

MADISON COUNTY, FLORIDA
❖
ANNUAL FINANCIAL REPORT
SEPTEMBER 30, 2023

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, 2023
with Independent Auditor's Report**

Introductory Section

**MADISON COUNTY, FLORIDA
ANNUAL FINANCIAL REPORT**

September 30, 2023

BOARD OF COUNTY COMMISSIONERS

Alston Kelley	District 1
Donnie Waldrep	District 2
Ronnie Moore	District 3
Alfred Martin	District 4
Brian M. Williams	District 5

CLERK OF THE COURT AND COMPTROLLER

Billy Washington

SHERIFF

David Harper

TAX COLLECTOR

Lisa Tuten

PROPERTY APPRAISER

Leigh Barfield

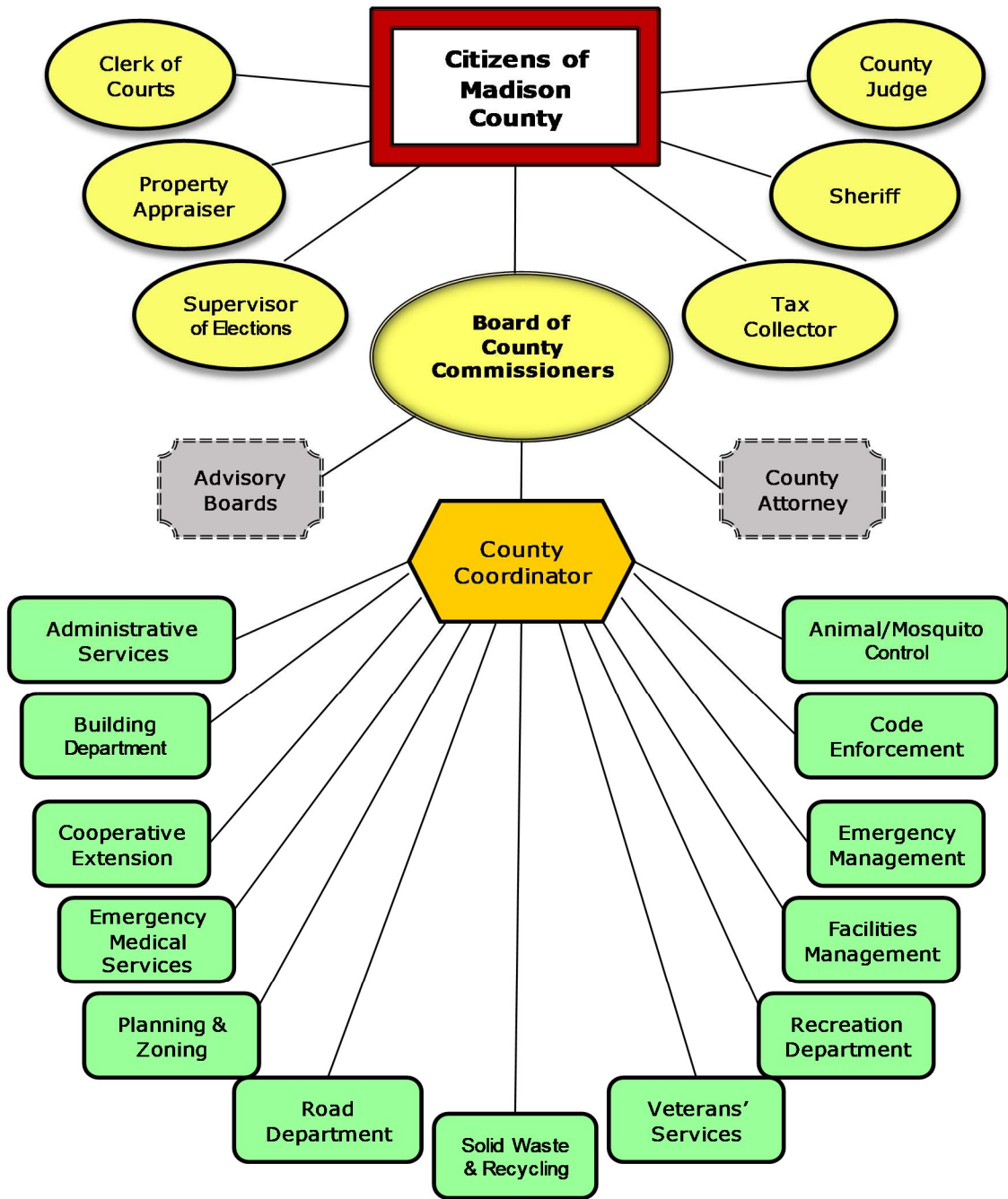
SUPERVISOR OF ELECTIONS

Heath Driggers

COUNTY ATTORNEY

George T. Reeves

Madison County, Florida Organizational Chart



Financial Section

**MADISON COUNTY, FLORIDA
ANNUAL FINANCIAL REPORT
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

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**MADISON COUNTY, FLORIDA
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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, 2023, 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, 2023, 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.

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 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 April 30, 2024, 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, PC

Tallahassee, Florida
April 30, 2024

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, 2023. 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, 2023.

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 2023 by \$61,869,184.
- The County's total net position decreased by \$749,064 as a result of fiscal year 2023 operations with an increase of \$145,371 resulting from governmental activities and a decrease of \$894,435 resulting from business type activities.
- At September 30, 2023, the County's governmental funds reported combined ending fund balances of \$17,559,661, an increase of \$1,606,566 in comparison with the prior year. Of this amount, \$5,576,403 remains in various fund types of the County as unassigned.
- The General Fund reported an unassigned fund balance of \$6,069,786, an increase from last fiscal year of \$892,149.
- As of September 30, 2023, the County's outstanding long-term debt (loans) was \$2,231,979. Of this amount, \$616,094 is considered due within one year.
- Capital asset events during the current fiscal year included purchases of equipment, county road construction and improvements, and purchases of property that increased capital assets by \$3,199,941. Leased assets under GASB Statement No. 87, *Leases* increased by \$209,385.

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.

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

The Statement of Activities presents information showing how the County's net position changed during fiscal year 2023. 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, 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-eight 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, Capital Projects, 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

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 \$61,869,184 at September 30, 2023. This is calculated as follows:

MADISON COUNTY, FLORIDA						
NET POSITION						
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
ASSETS						
Current and other assets	\$ 5,144,568	\$ 7,146,014	\$ (40,563)	\$ (174,815)	\$ 5,104,005	\$ 6,971,199
Capital assets	61,298,016	61,965,684	1,497,565	1,882,358	62,795,581	63,848,042
Investments	16,035,734	13,909,464	114,923	303,381	16,150,657	14,212,845
Total assets	<u>82,478,318</u>	<u>83,021,162</u>	<u>1,571,925</u>	<u>2,010,924</u>	<u>84,050,243</u>	<u>85,032,086</u>
DEFERRED OUTFLOW OF RESOURCES RELATED TO PENSIONS						
	<u>4,492,467</u>	<u>4,158,607</u>	<u>708,853</u>	<u>649,936</u>	<u>5,201,320</u>	<u>4,808,543</u>
LIABILITIES						
Current liabilities	3,230,822	6,625,170	100,861	97,890	3,331,683	6,723,060
Long-term liabilities	19,891,446	16,504,687	2,872,061	2,299,486	22,763,507	18,804,173
Total liabilities	<u>23,122,268</u>	<u>23,129,857</u>	<u>2,972,922</u>	<u>2,397,376</u>	<u>26,095,190</u>	<u>25,527,233</u>
DEFERRED INFLOW OF RESOURCES RELATED TO PENSIONS						
	<u>1,092,603</u>	<u>1,439,369</u>	<u>194,586</u>	<u>255,779</u>	<u>1,287,189</u>	<u>1,695,148</u>
NET POSITION						
Net investment in capital assets	59,135,912	58,287,102	1,427,690	1,882,358	60,563,602	60,169,460
Restricted	11,234,850	10,461,739	-	-	11,234,850	10,461,739
Unrestricted	(7,614,848)	(6,138,298)	(2,314,420)	(1,874,653)	(9,929,268)	(8,012,951)
Total net position	<u>\$ 62,755,914</u>	<u>\$ 62,610,543</u>	<u>\$ (886,730)</u>	<u>\$ 7,705</u>	<u>\$ 61,869,184</u>	<u>\$ 62,618,248</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

The largest portion of the County's net position, \$60,563,602 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, \$11,234,850 represents resources that are dedicated or subject to restrictions on how they may be used.

The remaining balance of unrestricted net position, negative \$9,929,268, includes funds that may be used to meet the government's ongoing obligations to the citizens and creditors.

Governmental Activities

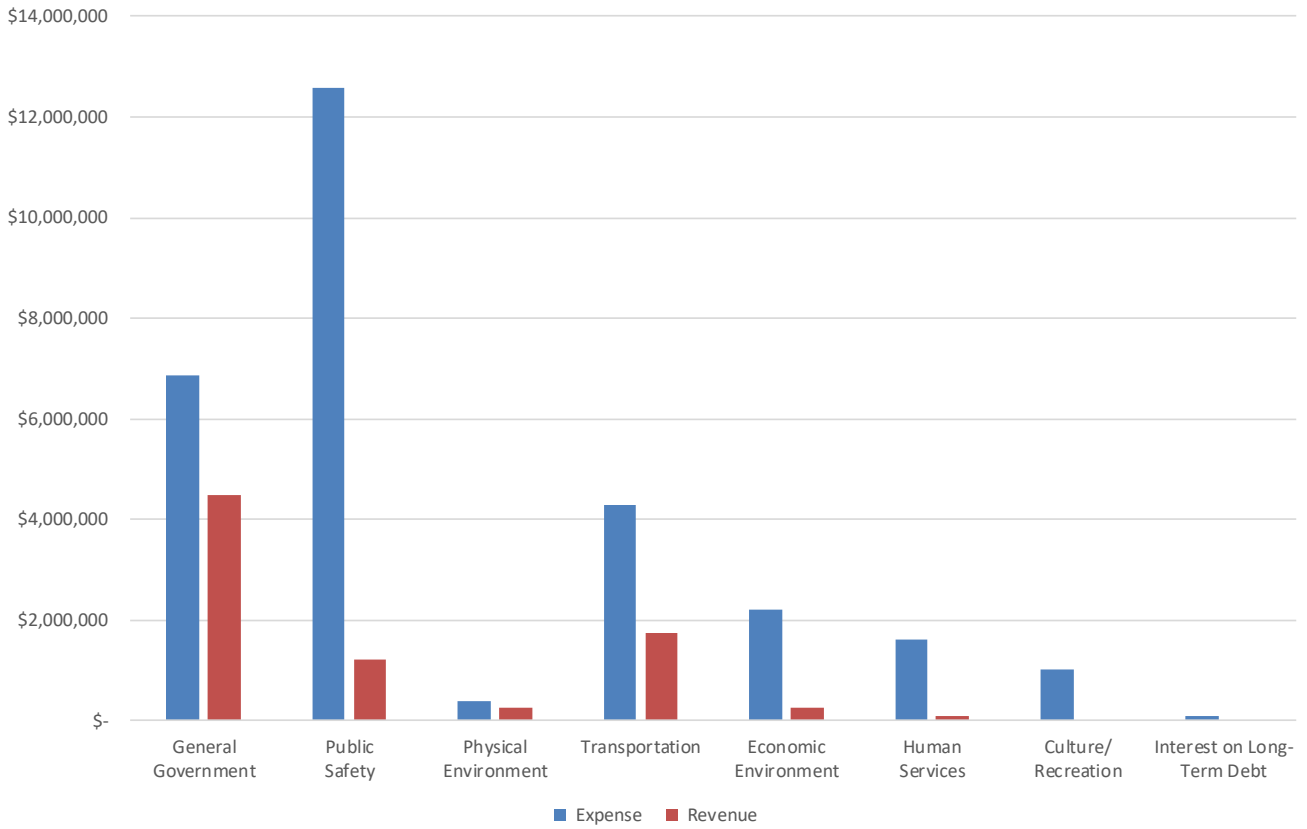
Governmental activities increased the County's net assets by \$145,371. This presentation includes a deduction for depreciation and amortization of \$3,779,189; however, it does not recognize \$3,258,862 for capital outlay as an expenditure.

