

TABLE OF CONTENTS

	<u>Page(s)</u>
<u>SECTION I - COMBINED STATEMENTS</u>	
REPORT OF INDEPENDENT AUDITOR.....	1-3
MANAGEMENT DISCUSSION AND ANALYSIS.....	4 - 11
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
Statement of Net Position.....	12
Statement of Activities.....	13 - 14
FUND FINANCIAL STATEMENTS	
Balance Sheet – Governmental Funds.....	15
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position.....	16
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds.....	17
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Assets – Governmental Funds.....	18
Statement of Revenues, Expenses and Changes in Fund Balances Budget and Actual – General Fund.....	19
Statement of Revenues, Expenses and Changes in Fund Balances Budget and Actual – County Transportation Trust Fund.....	20
Statement of Net Position – Proprietary Funds.....	21 - 22
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Fund.....	23
Statement of Cash Flows – Proprietary Funds.....	24 - 25
Statement of Fiduciary Net Position - Custodial Funds.....	26
Statement of Changes in Fiduciary Net Position - Custodial Funds.....	27
Notes to Financial Statements.....	28 - 61
REQUIRED SUPPLEMENTARY INFORMATION	
Combining and Individual Fund Statements and Schedules	
Non-major Governmental Funds	
Combining Schedule – Balance Sheet – General Fund.....	62 - 63
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – General Fund.....	64 - 65
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund.....	66 - 68

TABLE OF CONTENTS

Page(s)

SECTION I - COMBINED STATEMENTS (CONTINUED)

REQUIRED SUPPLEMENTARY INFORMATION

Combining and Individual Fund Statements and Schedules

Non-major Governmental Funds

Combining Balance Sheet – Non-major Governmental Funds.....	69 - 74
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Non-major Governmental Funds.....	75 - 80
Combining Statement of Fiduciary Net Position - Custodial Funds.....	81
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds.....	82
FRS Pension Plan & HIS Pension Plan – Supporting Schedules.....	83 - 84
Other Post Employment Benefits (OPEB) - Supporting Schedules.....	85 - 86

SUPPLEMENTARY REPORTS

Report of Independent Auditor on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	87 - 88
--	---------

SINGLE AUDIT

Report of Independent Auditor on Compliance with Requirements Applicable to Each Major Federal Awards Program and State Financial Assistance Project and On Internal Control Over Compliance Required by <i>Uniform Guidance</i> and Chapter 10.550, <i>Rules of the Auditor General</i>	89 - 91
Schedule of Expenditures of Federal Awards.....	92-93
Schedule of State Financial Assistance.....	94 - 95
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance.....	96
Schedule of Findings and Questioned Costs.....	97 - 98
Summary Schedule of Prior Audit Findings and Corrective Action Plan.....	99
Independent Auditor's Management Letter.....	100 - 101
Report of Independent Accountant on Compliance with Local Government Investment Policies and E911 Requirements of Sections 365.172 and 365.173, <i>Florida Statutes</i>	102
Corrective Action plan & response to finding.....	103

TABLE OF CONTENTS

Page(s)

SECTION II - CLERK OF THE CIRCUIT COURT

REPORT OF INDEPENDENT AUDITOR	1 - 3
FINANCIAL STATEMENTS	
Balance Sheet - Governmental Funds.....	4
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds.....	5
Statement of Fiduciary Net Position- Custodial Funds.....	6
Statement of Changes in Fiduciary Net Position- Custodial Funds.....	7
Notes to Financial Statements.....	8 - 15
REQUIRED SUPPLEMENTARY INFORMATION	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund.....	16
Note to Required Supplementary Information	17
OTHER FINANCIAL INFORMATION	
Combining Statement of Fiduciary Net Position - All Custodial Funds.....	18
Combining Statement of Changes in Fiduciary Net Position - All Custodial Funds.....	19
SUPPLEMENTARY REPORTS	
Report of Independent Auditor on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	20 - 21
Independent Auditor's Management Letter.....	22 - 23
Report of Independent Accountant on Compliance with Local Government Investment Policies, Article V Requirements, and Florida Statute 61.181 Requirements.....	24

SECTION III - PROPERTY APPRAISER

REPORT OF INDEPENDENT AUDITOR	1 - 3
FINANCIAL STATEMENTS	
Balance Sheet - Governmental Funds.....	4
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds.....	5
Notes to Financial Statements.....	6 - 12

TABLE OF CONTENTS

Page(s)

SECTION III - PROPERTY APPRAISER (CONTINUED)

