MADISON COUNTY, FLORIDA

❖

ANNUAL FINANCIAL REPORT

SEPTEMBER 30, 2025

MADISON COUNTY, FLORIDA

THIS REPORT CONTAINS THE FOLLOWING SECTIONS

Madison County, Florida (Government-wide) Basic Financial Statements, Auditor's Report, Reports on Internal Control and Compliance of Federal Awards and State Financial Assistance

Clerk of the Court and Comptroller's Financial Statements, Auditor's Report, Reports on Internal Control and Compliance and Management Letter

Property Appraiser's Financial Statements, Auditor's Report, Reports on Internal Control and Compliance and Management Letter

Sheriff's Financial Statements, Auditor's Report, Reports on Internal Control and Compliance and Management Letter

Supervisor of Elections' Financial Statements, Auditor's Report, Reports on Internal Control and Compliance and Management Letter

Tax Collector's Financial Statements, Auditor's Report, Reports on Internal Control and Compliance and Management Letter

Annual Financial Report
and Other Financial Information
❖
Madison County, Florida

Year Ended September 30, 2025
with Independent Auditor's Report

Introductory Section

MADISON COUNTY, FLORIDA
ANNUAL FINANCIAL REPORT

September 30, 2025

BOARD OF COUNTY COMMISSIONERS

Alston Kelley	District 1
Donnie Waldrep	District 2
Ronnie Moore	District 3
Alfred Martin	District 4
Rick Davis	District 5

CLERK OF THE COURT AND COMPTROLLER

Billy Washington

SHERIFF

David Harper

TAX COLLECTOR

Robin Z. Hart

PROPERTY APPRAISER

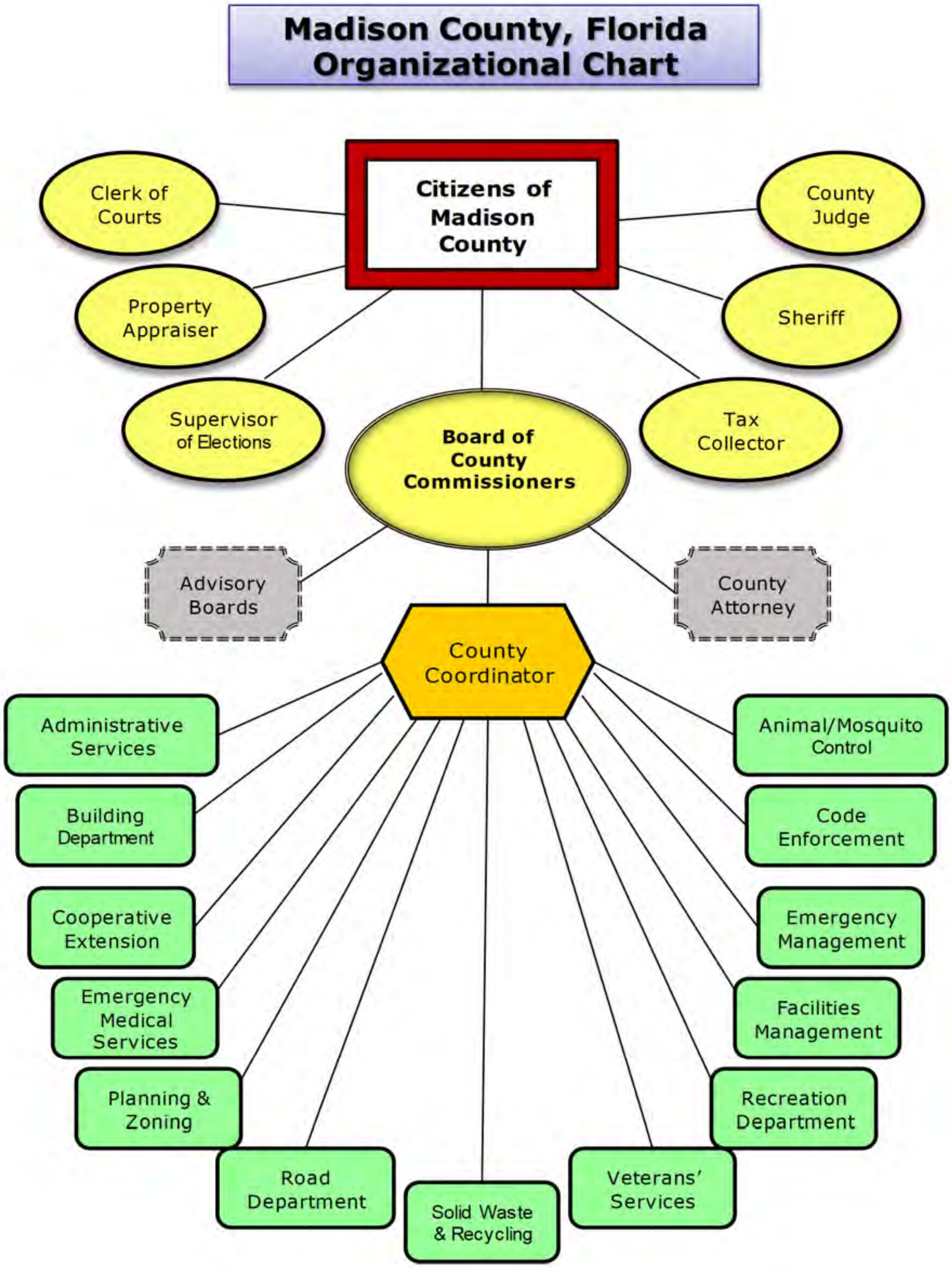
Marie R. Smith

SUPERVISOR OF ELECTIONS

Heath Driggers

COUNTY ATTORNEY

George T. Reeves


Madison County, Florida
Organizational Chart
Citizens of Madison County
Clerk of Courts
Property Appraiser
Supervisor of Elections
County Judge
Sheriff
Tax Collector
Board of County Commissioners
Advisory Boards
County Attorney
County Coordinator
Administrative Services
Building Department
Cooperative Extension
Emergency Medical Services
Planning & Zoning
Road Department
Solid Waste & Recycling
Veterans' Services
Recreation Department
Facilities Management
Emergency Management
Code Enforcement
Animal/Mosquito Control

Financial Section

MADISON COUNTY, FLORIDA
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2025

TABLE OF CONTENTS

MADISON COUNTY, FLORIDA
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2025

TABLE OF CONTENTS (CONTINUED)

LANIGAN & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.lanigancpa.com

INDEPENDENT AUDITOR'S REPORT

The Honorable Chairman and Commissioners of the
Board of County Commissioners and Constitutional Officers
Madison County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Madison County, Florida, as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise Madison County, Florida's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Madison County, Florida, as of September 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (GAS), 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 Madison County, Florida, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As described in Note 14 to the financial statements, governmental funds fund balance and government-wide net position were restated. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise Madison County, Florida's basic financial statements. The combining and individual non-major fund financial statements are presented for purposes of additional analysis and are not a required part of the financial statements. The accompanying 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, respectively, is presented for purposes of additional analysis and is also not a required part of the basic financial statements.

The combining and individual non-major fund financial statements and the schedule of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the accompanying supplementary information listed above is 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 in the annual report. 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2026, on our consideration of Madison County, Florida's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Madison County, Florida's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Madison County, Florida's internal control over financial reporting and compliance.

Lanigan & Associates, P.C.

Tallahassee, Florida
June 24, 2026

MANAGEMENT'S DISCUSSION AND ANALYSIS

The County's management discussion and analysis presents an overview of the County's financial activities for the fiscal year ended September 30, 2025. Please read it in conjunction with the County's financial statements. Its intent is to provide a brief, objective, and easily readable analysis of the County's financial performance for the year and its financial position at fiscal year-end September 30, 2025.

Financial Highlights:

- The County's assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2025 by $65,882,265.

- The County's total net position increased by $2,379,964 as a result of fiscal year 2025 operations with an increase of $2,320,841 resulting from governmental activities and an increase of $59,123 resulting from business-type activities.

- At September 30, 2025, the County's governmental funds reported combined ending fund balances of $20,809,433, an increase of $411,414 in comparison with the prior year. Of this amount, $8,745,367 remains in various fund types of the County as unassigned.

- The General Fund reported an unassigned fund balance of $9,202,571, an increase from last fiscal year of $1,718,561.

- As of September 30, 2025, the County's outstanding long-term debt (loans) was $4,092,130. Of this amount, $1,299,743 is considered due within one year.

- Capital asset events during the current fiscal year included purchases of equipment, county road construction and improvements, and building construction that increased capital assets by $4,568,533. Leased assets under GASB Statement No. 87, *Leases* increased by $2,203,002.

Overview of the Financial Statements:

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

Government-wide Financial Statements:

The government-wide financial statements, which consist of the Statement of Net Position and the Statement of Activities, are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business. The Statement of Net Position presents information on all of the County's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities presents information showing how the County's net position changed during fiscal year 2025. It focuses on both the gross and net cost of various activities which are provided by general taxes and other revenues. All changes in net position are reported as soon as the underlying event giving rise to the changes occurs, regardless of the timing of related cash flows.

The governmental activities of the County include general government, public safety, physical environment, transportation, economic environment, health and social services, culture/recreation, court related, and other community services.

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 activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, enterprise funds, and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflow and outflow of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. This is similar to the manner in which the budget is developed. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide reconciliation to facilitate this comparison between governmental funds and governmental activities.

The County maintains thirty-seven individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General, County Transportation, Sheriff Operating, SHIP, and CARES Act, which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in the supplementary information section of this report.

The County adopts an annual appropriated budget for each of its major governmental funds and most non-major funds. A budgetary comparison statement has been provided for the major funds to demonstrate budgetary compliance in the basic financial statements.

Proprietary Funds

The County maintains and presents two major enterprise funds. These funds report, in detail, the same information presented in the government-wide financial statements for Emergency Medical Services and Solid Waste.

Notes to the Financial Statements

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

Government-Wide Financial Analysis

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows exceeded liabilities and deferred inflows by $65,882,265 at September 30, 2025. This is calculated as follows:

MADISON COUNTY, FLORIDA
NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
ASSETS						
Current and other assets	$ 11,623,927	$ 6,226,621	$ (450,304)	$ 32,862	$ 11,173,623	$ 6,259,483
Capital assets	62,696,872	60,951,787	1,694,774	1,728,077	64,391,646	62,679,864
Investments	25,343,342	31,251,342	786,177	6,231	26,129,519	31,257,573
Total assets	99,664,141	98,429,750	2,030,647	1,767,170	101,694,788	100,196,920
DEFERRED OUTFLOW OF RESOURCES RELATED TO PENSIONS	5,589,004	5,340,201	902,359	858,451	6,491,363	6,198,652
LIABILITIES						
Current liabilities	15,888,017	16,690,125	155,417	135,650	16,043,434	16,825,775
Long-term liabilities	19,762,776	20,863,891	2,824,109	2,783,658	22,586,885	23,647,549
Total liabilities	35,650,793	37,554,016	2,979,526	2,919,308	38,630,319	40,473,324
DEFERRED INFLOW OF RESOURCES RELATED TO PENSIONS	3,121,024	2,055,448	552,543	364,499	3,673,567	2,419,947
NET POSITION						
Net investment in capital assets	58,936,893	57,682,636	1,362,623	1,728,077	60,299,516	59,410,713
Restricted	10,895,893	12,629,208	-	-	10,895,893	12,629,208
Unrestricted	(3,351,458)	(6,151,357)	(1,961,686)	(2,386,263)	(5,313,144)	(8,537,620)
Total net position	$ 66,481,328	$ 64,160,487	$ (599,063)	$ (658,186)	$ 65,882,265	$ 63,502,301

The largest portion of the County's net position, $60,299,516 reflects its investment in capital assets (e.g. land, buildings, and equipment), less any related outstanding debt used to acquire those assets. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net assets, $10,895,893 represents resources that are dedicated or subject to restrictions on how they may be used.

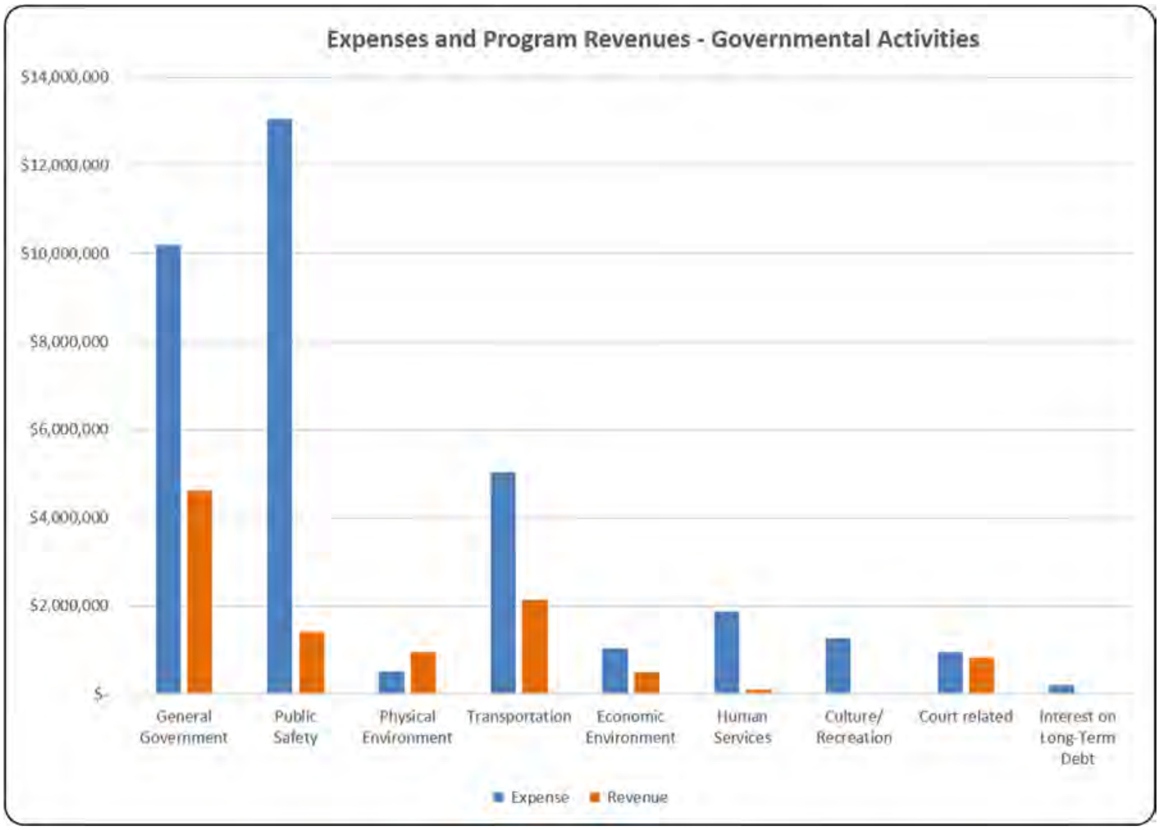
The remaining balance of unrestricted net position, negative $5,313,144, includes funds that may be used to meet the government's ongoing obligations to the citizens and creditors.

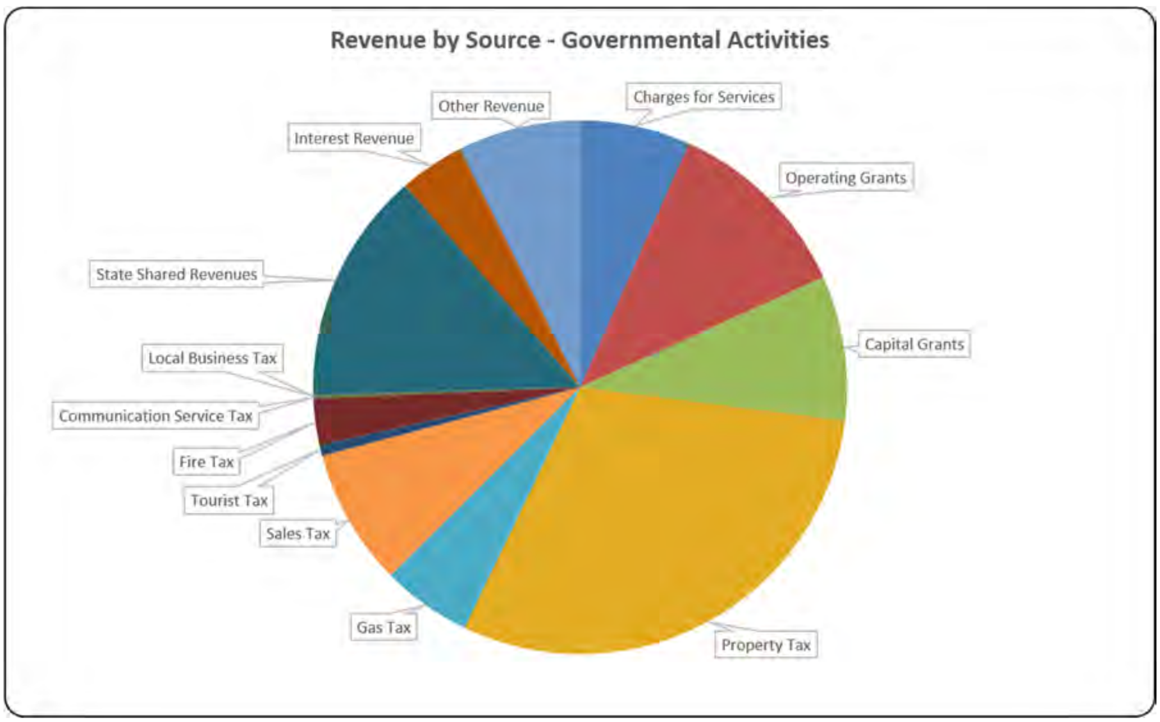
Governmental Activities

Governmental activities increased the County's net assets by $2,320,841. This presentation includes a deduction for depreciation and amortization of $4,612,323; however, it does not recognize $6,279,434 for capital outlay as an expenditure.

MADISON COUNTY, FLORIDA
CHANGES IN NET POSITION

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues						
Program revenues						
Charges for services	$ 2,603,003	$ 2,512,639	$ 3,295,895	$ 2,650,323	$ 5,898,898	$ 5,162,962
Operating grants	4,496,696	2,087,080	186,812	100,561	4,683,508	2,187,641
Capital grants	3,416,702	996,306	-	-	3,416,702	996,306
General revenues						
Property taxes	11,729,993	11,643,004	-	-	11,729,993	11,643,004
Other taxes	6,772,573	6,300,542	1,864,030	1,399,765	8,636,603	7,700,307
Other	9,921,415	10,556,192	111,399	907,146	10,032,814	11,463,338
Total revenues	38,940,382	34,095,763	5,458,136	5,057,795	44,398,518	39,153,558
Expenses						
General government	10,199,545	7,995,221	-	-	10,199,545	7,995,221
Public safety	13,053,266	12,438,309	-	-	13,053,266	12,438,309
Physical environment	499,827	450,073	-	-	499,827	450,073
Transportation	5,043,734	4,800,918	-	-	5,043,734	4,800,918
Economic development	1,030,832	1,239,093	-	-	1,030,832	1,239,093
Human services	1,865,637	1,636,628	-	-	1,865,637	1,636,628
Culture/recreation	1,258,140	1,056,246	-	-	1,258,140	1,056,246
Court related	953,174	973,386			953,174	973,386
Interest on long-term debt	192,227	134,795	-	-	192,227	134,795
Solid waste disposal	-	-	2,401,568	2,321,754	2,401,568	2,321,754
Emergency medical services	-	-	5,520,604	4,694,762	5,520,604	4,694,762
Total expenses	34,096,382	30,724,669	7,922,172	7,016,516	42,018,554	37,741,185
Change in net position before transfers	4,844,000	3,371,094	(2,464,036)	(1,958,721)	2,379,964	1,412,373
Transfers	(2,523,159)	(2,187,265)	2,523,159	2,187,265	-	-
Increase in net position	2,320,841	1,183,829	59,123	228,544	2,379,964	1,412,373
Net position - beginning, as restated	64,160,487	62,976,658	(658,186)	(886,730)	63,502,301	62,089,928
Net position - ending	$66,481,328	$64,160,487	$ (599,063)	$ (658,186)	$65,882,265	$63,502,301


Expenses and Program Revenues - Governmental Activities
$14,000,000
$12,000,000
$10,000,000
$8,000,000
$6,000,000
$4,000,000
$2,000,000
$-
General Government
Public Safety
Physical Environment
Transportation
Economic Environment
Human Services
Culture/ Recreation
Court related
Interest on Long-Term Debt
Expense
Revenue


Revenue by Source - Governmental Activities
Other Revenue
Charges for Services
Interest Revenue
Operating Grants
State Shared Revenues
Capital Grants
Local Business Tax
Communication Service Tax
Fire Tax
Tourist Tax
Sales Tax
Gas Tax
Property Tax

Financial Analysis of the County's Funds

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

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. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

At the end of fiscal year 2025, the County's governmental funds reported a combined ending fund balance of $20,809,433, an increase of $411,414 in comparison with the prior year. The unassigned Governmental Fund balance is $8,745,367 and is available for spending at the County's discretion. The restricted fund balance is $10,895,893 and is subject to constraints imposed by external parties, including creditors, grantors, and laws and regulations of other governments, or imposed by County ordinance or enabling legislation. The restricted fund balance is comprised of the following:

> The County Transportation Trust Fund accounts for motor fuel taxes, county surplus gas tax and various grant funds designated to finance the Public Works Department, which is responsible for the maintenance of all county roads and bridges. The use of this fund is restricted by state statute for these designated purposes. It has a fund balance of $2,265,808 which is a decrease of $457,074 for fiscal year 2025.
>
> Hospital Surtax Fund presented on I-6 and I-12 accounts for the one-half cent hospital sales tax that is restricted for new hospital construction in Madison County. It has a fund balance of $1,280,339 which is a decrease of ($7,798) for fiscal year 2025.
>
> 5^{th} and 6^{th} Cent Surplus Fund presented on I-5 and I-11 accounts for local option fuel taxes that are legally restricted for construction of County roads. It has a fund balance of $2,857,664 which is an increase of $459,068 for fiscal year 2025.
>
> The 2nd local option fuel tax presented on pages I-4 and I-10 is legally restricted for construction of County roads. It has a fund balance of $1,205,465 which is an increase of $442,319 for fiscal year 2025.
>
> The small county surtax presented on pages I-6 and I-12 is legally restricted for any public purpose authorized by an ordinance adopted by the county. It has a fund balance of $1,006,535 which is a decrease of ($1,031,763) for fiscal year 2025.
>
> The remaining restricted fund balance of $2,280,082 is comprised of grant proceeds and other taxes that are restrictive in their use.

The assigned fund balance is $1,162,928 and is constrained by the County's intent to use for specific purposes, but is not considered restricted or committed. The remaining fund balance is nonspendable and cannot be spent because it is either not in spendable form or is legally or contractually required to remain intact.

Proprietary Funds

The County maintains and presents two major enterprise funds. These funds report, in detail, the same information presented in the government-wide financial statements for Emergency Medical Services (EMS) and Solid Waste.

The EMS Fund had a decrease of 9% in their operating revenue during the fiscal year 2025. The EMS Fund ended the year with a decrease in net assets of ($155,853).

The Solid Waste Disposal Fund utilizes a special assessment for part of its service-oriented functionality. The fund is also contributed to by the collection of fees for waste disposal via green box collection. The Solid Waste Disposal Fund ended the year with an increase in net assets of $214,976. The use of these funds is restricted by ordinance and is not available for general government operations.

General Fund Budgetary Highlights

When comparing the general fund original budget to the final budget, minor budget adjustments occurred within the various line items. The total net budget adjustments increased revenues by $4,597,555. The total net budget adjustments increased expenditures by $2,918,973. The offsetting adjustments to balance the budget were to decrease net transfers by $1,678,582 and an increase to proceeds from payments on note receivable by $60,000.

Capital Asset and Debt Administration

The financial statements present capital assets in two groups: those assets subject to depreciation, such as equipment or operational facilities, those subject to amortization (leased assets) and those assets not subject to depreciation or amortization, such as land and work in progress. The County's investment in capital assets for its governmental and business-type activities as of September 30, 2025, was $64,391,646 (net of accumulated depreciation and amortization). This investment in capital assets includes land, buildings, improvements, equipment, infrastructure, right-to-use leased equipment, and work in progress. Capital asset events during the current fiscal year included the lease and purchase of equipment, county road construction and improvements, and building construction that increased capital assets by $6,771,535.

MADISON COUNTY, FLORIDA
CAPITAL ASSETS (NET OF DEPRECIATION)

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	$ 1,999,859	$ 1,999,859	$ -	$ -	$ 1,999,859	$ 1,999,859
Buildings and Improvements	4,386,502	3,889,265	-	-	4,386,502	3,889,265
Equipment	2,960,315	3,090,204	1,408,356	1,728,077	4,368,671	4,818,281
Infrastructure	47,317,570	49,481,865	-	-	47,317,570	49,481,865
Right-to-use leased equipment	3,074,274	2,004,333	286,418	-	3,360,692	2,004,333
Work In Progress	2,958,352	486,261	-	-	2,958,352	486,261
Total	$62,696,872	$60,951,787	$ 1,694,774	$ 1,728,077	$64,391,646	$62,679,864

Major capital asset events during the current fiscal year included the following:

- Road construction, resurfacing, and widening projects equaled $1,499,092. These projects were funded by the County and the Department of Transportation.
- Modular Fire Station totaling $794,875.
- Multi-Purpose Community Center $493,667.
- The County purchased other miscellaneous vehicles and equipment during the year totaling $1,077,500.
- Right-to-use leased equipment totaling $2,203,002.