MADISON COUNTY, FLORIDA CHANGES IN NET POSITION

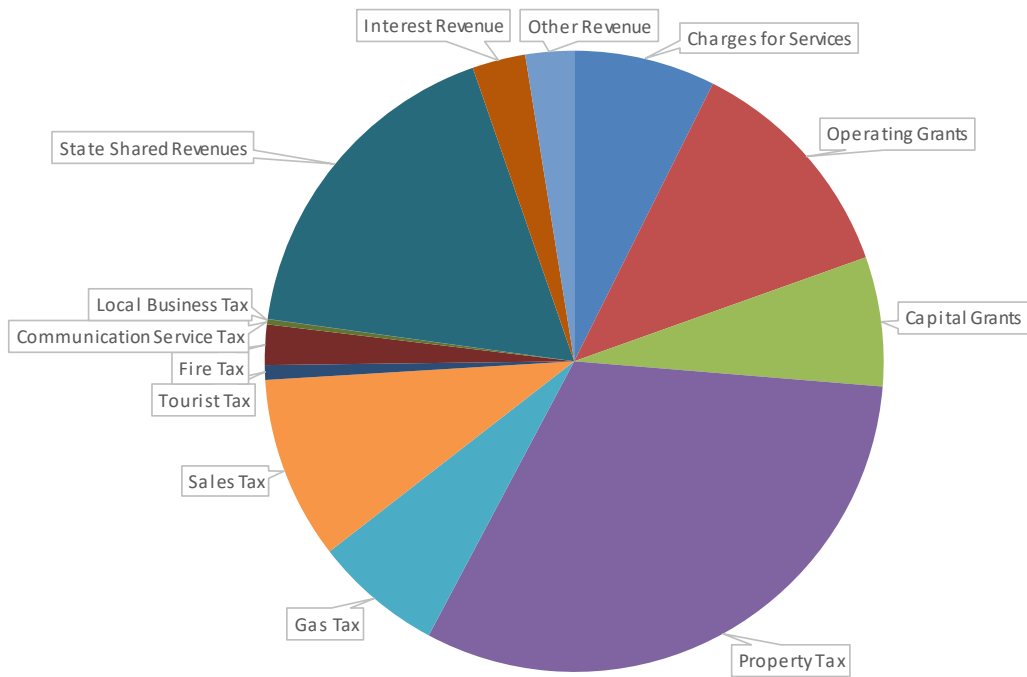
	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Revenues						
Program revenues						
Charges for services	\$ 2,283,959	\$ 2,366,503	\$ 2,193,072	\$ 2,344,422	\$ 4,477,031	\$ 4,710,925
Operating grants	3,758,196	2,343,555	3,129	5,765	3,761,325	2,349,320
Capital grants	2,076,722	760,316	-	-	2,076,722	760,316
General revenues						
Property taxes	9,725,185	8,347,897	-	-	9,725,185	8,347,897
Other taxes	5,987,944	5,993,175	1,345,896	1,340,987	7,333,840	7,334,162
Other	7,046,322	6,264,800	137,711	199,816	7,184,033	6,464,616
Total revenues	<u>30,878,328</u>	<u>26,076,246</u>	<u>3,679,808</u>	<u>3,890,990</u>	<u>34,558,136</u>	<u>29,967,236</u>
Expenses						
General government	6,858,929	5,326,235	-	-	6,858,929	5,326,235
Public safety	12,583,055	10,569,415	-	-	12,583,055	10,569,415
Physical environment	394,331	424,257	-	-	394,331	424,257
Transportation	4,278,066	4,073,227	-	-	4,278,066	4,073,227
Economic development	2,210,483	322,000	-	-	2,210,483	322,000
Human services	1,625,283	1,708,819	-	-	1,625,283	1,708,819
Culture/recreation	1,013,437	903,312	-	-	1,013,437	903,312
Interest on long-term debt	89,211	85,941	-	-	89,211	85,941
Solid waste disposal	-	-	2,348,642	2,308,172	2,348,642	2,308,172
Emergency medical services	-	-	3,905,763	3,332,134	3,905,763	3,332,134
Total expenses	<u>29,052,795</u>	<u>23,413,206</u>	<u>6,254,405</u>	<u>5,640,306</u>	<u>35,307,200</u>	<u>29,053,512</u>
Change in net position before transfers	1,825,533	2,663,040	(2,574,597)	(1,749,316)	(749,064)	913,724
Transfers	(1,680,162)	(720,094)	1,680,162	720,094	-	-
Increase in net position	<u>145,371</u>	<u>1,942,946</u>	<u>(894,435)</u>	<u>(1,029,222)</u>	<u>(749,064)</u>	<u>913,724</u>
Net position - beginning	<u>62,610,543</u>	<u>60,667,597</u>	<u>7,705</u>	<u>1,036,927</u>	<u>62,618,248</u>	<u>61,704,524</u>
Net position - ending	<u>\$62,755,914</u>	<u>\$62,610,543</u>	<u>\$ (886,730)</u>	<u>\$ 7,705</u>	<u>\$61,869,184</u>	<u>\$62,618,248</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Expenses and Program Revenues - Governmental Activities



Revenue by Source - Governmental Activities



MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

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 2023, the County's governmental funds reported a combined ending fund balance of \$17,559,661, an increase of \$1,606,566 in comparison with the prior year. The unassigned Governmental Fund balance is \$5,576,403 and is available for spending at the County's discretion. The restricted fund balance is \$11,234,850 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 \$2,918,736 which is an increase of \$186,253 for fiscal year 2023.

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 \$1,255,389 which is an increase of \$164,703 for fiscal year 2023.

5th and 6th 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 \$1,862,897 which is an increase of \$45,669 for fiscal year 2023.

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 \$325,450 which is a decrease of \$41,989 for fiscal year 2023.

The remaining restricted fund balance of \$4,872,378 is comprised of grant proceeds and other taxes that are restrictive in their use.

The assigned fund balance is \$664,313 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

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 2% in their operating revenue during the fiscal year 2023. The EMS Fund ended the year with a decrease in net assets of \$460,668.

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 fund balance at the beginning of the fiscal year was \$596,589. During the year, the Solid Waste Fund incurred excess expenses over revenues of \$433,767. The fund balance at the end of the fiscal year is \$162,822. 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 \$1,528,720. The total net budget adjustments increased expenditures by \$870,932. The offsetting adjustments to balance the budget were to decrease net transfers by \$657,788.

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, 2023, was \$62,795,581 (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 purchase of property that increased capital assets by \$3,409,326.

MADISON COUNTY, FLORIDA CAPITAL ASSETS (NET OF DEPRECIATION)

	Governmental Activities		Business-type Activities		Total	
	2023	2022	2023	2022	2023	2022
Land	\$ 1,999,859	\$ 2,000,600	\$ -	\$ -	\$ 1,999,859	\$ 2,000,600
Buildings and Improvements	4,123,458	4,448,147	-	-	4,123,458	4,448,147
Equipment	2,566,356	2,145,281	1,497,565	1,882,358	4,063,921	4,027,639
Infrastructure	51,479,394	51,946,104	-	-	51,479,394	51,946,104
Right-to-use leased equipment	899,432	1,089,344	-	-	899,432	1,089,344
Work In Progress	229,517	336,208	-	-	229,517	336,208
Total	\$61,298,016	\$61,965,684	\$ 1,497,565	\$ 1,882,358	\$62,795,581	\$63,848,042

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

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

- Road construction, resurfacing, and widening projects equaled \$1,745,355. These projects were funded by the Department of Transportation.
- Upgraded the 911 system and other 911 equipment totaling \$535,540.
- The County purchased other miscellaneous vehicles and equipment during the year totaling \$919,046.
- Right-to-use leased equipment totaling \$209,385.

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, 2023, the County's outstanding long-term debt (loans) was \$2,231,979. Of this amount \$616,094 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, 2023, the outstanding balance on the revolving loan fund amounted to \$865,467.
- The County has obtained a loan from a local bank in the amount of \$3,750,000 to complete additional road paving projects. Interest is charged at the rate of The WSJ's Published Prime Lending Rate less 1.76% per annum. The interest rate shall be adjusted semiannually based on the stated rate on June 1 and December 1 of each year. The interest rate at the most recent interest payment date, June 1, 2023, was 2.24%. This loan has been paid in full.

Economic Factors and Next Year's Budget and Rates

- The unemployment rate for the County at September 30, 2023, was 3.1% according to the U.S. Department of Labor Bureau of Labor Statistics.
- Total population according to the most recent U.S. Census estimate was 18,519 at September 30, 2023. This was a small change from figures reported in the prior fiscal year.
- The general ad-valorem tax millage rate for 2023 was 9.8000 mills. The assessed taxable value of commercial and residential property increased 1.35 % in fiscal year 2023.

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, 2023

	PRIMARY GOVERNMENT		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Cash	\$ 2,915,134	\$ 128,929	\$ 3,044,063
Accounts receivable, net	509,529	538,655	1,048,184
Internal balances	738,860	(738,860)	-
Due from other governmental units	896,950	30,713	927,663
Investments	16,035,734	114,923	16,150,657
Prepaid items	84,095	-	84,095
Capital assets:			
Land and construction in progress	2,229,376	-	2,229,376
Depreciable (net)	59,068,640	1,497,565	60,566,205
Total assets	82,478,318	1,571,925	84,050,243
DEFERRED OUTFLOWS OF RESOURCES			
RELATED TO PENSIONS	4,492,467	708,853	5,201,320
LIABILITIES			
Accounts payable	1,918,394	100,861	2,019,255
Other liabilities	1,312,428	-	1,312,428
Non-current liabilities			
Due within one year	805,272	69,875	875,147
Due in more than one year	19,086,174	2,802,186	21,888,360
Total liabilities	23,122,268	2,972,922	26,095,190
DEFERRED INFLOWS OF RESOURCES			
RELATED TO PENSIONS	1,092,603	194,586	1,287,189
NET POSITION			
Net investment in capital assets	59,135,912	1,427,690	60,563,602
Restricted for			
Road construction	4,780,922	-	4,780,922
Hospital construction	1,255,389	-	1,255,389
Other purposes	5,198,539	-	5,198,539
Unrestricted	(7,614,848)	(2,314,420)	(9,929,268)
Total net position	\$ 62,755,914	\$ (886,730)	\$ 61,869,184

See accompanying notes to financial statements.

MADISON COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2023

FUNCTIONS/PROGRAMS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government				
Governmental activities				
General government	\$ 6,858,929	\$ 1,621,833	\$ 2,831,825	\$ 38,892
Public safety	12,583,055	648,439	377,459	209,512
Physical environment	394,331	-	187,257	82,318
Transportation	4,278,066	13,687	-	1,746,000
Economic environment	2,210,483	-	267,905	-
Human services	1,625,283	-	93,750	-
Culture/recreation	1,013,437	-	-	-
Interest on long-term debt	89,211	-	-	-
Total governmental activities	29,052,795	2,283,959	3,758,196	2,076,722
Business-type activities				
Solid waste disposal	2,348,642	510,174	-	-
Emergency medical services	3,905,763	1,682,898	3,129	-
Total Business-type activities	6,254,405	2,193,072	3,129	-
Total primary government	\$ 35,307,200	\$ 4,477,031	\$ 3,761,325	\$ 2,076,722

GENERAL REVENUES:

Property tax
Gas tax
Sales tax
Tourist tax
Garbage tax
Fire tax
Communication service tax
Local business tax
State shared revenues
Interest revenue
Other revenue
Transfers
Total general revenues, contributions and transfers

Change in net position

Total net position - beginning of year

Net position - end of year

Governmental Activities	Business-type Activities	Total
\$ (2,366,379)	\$ -	\$ (2,366,379)
(11,347,645)	-	(11,347,645)
(124,756)	-	(124,756)
(2,518,379)	-	(2,518,379)
(1,942,578)	-	(1,942,578)
(1,531,533)	-	(1,531,533)
(1,013,437)	-	(1,013,437)
(89,211)	-	(89,211)
(20,933,918)	-	(20,933,918)
-	(1,838,468)	(1,838,468)
-	(2,219,736)	(2,219,736)
-	(4,058,204)	(4,058,204)
(20,933,918)	(4,058,204)	(24,992,122)
9,725,185	-	9,725,185
2,075,974	-	2,075,974
2,943,409	-	2,943,409
234,898	-	234,898
-	1,345,896	1,345,896
646,010	-	646,010
82,661	-	82,661
4,992	-	4,992
5,406,113	-	5,406,113
857,827	-	857,827
782,382	137,711	920,093
(1,680,162)	1,680,162	-
21,079,289	3,163,769	24,243,058
145,371	(894,435)	(749,064)
62,610,543	7,705	62,618,248
\$ 62,755,914	\$ (886,730)	\$ 61,869,184

See accompanying notes to financial statements.

MADISON COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	General	County Transportation Trust	Sheriff- Operating	Capital Projects	CARES Act
ASSETS					
Cash	\$ 581,911	\$ 189,588	\$ 356,253	\$ 75,386	\$ 896,669
Accounts receivable	-	-	118,560	-	-
Due from other funds	1,830,647	-	-	468,000	-
Due from other governmental units	221,140	270,018	15,198	2,680	-
Investments	4,095,919	2,930,190	-	786,710	1,055,232
Prepaid items	5,255	711	-	-	-
Total assets	\$ 6,734,872	\$ 3,390,507	\$ 490,011	\$ 1,332,776	\$ 1,951,901
LIABILITIES AND FUND BALANCES					
Liabilities					
Accounts payable	\$ 191,422	\$ 58,236	\$ 485,600	\$ -	\$ 535,540
Due to other funds	468,409	413,535	292	1,461,000	-
Due to other governmental units	-	-	-	-	-
Deferred income	-	-	-	-	551,024
Total liabilities	659,831	471,771	485,892	1,461,000	1,086,564
Fund balances					
Nonspendable	5,255	711	-	-	-
Restricted	-	2,918,025	-	195,479	865,337
Assigned	-	-	4,119	-	-
Unassigned	6,069,786	-	-	(323,703)	-
Total fund balances	6,075,041	2,918,736	4,119	(128,224)	865,337
Total liabilities and fund balances	\$ 6,734,872	\$ 3,390,507	\$ 490,011	\$ 1,332,776	\$ 1,951,901

Nonmajor Governmental Funds		Total
\$ 815,327	\$ 2,915,134	
1,150	119,710	
1,792,292	4,090,939	
387,914	896,950	
7,167,683	16,035,734	
78,129	84,095	
<u>\$ 10,242,495</u>	<u>\$ 24,142,562</u>	
\$ 647,596	\$ 1,918,394	
1,008,843	3,352,079	
108,855	108,855	
652,549	1,203,573	
<u>2,417,843</u>	<u>6,582,901</u>	
78,129	84,095	
7,256,009	11,234,850	
660,194	664,313	
(169,680)	5,576,403	
<u>7,824,652</u>	<u>17,559,661</u>	
<u>\$ 10,242,495</u>	<u>\$ 24,142,562</u>	

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

Total fund balances of governmental funds		\$ 17,559,661
<p>Amounts reported for governmental activities in the Statement of Net Position are different because:</p>		
<p>Long-term accounts receivable are not due in the current period and accordingly are not reported as fund assets.</p>		389,819
<p>Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. The cost of the assets is \$119,641,344 and the accumulated depreciation is \$58,343,328.</p>		61,298,016
<p>Deferred outflows and inflows of resources are not available in the current period and, therefore, are not reported in the governmental funds.</p> <p>Deferred outflows and inflows of resources at year-end consist of:</p>		
Deferred outflows related to pensions	4,492,467	
Deferred inflows related to pensions	<u>(1,092,603)</u>	
		3,399,864
<p>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:</p>		
Long-term notes	1,129,017	
Lease liability	1,033,087	
Compensated absences	1,327,155	
Net pension liability	<u>16,402,187</u>	
		<u>(19,891,446)</u>
Total net position of governmental activities		<u>\$ 62,755,914</u>