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund.....	13
--	----

SUPPLEMENTARY REPORTS

Report of Independent Auditor on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	14 - 15
Independent Auditor's Management Letter.....	16 - 17
Schedule of Current Year Findings.....	18
Management Letter Response.....	19
Report of Independent Accountant on Compliance with Local Government Investment Policies.....	20

SECTION IV - SHERIFF

REPORT OF INDEPENDENT AUDITOR.....	1 - 3
---	--------------

FINANCIAL STATEMENTS

Balance Sheet - Governmental Funds.....	4
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds.....	5
Statement of Fiduciary Net Position - Custodial Funds.....	6
Statement of Changes in Fiduciary Net Position - Custodial Funds.....	7
Notes to Financial Statements.....	8 - 15

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund, Non-GAAP Basis.....	16
--	----

OTHER FINANCIAL INFORMATION

Combining Balance Sheet - Non-major Governmental Funds.....	17
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Non-major Governmental Funds.....	18

TABLE OF CONTENTS

Page(s)

SECTION IV - SHERIFF (CONTINUED)

SUPPLEMENTARY REPORTS

Report of Independent Auditor on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	19 - 20
Independent Auditor's Management Letter.....	21 - 22
Report of Independent Accountant on Compliance with Local Government Investment Policies.....	23

SECTION V - SUPERVISOR OF ELECTIONS

REPORT OF INDEPENDENT AUDITOR.....	1 - 3
---	--------------

FINANCIAL STATEMENTS

Balance Sheet - Governmental Funds.....	4
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds.....	5
Notes to Financial Statements.....	6 - 11

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund.....	12
--	----

SUPPLEMENTARY REPORTS

Report of Independent Auditor on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	13 - 14
Independent Auditor's Management Letter.....	15 - 16
Schedule of Current Year Findings.....	17
Auditee's Management Letter Response.....	18
Report of Independent Accountant on Compliance with Local Government Investment Policies.....	19

TABLE OF CONTENTS

Page(s)

SECTION VI - TAX COLLECTOR

REPORT OF INDEPENDENT AUDITOR.....	1 - 3
---	--------------

FINANCIAL STATEMENTS

Balance Sheet - Governmental Funds.....	4
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds.....	5
Statement of Fiduciary Net Position - Custodial Funds	6
Statement of Changes in Fiduciary Net Position - Custodial Funds	7
Notes to Financial Statements.....	8 - 13

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund.....	14
--	----

SUPPLEMENTARY INFORMATION

Combining Statement of Fiduciary Net Position - Custodial Funds	15
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds	16

SUPPLEMENTARY REPORTS

Report of Independent Auditor on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	17 - 18
Independent Auditor's Management Letter.....	19 - 20
Report of Independent Accountant on Compliance with Local Government Investment Policies.....	21

HENDRY COUNTY, FLORIDA

**COMBINED
FINANCIAL STATEMENTS**

SEPTEMBER 30, 2024

**INCLUDING
BOARD OF COUNTY COMMISSIONERS,
CONSTITUTIONAL OFFICERS,
AND COMPONENT UNIT**

SECTION I

COMBINED FINANCIAL STATEMENTS

TABLE OF CONTENTS

	<u>Page(s)</u>
REPORT OF INDEPENDENT AUDITOR	I-1 - I-3
MANAGEMENT DISCUSSION AND ANALYSIS	I-4 - I-11
BASIC FINANCIAL STATEMENTS	
GOVERNMENT-WIDE FINANCIAL STATEMENTS	
Statement of Net Position.....	I-12
Statement of Activities.....	I-13 - I-14
FUND FINANCIAL STATEMENTS	
Balance Sheet – Governmental Funds.....	I-15
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position.....	I-16
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds.....	I-17
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balance of Governmental Funds to the Statement of Assets – Governmental Funds.....	I-18
Statement of Revenues, Expenses and Changes in Fund Balances Budget and Actual – General Fund.....	I-19
Statement of Revenues, Expenses and Changes in Fund Balances Budget and Actual – County Transportation Trust Fund.....	I-20
Statement of Net Position – Proprietary Funds.....	I-21 - I-22
Statement of Revenues, Expenses and Changes in Fund Net Position – Proprietary Fund.....	I-23
Statement of Cash Flows – Proprietary Funds.....	I-24 - I-25
Statement of Fiduciary Net Position - Custodial Funds.....	I-26
Statement of Fiduciary Changes in Fiduciary Net Position - Custodial Funds.....	I-27
Notes to Financial Statements.....	I-28 - I-61
REQUIRED SUPPLEMENTARY INFORMATION	
Combining and Individual Fund Statements and Schedules	
Non-major Governmental Funds	
Combining Schedule – Balance Sheet – General Fund.....	I-62 - I-63
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – General Fund.....	I-64 - I-65
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund.....	I-66 - I-68

