant FY24-25	71.067	ME008	164,424
Subtotal for CSFA No. 71.067			<u>662,392</u>
Total Florida Department of Law Enforcement			<u>1,487,316</u>

GADSDEN COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR YEAR ENDED SEPTEMBER 30, 2024

State Grantor/Pass-Through Grantor/ Program Title	CSFA Number	Pass-Through/ Grantor Number	State Expenditures
Department of Management Services			
Wireless 911 Emergency Telephone System Rural County			
Grant Programs:			
Eventide NexLogDX Voice Recorder Annual Support	72.001	23-10-12	\$ 5,675
E911 2023 Fall System and MapFlex Annual Support & Maintenance	72.001	23-10-11	28,654
E911 2024 System and MapFlex Annual Support & Maintenance	72.001	24-04-06	7,480
Spring Cycle Rural County Grant	72.001	24-04-07	584,157
Subtotal for CSFA No. 72.001			<u>625,966</u>
Local Government Cybersecurity Grant	72.009	DMS-22/23-403	102,188
Total Department of Management Services			<u>728,154</u>
Total State Financial Assistance			<u>9,371,399</u>
Total Expenditures of Federal Awards and State Financial Assistance			<u>\$ 13,094,243</u>

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

Note 1 - Significant Accounting Policies

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

The County reporting entity is defined in Note 1 to the County's basic financial statements for the year ended September 30, 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 Presentation

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

Note 3 - De Minimis Indirect Cost Rate Election

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

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

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

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited Gadsden County, Florida’s (the County) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and in the Florida Department of Financial Services’ *State Projects Compliance Supplement*, that could have a direct and material effect on each of the County’s major federal programs and state projects for the year ended September 30, 2024. The County’s major federal programs and state projects are identified in the summary of auditor’s results section of the accompanying schedule of findings and questioned costs.

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

Basis for Opinion on Each Major Federal Program and State Project

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

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

Responsibilities of Management for Compliance

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

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

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control Over Compliance

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

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

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

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

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

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

Purpose

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

Purvis Gray

June 24, 2025
Tallahassee, Florida

**GADSDEN COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS -
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

Section I - Summary of Independent Auditor's Results

Financial Statements

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

Federal Awards and State Financial Assistance

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

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

<u>Federal Program</u>	<u>Assistance Listing No.</u>
Local Agency Program Agreement (LAPA)	20.205
<u>State Projects</u>	<u>CSFA No.</u>
Small County Outreach Program (SCOP)	55.009
Criminal Justice Data Transparency	71.044
Dollar Threshold Used to Distinguish Between Type A and Type B Projects (Federal and State)	\$ 750,000

The County qualified as a low-risk auditee for federal grant programs.

Section II - Financial Statement Findings

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

**GADSDEN COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS -
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

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

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

Section IV - Status of Prior Audit Findings

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

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Gadsden County, Florida (the County) as of and for the year ended September 30, 2024, which collectively comprise the County's basic financial statements and have issued our report thereon dated June 24, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

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Gadsden County, Florida

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

the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instance of non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

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

This report is intended solely for the information and use of the County's management, the Florida Auditor General, and applicable federal and state agencies providing assistance and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

June 24, 2025
Tallahassee, Florida

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

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

We have examined Gadsden County, Florida's (the County) compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, as of and for the year ended September 30, 2024, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County's compliance based on our examination.

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

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

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

In our opinion, the County complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2024.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Board of County Commissioners of Gadsden County, Florida, and its management, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

June 24, 2025
Tallahassee, Florida

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

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

We have examined Gadsden County, Florida's (the County) compliance with the requirements of Section 365.172(10), Florida Statutes, *Authorized Expenditures of E911 Fee*, and Section 365.173(2)(d), Florida Statutes, *Distribution and Use of E911 Funds*, during the year ended September 30, 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, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether the County complied with the specified requirements. The nature, timing, and extent of procedures selected depend on our judgement, including an assessment of the risk of material non-compliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

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

In our opinion, the County complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2024.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Board of County Commissioners of Gadsden County, Florida, and its management, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

June 24, 2025
Tallahassee, Florida

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MANAGEMENT LETTER

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

Report on the Financial Statements

We have audited the financial statements of Gadsden County, Florida (the County) as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated June 24, 2025.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control Over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and on Internal Control Over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Reports on an examination conducted in accordance with American Institute of Certified Public Accountants *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated June 24, 2025, should be considered in conjunction with this management letter. This management letter applies to the County as a whole. Other management letter comments are described in the audit reports of the constitutional officers.

Prior Audit Findings

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

Official Title and Legal Authority

- Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The County was established by the Constitution of the State of Florida, Article VIII, Section 1(d). The County includes component units as described in Note 1 of the financial statements.

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MANAGEMENT LETTER

Financial Condition and Management

- Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the County has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the County did not meet any of the conditions described in Section 218.503(1), Florida Statutes.
- Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the County. It is management's responsibility to monitor the County's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by the same.
- Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. In connection with our audit, we identified the following matter.

Property Assessed Clean Energy (PACE) Programs

- As required by Section 10.554(1)(i)6.a., *Rules of the Auditor General*, the County is required to provide a statement as to whether a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did/did not operate within the County's geographical boundaries during the fiscal year under audit. The County has not authorized by ordinance or resolution, the operation of a PACE program, and management is not aware of the operation of any such program, within its geographical boundaries.

Special District Component Units

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

Specific Information

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

- a. The total number of Gadsden Hospital, Inc. employees compensated in the last pay period of the Board's fiscal year as \$0.
- b. The total number of independent contractors to whom non-employee compensation was paid in the last month of the Gadsden Hospital, Inc.'s fiscal year was 0.

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

MANAGEMENT LETTER

- c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as \$0.
- d. All compensation earned by or awarded to non-employee independent contractors, whether paid or accrued, regardless of contingency as \$0.
- e. Each construction project with a total cost of at least \$65,000 approved by the Gadsden Hospital, Inc. that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as \$0.
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the Gadsden Hospital, Inc. amends a final adopted budget under Section 189.016(6), Florida Statutes is \$0.

Additional Matters

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

Purpose of this Letter

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

Purvis Gray

June 24, 2025
Tallahassee, Florida

2024

Gadsden County Clerk of the Circuit Court

Financial Statements and
Independent Auditor's Report

September 30, 2024

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR’S REPORT**

**GADSDEN COUNTY CLERK OF THE CIRCUIT COURT
GADSDEN COUNTY, FLORIDA**

SEPTEMBER 30, 2024

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of each major fund and the aggregate remaining fund information of the Gadsden County, Florida Clerk of the Circuit Court (the Clerk), as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Clerk's financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and aggregate remaining fund information for the Clerk as of September 30, 2024, and the respective changes in financial position thereof and the respective budgetary comparisons for the general fund and each major fund for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Clerk and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

Incomplete Presentation

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the *Rules of the Auditor General* of the State of Florida (the Rules). In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the major funds and aggregate remaining fund information, only for that portion of the major funds and aggregate remaining fund information, of Gadsden County that is attributable to the Clerk. They do not purport to, and do not, present fairly the financial position of Gadsden County as of September 30, 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 these matters.

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

INDEPENDENT AUDITOR'S REPORT

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Clerk's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Clerk's ability to continue as a going concern for a reasonable period of time.

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

INDEPENDENT AUDITOR'S REPORT

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 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, rules, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clerk's internal control over financial reporting and compliance.

Other Financial Information

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

Purvis Gray

June 23, 2025
Tallahassee, Florida

FINANCIAL STATEMENTS

BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024
GADSDEN COUNTY CLERK OF THE CIRCUIT COURT

	Major			Other	Total
	General	Court	Public	Governmental	Governmental
	Fund	Fund	Records	Fund	Funds
			Trust Fund		
Assets					
Cash	\$ 12,402	\$ 324,002	\$ 61,333	\$ 1,792	\$ 399,529
Due from Other Funds	-	17,600	-	-	17,600
Due from Other Governments	37,207	20	-	13,071	50,298
Total Assets	<u>49,609</u>	<u>341,622</u>	<u>61,333</u>	<u>14,863</u>	<u>467,427</u>
Liabilities and Fund Balance					
Liabilities					
Accounts Payable	6,828	77,841	4,025	484	89,178
Due to Other Funds	-	-	-	13,071	13,071
Due to Other Governments	2,027	170,295	-	-	172,322
Accrued Wages and Benefits	40,754	42,244	359	1,308	84,665
Unearned Revenue	-	51,242	-	-	51,242
Total Liabilities	<u>49,609</u>	<u>341,622</u>	<u>4,384</u>	<u>14,863</u>	<u>410,478</u>
Fund Balances					
Restricted for Records					
Modernization	-	-	56,949	-	56,949
Total Fund Balances	<u>-</u>	<u>-</u>	<u>56,949</u>	<u>-</u>	<u>56,949</u>
Total Liabilities and Fund Balances	<u>\$ 49,609</u>	<u>\$ 341,622</u>	<u>\$ 61,333</u>	<u>\$ 14,863</u>	<u>\$ 467,427</u>

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024
GADSDEN COUNTY CLERK OF THE CIRCUIT COURT**

	Major				
	General	Court	Public	Other	Total
	Fund	Fund	Records	Governmental	Governmental
			Trust Fund	Fund	Funds
Revenues					
Intergovernmental Revenues	\$ 214,567	\$ 766,482	\$ -	\$ 43,164	\$ 1,024,213
Charges for Services	180,043	556,512	63,535	-	800,090
Fines and Forfeitures	-	111,985	-	-	111,985
Interest	11,813	2,243	1,736	-	15,792
Miscellaneous	11,484	-	-	-	11,484
Total Revenues	417,907	1,437,222	65,271	43,164	1,963,564
Expenditures					
General Government:					
Personnel Services	1,247,558	-	41,410	-	1,288,968
Operating Expenditures	253,668	-	109,864	-	363,532
Capital Outlay	-	-	227,513	-	227,513
Debt Service:					
Principal	-	-	28,372	-	28,372
Interest	-	-	13,964	-	13,964
Court-Related:					
Personnel Services	-	1,384,913	-	27,039	1,411,952
Operating Expenditures	-	52,309	-	16,125	68,434
(Total Expenditures)	(1,501,226)	(1,437,222)	(421,123)	(43,164)	(3,402,735)
(Deficiency) Excess of Revenues					
(Under) Over Expenditures	(1,083,319)	-	(355,852)	-	(1,439,171)
Other Financing Sources					
Transfers from Board of County Commissioners	1,083,319	-	-	-	1,083,319
Installment Purchase Obligation	-	-	227,513	-	227,513
Total Other Financing Sources	1,083,319	-	227,513	-	1,310,832
Net Change in Fund Balances	-	-	(128,339)	-	(128,339)
Fund Balances, Beginning of Year	-	-	185,288	-	185,288
Fund Balances, End of Year	\$ -	\$ -	\$ 56,949	\$ -	\$ 56,949

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024
GADSDEN COUNTY CLERK OF THE CIRCUIT COURT**

	General Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental Revenues	\$ 217,000	\$ 214,567	\$ 214,567	\$ -
Charges for Services	210,286	180,043	180,043	-
Interest	4,579	11,813	11,813	-
Miscellaneous	12,594	11,484	11,484	-
Total Revenues	<u>444,459</u>	<u>417,907</u>	<u>417,907</u>	<u>-</u>
Expenditures				
General Government:				
Personnel Services	1,206,991	1,247,558	1,247,558	-
Operating Expenditures	320,787	253,668	253,668	-
(Total Expenditures)	<u>(1,527,778)</u>	<u>(1,501,226)</u>	<u>(1,501,226)</u>	<u>-</u>
(Deficiency) Excess of Revenues (Under) Over Expenditures	<u>(1,083,319)</u>	<u>(1,083,319)</u>	<u>(1,083,319)</u>	<u>-</u>
Other Financing Sources				
Transfers from Board of County Commissioners	1,083,319	1,083,319	1,083,319	-
Total Other Financing Sources	<u>1,083,319</u>	<u>1,083,319</u>	<u>1,083,319</u>	<u>-</u>
Net Change in Fund Balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024
GADSDEN COUNTY CLERK OF THE CIRCUIT COURT**

	Court Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Intergovernmental Revenues	\$ 705,770	\$ 766,482	\$ 766,482	\$ -
Charges for Services	534,386	556,512	556,512	-
Fines and Forfeitures	179,167	111,985	111,985	-
Interest	603	2,243	2,243	-
Total Revenues	<u>1,419,926</u>	<u>1,437,222</u>	<u>1,437,222</u>	<u>-</u>
Expenditures				
Court-Related:				
Personnel Services	1,370,666	1,384,913	1,384,913	-
Operating Expenditures	49,260	52,309	52,309	-
(Total Expenditures)	<u>(1,419,926)</u>	<u>(1,437,222)</u>	<u>(1,437,222)</u>	<u>-</u>
Net Change in Fund Balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024
GADSDEN COUNTY CLERK OF THE CIRCUIT COURT**

	Public Records Trust Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Revenues				
Charges for Services	\$ -	\$ 63,535	\$ 63,535	\$ -
Interest	-	1,736	1,736	-
Total Revenues	-	65,271	65,271	-
Expenditures				
General Government:				
Personnel Services	-	41,410	41,410	-
Operating Expenditures	-	109,864	109,864	-
Debt Service:				
Principal	-	28,372	28,372	-
Interest	-	13,964	13,964	-
Capital Outlay	-	227,513	227,513	-
(Total Expenditures)	-	(421,123)	(421,123)	-
(Deficiency) Excess of Revenues (Under) Over Expenditures	-	(355,852)	(355,852)	-
Other Financing Sources				
Installment Purchase Obligation	-	227,513	227,513	-
Total Other Financing Sources	-	227,513	227,513	-
Net Change in Fund Balances	-	(128,339)	(128,339)	-
Fund Balances, Beginning of Year	-	185,288	185,288	-
Fund Balances, End of Year	\$ -	\$ 56,949	\$ 56,949	\$ -

See accompanying notes to financial statements.

**STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2024
GADSDEN COUNTY CLERK OF THE CIRCUIT COURT**

Assets

Cash	\$ 854,355
Due From Other Governments	223
Total Assets	<u>854,578</u>

Liabilities

Due to Other Funds	4,529
Due to Other Governments	78,744
Due to Individuals	21,871
Total Liabilities	<u>105,144</u>

Fiduciary Net Position	<u><u>\$ 749,434</u></u>
-------------------------------	--------------------------

See accompanying notes to financial statements.

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024
GADSDEN COUNTY CLERK OF THE CIRCUIT COURT**

Additions

Fines, Forfeitures, and Fees Collected	\$ 4,121,882
Tax Deeds and Fees Collected	208,165
Support and Fees Collected	410,482
Registry of the Court and Fees Collected	837,347
Recording Fees Collected	2,136,368
Bail Bonds and Fees Collected	79,600
Total Additions	<u>7,793,844</u>

Deductions

Fines, Forfeitures, and Fees Distributed	4,115,375
Tax Deeds and Fees Distributed	410,130
Support and Fees Distributed	410,482
Registry of the Court and Fees Distributed	658,423
Recording Fees Distributed	2,143,159
Bail Bonds and Fees Distributed	84,943
Total Deductions	<u>7,822,512</u>

Change in Fiduciary Net Position	(28,668)
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Fiduciary Net Position, Beginning of Year	<u>778,102</u>
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Fiduciary Net Position, End of Year	<u><u>\$ 749,434</u></u>
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See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY CLERK OF THE CIRCUIT COURT

Note 1 - Summary of Significant Accounting Policies

Reporting Entity

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

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

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

Basis of Presentation

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

Fund Accounting

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

NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY CLERK OF THE CIRCUIT COURT

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

■ **Governmental Fund Types**

● **Major Funds**

▶ **General Fund**

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

▶ **Court Fund**

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

▶ **Public Records Trust Fund**

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

● **Non-Major Governmental Fund**

▶ **Jury Fund**

This fund accounts for proceeds of specific revenues that are restricted for expenditures related to jury services. Revenue is received in advance from the Justice Administrative Commission (JAC) and quarterly reports of expenditures are submitted to the Florida Clerks of Court Operations Corporation (CCOC). Unused funds are deferred at year-end to be used in the following year.

■ **Fiduciary Fund Type**

● **Custodial Funds**

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

Basis of Accounting

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

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

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

NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY CLERK OF THE CIRCUIT COURT

Measurement Focus

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

Budgets and Budgetary Accounting

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

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

Capital Assets

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

Compensated Absences

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

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

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

NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY CLERK OF THE CIRCUIT COURT

Unearned Revenue

In accordance with requirements of the CCOC, the Clerk reports unearned revenue for court-related fines and fees collected in September of 2024, which are to be used as advance funding for the Clerk's Court operations in the following fiscal year.

Use of Estimates

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

Transfers In and Out

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

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

Fund Balance Reporting

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

- **Non-Spendable**—This component of fund balance consists of amounts that cannot be spent because: (a) they are not expected to be converted to cash, or (b) they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund. The Clerk does not have any non-spendable funds.
- **Restricted**—This component of fund balance consists of amounts that are constrained either: (a) externally by third parties (creditors, grantors, contributors, laws, or regulations of other governments), or (b) by law through constitutional provisions or enabling legislation.
- **Committed**—This component of fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (e.g., ordinance or resolution) of the County's governing body. These committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (e.g., ordinance or resolution) it employed previously to constrain those amounts.

NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY CLERK OF THE CIRCUIT COURT

- **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.

Installment Purchases

The Clerk enters into installment purchases as needed for equipment and software. At the commencement of an installment purchase, the Clerk initially measures the present value of payments expected to be made during the term of the agreement and records this amount as capital outlay expenditures and other finance source revenues. Subsequently, payments under the agreement are recorded as debt service principal and interest expenditures based on the discount rate that was used to measure the present value. Because of the current financial resources management focus, the accompanying fund financial statements do not report related right-of-use assets or long-term liabilities, and such amounts are instead reported in the government-wide financial statements of the County.

Adoption of New Accounting Standard

During the year ended September 30, 2024, the Clerk adopted new accounting guidance by implementing provisions of GASB Statement No. 100, *Accounting Changes and Error Corrections*. The statement enhances accounting and financial reporting requirements for accounting changes and error corrections. The statement defines accounting changes as: (a) changes in accounting principles; (b) changes in accounting estimates; or (c) changes to or within the financial reporting entity, each with its own financial reporting requirements. New principles or methodologies should be preferable to the prior principle or methodology with respect to qualitative characteristics of financial reporting—understandability, reliability, relevance, timeliness, consistency, and comparability. Disclosure requirements include descriptions of accounting changes and error corrections and their quantitative effects on account balances. Adopting this standard resulted in a different presentation of funds in the financial statements. The Jury Fund is now presented as a non-major governmental fund.

Note 2 - Cash

As of September 30, 2024, the Clerk had the following in cash:

	Carrying Amount
Cash on Hand	\$ 1,900
Deposits in Qualified Public Depositories	1,251,984
Total Cash	\$ 1,253,884

NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY CLERK OF THE CIRCUIT COURT

Credit Risk

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

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

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

Custodial Credit Risk

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

Qualified public depositories of public funds are required to provide collateral each month pursuant to Section 280.04, Florida Statutes. The collateral is held by the Florida Division of Treasury or other custodian with full legal rights maintained by the Florida Division of Treasury to transfer ownership. Any loss not covered by the pledged securities and deposit insurance would be assessed by the Florida Division of Treasury and paid by the other public depositories. The Clerk's deposits are therefore considered fully insured or collateralized. Bank deposit balances at September 30, 2024, were \$1,405,165.

Note 3 - Pension and Postemployment Benefits Other Than Pension Benefits

Florida Retirement System (FRS) Pension Benefits

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

Postemployment Benefits Other Than Pensions

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

Note 4 - Long-Term Liabilities

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

	Beginning Balance	Additions	Deletions	Ending Balance	Amount Due Within One Year	LT Portion
Compensated Absences	\$ 163,712	\$ 225,363	\$ (239,069)	\$ 150,006	\$ 38,708	\$ 111,298
Installment Purchases	-	227,513	(28,372)	199,141	39,495	159,646
Total	\$ 163,712	\$ 452,876	\$ (267,441)	\$ 349,147	\$ 78,203	\$ 270,944

NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY CLERK OF THE CIRCUIT COURT

The long-term liabilities are not reported in the financial statements of the Clerk since it is not payable from available resources at September 30, 2024. As discussed in Note 1, they are reported in the statement of net position in the government-wide financial statements of the County. For more information on Installment Purchase Liabilities, see Note 6.

Note 5 - Risk Management

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

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

Note 6 - Installment Purchases

During fiscal year 2024, the Clerk entered into installment purchase agreements for the use of computer equipment for 60 months. The Clerk is required to make monthly payments of \$4,820. The Clerk's installment purchase liabilities are being amortized at a rate of 9.7% and 10.2%.

See Note 4 for a summary of the installment purchase liability balances as of September 30, 2024. Principal and interest components of future minimum payments are as follows:

Year Ending September 30,	Principal	Interest
2025	\$ 39,495	\$ 18,349
2026	43,681	14,163
2027	48,311	9,533
2028	53,432	4,412
2029	14,222	242
Total	\$ 199,141	\$ 46,699

Note 7 - Interfund Receivables and Payables

Interfund receivables and payables at September 30, 2024, are as follows:

	Due from Other Funds	Due to Other Funds
Special Revenue Funds:		
Court Fund	\$ 17,600	\$ -
Jury Fund	-	13,071
Custodial Funds:		
Cash Bonds	-	4,529
Total	\$ 17,600	\$ 17,600

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

OTHER FINANCIAL INFORMATION

COMBINING STATEMENT OF FIDUCIARY NET POSITION
ALL CUSTODIAL FUNDS
SEPTEMBER 30, 2024
GADSDEN COUNTY CLERK OF THE CIRCUIT COURT

	Clerk Trust	Cash Bonds	Child Support	Total
Assets				
Cash	\$ 674,747	\$ 176,340	\$ 3,268	\$ 854,355
Due From Other Governments	23	-	200	223
Total Assets	<u>674,770</u>	<u>176,340</u>	<u>3,468</u>	<u>854,578</u>
Liabilities				
Due to Other Funds	-	4,529	-	4,529
Due to Other Governments	77,463	-	1,281	78,744
Due to Individuals	19,684	-	2,187	21,871
Total Liabilities	<u>97,147</u>	<u>4,529</u>	<u>3,468</u>	<u>105,144</u>
Fiduciary Net Position	<u>\$ 577,623</u>	<u>\$ 171,811</u>	<u>\$ -</u>	<u>\$ 749,434</u>

COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
ALL CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024
GADSDEN COUNTY CLERK OF THE CIRCUIT COURT

	Clerk Trust	Cash Bonds	Child Support	Total
Additions				
Fines, Forfeitures, and Fees Collected	\$ 4,121,882	\$ -	\$ -	\$ 4,121,882
Tax Deeds and Fees Collected	208,165	-	-	208,165
Support and Fees Collected	-	-	410,482	410,482
Registry of the Court and Fees Collected	837,347	-	-	837,347
Recording Fees Collected	2,136,368	-	-	2,136,368
Bail Bonds and Fees Collected	-	79,600	-	79,600
Total Additions	7,303,762	79,600	410,482	7,793,844
Deductions				
Fines, Forfeitures, and Fees Distributed	4,115,375	-	-	4,115,375
Tax Deeds and Fees Distributed	410,130	-	-	410,130
Support and Fees Distributed	-	-	410,482	410,482
Registry of the Court and Fees Distributed	658,423	-	-	658,423
Recording Fees Distributed	2,143,159	-	-	2,143,159
Bail Bonds and Fees Distributed	-	84,943	-	84,943
Total Deductions	7,327,087	84,943	410,482	7,822,512
Change in Fiduciary Net Position	(23,325)	(5,343)	-	(28,668)
Fiduciary Net Position, Beginning of Year	600,948	177,154	-	778,102
Fiduciary Net Position, End of Year	\$ 577,623	\$ 171,811	\$ -	\$ 749,434

OTHER REPORTS

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

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

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Clerk of the Circuit Court of Gadsden County, Florida (the Clerk) as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements, and have issued our report thereon dated June 23, 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the Clerk's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Purvis Gray

June 23, 2025
Tallahassee, Florida

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

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

We have examined Gadsden County, Florida Clerk of the Circuit Court's (the Clerk) compliance with the requirements of Section 218.415, Florida Statutes, as of and for the year ended September 30, 2024, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the Clerk's compliance with those requirements. Our responsibility is to express an opinion on the Clerk's compliance based on our examination.

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

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

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

In our opinion, the Clerk complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2024.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Clerk, his management, and the Board of County Commissioners of Gadsden County, Florida and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

June 23, 2025
Tallahassee, Florida

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

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

We have examined Gadsden County, Florida Clerk of the Circuit Court's (the Clerk) compliance with the requirements of Sections 28.35, Florida Statutes, *Florida Clerks of Court Operations Corporation*, and Section 28.36, Florida Statutes, *Budget Procedure*, during the year ended September 30, 2024, as required by Section 10.556(10)(b), *Rules of the Auditor General*. Management is responsible for the Clerk's compliance with those requirements. Our responsibility is to express an opinion on the Clerk's compliance based on our examination.

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

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

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

In our opinion, the Clerk complied, in all material respects, with the requirements of Section 28.35, Florida Statutes, *Florida Clerks of Court Operations Corporation*, and Section 28.36, Florida Statutes, *Budget Procedure*, for the year ended September 30, 2024.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Clerk, his management, and the Board of County Commissioners of Gadsden County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

June 23, 2025
Tallahassee, Florida

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

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

We have examined Gadsden County, Florida Clerk of the Circuit Court's (the Clerk) compliance with the requirements of Section 61.181, Florida Statutes, *Depository for Alimony Transactions, Support, Maintenance, and Support Payments; Fees*, during the year ended September 30, 2024, as required by Section 10.556(10)(d), *Rules of the Auditor General*. Management is responsible for the Clerk's compliance with those requirements. Our responsibility is to express an opinion on the Clerk's compliance based on our examination.

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

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

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

In our opinion, the Clerk complied, in all material respects, with the requirements of Section 61.181, Florida Statutes, *Depository for Alimony Transactions, Support, Maintenance, and Support Payments; Fees*, for the year ended September 30, 2024.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Clerk, his management, and the Board of County Commissioners of Gadsden County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

June 23, 2025
Tallahassee, Florida

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MANAGEMENT LETTER

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

Report on the Financial Statements

We have audited the financial statements of each major fund and the aggregate remaining fund information of the Gadsden County, Florida Clerk of the Circuit Court (the Clerk) as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated June 23, 2025.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, *Rules of the Florida Auditor General*.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Reports on examinations conducted in accordance with American Institute of Certified Public Accountants *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated June 23, 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 Clerk was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Clerk.