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

	General	County Transportation Trust	Sheriff - Operating	Capital Projects	CARES Act
REVENUES					
Taxes	\$ 9,812,837	\$ 1,637,400	\$ -	\$ -	\$ -
Licenses and permits	353,267	3,615	-	-	-
Intergovernmental	3,887,092	732,858	-	1,746,000	2,451,784
Charges for services	337,966	10,072	-	-	-
Fines and forfeitures	15,762	-	-	-	-
Interest revenue	342,777	198,470	-	-	46,939
Other	356,868	123,655	-	-	-
Total revenues	15,106,569	2,706,070	-	1,746,000	2,498,723
EXPENDITURES					
Current					
General government	1,750,790	-	-	-	237,021
Public safety	427,589	-	8,034,447	-	-
Physical environment	172,001	-	-	-	-
Transportation	-	2,306,184	-	-	-
Economic environment	253,037	-	-	-	1,500,000
Human services	449,418	-	-	-	-
Culture/recreation	993,924	-	-	-	-
Debt service					
Principal	4,917	492,035	363,857	-	-
Interest	681	45,816	2,215	-	-
Capital outlay	20,843	236,885	439,663	1,745,355	714,763
Total expenditures	4,073,200	3,080,920	8,840,182	1,745,355	2,451,784
Excess (deficiency) of revenues Over (under) expenditures	11,033,369	(374,850)	(8,840,182)	645	46,939
OTHER FINANCING SOURCES (USES)					
Transfers in	625,843	351,718	8,550,259	-	-
Transfers (out)	(11,054,468)	-	-	-	-
Proceeds from debt financing	-	-	289,923	-	-
Leases (as lessee)	-	209,385	-	-	-
Total other financing sources (uses)	(10,428,625)	561,103	8,840,182	-	-
Net changes in fund balances	604,744	186,253	-	645	46,939
Fund balances - beginning	5,470,297	2,732,483	4,119	(128,869)	818,398
Fund balances - ending	\$ 6,075,041	\$ 2,918,736	\$ 4,119	\$ (128,224)	\$ 865,337

See accompanying notes to financial statements.

Nonmajor Governmental Funds		Total
\$ 4,262,892	\$ 15,713,129	
-	356,882	
2,423,297	11,241,031	
1,312,295	1,660,333	
250,982	266,744	
269,641	857,827	
449,200	929,723	
<u>8,968,307</u>	<u>31,025,669</u>	
3,585,405	5,573,216	
1,369,627	9,831,663	
194,125	366,126	
-	2,306,184	
437,563	2,190,600	
1,163,259	1,612,677	
-	993,924	
1,154,977	2,015,786	
40,499	89,211	
101,353	3,258,862	
<u>8,046,808</u>	<u>28,238,249</u>	
921,499	2,787,420	
10,343,333	19,871,153	
(10,496,847)	(21,551,315)	
-	289,923	
-	209,385	
<u>(153,514)</u>	<u>(1,180,854)</u>	
767,985	1,606,566	
<u>7,056,667</u>	<u>15,953,095</u>	
<u>\$ 7,824,652</u>	<u>\$ 17,559,661</u>	

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, 2023

Amounts reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds	\$	1,606,566
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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 (\$3,258,862) exceeds depreciation (\$3,779,189) in the current period.		(520,327)
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The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to decrease net assets.		(147,341)
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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	(289,923)	
Proceeds from the assumption of lease liabilities	(209,385)	
Principal repayments:		
Revolving loan, department of environmental protection	217,477	
Notes payable	1,358,270	
Lease liabilities	440,039	
	1,516,478	

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	(2,168,006)	
Compensated absences	(141,999)	
	(2,310,005)	

Change in net position of governmental activities	\$	<u>145,371</u>
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MADISON COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2023

	BUSINESS-TYPE ACTIVITIES		
	Solid Waste Disposal	Emergency Medical Services	Total
ASSETS			
Current assets			
Cash	\$ 55,461	\$ 73,468	\$ 128,929
Accounts receivable, net	1,274	537,381	538,655
Due from other funds	-	3,798	3,798
Due from other governments	-	30,713	30,713
Total current assets	56,735	645,360	702,095
Noncurrent assets			
Restricted cash and investments	33,964	80,959	114,923
Capital assets:			
Equipment	2,981,570	1,715,886	4,697,456
Less: accumulated depreciation	(1,927,337)	(1,272,554)	(3,199,891)
Total capital assets (net of accumulated depreciation)	1,054,233	443,332	1,497,565
Total non-current assets	1,088,197	524,291	1,612,488
Total assets	1,144,932	1,169,651	2,314,583
DEFERRED OUTFLOW OF RESOURCES RELATED TO PENSIONS	163,277	545,576	708,853
LIABILITIES			
Current liabilities			
Accounts payable	72,826	28,035	100,861
Due to other funds	197,353	545,305	742,658
Long-term lease payable - current portion	-	69,875	69,875
Total current liabilities	270,179	643,215	913,394
Non-current liabilities			
Net pension liability	825,016	1,977,170	2,802,186
Total non-current liabilities	825,016	1,977,170	2,802,186
Total liabilities	1,095,195	2,620,385	3,715,580
DEFERRED INFLOW OF RESOURCES RELATED TO PENSIONS	50,192	144,394	194,586
NET POSITION			
Net investment in capital assets	1,054,233	373,457	1,427,690
Unrestricted (deficit)	(891,411)	(1,423,009)	(2,314,420)
Total net position	\$ 162,822	\$ (1,049,552)	\$ (886,730)

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, 2023

	BUSINESS-TYPE ACTIVITIES		
	Solid Waste Disposal	Emergency Medical Services	Total
Operating revenues			
Charges for services	\$ 510,174	\$ 1,682,898	\$ 2,193,072
Miscellaneous revenues	58,805	78,906	137,711
Total operating revenues	<u>568,979</u>	<u>1,761,804</u>	<u>2,330,783</u>
Operating expenses			
Personnel services	1,225,196	2,782,225	4,007,421
Contractual services	357,608	64,209	421,817
Utilities	30,802	29,455	60,257
Repairs and maintenance	205,928	166,871	372,799
Other supplies and expenses	157,607	161,706	319,313
Insurance claims and expenses	44,696	41,354	86,050
Depreciation	319,949	215,308	535,257
Bad debt expense	6,856	444,635	451,491
Total operating expenses	<u>2,348,642</u>	<u>3,905,763</u>	<u>6,254,405</u>
Operating (loss)	<u>(1,779,663)</u>	<u>(2,143,959)</u>	<u>(3,923,622)</u>
Non-operating revenues (expenses)			
Operating grants	-	3,129	3,129
Taxes	1,345,896	-	1,345,896
Total non-operating revenues (expenses)	<u>1,345,896</u>	<u>3,129</u>	<u>1,349,025</u>
Income (loss) before contributions and transfers	(433,767)	(2,140,830)	(2,574,597)
Transfers in (out)	<u>-</u>	<u>1,680,162</u>	<u>1,680,162</u>
Change in net position	(433,767)	(460,668)	(894,435)
Total net position - beginning of year	<u>596,589</u>	<u>(588,884)</u>	<u>7,705</u>
Total net position - end of year	<u>\$ 162,822</u>	<u>\$ (1,049,552)</u>	<u>\$ (886,730)</u>

MADISON COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	Solid Waste Disposal	Emergency Medical Services	Total
Cash flows from operating activities			
Receipts from customers	\$ 503,318	\$ 1,093,016	\$ 1,596,334
Payments to suppliers	(792,259)	(465,006)	(1,257,265)
Payments to employees	(1,097,665)	(2,527,166)	(3,624,831)
Other receipts (payments)	59,102	78,998	138,100
Net cash (used in) operating activities	<u>(1,327,504)</u>	<u>(1,820,158)</u>	<u>(3,147,662)</u>
Cash flows from noncapital financing activities			
Transfers from other funds	-	1,680,162	1,680,162
Subsidy from federal/state grants	-	3,129	3,129
Cash received from property and other taxes	1,345,896	-	1,345,896
Net cash provided by noncapital financing activities	<u>1,345,896</u>	<u>1,683,291</u>	<u>3,029,187</u>
Cash flows from capital and related financing activities			
Purchases of capital assets	-	(150,464)	(150,464)
Principal payments on long-term debt	-	(64,433)	(64,433)
Debt proceeds	-	134,308	134,308
Net cash (used in) capital and related financing activities	<u>-</u>	<u>(80,589)</u>	<u>(80,589)</u>
Cash flows from investing activities			
Proceeds from sales and maturities of investments, net	-	222,125	222,125
Purchase of investments, net	(33,667)	-	(33,667)
Net cash provided by (used in) investing activities	<u>(33,667)</u>	<u>222,125</u>	<u>188,458</u>
Net increase (decrease) in cash and cash equivalents	(15,275)	4,669	(10,606)
Cash and cash equivalents at beginning of year	<u>70,736</u>	<u>68,799</u>	<u>139,535</u>
Cash and cash equivalents at end of year	<u>\$ 55,461</u>	<u>\$ 73,468</u>	<u>\$ 128,929</u>
Reconciliation of net income (loss) to net cash provided by (used in) operating activities:			
Operating (loss)	\$ (1,779,663)	\$ (2,143,959)	\$ (3,923,622)
Depreciation	319,949	215,308	535,257
Bad debts	6,856	444,635	451,491
Change in assets and liabilities:			
(Increase) decrease in accounts receivable	(6,856)	(589,882)	(596,738)
(Increase) decrease deferred outflow of resources	(19,639)	(39,278)	(58,917)
Increase (decrease) in accounts payable	4,382	(1,411)	2,971
Increase (decrease) in due to other funds	297	92	389
Increase (decrease) net pension liability	167,567	335,133	502,700
Increase (decrease) deferred inflow of resources	(20,397)	(40,796)	(61,193)
Total adjustments	<u>452,159</u>	<u>323,801</u>	<u>775,960</u>
Net cash provided by (used in) operating activities	<u>\$ (1,327,504)</u>	<u>\$ (1,820,158)</u>	<u>\$ (3,147,662)</u>

There are no non-cash investing, capital, or financing activities.

See accompanying notes to financial statements.

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

ASSETS

Cash and cash equivalents	\$ 142,043
Accounts receivable	10,368
Investments	<u>142,336</u>
Total assets	<u>294,747</u>

LIABILITIES

Due to individuals and other funds	250,414
Due to other governmental units	<u>44,333</u>
Total liabilities	<u>294,747</u>

NET POSITION

Restricted	<u>-</u>
Total net position	<u>\$ -</u>

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

ADDITIONS	\$ 22,016,837
DEDUCTIONS	<u>22,016,837</u>
Net increase (decrease) in fiduciary net position	-
Net position - beginning	<u>-</u>
Net position - ending	<u><u>\$ -</u></u>

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

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.

Fund Financial Statements – 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 custodial funds. The custodial funds of the County primarily represent assets held by the County for other individuals or governments.

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.
- Capital Projects Fund – This fund accounts for the proceeds of specific capital related revenue sources to be used for the acquisition or construction of major capital projects.
- 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 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.
- Custodial Funds – These funds account for assets held by the County on behalf of individuals, private organizations and/or other governmental units.

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.

ENCUMBRANCES

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

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

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:

<u>Property</u>	<u>Estimated Useful Life</u>
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. 16, *Accounting for 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.

SUBSEQUENT EVENTS

Subsequent events were reviewed through April 30, 2024, which is the date the financial statements were available to be issued. See Note 14: Subsequent Event.

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, 2023, the carrying amount of the County's deposits was \$3,186,106 (includes fiduciary) and the bank balances were \$4,164,347. Deposits whose values exceed the limits of Federal depository insurance are entirely insured or collateralized pursuant to Chapter 280, Florida Statutes.

NOTE 2: *Deposits and Investments (continued)*

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, 2023, 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.

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.

NOTE 2: Deposits and Investments (continued)

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, 2023, Florida PRIME is rated by Standard and Poor’s and has a current rating of AAAM. As of September 30, 2023, FLGIT is rated by Fitch and has a current rating of AAAf. As of September 30, 2023, 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 35 days as of September 30, 2023. The dollar weighted average days to maturity for FLCLASS was 43 days as of September 30, 2023. The dollar weighted average maturity of FLGIT was 1.8 years as of September 30, 2023. 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, 2023, the County did not hold any investments that were considered to have a custodial credit risk.

As of September 30, 2023, the County maintained the following investment balances:

Investment	General Government	Fiduciary	Total
Florida local government investment trust (FLGIT)	\$ 1,553,506	\$ -	\$ 1,553,506
Local government surplus trust funds (SBA)	14,522,473	31,924	14,554,397
Florida Cooperative Liquid Assets Securities System (FLCLASS)	74,678	110,412	185,090
Total investment portfolio	\$ 16,150,657	\$ 142,336	\$ 16,292,993

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 9.8000 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

NOTE 3: *Property Taxes (continued)*

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, 2023.