COMBINED FINANCIAL STATEMENTS

TABLE OF CONTENTS - CONTINUED

	<u>Page(s)</u>
REQUIRED SUPPLEMENTARY INFORMATION	
Combining and Individual Fund Statements and Schedules	
Non-major Governmental Funds	
Combining Balance Sheet – Non-major Governmental Funds.....	I-69 - I-74
Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Non-major Governmental Funds.....	I-75 - I-80
Combining Statement of Fiduciary Net Position - Custodial Funds.....	I-81
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds.....	I-82
FRS Pension Plan & HIS Pension Plan – Supporting Schedules.....	I-83 - I-84
Other Post Employment Benefits (OPEB) - Supporting Schedules.....	I-85 - I-86
SUPPLEMENTARY REPORTS	
Report of Independent Auditor on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	I-87 - I-88
SINGLE AUDIT	
Report of Independent Auditor on Compliance with Requirements Applicable to Each Major Federal Awards Program and State Financial Assistance Project and On Internal Control Over Compliance Required by <i>Uniform Guidance</i> and Chapter 10.550, <i>Rules of the Auditor General</i>	I-89 - I-91
Schedule of Expenditures of Federal Awards.....	I-92 - I-93
Schedule of State Financial Assistance.....	I-94 - I-95
Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance.....	I-96
Schedule of Findings and Questioned Costs.....	I-97 - I-98
Summary Schedule of Prior Audit Findings and Corrective Action Plan.....	I-99
Independent Auditor's Management Letter.....	I-100 - I-101
Report of Independent Accountant on Compliance with Local Government Investment Policies and E911 Requirements of Sections 365.172 and 365.173, <i>Florida Statutes</i>	I-102
Corrective Action plan & response to finding.....	I-103

Report of Independent Auditor

To the Honorable Board of County
Commissioners of Hendry County, Florida

Report on the Financial Statements

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the County as of September 30, 2024 and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and County Transportation Trust Fund for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor’s 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as provided in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context.

Required Supplementary Information, Continued

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.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The introductory section, combining statements and schedules and statistical section as provided in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and Chapter 10.550, Rules of the Auditor General, and are also not a required part of the basic financial statements.

The combining statements and schedules 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. Such 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 procedure in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and schedules and the schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 7, 2025, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Ashley, Brown & Smith, CPAs, P.A.

Punta Gorda, Florida
July 7, 2025

Management
Discussion &
Analysis

Hendry County, Florida

Management's Discussion and Analysis

This discussion and analysis of Hendry County's (the "County") financial statements is designed to introduce the basic financial statements and provide an analytical overview of the County's financial activities for the fiscal year ended September 30, 2024. The basic financial statements are comprised of the government-wide financial statements, fund financial statements, and footnotes. We hope this will assist readers in identifying significant financial issues and changes in the County's financial position.

Financial Highlights

- At the close of fiscal year 2024 the County's total assets and deferred outflows of resources exceeded its total liabilities and deferred inflows of resources, resulting in a net position of \$83,199,495 an increase of \$10,715,235 over last year. Governmental and business-type assets and deferred outflows of resources exceeded its liabilities and deferred inflows by \$64,695,753 and \$18,503,742, respectively, which was an increase of \$10,326,041 for governmental assets and deferred outflows and an increase of \$389,194 for business-type assets and deferred outflows.
- Total revenues for governmental activities were \$97,730,916, which was an increase of \$7,169,280 over prior year.
- Total expenses for governmental activities were \$87,404,875, which was a decrease of \$927,002 over prior year.
- Noncurrent liabilities are reported at \$51,335,386 on September 30, 2024 for governmental activities and \$7,039,436 for business-type activities.
- Capital Assets net of depreciation are reported at \$84,855,089 on September 30, 2024 for all fund types.

Government-Wide Financial Statements

The government-wide financial statements (statement of net assets and statement of activities) concentrate on the County as a whole and do not emphasize fund types but rather a governmental or a business-type classification, which are presented in separate columns. The governmental and business-type activities comprise the primary government and are reported separate from the component units for which the County is accountable.

General governmental and intergovernmental revenues support the governmental activities, whereas business-type activities are primarily supported by user fees and charges for services. The purpose of the government-wide financial statements is to allow the user to be able to analyze the County's total financial position.