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

MANAGEMENT LETTER

Financial Condition and Management

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. In connection with our audit, we have the following recommendation.

2024-01 – Bank Reconciliations

Condition – Timely and accurate bank reconciliations are a key component of internal control over multiple financial reporting processes, including cash receipting, cash disbursements, and payroll functions, as one way to detect possible errors or irregularities. Certain bank reconciliations were not completed until approximately 5 months after September 30, 2024. Additionally, during the audit and upon reconciliation of cash, a number of adjustments were necessary to correct cash balances.

Effect – Lack of timely and accurate bank reconciliations could result in errors or irregularities not being detected in a timely manner. Upon reconciliation of cash by the Clerk, adjustments were made to correct cash balances.

Recommendation – We recommend the Clerk implement procedures to ensure that all bank accounts are reconciled within the following month, and that any identified discrepancies be promptly investigated and corrected.

Management's Response – Due to recent staffing changes within the finance department, the completion of bank reconciliations was delayed. The Clerk's office is aware of the situation and will improve the timeliness of the bank reconciliation process going forward.

Additional Matters

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

Purpose of this Letter

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

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

Purvis Gray

June 23, 2025
Tallahassee, Florida

2024

Gadsden County Sheriff

Financial Statements and
Independent Auditor's Report

September 30, 2024

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR’S REPORT**

**GADSDEN COUNTY SHERIFF
GADSDEN COUNTY, FLORIDA**

SEPTEMBER 30, 2024

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INDEPENDENT AUDITOR'S REPORT

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

Opinions

We have audited the financial statements of each major fund and the aggregate remaining fund information of the Gadsden County, Florida Sheriff (the Sheriff) as of and for the fiscal year ended September 30, 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 each major fund and the aggregate remaining fund information of the Sheriff as of September 30, 2024, and the respective changes in financial position thereof, and the respective budgetary comparison for each major fund for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Sheriff and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

Incomplete Presentation

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the *Rules of the Auditor General* of the State of Florida (the Rules). In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund and the aggregate remaining fund information, only for that portion of the major funds and the aggregate remaining fund information, of Gadsden County, Florida that is attributable to the Sheriff. They do not purport to, and do not, present fairly the financial position of Gadsden County, Florida as of September 30, 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 these matters.

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

INDEPENDENT AUDITOR'S REPORT

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sheriff's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Sheriff's ability to continue as a going concern for a reasonable period of time.

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

INDEPENDENT AUDITOR'S REPORT

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

Other Financial Information

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 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, rules, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.

Purvis Gray

June 24, 2025
Tallahassee, Florida

FINANCIAL STATEMENTS

**BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024
GADSDEN COUNTY SHERIFF**

	Major Funds				Other	Total
	General	Inmate	Radio	E-911	Governmental	Governmental
	Fund	Welfare	Communications	Fund	Funds	Funds
Assets						
Cash	\$ 86,788	\$ 164,647	\$ -	\$ -	\$ 84,347	\$ 335,782
Prepaid Expenses	69,230	-	-	-	-	69,230
Due from Other Funds	436,748	243,627	-	-	130,000	810,375
Due from Board of County Commissioners	265,580	-	-	135,601	101,918	503,099
Due from Other Governments	-	-	-	-	106,705	106,705
Miscellaneous Receivables	11,128	-	-	-	-	11,128
Total Assets	<u>869,474</u>	<u>408,274</u>	<u>-</u>	<u>135,601</u>	<u>422,970</u>	<u>1,836,319</u>
Liabilities and Fund Balance						
Liabilities						
Accounts Payable and Accrued Expenses	555,450	3,318	-	-	7,294	566,062
Due to Board of County Commissioners	28,737	-	-	-	-	28,737
Due to Other Funds	285,287	85,771	-	135,601	208,623	715,282
Unearned Revenues	-	-	-	-	17,838	17,838
Total Liabilities	<u>869,474</u>	<u>89,089</u>	<u>-</u>	<u>135,601</u>	<u>233,755</u>	<u>1,327,919</u>
Fund Balances						
Restricted:						
Radio Communications	-	-	-	-	140,250	140,250
Inmate Welfare	-	319,185	-	-	-	319,185
Committed:						
Teen Court	-	-	-	-	48,965	48,965
Total Fund Balances	<u>-</u>	<u>319,185</u>	<u>-</u>	<u>-</u>	<u>189,215</u>	<u>508,400</u>
Total Liabilities and Fund Balances	<u>\$ 869,474</u>	<u>\$ 408,274</u>	<u>\$ -</u>	<u>\$ 135,601</u>	<u>\$ 422,970</u>	<u>\$ 1,836,319</u>

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024
GADSDEN COUNTY SHERIFF**

	Major Funds				Other	Total
	General Fund	Inmate Welfare	Radio Communications	E-911 Fund	Governmental Funds	Governmental Funds
Revenues						
Intergovernmental Revenue	\$ -	\$ -	\$ -	\$ -	\$ 1,272,487	\$ 1,272,487
Charges for Services	-	-	-	-	43,152	43,152
Miscellaneous Revenue	160,174	275,535	-	-	-	435,709
Total Revenues	<u>160,174</u>	<u>275,535</u>	<u>-</u>	<u>-</u>	<u>1,315,639</u>	<u>1,751,348</u>
Expenditures						
Public Safety:						
Personnel Services	7,000,520	172,990	-	196,086	288,805	7,658,401
Operating	2,200,990	116,097	-	1,999	596,702	2,915,788
Capital Outlay	330,197	-	-	-	630,405	960,602
Debt Service:						
Principal	171,427	-	-	-	-	171,427
Interest	24,080	-	-	-	-	24,080
(Total Expenditures)	<u>(9,727,214)</u>	<u>(289,087)</u>	<u>-</u>	<u>(198,085)</u>	<u>(1,515,912)</u>	<u>(11,730,298)</u>
Excess (Deficiency) of Expenditures Over (Under) Revenues	<u>(9,567,040)</u>	<u>(13,552)</u>	<u>-</u>	<u>(198,085)</u>	<u>(200,273)</u>	<u>(9,978,950)</u>
Other Financing Sources (Uses)						
Transfers from Board of County Commissioners	9,255,604	-	-	198,085	167,073	9,620,762
Transfers to Board of County Commissioners	(6,314)	-	-	-	-	(6,314)
Lease Obligations	317,750	-	-	-	-	317,750
Total Other Financing Sources	<u>9,567,040</u>	<u>-</u>	<u>-</u>	<u>198,085</u>	<u>167,073</u>	<u>9,932,198</u>
Net Change in Fund Balances	<u>-</u>	<u>(13,552)</u>	<u>-</u>	<u>-</u>	<u>(33,200)</u>	<u>(46,752)</u>
Fund Balances, Beginning of Year, As Originally Reported	-	332,737	182,601	-	39,814	555,152
Change Within Financial Reporting Entity (See Note 1)	-	-	(182,601)	-	182,601	-
Fund Balance, Beginning of Year, as Restated	-	332,737	-	-	222,415	555,152
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ 319,185</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 189,215</u>	<u>\$ 508,400</u>

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024
GADSDEN COUNTY SHERIFF**

	General Fund			Variance with Final Budget
	Budgeted Amounts		Actual Amounts	Positive (Negative)
	Original	Final		
Revenues				
Miscellaneous Revenue	\$ 262,000	\$ 262,000	\$ 160,174	\$ (101,826)
Total Revenues	262,000	262,000	160,174	(101,826)
Expenditures				
Public Safety:				
Personnel Services	7,040,720	7,040,720	7,000,520	40,200
Operating	2,401,884	2,401,884	2,200,990	200,894
Capital Outlay	75,000	75,000	330,197	(255,197)
Debt Service:				
Principal	281,600	281,600	171,427	110,173
Interest	38,400	38,400	24,080	14,320
(Total Expenditures)	(9,837,604)	(9,837,604)	(9,727,214)	110,390
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,575,604)	(9,575,604)	(9,567,040)	8,564
Other Financing Sources (Uses)				
Transfers from Board of County Commissioners	9,255,604	9,255,604	9,255,604	-
Transfers to Board of County Commissioners	-	-	(6,314)	(6,314)
Lease Obligations	320,000	320,000	317,750	(2,250)
Total Other Financing Sources (Uses)	9,575,604	9,575,604	9,567,040	(8,564)
Net Change in Fund Balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - INMATE WELFARE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024
GADSDEN COUNTY SHERIFF**

	Inmate Welfare Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Miscellaneous Revenue	\$ 289,250	\$ 289,250	\$ 275,535	\$ (13,715)
Total Revenues	289,250	289,250	275,535	(13,715)
Expenditures				
Public Safety:				
Personnel Services	173,100	173,100	172,990	110
Operating	116,150	116,150	116,097	53
(Total Expenditures)	(289,250)	(289,250)	(289,087)	163
Net Change in Fund Balances	-	-	(13,552)	(13,552)
Fund Balances, Beginning of Year	332,737	332,737	332,737	-
Fund Balances, End of Year	\$ 332,737	\$ 332,737	\$ 319,185	\$ (13,552)

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - E-911 FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024
GADSDEN COUNTY SHERIFF**

	E-911 Fund			Variance with Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Expenditures				
Public Safety:				
Personnel Services	\$ 196,100	\$ 196,100	\$ 196,086	\$ 14
Operating	2,000	2,000	1,999	1
(Total Expenditures)	(198,100)	(198,100)	(198,085)	15
Excess (Deficiency) of Revenues Over (Under) Expenditures	(198,100)	(198,100)	(198,085)	15
Other Financing Sources (Uses)				
Transfers from Board of County Commissioners	198,100	198,100	198,085	(15)
Total Other Financing Sources (Uses)	198,100	198,100	198,085	(15)
Net Change in Fund Balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	\$ -	\$ -	\$ -	\$ -

See accompanying notes to financial statements.

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2024
GADSDEN COUNTY SHERIFF

	Custodial Funds
Assets	
Cash	\$ 188,229
Total Assets	<u>188,229</u>
Liabilities	
Accounts Payable	31,421
Unremitted Collections	2,034
Due to Other Funds	95,093
Due to Board of County Commissioners	<u>27,425</u>
Total Liabilities	<u>155,973</u>
Net Position	<u><u>\$ 32,256</u></u>

See accompanying notes to financial statements.

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024
GADSDEN COUNTY SHERIFF

	Custodial Funds
Additions	
Inmate Funds Collected	\$ 347,493
Fines, Forfeitures, and Fees Collected	<u>31,526</u>
Total Additions	<u>379,019</u>
Deductions	
Inmate Funds Disbursed	348,499
Fines, Forfeitures, and Fees Disbursed	<u>31,526</u>
Total Deductions	<u>380,025</u>
Change in Net Position	(1,006)
Net Position, Beginning of Year	<u>33,262</u>
Net Position, End of Year	<u><u>\$ 32,256</u></u>

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY SHERIFF

Note 1 - Summary of Significant Accounting Policies

Reporting Entity

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

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

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

Basis of Presentation

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

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

Fund Accounting

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

**NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY SHERIFF**

The Sheriff reports the following major and non-major governmental funds:

■ **Major Governmental Funds**

- **General Fund**—The General Fund is used to account for all revenues and expenditures applicable to the general operations of the Sheriff that are not required either legally or by GAAP to be accounted for in another fund.
- **Inmate Welfare**—A Special Revenue Fund, which accounts for commissions received from pay telephones and commissary profits restricted for the benefit of inmates.
- **E-911**—Accounts for the activities related to funds received from the Florida Department of Management Services for the prorated share of E-911 cell phone tax.

■ **Non-Major Governmental Funds**

- **Special Revenue Funds**—Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. The Sheriff reports the following special revenue funds in the financial statements under the title “Other Governmental Funds”:
 - ▶ **VOCA**—Accounts for the activities related to funds received from the Florida Attorney General for use related to the *Victims of Crime Act*.
 - ▶ **Emergency Management**—Accounts for the activities related to establishing and maintaining disaster assistance services.
 - ▶ **Teen Court**—Accounts for the activities related to establishing and maintaining a teen court pursuant to the County ordinance Section 26-1.
 - ▶ **Civil Citations**—Accounts for the activities related to funds received from the State of Florida Department of Juvenile Justice under the Civil Citations/Restoring Families Grant.
 - ▶ **Victims Special**—Accounts for the activities related to funds received from the State of Florida for the Victim Advocates’ Assistance Emergency Fund.
 - ▶ **Guardian Training**—A Special Revenue Fund, which accounts for the activities related to providing training and certification of individuals seeking to become or maintain active status as “Guardians” within the Coach Aaron Feis Guardian Program, in accordance with the *Marjory Stoneman Douglas High School Public Safety Act*.
 - ▶ **Radio Communications**—A Special Revenue Fund, which accounts for activities related to moving violation fines restricted for use for the radio communications program and local law enforcement automation.
 - ▶ **DEM Federal**—Accounts for the activities related to the emergency management preparedness grant, which is funded by the U.S. Department of Homeland Security and passed through the Board.

**NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY SHERIFF**

- ▶ **Towing and Impound**—Accounts for the activities related to funds received from program generated income for narcotic-related activities from the Justice Assistance Grant.
- ▶ **DJJ Restoring Families**—Accounts for the activities related to the family unit continuity assistance grant funded by the Florida Department of Juvenile Justice.
- ▶ **DCF Mental Health**—Accounts for the activities related to the Criminal Justice, Mental Health, and Substance Abuse (CJMHS) Reinvestment Grant funded by the Florida Department of Children and Families.
- ▶ **Technology Enhancement**—Accounts for the activities related to the Criminal Justice Data Transparency Grant, administered by the Florida Department of Law Enforcement. Funding is provided through this grant for projects intended to increase public visibility of criminal justice processes throughout the state.