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, 2023:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
General fund	County transportation trust	\$ 413,535
	Solid Waste	197,353
	Emergency medical services	545,305
	Other nonmajor funds	674,454
Capital projects	General fund	468,000
Emergency medical services	Other nonmajor funds	3,798
Other nonmajor funds	General fund	409
	Sheriff operating	292
	Capital projects	1,461,000
	Other nonmajor funds	<u>330,591</u>
Total		<u>\$ 4,094,737</u>

NOTE 4: *Interfund Transactions (continued)*

Operating transfers between funds during the year were as follows for the year ended September 30, 2023:

<u>Transfers in</u>	<u>Transfers out</u>	<u>Amount</u>
General fund	Other nonmajor funds	\$ 625,843
County transportation trust	Other nonmajor funds	351,718
Sheriff operating	Other nonmajor funds	8,550,259
Emergency medical services	General fund	1,093,739
	Other nonmajor funds	586,423
Other nonmajor funds	General fund	9,960,729
	Other nonmajor funds	<u>382,604</u>
Total		<u>\$ 21,551,315</u>

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NOTE 5: Changes in Capital Assets

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

	Balance October 01, 2022	Additions	Reductions	Adjustments*	Balance September 30, 2023
Governmental activities					
Capital assets,					
Not being depreciated:					
Land	\$ 2,000,600	\$ -	\$ (741)	\$ -	\$ 1,999,859
Work in progress	336,208	-	-	(106,691)	229,517
Total capital assets,					
Not being depreciated	<u>2,336,808</u>	<u>-</u>	<u>(741)</u>	<u>(106,691)</u>	<u>2,229,376</u>
Capital assets,					
Being depreciated:					
Buildings and improvements	30,804,015	-	(25,060)	-	30,778,955
Equipment	8,599,360	1,304,122	(346,427)	57,862	9,614,917
Infrastructure	73,594,756	1,745,355	(2,300)	106,691	75,444,502
Right-to-use leased equipment	1,497,418	209,385	(133,209)	-	1,573,594
Total capital assets,					
Being depreciated	<u>114,495,549</u>	<u>3,258,862</u>	<u>(506,996)</u>	<u>164,553</u>	<u>117,411,968</u>
Less accumulated depreciation for:					
Buildings and improvements	(26,355,868)	(310,987)	11,358	-	(26,655,497)
Equipment	(6,454,079)	(750,149)	213,529	(57,862)	(7,048,561)
Infrastructure	(21,648,652)	(2,318,756)	2,300	-	(23,965,108)
Right-to-use leased equipment	(408,074)	(399,297)	133,209	-	(674,162)
Total accumulated depreciation	<u>(54,866,673)</u>	<u>(3,779,189)</u>	<u>360,396</u>	<u>(57,862)</u>	<u>(58,343,328)</u>
Governmental activities					
Capital assets, net	<u>\$ 61,965,684</u>	<u>\$ (520,327)</u>	<u>\$ (147,341)</u>	<u>\$ -</u>	<u>\$ 61,298,016</u>
Business-type activities					
Capital assets,					
Being depreciated:					
Equipment	\$ 4,719,715	\$ 150,464	\$ (114,861)	\$ (57,862)	\$ 4,697,456
Less accumulated depreciation	<u>(2,837,357)</u>	<u>(535,257)</u>	<u>114,861</u>	<u>57,862</u>	<u>(3,199,891)</u>
Business-type activities					
Capital assets, net	<u>\$ 1,882,358</u>	<u>\$ (384,793)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,497,565</u>

*Adjustments reflect capital assets moved from work in progress into service during the fiscal year or transfers between funds.

NOTE 5: Changes in Capital Assets (continued)

Depreciation expense was charged to functions/programs as follows:

Governmental activities:	
General government	\$ 604,670
Public safety	1,398,300
Transportation and capital projects	<u>1,776,219</u>
Total depreciation	<u>\$ 3,779,189</u>
Business-type activities:	
Solid waste disposal	\$ 319,949
Emergency medical services	<u>215,308</u>
Total depreciation	<u>\$ 535,257</u>

NOTE 6: Leases

The County, as a lessee, has entered into various lease agreements involving equipment through fiscal year 2028. The lease agreements have interest rates ranging from 1.95% to 3.75%. The total of the County’s lease assets were recorded at a cost of \$1,573,594, less accumulated amortization of \$674,162.

REQUIREMENTS TO MATURITY

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

<u>September 30,</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 235,221	\$ 24,251
2025	198,218	21,874
2026	363,309	15,428
2027	<u>236,339</u>	<u>5,785</u>
	<u>\$ 1,033,087</u>	<u>\$ 67,338</u>

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:

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

NOTE 7: Long-Term Debt (continued)

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, 2023, the outstanding balance on the revolving loan fund amounted to \$865,467. 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, 2023, was \$333,425.

Road Paving – In 2019, the County obtained a loan from a local bank in the amount of \$3,750,000 to complete additional road paving projects. Interest is charged at the rate of The WSJ's Published Prime Lending Rate less 1.76% per annum. The interest rate shall be adjusted semiannually based on the stated rate on June 1 and December 1 of each year. This loan has been paid in full.

CHANGES IN LONG-TERM LIABILITIES

	Balance October 01, 2022	Additions*	Reductions	Balance September 30, 2023	Due Within One Year
<u>Governmental activities</u>					
Compensated absences	\$ 1,185,156	\$ 141,999	\$ -	\$ 1,327,155	\$ 259,053
DEP revolving loan fund	1,082,944	-	(217,477)	865,467	221,178
Auto and equipment loans	394,397	289,923	(420,770)	263,550	89,820
Lease liability	1,263,741	209,385	(440,039)	1,033,087	235,221
Bank loan	937,500	-	(937,500)	-	-
Net pension liability	13,553,555	4,544,859	(1,696,227)	16,402,187	-
Total	<u>\$ 18,417,293</u>	<u>\$ 5,186,166</u>	<u>\$ (3,712,013)</u>	<u>\$ 19,891,446</u>	<u>\$ 805,272</u>
	Balance October 01, 2022	Additions	Reductions	Balance September 30, 2023	Due Within One Year
<u>Business-type activities</u>					
Auto and equipment loans	\$ -	\$ 134,308	\$ (64,433)	\$ 69,875	\$ 69,875
Net pension liability	2,299,486	802,034	(299,334)	2,802,186	-
Total	<u>\$ 2,299,486</u>	<u>\$ 936,342</u>	<u>\$ (363,767)</u>	<u>\$ 2,872,061</u>	<u>\$ 69,875</u>
Total long-term debt	<u>\$ 20,716,779</u>	<u>\$ 6,122,508</u>	<u>\$ (4,075,780)</u>	<u>\$ 22,763,507</u>	<u>\$ 875,147</u>

*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 are as follows:

<u>September 30,</u>	<u>Principal</u>	<u>Interest</u>
2024	\$ 616,094	\$ 45,957
2025	478,539	35,031
2026	649,950	24,181
2027	<u>487,396</u>	<u>9,986</u>
	<u>\$ 2,231,979</u>	<u>\$ 115,155</u>

NOTE 8: Deficit Fund Equity

The following funds had a deficit fund balance for the year ended September 30, 2023:

Capital projects	\$ 128,224
Court Fund	127,749
Soil Conservation	6,615
DOJ Equitable Sharing Program	19
Emergency Medical Services	<u>1,049,552</u>
Total	<u>\$ 1,312,159</u>

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.

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

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.

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.

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

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.

Contributions – 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, 2022 through June 30, 2023, and from July 1, 2023, through September 30, 2023, respectively, were as follows: Regular—11.91% and 13.57%; Special Risk Administrative Support—38.65% and 39.82%; Special Risk—27.83% and 32.67%; Senior Management Service—31.57% and 34.52%; Elected Officers’—57.00% and 58.68%; and DROP participants—18.60% and 21.13%. These employer contribution rates include the 1.66% and 2.00% HIS Plan subsidy for the period October 1, 2022, through June 30, 2023, and July 1, 2023, through September 30, 2023, respectively.

The County’s contributions, including employee contributions, to the FRS Plan totaled \$1,953,530 for the fiscal year ended September 30, 2023.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2023, the County reported a liability of \$15,132,233 for its proportionate share of the FRS Plan’s net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The County’s proportionate share of the net pension liability was based on the County’s 2022-23 fiscal year contributions relative to the 2022-23 fiscal year contributions of all participating members. At June 30, 2023, the County's proportionate share was 0.03798 percent.

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NOTE 9: Florida Retirement System Retirement Plans (continued)

For the fiscal year ended September 30, 2023, the County recognized pension expense of \$1,183,394. 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	\$ 1,420,786	\$ -
Changes of assumptions	986,445	-
Net difference between projected and actual earnings on pension plan investments	631,963	-
Changes in proportion and differences between County contributions and proportionate share of contributions	1,174,359	(859,791)
County contributions subsequent to the measurement date	549,584	-
Total	\$ 4,763,137	\$ (859,791)

The deferred outflows of resources related to the FRS Plan, totaling \$549,584 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, 2023. 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:

<u>Year ended September 30:</u>	FRS Amount
2024	\$ 457,075
2025	(181,091)
2026	2,742,659
2027	260,530
2028	74,589
Total	\$ 3,353,762

Actuarial Assumptions – The total pension liability in the June 30, 2023, actuarial valuation was determined using the following actuarial assumption, applied to all periods included in the measurement:

Inflation	2.40%
Salary increases	3.25%, average, including inflation
Investment rate of return	6.70%, net of pension plan investment expense, including inflation

NOTE 9: Florida Retirement System Retirement Plans (continued)

Mortality assumptions for the FRS Pension Plan were based on the PUB-2010 base table, projected generationally with Scale MP-2018.

The most recent experience study for the FRS Pension Plan was completed in 2019 for the period July 1, 2013, through June 30, 2018.

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:

<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1.0%	2.9%	2.9%	1.1%
Fixed income	19.8%	4.5%	4.4%	3.4%
Global equity	54.0%	8.7%	7.1%	18.1%
Real estate (property)	10.3%	7.6%	6.6%	14.8%
Private equity	11.1%	11.9%	8.8%	26.3%
Strategic investments	3.8%	6.3%	6.1%	7.7%
Total	<u>100.00%</u>			
Assumed inflation - mean			2.4%	1.4%

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

Discount Rate – 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:

1% Decrease	Current Discount Rate	1% Increase
5.70%	6.70%	7.70%
\$ 25,848,936	\$ 15,132,233	\$ 6,166,429

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, 2023, 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, 2023, the HIS contribution for the period October 1, 2022, through June 30, 2023, was 1.66%, and the period July 1, 2023, through September 30, 2023 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 \$182,986 for the fiscal year ended September 30, 2023.

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, 2023, the County reported a liability of \$4,072,140 for its proportionate share of the HIS Plan’s net pension liability. The net pension liability was measured as of June 30, 2023, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The County’s proportionate share of the net pension liability was based on the County’s 2022-23 fiscal year contributions relative to the 2022-23 fiscal year contributions of all participating members. At June 30, 2023, the County's proportionate share was 0.02564 percent.

For the fiscal year ended September 30, 2023, the County recognized pension expense of \$1,367,202. 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	\$ 59,613	\$ (9,558)
Changes of assumptions	107,055	(352,865)
Net difference between projected and actual earnings on pension plan investments	2,103	-
Changes in proportion and differences between County contributions and proportionate share of contributions	215,633	(64,975)
County contributions subsequent to the measurement date	53,779	-
Total	<u>\$ 438,183</u>	<u>\$ (427,398)</u>

The deferred outflows of resources related to the HIS Plan, totaling \$53,779 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, 2023. 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
2024	\$ (7,512)
2025	(4,555)
2026	(7,578)
2027	(14,864)
2028	(7,873)
Thereafter	(612)
Total	<u>\$ (42,994)</u>

NOTE 9: Florida Retirement System Retirement Plans (continued)

Actuarial Assumptions – The total pension liability in the July 1, 2023, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Salary increases	3.25%, average, including inflation
Municipal bond rate	3.65%

Mortality assumptions for the HIS Pension Plan were based on the PUB-2010 base table, projected generationally with Scale MP-2018.

The most recent experience study for the HIS Pension Plan was completed in 2019 for the period July 1, 2013, through June 30, 2018.

The municipal rate used to determine total pension liability was increased from 3.54% to 3.65%.

Discount Rate – The discount rate used to measure the total pension liability was 3.65%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion 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 3.65%, 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 (2.65%) or one percentage point higher (4.65%) than the current rate:

1% Decrease	Current Discount Rate	1% Increase
2.65%	3.65%	4.65%
\$ 4,645,677	\$ 4,072,140	\$ 3,596,717

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.

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.

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

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 2022-23 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, 2023, 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, 2023, 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, 2023, 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, 2023, the escrow account had the following activity:

Balance October 1, 2022	\$ 149,816
Withdrawals	-
Net appreciation	<u>5,387</u>
Balance September 30, 2023	<u><u>\$ 155,203</u></u>

NOTE 13: *Proprietary Accounts Receivable*

At September 30, 2023, the accounts receivable for proprietary funds were as follows:

Accounts receivable	\$ 3,284,381
Less: allowance for doubtful accounts	<u>(2,745,726)</u>
Net accounts receivable	<u>\$ 538,655</u>

NOTE 14: *Subsequent Event*

During August 2023, the County's courthouse and recreation park were damaged by Hurricane Idalia. After September 30, 2023, the County received insurance proceeds to the General fund and Emergency Medical Service fund in the amounts of \$1,097,169 and \$219,969, respectively.

REQUIRED SUPPLEMENTARY INFORMATION

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

	2023	2022	2021	2020	2019
Madison County's proportion of the net pension liability	0.037975999%	0.035481185%	0.034778359%	0.036678485%	0.038153523%
Madison County's proportionate share of the net pension liability	\$ 15,132,233	\$ 13,201,852	\$ 2,627,110	\$ 15,896,996	\$ 13,139,541
Madison County's covered-employee payroll	10,940,111	9,856,125	8,969,221	8,340,816	8,311,581
Madison County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	138.32%	133.95%	29.29%	190.59%	158.09%
Plan fiduciary net position as a percentage of the total pension liability	82.38%	82.89%	96.40%	78.85%	82.61%
	2018	2017	2016	2015	2014
Madison County's proportion of the net pension liability	0.037631910%	0.037964192%	0.038502386%	0.03732349%	0.036984729%
Madison County's proportionate share of the net pension liability	\$ 11,334,926	\$ 11,229,553	\$ 9,721,883	\$ 4,820,829	\$ 2,256,612
Madison County's covered-employee payroll	7,961,781	7,895,237	7,969,600	7,682,991	7,728,650
Madison County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	142.37%	142.23%	121.99%	62.75%	29.20%
Plan fiduciary net position as a percentage of the total pension liability	84.26%	83.89%	84.88%	92.00%	96.09%

* The amounts presented for each fiscal year were determined as of 6/30.
No data is available for the previous year.