The statement of activities reflects the expenses of a given function or segment, which are offset by program revenues. Program revenues are defined as charges for services, operating grants and contributions, and capital grants and contributions directly associated with a given function. Taxes are reported under general revenue.

Fund Financial Statements

The accounts of the County are organized on a basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity or retained earnings, revenues, and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

The County's funds are presented in separate fund financial statements. These funds are presented on a governmental fund financial statement and a proprietary fund financial statement. The County's major funds are presented in separate columns on the fund financial statements. The definition of a major fund is one that meets certain criteria set-forth in Governmental Accounting Standards Board Statements Number 34, Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments (GASB 34). The funds that do not meet the criteria of a major fund are considered non-major funds and are combined into a single column on the fund financial statements.

The County adopts an annual budget for all funds. A budgetary comparison has been presented for the General Fund and County Transportation Trust Fund, which compares not only actual results to budget but also the original adopted budget to final budget.

Governmental Fund Financial Statements

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

Four of the County's governmental funds, the General Fund, County Transportation Trust Fund, ARPA and Hendry Cares Act Grant Fund, and Fines and Forfeitures Fund are classified as major funds. All other governmental funds are combined into a single column on the governmental fund financial statements. Individual fund data for the non-major funds are found in combining statement as supplemental financial data.

Proprietary Fund Financial Statements

Proprietary fund financial statements like government-wide financial statements are prepared on the full accrual basis. Proprietary funds record both operating and non-operating revenues and expenses. Operating revenues are those that are obtained from the operations of the proprietary fund.

The County reports their Port LaBelle Utility System in the proprietary fund financial statement. This enterprise fund represents our water and sewer system that the county owns and operates.

Fiduciary Fund Financial Statement

The fiduciary fund financial statement is not included in the government-wide financial statements because the resources of those funds are not available to support the County's programs. The only type of fiduciary funds the County maintains, custodial funds, are used to account for assets held by the County as an agent for individuals.

Government-Wide Financial Analysis

The government-wide financial statements were designed so that the user could determine if the County is in a better or worse condition from the prior year.

The following is a condensed summary of net position for the primary government for fiscal years 2023 and 2024 with increases and decreases.

Hendry County, Florida
Summary of Net Position with Prior Year Comparison
September 30, 2024

	Governmental Activities 2023	Governmental Activities 2024	Governmental Activities Inc / (Dec)	Business-type Activities 2023	Business-type Activities 2024	Business-type Activities Inc / (Dec)	All Activities Total 2024	All Activities Total Inc / (Dec)
Current & Other assets	\$ 49,859,043	\$ 53,303,909	\$ 3,444,866	\$ 11,750,068	\$ 12,990,255	\$ 1,240,187	\$ 66,294,164	\$ 4,685,053
Capital assets	66,513,027	71,249,287	4,736,260	14,431,442	13,605,802	(825,640)	84,855,089	3,910,620
Deferred outflows	8,670,407	12,948,549	4,278,142	606,367	907,669	301,302	13,856,218	4,579,444
Total assets and deferred outflows	<u>125,042,477</u>	<u>137,501,745</u>	<u>12,459,268</u>	<u>26,787,877</u>	<u>27,503,726</u>	<u>715,849</u>	<u>165,005,471</u>	<u>13,175,117</u>
Current & Other liabilities	18,889,870	13,569,547	(5,320,323)	1,107,427	1,532,137	424,710	15,101,684	(4,895,613)
Non-current liabilities	45,678,856	51,335,386	5,656,530	7,219,608	7,039,436	(180,172)	58,374,822	5,476,358
Deferred inflows	6,104,039	7,901,059	1,797,020	346,294	428,411	82,117	8,329,470	1,879,137
Total liabilities and deferred inflows	<u>70,672,765</u>	<u>72,805,992</u>	<u>2,133,227</u>	<u>8,673,329</u>	<u>8,999,984</u>	<u>326,655</u>	<u>81,805,976</u>	<u>2,459,882</u>
Net position:								
Invested in capital assets, net of related debt	61,350,754	63,341,725	1,990,971	9,600,442	9,116,702	(483,740)	72,458,427	1,507,231
Restricted	22,805,561	29,932,548	7,126,987	5,243,465	4,829,422	(414,043)	34,761,970	6,712,944
Unrestricted	(29,786,603)	(28,578,520)	1,208,083	3,270,641	4,557,618	1,286,977	(24,020,902)	2,495,060
Total Net Position	<u>\$ 54,369,712</u>	<u>\$ 64,695,753</u>	<u>\$ 10,326,041</u>	<u>\$ 18,114,548</u>	<u>\$ 18,503,742</u>	<u>\$ 389,194</u>	<u>\$ 83,199,495</u>	<u>\$ 10,715,235</u>

Investment in capital assets, net of related debt is the largest portion of the net assets. This represents capital assets (land, buildings, improvements, equipment, furniture, vehicles, and infrastructure), net of accumulated depreciation, and the outstanding related debt used to acquire the assets.