Additional information on the County's capital assets can be found in Note 5 of the financial statements.

Long-Term Debt

As of September 30, 2025, the County's outstanding long-term debt (loans) was $4,092,130. Of this amount $1,299,743 is considered due within one year. Listed below is a summary of the County's major debt:

- The Florida Department of Environmental Protection has a revolving loan program for certain water pollution control projects. The County was awarded funding from this program to assist with a portion of the I-10 interchange project. Amounts borrowed require a financing charge to be paid at a rate of 1.69% annually. As of September 30, 2025, the outstanding balance on the revolving loan fund amounted to $419,348.

Economic Factors and Next Year's Budget and Rates

- The unemployment rate for the County at September 30, 2025, was 5.2% according to the U.S. Department of Labor Bureau of Labor Statistics.
- Total population according to the most recent U.S. Census estimate was 18,364 at September 30, 2025. This was a small change from figures reported in the prior fiscal year.
- The general ad-valorem tax millage rate for 2025 was 8.8776 mills. The assessed taxable value of commercial and residential property increased 0.66 % in fiscal year 2025.

Request for Information

This financial report is designed to present users with a general overview of the County's finances and to demonstrate the County's accountability. If you have questions concerning any of the information provided in this report or need additional financial information, contact the Madison County, Florida Clerk of Circuit Court, Finance Director, at P.O. Box 237, Madison, FL 32341.

BASIC FINANCIAL STATEMENTS

MADISON COUNTY, FLORIDA
STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

	PRIMARY GOVERNMENT		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash	$ 5,735,509	$ 569,435	$ 6,304,944
Accounts receivable, net	480,822	623,974	1,104,796
Internal balances	1,709,878	(1,709,878)	-
Due from other governmental units	3,692,473	66,165	3,758,638
Investments	25,343,342	786,177	26,129,519
Prepaid items	5,245	-	5,245
Capital assets:			
Land and construction in progress	4,958,211	-	4,958,211
Depreciable (net)	57,738,661	1,694,774	59,433,435
Total assets	99,664,141	2,030,647	101,694,788
DEFERRED OUTFLOWS OF RESOURCES RELATED TO PENSIONS	5,589,004	902,359	6,491,363
LIABILITIES			
Accounts payable	2,678,668	155,417	2,834,085
Other liabilities	13,209,349	-	13,209,349
Non-current liabilities			
Due within one year	1,442,877	128,579	1,571,456
Due in more than one year	18,319,899	2,695,530	21,015,429
Total liabilities	35,650,793	2,979,526	38,630,319
DEFERRED INFLOWS OF RESOURCES RELATED TO PENSIONS	3,121,024	552,543	3,673,567
NET POSITION			
Net investment in capital assets	58,936,893	1,362,623	60,299,516
Restricted for			
Road construction	5,123,472	-	5,123,472
Hospital construction	1,280,339	-	1,280,339
Other purposes	4,492,082	-	4,492,082
Unrestricted	(3,351,458)	(1,961,686)	(5,313,144)
Total net position	$ 66,481,328	$ (599,063)	$ 65,882,265

See accompanying notes to financial statements.

MADISON COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

		Program Revenues					
FUNCTIONS/PROGRAMS	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Primary government							
Governmental activities							
General government	$ 10,199,545	$ 1,154,507	$ 2,967,200	$ 499,867	$ (5,577,971)	$ -	$ (5,577,971)
Public safety	13,053,266	618,482	699,963	90,610	(11,644,211)	-	(11,644,211)
Physical environment	499,827	-	104,139	847,801	452,113	-	452,113
Transportation	5,043,734	13,300	151,604	1,978,424	(2,900,406)	-	(2,900,406)
Economic environment	1,030,832	-	480,040	-	(550,792)	-	(550,792)
Human services	1,865,637	-	93,750	-	(1,771,887)	-	(1,771,887)
Culture/recreation	1,258,140	-	-	-	(1,258,140)	-	(1,258,140)
Court related	953,174	816,714	-	-	(136,460)	-	(136,460)
Interest on long-term debt	192,227	-	-	-	(192,227)	-	(192,227)
Total governmental activities	34,096,382	2,603,003	4,496,696	3,416,702	(23,579,981)	-	(23,579,981)
Business-type activities							
Solid waste disposal	2,401,568	632,352	-	-	-	(1,769,216)	(1,769,216)
Emergency medical services	5,520,604	2,663,543	186,812	-	-	(2,670,249)	(2,670,249)
Total Business-type activities	7,922,172	3,295,895	186,812	-	-	(4,439,465)	(4,439,465)
Total primary government	$ 42,018,554	$ 5,898,898	$ 4,683,508	$ 3,416,702	(23,579,981)	(4,439,465)	(28,019,446)

	Governmental Activities	Business-type Activities	Total
GENERAL REVENUES:			
Property tax	11,729,993	-	11,729,993
Gas tax	2,111,352	-	2,111,352
Sales tax	3,234,738	-	3,234,738
Tourist tax	259,937	-	259,937
Garbage tax	-	1,864,030	1,864,030
Fire tax	1,086,280	-	1,086,280
Communication service tax	74,117	-	74,117
Local business tax	6,149	-	6,149
State shared revenues	5,496,022	-	5,496,022
Interest revenue	1,535,046	-	1,535,046
Other revenue	2,890,347	111,399	3,001,746
Transfers	(2,523,159)	2,523,159	-
Total general revenues, contributions and transfers	25,900,822	4,498,588	30,399,410
Change in net position	2,320,841	59,123	2,379,964
Net position - beginning of year, as previously presented	63,772,150	(658,186)	63,113,964
Restatements	388,337	-	388,337
Total net position - beginning of year, as restated	64,160,487	(658,186)	63,502,301
Net position - end of year	$ 66,481,328	$ (599,063)	$ 65,882,265

MADISON COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	General	County Transportation Trust	Sheriff - Operating	SHIP Program	CARES Act
ASSETS					
Cash	$ 1,778,499	$ 259,300	$ 404,288	$ 938	$ 324,225
Accounts receivable	-	-	210,098	-	-
Due from other funds	4,150,339	311,626	292	-	-
Due from other governmental units	897,882	266,577	-	-	-
Investments	3,114,945	1,620,597	-	2,307,628	10,448,024
Prepaid items	-	-	-	-	-
Total assets	$ 9,941,665	$ 2,458,100	$ 614,678	$ 2,308,566	$ 10,772,249
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	$ 340,928	$ 192,292	$ 614,678	$ 65,650	$ 108,000
Due to other funds	398,166	-	-	-	-
Due to other governmental units	-	-	-	-	117,458
Unearned revenue	-	-	-	2,235,634	10,336,048
Total liabilities	739,094	192,292	614,678	2,301,284	10,561,506
Fund balances					
Nonspendable	-	-	-	-	-
Restricted	-	2,265,808	-	7,282	210,743
Assigned	-	-	-	-	-
Unassigned	9,202,571	-	-	-	-
Total fund balances	9,202,571	2,265,808	-	7,282	210,743
Total liabilities and fund balances	$ 9,941,665	$ 2,458,100	$ 614,678	$ 2,308,566	$ 10,772,249

MADISON COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	Nonmajor Governmental Funds	Total
ASSETS		
Cash	$ 2,968,259	$ 5,735,509
Accounts receivable	905	211,003
Due from other funds	2,025,833	6,488,090
Due from other governmental units	2,528,014	3,692,473
Investments	7,852,148	25,343,342
Prepaid items	5,245	5,245
Total assets	$ 15,380,404	$ 41,475,662
LIABILITIES AND FUND BALANCES		
Liabilities		
Accounts payable	$ 1,357,120	$ 2,678,668
Due to other funds	4,380,046	4,778,212
Due to other governmental units	520,209	637,667
Unearned revenue	-	12,571,682
Total liabilities	6,257,375	20,666,229
Fund balances		
Nonspendable	5,245	5,245
Restricted	8,412,060	10,895,893
Assigned	1,162,928	1,162,928
Unassigned	(457,204)	8,745,367
Total fund balances	9,123,029	20,809,433
Total liabilities and fund balances	$ 15,380,404	$ 41,475,662

See accompanying notes to financial statements.

MADISON COUNTY, FLORIDA
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
SEPTEMBER 30, 2025

Total fund balances of governmental funds		$ 20,809,433
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Long-term accounts receivable are not due in the current period and accordingly are not reported as fund assets.		269,819
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is $126,894,668 and the accumulated depreciation is $64,197,796.		62,696,872
Deferred outflows and inflows of resources are not available in the current period and, therefore, are not reported in the governmental funds.		
Deferred outflows and inflows of resources at year-end consist of:		
Deferred outflows related to pensions	5,589,004	
Deferred inflows related to pensions	(3,121,024)	
		2,467,980
Long-term liabilities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in government funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the Statement of Net Position. Long-term liabilities at year-end consist of:		
Long-term notes	1,295,114	
Lease liability	2,464,865	
Compensated absences	1,358,566	
Net pension liability	14,644,231	
		(19,762,776)
Total net position of governmental activities		$ 66,481,328

See accompanying notes to financial statements.

MADISON COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	General	County Transportation Trust	Sheriff - Operating	SHIP Program	CARES Act
REVENUES					
Taxes	$ 11,810,259	$ 1,669,033	$ -	$ -	$ -
Licenses and permits	412,758	2,995	-	-	-
Intergovernmental	5,099,401	869,016	-	585,903	1,789,964
Charges for services	392,503	10,305	-	-	-
Fines and forfeitures	13,656	-	-	-	-
Interest revenue	367,706	232,790	-	106,819	570,369
Other	2,143,454	573,749	-	-	-
Total revenues	20,239,737	3,357,888	-	692,722	2,360,333
EXPENDITURES					
Current					
General government	3,973,207	-	-	-	2,309,036
Public safety	469,504	-	9,103,704	-	-
Physical environment	306,318	-	-	-	-
Transportation	-	2,865,985	-	-	-
Economic environment	131,214	-	-	692,722	-
Human services	541,287	-	160,271	-	-
Culture/recreation	1,259,838	-	-	-	-
Court related	185,744	-	-	-	-
Debt service					
Principal	47,102	787,625	262,252	-	-
Interest	11,227	119,717	27,426	-	-
Capital outlay	1,009,454	1,382,067	801,121	-	-
Total expenditures	7,934,895	5,155,394	10,354,774	692,722	2,309,036
Excess (deficiency) of revenues Over (under) expenditures	12,304,842	(1,797,506)	(10,354,774)	-	51,297
OTHER FINANCING SOURCES (USES)					
Transfers in	1,165,500	381,718	10,028,705	-	12,300
Transfers (out)	(12,233,599)	-	-	-	(1,165,500)
Proceeds from payments on note receivable	120,000	-	-	-	-
Proceeds from debt financing	-	-	326,069	-	-
Leases (as lessee)	358,810	958,714	-	-	-
Total other financing sources (uses)	(10,589,289)	1,340,432	10,354,774	-	(1,153,200)
Net changes in fund balances	1,715,553	(457,074)	-	-	(1,101,903)
Fund balances - beginning, as previously presented	7,487,018	2,722,882	-	7,282	924,309
Error correction	-	-	-	-	388,337
Fund balances - beginning, as restated	7,487,018	2,722,882	-	7,282	1,312,646
Fund balances - ending	$ 9,202,571	$ 2,265,808	$ -	$ 7,282	$ 210,743

See accompanying notes to financial statements.

MADISON COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Nonmajor Governmental Funds	Total
REVENUES		
Taxes	$ 5,023,274	$ 18,502,566
Licenses and permits	-	415,753
Intergovernmental	5,065,136	13,409,420
Charges for services	1,518,993	1,921,801
Fines and forfeitures	251,793	265,449
Interest revenue	257,362	1,535,046
Other	95,170	2,812,373
Total revenues	12,211,728	38,862,408
EXPENDITURES		
Current		
General government	3,346,602	9,628,845
Public safety	2,299,228	11,872,436
Physical environment	203,417	509,735
Transportation	60,000	2,925,985
Economic environment	206,763	1,030,699
Human services	1,161,099	1,862,657
Culture/recreation	-	1,259,838
Court related	791,063	976,807
Debt service		
Principal	284,371	1,381,350
Interest	33,857	192,227
Capital outlay	3,086,792	6,279,434
Total expenditures	11,473,192	37,920,013
Excess (deficiency) of revenues Over (under) expenditures	738,536	942,395
OTHER FINANCING SOURCES (USES)		
Transfers in	12,752,180	24,340,403
Transfers (out)	(13,464,463)	(26,863,562)
Proceeds from payments on note receivable	-	120,000
Proceeds from debt financing	-	326,069
Leases (as lessee)	228,585	1,546,109
Total other financing sources (uses)	(483,698)	(530,981)
Net changes in fund balances	254,838	411,414
Fund balances - beginning, as previously presented	8,868,191	20,009,682
Error correction	-	388,337
Fund balances - beginning, as restated	8,868,191	20,398,019
Fund balances - ending	$ 9,123,029	$ 20,809,433

See accompanying notes to financial statements.

MADISON COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds		$ 411,414
Repayment of principal on notes receivable issued is a revenue in the governmental funds, but reduces the asset in the Statement of Net Position.		(120,000)
Governmental funds report capital purchases as expenditures. However, in the Statement of Activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital purchases ($6,279,434) exceeds depreciation ($4,612,323) in the current period.		1,667,111
The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is revenue in the statement of activities.		77,974
The issuance of bonds and similar long-term debt provides current financial resources to governmental funds and thus contributes to the change in fund balance. In the Statement of Net Position, however, issuing debt increases long-term liabilities and does not affect the Statement of Activities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the liability in the Statement of Net Position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the Statement of Activities. The amounts of the items that make up these differences in the treatment of long-term debt and related items are:		
Proceeds from the issuance of long-term debt	(326,069)	
Proceeds from the assumption of lease liabilities	(1,546,109)	
Principal repayments:		
Revolving loan, department of environmental protection	224,941	
Notes payable	220,497	
Lease liabilities	935,912	
		(490,828)
Under the modified accrual basis of accounting used in governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the Statement of Activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. This adjustment is as follows:		
Net pension liability and related deferred inflows and outflows	836,192	
Compensated absences	(61,022)	
		775,170
Change in net position of governmental activities		$ 2,320,841

See accompanying notes to financial statements.

MADISON COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2025

	BUSINESS-TYPE ACTIVITIES		
	Solid Waste Disposal	Emergency Medical Services	Total
ASSETS			
Current assets			
Cash	$ 84,140	$ 485,295	$ 569,435
Accounts receivable, net	1,274	622,700	623,974
Due from other funds	-	3,798	3,798
Due from other governments	66,165	-	66,165
Total current assets	151,579	1,111,793	1,263,372
Noncurrent assets			
Restricted cash and investments	362,427	423,750	786,177
Capital assets:			
Equipment	3,378,457	2,097,406	5,475,863
Right-to-use leased equipment	52,485	396,496	448,981
Less: accumulated depreciation	(2,444,925)	(1,785,145)	(4,230,070)
Total capital assets (net of accumulated depreciation)	986,017	708,757	1,694,774
Total non-current assets	1,348,444	1,132,507	2,480,951
Total assets	1,500,023	2,244,300	3,744,323
DEFERRED OUTFLOW OF RESOURCES RELATED TO PENSIONS	227,779	674,580	902,359
LIABILITIES			
Current liabilities			
Accounts payable	112,220	43,197	155,417
Due to other funds	239,035	1,474,641	1,713,676
Long-term lease payable - current portion	9,818	118,761	128,579
Total current liabilities	361,073	1,636,599	1,997,672
Non-current liabilities			
Long-term lease payable	34,816	168,756	203,572
Net pension liability	721,607	1,770,351	2,491,958
Total non-current liabilities	756,423	1,939,107	2,695,530
Total liabilities	1,117,496	3,575,706	4,693,202
DEFERRED INFLOW OF RESOURCES RELATED TO PENSIONS	169,511	383,032	552,543
NET POSITION			
Net investment in capital assets	941,383	421,240	1,362,623
Unrestricted (deficit)	(500,588)	(1,461,098)	(1,961,686)
Total net position	$ 440,795	$ (1,039,858)	$ (599,063)

See accompanying notes to financial statements.

MADISON COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	BUSINESS-TYPE ACTIVITIES		
	Solid Waste Disposal	Emergency Medical Services	Total
Operating revenues			
Charges for services	$ 632,352	$ 2,663,543	$ 3,295,895
Miscellaneous revenues	110,678	721	111,399
Total operating revenues	743,030	2,664,264	3,407,294
Operating expenses			
Personnel services	1,315,487	3,716,264	5,031,751
Contractual services	456,090	132,208	588,298
Utilities	32,541	28,408	60,949
Repairs and maintenance	165,637	25,286	190,923
Other supplies and expenses	231,208	341,018	572,226
Insurance claims and expenses	-	-	-
Depreciation	206,785	318,619	525,404
Bad debt expense (recovery)	(6,180)	958,801	952,621
Total operating expenses	2,401,568	5,520,604	7,922,172
Operating (loss)	(1,658,538)	(2,856,340)	(4,514,878)
Non-operating revenues			
Operating grants	-	186,812	186,812
Taxes	1,864,030	-	1,864,030
Total non-operating revenues	1,864,030	186,812	2,050,842
Income (loss) before contributions and transfers	205,492	(2,669,528)	(2,464,036)
Transfers in	9,484	2,531,939	2,541,423
Transfers (out)	-	(18,264)	(18,264)
Total transfers	9,484	2,513,675	2,523,159
Change in net position	214,976	(155,853)	59,123
Total net position - beginning of year	225,819	(884,005)	(658,186)
Total net position - end of year	$ 440,795	$ (1,039,858)	$ (599,063)

See accompanying notes to financial statements.

MADISON COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Solid Waste Disposal	Emergency Medical Services	Total
Cash flows from operating activities			
Receipts from customers	$ 585,985	$ 1,765,388	$ 2,351,373
Payments to suppliers	(827,853)	(564,776)	(1,392,629)
Payments to employees	(1,364,675)	(3,814,640)	(5,179,315)
Other receipts	158,369	829,835	988,204
Net cash (used in) operating activities	(1,448,174)	(1,784,193)	(3,232,367)
Cash flows from noncapital financing activities			
Transfers from other funds	9,484	2,531,939	2,541,423
Transfers to other funds	-	(18,264)	(18,264)
Subsidy from federal/state grants	-	186,812	186,812
Cash received from property and other taxes	1,864,030	-	1,864,030
Net cash provided by noncapital financing activities	1,873,514	2,700,487	4,574,001
Cash flows from capital and related financing activities			
Purchases of capital assets	(36,070)	(7,050)	(43,120)
Principal payments on long-term debt	(7,851)	(108,979)	(116,830)
Net cash (used in) capital and related financing activities	(43,921)	(116,029)	(159,950)
Cash flows from investing activities			
Proceeds from sales and maturities of investments, net	-	(422,800)	(422,800)
Purchase of investments, net	(357,146)	-	(357,146)
Net cash (used in) investing activities	(357,146)	(422,800)	(779,946)
Net increase in cash and cash equivalents	24,273	377,465	401,738
Cash and cash equivalents at beginning of year	59,867	107,830	167,697
Cash and cash equivalents at end of year	$ 84,140	$ 485,295	$ 569,435
Reconciliation of net (loss) to net cash (used in) operating activities:			
Operating (loss)	$ (1,658,538)	$ (2,856,340)	$ (4,514,878)
Depreciation	206,785	318,619	525,404
Bad debts	-	958,801	958,801
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	(52,547)	(898,155)	(950,702)
(Increase) decrease deferred outflow of resources	(14,636)	(29,272)	(43,908)
Increase (decrease) in accounts payable	57,623	(37,856)	19,767
Increase (decrease) in due to other funds	47,691	829,114	876,805
Increase (decrease) net pension liability	(97,233)	(194,467)	(291,700)
Increase (decrease) deferred inflow of resources	62,681	125,363	188,044
Total adjustments	210,364	1,072,147	1,282,511
Net cash (used in) operating activities	$ (1,448,174)	$ (1,784,193)	$ (3,232,367)
Noncash capital and related financing activities			
Capital additions under right-to-use leased equipment	$ 52,485	$ 396,496	$ 448,981

See accompanying notes to financial statements.

MADISON COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2025

	Deferred Compensation Plan	Custodial Funds
ASSETS		
Cash and cash equivalents	$ -	$ 123,463
Investments	1,059,595	207,710
Total assets	1,059,595	331,173
LIABILITIES		
Due to individuals and other funds	-	306,148
Due to other governmental units	-	25,025
Total liabilities	-	331,173
NET POSITION		
Restricted for postemployment benefits other than pensions	1,059,595	-
Total net position	$ 1,059,595	$ -

See accompanying notes to financial statements.

MADISON COUNTY, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Deferred Compensation Plan	Custodial Funds
ADDITIONS		
Collected taxes, fees, and other deposits	$ -	$ 27,180,468
Contributions:		
Plan members	158,433	-
Private contributions	-	211,186
Total contributions	158,433	211,186
Investment earnings:		
Investment income	95,635	-
Total investment earnings	95,635	
Less investment expense	4,520	-
Net investment earnings	91,115	-
Total additions	249,548	27,391,654
DEDUCTIONS		
Distributed taxes, fees, and other deposits	-	27,180,468
Benefits	47,585	-
Recipient payments	-	211,186
Administrative expenses	275	-
Total deductions	47,860	27,391,654
Net increase (decrease) in fiduciary net position	201,688	-
Net position - beginning	857,907	-
Net position - ending	$ 1,059,595	$ -

See accompanying notes to financial statements.

NOTE 1: *Summary of Significant Accounting Policies*

Madison County, Florida (the County) is a political subdivision of the State of Florida and provides services to its residents in many areas, including Public Safety, Transportation, Recreation and Human Services. It is governed by an elected Board of County Commissioners (five members). In addition to the Board of County Commissioners (Board), there are five elected Constitutional Officers: Clerk of the Circuit Court and Comptroller, Sheriff, Tax Collector, Property Appraiser and Supervisor of Elections. The Constitutional Officers maintain separate accounting records and budgets.

The financial statements of the County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting principles. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations), constitutes GAAP for governmental units.

The accompanying financial statements present the combined financial position and combined results of operations of the Board of County Commissioners of Madison County, Florida and its Constitutional Officers. The Board funds a portion or, in certain instances, all the operating budgets of the County's Constitutional Officers. The payments by the Board to fund the operations of the Constitutional Officers are recorded as operating transfers out of the financial statements of the Board and as operating transfers in on the financial statements of the Constitutional Officers. Accordingly, such amounts and the budgets relating to those amounts have been eliminated in the accompanying government-wide financial statements.

REPORTING ENTITY

The concept underlying the definition of the reporting entity is that elected officials are accountable to their constituents for their actions. The reporting entity's financial statements should allow users to distinguish between the primary government (the County) and its component units. However, some component units, because of the closeness of their relationships with the County, should be blended as though they are part of the County. Otherwise, most component units should be discretely presented. As required by generally accepted accounting principles, the financial reporting entity consists of (1) the primary government (the County) (2) organizations for which the County is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the County are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete. The County is financially accountable if it appoints a voting majority of the organization's governing body and (a) it is able to impose its will on that organization or (b) there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County. The County may be financially accountable if an organization has (a) a separately elected governing board, (b) a governing board appointed by a higher level of government, or (c) a jointly appointed board.

Based upon the application of the criteria, there are no component units blended in the County's financial statements.

NOTE 1: *Summary of Significant Accounting Policies (Continued)*

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 inter-fund activity has been removed from these statements. *Governmental activities,* which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor have been met.

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 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting 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.*

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

<u>Fund Financial Statements</u> – The underlying accounting system of the County is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise the assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based on the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the County's governmental, proprietary, and fiduciary funds are presented after the government-wide financial statements. These statements display information about major funds individually, and non-major funds in the aggregate, for governmental and enterprise funds. The fiduciary statement includes financial information for the deferred compensation plans and custodial funds. The fiduciary funds of the County primarily represent resources held for the benefit of parties outside of county government, such as assets held in trust and custodial funds by the County as a custodian for individuals.

NOTE 1: *Summary of Significant Accounting Policies (Continued)*

Governmental Funds – Governmental fund financial statements are reported using the *current financial resources measurement focus* and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within sixty days of the end of the current fiscal period. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. Property taxes, franchise fees, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable only when cash is received by the government.

Under the *current financial resources measurement focus*, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to be a measure of "available spendable resources." Governmental funds' operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of "available spendable resources" during a period.

Noncurrent portions of long-term receivables (special assessments) due to governmental funds are reported on their balance sheet despite their spending measurement focus. Non-current portions of other long-term receivables are offset by deferred revenue.

Because of their spending focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended rather than as fund assets. The proceeds of long-term debt are recorded as an "other financing source" rather than as a fund liability. However, debt service expenditures, as well as expenditures related to compensated absences, claims, and judgments, are recorded only when payment is due.

Proprietary Funds – In the fund financial statements, proprietary funds are presented using the accrual basis of accounting. Revenues are recognized when they are earned, and expenses are recognized when the related goods and services are delivered. In the fund financial statements, proprietary funds are presented using the economic resources measurement focus. This means that all assets and all liabilities (whether current or non-current) associated with their activity are included on their balance sheets. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies, taxes, and investment earnings, result from non-exchange transactions or ancillary activities.