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

	2023	2022	2021	2020	2019
Contractually required contribution	\$ 1,953,530	\$ 1,581,228	\$ 1,374,268	\$ 1,208,821	\$ 1,203,140
Contributions in relation to the contractually required contribution	(1,953,530)	(1,581,228)	(1,374,268)	(1,208,821)	(1,203,140)
Contribution deficiency (excess)	-	-	-	-	-
Madison County's covered-employee payroll	\$ 10,940,111	\$ 9,856,125	\$ 8,969,221	\$ 8,340,816	\$ 8,311,581
Contributions as a percentage of covered-employee payroll	17.86%	16.04%	15.32%	14.49%	14.48%
	2018	2017	2016	2015	2014
Contractually required contribution	\$ 1,103,757	\$ 988,301	\$ 938,942	\$ 909,978	\$ 810,123
Contributions in relation to the contractually required contribution	(1,103,757)	(988,301)	(938,942)	(909,978)	(810,123)
Contribution deficiency (excess)	-	-	-	-	-
Madison County's covered-employee payroll	\$ 7,961,781	\$ 7,895,237	\$ 7,969,600	\$ 7,682,991	\$ 7,728,650
Contributions as a percentage of covered-employee payroll	13.86%	12.52%	11.78%	11.84%	10.48%

* The amounts presented for each fiscal year were determined as of 6/30.
No data is available for the previous year.

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

	2023	2022	2021	2020	2019
Madison County's proportion of the net pension liability	0.025641048%	0.025031056%	0.024049951%	0.023280271%	0.023721224%
Madison County's proportionate share of the net pension liability	\$ 4,072,140	\$ 2,651,189	\$ 2,950,088	\$ 2,842,483	\$ 2,654,168
Madison County's covered-employee payroll	10,940,111	9,856,125	8,969,221	8,340,816	8,311,581
Madison County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	37.22%	26.90%	32.89%	34.08%	31.93%
Plan fiduciary net position as a percentage of the total pension liability	4.12%	4.81%	3.56%	3.00%	2.63%
	2018	2017	2016	2015	2014
Madison County's proportion of the net pension liability	0.023691928%	0.024185596%	0.024699941%	0.02474772%	0.025449321%
Madison County's proportionate share of the net pension liability	\$ 2,507,580	\$ 2,586,036	\$ 2,878,676	\$ 2,523,878	\$ 2,379,574
Madison County's covered-employee payroll	7,961,781	7,895,237	7,969,600	7,682,991	7,728,650
Madison County's proportionate share of the net pension liability as a percentage of its covered-employee payroll	31.50%	32.75%	36.12%	32.85%	30.79%
Plan fiduciary net position as a percentage of the total pension liability	2.15%	1.64%	0.97%	0.50%	0.99%

* The amounts presented for each fiscal year were determined as of 6/30.
No data is available for the previous year.

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

	2023	2022	2021	2020	2019
Contractually required contribution	\$ 182,986	\$ 155,294	\$ 144,266	\$ 133,025	\$ 133,155
Contributions in relation to the contractually required contribution	(182,986)	(155,294)	(144,266)	(133,025)	(133,155)
Contribution deficiency (excess)	-	-	-	-	-
Madison County's covered-employee payroll	\$ 10,940,111	\$ 9,856,125	\$ 8,969,221	\$ 8,340,816	\$ 8,311,581
Contributions as a percentage of covered-employee payroll	1.67%	1.58%	1.61%	1.59%	1.60%
	2018	2017	2016	2015	2014
Contractually required contribution	\$ 128,833	\$ 127,603	\$ 126,603	\$ 94,601	\$ 87,181
Contributions in relation to the contractually required contribution	(128,833)	(127,603)	(126,603)	(94,601)	(87,181)
Contribution deficiency (excess)	-	-	-	-	-
Madison County's covered-employee payroll	\$ 7,961,781	\$ 7,895,237	\$ 7,969,600	\$ 7,682,991	\$ 7,728,650
Contributions as a percentage of covered-employee payroll	1.62%	1.62%	1.59%	1.23%	1.13%

* The amounts presented for each fiscal year were determined as of 6/30.
No data is available for the previous year.

MADISON COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>			Variance with Final Budget - Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Taxes	\$ 8,642,134	\$ 9,161,125	\$ 9,812,837	\$ 651,712
Licenses and permits	342,545	366,078	353,267	(12,811)
Intergovernmental	3,282,939	3,917,363	3,887,092	(30,271)
Charges for services	306,712	359,577	337,966	(21,611)
Fines and forfeitures	12,500	12,500	15,762	3,262
Interest revenue	31,960	304,421	342,777	38,356
Other	705,804	732,250	356,868	(375,382)
Total revenues	13,324,594	14,853,314	15,106,569	253,255
EXPENDITURES				
General government	1,186,896	1,780,696	1,750,790	29,906
Public safety	421,547	437,807	427,589	10,218
Physical environment	176,760	179,260	172,001	7,259
Economic environment	84,386	256,886	253,037	3,849
Human services	582,520	601,520	449,418	152,102
Culture/recreation	943,527	1,001,139	993,924	7,215
Debt service				
Principal	8,851	8,851	4,917	3,934
Interest	-	-	681	(681)
Capital outlay	15,000	24,260	20,843	3,417
Total expenditures	3,419,487	4,290,419	4,073,200	217,219
Excess (deficiency) of revenues over (under) expenditures	9,905,107	10,562,895	11,033,369	470,474
OTHER FINANCING SOURCES (USES)				
Transfers in	100,000	625,843	625,843	-
Transfers (out)	(10,005,107)	(11,188,738)	(11,054,468)	134,270
Total other financing sources (uses)	(9,905,107)	(10,562,895)	(10,428,625)	134,270
Net changes in fund balances	-	-	604,744	604,744
Fund balances - beginning	-	-	5,470,297	5,470,297
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,075,041</u>	<u>\$ 6,075,041</u>

See accompanying notes to financial statements.

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, 2023

	<u>Budgeted Amounts</u>			Variance with Final Budget - Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Taxes	\$ 1,599,007	\$ 1,599,007	\$ 1,637,400	\$ 38,393
Licenses and permits	3,100	3,100	3,615	515
Intergovernmental	688,118	688,118	732,858	44,740
Charges for services	9,447	9,447	10,072	625
Interest revenue	5,050	5,050	198,470	193,420
Other	226,114	226,114	123,655	(102,459)
Total revenues	2,530,836	2,530,836	2,706,070	175,234
EXPENDITURES				
Transportation	2,317,203	2,317,203	2,306,184	11,019
Debt service				
Principal	492,035	492,035	492,035	-
Interest	45,816	45,816	45,816	-
Capital outlay	236,885	236,885	236,885	-
Total expenditures	3,091,939	3,091,939	3,080,920	11,019
Excess (deficiency) of revenues over (under) expenditures	(561,103)	(561,103)	(374,850)	186,253
OTHER FINANCING SOURCES (USES)				
Transfers in	351,718	351,718	351,718	-
Leases (as lessee)	209,385	209,385	209,385	-
Total other financing sources	561,103	561,103	561,103	-
Net changes in fund balances	-	-	186,253	186,253
Fund balances - beginning	-	-	2,732,483	2,732,483
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,918,736</u>	<u>\$ 2,918,736</u>

See accompanying notes to financial statements.

MADISON COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL
SHERIFF - OPERATING FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>			Variance with Final Budget - Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
Total revenues	-	-	-	-
EXPENDITURES				
Current				
Public safety	7,866,405	8,420,698	8,034,447	386,251
Debt service				
Principal	145,765	145,765	363,857	(218,092)
Interest	2,215	2,215	2,215	-
Capital outlay	289,923	289,923	439,663	(149,740)
Total expenditures	8,304,308	8,858,601	8,840,182	18,419
Excess (deficiency) of revenues over (under) expenditures	(8,304,308)	(8,858,601)	(8,840,182)	18,419
OTHER FINANCING SOURCES (USES)				
Transfers in	8,014,385	8,568,678	8,550,259	(18,419)
Proceeds from debt financing	289,923	289,923	289,923	-
Total other financing sources (uses)	8,304,308	8,858,601	8,840,182	(18,419)
Net changes in fund balances	-	-	-	-
Fund balances - beginning	-	-	4,119	4,119
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,119</u>	<u>\$ 4,119</u>

See accompanying notes to financial statements.

MADISON COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL
CAPITAL PROJECTS FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>			Variance with Final Budget - Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Intergovernmental	\$ 4,890,834	\$ 4,890,834	\$ 1,746,000	\$ (3,144,834)
Total revenues	<u>4,890,834</u>	<u>4,890,834</u>	<u>1,746,000</u>	<u>(3,144,834)</u>
EXPENDITURES				
Capital outlay	<u>4,890,834</u>	<u>4,890,834</u>	<u>1,745,355</u>	<u>3,145,479</u>
Total expenditures	<u>4,890,834</u>	<u>4,890,834</u>	<u>1,745,355</u>	<u>3,145,479</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>645</u>	<u>645</u>
Net changes in fund balances	-	-	645	645
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>(128,869)</u>	<u>(128,869)</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (128,224)</u>	<u>\$ (128,224)</u>

MADISON COUNTY, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL
CARES ACT FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>		Actual	Variance with Final Budget - Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Intergovernmental	\$ -	\$ 2,406,333	\$ 2,451,784	\$ 45,451
Interest revenue	-	46,000	46,939	939
Total revenues	-	2,452,333	2,498,723	46,390
EXPENDITURES				
Current				
General government	-	237,570	237,021	549
Economic environment	-	1,500,000	1,500,000	-
Capital outlay	-	714,763	714,763	-
Total expenditures	-	2,452,333	2,451,784	549
Excess (deficiency) of revenues over (under) expenditures	-	-	46,939	46,939
Net changes in fund balances	-	-	46,939	46,939
Fund balances - beginning	-	-	818,398	818,398
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 865,337</u>	<u>\$ 865,337</u>

SUPPLEMENTAL INFORMATION

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

	Special Revenue Funds					
	Tourist Development	Fire	DOJ Equitable Sharing Program	State Confiscations Trust	E911	Law Enforcement & Corrections
ASSETS						
Cash	\$ 36,182	\$ 6,976	\$ -	\$ 4,224	\$ 75,574	\$ 1,678
Accounts receivable	-	-	-	-	-	-
Due from other funds	-	239	-	-	96	118,700
Due from other governmental units	12,684	-	-	-	-	80,175
Investments	377,911	297,784	177	16,680	104,237	729
Prepaid items	-	42,832	-	-	-	-
Total assets	\$ 426,777	\$ 347,831	\$ 177	\$ 20,904	\$ 179,907	\$ 201,282
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ -	\$ 17,020	\$ -	\$ -	\$ 73	\$ 964
Due to other funds	236	-	196	311	3,798	191,725
Due to other governmental units	-	-	-	-	-	-
Deferred income	-	-	-	-	-	-
Total liabilities	236	17,020	196	311	3,871	192,689
Fund balances						
Nonspendable	-	42,832	-	-	-	-
Restricted	426,541	287,979	-	20,593	176,036	8,593
Assigned	-	-	-	-	-	-
Unassigned	-	-	(19)	-	-	-
Total fund balances	426,541	330,811	(19)	20,593	176,036	8,593
Total liabilities and fund balances	\$ 426,777	\$ 347,831	\$ 177	\$ 20,904	\$ 179,907	\$ 201,282

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

	Special Revenue Funds					
	Emergency Management	SHIP Program	Recycling	Property Appraiser	Supervisor of Elections	Tax Collector
ASSETS						
Cash	\$ 35,807	\$ 181	\$ -	\$ 16,674	\$ 38	\$ 869
Accounts receivable	-	-	-	404	-	746
Due from other funds	88	-	-	-	-	-
Due from other governmental units	-	-	-	-	-	-
Investments	51,641	659,650	27,301	-	-	-
Prepaid items	-	-	-	80	29,972	-
Total assets	\$ 87,536	\$ 659,831	\$ 27,301	\$ 17,158	\$ 30,010	\$ 1,615
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 1,706	\$ -	\$ -	\$ -	\$ -	\$ 150
Due to other funds	68,922	-	-	17,158	30,010	1,465
Due to other governmental units	-	-	-	-	-	-
Deferred income	-	652,549	-	-	-	-
Total liabilities	70,628	652,549	-	17,158	30,010	1,615
Fund balances						
Nonspendable	-	-	-	80	29,972	-
Restricted	16,908	7,282	27,301	-	-	-
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	(80)	(29,972)	-
Total fund balances	16,908	7,282	27,301	-	-	-
Total liabilities and fund balances	\$ 87,536	\$ 659,831	\$ 27,301	\$ 17,158	\$ 30,010	\$ 1,615

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

	Special Revenue Funds					
	Clerk of the Circuit Court	Landfill Closure	Court Technology Modernization	Public Records Modernization	Court Fund	Soil Conservation
ASSETS						
Cash	\$ 15,045	\$ 80	\$ 11,638	\$ 6,905	\$ 82,518	\$ 19,097
Accounts receivable	-	-	-	-	-	-
Due from other funds	180,698	-	234	-	18	-
Due from other governmental units	2,817	-	-	-	-	9,464
Investments	282,181	473,421	92,118	131,953	204,500	2,113
Prepaid items	5,245	-	-	-	-	-
Total assets	\$ 485,986	\$ 473,501	\$ 103,990	\$ 138,858	\$ 287,036	\$ 30,674
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 452,797	\$ 16,858	\$ -	\$ -	\$ 99,717	\$ 1,768
Due to other funds	27,671	303,367	-	27	211,731	35,521
Due to other governmental units	5,518	-	-	-	103,337	-
Deferred income	-	-	-	-	-	-
Total liabilities	485,986	320,225	-	27	414,785	37,289
Fund balances						
Nonspendable	5,245	-	-	-	-	-
Restricted	-	-	103,990	138,831	-	-
Assigned	-	153,276	-	-	-	-
Unassigned	(5,245)	-	-	-	(127,749)	(6,615)
Total fund balances	-	153,276	103,990	138,831	(127,749)	(6,615)
Total liabilities and fund balances	\$ 485,986	\$ 473,501	\$ 103,990	\$ 138,858	\$ 287,036	\$ 30,674