The restricted net position balance of \$4,829,422 in 2024 represents contractual obligations and \$29,932,548 represents special revenue and capital project requirements in 2024.

The unrestricted net position balance of (\$24,020,902) represents assets that are available for spending at the County's discretion, however, it is important to note that this balance is county wide and there are restrictions within each source of funds as to what these funds can be used for.

Governmental Activities Analysis

Governmental Revenue Accounts increased 8% from 2023 to 2024. The majority of this variance is due to increases in ad-valorem taxes, charges for services, and grant income due to major road and airport grants and ARPA and CARES Act economic recovery grants. Expenses increased 1% in 2024. These increases are related to increases in Salaries and Benefits associated with the actuarial determined pension expenses. The Hendry County Board of County Commissioners, Hendry County Staff as well as all Hendry County Constitutional Officials have worked diligently to become more efficient and cost effective over the past few years and will continue this process into the future.

Business Activities Analysis

The Port LaBelle Utility System had increases in revenue and expenses due to the economic growth in the Port LaBelle area. New homes and existing inventory purchases generated increased revenues.

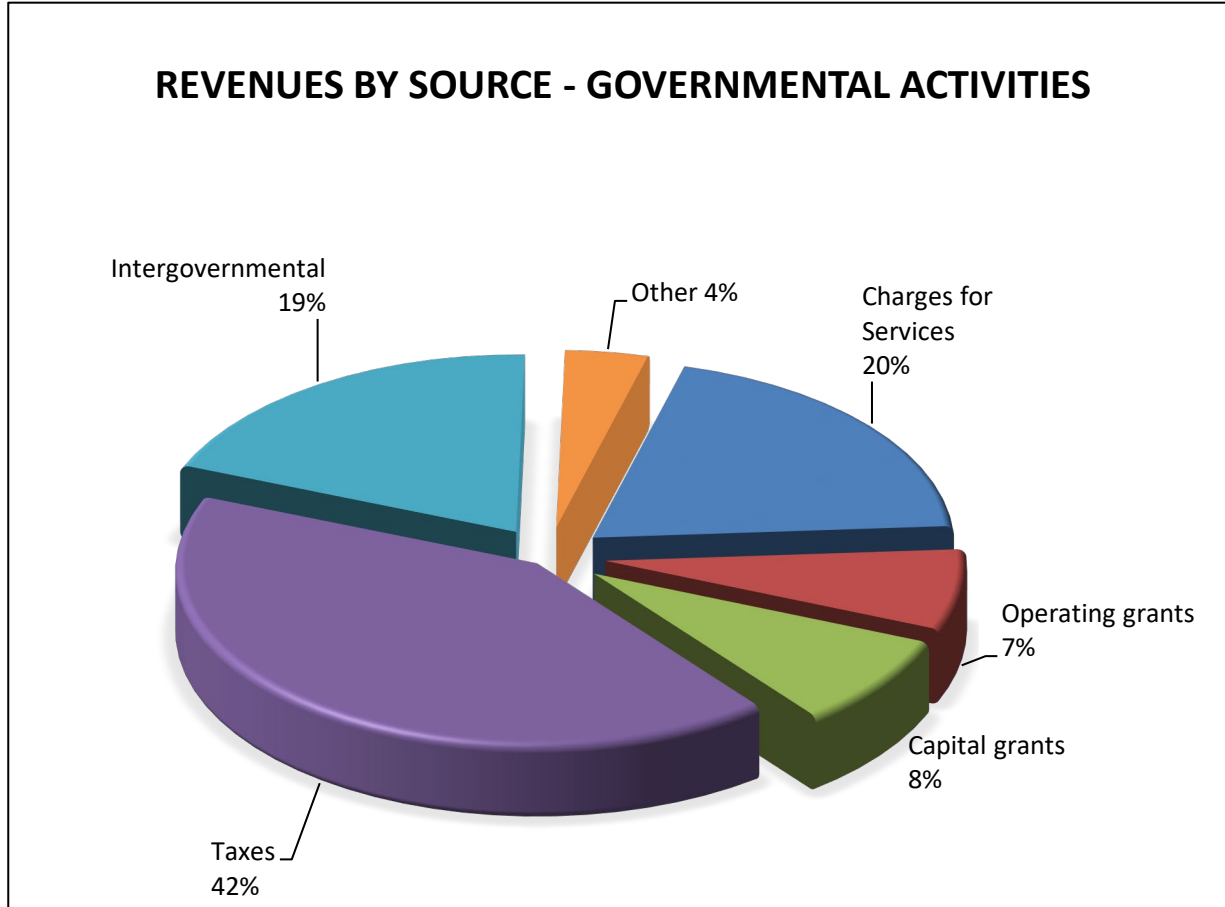
The following schedule represents Summary of Revenues and Expenditures and Changes in Net Position for the year September 30, 2024.