■ **Fiduciary Funds**

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

Measurement Focus/Basis of Accounting

All governmental funds are accounted for on a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of “available spendable resources.” Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of “available spendable resources” during a period. Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

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

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

Budgets and Budgetary Accounting

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

NOTES TO FINANCIAL STATEMENTS

GADSDEN COUNTY SHERIFF

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

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

- The proposed budget is filed with the Board by May 1 preceding the fiscal year of the budget. Prior to October 1, the budget is legally enacted by approval of the Board subject to the notice and hearing requirements of Section 200.065 of the Florida Statutes.
- The Sheriff's budget can be amended by the Board as necessary during the year. Line item expenditures in excess of appropriations are authorized to the extent that total expenditures by fund do not exceed total appropriations by fund.
- Formal budgetary integration is employed as a management control device during the year for the Sheriff's General Fund. Appropriations lapse at the close of the fiscal year to the extent they have not been expended. Budgetary control is exercised at the fund level.
- The budget for the Sheriff's General Fund is adopted on a basis consistent with GAAP.

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

Capital Assets

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

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

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

Liability for Compensated Absences

Employees accrue vacation leave based on their employment date and length of employment. They may accrue from 12 to 18 days of vacation per year. Annual leave in excess of 30 days is forfeited on December 31. Employees are generally not paid for vacation leave in lieu of taking a vacation except that an employee may be paid for earned vacation leave upon separation, and annual additional benefit

NOTES TO FINANCIAL STATEMENTS

GADSDEN COUNTY SHERIFF

payments of accumulated annual leave in excess of 240 hours (at a designated, across-the-board percentage of hourly pay) can be paid prior to the end of each fiscal year as declared by general order in the event of funds availability.

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

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

Transfers In and Out

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

Related Organizations - Service Fees and Common Expenses

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

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

Use of Estimates

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

Fund Balance Reporting

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

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

**NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY SHERIFF**

- **Restricted**—This component of fund balance consists of amounts that are constrained either: (a) externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments), or (b) by law through constitutional provisions or enabling legislation.
- **Committed**—This component of fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (e.g., ordinance or resolution) of the County’s Governing Board. These committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (e.g., ordinance or resolution) it employed previously to constrain those amounts.
- **Assigned**—This component of fund balance consists of amounts that are constrained by a less-than-formal action of the Sheriff, or by an individual or body to whom the Sheriff has delegated this responsibility. By definition, fund balances are also assigned to the extent that they are needed to finance a subsequent year’s budget deficit.
- **Unassigned**—This classification is used for: (a) negative unrestricted fund balances in any governmental fund, or (b) fund balances within the General Fund that are not restricted, committed, or assigned.

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

Implementation of Governmental Accounting Standards Board Statement No. 100, *Accounting Changes and Error Corrections – an Amendment of GASB No. 62* (GASB 100)

During the year ended September 30, 2024, the Sheriff adopted new accounting guidance by implementing the provisions of GASB 100. This statement enhances accounting and financial reporting requirements for accounting changes and error corrections. The statement defines accounting changes as: (a) changes in accounting principles, (b) changes in accounting requirements. Disclosure requirements include descriptions of accounting changes and error corrections and their quantitative effects on account balances. There was no impact to the Sheriff’s financial statements as a result of the adoption of this statement for the fiscal year ended September 30, 2024, with the exception of presentation changes specific to the Radio Communications Fund. The Radio Communications Fund was reported as a major fund in the financial statements for the fiscal year ended September 30, 2023, but is reported as a non-major special revenue fund within the Other Governmental Funds column of the financial statements for the fiscal year ended September 30, 2024.

Note 2 - Cash

As of September 30, 2024, the Sheriff had the following in cash:

	<u>Carrying Amount</u>
Cash and Cash Equivalents	\$ 524,011
Total Cash	<u><u>\$ 524,011</u></u>

**NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY SHERIFF**

Credit Risk

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

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

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

Custodial Credit Risk

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

Qualified public depositories of public funds are required to provide collateral each month pursuant to Section 280.04, Florida Statutes. The collateral is held by the Florida Division of Treasury or other custodian with full legal rights maintained by the Florida Division of Treasury to transfer ownership. Any loss not covered by the pledged securities and deposit insurance would be assessed by the Florida Division of Treasury and paid by the other public depositories. The Sheriff's deposits are all held in a qualified public depository and are, therefore, considered fully insured or collateralized. Bank balances at September 30, 2024, were \$786,562.

Note 3 - Capital Assets

A summary of the changes in capital assets for the year ended September 30, 2024, as follows:

	Balance, October 1, 2023	Additions	Retirements	Balance, September 30, 2024
Vehicles, Furniture, and Equipment	\$ 2,579,971	\$ 642,851	\$ -	\$ 3,222,822
Right-of-Use Assets Under Leases - Vehicles	992,682	317,750	(562,376)	748,056
(Accumulated Depreciation)	(2,256,577)	(173,052)	-	(2,429,629)
(Accumulated Amortization - Leases)	(588,742)	(222,706)	562,376	(249,072)
Capital Assets, Net	<u>\$ 727,334</u>	<u>\$ 564,843</u>	<u>\$ -</u>	<u>\$ 1,292,177</u>

Depreciation and amortization expense for the Sheriff's assets and right-of-use assets under leases was recorded in the County's government-wide financial statements in the amounts of \$173,052 and \$222,706, respectively.

Note 4 - Long-Term Liabilities

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

**NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY SHERIFF**

	Balance, October 1, 2023	Additions	Retirements	Balance, September 30, 2024
Liability Under Leases	\$ 416,425	\$ 317,750	\$ (171,426)	\$ 562,749
Liability for Compensated Absences	540,089	416,909	(464,827)	492,171
Total	<u>\$ 956,514</u>	<u>\$ 734,659</u>	<u>\$ (636,253)</u>	<u>\$ 1,054,920</u>

Of the \$492,171 liability for accrued compensated absences, management estimates that \$217,672 will be due and payable within one year. Of the \$562,749 liability under leases, the estimated principal amount due and payable within one year totaled \$155,783. The long-term liabilities presented above are not reported in the financial statements of the Sheriff since they are not payable from expendable available resources at September 30, 2024.

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

Note 5 - Lease Obligations

Vehicle Leases

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

The Sheriff has entered into a Master Equity Lease Agreement with Enterprise Fleet Management for the purchase of vehicles. The lease agreement calls for monthly payments ranging from 48 to 60 months of varying amounts, including interest, with varying terms beginning in November of 2019 and ending in September of 2028. The net present value of the capital lease payments were computed utilizing interest rates ranging from 6.83% to 8.20%. There are no variable payment components, escalation provisions, or residual value guarantees by the lessee associated with this agreement.

Assets associated with equipment leases and related amortization for the year ended September 30, 2024, which are included in the capital assets summary at Note 3, are as follows:

	Balance, October 1, 2023	Additions	(Deletions)	Balance, September 30, 2024
Right-of-Use Assets Under Leases - Vehicles	\$ 992,682	\$ 317,750	\$ (562,376)	\$ 748,056
Accumulated Amortization	(588,742)	(222,706)	562,376	(249,072)
Net Assets Under Leases - Vehicles	<u>\$ 403,940</u>	<u>\$ 95,044</u>	<u>\$ -</u>	<u>\$ 498,984</u>

At September 30, 2024, aggregate future minimum lease payments are as follows:

	Future Lease Payments		
Year Ending September 30,	Principal	Interest	Total Payments
2025	\$ 155,783	\$ 37,653	\$ 193,436
2026	163,249	25,645	188,894
2027	108,860	14,952	123,812
2028	91,365	7,257	98,622
2029	43,492	1,318	44,810
Total Future Minimum Lease Payments	<u>\$ 562,749</u>	<u>\$ 86,825</u>	<u>\$ 649,574</u>

**NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY SHERIFF**

Note 6 - Interfund Receivables and Payables

Interfund receivables and payables at September 30, 2024, are as follows:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 436,748	\$ 285,287
Special Revenue Funds		
Inmate Welfare	243,627	85,771
Radio Communications	130,000	-
Civil Citations	-	17,797
Emergency Management	-	64,041
DEM Federal	-	37,877
VOCA	-	9,728
E-911	-	135,601
DJJ Restoring Families	-	40,961
Technology Enhancement	-	38,219
Fiduciary Funds		
Inmate Commissary	-	95,093
Total	<u>\$ 810,375</u>	<u>\$ 810,375</u>

Interfund receivables and payables result from temporary loans for cash flow needs associated with the time lag between when goods and services are provided and when they are ultimately reimbursed from granting agencies or the Board. Balances are expected to be settled within 12 months of the date incurred.

Note 7 - Pension and Postemployment Benefits Other Than Pension Benefits

Florida Retirement System (FRS) Pension Benefits

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

Postemployment Benefits Other Than Pensions

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

Note 8 - Risk Management

Professional Liability

The Sheriff is currently a member of the Florida Sheriff's Association and participates in the Florida Sheriffs' Self-Insurance Fund. The Self-Insurance Fund administers insurance activities related to professional liability and covers compensatory damages (except back pay), employment benefits, punitive damages, attorney fees or costs awarded to a prevailing plaintiff, and all legal fees involved in defense of the Sheriff. The contribution required for the year ended September 30, 2024, was \$157,081.

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

NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY SHERIFF

Automobile Coverage

The Sheriff participates in the Florida Municipal Insurance Trust, which is sponsored by the Florida League of Cities for automobile coverage. The contribution required for the year ended September 30, 2024, was \$64,855.

Workers' Compensation

The Sheriff participates in the Florida Municipal Insurance Trust for workers' compensation coverage, which provides for coverage of risks of loss related to workers' compensation claims. The Sheriff makes payments to the fund based upon payroll exposure in the amounts needed to pay prior and current year claims. The net amount paid or accrued for the year ended September 30, 2024, was \$146,150.

Note 9 - Contingencies

Various claims and legal actions arising in the normal course of the Sheriff's operations were pending against the Sheriff at September 30, 2024. These claims are covered through the Sheriff's participation in the Florida Sheriff's Self-Insurance Fund. In the opinion of the Sheriff's legal counsel, the liabilities, which may arise from such actions, would be adequately covered by the Self-Insurance Fund. Accordingly, no provision has been made in the financial statements for such contingencies.

OTHER FINANCIAL INFORMATION

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2024
GADSDEN COUNTY SHERIFF

	VOCA	Emergency Management	Teen Court	Civil Citations	Victims Special	Guardian Training Grant Fund
Assets						
Cash	\$ -	\$ -	\$ 48,965	\$ -	\$ 17,702	\$ -
Due from Other Funds	-	-	-	-	-	-
Due from Board of County Commissioners	-	64,041	-	-	-	-
Due from Other Governments	9,728	-	-	17,797	-	-
Total Assets	<u>9,728</u>	<u>64,041</u>	<u>48,965</u>	<u>17,797</u>	<u>17,702</u>	<u>-</u>
Liabilities and Fund Balances						
Liabilities						
Accounts Payable and Accrued Expenses	-	-	-	-	-	-
Due to Other Funds	9,728	64,041	-	17,797	-	-
Unearned Revenues	-	-	-	-	17,702	-
Total Liabilities	<u>9,728</u>	<u>64,041</u>	<u>-</u>	<u>17,797</u>	<u>17,702</u>	<u>-</u>
Fund Balances						
Restricted:						
Radio Communications	-	-	-	-	-	-
Committed:						
Teen Court	-	-	48,965	-	-	-
Total Fund Balances	<u>-</u>	<u>-</u>	<u>48,965</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Liabilities and Fund Balances	<u>\$ 9,728</u>	<u>\$ 64,041</u>	<u>\$ 48,965</u>	<u>\$ 17,797</u>	<u>\$ 17,702</u>	<u>\$ -</u>

Radio Communications	DEM Federal	Towing and Impound	DJJ Restoring Families	DCF Mental Health	Technology Enhancements	Total Other Governmental Funds
\$ 17,544	\$ -	\$ 136	\$ -	\$ -	\$ -	\$ 84,347
130,000	-	-	-	-	-	130,000
-	37,877	-	-	-	-	101,918
-	-	-	40,961	-	38,219	106,705
<u>147,544</u>	<u>37,877</u>	<u>136</u>	<u>40,961</u>	<u>-</u>	<u>38,219</u>	<u>422,970</u>
7,294	-	-	-	-	-	7,294
-	37,877	-	40,961	-	38,219	208,623
-	-	136	-	-	-	17,838
<u>7,294</u>	<u>37,877</u>	<u>136</u>	<u>40,961</u>	<u>-</u>	<u>38,219</u>	<u>233,755</u>
140,250	-	-	-	-	-	140,250
-	-	-	-	-	-	48,965
<u>140,250</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>189,215</u>
<u>\$ 147,544</u>	<u>\$ 37,877</u>	<u>\$ 136</u>	<u>\$ 40,961</u>	<u>\$ -</u>	<u>\$ 38,219</u>	<u>\$ 422,970</u>

**COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024
GADSDEN COUNTY SHERIFF**

	VOCA	Emergency Management	Teen Court	Civil Citations	Victims Special
Revenues					
Intergovernmental Revenue	\$ 58,371	\$ -	\$ -	\$ 36,094	\$ -
Charges for Services	-	-	9,151	-	-
Total Revenues	<u>58,371</u>	<u>-</u>	<u>9,151</u>	<u>36,094</u>	<u>-</u>
Expenditures					
Public Safety:					
Personnel Services	58,371	113,101	-	-	-
Operating	-	10,330	-	36,094	-
Capital Outlay	-	-	-	-	-
(Total Expenditures)	<u>(58,371)</u>	<u>(123,431)</u>	<u>-</u>	<u>(36,094)</u>	<u>-</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(123,431)</u>	<u>9,151</u>	<u>-</u>	<u>-</u>
Other Financing Sources					
Transfers from Board of County Commissioners	-	123,431	-	-	-
Total Other Financing Sources	<u>-</u>	<u>123,431</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>9,151</u>	<u>-</u>	<u>-</u>
Fund Balances, Beginning of Year, As Originally Reported	-	-	39,814	-	-
Change Within Financial Reporting Entity (See Note 1)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, Beginning of Year, as Restated	<u>-</u>	<u>-</u>	<u>39,814</u>	<u>-</u>	<u>-</u>
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,965</u>	<u>\$ -</u>	<u>\$ -</u>

Guardian Training Grant Fund	Radio Communications	DEM Federal	Towing and Impound	DJJ Restoring Families	DCF Mental Health	Technology Enhancements	Total Other Governmental Funds
\$ 130,627	\$ -	\$ -	\$ -	\$ 217,773	\$ 4,698	\$ 824,924	\$ 1,272,487
-	34,001	-	-	-	-	-	43,152
130,627	34,001	-	-	217,773	4,698	824,924	1,315,639
95,798	-	21,535	-	-	-	-	288,805
34,829	76,352	22,107	-	217,773	4,698	194,519	596,702
-	-	-	-	-	-	630,405	630,405
(130,627)	(76,352)	(43,642)	-	(217,773)	(4,698)	(824,924)	(1,515,912)
-	(42,351)	(43,642)	-	-	-	-	(200,273)
-	-	43,642	-	-	-	-	167,073
-	-	43,642	-	-	-	-	167,073
-	(42,351)	-	-	-	-	-	(33,200)
-	-	-	-	-	-	-	39,814
-	182,601	-	-	-	-	-	182,601
-	182,601	-	-	-	-	-	222,415
\$ -	\$ 140,250	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 189,215

**COMBINING STATEMENT OF FIDUCIARY
NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2024
GADSDEN COUNTY SHERIFF**

	Confiscated Funds	Civil Account	Inmate Commissary	Totals
Assets				
Cash	\$ 305	\$ 29,154	\$ 158,770	\$ 188,229
Total Assets	<u>305</u>	<u>29,154</u>	<u>158,770</u>	<u>188,229</u>
Liabilities				
Accounts Payable	-	-	31,421	31,421
Unremitted Collections	305	1,729	-	2,034
Due to Board of County Commissioners	-	27,425	-	27,425
Due to Other Funds	-	-	95,093	95,093
Total Liabilities	<u>305</u>	<u>29,154</u>	<u>126,514</u>	<u>155,973</u>
Net Position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,256</u>	<u>\$ 32,256</u>

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024
GADSDEN COUNTY SHERIFF**

	Confiscated Funds	Civil Account	Inmate Commissary	Total
Additions				
Inmate Funds Collected	\$ -	\$ -	\$ 347,493	\$ 347,493
Fines, Forfeitures, and Fees Collected	-	31,526	-	31,526
Total Additions	-	31,526	347,493	379,019
Deductions				
Inmate Funds Disbursed	-	-	348,499	348,499
Fines, Forfeitures, and Fees Disbursed	-	31,526	-	31,526
Total Deductions	-	31,526	348,499	380,025
Change in Net Position	-	-	(1,006)	(1,006)
Net Position, Beginning of Year	-	-	33,262	33,262
Net Position, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 32,256</u>	<u>\$ 32,256</u>

OTHER REPORTS

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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Gadsden County, Florida (the County) 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, and have issued our report thereon dated June 24, 2025, which was modified to state that the financial statements are not intended to be a complete presentation of Gadsden County, Florida as a whole.

Report on Internal Control Over Financial Reporting

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

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

■ **2024-01 – Financial Statement Close**

Condition

Pursuant to Florida Statutes, Section 218.36, each County officer is required to make an annual report of revenues and expenditures within thirty-one days of the close of the fiscal year. While this report was submitted to the County by October 31 as required, the report was based on preliminary estimates. The accounting records of the Sheriff's office were not officially closed and ready for audit until April of 2025.

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

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

Effect

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

Recommendation

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Sheriff's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance with which could have a direct and material effect on the 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 instances of non-compliance or other matters that are required to be reported under *Government Auditing Standards*, and which are described in the accompanying management letter, dated June 24, 2025, as items 2024-02 and 2024-03.

Response to Findings

The Sheriff's responses to findings 2024-01, 2024-02, and 2024-03, identified in our audit and communicated in the accompanying management letter, are included in the accompanying management's response on pages 35-38. The Sheriff's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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

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

Purpose of this Report

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

Purvis Gray

June 24, 2025
Tallahassee, Florida

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

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

We have examined the Gadsden County, Florida Sheriff's (the Sheriff) compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the fiscal year ended September 30, 2024, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the Sheriff's compliance with those requirements. Our responsibility is to express an opinion on the Sheriff's compliance based on our examination.

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

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

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

In our opinion, the Sheriff complied, in all material respects, with the aforementioned requirements during the fiscal year ended September 30, 2024.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Sheriff and its management, and the Board of Commissioners of Gadsden County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

June 24, 2025
Tallahassee, Florida

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MANAGEMENT LETTER

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

Report on the Financial Statements

We have audited the financial statements of the Gadsden County, Florida (the County) Sheriff (the Sheriff) as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated June 24, 2025.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with American Institute of Certified Public Accountants *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated June 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.

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

Tabulation of Uncorrected Audit Findings			
Current Year Finding #	22-23 FY Audit Finding #	21-22 FY Audit Finding #	20-21 FY Audit Finding #
2024-01	2023-01	2022-02	2021-02

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

MANAGEMENT LETTER

Official Title and Legal Authority

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

Financial Management

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. In connection with our audit, we offer the following recommendations.

■ **2024-02 – Capital Assets and Leases**

Condition

Florida Statutes, Section 274, provides guidance related to the proper acquisition, recording, supervision, and disposal of tangible personal property owned by local governments. Among other requirements, this Section requires:

- 1) Requirements for recording and periodic review of property is to be established by rule by the Chief Financial Officer.
- 2) The governmental unit is primarily responsible for the supervision and control of its property.

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

Additionally, Governmental Accounting Standards Board (GASB) Statement No. 87 – *Leases* (GASB 87) requires that applicable leases be reported in the financial statements in compliance with the standard.

For the fiscal year ended September 30, 2024, it was noted that no physical inventory of the Sheriff's Office's capital assets and leased vehicles occurred as required by the Sheriff's Office's internal policies, and the financial reporting associated with leased vehicles in the custody of the Sheriff's Office was not fully compliant with the requirements of GASB 87. It was noted that a mid-year inventory was performed in February 2025.

Effect

Annual physical inventory and reconciliation procedures are not being performed consistently and accurately as required by Sheriff's Office General Order 17.1, Section 8 – Inventory. As a result, various capital asset and capital lease acquisitions and disposals which occurred during the fiscal year ended September 30, 2024, and prior, were not properly accounted for in the Sheriff's Office's financial records. Because no year-end physical inventory was performed, and the reconciliation of assets held to the financial records utilized leased asset balances not reported in compliance with

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

MANAGEMENT LETTER

GASB 87, there was a variance noted between actual capital assets on hand and reported capital asset balances, which necessitated multiple adjustments to the financial records. Lack of consistently performed year-end physical inventory procedures, accurate reconciliation of assets held to the financial records for significant account balances, and non-compliance with GASB Standard-prescribed reporting conventions, could result in unreconciled differences between the balances, which could cause a material misstatement of the financial statements as a whole if not detected and corrected in a timely manner.

Recommendation

We recommend that management perform periodic (at least annual) physical inventories of owned and leased capital assets on hand, preferably near fiscal year-end, and reconcile the results of the physical inventory to the underlying accounting records, as required by the internally-generated policies of the Sheriff's Office related to assets. We further recommend that the Sheriff report all capital lease transactions in accordance with GASB 87 in order to facilitate complete and accurate fixed asset reconciliations.

■ **2024-03 – Cash Collection, Reconciliation, and Deposit at Jail Facility**

Condition

Best practices for financial management and cash handling require timely reconciliation and deposit of funds received, particularly funds held in a custodial capacity on behalf of others. During our testing of the cash receipts transaction cycle, we noted significant delays between the collection, reconciliation, and deposit of funds collected by the Gadsden County Jail on behalf of incarcerated individuals housed at the facility.

Effect

Delays in verification and deposit of funds, particularly those entered into the facility's contactless kiosk, could result in material misstatements of reported balances and could expose held funds to the risk of theft. For the current audit year, delays resulted in an inability to verify ending balances of affected cash accounts.

Recommendation

We recommend that management develop and adhere to a policy regarding inmate deposits, particularly kiosk deposits, which would require timely deposit and reconciliation of funds received by jail staff on behalf of inmates.

Additional Matters

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

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

MANAGEMENT LETTER

Purpose of this Letter

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

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

Purvis Gray

June 24, 2025
Tallahassee, Florida



June 16, 2025

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

Dear Ms. Norman:

After reviewing the management letter comments regarding the audit performed by Purvis, Gray & Company LLP for the fiscal year end September 30, 2024, we would like to respond as follows:

Prior and Current Year Findings and Recommendations

▪ 2021-2; 2022-02; 2023-01; 2024-01– Financial Statement Close

Condition:

Pursuant to Florida Statutes, Section 218.36, each County officer is required to make an annual report of revenues and expenditures within thirty-one days of the close of the fiscal year. While this report was submitted to the County by October 31 as required, the report was based on preliminary estimates. The accounting records of the Sheriff's office were not officially closed and ready for audit until April of 2025.

Recommendation:

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

Management's Response:

The Gadsden County Sheriff's Office will continue to make all efforts to comply with the Florida Statute, Pursuant to Section 218.36. The Gadsden County Sheriff's Finance Offices is staffed by a Chief Financial Officer, a Staff Accountant and an outside part-time Accounting Consultant, The delay in yearend closings is attributed to one of our current staff members being out of the office for serious medical issues, and the lack of sufficient staffing which has created a staffing shortage in the Finance Office. Although we are limited in adequate staffing and resources, we are working extended workdays, additional hours during holidays and weekends to keep up with our workload. We communicated with the County Manager and Purvis Gray and Company to inform them of our delay.

We anticipate hiring a former accounting employee in June 2025 to assist with the process of closing our books in accordance with Florida Statute, Section 218.36.

We will continue to streamline our closing process monthly. Purvis Gray & Company discussed the financial statement close process with the Finance Director.

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

- Reconciles and/or reviews reconciliations of all cash accounts to bank statements (approx. by the 15th of each month)
 - Balances all Petty Cash & Investigative Funds Cash
 - Compute excess fees owed to BCC for the General Fund
 - Complete grant billings and record related receivables.
 - Balance Transfers in with the BCC records
 - Balance amounts Due to/from BCC
 - Balance interfund Due to/from accounts
 - Record any receivables and payables as of 9/30.
 - Review invoices paid after year-end for inclusion in proper fiscal year.
 - Reconcile all balance sheet accounts to subsidiary records.
 - Reconcile quarterly 941s to salaries expense per GL.
 - Ensure all budget amendments have been processed.
-
- **2024-02 – Capital Assets and Leases**

Condition:

Florida Statutes, Section 274, provides guidance related to the proper acquisition, recording, supervision, and disposal of tangible personal property owned by local governments.

For the fiscal year ended September 2024, It was noted that no physical Inventory of the Sheriff's Office capital assets and leased vehicles occurred as required by the Sheriff's Office internal policies, and the financial reporting associated with leased vehicles in the custody of the Sheriff's Office was not fully compliant with the requirements of GASB 87.

Recommendation:

We recommend that management perform periodic (at least annual) physical inventories of owned and leased capital assets on hand and reconcile the results of the physical inventory to the underlying accounting records, as required by the internally-generated policies of the Sheriff's Office related to assets. We further recommend that the Sheriff report all capital lease transactions in accordance with GASB 87 in order to facilitate complete and accurate fixed asset reconciliations.

Management's Response:

During fiscal Year 2023-24 the Gadsden County Sheriff's Office performed physical inventories of its owned and leased capital assets. A complete comprehensive physical inventory was performed in February 2025. We will continue to make all efforts to comply with the Sheriff's Office policy and the Auditors Recommendations to complete annual physical inventories as required

▪ **2024-03 – Cash Collection, Reconciliation, and Deposit at Jail Facility**

Condition:

During our testing of the cash receipts transaction cycle, we noted significant delays between the collection, reconciliation, and deposit of funds collected by the Gadsden County Jail on behalf of incarcerated individual housed at the facility.

Recommendation:

We recommend that management develop and adhere to a policy regarding inmate deposits, particularly kiosk deposits, which require timely deposit and reconciliation of funds received by jail staff on behalf of inmates.