Amounts paid to acquire capital assets are capitalized as assets in the proprietary fund financial statements, rather than reported as an expenditure. Proceeds of long-term debt are recorded as a liability in the proprietary fund financial statements, rather than as an "other financing source". Amounts paid to reduce long-term indebtedness are reported as a reduction of the related liabilities, rather than as an expense.

NOTE 1: *Summary of Significant Accounting Policies (Continued)*

The County reports the following major governmental funds:

- General Fund – This fund is the general operating fund of the County and is used to account for all financial transactions not required to be accounted for in another fund.

- County Transportation Trust Fund – This fund accounts for the receipt of local option fuel taxes that are legally restricted to transportation expenditures.

- Sheriff Operating Fund – This fund accounts for the general operating revenues and expenditures for the Madison County, Florida, Sheriff. The Sheriff is a constitutional officer charged with responsibilities for courtroom security, transportation of prisoners to and from court, civil processing services, as well as public safety initiatives.

- SHIP Program Fund – This fund accounts for the in-flows of resources received from the State Housing Initiative Partnership Program restricted to pay for eligible expenses.

- CARES Act Fund – This fund accounts for the in-flows of resources received from certain programs established by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and Coronavirus State and Local Fiscal Recovery Funds and the State of Florida State Hurricane Recovery Grant Program-Hurricane Idalia, restricted to pay for eligible expenses.

The County reports the following major proprietary funds:

- Solid Waste Disposal Fund – This fund accounts for the fiscal activities of garbage collection within the unincorporated areas of the County.

- Emergency Medical Services Fund – This fund accounts for the fiscal activities of the ambulance transportation system.

Additionally, the County reports the following fund types:

- Special Revenue Funds – These funds are used to account for specific governmental revenue sources other than major capital projects that are restricted by law or administrative action to expenditures for specific purposes.

- Capital Projects Funds – These funds are used to account for the acquisition or construction of major capital facilities.

- Fiduciary Funds – These funds account for resources held by the County for the benefit of parties outside of county government.

NOTE 1: *Summary of Significant Accounting Policies (Continued)*

BUDGETS AND BUDGETARY ACCOUNTING

Section 129.01(2)(b), *Florida Statutes*, requires that "...the receipts division of the budget shall include 95 percent of all receipts reasonably expected to be anticipated from all sources, including taxes to be levied, and 100 percent of the amount of the balances of both cash and liquid securities estimated to be brought forward at the beginning of the fiscal year." The County has complied with the provisions of the above Florida Statute.

The budgetary data presented in the financial statements was prepared on the modified accrual basis of accounting. All Board authorized amendments to the budget, as originally approved, have been incorporated into the data reflected in the financial statements.

The County uses the following procedures in establishing the budgetary data reflected in the financial statements.

(1) On or before July 15 of each year, the Board's designated budget officer submits to the Board a tentative budget for the ensuing fiscal year. The tentative budget includes proposed expenditures and funding sources.

(2) The Board makes such changes as it deems necessary, provided the budget remains in balance and subject to the notice and hearing requirements of Section 200.065, Florida Statutes, and the budget preparation and adoption procedures, as defined in Section 129.03, Florida Statutes.

(3) Public hearings are held pursuant to Section 200.065, Florida Statutes, in order for the Board to adopt the tentative and final budgets.

(4) Prior to September 30, the budget is legally enacted through passage of a resolution.

(5) All changes to the final budget must be approved by the Board in accordance with Section 129.06, Florida Statutes.

(6) Formal budgetary integration is used as a management control device during the year for all governmental funds of the County.

(7) Budgets for the governmental fund types are adopted on a basis consistent with generally accepted accounting principles.

(8) All annual appropriations lapse at fiscal year-end.

(9) Line item expenditures in excess of budget are authorized to the extent that total expenditures do not exceed total budgeted expenditures.

For the year ended September 30, 2025, expenditures exceeded appropriations within the County Transportation Trust Fund by $554,416, SHIP program fund by $62,222, and CARES Act fund by $485,105.

ENCUMBRANCES

The County does not utilize encumbrance accounting in its financial operations.

CASH AND INVESTMENTS

Cash and cash equivalents include all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased. Investments are reported at fair value. Additional cash and investment information and fair values are presented in Note 2.

ACCOUNTS RECEIVABLE

Accounts receivables are recorded in the government-wide, governmental, and proprietary fund financial statements and are net of allowance for doubtful accounts, which is generally equivalent to the receivables that are over 180 days past due.

INVENTORIES

The County's inventories consist of expendable supplies which are recorded as expenditures when purchased rather than when consumed.

RESTRICTED ASSETS

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

CAPITAL ASSETS

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), are reported in the applicable governmental or business type activities columns in the government-wide financial statements. Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed (except for intangible right-to-use lease assets, the measurement is discussed later within this note). Donated assets are recorded at fair market value at the date of donation.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Property and equipment of the primary government is depreciated using the straight-line method over the following useful lives:

Property	Estimated Useful Life
Buildings and Improvements	10-40 Years
Machinery and Equipment	5-20 Years
Furniture and Fixtures	5-20 Years
Vehicles	5 Years
Right-to-use leased equipment	Lease term

NOTE 1: *Summary of Significant Accounting Policies (Continued)*

Expenditures for maintenance and repairs which do not add to the value of the assets or materially extend their lives are expensed as incurred. However, expenditures for repairs and improvements which add to the normal value or life of an asset are capitalized.

COMPENSATED ABSENCES

The County maintains a policy that permits employees to accumulate earned but not used vacation and sick pay benefits that will be paid to employees upon separation from County service if certain criteria are met. These benefits are classified as compensated absences. Employees may be paid for unused vacation hours accrued up to a maximum amount. Payment for unused sick leave, upon termination, is also provided for up to certain amounts.

Both the current and long-term portion of compensated absences are accrued and reported in the government-wide financial statements. No expenditure is reported in the governmental fund level statements for these amounts until payment is due. The compensated absences liability is based on current rates of pay. This is accounted for pursuant to GASB Statement No. 101, *Compensated Absences*.

LEASES

The County is a lessee for various lease agreements involving vehicles and equipment. The County recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements. The County recognizes lease liabilities with an initial individual value of $15,000 or more.

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. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

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

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

- The lease term includes the noncancellable 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.

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.

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

NOTE 1: *Summary of Significant Accounting Policies (Continued)*

LONG-TERM DEBT OBLIGATIONS

In the government-wide financial statements, and for proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable government activities, business-type activities, or proprietary fund type statement of net position. Debt issuance costs are reported as other financing sources (uses) in the period incurred.

NET POSITION

Net position represents all assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources. In the Government-wide and Proprietary Fund Financial Statements, net position is reported in the following categories:

> *Net Investment in Capital Assets:* Capital assets, net of accumulated depreciation, and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets.
>
> *Restricted:* Net position, the use of which is subject to constraints imposed by external parties, including creditors, grantors, and laws and regulations of other governments, or imposed by enabling legislation. Nonexpendable amounts are required to remain intact under such constraints.
>
> *Unrestricted**:*** Remaining net position not considered "invested in capital assets, net of related debt" or "restricted."

For purposes of net position classification, when both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed.

DEFERRED INFLOWS OF RESOURCES

Deferred inflows of resources represent an acquisition of net position that applies to a future period and therefore will not be recognized as an inflow of resources until that time. The County has one item that qualifies for reporting in this category (pension related items). The proprietary funds and governmental and business-type activities report deferred inflows for pension related items as actuarially determined.

DEFERRED OUTFLOWS OF RESOURCES

Deferred outflows of resources represent an acquisition of net position that applies to a future period and therefore will not be recognized as an outflow of resources (expense) until that future time. The County reports one deferred outflow related to pensions.

FUND BALANCE

In the Governmental Fund Financial Statements, fund balance is reported in the following categories:

> *Nonspendable**:*** Amounts that cannot be spent because they are either not in spendable form or they are legally or contractually required to remain intact.

NOTE 1: *Summary of Significant Accounting Policies (Continued)*

Restricted: Amounts which use is subject to constraints imposed by external parties, including creditors, grantors, and laws and regulations of other governments, or imposed by County ordinance or enabling legislation.

Committed: Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. For the County, this formal action takes the form of ordinances which are passed by the County Commissioners.

Assigned: Amounts that are constrained by the County's intent for use for specific purposes, but are considered neither restricted nor committed.

Unassigned: Amounts in the general fund that are not otherwise constrained for a specific purpose narrower than the general operations of the County.

For purposes of fund balance classification, when both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources as they are needed. When unrestricted resources are used, committed resources are used first, followed by assigned and unassigned resources, respectively.

RECLASSIFICATION

Certain amounts in the prior year have been reclassified for comparative purposes to conform to the presentation in the current year financial statements.

IMPLEMENTATION OF NEW GOVERNMENTAL ACCOUNTING STANDARDS

GASB Statement No. 101, *Compensated Absences*

Effective October 1, 2024, the County implemented Statement No. 101. The objective of this statement is to better meet the information needs of the financial statement users by updating the recognition and measurement guidance for compensated absences. The objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

This statement required the County to recognize a liability for leave that has not been used if (1) the leave is attributable to services already rendered, (2) the leave accumulates, and (3) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This statement has no material impact on the County's financial statements.

GASB Statement No. 102, *Certain Risk Disclosures*

Effective October 1, 2024, the County implemented Statement No. 102. The objective of this statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This statement has no material impact on the County's financial statements.

NOTE 1: *Summary of Significant Accounting Policies (Continued)*

SUBSEQUENT EVENTS

Subsequent events were reviewed through June 24, 2026, which is the date the financial statements were available to be issued.

NOTE 2: *Deposits and Investments*

DEPOSITS

All bank accounts of the County are placed in banks that qualify as a public depository, as required by the Florida Security for Public Deposits Act, Chapter 280, *Florida Statutes*. At September 30, 2025, the carrying amount of the County's deposits was $6,428,407 (includes fiduciary) and the bank balances were $7,624,096. Deposits whose values exceed the limits of Federal depository insurance are entirely insured or collateralized pursuant to Chapter 280, Florida Statutes.

INVESTMENTS

The County is authorized to invest in all State-approved investments which include:

(1) Local Government Surplus Funds Trust Fund administered by the State Board of Administration;

(2) Florida Local Government Investment Trust administered by the Florida Association of Court Clerks and Comptrollers;

(3) Florida Cooperative Liquid Assets Securities System supervised by a Board of Trustees comprised of eligible participants.

(4) Bonds, notes or other obligations of the United States or those guaranteed by the United States or for which the credit of the United States is pledged;

(5) Bonds, notes or other obligations of the State of Florida or any municipality or political subdivision thereof;

(6) Interest-bearing time deposits or savings accounts in banks or savings and loan associations organized under the laws of Florida or organized under the laws of the United States doing business and situated in Florida.

Investments consist of amounts placed with the State Board of Administration for participation in the Local Government Surplus Trust Fund (Florida PRIME) created by Section 218.405, *Florida Statutes*. Investments also consist of amounts placed with the Florida Local Government Investment Trust Short-Term Bond Fund (FLGIT) and Florida Cooperative Liquid Assets Securities System (FLCLASS).

Florida PRIME meets the criteria in GASB 79 to measure all of its investments at amortized cost enabling it to maintain a constant Net Asset Value (NAV) of $1.00 per share. As of September 30, 2025, Florida PRIME had no redemption fees, maximum transaction amounts, or any other requirements that serve to limit a participant’s daily access to 100 percent of their account value.

NOTE 2: *Deposits and Investments (Continued)*

The FLGIT Short-Term Bond Fund is a local government investment pool created by the Florida Association of Court Clerks and Comptroller, and the Florida Association of Counties for the purpose of providing public entities with an investment program that focuses on long-term securities with the highest credit ratings. This investment pool is a stable NAV Government Investment Pool established to be consistent with the policies set forth in Section 218.415 of the Florida Statutes. The effective maturity of the underlying investments is five years or less. To minimize credit risk, trust investments are confined to those of the highest credit quality: Treasuries, Agency Securities and Instruments, and other securities collateralized with Treasury/Agency Securities. Accounting valuations reflect estimates of the market value of the securities rather than their amortized cost.

FLCLASS interprets GASB 31, as amended by GASB 79, to mean that FLCLASS should measure all of the investments in FLCLASS at fair value. Therefore, the County's balance is considered the fair value of its investment as FLCLASS reports a floating net asset value, which approximates fair value.

Credit Risk – The credit risk of certain investments, such as investment pools managed by other governments, cannot be categorized as a credit risk because the County investments are not evidenced by specific, identifiable investment securities. As of September 30, 2025, Florida PRIME is rated by Standard and Poor's and has a current rating of AAAm. As of September 30, 2025, FLGIT is rated by Fitch and has a current rating of AAAf. As of September 30, 2025, FLCLASS is rated by Standard and Poor's and has a current rating of AAAm.

Interest Rate Risk – Section 218.415(6), Florida Statutes, limits investment maturities to provide sufficient liquidity to pay obligations as they become due. The dollar weighted average days to maturity for Florida PRIME was 47 days as of September 30, 2025. The dollar weighted average days to maturity for FLCLASS was 42 days as of September 30, 2025. The dollar weighted average maturity of FLGIT was 2.10 years as of September 30, 2025. Next interest rate reset dates for floating rate securities are used in the calculation of weighted average maturity.

Concentration of Credit Risk – The County manages concentration of credit risk by limiting investments to specific funds. At September 30, 2025, the County did not hold any investments that were considered to have a custodial credit risk.

As of September 30, 2025, the County maintained the following investment balances:

Investment	General Government	Fiduciary	Total
Florida local government investment trust (FLGIT)	$ 12,172,061	$ -	$ 12,172,061
Local government surplus trust funds (SBA)	13,875,004	31,924	13,906,928
Florida Cooperative Liquid Assets Securities System (FLCLASS)	82,454	175,786	258,240
Nationwide Retirement Plans	-	1,059,595	1,059,595
Total investment portfolio	$ 26,129,519	$ 1,267,305	$ 27,396,824

NOTE 3: *Property Taxes*

Under the Laws of Florida, the assessment of all properties and the collection of all county municipal, special taxing districts and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The Laws of Florida regulating tax assessment are also designed to assure a consistent property valuation method statewide. Florida Statutes permit counties to levy property taxes at a rate of up to 10.0000 mills. The tax levy of Madison County, Florida is established by the Board prior to October 1 of each year. The millage rate collected by the County during the current fiscal year was 8.8776 mills.

All property is reassessed according to its fair market value as of 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 the appropriate requirements of Florida Statutes.

All taxes are due and 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% for the month of November, 3% for the month of December, 2% for the month of January, and 1% for the month of February. The taxes paid in March are without discount.

On or prior to June 1, following the tax year, certificates are sold for all delinquent taxes on real property in accordance with the Laws of Florida. 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.

Delinquent taxes on personal property bear interest at 18% per year until the tax is satisfied either by seizure and sale of the property or by the seven-year statute of limitations. Since tax certificates were sold for substantially all current year delinquent property taxes, there were no material property taxes receivable at September 30, 2025.

[INTENTIONALLY LEFT BLANK]

NOTE 4: *Interfund Transactions*

During the course of normal operations, numerous transactions occur between funds, such as expenditures or transfers of resources to provide services, service debt or construct assets. The interfund transactions are eliminated in the government-wide financial statement totals.

The County maintained the following interfund receivables/payables as of September 30, 2025:

Receivable Fund	Payable Fund	Amount
General fund	Solid Waste	$ 239,035
	Emergency medical services	1,474,641
	Other nonmajor funds	2,436,663
Emergency medical services	Other nonmajor funds	3,798
County transportation trust	General fund	311,626
Sheriff operating	Other nonmajor funds	292
Other nonmajor funds	General fund	86,540
	Other nonmajor funds	1,939,293
Total		$ 6,491,888

[INTENTIONALLY LEFT BLANK]

NOTE 4: *Interfund Transactions (Continued)*

Operating transfers between funds during the year were as follows for the year ended September 30, 2025:

Transfers in	Transfers out	Amount
General fund	CARES Act	$ 1,165,500
County transportation trust	General fund	30,000
	Other nonmajor funds	351,718
CARES Act	General fund	12,300
Sheriff operating	Other nonmajor funds	10,028,705
Emergency medical services	General fund	879,608
	Other nonmajor funds	1,652,331
Solid waste disposal	General fund	9,484
Other nonmajor funds	General fund	11,302,207
	Emergency medical services	18,264
	Other nonmajor funds	1,431,709
Total		$ 26,881,826

[INTENTIONALLY LEFT BLANK]

NOTE 5: *Changes in Capital Assets*

Capital asset activity for the fiscal year ended September 30, 2025, was as follows:

Governmental activities	Balance October 01, 2024	Additions	Reductions	Balance September 30, 2025
Capital assets,				
Not being depreciated:				
Land	$ 1,999,859	$ -	$ -	$ 1,999,859
Work in progress	486,261	2,472,091	-	2,958,352
Total capital assets,				
Not being depreciated	2,486,120	2,472,091	-	4,958,211
Capital assets,				
Being depreciated:				
Buildings and improvements	30,830,913	801,276	-	31,632,189
Equipment	9,008,401	1,034,380	(133,210)	9,909,571
Infrastructure	75,826,638	217,666	-	76,044,304
Right-to-use leased equipment	2,643,934	1,754,021	(47,562)	4,350,393
Total capital assets,				
Being depreciated	118,309,886	3,807,343	(180,772)	121,936,457
Less accumulated depreciation for:				
Buildings and improvements	(26,941,648)	(304,039)	-	(27,245,687)
Equipment	(5,918,197)	(1,130,967)	99,908	(6,949,256)
Infrastructure	(26,344,773)	(2,381,961)	-	(28,726,734)
Right-to-use leased equipment	(639,601)	(795,356)	158,838	(1,276,119)
Total accumulated depreciation	(59,844,219)	(4,612,323)	258,746	(64,197,796)
Governmental activities				
Capital assets, net	$ 60,951,787	$ 1,667,111	$ 77,974	$ 62,696,872

Business-type activities	Balance October 01, 2024	Additions	Reductions	Balance September 30, 2025
Capital assets,				
Being depreciated:				
Equipment	$ 5,432,743	$ 43,120	$ -	$ 5,475,863
Right-to-use leased equipment	-	448,981	-	448,981
Total capital assets,				
Being depreciated	5,432,743	492,101	-	5,924,844
Less accumulated depreciation for:				
Equipment	(3,704,666)	(362,841)	-	(4,067,507)
Right-to-use leased equipment	-	(162,563)	-	(162,563)
Total accumulated depreciation	(3,704,666)	(525,404)	-	(4,230,070)
Business-type activities				
Capital assets, net	$ 1,728,077	$ (33,303)	$ -	$ 1,694,774

NOTE 5: *Changes in Capital Assets (Continued)*

Depreciation expense was charged to functions/programs as follows:

Governmental activities:		
General government	$	737,972
Public safety		1,706,560
Transportation and capital projects		2,167,791
Total depreciation	$	4,612,323
Business-type activities:		
Solid waste disposal	$	206,785
Emergency medical services		318,619
Total depreciation	$	525,404

NOTE 6: *Leases*

The County, as a lessee, has entered into various lease agreements involving equipment through fiscal year 2030. The lease agreements have interest rates ranging from 1.95% to 8.69%. The total of the County's lease assets were recorded at a cost of $4,799,374, less accumulated amortization of $1,438,682.

REQUIREMENTS TO MATURITY

The scheduled payments of principal and interest on leases are as follows:

September 30,	Principal		Interest	
2026	$	833,506	$	133,456
2027		769,354		99,794
2028		519,625		59,643
2029		565,754		30,218
2030		108,777		3,987
	$	2,797,016	$	327,098

NOTE 7: *Long-Term Debt*

Under the GASB 34 reporting model, long-term liabilities are not due and payable in the current period and accordingly are not reported as fund liabilities. All long-term liabilities for the Board of County Commissioners are reported in the government-wide Statement of Net Position. The following sections address specific long-term liabilities which are included in the government-wide presentation:

NOTE 7: *Long-Term Debt (Continued)*

Florida's Wastewater Revolving Loan Fund **–** The Florida Department of Environmental Protection has a revolving loan program for certain water pollution control projects. The County was awarded funding from this program to assist with a portion of the I-10 interchange project. Amounts borrowed require interest to be paid at a rate of approximately 1.69% annually. As of September 30, 2025, the outstanding balance on the revolving loan fund amounted to $419,348. This loan is collateralized by the revenues generated from the One Cent County Surtax. The County is required to make semi-annual principal and interest payments of $235,623. The semi-annual loan payment is based on the total amount of debt, which consists of the loan principal plus estimated loan service fee and interest.

Auto and Equipment Loans – The County regularly purchases vehicles and other equipment through lease finance options. The total due on these lease finance agreements as of September 30, 2025, was $875,766.

CHANGES IN LONG-TERM LIABILITIES

	Balance October 01, 2024	Additions*	Reductions	Balance September 30, 2025	Due Within One Year
Governmental activities					
Compensated absences	$ 1,297,544	$ 61,022	$ -	$ 1,358,566	$ 271,713
DEP revolving loan fund	644,289	-	(224,941)	419,348	228,769
Auto and equipment loans	770,194	326,069	(220,497)	875,766	237,468
Lease liability	1,854,668	1,546,109	(935,912)	2,464,865	704,927
Net pension liability	16,297,196	770,706	(2,423,671)	14,644,231	-
Total	$ 20,863,891	$ 2,703,906	$ (3,805,021)	$ 19,762,776	$ 1,442,877

	Balance October 01, 2024	Additions	Reductions	Balance September 30, 2025	Due Within One Year
Business-type activities					
Lease liability	$ -	$ 448,981	$ (116,830)	$ 332,151	$ 128,579
Net pension liability	2,783,658	136,007	(427,707)	2,491,958	-
Total	$ 2,783,658	$ 584,988	$ (544,537)	$ 2,824,109	$ 128,579
Total long-term debt	$ 23,647,549	$ 3,288,894	$ (4,349,558)	$ 22,586,885	$ 1,571,456

**The change in the compensated absences liability is presented as a net change.*

NOTE 7: *Long-Term Debt (Continued)*

DEBT SERVICE REQUIREMENTS

The scheduled payments of principal and interest on long-term debt and lease liabilities are as follows:

September 30,	Principal	Interest
2026	$ 1,299,743	$ 165,421
2027	1,202,476	124,737
2028	736,619	75,603
2029	662,757	39,805
2030	157,228	8,851
Thereafter	33,307	2,127
	$ 4,092,130	$ 416,544

NOTE 8: *Deficit Fund Equity*

The following funds had a deficit fund balance for the year ended September 30, 2025:

Capital projects	$ 159,102
Court Fund	120,777
Soil Conservation	6,046
Tax Collector	1,433
Emergency Medical Services	1,039,858
Total	$ 1,327,216

This deficit fund balance was created by expenses exceeding revenues and financing sources. The deficit will be covered by fund balances of other existing funds.

NOTE 9: *Florida Retirement System Retirement Plans*

FLORIDA RETIREMENT SYSTEM

General Information – All of the County's employees participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan ("FRS Plan") and the Retiree Health Insurance Subsidy ("HIS Plan"). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan ("Investment Plan") alternative to the FRS Plan, which is administered by the State Board of Administration ("SBA"). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida

Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Department of Management Services, Division of Retirement, Research and Education Section, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the website: www.dms.myflorida.com/workforce_operations/retirement/publications.

FRS PLAN

Plan Description – The FRS Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program ("DROP") for eligible employees.

Benefits Provided – Benefits under the FRS Plan are computed on the basis of age, average final compensation, and service credit. For FRS Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Special Risk Administrative Support class members who retire at or after age 55 with at least six years of credited service or 25 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least six years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service. Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service.

Elected Officers' class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% (3.33% for judges and justices) of their final average compensation based on the five highest years of salary for each year of credited service.

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credited service for all these members and increasing normal retirement to age 65 or 33 years of service regardless of age for Regular, Senior Management Service, and Elected Officers' class members, and to age 60 or 30 years of service regardless of age for Special Risk and Special Risk Administrative Support class members. Also, the final average compensation for all these members will be based on the eight highest years of salary.

NOTE 9: *Florida Retirement System Retirement Plans (Continued)*

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is three percent 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 three percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by three percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with an FRS employer for a period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants.

<u>Contributions</u> – Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year. The employer contribution rates by job class for the periods from October 1, **2024** through June 30, 2025, and from July 1, 2025, through September 30, 2025, respectively, were as follows: Regular—13.63% and 14.03%; Special Risk Administrative Support—39.82% and 39.48%; Special Risk—32.79% and 35.19%; Senior Management Service—34.52% and 33.24%; Elected Officers'—58.68% and 54.57%; and DROP participants—21.13% and 22.02%. These employer contribution rates include the 2.00% and 2.00% HIS Plan subsidy for the period October 1, **2024**, through June 30, 2025, and July 1, 2025, through September 30, 2025, respectively.

The County's contributions, including employee contributions, to the FRS Plan totaled $2,689,282 for the fiscal year ended September 30, 2025.

<u>Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions</u> – At September 30, 2025, the County reported a liability of $13,505,136 for its proportionate share of the FRS Plan's net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2025. The County's proportionate share of the net pension liability was based on the County's 2024-25 fiscal year contributions relative to the 2024-25 fiscal year contributions of all participating members. At June 30, 2025, the County's proportionate share was 0.04351 percent.