Hendry County, Florida
Summary of Revenues, Expenses and Changes in Net Position
As of September 30, 2024

	Governmental Activities 2023	Governmental Activities 2024	Business-type Activities 2023	Business-type Activities 2024	Total 2024
Revenues:					
Program Revenues:					
Charges for Service	\$ 17,760,532	\$ 19,346,384	\$ 2,664,722	\$ 3,924,460	\$ 23,270,844
Operating Grants and Contributions	9,606,539	7,084,407	-	-	7,084,407
Capital Grants and Contributions	3,211,735	8,094,252	-	-	8,094,252
General Revenues:					
Taxes	42,922,324	40,615,606	-	-	40,615,606
Intergovernmental revenues, not restricted for specific purposes	11,393,235	18,899,159	-	-	18,899,159
Other	5,610,219	3,691,108	403,422	362,617	4,053,725
Total Revenues	<u>90,504,584</u>	<u>97,730,916</u>	<u>3,068,144</u>	<u>4,287,077</u>	<u>102,017,993</u>
Expenses:					
Program Activities:					
General Government	26,076,104	23,618,264	-	-	23,618,264
Court Related	2,512,198	2,933,036	-	-	2,933,036
Public Safety	36,353,837	35,780,211	-	-	35,780,211
Physical Environment	5,206,318	5,520,136	-	-	5,520,136
Transportation	12,768,951	12,381,607	-	-	12,381,607
Economic environment	1,612,044	1,688,477	-	-	1,688,477
Culture and recreation	1,342,154	1,262,716	-	-	1,262,716
Human Services	2,222,713	3,142,374	-	-	3,142,374
Interest on long-term debt	237,558	1,078,054	-	-	1,078,054
Business-type activities:					
Water and wastewater	-	-	3,851,719	3,897,883	3,897,883
Total Expenses	<u>88,331,877</u>	<u>87,404,875</u>	<u>3,851,719</u>	<u>3,897,883</u>	<u>91,302,758</u>
Increase in net position	2,172,707	10,326,041	(783,575)	389,194	10,715,235
Beginning Net position, October 1	52,197,005	54,369,712	17,343,480	18,114,548	72,484,260
Ending Net position, September 30	<u>\$ 54,369,712</u>	<u>\$ 64,695,753</u>	<u>\$ 16,559,905</u>	<u>\$ 18,503,742</u>	<u>\$ 83,199,495</u>

Governmental Activities

The following is a chart of revenues by source for governmental activities by percent of total revenues for fiscal year 2024.