Management's Response:

We concur. The Commissary Clerk position is currently vacant at the Jail. The Commissary Clerk duties are currently being performed by Captain McWhite due to a staff shortage. The Gadsden County Sheriff's Office uses Stewart Commissary Contactless Kiosk to collect and record inmate deposits located at the Gadsden County Jail. The Contactless Kiosk locked boxes are taken to the bank and given to a bank teller to verify the deposits made by the inmate families and friends. Bank Reconciliations are completed by the Sheriff's Office Finance Office and

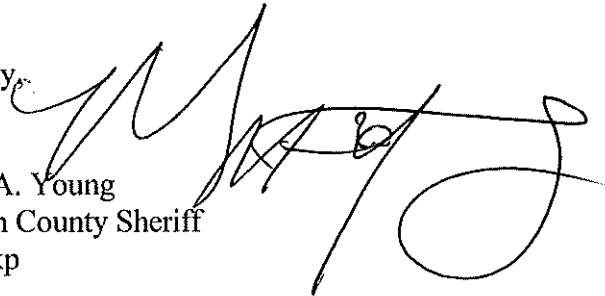
compared to Stewart Commissary Cactas System. The Sheriff's Office policy is to make deposits at least twice a month. We will make all efforts to comply with the Agency policy and the Auditors' recommendations.

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

Purvis Gray and Company reviewed the closing procedures described above.

Sincerely,

Morris A. Young
Gadsden County Sheriff
MAY: kp

A handwritten signature in black ink, appearing to be 'MA Young', written over the typed name and title.

2024

Gadsden County Tax Collector

Financial Statements and
Independent Auditor's Report

September 30, 2024

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR’S REPORT**

**GADSDEN COUNTY TAX COLLECTOR
GADSDEN COUNTY, FLORIDA**

SEPTEMBER 30, 2024

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INDEPENDENT AUDITOR'S REPORT

The Honorable Tonjii Wiggins-McGriff
Gadsden County Tax Collector
Gadsden County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the general fund and the aggregate remaining fund information of the Gadsden County, Florida, Tax Collector (the Tax Collector) as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Tax Collector's financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the general fund and the aggregate remaining fund information of the Tax Collector as of September 30, 2024, and the respective changes in financial position thereof, and budgetary comparison for the general fund, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Tax Collector and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

Incomplete Presentation

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the *Rules of the Auditor General* (the Rules) of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the general fund and the aggregate remaining fund information, only for that portion of the general fund and the aggregate remaining fund information, of Gadsden County, Florida, that is attributable to the Tax Collector. They do not purport to, and do not, present fairly the financial position of Gadsden County, Florida, as of September 30, 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 these matters.

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The Honorable Tonjii Wiggins-McGriff
Gadsden County Tax Collector
Gadsden County, Florida

INDEPENDENT AUDITOR'S REPORT

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Tax Collector's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Tax Collector's ability to continue as a going concern for a reasonable period of time.

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

The Honorable Tonjii Wiggins-McGriff
Gadsden County Tax Collector
Gadsden County, Florida

INDEPENDENT AUDITOR'S REPORT

Other Reporting Required by *Government Auditing Standards*

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

Purvis Gray

June 20, 2025
Tallahassee, Florida

FINANCIAL STATEMENTS

**BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2024
GADSDEN COUNTY TAX COLLECTOR**

Assets

Cash	\$ 126,319
Due from Other Governments	972
Due from Other Funds	<u>7,381</u>
Total Assets	<u><u>134,672</u></u>

Liabilities and Fund Balance

Liabilities

Accounts Payable	7,304
Due to Other Governments	182
Due to Board of County Commissioners	<u>127,186</u>
Total Liabilities	<u><u>134,672</u></u>

Fund Balance

	<u>-</u>
Total Liabilities and Fund Balance	<u><u>\$ 134,672</u></u>

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024
GADSDEN COUNTY TAX COLLECTOR**

Revenues	
Charges for Services	\$ 1,126,191
Miscellaneous	8,291
Total Revenues	<u>1,134,482</u>
Expenditures	
Current:	
General Government:	
Personnel Services	755,045
Operating	253,571
(Total Expenditures)	<u>(1,008,616)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>125,866</u>
Other Financing Sources (Uses)	
Transfers (out) to Board of County Commissioners	(125,866)
Total Other Financing (Uses)	<u>(125,866)</u>
Net Change in Fund Balance	-
Fund Balance, Beginning of Year	<u>-</u>
Fund Balance, End of Year	<u><u>\$ -</u></u>

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024
GADSDEN COUNTY TAX COLLECTOR**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget Positive (Negative)
Revenues				
Charges for Services	\$ 991,235	\$ 991,235	\$ 1,126,191	\$ 134,956
Miscellaneous	1,500	1,500	8,291	6,791
Total Revenues	<u>992,735</u>	<u>992,735</u>	<u>1,134,482</u>	<u>141,747</u>
Expenditures				
Current:				
General Government:				
Personnel Services	818,831	839,438	755,045	84,393
Operating	206,330	253,576	253,571	5
(Total Expenditures)	<u>(1,025,161)</u>	<u>(1,093,014)</u>	<u>(1,008,616)</u>	<u>84,398</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(32,426)</u>	<u>(100,279)</u>	<u>125,866</u>	<u>226,145</u>
Other Financing Sources (Uses)				
Transfers in from Board of County Commissioners	32,426	100,279	-	(100,279)
Transfers (out) to Board of County Commissioners	-	-	(125,866)	(125,866)
Total Other Financing Sources (Uses)	<u>32,426</u>	<u>100,279</u>	<u>(125,866)</u>	<u>(226,145)</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
SEPTEMBER 30, 2024
GADSDEN COUNTY TAX COLLECTOR

	<u>Custodial Fund</u>
Assets	
Cash	\$ 274,963
Due from Individuals	23,654
Due from Other Governments	924
Total Assets	<u>299,541</u>
Liabilities	
Due to Others	626
Due to Other Funds	7,381
Due to Other Governments	38,015
Tag Renewal Deposits	20,488
Installment Tax Deposits	219,373
Total Liabilities	<u>285,883</u>
Net Position	
Restricted for:	
Individuals, Organizations, and Other Governments	<u>\$ 13,658</u>

See accompanying notes to financial statements.

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024
GADSDEN COUNTY TAX COLLECTOR

	<u>Custodial Fund</u>
Additions	
Licenses and Tag Fees Collected	\$ 5,375,668
Property Taxes and Fees Collected - BOCC	18,029,473
Property Taxes and Fees Collected - Other Governments	18,870,084
Hunting and Fishing Licenses Collected	25,210
Total Additions	<u>42,300,435</u>
 Deductions	
Licenses and Tag Fees Disbursed	5,375,674
Property Taxes and Fees Disbursed - BOCC	18,029,493
Property Taxes and Fees Disbursed - Other Governments	18,860,890
Hunting and Fishing Licenses Disbursed	25,210
Miscellaneous Remittances	13,041
Total Deductions	<u>42,304,308</u>
 Change in Net Position	 (3,873)
 Net Position, Beginning	 <u>17,531</u>
 Net Position, Ending	 <u><u>\$ 13,658</u></u>

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS GADSDEN COUNTY TAX COLLECTOR

Note 1 - Summary of Significant Accounting Policies

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

Reporting Entity

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

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

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

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

Basis of Presentation

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

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

The Tax Collector reports the following fund types:

■ Governmental Fund Type

● Major Fund

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

NOTES TO FINANCIAL STATEMENTS GADSDEN COUNTY TAX COLLECTOR

■ **Fiduciary Fund Type**

- **Custodial Fund**—The Custodial Fund is used to account for assets held by the Tax Collector as an agent for individuals, private organizations, and/or other governmental units. Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds. Activities in this fund include receipts for property taxes, vehicle registrations and sales tax, driver's licenses, hunting and fishing licenses, and the related remittances of collected funds.

Fund Balance

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

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

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

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

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

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

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

Measurement Focus/Basis of Accounting

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

NOTES TO FINANCIAL STATEMENTS GADSDEN COUNTY TAX COLLECTOR

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

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

Budgetary Requirement

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

Budgets are prepared on the modified accrual basis of accounting.

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

Capital Assets

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

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

Accrued Compensated Absences

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

NOTES TO FINANCIAL STATEMENTS GADSDEN COUNTY TAX COLLECTOR

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

Property Tax Collections

Chapter 197, Florida Statutes, governs property tax collections.

- *Current Taxes*—All property taxes become due and payable on November 1, and are delinquent on April 1 of the following year. Discounts of 4%, 3%, 2%, and 1% are allowed for early payment in November through February, respectively.
- *Unpaid Taxes - Sale of Tax Certificates*—The Tax Collector advertises, as required by Florida Statutes, then sells tax certificates on all real property for unpaid taxes. Certificates not purchased are issued to the County. Any person owning real property upon which a tax certificate has been sold may reacquire the real property by paying the Tax Collector the face amount of the tax certificate plus interest and other costs.
- *Tax Deeds*—The owner of a tax certificate may, after two years when the taxes have been delinquent (after April 1), file an application for tax deed sale. The County, as a certificate owner, may exercise similar procedures two years after taxes have been delinquent (after April 1). Tax deeds are issued to the highest bidder for the property, which is sold at public auction. The Clerk of the Circuit Court administers these sales.

Use of Estimates

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

Excess Revenues

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

Implementation of GASB Statement No. 100, *Accounting Changes and Error Corrections*

During the year ended September 30, 2024, the Tax Collector adopted GASB Statement No. 100, *Accounting Changes and Error Corrections*. The statement enhances accounting and financial reporting requirements for accounting changes and error corrections. The statement defines accounting changes as: (a) changes in accounting principles, (b) changes in accounting estimates, or (c) changes to or within the financial reporting entity, each with its own financial reporting requirements. Disclosure requirements include descriptions of accounting changes and error corrections and their quantitative effects on account balances. There was no impact to the Tax Collector's financial statements as a result of the adoption of this statement.

Related Organizations - Service Fees and Common Expenses

The Tax Collector's charges for services included approximately \$643,150 received from the Board as fees for real and tangible property tax collections.

**NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY TAX COLLECTOR**

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

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

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

Note 2 - Cash

As of September 30, 2024, the Tax Collector had the following cash on hand and on deposit:

	<u>Carrying Amount</u>
Cash on Hand	\$ 1,626
Deposits in Qualified Public Depositories	<u>399,656</u>
Total Cash	<u><u>\$ 401,282</u></u>

Credit Risk

Section 218.415(17), Florida Statutes, stipulates the State-approved investment policy for all governmental entities and includes the following investments:

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

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

Custodial Credit Risk

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

Qualified public depositories of public funds are required to provide collateral each month pursuant to Section 280.04, Florida Statutes. The collateral is held by the Florida Division of Treasury or other custodian with full legal rights maintained by the Florida Division of Treasury to transfer ownership. Any loss not covered by the pledged securities and deposit insurance would be assessed by the Florida Division of Treasury and paid by the other public depositories. The Tax Collector's deposits are therefore considered fully insured or collateralized. Bank balances at September 30, 2024, were \$539,733.

Tax Collector funds are maintained in an interest-bearing demand deposit account, which is collateralized pursuant to Section 280.04, Florida Statutes.

**NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY TAX COLLECTOR**

Note 3 - Risk Management

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

The Board obtained commercial insurance against losses for the following types of risk:

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

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

Note 4 - Long-Term Liability for Compensated Absences

The Tax Collector's long-term liability for compensated absences is as follows:

	Balance October 1, 2023	Additions	Retirements	Balance September 30, 2024
Liability for Compensated Absences	\$ 45,464	\$ 23,514	\$ (27,188)	\$ 41,790

Of the \$41,790 liability for accrued compensated absences, management estimates that \$13,343 will be due and payable within one year. The liability is not reported in the financial statements of the Tax Collector since it is not payable from available resources at September 30, 2024. As discussed in Note 1, the liability is reported on the statement of net position in the County-wide financial statements.

Note 5 - Pension and Postemployment Benefits Other Than Pension Benefits

Florida Retirement System (FRS) Pension Benefits

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

Postemployment Benefits Other Than Pensions

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

**NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY TAX COLLECTOR**

Note 6 - Interfund Receivables and Payables

Interfund receivables and payables at September 30, 2024, are as follows:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 7,381	\$ -
Fiduciary:		
Custodial Fund	<u>-</u>	<u>7,381</u>
Totals	<u>\$ 7,381</u>	<u>\$ 7,381</u>

Interfund balances primarily comprise fees and bank interest received due from the Custodial Fund to the General Fund and bank service charges in excess of interest earned due from the General Fund to the Custodial Fund. Balances are expected to be settled within 12 months of the date incurred.

Note 7 - Commitments and Contingencies

From time to time, the office of the Tax Collector is involved as a defendant in certain litigation and claims arising from the ordinary course of operations. In the opinion of management, the range of potential liabilities will not materially affect the operations of the Tax Collector's office or the combined financial position of the County, which would be required to fund any claim payments.

OTHER REPORTS

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

The Honorable Tonjii Wiggins-McGriff
Gadsden County Tax Collector
Gadsden County, Florida

We have audited in, accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the general fund and the aggregate remaining fund information of the Gadsden County, Florida, Tax Collector (the Tax Collector) as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Tax Collector's basic financial statements, and have issued our report thereon dated June 20, 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Tax Collector's internal control. Accordingly, we do not express an opinion on the effectiveness of the Tax Collector's internal control.

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

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

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The Honorable Tonjii Wiggins-McGriff
Gadsden County Tax Collector
Gadsden County, Florida

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Purvis Gray

June 20, 2025
Tallahassee, Florida

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

The Honorable Tonjii Wiggins-McGriff
Gadsden County Tax Collector
Gadsden County, Florida

We have examined Gadsden County Tax Collector's (the Tax Collector) compliance with Section 218.415, Florida Statutes, *Local Government Investment Policies*, during the fiscal year ended September 30, 2024, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management of the Tax Collector is responsible for the Tax Collector's compliance with those requirements. Our responsibility is to express an opinion on the Tax Collector's compliance based on our examination.