NOTE 9: *Florida Retirement System Retirement Plans (Continued)*

For the fiscal year ended September 30, 2025, the County recognized pension (benefit) of ($905,554). In addition, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS Pension	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 1,442,491	$ -
Changes of assumptions	1,568,297	-
Net difference between projected and actual earnings on pension plan investments	-	(2,254,819)
Changes in proportion and differences between County contributions and proportionate share of contributions	2,034,727	(418,668)
County contributions subsequent to the measurement date	762,276	-
Total	$ 5,807,791	$ (2,673,487)

The deferred outflows of resources related to the FRS Plan, totaling $762,276 resulting from County contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the FRS Plan will be recognized in pension expense as follows:

Year ended September 30:	FRS Amount
2026	$ 6,867,166
2027	(1,220,112)
2028	(1,825,943)
2029	(1,449,083)
Total	$ 2,372,028

Actuarial Assumptions – The total pension liability in the June 30, 2025, actuarial valuation was determined using the following actuarial assumption, applied to all periods included in the measurement:

Inflation	2.40%
Salary increases	3.50%, average, including inflation
Investment rate of return	6.70%, net of pension plan investment expense, including inflation

Mortality assumptions for the FRS Pension Plan were based on the PUB-2010 base table, projected generationally with Scale MP-2021.

NOTE 9: *Florida Retirement System Retirement Plans (Continued)*

The most recent experience study for the FRS Pension Plan was completed in 2024 for the period July 1, 2018, through June 30, 2023.

The long-term expected rate of return remained 6.70%.

The long-term expected rate of return on FRS 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	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.2%	3.2%	1.1%
Fixed income	29.0%	5.5%	5.4%	4.0%
Global equity	45.0%	8.5%	6.9%	18.3%
Real estate (property)	12.0%	8.4%	7.1%	16.8%
Private equity	11.0%	12.4%	8.8%	28.4%
Strategic investments	2.0%	6.5%	6.1%	8.7%
Total	100.00%			
Assumed inflation - mean			2.4%	1.5%

(1) As outlined in the Pension Plan's investment policy

<u>Discount Rate</u> – The discount rate used to measure the total pension liability was 6.70%. The FRS 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 calculation of the total pension liability is equal to the long-term expected rate of return.

NOTE 9: *Florida Retirement System Retirement Plans (Continued)*

Sensitivity of the County's Proportionate Share of the Net Position Liability to Changes in the Discount Rate – The following represents 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 one percentage point lower (5.70%) or one percentage point higher (7.70%) than the current rate:

FRS Net Pension Liability

1% Decrease	Current Discount Rate	1% Increase
5.70%	6.70%	7.70%
$ 26,503,619	$ 13,505,136	$ 2,607,394

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

HIS PLAN

Plan Description – The HIS Plan is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided – For the fiscal year ended September 30, 2025, eligible retirees and beneficiaries received a monthly HIS payment of $7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $45 and a maximum HIS payment of $225 per month. To be eligible to receive these benefits, a retiree under a 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 fiscal year ended September 30, 2025, the HIS contribution for the period October 1, **2024**, through June 30, 2025, was 2.00%, and the period July 1, 2025, through September 30, 2025 was 2.00%. 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 legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

The County's contributions to the HIS Plan totaled $259,136 for the fiscal year ended September 30, 2025.

NOTE 9: *Florida Retirement System Retirement Plans (Continued)*

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2025, the County reported a liability of $3,631,053 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2025. The County's proportionate share of the net pension liability was based on the County's 2024-25 fiscal year contributions relative to the 2024-25 fiscal year contributions of all participating members. At June 30, 2025, the County's proportionate share was 0.02832 percent.

For the fiscal year ended September 30, 2025, the County recognized pension (benefit) of ($78,202). In addition, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	HIS Pension	
	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 21,675	$ (5,760)
Changes of assumptions	32,139	(878,259)
Net difference between projected and actual earnings on pension plan investments	-	(3,022)
Changes in proportion and differences between County contributions and proportionate share of contributions	559,234	(113,039)
County contributions subsequent to the measurement date	70,524	-
Total	$ 683,572	$ (1,000,080)

The deferred outflows of resources related to the HIS Plan, totaling $70,524 resulting from County contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Year ended September 30:	HIS Amount
2026	$ (85,380)
2027	(102,220)
2028	(86,063)
2029	(68,970)
2030	(44,399)
Total	$ (387,032)

NOTE 9: *Florida Retirement System Retirement Plans (Continued)*

Actuarial Assumptions – The total pension liability in the July 1, 2025, 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
Municipal bond rate	5.20%, net of pension plan investment

Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for that program. The actuarial assumptions that determined the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan. The most recent experience study for the FRS Pension Plan was completed in 2024 for the period July 1, 2018, through June 30, 2023.

The following changes in actuarial assumptions occurred in 2025 for the HIS Program:

- All demographic assumptions and methods were reviewed as part of the 2024 Experience Study. Changes were adopted by the 2024 FRS Actuarial Assumption Conference during its meetings in October 2024.
- The assumption changes were updated to reflect recent and anticipated future experience of HIS program participants. Changes were adopted by the 2025 FRS Actuarial Assumption Conference during its October 2025 meeting.
- The discount rate was modified to reflect the change in the value of the municipal bond index between GASB measurement dates.

Discount Rate – The discount rate used to measure the total pension liability was 5.20%. 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 Position Liability to Changes in the Discount Rate – The following represents the County's proportionate share of the net pension liability calculated using the discount rate of 5.20%, 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 one percentage point lower (4.20%) or one percentage point higher (6.20%) than the current rate:

HIS Net Pension Liability

1% Decrease	Current Discount Rate	1% Increase
4.20%	5.20%	6.20%
$ 4,094,597	$ 3,631,053	$ 3,242,287

HIS Plan Fiduciary Net Position – Detailed information regarding the HIS Plan's fiduciary net position is available in the separately issued Florida Retirement System Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

NOTE 9: *Florida Retirement System Retirement Plans (Continued)*

INVESTMENT PLAN

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

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. 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 Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members.

Allocations to the investment member's accounts during the 2024-25 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows: Regular class 11.30%, Special Risk Administrative Support class 12.95%, Special Risk class 19.00%, Senior Management Service class 12.67% and County Elected Officers class 16.34%.

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 Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2025, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the 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 pension plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

NOTE 10: *Joint Venture*

In 1992, the County entered into an agreement with Taylor, Dixie, and Jefferson Counties to establish an Organization known as the Aucilla Area Solid Waste Administration. The purpose of this entity is to facilitate, through the collective effort of the counties involved, solid waste disposal through the establishment and operation of a joint solid waste disposal facility. The County has an ongoing financial responsibility to the Organization in that it has agreed to use the Organization to fulfill its landfill needs.

The governing board of the Organization is composed of one County Commissioner from each County. The Board elects the officers and manages the operations. Financial statements of the Organization may be obtained by contacting the Aucilla Area Solid Waste Administration office.

NOTE 11: *Landfill Closure and Post-Closure Costs*

The Third Judicial Circuit Court ruled on September 26, 1992, that Madison County, Florida, must close the last active cell of its landfill (approximately ten acres) and monitor the landfill for twenty years pursuant to the dictates of the Florida Department of Environmental Protection (FDEP). As of September 30, 2025, the total estimated remaining cost of the landfill closure and post-closure care is $0 as the County has reached year twenty of its post-closure monitoring requirement.

On September 9, 2022, the United States Environmental Protection Agency Region 4 selected a new remedy for the groundwater in Amended Record of Decision. The new remedy involves phased treatment of groundwater using Enhanced Reductive Dechlorination. As of September 30, 2025, no reasonable estimate of the expected cost can be made and therefore, no amount has been accrued on the County's Statement of Net Position. The County is expecting the current Third Amendment to Settlement Agreement with ITT to remain in effect allowing the County's annual expenditures not to exceed $150,000, per year.

NOTE 12: *Landfill Management Escrow Account*

The County has established an interest-bearing escrow account with the Florida Local Government Investment Trust for the sole purpose of long-term care of the closed Madison County, Florida Center Landfill. Pursuant to Rule 62-701.630, Florida Administrative Code, the escrow account is not used for any purpose other than landfill closure and long-term care; all withdrawals from the account are subject to approval by the Madison County, Florida Clerk of the Circuit Court and Comptroller. The County filed a final post-closure certification in the year ended September 30, 2018, and will reallocate these funds at a future date.

During the year ended September 30, 2025, the escrow account had the following activity:

Balance October 1, 2024	$ 166,385
Withdrawals	-
Net appreciation	7,589
Balance September 30, 2025	$ 173,974

NOTE 13: *Proprietary Accounts Receivable*

At September 30, 2025, the accounts receivable for proprietary funds were as follows:

Accounts receivable	$ 3,413,747
Less: allowance for doubtful accounts	(2,789,773)
Net accounts receivable	$ 623,974

NOTE 14: *Restatement of Governmental Net Position*

For the fiscal year ended September 30, 2025, the County has determined that restatements to the beginning fund balance of the CARES Act governmental fund and the net position of the Government-Wide statements of the County are necessary to recognize expenditures spent and revenues earned in prior periods and adjust unearned revenue.

	Governmental Funds	Government-Wide
	CARES Act	Governmental Activities
Net position and fund balance, beginning of year, as previously reported	$ 924,309	$ 63,772,150
Restatement to recognize expenditures spent and revenues earned in prior periods and adjust unearned revenue	388,337	388,337
Net position and fund balance beginning of year, as restated	$ 1,312,646	$ 64,160,487

REQUIRED SUPPLEMENTARY INFORMATION

MADISON COUNTY, FLORIDA
SCHEDULE OF MADISON COUNTY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM
LAST TEN FISCAL YEARS*

	2025	2024	2023	2022	2021
Madison County's proportion of the net pension liability	0.043515637%	0.039246530%	0.037975999%	0.035481185%	0.034778359%
Madison County's proportionate share of the net pension liability	$ 13,505,136	$ 15,182,404	$ 15,132,233	$ 13,201,852	$ 2,627,110
Madison County's covered-employee payroll	13,651,686	12,402,872	10,940,111	9,856,125	8,969,221
Madison County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	98.93%	122.41%	138.32%	133.95%	29.29%
Plan fiduciary net position as a percentage of the total pension liability	87.26%	83.70%	82.38%	82.89%	96.40%

	2020	2019	2018	2017	2016
Madison County's proportion of the net pension liability	0.036678485%	0.038153523%	0.037631910%	0.037964192%	0.038502386%
Madison County's proportionate share of the net pension liability	$ 15,896,996	$ 13,139,541	$ 11,334,926	$ 11,229,553	$ 9,721,883
Madison County's covered-employee payroll	8,340,816	8,311,581	7,961,781	7,895,237	7,969,600
Madison County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	190.59%	158.09%	142.37%	142.23%	121.99%
Plan fiduciary net position as a percentage of the total pension liability	78.85%	82.61%	84.26%	83.89%	84.88%

* The amounts presented for each fiscal year were determined as of 6/30.

MADISON COUNTY, FLORIDA
SCHEDULE OF MADISON COUNTY'S CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM
LAST TEN FISCAL YEARS*

	2025	2024	2023	2022	2021
Contractually required contribution	$ 2,689,282	$ 2,343,980	$ 1,953,530	$ 1,581,228	$ 1,374,268
Contributions in relation to the contractually required contribution	(2,689,282)	(2,343,980)	(1,953,530)	(1,581,228)	(1,374,268)
Contribution deficiency (excess)	-	-	-	-	-
Madison County's covered-employee payroll	$ 13,651,686	$ 12,402,872	$ 10,940,111	$ 9,856,125	$ 8,969,221
Contributions as a percentage of covered-employee payroll	19.70%	18.90%	17.86%	16.04%	15.32%

	2020	2019	2018	2017	2016
Contractually required contribution	$ 1,208,821	$ 1,203,140	$ 1,103,757	$ 988,301	$ 938,942
Contributions in relation to the contractually required contribution	(1,208,821)	(1,203,140)	(1,103,757)	(988,301)	(938,942)
Contribution deficiency (excess)	-	-	-	-	-
Madison County's covered-employee payroll	$ 8,340,816	$ 8,311,581	$ 7,961,781	$ 7,895,237	$ 7,969,600
Contributions as a percentage of covered-employee payroll	14.49%	14.48%	13.86%	12.52%	11.78%

* The amounts presented for each fiscal year were determined as of 6/30.

MADISON COUNTY, FLORIDA
SCHEDULE OF MADISON COUNTY'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
HEALTH INSURANCE SUBSIDY PROGRAM
LAST TEN FISCAL YEARS*

	2025	2024	2023	2022	2021
Madison County's proportion of the net pension liability	0.028328995%	0.025987972%	0.025641048%	0.025031056%	0.024049951%
Madison County's proportionate share of the net pension liability	$ 3,631,053	$ 3,898,450	$ 4,072,140	$ 2,651,189	$ 2,950,088
Madison County's covered-employee payroll	13,651,686	12,402,872	10,940,111	9,856,125	8,969,221
Madison County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	26.60%	31.43%	37.22%	26.90%	32.89%
Plan fiduciary net position as a percentage of the total pension liability	6.36%	4.80%	4.12%	4.81%	3.56%

	2020	2019	2018	2017	2016
Madison County's proportion of the net pension liability	0.023280271%	0.023721224%	0.023691928%	0.024185596%	0.024699941%
Madison County's proportionate share of the net pension liability	$ 2,842,483	$ 2,654,168	$ 2,507,580	$ 2,586,036	$ 2,878,676
Madison County's covered-employee payroll	8,340,816	8,311,581	7,961,781	7,895,237	7,969,600
Madison County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	34.08%	31.93%	31.50%	32.75%	36.12%
Plan fiduciary net position as a percentage of the total pension liability	3.00%	2.63%	2.15%	1.64%	0.97%

* The amounts presented for each fiscal year were determined as of 6/30.

MADISON COUNTY, FLORIDA
SCHEDULE OF MADISON COUNTY'S CONTRIBUTIONS
HEALTH INSURANCE SUBSIDY PROGRAM
LAST TEN FISCAL YEARS*

	2025	2024	2023	2022	2021
Contractually required contribution	$ 259,136	$ 230,824	$ 182,986	$ 155,294	$ 144,266
Contributions in relation to the contractually required contribution	(259,136)	(230,824)	(182,986)	(155,294)	(144,266)
Contribution deficiency (excess)	-	-	-	-	-
Madison County's covered-employee payroll	$ 13,651,686	$ 12,402,872	$ 10,940,111	$ 9,856,125	$ 8,969,221
Contributions as a percentage of covered-employee payroll	1.90%	1.86%	1.67%	1.58%	1.61%

	2020	2019	2018	2017	2016
Contractually required contribution	$ 133,025	$ 133,155	$ 128,833	$ 127,603	$ 126,603
Contributions in relation to the contractually required contribution	(133,025)	(133,155)	(128,833)	(127,603)	(126,603)
Contribution deficiency (excess)	-	-	-	-	-
Madison County's covered-employee payroll	$ 8,340,816	$ 8,311,581	$ 7,961,781	$ 7,895,237	$ 7,969,600
Contributions as a percentage of covered-employee payroll	1.59%	1.60%	1.62%	1.62%	1.59%

* The amounts presented for each fiscal year were determined as of 6/30.

MADISON COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance with Final Budget - Favorable
	Original	Final	Actual	(Unfavorable)
REVENUES				
Taxes	$ 11,138,704	$ 11,523,204	$ 11,810,259	$ 287,055
Licenses and permits	348,301	359,301	412,758	53,457
Intergovernmental	3,709,544	4,483,297	5,099,401	616,104
Charges for services	308,214	410,214	392,503	(17,711)
Fines and forfeitures	12,500	12,500	13,656	1,156
Interest revenue	254,365	370,365	367,706	(2,659)
Other	38,086	3,248,388	2,143,454	(1,104,934)
Total revenues	15,809,714	20,407,269	20,239,737	(167,532)
EXPENDITURES				
Current				
General government	2,042,140	4,618,040	3,973,207	644,833
Public safety	486,384	521,384	469,504	51,880
Physical environment	263,417	337,865	306,318	31,547
Economic environment	273,563	273,563	131,214	142,349
Human services	639,763	639,763	541,287	98,476
Culture/recreation	1,123,789	1,258,190	1,259,838	(1,648)
Court related	223,153	223,153	185,744	37,409
Debt service				
Principal	5,851	5,851	47,102	(41,251)
Interest	-	-	11,227	(11,227)
Capital outlay	205,597	304,821	1,009,454	(704,633)
Total expenditures	5,263,657	8,182,630	7,934,895	247,735
Excess (deficiency) of revenues over (under) expenditures	10,546,057	12,224,639	12,304,842	80,203
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	1,165,500	1,165,500
Transfers (out)	(10,546,057)	(12,284,639)	(12,233,599)	51,040
Proceeds from payments on note receivable	-	60,000	120,000	60,000
Proceeds from debt financing	-	-	358,810	358,810
Total other financing sources (uses)	(10,546,057)	(12,224,639)	(10,589,289)	1,635,350
Net changes in fund balances	-	-	1,715,553	1,715,553
Fund balances - beginning	-	-	7,487,018	7,487,018
Fund balances - ending	$ -	$ -	$ 9,202,571	$ 9,202,571

MADISON COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL
COUNTY TRANSPORTATION TRUST FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance with Final Budget - Favorable (Unfavorable)
	Original	Final	Actual	
REVENUES				
Taxes	$ 1,636,405	$ 1,670,405	$ 1,669,033	$ (1,372)
Licenses and permits	4,000	4,000	2,995	(1,005)
Intergovernmental	683,344	705,344	869,016	163,672
Charges for services	10,065	10,065	10,305	240
Interest revenue	201,000	241,000	232,790	(8,210)
Other	299,262	629,732	573,749	(55,983)
Total revenues	2,834,076	3,260,546	3,357,888	97,342
EXPENDITURES				
Transportation	1,885,099	2,311,569	2,865,985	(554,416)
Debt service				
Principal	787,625	787,625	787,625	-
Interest	119,717	119,717	119,717	-
Capital outlay	1,382,067	1,382,067	1,382,067	-
Total expenditures	4,174,508	4,600,978	5,155,394	(554,416)
Excess (deficiency) of revenues over (under) expenditures	(1,340,432)	(1,340,432)	(1,797,506)	(457,074)
OTHER FINANCING SOURCES (USES)				
Transfers in	381,718	381,718	381,718	-
Leases (as lessee)	958,714	958,714	958,714	-
Total other financing sources	1,340,432	1,340,432	1,340,432	-
Net changes in fund balances	-	-	(457,074)	(457,074)
Fund balances - beginning	-	-	2,722,882	2,722,882
Fund balances - ending	$ -	$ -	$ 2,265,808	$ 2,265,808

MADISON COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL
SHERIFF - OPERATING FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			
	Original	Final	Actual	Variance with Final Budget - Favorable (Unfavorable)
REVENUES				
Intergovernmental	$ -	$ -	$ -	$ -
EXPENDITURES				
Current				
Public safety	8,877,561	9,757,386	9,103,704	653,682
Human services	154,185	154,185	160,271	(6,086)
Debt service				
Principal	217,532	217,532	262,252	(44,720)
Interest	27,426	27,426	27,426	-
Capital outlay	326,069	326,069	801,121	(475,052)
Total expenditures	9,602,773	10,482,598	10,354,774	127,824
Excess (deficiency) of revenues over (under) expenditures	(9,602,773)	(10,482,598)	(10,354,774)	127,824
OTHER FINANCING SOURCES (USES)				
Transfers in	9,276,704	10,156,529	10,028,705	(127,824)
Proceeds from debt financing	326,069	326,069	326,069	-
Total other financing sources (uses)	9,602,773	10,482,598	10,354,774	(127,824)
Net changes in fund balances	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - ending	$ -	$ -	$ -	$ -

MADISON COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL
SHIP PROGRAM
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance with
	Original	Final	Actual	Final Budget - Favorable (Unfavorable)
REVENUES				
Intergovernmental	$ 350,000	$ 543,000	$ 585,903	$ 42,903
Interest revenue	60,000	87,500	106,819	19,319
Total revenues	410,000	630,500	692,722	62,222
EXPENDITURES				
Current				
Economic environment	410,000	630,500	692,722	(62,222)
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Net changes in fund balances	-	-	-	-
Fund balances - beginning	-	-	7,282	7,282
Fund balances - ending	$ -	$ -	$ 7,282	$ 7,282

MADISON COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL
CARES ACT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance with Final Budget - Favorable
	Original	Final	Actual	(Unfavorable)
REVENUES				
Intergovernmental	$ -	$ 1,340,431	$ 1,789,964	$ 449,533
Interest revenue	25,000	483,500	570,369	86,869
Total revenues	25,000	1,823,931	2,360,333	536,402
EXPENDITURES				
Current				
General government	25,000	1,823,931	2,309,036	(485,105)
Excess (deficiency) of revenues over (under) expenditures	-	-	51,297	51,297
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	12,300	12,300
Transfers (out)	-	-	(1,165,500)	(1,165,500)
Total other financing sources (uses)	-	-	(1,153,200)	(1,153,200)
Net changes in fund balances	-	-	(1,101,903)	(1,101,903)
Fund balances - beginning, as previously presented	-	-	924,309	924,309
Error correction	-	-	388,337	388,337
Fund balances - beginning, as restated	-	-	1,312,646	1,312,646
Fund balances - ending	$ -	$ -	$ 210,743	$ 210,743

SUPPLEMENTAL INFORMATION

MADISON COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	Special Revenue Funds					
	Tourist Development	Fire	DOJ Equitable Sharing Program	State Confiscations Trust	E911	Law Enforcement & Corrections
ASSETS						
Cash	$ 27,905	$ 38,909	$ -	$ 4,091	$ 18,248	$ 905,838
Accounts receivable	-	-	-	-	-	-
Due from other funds	-	-	-	-	96	118,068
Due from other governmental units	14,765	794,876	-	-	20,972	114,050
Investments	629,857	9	196	24,438	236,787	275
Prepaid items	-	-	-	-	-	-
Total assets	$ 672,527	$ 833,794	$ 196	$ 28,529	$ 276,103	$ 1,138,231
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	$ 1,105	$ 52,361	$ -	$ -	$ 57,937	$ 63,183
Due to other funds	462	530,760	196	457	3,798	975,868
Due to other governmental units	-	-	-	-	-	55,544
Total liabilities	1,567	583,121	196	457	61,735	1,094,595
Fund balances						
Nonspendable	-	-	-	-	-	-
Restricted	670,960	250,673	-	28,072	214,368	43,636
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	670,960	250,673	-	28,072	214,368	43,636
Total liabilities and fund balances	$ 672,527	$ 833,794	$ 196	$ 28,529	$ 276,103	$ 1,138,231

MADISON COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	Special Revenue Funds					
	Emergency Management	Capital Projects	Recycling	Property Appraiser	Supervisor of Elections	Tax Collector
ASSETS						
Cash	$ 43,462	$ 579,482	$ 50	$ 36,652	$ 1,218	$ 150
Accounts receivable	-	-	-	905	-	-
Due from other funds	88	-	-	-	-	-
Due from other governmental units	2,517	1,286,266	-	-	-	-
Investments	40,531	10	27,251	-	-	-
Prepaid items	-	-	-	-	-	-
Total assets	$ 86,598	$ 1,865,758	$ 27,301	$ 37,557	$ 1,218	$ 150
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	$ 1,574	$ 297,560	$ -	$ -	$ -	$ 1,583
Due to other funds	80,201	1,727,300	-	37,557	1,218	-
Due to other governmental units	-	-	-	-	-	-
Total liabilities	81,775	2,024,860	-	37,557	1,218	1,583
Fund balances						
Nonspendable	-	-	-	-	-	-
Restricted	4,823	164,601	27,301	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	(323,703)	-	-	-	(1,433)
Total fund balances	4,823	(159,102)	27,301	-	-	(1,433)
Total liabilities and fund balances	$ 86,598	$ 1,865,758	$ 27,301	$ 37,557	$ 1,218	$ 150

MADISON COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	Special Revenue Funds					
	Clerk of the Circuit Court	Landfill Closure	Court Technology Modernization	Public Records Modernization	Court Fund	Soil Conservation
ASSETS						
Cash	$ 380,716	$ 6	$ 40,424	$ 13,628	$ 258,165	$ 24,674
Accounts receivable	-	-	-	-	-	-
Due from other funds	380,488	-	-	-	18	-
Due from other governmental units	3,722	-	-	-	-	9,455
Investments	266,510	368,225	92,118	121,952	309,500	4,146
Prepaid items	5,245	-	-	-	-	-
Total assets	$ 1,036,681	$ 368,231	$ 132,542	$ 135,580	$ 567,683	$ 38,275
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	$ 732,796	$ -	$ -	$ -	$ 144,563	$ (72)
Due to other funds	25,738	189,714	436	1,665	357,379	44,393
Due to other governmental units	278,147	-	-	-	186,518	-
Total liabilities	1,036,681	189,714	436	1,665	688,460	44,321
Fund balances						
Nonspendable	5,245	-	-	-	-	-
Restricted	-	-	132,106	133,915	-	-
Assigned	-	178,517	-	-	-	-
Unassigned	(5,245)	-	-	-	(120,777)	(6,046)
Total fund balances	-	178,517	132,106	133,915	(120,777)	(6,046)
Total liabilities and fund balances	$ 1,036,681	$ 368,231	$ 132,542	$ 135,580	$ 567,683	$ 38,275