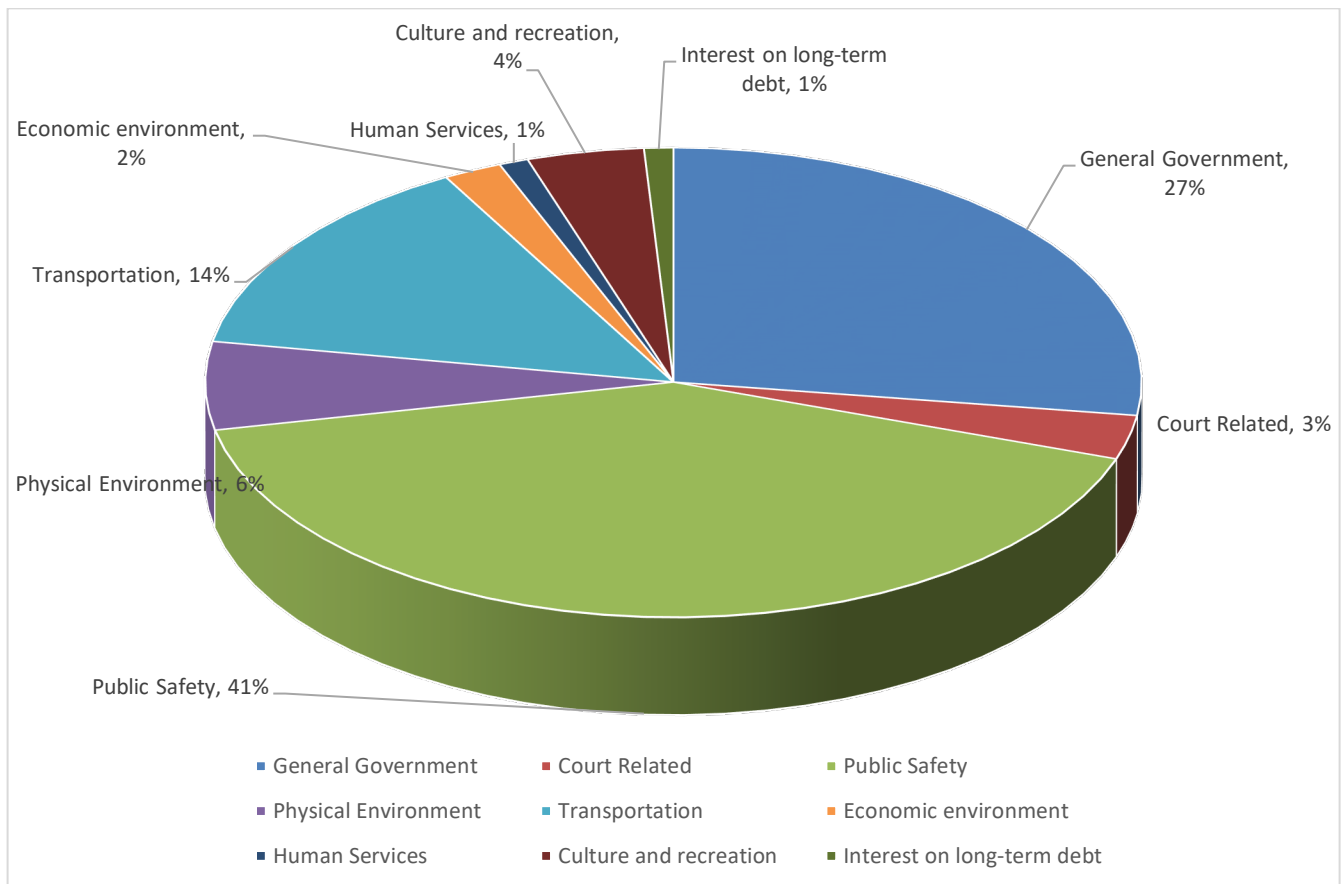


<u>Revenue Source</u>	<u>Revenues</u>	<u>Percent of Total Revenue</u>
Charges for Service	\$ 19,346,384	20%
Operating Grants and Contributions	7,084,407	7%
Capital Grants and Contributions	8,094,252	8%
Taxes	40,615,606	42%
Intergovernmental revenues, not restricted for specific purposes	18,899,159	19%
Other	3,691,108	4%
	<u>\$ 97,730,916</u>	<u>100%</u>

Governmental Activities - Continued

The following is a chart of expenses by program for governmental activities for fiscal year 2024.