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

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

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

In our opinion, the Tax Collector complied, in all material respects, with the aforementioned requirements during the fiscal year ended September 30, 2024.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Tax Collector, his management team, and the Board of County Commissioners of Gadsden County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

June 20, 2025
Tallahassee, Florida

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MANAGEMENT LETTER

The Honorable Tonjii Wiggins-McGriff
Gadsden County Tax Collector
Gadsden County, Florida

Report on the Financial Statements

We have audited the financial statements of the general fund and the aggregate remaining fund information of the Gadsden County, Florida Tax Collector (the Tax Collector) as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Tax Collector's financial statements, 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; and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with AICPA *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated June 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 Tax Collector was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Tax Collector.

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The Honorable Tonjii Wiggins-McGriff
Gadsden County Tax Collector
Gadsden County, Florida

MANAGEMENT LETTER

Financial Management

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

Additional Matters

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

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Tax Collector, his management team, and the Board of County Commissioners of Gadsden County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

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

Purvis Gray

June 20, 2025
Tallahassee, Florida

2024

Gadsden County Property Appraiser

Financial Statements and
Independent Auditor's Report

September 30, 2024

PURVIS GRAY
CERTIFIED PUBLIC ACCOUNTANTS

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR’S REPORT**

**GADSDEN COUNTY PROPERTY APPRAISER
GADSDEN COUNTY, FLORIDA**

SEPTEMBER 30, 2024

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INDEPENDENT AUDITOR'S REPORT

The Honorable Reginald A. Cunningham
Gadsden County Property Appraiser
Gadsden County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the general fund of the Gadsden County, Florida Property Appraiser (the Property Appraiser) as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Property Appraiser's financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the general fund for the Property Appraiser as of September 30, 2024, and the respective changes in financial position thereof and the respective budgetary comparison for the general fund for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Property Appraiser and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

Incomplete Presentation

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the *Rules of the Auditor General* of the State of Florida (the Rules). In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the general fund, only for that portion of the general fund, of Gadsden County that is attributable to the Property Appraiser. They do not purport to, and do not, present fairly the financial position of Gadsden County as of September 30, 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 these matters.

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The Honorable Reginald A. Cunningham
Gadsden County Property Appraiser
Gadsden County, Florida

INDEPENDENT AUDITOR'S REPORT

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to these risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Property Appraiser's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- 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.

The Honorable Reginald A. Cunningham
Gadsden County Property Appraiser
Gadsden County, Florida

INDEPENDENT AUDITOR'S REPORT

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 2025, on our consideration of the Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Property Appraiser's internal control over financial reporting and compliance.

Purvis Gray

June 23, 2025
Tallahassee, Florida

FINANCIAL STATEMENTS

**BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2024
GADSDEN COUNTY PROPERTY APPRAISER**

Assets

Cash	\$ 31,614
Other Asset	<u>1,400</u>
Total Assets	<u>33,014</u>

Liabilities and Fund Balance

Liabilities

Accounts Payable	3,383
Accrued Wages Payable	<u>29,631</u>
Total Liabilities	<u>33,014</u>

Fund Balance

Unassigned	<u>-</u>
Total Fund Balance	<u>-</u>

Total Liabilities and Fund Balance	<u>\$ 33,014</u>
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See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024
GADSDEN COUNTY PROPERTY APPRAISER**

Revenues

Charges for Services	\$ 32
Miscellaneous	5,175
Total Revenues	<u>5,207</u>

Expenditures

Current:	
General Government:	
Personnel Services	884,518
Operating	221,482
Capital Outlay	82,334
Debt Service:	
Principal	40,000
Interest	5,588
(Total Expenditures)	<u>(1,233,922)</u>

Excess (Deficiency) of Revenues

Over (Under) Expenditures	<u>(1,228,715)</u>
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Other Financing Sources (Uses)

Transfers in from Board of County Commissioners	1,320,791
Transfers out to Board of County Commissioners	(160,625)
Lease Obligation	68,549
Total Other Financing Sources	<u>1,228,715</u>

Net Change in Fund Balance

	-
Fund Balance, Beginning of Year	<u>-</u>

Fund Balance, End of Year	<u><u>\$ -</u></u>
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See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024
GADSDEN COUNTY PROPERTY APPRAISER**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Revenues				
Charges for Services	\$ -	\$ -	\$ 32	\$ 32
Miscellaneous	-	-	5,175	5,175
Total Revenues	<u>-</u>	<u>-</u>	<u>5,207</u>	<u>5,207</u>
Expenditures				
Current:				
General Government:				
Personnel Services	966,697	966,697	884,518	82,179
Operating	284,594	284,594	221,482	63,112
Capital Outlay	46,000	114,625	82,334	32,291
Debt Service:				
Principal	-	-	40,000	(40,000)
Interest	-	-	5,588	(5,588)
Contingency	23,500	23,500	-	23,500
(Total Expenditures)	<u>(1,320,791)</u>	<u>(1,389,416)</u>	<u>(1,233,922)</u>	<u>155,494</u>
Excess (Deficiency) of Revenues				
Over (Under) Expenditures	<u>(1,320,791)</u>	<u>(1,389,416)</u>	<u>(1,228,715)</u>	<u>160,701</u>
Other Financing Sources (Uses)				
Transfers in from Board of County				
Commissioners	1,320,791	1,320,791	1,320,791	-
Transfers out to Board of County				
Commissioners	-	-	(160,625)	(160,625)
Lease Obligation	-	68,625	68,549	(76)
Total Other Financing Sources	<u>1,320,791</u>	<u>1,389,416</u>	<u>1,228,715</u>	<u>(160,701)</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY PROPERTY APPRAISER

Note 1 - Summary of Significant Accounting Policies

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

Reporting Entity

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

The Gadsden County, Florida Property Appraiser (the Property Appraiser) is an elected official of the County pursuant to the Constitution of the State of Florida, Article VIII, Section 1(d). The Property Appraiser is a part of the primary government of the County. The Florida Department of Revenue approves the Property Appraiser's total operating budget, and effective June 2011, the Clerk of Court was responsible for accounting for the Property Appraiser's transactions. The Property Appraiser is responsible for the administration and operation of the Property Appraiser's office, and the Property Appraiser's financial statements do not include the financial statements of the Board or the other Constitutional Officers of the County. There were no component units related to the Property Appraiser.

The operations of the Property Appraiser are funded by the Board and the Northwest Florida Water Management District. The receipts from the Board are recorded as other financing sources on the Property Appraiser's financial statements.

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

Basis of Presentation

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

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

The Property Appraiser reports the following fund type:

■ **Governmental Fund Type**

● **Major Fund**

- ▶ **General Fund**—The general fund is the general operating fund of the Property Appraiser. It is used to account for all financial resources, except for those required to be accounted for in another fund.

NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY PROPERTY APPRAISER

Basis of Accounting

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

The modified accrual basis of accounting is followed by the general fund. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available to finance expenditures of the current period. The Property Appraiser considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Expenditures are recorded when the liability is incurred, except for accumulated sick and vacation pay, which is not recorded until paid.

Measurement Focus

The accounting and financial reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. The general fund is accounted for on a spending or "financial flow" measurement focus. This means that generally, only current assets and current liabilities are included in the balance sheet. General fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they present a summary of sources and uses of "available spendable resources" during a period.

Budgetary Requirement

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

Budgets are prepared on the modified accrual basis of accounting.

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

Capital Assets

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

Compensated Absences

Permanent full-time employees of the Property Appraiser are entitled to accrue annual leave time. At the time of termination, employees will be compensated for 100% of their accrued annual leave hours.

Sick leave is accumulated at the rate of four hours for each full calendar month of continuous employment during the first year and eight hours during each subsequent year. There is no limit on the amount of sick leave that can be accumulated. At the time of termination, employees will be compensated for 50% of their accrued sick leave hours.

NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY PROPERTY APPRAISER

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

Leases

The Property Appraiser is a lessee for various lease agreements. At the commencement of a lease, the Property Appraiser initially measures the present value of payments expected to be made during the lease term and records this amount as capital outlay expenditures and other finance sources. Subsequently, the lease payments are recorded as debt service principal and interest expenditures based on the discount rate that was used to measure the present value. Because of the current financial resources measurement focus, the accompanying fund financial statements do not report lease assets or liabilities, and such amounts are instead reported in the government-wide financial statements of the County.

Subscription-Based Information Technology Arrangements (SBITAs)

The Property Appraiser has various SBITAs. At the commencement of a SBITA, the Property Appraiser initially measures the present value of payments expected to be made during the SBITA term and records this amount as capital outlay expenditures and other finance sources. Subsequently, the SBITA payments are recorded as debt service principal and interest expenditures based on the discount rate that was used to measure the present value. Based on current financial resources measurement focus, the accompanying fund financial statements do not report SBITA assets or liabilities, and such amounts are instead reported in the government-wide financial statements of the County.

Transfers In and Out

The Board funds substantially the entire operating budget of the Property Appraiser. The payments by the Board to fund the operations of the Property Appraiser are recorded as transfers in on the financial statements of the Property Appraiser. In accordance with Florida Statutes, the Property Appraiser distributes all general fund revenues in excess of expenditures to the Board within 31 days following the end of the fiscal year.

Related Organizations - Common Expenses

Certain expenses, which are common to the Board and all Constitutional Officers, are reported as expenses of the Board and, therefore, are not budgeted by or allocated to the Property Appraiser. These expenses paid by the Board relating to the Property Appraiser's operations are:

- Occupancy Costs
- Janitorial Service
- Utilities (Except Telephone)

Adoption of New Accounting Standard

During the year ended September 30, 2024, the Property Appraiser adopted Governmental Accounting Standards Board (GASB) Statement No. 100, *Accounting Changes and Error Corrections*. The statement enhances accounting and financial reporting requirements for accounting changes and error corrections. The statement defines accounting changes as: (a) changes in accounting principles, (b) changes in accounting estimates, or (3) changes to or within the financial reporting entity, each with its own financial reporting requirements. Disclosure requirements include description of accounting changes and error corrections and their quantitative effects on account balances. There was no impact to the Property Appraiser's financial statements as a result of the adoption of this statement.

**NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY PROPERTY APPRAISER**

Note 2 - Cash

As of September 30, 2024, the carrying amount of the Property Appraiser's deposits was \$31,614.

Credit Risk

Section 218.415(17), Florida Statutes, stipulates the state-approved investment policy for all governmental entities and includes the following investments:

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

The Property Appraiser does not have an investment policy that would further limit its investment choices.

Custodial Credit Risk

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

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

Note 3 - Risk Management

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

The Board obtained commercial insurance against losses for the following types of risk:

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

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

NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY PROPERTY APPRAISER

Note 4 - Long-Term Liabilities

The Property Appraiser's long-term liabilities presented below are not reported in the financial statements of the Property Appraiser since they are not payable from available resources at September 30, 2024. The Property Appraiser's long-term debt is recorded in the Statement of Net Position as part of the basic financial statements of the County.

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

	Balance October 1, 2023	Additions	Deletions	Balance September 30, 2024
Lease Liability	\$ -	\$ 68,549	\$ (2,804)	\$ 65,745
Subscription Liability	76,438	-	(37,196)	39,242
Compensated Absences	31,454	42,872	(42,194)	32,132
Total	<u>\$ 107,892</u>	<u>\$ 111,421</u>	<u>\$ (82,194)</u>	<u>\$ 137,119</u>

Of the \$32,132 liability for accrued compensated absences, management estimates that \$18,453 will be due and payable within one year. See Note 6 for more information on the subscription liability.

Note 5 - Pension and Postemployment Benefits Other Than Pension Benefits

Florida Retirement System (FRS) Pension Benefits

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

Postemployment Benefits Other Than Pensions

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

Note 6 - Subscription Assets and Liabilities

Prior to October 1, 2022, the Property Appraiser entered into a subscription for the use of appraisal software with a term of 60 months. The Property Appraiser is required to make annual payments of \$41,400. The Property Appraiser's subscription liability is being amortized using an interest rate of 5.5%. See Note 4 for more information on the subscription liability balance as of September 30, 2024. Principal and interest components of future minimum lease payments are as follows:

Year Ending September 30,	Principal	Interest
2025	\$ 39,242	\$ 2,158
Total	<u>\$ 39,242</u>	<u>\$ 2,158</u>

NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY PROPERTY APPRAISER

Right-to-use subscription assets and related amortization as of September 30, 2024, are as follows:

	Balance October 1, 2023	Additions	Deletions	Balance September 30, 2024
Subscription Assets	\$ 117,838	\$ -	\$ -	\$ 117,838
Accumulated Amortization	(39,279)	(39,280)	-	(78,559)
Net Subscription Asset	\$ 78,559	\$ (39,280)	\$ -	\$ 39,279

Note 7 - Lease Assets and Liabilities

During the fiscal year 2024, the Property Appraiser entered into a lease for the use of a vehicle with a term of 60 months. The Property Appraiser is required to make monthly payments of \$1,396. The Property Appraiser's lease is being amortized using an interest rate of 8.19%. See Note 4 for more information on the lease liability balance as of September 30, 2024. Principal and interest components of future minimum lease payments are as follows:

Year Ending September 30,	Principal	Interest
2025	\$ 11,806	\$ 4,948
2026	12,810	3,944
2027	13,900	2,854
2028	15,082	1,672
2029	12,147	418
Total	\$ 65,745	\$ 13,836

Lease assets and related amortization as of September 30, 2024, are as follows:

	Balance October 1, 2023	Additions	Deletions	Balance September 30, 2024
Lease Assets	\$ -	\$ 68,625	\$ -	\$ 68,625
Accumulated Amortization	-	(4,570)	-	(4,570)
Net Leased Asset	\$ -	\$ 64,055	\$ -	\$ 64,055

OTHER REPORTS

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

The Honorable Reginald A. Cunningham
Gadsden County Property Appraiser
Gadsden County, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the general fund of the Gadsden County, Florida Property Appraiser (the Property Appraiser) as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Property Appraiser's basic financial statements, and have issued our report thereon dated June 23, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

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The Honorable Reginald A. Cunningham
Gadsden County Property Appraiser
Gadsden County, Florida

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Purvis Gray

June 23, 2025
Tallahassee, Florida

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

The Honorable Reginald A. Cunningham
Gadsden County Property Appraiser
Gadsden County, Florida

We have examined Gadsden County, Florida Property Appraiser's (the Property Appraiser) compliance with the requirements of Section 218.415, Florida Statutes, as of and for the year ended September 30, 2024, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the Property Appraiser's compliance with those requirements. Our responsibility is to express an opinion on the Property Appraiser's compliance based on our examination.