MADISON COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	Special Revenue Funds					
	MSCO Firearms Training Facility	Crime Prevention Funds	Law Enforcement Education	Radio Communication Program	Criminal Justice Program	2nd Local Option Gas Tax
ASSETS						
Cash	$ 129	$ 2,004	$ 8,608	$ 40,090	$ 9,198	$ 3,655
Accounts receivable	-	-	-	-	-	-
Due from other funds	-	575	826	4,300	1,091	41,020
Due from other governmental units	-	-	-	-	-	37,176
Investments	1,950	4,192	14,914	62,830	13,786	1,123,614
Prepaid items	-	-	-	-	-	-
Total assets	$ 2,079	$ 6,771	$ 24,348	$ 107,220	$ 24,075	$ 1,205,465
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	$ -	$ -	$ -	$ -	$ -	$ -
Due to other funds	-	6,000	-	50,000	-	-
Due to other governmental units	-	-	-	-	-	-
Total liabilities	-	6,000	-	50,000	-	-
Fund balances						
Nonspendable	-	-	-	-	-	-
Restricted	2,079	771	24,348	57,220	24,075	1,205,465
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	2,079	771	24,348	57,220	24,075	1,205,465
Total liabilities and fund balances	$ 2,079	$ 6,771	$ 24,348	$ 107,220	$ 24,075	$ 1,205,465

MADISON COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	Special Revenue Funds					
	State Court Facilities Surcharge	Article V Information Technology Fees	Court Facilities	5th and 6th Cent Surplus	I.C.E Equitable Sharing	Fiscally Constrained County
ASSETS						
Cash	$ 30,479	$ 3,814	$ 7,335	$ 3,006	$ 201	$ 23,932
Accounts receivable	-	-	-	-	-	-
Due from other funds	13,075	2,002	3,186	1,461,000	-	-
Due from other governmental units	-	-	-	73,281	-	27,126
Investments	80,428	21,366	128,637	1,320,377	57,821	933,353
Prepaid items	-	-	-	-	-	-
Total assets	$ 123,982	$ 27,182	$ 139,158	$ 2,857,664	$ 58,022	$ 984,411
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	$ 2,852	$ -	$ 1,678	$ -	$ -	$ -
Due to other funds	60,705	-	-	-	-	-
Due to other governmental units	-	-	-	-	-	-
Total liabilities	63,557	-	1,678	-	-	-
Fund balances						
Nonspendable	-	-	-	-	-	-
Restricted	60,425	27,182	137,480	2,857,664	58,022	-
Assigned	-	-	-	-	-	984,411
Unassigned	-	-	-	-	-	-
Total fund balances	60,425	27,182	137,480	2,857,664	58,022	984,411
Total liabilities and fund balances	$ 123,982	$ 27,182	$ 139,158	$ 2,857,664	$ 58,022	$ 984,411

MADISON COUNTY, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	Special Revenue Funds		
	Hospital Surtax	Small County Surtax	Total
ASSETS			
Cash	$ 54,679	$ 407,511	$ 2,968,259
Accounts receivable	-	-	905
Due from other funds	-	-	2,025,833
Due from other governmental units	47,936	95,872	2,528,014
Investments	1,177,724	789,351	7,852,148
Prepaid items	-	-	5,245
Total assets	$ 1,280,339	$ 1,292,734	$ 15,380,404
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	$ -	$ -	$ 1,357,120
Due to other funds	-	286,199	4,380,046
Due to other governmental units	-	-	520,209
Total liabilities	-	286,199	6,257,375
Fund balances			
Nonspendable	-	-	5,245
Restricted	1,280,339	1,006,535	8,412,060
Assigned	-	-	1,162,928
Unassigned	-	-	(457,204)
Total fund balances	1,280,339	1,006,535	9,123,029
Total liabilities and fund balances	$ 1,280,339	$ 1,292,734	$ 15,380,404

MADISON COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Special Revenue Funds					
	Tourist Development	Fire	DOJ Equitable Sharing Program	State Confiscations Trust	E911	Law Enforcement & Corrections
REVENUES						
Taxes	$ 259,937	$ 1,086,280	$ -	$ -	$ -	$ -
Intergovernmental	-	888,411	-	-	66,976	539,456
Charges for services	-	-	-	-	179,785	363,769
Fines and forfeitures	-	-	-	-	-	-
Interest revenue	26,691	-	9	3,611	-	544
Other	-	1,763	-	-	-	-
Total revenues	286,628	1,976,454	9	3,611	246,761	903,769
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Public safety	-	1,772,495	-	134	237,914	1
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	206,763	-	-	-	-	-
Human services	-	-	-	-	-	-
Court related	-	-	-	-	-	-
Debt service						
Principal	-	59,430	-	-	-	-
Interest	-	23,176	-	-	-	-
Capital outlay	-	1,108,368	-	-	-	-
Total expenditures	206,763	2,963,469	-	134	237,914	1
Excess (deficiency) of revenues Over (under) expenditures	79,865	(987,015)	9	3,477	8,847	903,768
OTHER FINANCING SOURCES (USES)						
Transfers in	-	710,164	-	-	-	9,062,891
Transfers (out)	-	(24,924)	-	-	(74,975)	(9,977,136)
Leases (as lessee)	-	228,585	-	-	-	-
Total other financing sources (uses)	-	913,825	-	-	(74,975)	(914,245)
Net changes in fund balances	79,865	(73,190)	9	3,477	(66,128)	(10,477)
Fund balances - beginning	591,095	323,863	(9)	24,595	280,496	54,113
Fund balances - ending	$ 670,960	$ 250,673	$ -	$ 28,072	$ 214,368	$ 43,636

MADISON COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Special Revenue Funds					
	Emergency Management	Capital Projects	Recycling	Property Appraiser	Supervisor of Elections	Tax Collector
REVENUES						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	143,530	1,978,424	93,750	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Interest revenue	-	-	-	-	-	28
Other	5,000	-	-	-	11,970	-
Total revenues	148,530	1,978,424	93,750	-	11,970	28
EXPENDITURES						
Current						
General government	-	-	-	1,066,428	587,994	697,577
Public safety	270,314	-	-	-	-	-
Physical environment	-	-	93,750	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Court related	-	-	-	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	1,978,424	-	-	-	-
Total expenditures	270,314	1,978,424	93,750	1,066,428	587,994	697,577
Excess (deficiency) of revenues Over (under) expenditures	(121,784)	-	-	(1,066,428)	(576,024)	(697,549)
OTHER FINANCING SOURCES (USES)						
Transfers in	105,806	-	-	1,066,428	576,024	696,116
Transfers (out)	-	-	-	-	-	-
Leases (as lessee)	-	-	-	-	-	-
Total other financing sources (uses)	105,806	-	-	1,066,428	576,024	696,116
Net changes in fund balances	(15,978)	-	-	-	-	(1,433)
Fund balances - beginning	20,801	(159,102)	27,301	-	-	-
Fund balances - ending	$ 4,823	$ (159,102)	$ 27,301	$ -	$ -	$ (1,433)

MADISON COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Special Revenue Funds					
	Clerk of the Circuit Court	Landfill Closure	Court Technology Modernization	Public Records Modernization	Court Fund	Soil Conservation
REVENUES						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	41,615	-	-	-	557	109,529
Charges for services	91,942	-	9,110	21,189	547,796	-
Fines and forfeitures	-	-	-	-	177,220	-
Interest revenue	38,551	7,589	-	-	-	-
Other	347	-	-	-	74,512	-
Total revenues	172,455	7,589	9,110	21,189	800,085	109,529
EXPENDITURES						
Current						
General government	655,342	-	-	-	89,280	-
Public safety	-	-	-	-	-	-
Physical environment	-	369	-	-	-	109,298
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Court related	-	-	4,095	33,130	618,984	-
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	655,342	369	4,095	33,130	708,264	109,298
Excess (deficiency) of revenues Over (under) expenditures	(482,887)	7,220	5,015	(11,941)	91,821	231
OTHER FINANCING SOURCES (USES)						
Transfers in	482,887	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-
Leases (as lessee)	-	-	-	-	-	-
Total other financing sources (uses)	482,887	-	-	-	-	-
Net changes in fund balances	-	7,220	5,015	(11,941)	91,821	231
Fund balances - beginning	-	171,297	127,091	145,856	(212,598)	(6,277)
Fund balances - ending	$ -	$ 178,517	$ 132,106	$ 133,915	$ (120,777)	$ (6,046)

MADISON COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Special Revenue Funds					
	MSCO Firearms Training Facility	Crime Prevention Funds	Law Enforcement Education	Radio Communication Program	Criminal Justice Program	2nd Local Option Gas Tax
REVENUES						
Taxes	$ -	$ -	$ -	$ -	$ -	$ 442,319
Intergovernmental	-	-	-	-	-	-
Charges for services	-	4,595	14,080	-	17,928	-
Fines and forfeitures	-	-	-	74,573	-	-
Interest revenue	-	-	-	-	-	-
Other	-	-	-	1,578	-	-
Total revenues	-	4,595	14,080	76,151	17,928	442,319
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Public safety	-	-	6,010	3,457	8,903	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Court related	-	-	-	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	-	-	6,010	3,457	8,903	-
Excess (deficiency) of revenues Over (under) expenditures	-	4,595	8,070	72,694	9,025	442,319
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers (out)	-	(5,500)	-	(61,569)	-	-
Leases (as lessee)	-	-	-	-	-	-
Total other financing sources (uses)	-	(5,500)	-	(61,569)	-	-
Net changes in fund balances	-	(905)	8,070	11,125	9,025	442,319
Fund balances - beginning	2,079	1,676	16,278	46,095	15,050	763,146
Fund balances - ending	$ 2,079	$ 771	$ 24,348	$ 57,220	$ 24,075	$ 1,205,465

MADISON COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Special Revenue Funds					
	State Court Facilities Surcharge	Article V Information Technology Fees	Court Facilities	5th and 6th Cent Surplus	I.C.E Equitable Sharing	Fiscally Constrained County
REVENUES						
Taxes	$ -	$ -	$ -	$ -	$ -	$ -
Intergovernmental	-	-	-	870,786	-	332,102
Charges for services	222,572	25,275	20,952	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Interest revenue	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total revenues	222,572	25,275	20,952	870,786	-	332,102
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	60,000	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Court related	48,810	76,864	9,180	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	-	-	-	-	-
Total expenditures	48,810	76,864	9,180	60,000	-	-
Excess (deficiency) of revenues Over (under) expenditures	173,762	(51,589)	11,772	810,786	-	332,102
OTHER FINANCING SOURCES (USES)						
Transfers in	-	51,864	-	-	-	-
Transfers (out)	(160,705)	-	-	(351,718)	-	-
Leases (as lessee)	-	-	-	-	-	-
Total other financing sources (uses)	(160,705)	51,864	-	(351,718)	-	-
Net changes in fund balances	13,057	275	11,772	459,068	-	332,102
Fund balances - beginning	47,368	26,907	125,708	2,398,596	58,022	652,309
Fund balances - ending	$ 60,425	$ 27,182	$ 137,480	$ 2,857,664	$ 58,022	$ 984,411

MADISON COUNTY, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Special Revenue Funds		
	Hospital Surtax	Small County Surtax	Total
REVENUES			
Taxes	$ 1,078,246	$ 2,156,492	$ 5,023,274
Intergovernmental	-	-	5,065,136
Charges for services	-	-	1,518,993
Fines and forfeitures	-	-	251,793
Interest revenue	75,055	105,284	257,362
Other	-	-	95,170
Total revenues	1,153,301	2,261,776	12,211,728
EXPENDITURES			
Current			
General government	-	249,981	3,346,602
Public safety	-	-	2,299,228
Physical environment	-	-	203,417
Transportation	-	-	60,000
Economic environment	-	-	206,763
Human services	1,161,099	-	1,161,099
Court related	-	-	791,063
Debt service			
Principal	-	224,941	284,371
Interest	-	10,681	33,857
Capital outlay	-	-	3,086,792
Total expenditures	1,161,099	485,603	11,473,192
Excess (deficiency) of revenues Over (under) expenditures	(7,798)	1,776,173	738,536
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	12,752,180
Transfers (out)	-	(2,807,936)	(13,464,463)
Leases (as lessee)	-	-	228,585
Total other financing sources (uses)	-	(2,807,936)	(483,698)
Net changes in fund balances	(7,798)	(1,031,763)	254,838
Fund balances - beginning	1,288,137	2,038,298	8,868,191
Fund balances - ending	$ 1,280,339	$ 1,006,535	$ 9,123,029

COMPLIANCE SECTION

LANIGAN & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.lanigancpa.com

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 Chairman and Commissioners
The Board of County Commissioners and Constitutional Officers
Madison County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Madison County, Florida as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise Madison County, Florida's basic financial statements, and have issued our report thereon dated June 24, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Madison County, Florida'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 Madison County, Florida's internal control. Accordingly, we do not express an opinion on the effectiveness of Madison County, Florida's internal control.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as described in the accompanying schedule of findings and questioned costs we identified certain deficiencies in internal control that we consider to be material weaknesses and significant deficiencies.

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 Madison County, Florida's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2025-001 to be a material weakness.

A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiency described in the accompanying schedule of findings and questioned costs as item 2025-004 to be a significant deficiency.

Report on Compliance and Other Matters

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

Madison County, Florida's Response to Findings

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

Purpose of this Report

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

Lanigan & Associates, P.C.

Tallahassee, Florida
June 24, 2026

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

The Honorable Board of County Commissioners
The Board of County Commissioners and Constitutional Officers
Madison 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 Madison County, Florida's compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* and *State of Florida's Department of Financial Services State Projects Compliance Supplement* that could have a direct and material effect on each of Madison County, Florida's major federal programs and state projects for the year ended September 30, 2025. Madison County, Florida'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, Madison County, Florida complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2025.

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 (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*); 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. Our responsibilities under those standards, the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General, are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of Madison County, Florida, 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 Madison County, Florida'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 Madison County, Florida's federal programs and state projects.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on Madison County, Florida'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 GAAS, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about Madison County, Florida's compliance with the requirements of each major federal program and state project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards,* the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding Madison County, Florida'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 Madison County, Florida's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, and Chapter 10.550, Rules of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of Madison County's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program or state project on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program or state project will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2025-002 and 2025-003 to be material weaknesses.

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

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

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

Lanigan & Associates, P.C.
Tallahassee, Florida
June 24, 2026

MADISON COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Federal/State Agency Pass-through Entity Federal Program/State Project or Cluster Title	Federal Assistance Listing or CSFA No.	Pass-Through Entity Identifying No./ Contract Grant No.	Total Federal/State Expenditures
FEDERAL AWARDS			
U.S. Department of Agriculture			
Cooperative Forestry Assistance Program			
Pass through Florida Department of Agriculture and Consumer Services			
Cooperative Forestry Assistance	10.664	VFA-2514	$ 12,037
Cooperative Forestry Assistance	10.664	VFA-2501	10,994
Cooperative Forestry Assistance	10.664	VFA-2042	17,580
Total U.S. Department of Agriculture			40,611
U.S. Department of Housing and Urban Development			
Community Development Block Grant Program			
Pass through Florida Department Economic Opportunity			
Community Development Block Grant	14.228	22DB-OP-03-50-01-H08	12,500
U.S. Department of Justice			
Crime Victim Assistance Program			
Pass through Bureau of Advocacy			
Crime Victim Assistance	16.575	VOCA-C-2024-Madison County Sheriff's Office-00250	51,721
Edward Byrne Memorial Justice Grant Program			
Pass through Florida Department of Law Enforcement			
Edward Byrne Memorial Justice Grant Program	16.738	15PBJA-24-GG-04224-MUMU	51,740
Total U.S. Department of Justice			103,461
U.S. Department of Transportation			
Highway Safety Cluster			
State and Community Highway Safety Program			
Pass through Florida Department of Transportation			
State and Community Highway Safety	20.600	SC2025-035	60,000
U.S. Department of Treasury			
Coronavirus State and Local Fiscal Recovery Funds Program			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	1505-0271	19,988
Coronavirus Capital Projects Fund Program			
Pass through Florida Department of Commerce			
COVID-19 Coronavirus Capital Projects Fund	21.029	BB218	499,867
Total U.S. Department of Treasury			519,855
U.S. Department of Health and Human Services			
Administration for Children and Families			
Child Support Reimbursement Program			
Pass through Florida Department of Revenue			
Child Support Reimbursement	93.563	CDC40	41,615
U.S. Department of Homeland Security			
Federal Emergency Management Agency			
Disaster Grants - Public Assistance Program			
Pass through Florida Division of Emergency Management			
Disaster Grants - Public Assistance	97.036	Z3948	226,418
Disaster Grants - Public Assistance	97.036	Z4292	267,304
Disaster Grants - Public Assistance	97.036	Z4497	167,115
Total Disaster Grants - Public Assistance Program			660,837

MADISON COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Federal/State Agency Pass-through Entity Federal Program/State Project or Cluster Title	Federal Assistance Listing or CSFA No.	Pass-Through Entity Identifying No./ Contract Grant No.	Total Federal/State Expenditures
Emergency Management Performance Grant Program			
Pass through Florida Division of Emergency Management			
Emergency Management Performance Grant	97.042	G0496	8,123
Emergency Management Performance Grant	97.042	G0524	47,814
Total Emergency Management Performance Grant Program			55,937
Total U.S. Department of Homeland Security			716,774
Total Expenditures of Federal Awards			$ 1,494,816

STATE FINANCIAL ASSISTANCE

Executive Office of the Governor			
Emergency Management Grant Program			
Emergency Management	31.063	A0486	$ 83,395
State Hurricane Recovery Grant Program			
State Hurricane Recovery Grant Program-Hurricane Idalia	31.085	D1584	1,769,976
Total Executive Office of the Governor			1,853,371
Department of Environmental Protection			
Small County Consolidated Grants Program			
Small County Consolidated Grants	37.012	SC522	93,750
Resilient Florida Program			
Resilient Florida Program	37.098	23PLN62	141,000
Total Department of Environmental Protection			234,750
Department of Commerce			
Economic Development Tax Refund, Tax Credit, and Grant Program			
Economic Development Tax Refund, Tax Credit, and Grant Program	40.043	G0126	688,583
Florida Housing Finance Corporation			
SHIP Program			
State Housing Initiatives Partnership (SHIP) Program (Hurricane Idalia)	40.901	GAA	186,431
State Housing Initiatives Partnership (SHIP) Program	40.901	GAA	506,291
Total Florida Housing Finance Corporation			692,722
Florida Department of Agriculture and Consumer Services			
Mosquito Control Program			
Mosquito Control	42.003	31519	44,320
Florida Department of Financial Services			
Volunteer Firefighter Grant Assistance Program			
Volunteer Firefighter Grant Assistance Program	43.006	FM973	52,925
Grants & Aids-Local Government Fire Service Grants Program			
Grants & Aids-Local Government Fire Service Grants	43.009	FM1004	794,876
Total Florida Department of Financial Services			847,801
Florida Department of State			
State Aid to Libraries Program			
State Aid to Libraries	45.030	25-ST-82	281,401

MADISON COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Federal/State Agency Pass-through Entity Federal Program/State Project or Cluster Title	Federal Assistance Listing or CSFA No.	Pass-Through Entity Identifying No./ Contract Grant No.	Total Federal/State Expenditures
Florida Department of Education and Commissioner of Education			
Guardian Program			
The Chris Hixon, Coach Aaron Feis, and Coach Scott Beigel Guardian Program	48.140	90R-90210-5D001	103,524
Florida Department of Transportation			
Small County Outreach Program			
Small County Outreach Program	55.009	438208-1-54-01	1,289,841
Florida Department of Health			
Emergency Medical Services (EMS) Matching Awards Program			
Emergency Medical Services (EMS) Matching Awards	64.003	M2534	180,000
Florida Department of Law Enforcement			
Law Enforcement Salary Assistance Program			
Law Enforcement Salary Assistance for Fiscally Constrained Counties	71.067	LG022	558,081
Law Enforcement Salary Assistance for Fiscally Constrained Counties	71.067	ME022	108,373
Total Law Enforcement Salary Assistance Program			666,454
Drone Replacement Grant Program			
Drone Replacement Grant	71.092	3X154	50,000
Total Florida Department of Law Enforcement			716,454
Florida Department of Management Services			
Wireless 911 Emergency Telephone System Rural County Grant Program			
Wireless 911 Emergency Telephone System Rural County Grant Program	72.001	24-10-21	33,554
Wireless 911 Emergency Telephone System Rural County Grant Program	72.001	24-10-22	8,850
Wireless 911 Emergency Telephone System Rural County Grant Program	72.001	25-04-30	24,572
Total Florida Department of Management Services			66,976
Florida Department of Juvenile Justice			
Delinquency Prevention Program			
Delinquency Prevention	80.029	10853	221,998
Total Expenditures of State Financial Assistance			$ 7,221,741

MADISON COUNTY, FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Financial Reporting Entity

The Madison County, Florida ("County") reporting entity is defined in Note 1 of the County's Basic Financial Statements.

Basis of Presentation

The accompanying schedule of expenditures of federal awards and state financial assistance (the "Schedule") includes the federal award and state financial assistance activity of Madison County, Florida, under programs of the federal and state governments for the year ended September 30, 2025. The information in this Schedule is presented in accordance with the 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. Because the Schedule presents only a selected portion of the operations of Madison County, Florida, it is not intended to and does not present the financial position, changes in financial position, or cash flows of Madison County, Florida.

Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

Indirect Cost Rate

Madison County, Florida has not elected to use the 15 percent de minimis indirect cost rate allowed under the Uniform Guidance.

MADISON COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	Unmodified			
Internal control over financial reporting:				
Material weakness(es) identified?	X	Yes		No
Significant deficiency(ies) identified?	X	Yes		None Reported
Noncompliance material to financial statements noted?		Yes	X	No

Federal Awards

Internal control over major federal programs:				
Material weakness(es) identified?	X	Yes		No
Significant deficiency(ies) identified?		Yes	X	None Reported
Type of auditor's report issued on compliance for major federal programs:	Unmodified			
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	X	Yes		No
Identification of major federal programs:				

Assistance Listing Number(s)	Name of Federal Program or Cluster
21.029	Coronavirus Capital Projects Fund

Dollar threshold used to distinguish between Type A and Type B programs:	$1,000,000			
Auditee qualified as a low-risk auditee?	X	Yes		No

MADISON COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
FOR THE YEAR ENDED SEPTEMBER 30, 2025

SECTION I - SUMMARY OF AUDITOR'S RESULTS (CONTINUED)

State Projects

Internal control over major state projects:

Material weakness(es) identified? ______ Yes __X__ No

Significant deficiency(ies) identified? ______ Yes __X__ None Reported

Type of auditor's report issued on compliance for major state projects: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Chapter 10.557, Rules of the Auditor General? ______ Yes __X__ No

Identification of major state projects:

CSFA Numbers	Name of State Project
31.085	State Hurricane Recovery Grant Program- Hurricane Idalia
40.043	Economic Development Tax Refund, Tax Credit, and Grant Program
45.030	State Aid to Libraries
55.009	Small County Outreach Program

Dollar threshold used to distinguish between Type A and Type B programs: $750,000

SECTION II - SCHEDULE OF FINANCIAL STATEMENT FINDINGS

2025-001: Material Audit Adjustments

Criteria: Management is responsible for establishing and maintaining effective internal control over financial reporting and presenting financial statements in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

Condition: Madison County's internal controls were not effective in ensuring that certain financial transactions recorded and reported in accordance with accounting principles generally accepted in the United States of America. Specifically, issues were identified related to:

- Cash
- Payroll and related accruals
- Grant revenues, receivables, and expenditures
- Capital outlay
- Accounts payable and related expenses

Cause: Internal processes and controls were not sufficient to detect certain misstatements of the financial statements. Insufficient controls around the information and communication between those responsible for the authorization, processing, recording, and reporting of federal and state grant expenditures. Federal and state grant expenditures were obligated and incurred without the knowledge of the Finance Director who is responsible for preparing the Schedule of Federal Awards and State Financial Assistance. Additionally, the County had turnover during the year contributing to the issues identified.

Effect: Day-to-day accounting information is not reliable.

Context: When performing further audit procedures related to cash and payroll, a cash reconciliation did not reconcile to the general ledger due to September payroll activity not being recorded correctly, impacting cash, payroll, and related accruals.

The County recorded grant expenditures subject to reimbursement without properly recognizing related revenue. The County should have recorded a receivable and revenue at the time their expenditures were eligible for reimbursement. Further, the County record grant related expenditures within funds not associated with the related grant revenue. The County should have identified and recorded either an expenditure or transfer within the grant fund.

During testing of federal grant compliance, it was identified that costs associated with the construction of a new building were incorrectly recorded in a general government expense account. These costs should have been recorded as capital outlay expenditures.

2025-001: Material Audit Adjustments (Continued)

The County did not record grant expenditures associated with the SHIP fund for expenses incurred but not paid at the end of the fiscal year. These expenses should have been recognized and a payable should have been recorded at the time the County was financially obligated to reimburse the end recipient.

Recommendation: Management should focus on strengthening internal controls surrounding financial reporting and the proper presentation of financial statements in accordance with U.S. GAAP. Management should implement a formal review process of account reconciliations. Management should also focus on improving their understanding of all grant requirements and establish strong communication channels internally that connect the initiation, authorization, processing, recording, and reporting information so that it is shareable and accessible by those responsible for financial reporting. Management must also ensure each step is properly documented.