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

	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	\$ 6,111	\$ 1,551	\$ 18,949	\$ 4,621	\$ 72,994
Accounts receivable	-	-	-	-	-	-
Due from other funds	-	253	1,275	5,998	1,570	-
Due from other governmental units	-	-	-	-	-	39,842
Investments	1,950	592	12,914	51,830	12,286	212,614
Prepaid items	-	-	-	-	-	-
Total assets	\$ 2,079	\$ 6,956	\$ 15,740	\$ 76,777	\$ 18,477	\$ 325,450
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	6,000	-	50,000	-	-
Due to other governmental units	-	-	-	-	-	-
Deferred income	-	-	-	-	-	-
Total liabilities	-	6,000	-	50,000	-	-
Fund balances						
Nonspendable	-	-	-	-	-	-
Restricted	2,079	956	15,740	26,777	18,477	325,450
Assigned	-	-	-	-	-	-
Unassigned	-	-	-	-	-	-
Total fund balances	2,079	956	15,740	26,777	18,477	325,450
Total liabilities and fund balances	\$ 2,079	\$ 6,956	\$ 15,740	\$ 76,777	\$ 18,477	\$ 325,450

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

	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	\$ 53,685	\$ 1,544	\$ 13,994	\$ 1,006	\$ 201	\$ 76,269
Accounts receivable	-	-	-	-	-	-
Due from other funds	19,219	1,788	1,042	1,461,000	-	-
Due from other governmental units	-	-	-	76,259	-	26,296
Investments	9,638	33,009	100,137	324,632	57,821	404,353
Prepaid items	-	-	-	-	-	-
Total assets	\$ 82,542	\$ 36,341	\$ 115,173	\$ 1,862,897	\$ 58,022	\$ 506,918
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 5,098	\$ 7,752	\$ 945	\$ -	\$ -	\$ -
Due to other funds	60,705	-	-	-	-	-
Due to other governmental units	-	-	-	-	-	-
Deferred income	-	-	-	-	-	-
Total liabilities	65,803	7,752	945	-	-	-
Fund balances						
Nonspendable	-	-	-	-	-	-
Restricted	16,739	28,589	114,228	1,862,897	58,022	-
Assigned	-	-	-	-	-	506,918
Unassigned	-	-	-	-	-	-
Total fund balances	16,739	28,589	114,228	1,862,897	58,022	506,918
Total liabilities and fund balances	\$ 82,542	\$ 36,341	\$ 115,173	\$ 1,862,897	\$ 58,022	\$ 506,918

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

	Special Revenue Funds		
	Hospital Surtax	Small County Surtax	Total
ASSETS			
Cash	\$ 50	\$ 250,737	\$ 815,327
Accounts receivable	-	-	1,150
Due from other funds	-	74	1,792,292
Due from other governmental units	46,792	93,585	387,914
Investments	1,208,547	2,014,964	7,167,683
Prepaid items	-	-	78,129
Total assets	\$ 1,255,389	\$ 2,359,360	\$ 10,242,495
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ -	\$ 42,748	\$ 647,596
Due to other funds	-	-	1,008,843
Due to other governmental units	-	-	108,855
Deferred income	-	-	652,549
Total liabilities	-	42,748	2,417,843
Fund balances			
Nonspendable	-	-	78,129
Restricted	1,255,389	2,316,612	7,256,009
Assigned	-	-	660,194
Unassigned	-	-	(169,680)
Total fund balances	1,255,389	2,316,612	7,824,652
Total liabilities and fund balances	\$ 1,255,389	\$ 2,359,360	\$ 10,242,495

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

	Special Revenue Funds					
	Tourist Development	Fire	DOJ Equitable Sharing Program	State Confiscations Trust	E911	Law Enforcement & Corrections
REVENUES						
Taxes	\$ 234,898	\$ 646,010	\$ -	\$ -	\$ -	\$ -
Intergovernmental	-	99,668	-	-	67,489	352,518
Charges for services	-	-	-	-	153,350	376,968
Fines and forfeitures	-	-	-	19,860	-	-
Interest revenue	14,240	-	8	3,452	-	305
Other	202	47,861	-	-	-	96
Total revenues	249,340	793,539	8	23,312	220,839	729,887
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Public safety	-	1,026,219	132	160	116,568	218
Physical environment	-	-	-	-	-	-
Economic environment	148,513	-	-	-	-	-
Human services	-	-	-	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	32,835	-	-	-	-
Total expenditures	148,513	1,059,054	132	160	116,568	218
Excess (deficiency) of revenues Over (under) expenditures	100,827	(265,515)	(124)	23,152	104,271	729,669
OTHER FINANCING SOURCES (USES)						
Transfers in	-	5,000	-	-	-	7,774,231
Transfers (out)	-	(24,924)	-	(17,034)	(74,975)	(8,498,793)
Total other financing sources (uses)	-	(19,924)	-	(17,034)	(74,975)	(724,562)
Net changes in fund balances	100,827	(285,439)	(124)	6,118	29,296	5,107
Fund balances - beginning	325,714	616,250	105	14,475	146,740	3,486
Fund balances - ending	\$ 426,541	\$ 330,811	\$ (19)	\$ 20,593	\$ 176,036	\$ 8,593

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

	Special Revenue Funds					
	Emergency Management	SHIP Program	Recycling	Property Appraiser	Supervisor of Elections	Tax Collector
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	149,614	267,905	93,750	-	-	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Interest revenue	-	21,145	-	-	-	11
Other	3,008	-	-	-	1,809	-
Total revenues	152,622	289,050	93,750	-	1,809	11
EXPENDITURES						
Current						
General government	-	-	-	924,291	551,851	633,043
Public safety	186,939	-	-	-	-	-
Physical environment	-	-	93,750	-	-	-
Economic environment	-	289,050	-	-	-	-
Human services	-	-	-	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	-	-	-	7,926	-	-
Total expenditures	186,939	289,050	93,750	932,217	551,851	633,043
Excess (deficiency) of revenues						
Over (under) expenditures	(34,317)	-	-	(932,217)	(550,042)	(633,032)
OTHER FINANCING SOURCES (USES)						
Transfers in	45,000	-	-	924,572	550,042	633,032
Transfers (out)	-	-	-	-	-	-
Total other financing sources (uses)	45,000	-	-	924,572	550,042	633,032
Net changes in fund balances	10,683	-	-	(7,645)	-	-
Fund balances - beginning	6,225	7,282	27,301	7,645	-	-
Fund balances - ending	\$ 16,908	\$ 7,282	\$ 27,301	\$ -	\$ -	\$ -

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

	Special Revenue Funds					
	Clerk of the Circuit Court	Landfill Closure	Court Technology Modernization	Public Records Modernization	Court Fund	Soil Conservation
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Intergovernmental	20,736	-	-	-	518	78,603
Charges for services	84,275	-	23,615	8,189	393,189	-
Fines and forfeitures	-	-	-	-	167,398	-
Interest revenue	34,949	5,388	-	-	-	-
Other	3,981	-	-	-	116,411	-
Total revenues	143,941	5,388	23,615	8,189	677,516	78,603
EXPENDITURES						
Current						
General government	506,513	-	4,044	-	604,560	-
Public safety	-	-	-	-	-	-
Physical environment	-	21,941	-	-	-	78,434
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Debt service						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Capital outlay	6,032	-	-	-	-	-
Total expenditures	512,545	21,941	4,044	-	604,560	78,434
Excess (deficiency) of revenues						
Over (under) expenditures	(368,604)	(16,553)	19,571	8,189	72,956	169
OTHER FINANCING SOURCES (USES)						
Transfers in	368,604	-	-	-	-	-
Transfers (out)	-	-	-	-	-	-
Total other financing sources (uses)	368,604	-	-	-	-	-
Net changes in fund balances	-	(16,553)	19,571	8,189	72,956	169
Fund balances - beginning	-	169,829	84,419	130,642	(200,705)	(6,784)
Fund balances - ending	\$ -	\$ 153,276	\$ 103,990	\$ 138,831	\$ (127,749)	\$ (6,615)

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

	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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 438,575
Intergovernmental	-	-	-	-	-	-
Charges for services	-	5,902	12,683	-	15,521	-
Fines and forfeitures	-	-	-	63,724	-	-
Interest revenue	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total revenues	-	5,902	12,683	63,724	15,521	438,575
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Public safety	-	-	14,846	4,778	19,767	-
Physical environment	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Debt service						
Principal	-	-	-	-	-	468,750
Interest	-	-	-	-	-	11,814
Capital outlay	-	-	-	-	-	-
Total expenditures	-	-	14,846	4,778	19,767	480,564
Excess (deficiency) of revenues						
Over (under) expenditures	-	5,902	(2,163)	58,946	(4,246)	(41,989)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	-	-	-
Transfers (out)	-	(5,000)	-	(46,432)	-	-
Total other financing sources (uses)	-	(5,000)	-	(46,432)	-	-
Net changes in fund balances	-	902	(2,163)	12,514	(4,246)	(41,989)
Fund balances - beginning	2,079	54	17,903	14,263	22,723	367,439
Fund balances - ending	\$ 2,079	\$ 956	\$ 15,740	\$ 26,777	\$ 18,477	\$ 325,450

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

	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	-	-	-	876,676	-	415,820
Charges for services	194,554	23,174	20,875	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Interest revenue	-	-	-	-	-	-
Other	-	-	-	-	-	-
Total revenues	194,554	23,174	20,875	876,676	-	415,820
EXPENDITURES						
Current						
General government	59,604	68,853	7,788	-	-	-
Public safety	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Human services	-	-	-	-	-	-
Debt service						
Principal	-	-	-	468,750	-	-
Interest	-	-	-	10,539	-	-
Capital outlay	-	-	-	-	-	54,560
Total expenditures	59,604	68,853	7,788	479,289	-	54,560
Excess (deficiency) of revenues Over (under) expenditures	134,950	(45,679)	13,087	397,387	-	361,260
OTHER FINANCING SOURCES (USES)						
Transfers in	-	42,852	-	-	-	-
Transfers (out)	(140,705)	-	-	(351,718)	-	(225,000)
Total other financing sources (uses)	(140,705)	42,852	-	(351,718)	-	(225,000)
Net changes in fund balances	(5,755)	(2,827)	13,087	45,669	-	136,260
Fund balances - beginning	22,494	31,416	101,141	1,817,228	58,022	370,658
Fund balances - ending	\$ 16,739	\$ 28,589	\$ 114,228	\$ 1,862,897	\$ 58,022	\$ 506,918

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

	Special Revenue Funds		
	Hospital Surtax	Small County Surtax	Total
REVENUES			
Taxes	\$ 981,136	\$ 1,962,273	\$ 4,262,892
Intergovernmental	-	-	2,423,297
Charges for services	-	-	1,312,295
Fines and forfeitures	-	-	250,982
Interest revenue	71,070	119,073	269,641
Other	275,756	76	449,200
Total revenues	1,327,962	2,081,422	8,968,307
EXPENDITURES			
Current			
General government	-	224,858	3,585,405
Public safety	-	-	1,369,627
Physical environment	-	-	194,125
Economic environment	-	-	437,563
Human services	1,163,259	-	1,163,259
Debt service			
Principal	-	217,477	1,154,977
Interest	-	18,146	40,499
Capital outlay	-	-	101,353
Total expenditures	1,163,259	460,481	8,046,808
Excess (deficiency) of revenues Over (under) expenditures	164,703	1,620,941	921,499
OTHER FINANCING SOURCES (USES)			
Transfers in	-	-	10,343,333
Transfers (out)	-	(1,112,266)	(10,496,847)
Total other financing sources (uses)	-	(1,112,266)	(153,514)
Net changes in fund balances	164,703	508,675	767,985
Fund balances - beginning	1,090,686	1,807,937	7,056,667
Fund balances - ending	\$ 1,255,389	\$ 2,316,612	\$ 7,824,652

COMPLIANCE SECTION

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

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, 2023, 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 April 30, 2024.

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 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.

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. 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 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*.

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, PC

Tallahassee, Florida
April 30, 2024

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, 2023. 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, 2023.