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

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

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

In our opinion, the Property Appraiser complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2024.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Property Appraiser, its management, and the Board of County Commissioners of Gadsden County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

June 23, 2025
Tallahassee, Florida

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MANAGEMENT LETTER

The Honorable Reginald A. Cunningham
Gadsden County Property Appraiser
Gadsden County, Florida

Report on the Financial Statements

We have audited the financial statements of the general fund of the Gadsden County, Florida Property Appraiser (the Property Appraiser) as of and for the year ended September 30, 2024, and have issued our report thereon dated June 23, 2025.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with American Institute of Certified Public Accountants *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated June 23, 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 and recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

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

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The Honorable Reginald A. Cunningham
Gadsden County Property Appraiser
Gadsden County, Florida

MANAGEMENT LETTER

Financial Condition and Management

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

Additional Matters

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

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Property Appraiser, his management team, and the Board of County Commissioners of Gadsden County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

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

Purvis Gray

June 23, 2025
Tallahassee, Florida

2024

Gadsden County Supervisor of Elections

Financial Statements and
Independent Auditor's Report

September 30, 2024

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR’S REPORT**

**GADSDEN COUNTY SUPERVISOR OF ELECTIONS
GADSDEN COUNTY, FLORIDA**

SEPTEMBER 30, 2024

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INDEPENDENT AUDITOR'S REPORT

The Honorable Kenya Ponder Williams
Gadsden County Supervisor of Elections
Gadsden County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the general fund of the Gadsden County, Florida Supervisor of Elections (the Supervisor of Elections) as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the general fund for the Supervisor of Elections as of September 30, 2024, and the respective changes in financial position thereof and the respective budgetary comparison for the general fund for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Supervisor of Elections and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

Incomplete Presentation

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the *Rules of the Auditor General* of the State of Florida (the Rules). In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the general fund, only for that portion of the general fund, of Gadsden County that is attributable to the Supervisor of Elections. They do not purport to, and do not, present fairly the financial position of Gadsden County as of September 30, 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 these matters.

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The Honorable Kenya Ponder Williams
Gadsden County Supervisor of Elections
Gadsden County, Florida

INDEPENDENT AUDITOR'S REPORT

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Supervisor of Elections' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Supervisor of Elections' ability to continue as a going concern for a reasonable period of time.

The Honorable Kenya Ponder Williams
Gadsden County Supervisor of Elections
Gadsden County, Florida

INDEPENDENT AUDITOR'S REPORT

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 23, 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, rules, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Supervisor of Elections' internal control over financial reporting and compliance.

Purvis Gray

June 23, 2025
Tallahassee, Florida

FINANCIAL STATEMENTS

**BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2024
GADSDEN COUNTY SUPERVISOR OF ELECTIONS**

Assets

Cash	\$ 1,983
Due from Other Governments	28,866
Total Assets	<u>30,849</u>

Liabilities and Fund Balance

Liabilities

Accounts Payable	8,755
Accrued Wages and Benefits	22,094
Total Liabilities	<u>30,849</u>

Fund Balance

Unassigned	-
Total Fund Balance	<u>-</u>

Total Liabilities and Fund Balance	<u>\$ 30,849</u>
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See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024
GADSDEN COUNTY SUPERVISOR OF ELECTIONS**

Expenditures

General Government:

Personnel Services

\$ 683,187

Operating Expenditures

454,276

Capital Outlay

10,017

(Total Expenditures)

(1,147,480)

Excess (Deficiency) of Expenditures

Over (Under) Revenues

(1,147,480)

Other Financing Sources (Uses)

Transfers in from Board of County

Commissioners

1,194,485

Transfers out to Board of County

Commissioners

(47,005)

Total Other Financing Sources (Uses)

1,147,480

Net Change in Fund Balance

-

Fund Balance, Beginning of Year

-

Fund Balance, End of Year

\$ -

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024
GADSDEN COUNTY SUPERVISOR OF ELECTIONS**

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget
				Positive
				(Negative)
Expenditures				
General Government:				
Personnel Services	\$ 621,652	\$ 708,551	\$ 683,187	\$ 25,364
Operating Expenditures	368,833	451,934	454,276	(2,342)
Capital Outlay	34,000	34,000	10,017	23,983
(Total Expenditures)	(1,024,485)	(1,194,485)	(1,147,480)	47,005
Excess (Deficiency) of Expenditures				
Over (Under) Revenues	(1,024,485)	(1,194,485)	(1,147,480)	47,005
Other Financing Sources				
Transfers in from Board of County				
Commissioners	1,024,485	1,194,485	1,194,485	-
Transfers out to Board of County				
Commissioners	-	-	(47,005)	(47,005)
Total Other Financing Sources	1,024,485	1,194,485	1,147,480	(47,005)
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY SUPERVISOR OF ELECTIONS

Note 1 - Summary of Significant Accounting Policies

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

Reporting Entity

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

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

The operations of the Supervisor of Elections are funded by the Board. The receipts from the Board are recorded as other financing sources on the Supervisor of Elections' financial statements and as other financing uses on the Board's financial statements.

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

Basis of Presentation

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

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

The Supervisor of Elections reports the following fund type:

■ **Governmental Fund**

● **Major Fund**

- ▶ **General Fund**—The general fund is the general operating fund of the Supervisor of Elections. It is used to account for all financial resources, except for those required to be accounted for in another fund.

NOTES TO FINANCIAL STATEMENTS

GADSDEN COUNTY SUPERVISOR OF ELECTIONS

Basis of Accounting

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

The modified accrual basis of accounting is followed by the general fund. Under the modified accrual basis of accounting, revenues are recognized when they are received in cash or when they become both measurable and available to finance expenditures of the current period. Expenditures are recorded when the liability is incurred and/or will be paid from expendable available financial resources, except for accumulated sick and vacation pay, which are not recorded until paid.

The Supervisor of Elections considers receivables collected within 30 days after year-end to be available and susceptible to accrual as revenues of the current year. The following major revenue is considered susceptible to accrual: intergovernmental revenue.

Measurement Focus

The accounting and financial reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. The general fund is accounted for on a spending or "financial flow" measurement focus. This means that generally, only current assets and current liabilities are included in the balance sheet. General fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they present a summary of sources and uses of "available spendable resources" during a period.

Budgetary Requirement

General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget is prepared by the Supervisor of Elections and adopted by the Board for the general fund.

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

Budget-to-actual comparisons are provided in the financial statements for the general fund. All budget amounts presented in the accompanying financial statements have been adjusted for legally authorized amendments to the annual budget for the year. Budgets are prepared on the modified accrual basis of accounting.

Capital Assets

Tangible personal property is recorded as expenditures in the general fund at the time an asset is acquired. Assets acquired by the Supervisor of Elections are capitalized at cost in the capital asset accounts of the Board. The Supervisor of Elections maintains custodial responsibility for the capital assets used by her office.

Compensated Absences

Permanent full-time employees of the Supervisor of Elections are entitled to accrue unlimited hours of sick leave and 240 hours of vacation time. Upon termination, employees can be paid up to 240 hours of vacation time and up to one-fourth of unused sick time, with the payment of one-fourth of unused sick time being subject to three years of consecutive employment.

NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY SUPERVISOR OF ELECTIONS

The Supervisor of Elections' accrued compensated absences are reported in the statement of net position in the County-wide financial statements.

Transfers In and Out

The Board funds substantially the entire operating budget of the Supervisor of Elections. The payments by the Board to fund the operations of the Supervisor of Elections are recorded as transfers in on the financial statements of the Supervisor of Elections. In accordance with Florida Statutes, the Supervisor of Elections distributes all general fund revenues in excess of expenditures to the Board within 31 days following the end of the fiscal year.

Related Organizations—Common Expenses

Certain expenses, which are common to the Board and all Constitutional Officers, are reported as expenses of the Board and, therefore, are not budgeted by or allocated to the Supervisor of Elections. These expenses paid by the Board relating to the Supervisor of Elections operations are:

- Occupancy Costs
- Janitorial Service
- Utilities (Except Telephone)
- Property Insurance

Adoption of New Accounting Standard

During the year ended September 30, 2024, the Supervisor of Elections adopted Governmental Accounting Standards Board Statement No. 100, *Accounting Changes and Error Corrections*. The statement enhances accounting and financial reporting requirements for accounting changes and error corrections. The statement defines accounting changes as: (a) changes in accounting principles, (b) changes in accounting estimates, or (3) changes to or within the financial reporting entity, each with its own financial reporting requirements. Disclosure requirements include description of accounting changes and error corrections and their quantitative effects on account balances. There was no impact to the Supervisor of Elections' financial statements as a result of the adoption of this statement.

Note 2 - Cash

As of September 30, 2024, the carrying amount of the Supervisor of Elections' deposits was \$1,983.

Credit Risk

Section 218.415(17), Florida Statutes, stipulates the state-approved investment policy for all governmental entities and includes the following investments:

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

NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY SUPERVISOR OF ELECTIONS

The Supervisor of Elections does not have an investment policy that would further limit its investment choices.

Custodial Credit Risk

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

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

Note 3 - Risk Management

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

The Board obtained commercial insurance against losses for the following types of risk:

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

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

Note 4 - Long-Term Liability for Compensated Absences

The Supervisor of Elections' long-term liability for compensated absences is as follows:

	Balance October 1, 2023	Additions	Retirements	Balance September 30, 2024
Liability for Compensated Absences	\$ 15,944	\$ 18,981	\$ (11,600)	\$ 23,325

Of the \$23,325 liability for accrued compensated absences, management estimates that \$11,141 will be due and payable within one year. The liability is not reported in the financial statements of the Supervisor of Elections since it is not payable from available resources at September 30, 2024. As discussed in Note 1, the liability is reported on the Statement of Net Position in the County-wide financial statements.

NOTES TO FINANCIAL STATEMENTS
GADSDEN COUNTY SUPERVISOR OF ELECTIONS

Note 5 - Pension and Postemployment Benefits Other Than Pension Benefits

Florida Retirement System (FRS) Pension Benefits

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

Postemployment Benefits Other Than Pensions

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

OTHER REPORTS

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

The Honorable Kenya Ponder Williams
Gadsden County Supervisor of Elections
Gadsden County, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the general fund of the Gadsden County, Florida Supervisor of Elections (the Supervisor of Elections) as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' basic financial statements, and have issued our report thereon dated June 23, 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 the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Supervisor of Elections' internal control. Accordingly, we do not express an opinion on the effectiveness of the Supervisor of Elections' internal control.

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

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

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The Honorable Kenya Ponder Williams
Gadsden County Supervisor of Elections
Gadsden County, Florida

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Purvis Gray

June 23, 2025
Tallahassee, Florida

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

The Honorable Kenya Ponder Williams
Gadsden County Supervisor of Elections
Gadsden County, Florida

We have examined Gadsden County, Florida Supervisor of Elections' (the Supervisor of Elections) compliance with the requirements of Section 218.415, Florida Statutes, as of and for the year ended September 30, 2024, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the Supervisor of Elections' compliance with those requirements. Our responsibility is to express an opinion on the Supervisor of Elections' compliance based on our examination.

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

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

Our examination does not provide a legal determination on the Supervisor of Elections' compliance with specified requirements.

In our opinion, the Supervision of Elections complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2024.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Supervisor of Elections, its management, and the Board of County Commissioners of Gadsden County, Florida and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

June 23, 2025
Tallahassee, Florida

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MANAGEMENT LETTER

The Honorable Kenya Ponder Williams
Gadsden County Supervisor of Elections
Gadsden County, Florida

Report on the Financial Statements

We have audited the financial statements of the general fund of the Gadsden County, Florida Supervisor of Elections (the Supervisor of Elections) as of and for the year ended September 30, 2024, and have issued our report thereon dated June 23, 2025.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Chapter 10.550, *Rules of the Auditor General*.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with American Institute of Certified Public Accountants *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated June 23, 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 Supervisor of Elections was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Supervisor of Elections.

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The Honorable Kenya Ponder Williams
Gadsden County Supervisor of Elections
Gadsden County, Florida

MANAGEMENT LETTER

Financial Condition and Management

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

Additional Matters

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

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Supervisor of Elections, her management team, and the Board of County Commissioners of Gadsden County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

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

Purvis Gray

June 23, 2025
Tallahassee, Florida

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