Views of Responsible Officials and Planned Corrective Actions: The Clerk's Office is working and will continue to work with the County departments and the County Manager's Office to strengthen procedures concerning grant management and communication between the County departments and the Clerk's Office. We will also examine our internal policies to ensure compliance with grant requirements.

2025-004: Proper Recording of Check Disbursements

Criteria: Management is responsible for establishing and maintaining effective internal control over financial reporting in accordance with generally accepted accounting principles. Such responsibilities include establishing internal controls to ensure cash disbursements are properly recorded.

Condition: The check numbers referenced in the General Fund’s accounting records were incorrect and did not agree to the corresponding cleared check image provided by the financial institution. As a result, the check register did not accurately reflect the actual check numbers issued and presented for payment.

Context: Accounting records are intended to accurately reflect the financial activity of the General Fund. Each check has a unique identifying check number assigned to it prior to disbursement. The check number is also used within the accounting software to record the associated cash transaction. When the actual check number does not agree with the record of the cash transaction within the accounting software, there is an increased risk of misstatement due to fraud or error.

Effect: Accounting information is not reliable.

Cause: Internal processes and controls are not sufficient (either non-existent or ineffective) to ensure discrepancies are identified and corrected. Recommendation: Management should focus on strengthening internal controls surrounding financial reporting and the proper recording of cash disbursements in accordance with U.S. GAAP.

Views of Responsible Officials and Planned Corrective Actions: We agree with the finding and recommendations. We identified out mistakes, and the accounting department corrected the errors with incorrectly entered checks.

SECTION III - FEDERAL AWARD AND STATE PROJECT FINDINGS AND QUESTIONED COSTS

2025-002: Inaccurate Schedule of Expenditures of Federal Awards and State Financial Assistance

Criteria: In accordance with 2 CFR § 200.508(b) and Chapter 69I-5.003, Florida Administrative Code, State Financial Assistance, the auditee must prepare a Schedule of Expenditures of Federal Awards and State Financial Assistance for the period covered by the auditee's financial statements. The Schedule of Expenditures of Federal Awards and State Financial Assistance must be prepared in accordance with the requirements of 2 CFR § 200.510(b) and Chapter 69I-5.003, Florida Administrative Code, State Financial Assistance, which includes reporting total federal and state financial assistance expended for each federal program and state project during the audit period.

Condition: During our audit of the Schedule of Expenditures of Federal Awards and State Financial Assistance, we noted several inaccuracies and omissions. Specifically, the schedule excluded federal and state awards, contained incorrect contract numbers, CSFA/Assistance listing numbers and other identifying information, and included expenditures that did not agree to the underlying accounting records. This resulted in an incomplete and inaccurate presentation of total federal and state expenditures for the fiscal year.

Context: When performing further audit procedures over the Schedule of Expenditures of Federal Awards and State Financial Assistance, several inaccuracies and omissions were noted. Specifically, the schedule excluded federal and state awards, contained incorrect contract numbers, CSFA/Assistance listing numbers and other identifying information, and included expenditures that did not agree to the underlying accounting records.

Cause: Insufficient controls around the information and communication between those responsible for the authorization, processing, recording, and reporting of federal and state grant expenditures. Federal and state grant expenditures were obligated and incurred without the knowledge of the Finance Director who is responsible for preparing the Schedule of Federal Awards and State Financial Assistance.

2025-002: Inaccurate Schedule of Expenditures of Federal Awards and State Financial Assistance (Continued)

Effect: Madison County's failure to accurately report all federal and state grant expenditures incurred during the reporting period resulted in the following errors. Material understatement of total federal and state awards expended on the prepared Schedule of Expenditures of Federal Awards and State Financial Assistance, grant revenue earned and unearned, incorrect grant reporting, and inconsistent internal records. These errors also impact Madison County's compliance with federal and state audit requirements and the ability to properly identify federal and state grant expenditures and major program determination.

Recommendation: We recommend that management implement procedures to ensure the Schedule of Expenditures of Federal Awards and State Financial Assistance accurately includes all federal and state expenditures incurred during the reporting period, including all required information for each award. This should include reconciling the Schedule of Expenditures of Federal Awards and State Financial Assistance amounts to the underlying accounting records and grant activity, as well as training responsible personnel on the Uniform Guidance and Florida Single Audit Act requirements for Schedule of Expenditures of Federal Awards and State Financial Assistance reporting. Management should also focus on improving their understanding of all grant requirements and establish strong communication channels internally that connect the initiation, authorization, processing, recording, and reporting information so that it is shareable and accessible by those responsible for financial reporting. Management must also ensure each step is properly documented.

Views of Responsible Officials and Planned Corrective Actions: The Clerk's Office is working and will continue to work with the County departments and the County Manager's Office to strengthen procedures concerning grant management and communication between the County departments and the Clerk's Office. We will also examine our internal policies to ensure compliance with grant requirements.

2025-003: Procurement

Information on Federal Program: United States Department of Treasury. Passed through Florida Department of Commerce. Federal Assistance Listing Number 21.029 – Coronavirus Capital Projects Fund.

Compliance Requirements: Procurement

Criteria: In accordance with 2 CFR §200.318, the County must maintain records sufficient to detail the history of each procurement transaction. These records must include the rationale for the procurement method, contract type selection, contractor selection or rejection, and the basis for the contract price.

2025-003: Procurement (Continued)

Condition: During testing over procurement transactions, it was noted the County did not maintain records sufficient to detail the history of a procurement transaction entered into with a vendor. Specifically, documentation was not available to support compliance with federal procurement requirements.

Context: Out of a population of (2) procurement transactions totaling of $490,452, we tested $488,092 and found one (1) instance where the County did not maintain records sufficient to detail the history of a procurement transaction in the amount of $352,703. The County should maintain all records necessary to detail each procurement transaction.

Cause: Controls were not in place or were not operating effectively to ensure required procurement documentation was obtained and retained in accordance with Uniform Guidance requirements.

Effect: Lack of sufficient documentation over procurement transactions provides an opportunity for the County to award projects that are not subject to full and open competition nor consistent with federal regulations.

Recommendation: We recommend that management implements procedures to ensure all required procurement documentation is retained and properly documented. We also recommend management reviews and updates their procurement policy to incorporate applicable state and federal regulations.

Views of Responsible Officials and Planned Corrective Actions: The Clerk's Office will work to develop better standardized procedures and update current procedures to ensure that proper actions have been taken prior to and at the time of procurement. We anticipate having reviewed and/or developed these procedures by the end of the first quarter of the of FY26/27.

SCHEDULE OF PRIOR FINANCIAL STATEMENT FINDINGS

None noted.

FEDERAL AWARD PRIOR FINDINGS AND QUESTIONED COSTS

None noted.

STATE PROJECT PRIOR FINDINGS AND QUESTIONED COSTS

None noted.

William D. "Billy" Washington
Clerk of the Circuit Court & Comptroller
Madison County, Florida

125 SW Range Avenue
P.O. Box 237
Madison, Florida 32341-0237
Telephone 850-973-1500
Court Fax 850-973-2059
Finance Fax 850-973-3471
Traffic Fax 850-973-6998

June 24, 2026

The Honorable Board of County Commissioners
Madison County, Florida

Dear Commissioners:

The Office of the Clerk of Circuit Court is in receipt of the Management Letter from Madison County's Independent Auditors, Lanigan and Associates, P.C., for the fiscal year ended September 30, 2025.

The following response is made to the current and prior year audit findings for the Madison County Board of Commissioners:

Audit Finding Reference: 2025-001

Planned Corrective Action:

The Clerk's Office is working and will continue to work with the County departments and the County Manager's Office to strengthen procedures concerning grant management and communication between the County departments and the Clerk's Office. We will also examine our internal policies to ensure compliance with grant requirements.

Name of Contact Person: Clerk of Court Billy Washington, 850-973-8000 bwashington@madisonclerk.com

Audit Finding Reference: 2025-002

Planned Corrective Action:

The Clerk's Office is working and will continue to work with the County departments and the County Manager's Office to strengthen procedures concerning grant management and communication between the County departments and the Clerk's Office. We will also examine our internal policies to ensure compliance with grant requirements.

Name of Contact Person: Clerk of Court Billy Washington, 850-973-8000 bwashington@madisonclerk.com

Audit Finding Reference: 2025-003

Planned Corrective Action:
The Clerk's Office will work to develop better standardized procedures and update current procedures to ensure that proper actions have been taken prior to and at the time of procurement. We anticipate having reviewed and/or developed these procedures by the end of the first quarter of the of FY26/27.

Name of Contact Person: Clerk of Court Billy Washington, 850-973-8000 bwashington@madisonclerk.com

The Clerk's Office appreciates is committed to abiding by all rules, statutes and laws governing its operations and oversight of county and grant funds. We have begun and will continue to communicate with the county departments and the county manager's office the importance of properly identifying the source and nature of funds received throughout the year. As always, we remain open to ideas to make our office the best that it can be for those we serve in Madison County.

Sincerely,

William D. "Billy" Washington
Clerk of The Circuit Court
Madison County, Florida

cc: Lanigan and Associates, P.C.

Clerk of the County Court • Clerk to the Board of County Commissioners • County Recorder • Custodian of County Funds

Robin Z. Hart

TAX COLLECTOR FOR THE COUNTY OF MADISON, STATE OF FLORIDA

229 SW Pinckney Street, Room 102 • Madison, Florida 32340-2424 • 850-973-6136 • Fax 850-973-3116
mctc@madisoncoannex.com

CORRECTIVE ACTION PLAN

Finding: TC 2025-003: Proper Recording of Check Disbursements

Comments on Findings and Recommendations:

We agree with the finding and recommendations.

Planned Corrective Action:

We identified our mistakes, and the accounting department corrected the errors with incorrectly entered checks.

Anticipated Completion Date: Completed

Signature: Robin Z. Hart
Name: Robin Z. Hart
Title: Tax Collector
Date: 3-11-26

LANIGAN & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.lanigancpa.com

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

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

Report on the Financial Statements

We have audited the financial statements of the Madison County**,** Florida, as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated June 24, 2026.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States (*Government Auditing Standards*); 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 on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Reports on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550; Rules of the Auditor General. Disclosures in those reports and schedule, which are dated June 24, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. The status of each finding noted in the preceding annual financial audit report is noted below.

Finding No.	Original Finding No.	Description	Status
2025-002	2024-001	Inaccurate Schedule of Expenditures of Federal Awards and State Financial Assistance	Not cleared

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information is disclosed in Note 1 of the notes to financial statements. There are no component units of Madison County, Florida.

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 Madison County, Florida, 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 Madison County, Florida 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 Madison County, Florida. It is management's responsibility to monitor Madison County, Florida's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by the same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. See the accompanying schedule of findings and questioned costs for recommendations.

Property Assessed Clean Energy (PACE) Programs

As required by Section 10.554(1)(i)6.a., Rules of the Auditor General, a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did not operate within Madison County, Florida's geographical boundaries during the fiscal year under audit.

Special District Component Units

Section 10.554(1)(i)5.c, Rules of the Auditor General, requires, 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. Madison County, Florida's audited financial statements do not include any special district component units.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or 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, Federal and other granting agencies, the Board County Commissioners, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Lanigan & Associates, P.C.
Tallahassee, Florida
June 24, 2026

LANIGAN & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.lanigancpa.com

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

The Honorable Chairman and Commissioners of the
Board of County Commissioners
Madison County, Florida

Report on Compliance

We have examined the Madison County, Florida, Board of County Commissioner's (the "Board") compliance with Sections 365.172(10) and 365.173(2)(d), Florida Statutes, regarding E911 funding as required by Section 10.556(10)(b), Rules of the Auditor General, during the year ended September 30, 2025. Management is responsible for the Board's compliance with the specified requirements. Our responsibility is to express an opinion on the Board's compliance with the specified requirements based on our examination.

Scope

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 Board complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Board complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. 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 Board's compliance with specified requirements.

Opinion

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

Lanigan & Associates, P.C.
Tallahassee, Florida
June 24, 2026

LANIGAN & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.lanigancpa.com

REPORT OF INDEPENDENT ACCOUNTANT ON COMPLIANCE WITH LOCAL GOVERNMENT INVESTMENT POLICIES

The Honorable Chairman and Commissioners of the
Board of County Commissioners
Madison County, Florida

Report on Compliance

We have examined the Madison County, Florida Board of County Commissioner's (the "Board") compliance with the local government investment policy requirements of Section 218.415, Florida Statutes, during the year ended September 30, 2025. Management is responsible for the Board's compliance with the specified requirements. Our responsibility is to express an opinion on the Board's compliance with the specified requirements based on our examination.

Scope

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 Board complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Board complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. 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 Board's compliance with specified requirements.

Opinion

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

Lanigan & Associates, P.C.

Tallahassee, Florida
June 24, 2026

Special Purpose
Financial Statements

Madison County, Florida
Clerk of the Circuit Court and Comptroller

❖

Year Ended September 30, 2025
with Independent Auditor's Report

Madison County, Florida
Clerk of the Circuit Court and Comptroller

Special Purpose Financial Statements

Year Ended September 30, 2025

C O N T E N T S

LANIGAN & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.lanigancpa.com

INDEPENDENT AUDITOR'S REPORT

The Honorable Billy Washington
Clerk of the Circuit Court and Comptroller
Madison County, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of each major fund and the aggregate remaining fund information of the Madison County, Florida, Clerk of the Circuit Court and Comptroller (the "Clerk"), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the Clerk as of September 30, 2025, and the respective changes in financial position and the respective budgetary comparison for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (GAS), 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

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position 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 Madison County, Florida, that is attributable to the Clerk. They do not purport to, and do not, present fairly the financial position of Madison County, Florida, as of September 30, 2025, 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.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2026, on our consideration of the Clerk's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.

Lanigan & Associates, P.C.
Tallahassee, Florida
June 24, 2026

MADISON COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	Major Funds				
	General	Court Fund	Public Records Modernization	Court Technology Modernization	Total Governmental Funds
ASSETS					
Cash and cash equivalents	$ 380,716	$ 258,165	$ 13,628	$ 40,424	$ 692,933
Investments	266,510	309,500	121,952	92,118	790,080
Due from other funds	380,488	18	-	-	380,506
Due from other governmental units	3,722	-	-	-	3,722
Prepaid items	5,245	-	-	-	5,245
Total assets	$ 1,036,681	$ 567,683	$ 135,580	$ 132,542	$ 1,872,486
LIABILITIES AND FUND BALANCE					
Liabilities					
Accounts payable	$ 732,796	$ 144,563	$ -	$ -	$ 877,359
Due to other funds	25,738	357,379	1,665	436	385,218
Due to other governments	278,147	186,518	-	-	464,665
Total liabilities	1,036,681	688,460	1,665	436	1,727,242
Fund balance					
Nonspendable	5,245	-	-	-	5,245
Restricted	-	-	133,915	132,106	266,021
Unassigned	(5,245)	(120,777)	-	-	(126,022)
Total fund balance	-	(120,777)	133,915	132,106	145,244
Total liabilities and fund balance	$ 1,036,681	$ 567,683	$ 135,580	$ 132,542	$ 1,872,486

See accompanying notes to financial statements.

MADISON COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Major Funds				
	General	Court Fund	Public Records Modernization	Court Technology Modernization	Total Governmental Funds
REVENUES					
Intergovernmental	$ 41,615	$ 557	$ -	$ -	$ 42,172
Charges for services	91,942	547,796	21,189	9,110	670,037
Fines and forfeitures	-	177,220	-	-	177,220
Interest revenue	38,551	-	-	-	38,551
Other	347	74,512	-	-	74,859
Total revenues	172,455	800,085	21,189	9,110	1,002,839
EXPENDITURES					
Current					
General government	655,342	89,280	-	-	744,622
Court related	-	618,984	33,130	4,095	656,209
Total expenditures	655,342	708,264	33,130	4,095	1,400,831
Excess (deficiency) of revenues over (under) expenditures	(482,887)	91,821	(11,941)	5,015	(397,992)
OTHER FINANCING SOURCES					
Transfers in	482,887	-	-	-	482,887
Net changes in fund balances	-	91,821	(11,941)	5,015	84,895
Fund balances - beginning	-	(212,598)	145,856	127,091	60,349
Fund balances - ending	$ -	$ (120,777)	$ 133,915	$ 132,106	$ 145,244

See accompanying notes to financial statements.

MADISON COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance with Final Budget - Favorable
	Original	Final	Actual	(Unfavorable)
REVENUES				
Intergovernmental	$ -	$ -	$ 41,615	$ 41,615
Charges for services	93,939	95,145	91,942	(3,203)
Interest revenue	21,000	21,000	38,551	17,551
Other	-	-	347	347
Total revenues	114,939	116,145	172,455	56,310
EXPENDITURES				
Current				
General government	621,544	655,342	655,342	-
Excess (deficiency) of revenues over (under) expenditures	(506,605)	(539,197)	(482,887)	56,310
OTHER FINANCING SOURCES				
Transfers in	506,605	539,197	482,887	(56,310)
Net changes in fund balances	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - ending	$ -	$ -	$ -	$ -

See accompanying notes to financial statements.

MADISON COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL
COURT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance with Final Budget - Favorable
	Original	Final	Actual	(Unfavorable)
REVENUES				
Intergovernmental	$ -	$ -	$ 557	$ 557
Charges for services	500,015	500,015	547,796	47,781
Fines and forfeitures	105,000	105,000	177,220	72,220
Other	34,056	34,056	74,512	40,456
Total revenues	639,071	639,071	800,085	161,014
EXPENDITURES				
Current				
General government	-	-	89,280	(89,280)
Court related	639,071	639,071	618,984	20,087
Total expenditures	639,071	639,071	708,264	(69,193)
Excess (deficiency) of revenues over (under) expenditures	-	-	91,821	91,821
Net changes in fund balances	-	-	91,821	91,821
Fund balances - beginning	-	-	(212,598)	(212,598)
Fund balances - ending	$ -	$ -	$ (120,777)	$ (120,777)

See accompanying notes to financial statements.

MADISON COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL
PUBLIC RECORDS MODERNIZATION FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance with Final Budget - Favorable (Unfavorable)
	Original	Final	Actual	
REVENUES				
Charges for services	$ -	$ -	$ 21,189	$ 21,189
EXPENDITURES				
Current				
Court related	-	-	33,130	(33,130)
Excess (deficiency) of revenues over (under) expenditures	-	-	(11,941)	(11,941)
Net changes in fund balances	-	-	(11,941)	(11,941)
Fund balances - beginning	-	-	145,856	145,856
Fund balances - ending	$ -	$ -	$ 133,915	$ 133,915

See accompanying notes to financial statements.

MADISON COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL
COURT TECHNOLOGY MODERNIZATION FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance with Final Budget - Favorable
	Original	Final	Actual	(Unfavorable)
REVENUES				
Charges for services	$ -	$ -	$ 9,110	$ 9,110
EXPENDITURES				
Current				
Court related	-	-	4,095	(4,095)
Excess (deficiency) of revenues over (under) expenditures	-	-	5,015	5,015
Net changes in fund balances	-	-	5,015	5,015
Fund balances - beginning	-	-	127,091	127,091
Fund balances - ending	$ -	$ -	$ 132,106	$ 132,106

See accompanying notes to financial statements.

MADISON COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2025

ASSETS		
Cash and cash equivalents	$	65,548
Investments		31,924
Total assets		97,472
LIABILITIES		
Due to individuals and others		97,472
Total liabilities		97,472
NET POSITION		
Restricted		-
Total net position	$	-

See accompanying notes to financial statements.

MADISON COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

ADDITIONS	$	159,560
DEDUCTIONS		159,560
Net increase (decrease) in fiduciary net position		-
Net position - beginning		-
Net position - ending	$	-

See accompanying notes to financial statements.

NOTE 1: *Summary of Significant Accounting Policies*

The accounting policies of the Madison County, Florida, Clerk of the Circuit Court and Comptroller (the “Clerk”) conform with generally accepted accounting principles (GAAP), as applicable to governments. The following is a summary of significant accounting principles and policies used in the preparation of these special purpose financial statements.

Reporting Entity

The Madison County, Florida, Clerk of the Circuit Court and Comptroller, as established by Article VIII of the Constitution of the State of Florida, is an elected official of Madison County, Florida. Although the Clerk is operationally autonomous from the Madison County Board of County Commissioners, it does not hold sufficient corporate powers to be considered a legally separate entity for financial reporting purposes. Therefore, the Clerk is considered part of the County’s primary government.

These special purpose financial statements of the Clerk are not intended to be a complete presentation of the financial position and results of operations of Madison County, Florida, taken as a whole. As permitted by Chapter 10.556, Rules of the Auditor General, the special purpose financial statements consist of only fund level financial statements as defined by GASB 34, and do not include presentations of government-wide financial statements of the Clerk.

Fund Accounting

The accounting records are organized for reporting purposes on the basis of fund accounting. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounting records. The Clerk utilizes the following fund types:

The General Fund, which is a governmental fund, is used to account for all revenues and expenditures applicable to the general operations of the Clerk. All general operating revenues which are not restricted or designated as to use by outside sources are recorded in the General Fund. The governmental fund measurement focus is based upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income determination.

The Court Fund, which is a governmental fund, was established pursuant to Revision 7 to Article V, to account for court related revenues and expenditures and are required to be reported separately from the Clerk’s general activities.

Public Records Modernization Fund, which is a governmental fund, is used to account for the proceeds of specific revenue sources that are legally restricted to related expenditures.

Court Technology Modernization Fund, which is a governmental fund, is used to account for the proceeds of specific revenue sources that are legally restricted to related expenditures.

NOTE 1: *Summary of Significant Accounting Policies (Continued)*

Custodial Funds are used to account for assets held by the Clerk as an agent for individuals, private organizations, and other governments.

Effective July 1, 2013, as a result of the passage of Senate Bill 1512, the Clerk returned to being an entirely fee based Constitutional Officer. In accordance with this Bill, fee revenue began being recognized effective June 1, 2013.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. The 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. Their revenues are recognized when they become both measurable and available as net current assets. The Clerk considers receivables collected within sixty days after year-end to be available and recognizes them as revenues of the current year. Expenditures are recognized when the related fund liability is incurred.

Compensated Absences

Employees may accumulate a limited amount of earned but unused sick leave, annual leave, and compensatory time, which will be paid upon separation of service. Unpaid compensated absences are recorded as a liability when the benefits are earned in the Madison County Government-Wide Financial Statements. For the governmental fund statements, expenditures are recognized when payments are made to employees.

Cash and Cash Equivalents

The Clerk's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the acquisition date.

Budget and Budgetary Accounting

The Clerk operates under budget procedures pursuant to Section 218.35, Florida Statutes. The legal level of budgetary control is at the fund level. Budgets are adopted for governmental and special revenue funds. Budgetary changes within the fund are made at the discretion of the Clerk. Appropriations lapse at the end of the fiscal year to the extent they have not been expended. The budgetary revenues and expenditures in the accompanying budgetary comparison statement reflect all approved amendments.

NOTE 1: *Summary of Significant Accounting Policies (Continued)*

Implementation of New Governmental Accounting Standards

GASB Statement No. 101, *Compensated Absences*

Effective October 1, 2024, the County implemented Statement No. 101. The objective of this statement is to better meet the information needs of the financial statement users by updating the recognition and measurement guidance for compensated absences. The objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

This statement required the County to recognize a liability for leave that has not been used if (1) the leave is attributable to services already rendered, (2) the leave accumulates, and (3) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This statement has no material impact on the County's financial statements.

GASB Statement No. 102, *Certain Risk Disclosures*

Effective October 1, 2024, the County implemented Statement No. 102. The objective of this statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This statement has no material impact on the County's financial statements.

NOTE 2: *Cash*

At September 30, 2025, the carrying amount of the Clerk's deposits was $758,481 and the bank balance was $756,669 (including fiduciary). Any balance in excess of FDIC insurance is covered by collateral held by the Clerk's custodial banks which is pledged to a state trust fund that provides security in accordance with Florida Security for Public Deposits Act, Chapter 280, Florida Statutes.

NOTE 3: *Investments*

The Clerk is authorized to invest in all State-approved investments which include:

(1) Local Government Surplus Funds Trust Fund administered by the State Board of Administration;

(2) Florida Local Government Investment Trust administered by the Florida Association of Court Clerks and Comptroller;

(3) Bonds, notes or other obligations of the United States or those guaranteed by the United States or for which the credit of the United States is pledged;

(4) Bonds, notes or other obligations of the State of Florida or any municipality or political subdivision thereof;

(5) Interest-bearing time deposits or savings accounts in banks or savings and loan associations organized under the laws of Florida or organized under the laws of the United States doing business and situated in Florida.

NOTE 3: *Investments (Continued)*

Investments consist of amounts placed with the State Board of Administration for participation in the Local Government Surplus Trust Fund (Florida PRIME) created by Section 218.405, Florida Statutes. Florida PRIME meets the criteria in GASB 79 to measure all of its investments at amortized cost enabling it to maintain a constant Net Asset Value (NAV) of $1.00 per share. As of September 30, 2025, Florida PRIME had no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

Credit Risk – The credit risk of certain investments, such as investment pools managed by other governments, cannot be categorized as a credit risk because the County investments are not evidenced by specific, identifiable investment securities. As of September 30, 2025, Florida PRIME is rated by Standard and Poor's and has a current rating of AAAm.