Basis for Opinion on Each Major Federal Program and State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (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

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

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

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

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

Lanigan & Associates, PC

Tallahassee, Florida
April 30, 2024

MADISON COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Federal/State Agency Pass-through Entity Federal Program/State Project	Federal Assistance Listing or CFSA No.	Contract Grant No.	Expenditures
FEDERAL AWARDS			
<u>U.S. Department of Housing and Urban Development</u>			
Pass through Florida Department Economic Opportunity Community Development Block Grant	14.228	22DB-OP-03-50-01-H08	\$ 172,441
<u>U.S. Department of Justice</u>			
Pass through Bureau of Advocacy Crime Victim Assistance	16.575	VOCA 2021	59,898
Pass through Florida Department of Law Enforcement Edward Byrne Memorial Justice Grant Program	16.738	15PBJA-22-GG-00656-MUMU	55,726
Total U.S. Department of Justice			<u>115,624</u>
<u>U.S. Department of Transportation</u>			
Pass through Florida Department of Transportation State and Community Highway Safety	20.600	G2E97	<u>22,692</u>
<u>U.S. Department of Treasury</u>			
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	1505-0271	<u>2,450,525</u>
<u>Election Assistance Commission</u>			
Pass through Florida Department of State 2018 HAVA Election Security Grants	90.404	22.e.es.300.039	<u>66,444</u>
<u>U.S. Department of Health and Human Services</u>			
Administration for Children and Families Pass through Florida Department of Revenue Child Support Reimbursement	93.563	COC40	<u>20,736</u>
<u>U.S. Department of Homeland Security</u>			
Pass through Florida Division of Emergency Management Emergency Management Performance Grant	97.042	G0237	<u>43,808</u>
Total Expenditures of Federal Awards			<u>\$ 2,892,270</u>
STATE FINANCIAL ASSISTANCE			
<u>Florida Division of Emergency Management</u>			
Emergency Management Preparedness and Assistance Grant	31.063	A0204	<u>\$ 105,806</u>
<u>Department of Environmental Protection</u>			
Small County Consolidated Grants	37.012	SC222	<u>93,750</u>
<u>Florida Department of Commerce</u>			
Growth Management Implementation Grant	40.024	PO457	<u>65,000</u>
<u>Florida Housing Finance Corporation</u>			
State Housing Initiatives Partnership (SHIP) Program	40.901	GAA	<u>289,050</u>

MADISON COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

Florida Department of Agriculture and Consumer Services

Mosquito Control	42.003	27456	\$ 29,239
Volunteer Firefighter Cost Share	N/A	N/A	<u>21,501</u>
Total Florida Department of Agriculture and Consumer Services			<u>50,740</u>

Florida Department of Financial Services

Volunteer Firefighter Grant Assistance Program	43.006	FM750	49,700
Local Government Fire Service Grants Equipment/Training Materials	43.010	FM705	28,527
Fire Decontamination Equipment Grant Project	43.013	FM763	4,091
Total Florida Department of Financial Services			<u>82,318</u>

Florida Department of State

State Aid to Libraries	45.030	22-ST-82	<u>257,612</u>
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Florida Department of Education

Coach Aaron Feis Guardian Program	48.140	90R-90210-3D001	<u>59,889</u>
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Florida Department of Transportation

Small County Road Assistance Program	55.016	441327-1-54-01	1,725,130
Small County Road Assistance Program	55.016	439672-1-54-01	1,500
Small County Road Assistance Program	55.016	438208-1-54-01	18,725
Total Florida Department of Transportation			<u>1,745,355</u>

Florida Department of Health

County Grant Awards	64.005	C8040	<u>3,129</u>
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Florida Department of Management Services

Wireless 911 Emergency Telephone System	72.001	19-04-25	<u>67,489</u>
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Florida Department of Juvenile Justice

Delinquency Prevention	80.029	10670	<u>154,313</u>
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Total Expenditures of State Financial Assistance			<u>\$ 2,974,451</u>
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MADISON COUNTY, FLORIDA
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2023

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, 2023. 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). 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 balance sheet, changes in fund balances, 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 10 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, 2023

SECTION I - SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued:	<u>Unmodified</u>
Internal Control over Financial Reporting:	
Material weakness(es) identified?	<u> </u> Yes <u> X </u> No
Significant deficiency(ies) identified?	<u> </u> Yes <u> X </u> None Reported
Noncompliance material to financial statements noted?	<u> </u> Yes <u> X </u> No

Federal Awards

Internal Control over Major Federal Programs:	
Material weakness(es) identified?	<u> </u> Yes <u> X </u> No
Significant deficiency(ies) identified?	<u> </u> Yes <u> X </u> None Reported
Type of auditor's report issued on compliance for major federal programs:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	<u> </u> Yes <u> X </u> No
Identification of major federal programs:	
Assistance Listing Number(s)	Name of Federal Program or Cluster
21.027	Coronavirus State and Local Fiscal Recovery Funds
Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$750,000</u>
Auditee qualified as a low-risk auditee?	<u> X </u> Yes <u> </u> No

MADISON COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

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

State Projects

Internal Control over Major State Projects:	
Material weakness(es) identified?	_____ Yes <u> X </u> No
Significant deficiency(ies) identified?	_____ Yes <u> X </u> None Reported
Type of auditor's report issued on compliance for major state projects:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with Chapter 10.557, Rules of the Auditor General?	_____ Yes <u> X </u> No
Identification of major state projects:	
CSFA Numbers	Name of State Project
55.016	Small County Road Assistance Program
40.901	State Housing Initiatives Partnership (SHIP) Program
Dollar threshold used to distinguish between Type A and Type B programs:	<u>\$750,000</u>

MADISON COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

SECTION II - SCHEDULE OF FINANCIAL STATEMENT FINDINGS

None noted.

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

None noted.

MADISON COUNTY, FLORIDA
SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2023

SCHEDULE OF PRIOR YEAR FINANCIAL STATEMENT FINDINGS

None noted.

FEDERAL AWARD PRIOR YEAR FINDINGS AND QUESTIONED COSTS

None noted.

STATE PROJECT PRIOR YEAR FINDINGS AND QUESTIONED COSTS

None noted.

**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, 2023, and have issued our report thereon dated April 30, 2024.

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 April 30, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and communicate the results of our determination as to whether or not 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. In connection with our audit, we did not have any such recommendations.

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 abuse, that have occurred, or are likely to have occurred, that have 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.

Honorable Board of County Commissioners and Constitutional Officers
County-Wide Management Letter
April 30, 2024

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, PC

Tallahassee, Florida
April 30, 2024

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, 2023. 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, 2023.

Lanigan & Associates, PC

Tallahassee, Florida
April 30, 2024

**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, 2023. 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, 2023.

Lanigan & Associates, PC

Tallahassee, Florida
April 30, 2024

**Special Purpose
Financial Statements**

**Madison County, Florida
Clerk of the Circuit Court and Comptroller**



**Year Ended September 30, 2023
with Independent Auditor's Report**

Madison County, Florida
Clerk of the Circuit Court and Comptroller

Special Purpose Financial Statements

Year Ended September 30, 2023

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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, 2023, 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 each major fund and the aggregate remaining fund information of the Clerk as of September 30, 2023, 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, 2023, 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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 April 30, 2024, 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, PC

Tallahassee, Florida
April 30, 2024

MADISON COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023

	Major Funds				Total Governmental Funds
	General	Court Fund	Public Records Modernization	Court Technology Modernization	
ASSETS					
Cash	\$ 15,045	\$ 82,518	\$ 6,905	\$ 11,638	\$ 116,106
Investments	282,181	204,500	131,953	92,118	710,752
Due from other funds	180,698	18	-	234	180,950
Due from other governmental units	2,817	-	-	-	2,817
Prepaid items	5,245	-	-	-	5,245
Total assets	\$ 485,986	\$ 287,036	\$ 138,858	\$ 103,990	\$ 1,015,870
LIABILITIES AND FUND BALANCE					
Liabilities					
Accounts payable	\$ 452,797	\$ 99,717	\$ -	\$ -	\$ 552,514
Due to other funds	27,671	211,731	27	-	239,429
Due to other governments	5,518	103,337	-	-	108,855
Total liabilities	485,986	414,785	27	-	900,798
Fund balance					
Nonspendable	5,245	-	-	-	5,245
Restricted	-	-	138,831	103,990	242,821
Unassigned	(5,245)	(127,749)	-	-	(132,994)
Total fund balance	-	(127,749)	138,831	103,990	115,072
Total liabilities and fund balance	\$ 485,986	\$ 287,036	\$ 138,858	\$ 103,990	\$ 1,015,870

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, 2023

	Major Funds				Total Governmental Funds
	General	Court Fund	Public Records Modernization	Court Technology Modernization	
REVENUES					
Intergovernmental	\$ 20,736	\$ 518	\$ -	\$ -	\$ 21,254
Charges for services	84,275	393,189	8,189	23,615	509,268
Fines and forfeitures	-	167,398	-	-	167,398
Interest revenue	34,949	-	-	-	34,949
Other	3,981	116,411	-	-	120,392
Total revenues	143,941	677,516	8,189	23,615	853,261
EXPENDITURES					
Current					
General government	506,513	604,560	-	4,044	1,115,117
Capital Outlay	6,032	-	-	-	6,032
Total expenditures	512,545	604,560	-	4,044	1,121,149
Excess (deficiency) of revenues over (under) expenditures	(368,604)	72,956	8,189	19,571	(267,888)
OTHER FINANCING SOURCES					
Transfers in	368,604	-	-	-	368,604
Total other financing sources	368,604	-	-	-	368,604
Net changes in fund balances	-	72,956	8,189	19,571	100,716
Fund balances - beginning	-	(200,705)	130,642	84,419	14,356
Fund balances - ending	\$ -	\$ (127,749)	\$ 138,831	\$ 103,990	\$ 115,072

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, 2023

	<u>Budgeted Amounts</u>			Variance with Final Budget - Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Intergovernmental	\$ 15,861	\$ 20,761	\$ 20,736	\$ (25)
Charges for services	85,377	93,900	84,275	(9,625)
Interest revenue	50	50	34,949	34,899
Other	4,000	4,000	3,981	(19)
Total revenues	105,288	118,711	143,941	25,230
EXPENDITURES				
Current				
General government	499,523	512,946	506,513	6,433
Capital Outlay	-	-	6,032	(6,032)
Total expenditures	499,523	512,946	512,545	401
(Deficiency) of revenues (under) expenditures	(394,235)	(394,235)	(368,604)	25,631
OTHER FINANCING SOURCES				
Transfers in	394,235	394,235	368,604	(25,631)
Total other financing sources	394,235	394,235	368,604	(25,631)
Net changes in fund balances	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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, 2023

	<u>Budgeted Amounts</u>			Variance with Final Budget - Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 518	\$ 518
Charges for services	313,700	313,700	393,189	79,489
Fines and forfeitures	133,700	133,700	167,398	33,698
Other	127,847	127,847	116,411	(11,436)
Total revenues	<u>575,247</u>	<u>575,247</u>	<u>677,516</u>	<u>102,269</u>
EXPENDITURES				
Current				
General government	<u>575,247</u>	<u>575,247</u>	<u>604,560</u>	<u>(29,313)</u>
Total expenditures	<u>575,247</u>	<u>575,247</u>	<u>604,560</u>	<u>(29,313)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>72,956</u>	<u>72,956</u>
Net changes in fund balances	-	-	72,956	72,956
Fund balances - beginning	<u>-</u>	<u>-</u>	<u>(200,705)</u>	<u>(200,705)</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (127,749)</u>	<u>\$ (127,749)</u>

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, 2023

	<u>Budgeted Amounts</u>			Variance with Final Budget - Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Charges for services	\$ -	\$ -	\$ 8,189	\$ 8,189
Total revenues	-	-	8,189	8,189
EXPENDITURES				
Current				
General government	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	-	-	8,189	8,189
Net changes in fund balances	-	-	8,189	8,189
Fund balances - beginning	-	-	130,642	130,642
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 138,831</u>	<u>\$ 138,831</u>

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, 2023

	<u>Budgeted Amounts</u>			Variance with Final Budget - Favorable (Unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Charges for services	\$ -	\$ -	\$ 23,615	\$ 23,615
Total revenues	-	-	23,615	23,615
EXPENDITURES				
Current				
General government	-	-	4,044	(4,044)
Total expenditures	-	-	4,044	(4,044)
Excess (deficiency) of revenues over (under) expenditures	-	-	19,571	19,571
Net changes in fund balances	-	-	19,571	19,571
Fund balances - beginning	-	-	84,419	84,419
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 103,990</u>	<u>\$ 103,990</u>

MADISON COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2023

ASSETS	
Cash and cash equivalents	\$ 63,098
Investments	31,924
Due from individuals and others	<u>-</u>
Total assets	<u>95,022</u>
 LIABILITIES	
Due to individuals and others	<u>95,022</u>
Total liabilities	<u>95,022</u>
 NET POSITION	
Restricted	<u>-</u>
Total net position	<u><u>\$ -</u></u>

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, 2023

ADDITIONS	\$ 170,154
DEDUCTIONS	<u>170,154</u>
Net increase (decrease) in fiduciary net position	-
Net position - beginning	<u>-</u>
Net position - ending	<u><u>\$ -</u></u>

MADISON COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT AND COMPTROLLER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

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.

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 2: *Cash*

At September 30, 2023, the carrying amount of the Clerk's deposits was \$179,204 and the bank balance was \$190,419 (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.

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, 2023, 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, 2023, 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 35 days as of September 30, 2023.

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, 2023, were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Clerk Operating	Clerk Court Fund Public Record Modernization	\$ 180,671 27
Board of County Commissioners*	Clerk Operating Clerk Court Fund	27,419 31,060
Clerk Court Technology Modernization	Clerk Operating	234
Clerk Court Fund	Clerk Operating	<u>18</u>
Total		<u>\$ 239,429</u>

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

Operating transfers between funds during the year were as follows:

<u>Transfers in</u>	<u>Transfers Out</u>	<u>Amount</u>
Clerk Operating	Board of County Commissioners*	<u>\$ 368,604</u>

**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:

	<u>Balance</u> <u>October 01, 2022</u>	<u>Additions*</u>	<u>Reductions</u>	<u>Balance</u> <u>September 30, 2023</u>
Compensated absences	<u>\$ 43,063</u>	<u>\$ 4,520</u>	<u>\$ -</u>	<u>\$ 47,583</u>

**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, 2023, 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, 2023.

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 April 30, 2024, 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, 2023

LANIGAN & ASSOCIATES, P.C.

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

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, 2023, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements, and have issued our report thereon dated April 30, 2024.

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 opinion 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, PC

Tallahassee, Florida
April 30, 2024

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, 2023, and have issued our report thereon dated April 30, 2024.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Reports on 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 April 30, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. In connection with the preceding annual financial audit report, there were no significant 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 abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the 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, PC

Tallahassee, Florida
April 30, 2024

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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, 2023. 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, 2023.

Lanigan & Associates, PC

Tallahassee, Florida
April 30, 2024

**Special Purpose
Financial Statements**

**Madison County, Florida
Property Appraiser**



**Year Ended September 30, 2023
with Independent Auditor's Report**

**Madison County, Florida
Property Appraiser**

Special Purpose Financial Statements

Year Ended September 30, 2023

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INDEPENDENT AUDITOR'S REPORT

The Honorable Leigh Barfield
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, 2023, 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, 2023, 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, 2023, 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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 April 30, 2024, on our consideration of the Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, 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* the Property Appraiser's internal control over financial reporting and compliance.