Interest Rate Risk – Section 218.415(6), Florida Statutes, limits investment maturities to provide sufficient liquidity to pay obligations as they become due. The dollar weighted average maturity for Florida PRIME was 47 days as of September 30, 2025.

NOTE 4: *Interfund Transactions*

During the course of normal operations, numerous transactions occur between funds, such as expenditures or transfers of resources to provide services, service debt, or construct assets. The interfund transactions are not eliminated, and no interest is charged on such advances.

Interfund receivable and payable balances at September 30, 2025, were as follows:

Receivable Fund	Payable Fund	Amount
Clerk General Fund	Board of County Commissioners*	$ 45,424
	Court Fund	332,963
	Public Records Modernization	1,665
	Court Technology Modernization	436
Court Fund	Clerk General Fund	18
Board of County Commissioners*	Clerk General Fund	25,720
	Court Fund	24,416
Total		$ 430,642

**Not included in the Clerk's financial statements.*

Operating transfers between funds during the year were as follows:

Transfers In	Transfers Out	Amount
Clerk General Fund	Board of County Commissioners*	$ 482,887

**Not included in the Clerk's financial statements.*

NOTE 5: *Long-Term Liabilities*

Under the GASB 34 reporting model, long-term liabilities are not due and payable in the current period and accordingly are not reported as fund liabilities. All long-term liabilities for the Clerk are reported in the government-wide Statement of Net Position.

The compensated absences of the Clerk are accounted for in the Statement of Net Position as follows:

	Balance October 01, 2024	Additions*	Balance September 30, 2025
Compensated absences	$ 51,562	$ 4,927	$ 56,489

**The change in the compensated absences liability is presented as a net change.*

NOTE 6: *Retirement*

The Clerk participates in the State of Florida Retirement System (FRS), a multiple-employer, cost-sharing defined public employee retirement system which covers all of the Clerk's full-time employees. The system is administered by the State of Florida, Department of Administration, Division of Retirement to provide retirement and survivor benefits to participating public employees. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

In addition, all regular employees of the entity are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended September 30, 2025, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of services credited at retirement multiplied by $7.50. The minimum payment is $45 per month and the maximum payment is $225 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which may include Medicare.

For financial reporting purposes, the Clerk is deemed to be part of the primary government of Madison County, Florida. A liability related to the Clerk's proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of Madison County, Florida, for the fiscal year ended September 30, 2025.

NOTE 7: *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/or the public; and damage to property of others. The Clerk participates in the risk management program through the Board of County Commissioners which uses commercial insurance.

NOTE 8: *Subsequent Events*

Subsequent events were reviewed through June 24, 2026, which is the date the financial statements were available to be issued. As of this date there were no subsequent events that required disclosure.

INTERNAL CONTROL AND COMPLIANCE SECTION

September 30, 2025

LANIGAN & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.lanigancpa.com

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 Billy Washington
Clerk of the Circuit Court and Comptroller
Madison County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of each major fund and the aggregate remaining fund information of Madison County, Florida, Clerk of the Circuit Court and Comptroller (the "Clerk") as of and for the year ended September 30, 2025, 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 24, 2026.

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 were not identified.

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, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

Lanigan & Associates, P.C.

Tallahassee, Florida
June 24, 2026

LANIGAN & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.lanigancpa.com

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

The Honorable Billy Washington
Clerk of the Circuit Court and Comptroller
Madison County, Florida

Report on the Financial Statements

We have audited the financial statements of Madison County, Florida, Clerk of the Circuit Court and Comptroller (the "Clerk") as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated June 24, 2026.

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 24, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information is disclosed in Note 1 of the notes to the financial statements. There are no component units related to the Clerk.

Financial Management

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

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or 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, Federal and other granting agencies, the Board of County Commissioners, 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 courtesy extended to us during the course of our audit. We have enjoyed our association with you and look forward to a continuing relationship.

Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Lanigan & Associates, P.C.

Tallahassee, Florida
June 24, 2026

LANIGAN & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.lanigancpa.com

REPORT OF INDEPENDENT ACCOUNTANT ON COMPLIANCE WITH LOCAL GOVERNMENT INVESTMENT POLICIES, ARTICLE V REQUIREMENTS AND DEPOSITORY REQUIREMENTS OF SECTIONS 218.415, 28.35, 28.36 AND 61.181, FLORIDA STATUTES

The Honorable Billy Washington
Clerk of the Circuit Court and Comptroller
Madison County, Florida

Report on Compliance

We have examined the Madison County, Florida, Clerk of the Circuit Court and Comptroller's (the "Clerk") compliance with the local government investment policy requirements of Section 218.415, Florida Statutes, Article V requirements of Sections 28.35 and 28.36, Florida Statutes, and depository requirements for alimony transactions, support, maintenance and support payments of Section 61.181, Florida Statutes, for the year ended September 30, 2025. Management is responsible for the Clerk's compliance with the specified requirements. Our responsibility is to express an opinion on the Clerk's compliance with the specified requirements based on our examination.

Scope

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

Opinion

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

Lanigan & Associates, P.C.
Tallahassee, Florida
June 24, 2026

Special Purpose Financial Statements

Madison County, Florida Property Appraiser

❖

Year Ended September 30, 2025
with Independent Auditor's Report

Madison County, Florida
Property Appraiser

Special Purpose Financial Statements

Year Ended September 30, 2025

C O N T E N T S

LANIGAN & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.lanigancpa.com

INDEPENDENT AUDITOR'S REPORT

The Honorable Marie R. Smith
Property Appraiser
Madison County, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the General Fund of the Madison County, Florida, Property Appraiser (the "Property Appraiser"), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the General Fund of the Property Appraiser as of September 30, 2025, and the respective changes in financial position and the respective budgetary comparison for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the General Fund attributable to the Property Appraiser. They do not purport to, and do not, present fairly the financial position of Madison County, Florida, as of September 30, 2025, 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.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2026, on our consideration of the Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.

Lanigan & Associates, P.C.

Tallahassee, Florida
June 24, 2026

MADISON COUNTY, FLORIDA
PROPERTY APPRAISER
BALANCE SHEET
GENERAL FUND
AS OF SEPTEMBER 30, 2025

ASSETS		
Cash and cash equivalents	$	36,652
Accounts receivable		905
Total assets	$	37,557
LIABILITIES AND FUND BALANCE		
Liabilities		
Due to other funds	$	37,557
Fund balance		-
Total liabilities and fund balance	$	37,557

See accompanying notes to financial statements.

MADISON COUNTY, FLORIDA
PROPERTY APPRAISER
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance with final budget - favorable
	Original	Final	Actual	(unfavorable)
REVENUES				
Total revenues	$ -	$ -	$ -	$ -
EXPENDITURES				
Current				
General government	1,053,098	1,103,910	1,066,428	37,482
Excess (deficiency) of revenues over (under) expenditures	(1,053,098)	(1,103,910)	(1,066,428)	37,482
OTHER FINANCING SOURCES (USES)				
Transfers in	1,053,098	1,103,910	1,066,428	(37,482)
Total other financing sources (uses)	1,053,098	1,103,910	1,066,428	(37,482)
Net changes in fund balances	-	-	-	-
Fund balance - beginning	-	-	-	-
Fund balance - ending	$ -	$ -	$ -	$ -

See accompanying notes to financial statements.

NOTE 1: *Summary of Significant Accounting Policies*

The accounting policies of the Madison County, Florida, Property Appraiser (the "Property Appraiser") conform with generally accepted accounting principles (GAAP), as applicable to other governments. The following is a summary of significant accounting principles and policies used in the preparation of these special purpose financial statements.

Reporting Entity

The Madison County, Florida, Property Appraiser, as established by Article VIII of the Constitution of the State of Florida, is an elected official of Madison County, Florida. Although the Property Appraiser is operationally autonomous from the Madison County Board of County Commissioners, it does not hold sufficient corporate powers to be considered a legally separate entity for financial reporting purposes. Therefore, the Property Appraiser is considered part of the County's primary government.

These special purpose financial statements of the Property Appraiser are not intended to be a complete presentation of the financial position and results of operations of Madison County, Florida, taken as a whole. As permitted by Chapter 10.556, Rules of the Auditor General, the special purpose financial statements consist of only fund level financial statements as defined by GASB 34, and do not include presentations of government-wide financial statements of the Property Appraiser.

Fund Accounting

The accounting records are organized for reporting purposes on the basis of fund accounting. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounting records.

The General Fund, which is a governmental fund, is used to account for all revenues and expenditures applicable to the general operations of the Property Appraiser. All general operating revenues which are not restricted or designated as to use by outside sources are recorded in the General Fund. The governmental fund measurement focus is based upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income determination.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. The 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. Their revenues are recognized when they become both measurable and available as net current assets. The Property Appraiser considers receivables collected within sixty days after year-end to be available and recognizes them as revenues of the current year. Expenditures are recognized when the related fund liability is incurred.

NOTE 1: *Summary of Significant Accounting Policies (Continued)*

Cash and Cash Equivalents

The Property Appraiser's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the acquisition date.

Budget and Budgetary Accounting

The Property Appraiser operates under budget procedures pursuant to Section 195.087, Florida Statutes. Budgets are adopted for governmental and special revenue funds. Budget control is exercised at the fund level. Budgetary changes within the fund are made at the discretion of the Property Appraiser. Appropriations lapse at the end of the fiscal year to the extent they have not been expended. The budgetary revenues and expenditures in the accompanying budgetary comparison statement reflect all approved amendments.

Compensated Absences

Employees may accumulate a limited amount of earned but unused sick leave, annual leave, and compensatory time, which will be paid upon separation of service. Unpaid compensated absences are recorded as a liability when the benefits are earned in the Madison County Government-Wide financial statements. For the governmental fund statements, expenditures are recognized when payments are made to employees.

Implementation of New Governmental Accounting Standards

GASB Statement No. 101, *Compensated Absences*

Effective October 1, 2024, Madison County implemented Statement No. 101. The objective of this statement is to better meet the information needs of the financial statement users by updating the recognition and measurement guidance for compensated absences. The objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

This statement required Madison County to recognize a liability for leave that has not been used if (1) the leave is attributable to services already rendered, (2) the leave accumulates, and (3) the leave is more likely than not to be used for time off or otherwise paid in case or settled through noncash means. This statement has no material impact on Madison County's financial statements.

GASB Statement No. 102, *Certain Risk Disclosures*

Effective October 1, 2024, Madison County implemented Statement No. 102. The objective of this statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This statement has no material impact on Madison County's financial statements.

NOTE 2: *Interfund Transactions*

During the course of normal operations, numerous transactions occur between funds, such as expenditures or transfers of resources to provide services, service debt, or construct assets. The interfund transactions are not eliminated and no interest is charged on such advances.

Interfund receivable and payable balances at September 30, 2025, were as follows:

Receivable Fund	Payable Fund	Amount
Board of County Commissioners - General*	Property Appraiser - General	$ 37,557

Operating transfers between funds during the year ended September 30, 2025, were as follows:

Transfers In	Transfers Out	Amount
Property Appraiser - General	Board of County Commissioners - General*	$ 1,066,428

**Not included in the Property Appraiser's special purpose financial statements.*

NOTE 3: *Long-Term Liabilities*

Under the GASB 34 reporting model, long-term liabilities are not due and payable in the current period and accordingly are not reported as fund liabilities. All long-term liabilities for the Property Appraiser are reported in the government-wide Statement of Net Position. The compensated absences of the Property Appraiser are accounted for in the Statement of Net Position as follows:

	Balance October 01, 2024	Additions	Reductions*	Balance September 30, 2025
Compensated absences	$ 58,035	$ -	$ (24,899)	$ 33,136

**The change in the compensated absences liability is presented as a net change.*

[INTENTIONALLY LEFT BLANK]

NOTE 4: *Retirement*

The Property Appraiser participates in the State of Florida Retirement System (FRS), a multiple-employer, cost-sharing defined public employee retirement system which covers all of the Property Appraiser's full-time employees. The system is administered by the State of Florida, Department of Administration, Division of Retirement to provide retirement and survivor benefits to participating public employees. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

In addition, all regular employees of the entity are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended September 30, 2025, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of services credited at retirement multiplied by $7.50. The minimum payment is $45, and the maximum payment is $225 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which may include Medicare.

For financial reporting purposes, the Property Appraiser is deemed to be part of the primary government of Madison County, Florida. A liability related to the Property Appraiser's proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of Madison County, Florida, for the fiscal year ended September 30, 2025.

NOTE 5: *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; and damage to property of others. The Property Appraiser participates in the risk management program through the Board of County Commissioners which uses commercial insurance.

NOTE 6: *Subsequent Events*

Subsequent events were reviewed through June 24, 2026, which is the date the financial statements were available to be issued. As of this date there were no subsequent events that required disclosure.

INTERNAL CONTROL AND COMPLIANCE SECTION

SEPTEMBER 30, 2025

LANIGAN & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.lanigancpa.com

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 Marie R. Smith
Property Appraiser
Madison County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the General Fund of Madison County, Florida, Property Appraiser (the "Property Appraiser") as of and for the year ended September 30, 2025, 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 24, 2026.

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 opinion 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 were not identified.

Report on Compliance and Other Matters

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

Purpose of This Report

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

Lanigan & Associates, P.C.
Tallahassee, Florida
June 24, 2026

LANIGAN & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.lanigancpa.com

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

The Honorable Marie R. Smith
Madison County, Florida
Property Appraiser

Report on the Financial Statements

We have audited the financial statements of the Property Appraiser of Madison County, Florida, as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated June 24, 2026.

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 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 24, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information is disclosed in Note 1 of the notes to the financial statements. There are no component units related to the Property Appraiser.

Financial Management

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

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or 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, Federal and other granting agencies, the Board of County Commissioners, the Property Appraiser, 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 courtesy extended to us during the course of our audit. We have enjoyed our association with you and look forward to a continuing relationship.

Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Lanigan & Associates, P.C.
Tallahassee, Florida
June 24, 2026

LANIGAN & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.lanigancpa.com

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

The Honorable Marie R. Smith
Madison County, Florida
Property Appraiser

Report on Compliance

We have examined the Madison County, Florida, Property Appraiser's (the "Property Appraiser") compliance with the local government investment policy requirements of Section 218.415, Florida Statutes, for the year ended September 30, 2025. Management is responsible for the Property Appraiser's compliance with the specified requirements. Our responsibility is to express an opinion on the Property Appraiser's compliance with the specified requirements based on our examination.

Scope

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

Opinion

In our opinion, the Property Appraiser complied, in all material respects, with the local government investment policy requirements of Section 218.415, Florida Statutes, for the year ended September 30, 2025.

Lanigan & Associates, P.C.

Tallahassee, Florida
June 24, 2026

Special Purpose
Financial Statements

Madison County, Florida
Sheriff

❖

Year Ended September 30, 2025
with Independent Auditor's Report

Madison County, Florida
Sheriff

Special Purpose Financial Statements

Year Ended September 30, 2025

C O N T E N T S

LANIGAN & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.lanigancpa.com

INDEPENDENT AUDITOR'S REPORT

The Honorable David Harper
Sheriff
Madison County, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the General fund and aggregate remaining fund information of the Madison County, Florida, Sheriff (the "Sheriff"), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the General fund and aggregate remaining fund information of the Sheriff as of September 30, 2025, and the respective changes in financial position and the respective budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (GAS), 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 Matters

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the General fund and aggregate remaining fund information attributable to the Sheriff. They do not purport to, and do not, present fairly the financial position of Madison County, Florida, as of September 30, 2025, 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.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2026, on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.

Lanigan & Associates, P.C.
Tallahassee, Florida
June 24, 2026

MADISON COUNTY, FLORIDA
SHERIFF
BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2025

ASSETS	
Cash and cash equivalents	$ 404,288
Accounts receivable	210,098
Due from other funds	292
Total assets	$ 614,678
LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	$ 614,678
Total liabilities	614,678
Fund balance	-
Total liabilities and fund balance	$ 614,678

See accompanying notes to the financial statements.

MADISON COUNTY, FLORIDA
SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts			Variance with final budget - favorable
	Original	Final	Actual	(unfavorable)
REVENUES				
Intergovernmental	$ -	$ -	$ -	$ -
EXPENDITURES				
Current				
Public safety	8,877,561	9,757,386	9,103,704	653,682
Human services	154,185	154,185	160,271	(6,086)
Debt service				
Principal	217,532	217,532	262,252	(44,720)
Interest	27,426	27,426	27,426	-
Capital outlay	326,069	326,069	801,121	(475,052)
Total expenditures	9,602,773	10,482,598	10,354,774	127,824
Excess (deficiency) of revenues over (under) expenditures	(9,602,773)	(10,482,598)	(10,354,774)	127,824
OTHER FINANCING SOURCES				
Transfers in	9,276,704	10,156,529	10,028,705	(127,824)
Proceeds from debt financing	326,069	326,069	326,069	-
Total other financing sources	9,602,773	10,482,598	10,354,774	(127,824)
Net changes in fund balances	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - ending	$ -	$ -	$ -	$ -

See accompanying notes to the financial statements.

MADISON COUNTY, FLORIDA
SHERIFF
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2025

	Deferred Compensation Plan	Custodial Funds	Total
ASSETS			
Cash and cash equivalents	$ -	$ 32,890	$ 32,890
Investments	1,059,595	175,786	1,235,381
Total assets	1,059,595	208,676	1,268,271
LIABILITIES			
Due to individuals and others	-	208,676	208,676
Total liabilities	-	208,676	208,676
NET POSITION			
Restricted for postemployment benefits other than pensions	1,059,595	-	1,059,595
Total net position	$ 1,059,595	$ -	$ 1,059,595

See accompanying notes to the financial statements.

MADISON COUNTY, FLORIDA
SHERIFF
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Deferred Compensation Plan	Custodial Funds	Total
ADDITIONS			
Contributions:			
Plan members	$ 158,433	$ -	$ 158,433
Private contributions	-	211,186	211,186
Total contributions	158,433	211,186	369,619
Investment earnings:			
Investment income	95,635	-	95,635
Total investment earnings	95,635	-	95,635
Less investment expense	4,520	-	4,520
Net investment earnings	91,115	-	91,115
Total additions	249,548	211,186	460,734
DEDUCTIONS			
Benefits	47,585	-	47,585
Recipient payments	-	211,186	211,186
Administrative expenses	275	-	275
Total deductions	47,860	211,186	259,046
Net increase in fiduciary net position	201,688	-	201,688
Net position - beginning	857,907	-	857,907
Net position - ending	$ 1,059,595	$ -	$ 1,059,595

See accompanying notes to the financial statements.

NOTE 1: *Summary of Significant Accounting Policies*

The accounting policies of the Madison County, Florida, Sheriff (the "Sheriff") conform with generally accepted accounting principles (GAAP), as applicable to other governments. The following is a summary of significant accounting principles and policies used in the preparation of these special purpose financial statements.

Reporting Entity

The Madison County, Florida, Sheriff, as established by Article VIII of the Constitution of the State of Florida, is an elected official of Madison County, Florida. Although the Sheriff is operationally autonomous from the Madison County Board of County Commissioners, it does not hold sufficient corporate powers to be considered a legally separate entity for financial reporting purposes. Therefore, the Sheriff is considered part of the County's primary government.

These special purpose financial statements of the Sheriff are not intended to be a complete presentation of the financial position and results of operations of Madison County, Florida, taken as a whole. As permitted by Chapter 10.556, Rules of the Auditor General, the special purpose financial statements consist of only fund level financial statements as defined by GASB 34, and do not include presentations of government-wide financial statements of the Sheriff.

Fund Accounting

The accounting records are organized for reporting purposes on the basis of fund accounting. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounting records.

The General Fund, which is a governmental fund, is used to account for all revenues and expenditures applicable to the general operations of the Sheriff. All general operating revenues which are not restricted or designated as to use by outside sources are recorded in the general fund. The governmental fund measurement focus is based upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income determination.

The Custodial Funds of the Sheriff are used to account for assets held by the Sheriff as an agent for individuals, private organizations, other governments, and/or other funds.

Please refer to the government-wide financial statements of Madison County, Florida, for disclosure on accounting policies, deposits and employee's retirement plan.

NOTE 1: *Summary of Significant Accounting Policies (Continued)*

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. The 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. Their revenues are recognized when they become both measurable and available as net current assets. The Sheriff considers receivables collected within sixty days after year-end to be available and recognizes them as revenues of the current year. Expenditures are recognized when the related fund liability is incurred.

Cash and Cash Equivalents

The Sheriff's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the acquisition date.

Budget and Budgetary Accounting

The Sheriff operates under budget procedures pursuant to Florida Statutes. The legal level of budgetary control is at the fund level. Budgetary changes within the fund are made at the discretion of the Sheriff. Appropriations lapse at the end of the fiscal year to the extent they have not been expended. The budgetary revenues and expenditures in the accompanying budgetary comparison statement reflect all approved amendments.

Compensated Absences

Employees may accumulate a limited amount of earned but unused sick leave, annual leave, and compensatory time, which will be paid upon separation of service. Unpaid compensated absences are recorded as a liability when the benefits are earned in the Madison County Government-Wide Financial Statements. For the governmental fund statements, expenditures are recognized when payments are made to employees.

Implementation of New Governmental Accounting Standards

GASB Statement No. 101, *Compensated Absences*

Effective October 1, 2024, the County implemented Statement No. 101. The objective of this statement is to better meet the information needs of the financial statement users by updating the recognition and measurement guidance for compensated absences. The objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

This statement required the County to recognize a liability for leave that has not been used if (1) the leave is attributable to services already rendered, (2) the leave accumulates, and (3) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This statement has no material impact on the County's financial statements.

NOTE 1: *Summary of Significant Accounting Policies (Continued)*

GASB Statement No. 102, *Certain Risk Disclosures*

Effective October 1, 2024, the County implemented Statement No. 102. The objective of this statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This statement has no material impact on the County's financial statements.

NOTE 2: *Interfund Transactions*

During the course of normal operations, numerous transactions occur between funds, such as expenditures or transfers of resources to provide services, service debt, or construct assets. The interfund transactions are not eliminated and no interest is charged on such advances.

Interfund receivable and payable balances at September 30, 2025, were as follows:

Receivable Fund	Payable Fund	Amount
Sheriff - General	Board of County Commissioners*	$ 292

Operating transfers between funds during the year were as follows:

Transfers In	Transfers Out	Amount
Sheriff - General	Board of County Commissioners*	$ 10,028,705

**Not included on the Sheriff's financial statements.*

NOTE 3: *Long-Term Liabilities*

Under the GASB 34 reporting model, long-term liabilities are not due and payable in the current period and accordingly are not reported as fund liabilities. All long-term liabilities for the Sheriff are reported in the government-wide Statement of Net Position.

The compensated absences of the Sheriff are accounted for in the Statement of Net Position as follows:

	Balance October 01, 2024	Additions*	Reductions	Balance September 30, 2025
Compensated absences	$ 713,388	$ 33,240	$ -	$ 746,628

**The change in the compensated absences liability is presented as a net change.*

NOTE 4: *Retirement*

The Sheriff participates in the State of Florida Retirement System (FRS), a multiple-employer, cost-sharing defined public employee retirement system which covers all of the Sheriff's full-time employees. The system is administered by the State of Florida, Department of Administration, Division of Retirement to provide retirement and survivor benefits to participating public employees. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

In addition, all regular employees of the entity are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes.

The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended September 30, 2025, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of services credited at retirement multiplied by $7.50. The minimum payment is $45 per month, and the maximum payment is $225 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which may include Medicare.

For financial reporting purposes, the Sheriff is deemed to be part of the primary government of Madison County, Florida. A liability related to the Sheriff's proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of Madison County, Florida, for the fiscal year ended September 30, 2025.

The Sheriff offers 457 Deferred Compensation Programs to all eligible employees. Employees may participate in the plan through payroll deductions. The plan is administered by Nationwide Trust Company, an independent third-party administrator. Contributions are invested at the employee's direction through the options available under the programs. Employees are fully vested at time of enrollment.

NOTE 5: *Risk Management*

The Sheriff 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; and damage to property of others. The Sheriff participates in Florida Sheriffs Risk Management Fund to offset these risks.

NOTE 6: *Subsequent Events*

Subsequent events were reviewed through June 24, 2026, which is the date the financial statements were available to be issued. As of this date there were no subsequent events that required disclosure.

INTERNAL CONTROL AND COMPLIANCE SECTION

September 30, 2025

LANIGAN & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.lanigancpa.com

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 David Harper
Sheriff
Madison County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the General fund and the aggregate remaining fund information of Madison County, Florida, Sheriff (the "Sheriff") as of and for the year ended September 30, 2025, 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, 2026.

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.

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, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

Lanigan & Associates, P.C.
Tallahassee, Florida
June 24, 2026

LANIGAN & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.lanigancpa.com

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

The Honorable David Harper
Sheriff
Madison County, Florida

Report on the Financial Statements

We have audited the financial statements of the Madison County, Florida, Sheriff as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated June 24, 2026.

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 24, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information is disclosed in Note 1 of the notes to financial statements. There are 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 did not have any such recommendations.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or 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, Federal and other granting agencies, the Board of County Commissioners, the Sheriff, 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 courtesy extended to us during the course of our audit. We have enjoyed our association with you and look forward to a continuing relationship.

Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Lanigan & Associates, P.C.
Tallahassee, Florida
June 24, 2026

LANIGAN & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.lanigancpa.com

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

The Honorable David Harper
Sheriff
Madison County, Florida

Report on Compliance

We have examined the Madison County, Florida, Sheriff (the "Sheriff") compliance with the local government investment policy requirements of Section 218.415, Florida Statutes, for the year ended September 30, 2025. Management is responsible for the Sheriff compliance with the specified requirements. Our responsibility is to express an opinion on the Sheriff compliance with the specified requirements based on our examination.