Lanigan & Associates, PC

Tallahassee, Florida
April 30, 2024

MADISON COUNTY, FLORIDA
PROPERTY APPRAISER
BALANCE SHEET
GENERAL FUND
AS OF SEPTEMBER 30, 2023

ASSETS	
Cash and cash equivalents	\$ 16,674
Accounts receivable	404
Prepaid items	<u>80</u>
 Total assets	 <u><u>\$ 17,158</u></u>
 LIABILITIES AND FUND BALANCE	
Liabilities:	
Due to other funds	<u>17,158</u>
 Total liabilities	 <u>17,158</u>
Fund balance:	
Nonspendable	80
Unassigned	<u>(80)</u>
 Total fund balance	 <u>-</u>
 Total liabilities and fund balance	 <u><u>\$ 17,158</u></u>

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, 2023

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance with final budget - favorable (unfavorable)
	<u>Original</u>	<u>Final</u>		
REVENUES				
Total revenues	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Current				
General government	939,170	942,452	924,291	18,161
Capital outlay	4,950	4,950	7,926	(2,976)
Total expenditures	944,120	947,402	932,217	15,185
Excess (deficiency) of revenues over (under) expenditures	(944,120)	(947,402)	(932,217)	15,185
OTHER FINANCING SOURCES (USES)				
Transfers in	944,120	947,402	924,572	(22,830)
Total other financing sources (uses)	944,120	947,402	924,572	(22,830)
Net changes in fund balances	-	-	(7,645)	(7,645)
Fund balance - beginning	-	-	7,645	7,645
Fund balance - ending	\$ -	\$ -	\$ -	\$ -

MADISON COUNTY, FLORIDA
PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

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.

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, 2023, were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Board of County Commissioners - General*	Property Appraiser - General	<u>\$ 17,158</u>

Operating transfers between funds during the year were as follows:

<u>Transfers in</u>	<u>Transfers Out</u>	<u>Amount</u>
Property Appraiser - General	Board of County Commissioners - General*	<u>\$924,572</u>

**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			Balance
	October 01, 2022	Additions*	Reductions	September 30, 2023
Compensated absences	\$ 49,477	\$ 4,092	\$ -	\$ 53,569

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

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, 2023, 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, 2023.

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 April 30, 2024, 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, 2023

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

The Honorable Leigh Barfield
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, 2023, 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 April 30, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Property Appraiser's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our 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, PC

Tallahassee, Florida
April 30, 2024

**INDEPENDENT AUDITOR'S
MANAGEMENT LETTER**

The Honorable Leigh Barfield
Madison County, Florida
Property Appraiser

Report on the Financial Statements

We have audited the financial statements of the General fund of the Madison County, Florida, Property Appraiser as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated April 30, 2024.

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*. Disclosures in those reports and schedule, which is dated April 30, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. 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 abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the 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, PC

Tallahassee, Florida
April 30, 2024

**Special Purpose
Financial Statements**

**Madison County, Florida
Sheriff**



**Year Ended September 30, 2023
with Independent Auditor's Report**

**Madison County, Florida
Sheriff**

Special Purpose Financial Statements

Year Ended September 30, 2023

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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 the aggregate remaining fund information of the Madison County, Florida, Sheriff (the "Sheriff"), as of and for the year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the 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 the aggregate remaining fund information of the Sheriff as of September 30, 2023, 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 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 the 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, 2023, 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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with 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 April 30, 2024, 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 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, PC

Tallahassee, Florida
April 30, 2024

MADISON COUNTY, FLORIDA
SHERIFF
BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2023

ASSETS	
Cash and cash equivalents	\$ 356,253
Accounts receivable	118,560
Due from other governmental units	<u>15,198</u>
 Total assets	 <u><u>\$ 490,011</u></u>
 LIABILITIES AND FUND BALANCE	
Liabilities:	
Accounts payable	\$ 485,600
Due to other funds	<u>292</u>
 Total liabilities	 <u><u>485,892</u></u>
 Fund balance:	
Assigned	<u>4,119</u>
 Total fund balance	 <u><u>4,119</u></u>
 Total liabilities and fund balance	 <u><u>\$ 490,011</u></u>

MADISON COUNTY, FLORIDA
SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023

	<u>Budgeted Amounts</u>			Variance with final budget - favorable (unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Intergovernmental	\$ -	\$ -	\$ -	\$ -
EXPENDITURES				
Current				
Public safety	7,866,405	8,420,698	8,034,447	386,251
Debt service				
Principal	145,765	145,765	363,857	(218,092)
Interest	2,215	2,215	2,215	-
Capital outlay	289,923	289,923	439,663	(149,740)
Total expenditures	<u>8,304,308</u>	<u>8,858,601</u>	<u>8,840,182</u>	<u>18,419</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(8,304,308)</u>	<u>(8,858,601)</u>	<u>(8,840,182)</u>	<u>18,419</u>
OTHER FINANCING SOURCES				
Transfers in	8,014,385	8,568,678	8,550,259	(18,419)
Proceeds from debt financing	289,923	289,923	289,923	-
Total other financing sources	<u>8,304,308</u>	<u>8,858,601</u>	<u>8,840,182</u>	<u>(18,419)</u>
Net changes in fund balances	-	-	-	-
Fund balances - beginning	-	-	4,119	4,119
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,119</u>	<u>\$ 4,119</u>

See accompanying notes to financial statements.

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

ASSETS	
Cash and cash equivalents	\$ 44,980
Investments	<u>110,412</u>
Total assets	<u>155,392</u>
LIABILITIES	
Due to individuals and others	<u>155,392</u>
Total liabilities	<u>155,392</u>
NET POSITION	
Restricted	<u>-</u>
Total net position	<u><u>\$ -</u></u>

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

ADDITIONS	\$ 246,044
DEDUCTIONS	<u>246,044</u>
Net increase (decrease) in fiduciary net position	-
Net position - beginning	<u>-</u>
Net position - ending	<u><u>\$ -</u></u>

MADISON COUNTY, FLORIDA
SHERIFF
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

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.

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, 2023, were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Board of County Commissioners*	Sheriff - General	<u>\$ 292</u>

NOTE 2: Interfund Transactions (Continued)

Operating transfers between funds during the year were as follows:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Sheriff - General	Board of County Commissioners*	<u>\$ 8,550,259</u>

**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:

	<u>Balance</u> <u>October 01, 2022</u>	<u>Additions*</u>	<u>Reductions</u>	<u>Balance</u> <u>September 30, 2023</u>
Compensated absences	<u>\$ 726,870</u>	<u>\$ 30,180</u>	<u></u>	<u>\$ 757,050</u>

**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

NOTE 4: *Retirement (Continued)*

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, 2023, 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 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, 2023.

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 April 30, 2024, 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, 2023

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

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, 2023, and the related notes to the financial statements, which collectively comprise the Sheriff’s basic financial statements, and have issued our report thereon dated April 30, 2024.

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, PC

Tallahassee, Florida
April 30, 2024

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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 General fund and the aggregate remaining fund information of Madison County, Florida, Sheriff as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated April 30, 2024.

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*. Disclosures in those reports and schedule, which are dated April 30, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. In connection with the preceding 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 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 abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the 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, PC

Tallahassee, Florida
April 30, 2024

**Special Purpose
Financial Statements**

**Madison County, Florida
Supervisor of Elections**



**Year Ended September 30, 2023
with Independent Auditor's Report**

**Madison County, Florida
Supervisor of Elections**

Special Purpose Financial Statements

Year Ended September 30, 2023

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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, 2023, 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, 2023, 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, 2023, 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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 April 30, 2024 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, PC

Tallahassee, Florida
April 30, 2024

**MADISON COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2023**

ASSETS	
Cash	\$ 38
Prepaid items	<u>29,972</u>
Total assets	<u><u>\$ 30,010</u></u>
LIABILITIES AND FUND BALANCE	
Liabilities:	
Due to other funds	<u>\$ 30,010</u>
Total liabilities	<u>30,010</u>
Fund balance:	
Nonspendable	29,972
Unassigned	<u>(29,972)</u>
Total fund balance	<u>-</u>
Total liabilities and fund balance	<u><u>\$ 30,010</u></u>

**MADISON COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL
GENERAL FUND
FOR THE YEARS ENDED SEPTEMBER 30, 2023**

	Budgeted amounts			Variance with final budget - favorable (unfavorable)
	Original	Final	Actual	
REVENUES				
Other	\$ -	\$ -	\$ 1,809	\$ 1,809
EXPENDITURES				
Current				
General government	517,175	583,619	551,851	31,768
Total expenditures	517,175	583,619	551,851	31,768
(Deficiency) of revenues (under) expenditures	(517,175)	(583,619)	(550,042)	33,577
OTHER FINANCING SOURCES				
Transfers in	517,175	583,619	550,042	(33,577)
Total other financing sources	517,175	583,619	550,042	(33,577)
Net changes in fund balances	-	-	-	-
Fund balance - beginning	-	-	-	-
Fund balance - ending	\$ -	\$ -	\$ -	\$ -

**MADISON COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023**

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 consists 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

The Supervisor of Elections 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 Supervisor of Elections. 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.

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, 2023, were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Board of County Commissioners*	Supervisor of Elections	\$ 30,010
Total		<u>\$ 30,010</u>

Operating transfers between funds during the year were as follows:

<u>Transfers in</u>	<u>Transfers Out</u>	<u>Amount</u>
Supervisor of Elections	Board of County Commissioners*	\$ 550,042
Total		<u>\$ 550,042</u>

* 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			Balance
	October 01, 2022	Additions*	Reductions	September 30, 2023
Compensated Absences	\$ 1,698	\$ 1,473	\$ -	\$ 3,171

**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, 2023, 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, 2023.

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 April 30, 2024, 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, 2023

LANIGAN & ASSOCIATES, P.C.

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

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, 2023, 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 April 30, 2024.

Report on Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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, PC

Tallahassee, Florida
April 30, 2024

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**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 General fund of the Madison County, Florida Supervisor of Elections as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated April 30, 2024.

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*. Disclosures in that report, which is dated April 30, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this 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 abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material, but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the 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, PC

Tallahassee, Florida
April 30, 2024

**Special Purpose
Financial Statements**

**Madison County, Florida
Tax Collector**



**Year Ended September 30, 2023
with Independent Auditor's Report**

**Madison County, Florida
Tax Collector**

Special Purpose Financial Statements

Year Ended September 30, 2023

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INDEPENDENT AUDITOR'S REPORT

The Honorable Lisa Tuten
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, 2023, 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, 2023, 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, 2023, 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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our 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 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 April 30, 2024, 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, PC

Tallahassee, Florida
April 30, 2024

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

ASSETS	
Cash and cash equivalents	\$ 869
Accounts receivable	<u>746</u>
 Total assets	 <u><u>\$ 1,615</u></u>
 LIABILITIES AND FUND BALANCE	
Liabilities:	
Due to other funds	\$ 1,465
Accounts payable	<u>150</u>
 Total liabilities	 <u>1,615</u>
 Fund balance	 <u>-</u>
Total liabilities and fund balance	<u><u>\$ 1,615</u></u>

**MADISON COUNTY, FLORIDA
TAX COLLECTOR
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET TO ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

	<u>Budgeted amounts</u>			Variance with final budget - favorable (unfavorable)
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
REVENUES				
Interest Revenue	\$ -	\$ -	\$ 11	\$ 11
Total revenues	<u>-</u>	<u>-</u>	<u>11</u>	<u>11</u>
EXPENDITURES				
Current				
General government	<u>635,795</u>	<u>635,795</u>	<u>633,043</u>	<u>2,752</u>
Total expenditures	<u>635,795</u>	<u>635,795</u>	<u>633,043</u>	<u>2,752</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(635,795)</u>	<u>(635,795)</u>	<u>(633,032)</u>	<u>2,763</u>
OTHER FINANCING SOURCES				
Transfers in	<u>635,795</u>	<u>635,795</u>	<u>633,032</u>	<u>(2,763)</u>
Total other financing sources	<u>635,795</u>	<u>635,795</u>	<u>633,032</u>	<u>(2,763)</u>
Net changes in fund balance	-	-	-	-
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

MADISON COUNTY, FLORIDA
TAX COLLECTOR
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2023

ASSETS	
Cash and cash equivalents	\$ 33,965
Accounts receivable	<u>10,368</u>
Total assets	<u>44,333</u>
 LIABILITIES	
Due to other governmental units	<u>44,333</u>
Total liabilities	<u>44,333</u>
 NET POSITION	
Restricted	<u>-</u>
Total net position	<u><u>\$ -</u></u>

**MADISON COUNTY, FLORIDA
TAX COLLECTOR
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2023**

ADDITIONS	\$ 21,600,639
DEDUCTIONS	<u>21,600,639</u>
Net increase (decrease) in fiduciary net position	-
Net position - beginning	<u>-</u>
Net position - ending	<u><u>\$ -</u></u>

MADISON COUNTY, FLORIDA
TAX COLLECTOR
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2023

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’ 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.

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.

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, 2023, were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Board of County Commissioners - General*	Tax Collector - General	<u>\$ 1,465</u>

NOTE 2: Interfund Transactions (Continued)

Operating transfers between funds during the year were as follows:

Transfers in	Transfers Out	Amount
Tax Collector - General	Board of County Commissioners - General*	<u>\$ 633,032</u>

**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 September 30, 2022	Additions*	Reductions	Balance September 30, 2023
Compensated absences	\$ 16,919	\$ 434	\$ -	\$ 17,353

**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, 2023, 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.

NOTE 4: *Retirement (Continued)*

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, 2023.

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 April 30, 2024, 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, 2023

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 Lisa Tuten
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, 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, 2023, 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 April 30, 2024.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Lanigan & Associates, PC

Tallahassee, Florida
April 30, 2024

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**INDEPENDENT AUDITOR'S
MANAGEMENT LETTER**

The Honorable Lisa Tuten
Tax Collector
Madison County, Florida

Report on the Financial Statements

We have audited the financial statements of the General fund and the aggregate remaining fund information of Madison County, Florida, Tax Collector as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated April 30, 2024.

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*. Disclosures in those reports, which is dated April 30, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. In connection with the preceding annual financial audit report, there were no significant 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 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 recommend the Tax Collector reviews outstanding checks and deposits greater than six months old.

Additional Matters

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

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the 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, PC

Tallahassee, Florida
April 30, 2024