Scope

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

Opinion

In our opinion, the Sheriff complied, in all material respects, with the local government investment policy requirements of Section 218.415, Florida Statutes, for the year ended September 30, 2025.

Lanigan & Associates, P.C.

Tallahassee, Florida
June 24, 2026

Special Purpose Financial Statements

Madison County, Florida Supervisor of Elections

❖

Year Ended September 30, 2025 with Independent Auditor's Report

Madison County, Florida
Supervisor of Elections

Special Purpose Financial Statements

Year Ended September 30, 2025

C O N T E N T S

LANIGAN & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.lanigancpa.com

INDEPENDENT AUDITOR'S REPORT

The Honorable Heath Driggers
Supervisor of Elections
Madison County, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the General Fund of the Madison County, Florida, Supervisor of Elections ("Supervisor of Elections"), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the General Fund of the Supervisor of Elections as of September 30, 2025, and the respective changes in financial position and the respective budgetary comparison for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the General Fund that is attributable to the Supervisor of Elections. They do not purport to, and do not, present fairly the financial position of Madison County, Florida, as of September 30, 2025, 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.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2026, on our consideration of the Supervisor of Elections’ internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.

Lanigan & Associates, P.C.

Tallahassee, Florida
June 24, 2026

MADISON COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2025

ASSETS		
Cash and cash equivalents	$	1,218
Total assets	$	1,218
LIABILITIES AND FUND BALANCE		
Liabilities		
Due to other funds	$	1,218
Total liabilities		1,218
Fund balance		-
Total liabilities and fund balance	$	1,218

See accompanying notes to financial statements.

MADISON COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted amounts			
	Original	Final	Actual	Variance with final budget - favorable (unfavorable)
REVENUES				
Other	$ -	$ -	$ 11,970	$ 11,970
EXPENDITURES				
Current				
General government	577,085	577,085	587,994	(10,909)
(Deficiency) of revenues (under) expenditures	(577,085)	(577,085)	(576,024)	1,061
OTHER FINANCING SOURCES				
Transfers in	577,085	577,085	576,024	(1,061)
Net changes in fund balances	-	-	-	-
Fund balance - beginning	-	-	-	-
Fund balance - ending	$ -	$ -	$ -	$ -

See accompanying notes to financial statements.

NOTE 1: *Summary of Significant Accounting Policies*

The accounting policies of the Madison County, Florida, Supervisor of Elections (the "Supervisor of Elections") conform with generally accepted accounting principles (GAAP), as applicable to other governments. The following is a summary of significant accounting principles and policies used in the preparation of these special purpose financial statements.

Reporting Entity

The Madison County, Florida, Supervisor of Elections, as established by Article VIII of the Constitution of the State of Florida, is an elected official of Madison County, Florida. Although the Supervisor of Elections is operationally autonomous from the Madison County Board of County Commissioners, it does not hold sufficient corporate powers to be considered a legally separate entity for financial reporting purposes. Therefore, the Supervisor of Elections is considered part of the County's primary government.

These special purpose financial statements of the Supervisor of Elections are not intended to be a complete presentation of the financial position and results of operations of Madison County, Florida, taken as a whole. As permitted by Chapter 10.556, Rules of the Auditor General, the special purpose financial statements consist of only fund level financial statements as defined by GASB 34, and do not include presentations of government-wide financial statements of the Supervisor of Elections.

Fund Accounting

The accounting records are organized for reporting purposes on the basis of fund accounting. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounting records.

The General Fund, which is a governmental fund, is used to account for all revenues and expenditures applicable to the general operations of the Supervisor of Elections. All general operating revenues which are not restricted or designated as to use by outside sources are recorded in the General Fund. The governmental fund measurement focus is based upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income determination.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. The 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. Their revenues are recognized when they become both measurable and available as net current assets. The Supervisor of Elections considers receivables collected within sixty days after year-end to be available and recognizes them as revenues of the current year. Expenditures are recognized when the related fund liability is incurred.

NOTE 1: *Summary of Significant Accounting Policies (Continued)*

Cash and Cash Equivalents

The Supervisor of Elections' cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the acquisition date.

Budget and Budgetary Accounting

General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with Florida Statutes. An annual budget is adopted for the General Fund.

The Supervisor of Elections' annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total annual budget appropriations at the individual fund level. All appropriations lapse at year-end.

Budget to actual comparisons are provided in the financial statements for the General Fund. All budget amounts presented in the accompanying financial statements have been adjusted for legally authorized amendments of the annual budget for the year. Budgets are prepared on the modified accrual basis of accounting.

For the year ended September 30, 2025, expenditures exceeded appropriations within the General Fund by $10,909.

Compensated Absences

Employees may accumulate a limited amount of earned but unused sick leave, annual leave, and compensatory time, which will be paid upon separation of service. Unpaid compensated absences are recorded as a liability when the benefits are earned in the Madison County government-wide financial statements. For the governmental fund statements, expenditures are recognized when payments are made to employees.

Implementation of New Governmental Accounting Standards

GASB Statement No. 101, *Compensated Absences*

Effective October 1, 2024, Madison County implemented Statement No. 101. The objective of this statement is to better meet the information needs of the financial statement users by updating the recognition and measurement guidance for compensated absences. The objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

This statement required Madison County to recognize a liability for leave that has not been used if (1) the leave is attributable to services already rendered, (2) the leave accumulates, and (3) the leave is more likely than not to be used for time off or otherwise paid in case or settled through noncash means. This statement has no material impact on Madison County's financial statements.

NOTE 1: *Summary of Significant Accounting Policies (Continued)*

GASB Statement No. 102, *Certain Risk Disclosures*

Effective October 1, 2024, the County implemented Statement No. 102. The objective of this statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This statement has no material impact on the County's financial statements.

NOTE 2: *Interfund Transactions*

During the course of normal operations, numerous transactions occur between funds, such as expenditures or transfers of resources to provide services, service debt, or construct assets. The interfund transactions are not eliminated and no interest is charged on such advances. Interfund receivable and payable balances at September 30, 2025, were as follows:

Receivable Fund	Payable Fund	Amount
Board of County Commissioners*	Supervisor of Elections	$ 1,218
Total		$ 1,218

Operating transfers between funds during the year ended September 30, 2025, were as follows:

Transfers In	Transfers Out	Amount
Supervisor of Elections	Board of County Commissioners*	$ 576,024
Total		$ 576,024

** Not included in the Supervisor of Elections' financial statements.*

NOTE 3: *Long-Term Liabilities*

Under the GASB 34 reporting model, long-term liabilities are not due and payable in the current period and accordingly are not reported as fund liabilities. All long-term liabilities for the Supervisor of Elections are reported in the government-wide Statement of Net Position. The compensated absences of the Supervisor of Elections are accounted for in the Statement of Net Position as follows:

	Balance October 01, 2024	Additions*	Reductions	Balance September 30, 2025
Compensated absences	$ 2,800	$ 27	$ -	$ 2,827

**The change in compensated absences liability is presented as a net change.*

NOTE 4: *Retirement*

The Supervisor of Elections participates in the State of Florida Retirement System (FRS), a multiple-employer, cost-sharing defined public employee retirement system which covers all of the Supervisor of Elections' full-time employees. The system is administered by the State of Florida, Department of Administration, Division of Retirement to provide retirement and survivor benefits to participating public employees. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

In addition, all regular employees of the entity are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended September 30, 2025, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of services credited at retirement multiplied by $7.50. The minimum payment is $45 and the maximum payment is $225 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which may include Medicare.

For financial reporting purposes, the Supervisor of Elections is deemed to be part of the primary government of Madison County, Florida. A liability related to the Supervisor of Elections' proportionate share of FRS and HIS retirement benefits, along with a detailed plan description, is reported in the financial statements of Madison County, Florida, for the fiscal year ended September 30, 2025.

NOTE 5: *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; and damage to property of others. The Supervisor of Elections participates in the risk management program through the Board of County Commissioners which uses commercial insurance.

NOTE 6: *Subsequent Events*

Subsequent events were reviewed through June 24, 2026, which is the date the financial statements were available to be issued. As of this date there were no subsequent events that required disclosure.

INTERNAL CONTROL AND COMPLIANCE SECTION

SEPTEMBER 30, 2025

LANIGAN & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.lanigancpa.com

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 Heath Driggers
Supervisor of Elections
Madison County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the General Fund of Madison County, Florida, Supervisor of Elections (the "Supervisor of Elections") as of and for the year ended September 30, 2025, 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 24, 2026.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Supervisor of Elections' internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion 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 were not identified.

Report on Compliance and Other Matters

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

Purpose of This Report

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

Lanigan & Associates, P.C.
Tallahassee, Florida
June 24, 2026

LANIGAN & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.lanigancpa.com

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

The Honorable Heath Driggers
Supervisor of Elections
Madison County, Florida

Report on the Financial Statements

We have audited the financial statements of the Supervisor of Elections of Madison County, Florida, as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated June 24, 2026.

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 24, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information is disclosed in Note 1 of the notes to the financial statements. There are no component units related to the Supervisor of Elections.

Financial Management

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

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or 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, Federal and other granting agencies, the Board of County Commissioners, the Supervisor of Elections, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesy extended to us during the course of our audit. We have enjoyed our association with you and look forward to a continuing relationship.

Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Lanigan & Associates, P.C.

Tallahassee, Florida
June 24, 2026

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

The Honorable Heath Driggers
Madison County, Florida, Supervisor of Elections
Madison County, Florida

Report on Compliance

We have examined the Madison County, Florida, Supervisor of Elections (the "Supervisor of Elections") compliance with the local government investment policy requirements of Section 218.415, Florida Statutes, for the year ended September 30, 2025. Management is responsible for the Supervisor of Elections' compliance with the specified requirements. Our responsibility is to express an opinion on the Supervisor of Elections' compliance with the specified requirements based on our examination.

Scope

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

We are required to be independent and meet our 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.

Opinion

In our opinion, the Supervisor of Elections' complied, in all material respects, with the local government investment policy requirements of Section 218.415, Florida Statutes, for the year ended September 30, 2025.

Lanigan & Associates, P.C.

Tallahassee, Florida
June 24, 2026

Special Purpose
Financial Statements

Madison County, Florida
Tax Collector

❖

Year Ended September 30, 2025
with Independent Auditor's Report

Madison County, Florida
Tax Collector

Special Purpose Financial Statements

Year Ended September 30, 2025

C O N T E N T S

LANIGAN & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.lanigancpa.com

INDEPENDENT AUDITOR'S REPORT

The Honorable Robin Z. Hart
Tax Collector
Madison County, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the General Fund and aggregate remaining fund information of Madison County, Florida, Tax Collector (the "Tax Collector"), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the General Fund and remaining aggregate fund information of the Tax Collector, as of September 30, 2025, and the respective changes in financial position and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards* (GAS), 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

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the General Fund and aggregate remaining fund information attributable to the Tax Collector. They do not purport to, and do not, present fairly the financial position of Madison County, Florida, as of September 30, 2025, 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.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 24, 2026, on our consideration of the Tax Collector's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of 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.

Lanigan & Associates, P.C.
Tallahassee, Florida
June 24, 2026

MADISON COUNTY, FLORIDA
TAX COLLECTOR
BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2025

ASSETS	
Cash and cash equivalents	$ 150
LIABILITIES AND FUND BALANCE	
Liabilities	
Accounts payable	1,583
Fund balance	
Unassigned	(1,433)
Total liabilities and fund balance	$ 150

See accompanying notes to financial statements.

MADISON COUNTY, FLORIDA
TAX COLLECTOR
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET TO ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted amounts			Variance with final budget - favorable
	Original	Final	Actual	(unfavorable)
REVENUES				
Interest revenue	$ -	$ -	$ 28	$ 28
Total revenues	-	-	28	28
EXPENDITURES				
Current				
General government	659,753	697,493	697,577	(84)
Total expenditures	659,753	697,493	697,577	(84)
Excess (deficiency) of revenues over (under) expenditures	(659,753)	(697,493)	(697,549)	(56)
OTHER FINANCING SOURCES				
Transfers in	659,753	697,493	696,116	(1,377)
Total other financing sources	659,753	697,493	696,116	(1,377)
Net changes in fund balance	-	-	(1,433)	(1,433)
Fund balance - beginning	-	-	-	-
Fund balance - ending	$ -	$ -	$ (1,433)	$ (1,433)

See accompanying notes to financial statements.

MADISON COUNTY, FLORIDA
TAX COLLECTOR
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2025

ASSETS	
Cash and cash equivalents	$ 25,025
LIABILITIES	
Due to other governmental units	25,025
NET POSITION	
Restricted	-
Total net position	$ -

See accompanying notes to financial statements.

MADISON COUNTY, FLORIDA
TAX COLLECTOR
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

ADDITIONS	$ 27,020,908
DEDUCTIONS	27,020,908
Net increase (decrease) in fiduciary net position	-
Net position - beginning	-
Net position - ending	$ -

See accompanying notes to financial statements.

NOTE 1: *Summary of Significant Accounting Policies*

The accounting policies of the Madison County, Florida, Tax Collector (the "Tax Collector") conform with generally accepted accounting principles (GAAP), as applicable to other governments. The following is a summary of significant accounting principles and policies used in the preparation of these special purpose financial statements.

Reporting Entity

The Madison County, Florida, Tax Collector ("the Tax Collector"), as established by Article VIII of the Constitution of the State of Florida, is an elected official of Madison County, Florida. Although the Tax Collector is operationally autonomous from the Madison County Board of County Commissioners, it does not hold sufficient corporate powers to be considered a legally separate entity for financial reporting purposes. Therefore, the Tax Collector is considered part of the County's primary government.

These special purpose financial statements of the Tax Collector are not intended to be a complete presentation of the financial position and results of operations of Madison County, Florida, taken as a whole. As permitted by Chapter 10.556, Rules of the Auditor General, the special purpose financial statements consist of only fund level financial statements as defined by GASB 34, and do not include presentations of government-wide financial statements of the Tax Collector.

Fund Accounting

The accounting records are organized for reporting purposes on the basis of fund accounting. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounting records.

The General Fund, which is a governmental fund, is used to account for all revenues and expenditures applicable to the general operations of the Tax Collector. All general operating revenues which are not restricted or designated as to use by outside sources are recorded in the General Fund. The governmental fund measurement focus is based upon determination of financial position and changes in financial position (sources, uses and balances of financial resources) rather than upon net income determination.

The Custodial Funds of the Tax Collector are used to account for assets held by the Tax Collector as an agent for individuals, private organizations, other governments, and/or other funds.

Please refer to the government-wide financial statements of Madison County, Florida for disclosure on accounting policies, deposits and employee's retirement plan.

NOTE 1: *Summary of Significant Accounting Policies (Continued)*

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. The 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. Their revenues are recognized when they become both measurable and available as net current assets. The Tax Collector considers receivables collected within sixty days after year-end to be available and recognizes them as revenues of the current year. Expenditures are recognized when the related fund liability is incurred.

Cash and Cash Equivalents

The Tax Collector's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the acquisition date.

Budget and Budgetary Accounting

The Tax Collector operates under budget procedures pursuant to Section 195.087, Florida Statutes. Budgets are adopted for governmental and special revenue funds. Budget control is exercised at the fund level. Budgetary changes within the fund are made at the discretion of the Tax Collector. Appropriations lapse at the end of the fiscal year to the extent they have not been expended. The budgetary revenues and expenditures in the accompanying budgetary comparison statement reflect all approved amendments.

For the year ended September 30, 2025, expenditures exceeded appropriations within the General Fund by $84.

Compensated Absences

Employees may accumulate a limited amount of earned but unused sick leave, annual leave, and compensatory time, which will be paid upon separation of service. Unpaid compensated absences are recorded as a liability when the benefits are earned in the Madison County Government-Wide Financial Statements. For the governmental fund statements, expenditures are recognized when payments are made to employees.

Implementation of New Governmental Accounting Standards

GASB Statement No. 101, *Compensated Absences*

Effective October 1, 2024, the County implemented Statement No. 101. The objective of this statement is to better meet the information needs of the financial statement users by updating the recognition and measurement guidance for compensated absences. The objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures.

NOTE 1: *Summary of Significant Accounting Policies (Continued)*

This statement required the County to recognize a liability for leave that has not been used if (1) the leave is attributable to services already rendered, (2) the leave accumulates, and (3) the leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means. This statement has no material impact on the County's financial statements.

GASB Statement No. 102, *Certain Risk Disclosures*

Effective October 1, 2024, the County implemented Statement No. 102. The objective of this statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This statement has no material impact on the County's financial statements.

NOTE 2: *Interfund Transactions*

During the course of normal operations, numerous transactions occur between funds, such as expenditures or transfers of resources to provide services, service debt, or construct assets. The interfund transactions are not eliminated and no interest is charged on such advances.

Operating transfers between funds during the year were as follows:

Transfers In	Transfers Out	Amount
Tax Collector - General	Board of County Commissioners - General*	$ 696,116

**Not included in the Tax Collector's special purpose financial statements.*

NOTE 3: *Long-Term Liabilities*

Under the GASB 34 reporting model, long-term liabilities are not due and payable in the current period and accordingly are not reported as fund liabilities. All long-term liabilities for the Tax Collector are reported in the government-wide Statement of Net Position. The compensated absences of the Tax Collector are accounted for in the Statement of Net Position as follows:

	Balance October 01, 2024	Additions	Reductions*	Balance September 30, 2025
Compensated absences	$ 14,372	$ -	$ (9,641)	$ 4,731

**The change in the compensated absences liability is presented as a net change.*

NOTE 4: *Retirement*

The Tax Collector participates in the State of Florida Retirement System (FRS), a multiple-employer, cost-sharing defined public employee retirement system which covers all of the Tax Collector's full-time employees. The system is administered by the State of Florida, Department of Administration, Division of Retirement to provide retirement and survivor benefits to participating public employees. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined-benefit pension (Plan), with a Deferred Retirement Option Program (DROP), and a defined-contribution plan, referred to as the FRS Investment Plan (Investment Plan).

In addition, all regular employees of the entity are eligible to enroll as members of the Retiree Health Insurance Subsidy (HIS) Program. The HIS is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. For the fiscal year ended September 30, 2025, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of services credited at retirement multiplied by $7.50. The minimum payment is $45, and the maximum payment is $225 per month, pursuant to section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under one of the state-administered retirement systems must provide proof of eligible health insurance coverage, which may include Medicare.

For financial reporting purposes, the Tax Collector is deemed to be part of the primary government of Madison County, Florida. A liability related to the Tax Collector's proportionate share of FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of Madison County, Florida, for the fiscal year ended September 30, 2025.

NOTE 5: *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; and damage to property of others. The Tax Collector participates in the risk management program through the Board of County Commissioners which uses commercial insurance.

NOTE 6: *Subsequent Events*

Subsequent events were reviewed through June 24, 2026, which is the date the financial statements were available to be issued. As of this date there were no subsequent events that required disclosure.

INTERNAL CONTROL AND COMPLIANCE SECTION

SEPTEMBER 30, 2025

LANIGAN & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.lanigancpa.com

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 Robin Z. Hart
Tax Collector
Madison County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States *(Government Auditing Standards)*, the financial statements of the General Fund and remaining aggregate fund information of Madison County, Florida, Tax Collector (the "Tax Collector") as of and for the year ended September 30, 2025, 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 24, 2026.

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 and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and responses as item 2025-003 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

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

Tax Collector's Response to Findings

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

Purpose of This Report

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

Lanigan & Associates, P.C.

Tallahassee, Florida
June 24, 2026

2025-003: Proper Recording of Check Disbursements

Criteria: Management is responsible for establishing and maintaining effective internal control over financial reporting in accordance with generally accepted accounting principles. Such responsibilities include establishing internal controls to ensure cash disbursements are properly recorded.

Condition: The check numbers referenced in the General Fund's accounting records were incorrect and did not agree to the corresponding cleared check image provided by the financial institution. As a result, the check register did not accurately reflect the actual check numbers issued and presented for payment.

Context: Accounting records are intended to accurately reflect the financial activity of the General Fund. Each check has a unique identifying check number assigned to it prior to disbursement. The check number is also used within the accounting software to record the associated cash transaction. When the actual check number does not agree with the record of the cash transaction within the accounting software, there is an increased risk of misstatement due to fraud or error.

Effect: Accounting information is not reliable.

Cause: Internal processes and controls are not sufficient (either non-existent or ineffective) to ensure discrepancies are identified and corrected.

Recommendation: Management should focus on strengthening internal controls surrounding financial reporting and the proper recording of cash disbursements in accordance with U.S. GAAP.

Views of Responsible Officials and Planned Corrective Actions: We agree with the findings and recommendations. We identified our mistakes, and the accounting department corrected the errors with incorrectly entered checks.

Robin Z. Hart

TAX COLLECTOR FOR THE COUNTY OF MADISON, STATE OF FLORIDA

229 SW Pinckney Street, Room 102 • Madison, Florida 32340-2424 • 850-973-6136 • Fax 850-973-3116
mctc@madisoncoannex.com

CORRECTIVE ACTION PLAN

Recommendation: TC 2025-001 Outstanding Checks and Deposits

Comments on Findings and Recommendations:

We agree with the finding and recommendations.

Planned Corrective Action:

We are collaborating with the Clerk of Court to explore additional options regarding individuals who hold checks for more than 90 days after issuance. Additionally, we are working to ensure that the state has mechanisms in place to retain the funds in this situation.

Anticipated Completion Date:06/26

Recommendation: TC 2025-002: Custodial Fund Reconciliation

Comments on Findings and Recommendations:

We agree with the finding and recommendations.

Planned Corrective Action:

We are actively focusing on our processes to prevent reverting to previously reconciled work that has already been completed. There have been occasions in the past when we found it necessary to revisit this work due to errors that emerged, which required correction. Our aim is to refine our systems and practices to minimize any need for re-examination or adjustment of work that has been finalized, thus ensuring greater efficiency and accuracy in our operations. By addressing these issues proactively, we hope to enhance our workflow and maintain the integrity of our completed tasks.

Anticipated Completion Date: 04/26

Finding: TC 2025-003: Proper Recording of Check Disbursements

Comments on Findings and Recommendations:

We agree with the finding and recommendations.

Planned Corrective Action:

We identified our mistakes, and the accounting department corrected the errors with incorrectly entered checks.

Anticipated Completion Date: Completed

LANIGAN & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.lanigancpa.com

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

The Honorable Robin Z. Hart
Tax Collector
Madison County, Florida

Report on the Financial Statements

We have audited the financial statements of the Tax Collector of Madison County, Florida, as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated June 24, 2026.

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 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated June 24, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. The status of each finding made in the preceding annual financial audit report is noted below.

Finding No.	Original Finding No.	Description	Status
2025-001	2024-001	Outstanding Checks and Deposits	Not Cleared
2025-002	2024-002	Custodial Fund Reconciliation	Not Cleared
	2024-003	Transfer Recording	Cleared

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. This information is disclosed in Note 1 of the notes to financial statements. There are no component units related to the Tax Collector.

Financial Management

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

1. **2025-001 Outstanding Checks and Deposits (Repeat of 2024-001)**

   We recommend the Tax Collector reviews outstanding checks and deposits greater than six months old.

   Management Response: We agree with the finding and recommendations. We are collaborating with the Clerk of Court to explore additional options regarding individuals who hold checks more than 90 days after issuance. Additionally, we are working to ensure that the state has mechanisms in place to retain the funds in this situation.

2. **2025-002 Custodial Fund Reconciliation (Repeat of 2024-002)**

   We recommend the Tax Collector properly reconcile the cash accounts to the trial balance for custodial funds at year end.

   Management Response: We agree with the finding and recommendations. We are actively focusing on our processes to prevent reverting to previously reconciled work that has already been completed. There have been occasions in the past when we found it necessary to revisit this work due to errors that emerged, which required correction. Our aim is to refine our systems and practices to minimize any need for re-examination or adjustment of work that has been finalized, thus ensuring greater efficiency and accuracy in our operations. By addressing these issues proactively, we hope to enhance our workflow and maintain the integrity of our completed tasks.

3. See accompanying schedule of findings and responses for additional recommendations.

Views of responsible officials are included in the accompanying corrective action plan.

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or 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, Federal and other granting agencies, the Board of County Commissioners, the Tax Collector, 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 courtesy extended to us during the course of our audit. We have enjoyed our association with you and look forward to a continuing relationship.

Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Lanigan & Associates, P.C.
Tallahassee, Florida
June 24, 2026

LANIGAN & ASSOCIATES, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS ADVISORS
www.lanigancpa.com

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

The Honorable Robin Z. Hart
Tax Collector
Madison County, Florida

Report on Compliance

We have examined the Madison County, Florida, Tax Collector (the "Tax Collector") compliance with the local government investment policy requirements of Section 218.415, Florida Statutes, for the year ended September 30, 2025. Management is responsible for the Tax Collector compliance with the specified requirements. Our responsibility is to express an opinion on the Tax Collector compliance with the specified requirements based on our examination.

Scope

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

Opinion

In our opinion, the Tax Collector complied, in all material respects, with the local government investment policy requirements of Section 218.415, Florida Statutes, for the year ended September 30, 2025.

Lanigan & Associates, P.C.
Tallahassee, Florida
June 24, 2026