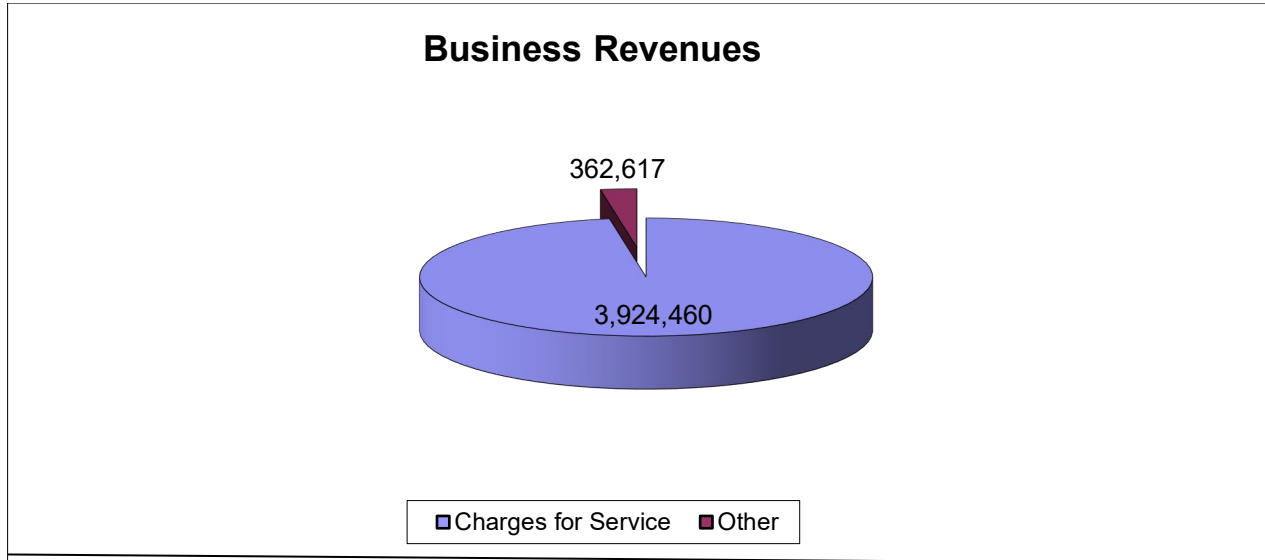
<u>Program</u>	<u>Expenses</u>	<u>Percent of Total Expense</u>
General Government	\$ 23,618,264	27%
Court Related	2,933,036	3%
Public Safety	35,780,211	41%
Physical Environment	5,520,136	6%
Transportation	12,381,607	14%
Economic environment	1,688,477	2%
Human Services	1,262,716	1%
Culture and recreation	3,142,374	4%
Interest on long-term debt	1,078,054	1%
Totals	\$ 87,404,875	100.00%



Business-Type Activities

The following is a chart of Revenues by Source for our Business Activities for fiscal year 2024. Our Business Activities consist of Port LaBelle Utilities. Total Revenues created from Charges for Services consisted of \$3,924,460. This represents charges for water/sewer usage. Miscellaneous revenues totaling \$362,617 resulted from interest revenue and miscellaneous charges.

All business type expenditures for fiscal year 2024 consisted of water and wastewater expenses to operate Port LaBelle Utility Systems and administrative fees.



Financial Analysis

Governmental Funds

Governmental funds use the current financial resources measurement focus that focus on near-term inflows and outflows. The General Fund is the general operating fund that is used to account for all financial resources, except those required to be accounted for in another fund. The Fine & Forfeiture fund is comprised to fund the Hendry County Sheriff’s office, probation department, courthouse security, mandated costs for law enforcement, and other misc. items to do with the same.

Proprietary Funds

Proprietary funds are comprised of enterprise funds and internal service funds. An enterprise fund is used to account for activities for which a fee is charged to external users for goods and services. Internal service funds are those that provide a service, primarily within the government, and charge a recovery fee.

Capital Assets

Non-depreciable capital assets include land and construction in progress. Depreciable assets include buildings, improvements other than buildings, machinery and equipment, and infrastructure. Total Capital assets total \$84,855,089. This is an increase of \$3,910,620 over prior year.

Debt Administration

As of September 30, 2024, the County had a total of governmental and business-type long-term liabilities of \$58,374,822. Governmental liabilities of \$51,335,386 mostly consisted of pension related liabilities of \$36,735,655, other post-employment benefits of 3,709,944, and notes and lease liabilities of \$1,590,075. Additionally, business-type liabilities of \$7,039,436 mostly consisted of revenue bonds of \$4,489,100 and pension related liabilities of \$2,578,950.

Request for information

This financial report is designed to provide the reader an overview of the County. Questions regarding any information provided in this report should be directed to: Hendry County Clerk of Courts, Finance Department, 25 East Hickpochee Avenue, LaBelle, FL 33935, phone (863) 675-5322.

COMBINED
FINANCIAL
STATEMENTS

HENDRY COUNTY, FLORIDA
STATEMENT OF NET POSITION
September 30, 2024

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	\$ 39,635,765	\$ 7,201,715	\$46,837,480
Prepaid expenses	27,637	-	27,637
Receivables (net)	4,256,627	69,742	4,326,369
Due from other governments	5,327,066	-	5,327,066
Due from other funds	4,056,814	1,823	4,058,637
Restricted cash and cash equivalents	-	3,831,073	3,831,073
Restricted investments, at fair value	-	1,885,902	1,885,902
Noncurrent assets:			
Land and other non-depreciable assets	28,643,728	743,490	29,387,218
Capital assets, net of depreciation	42,605,559	12,862,312	55,467,871
TOTAL ASSETS	124,553,196	26,596,057	151,149,253
DEFERRED OUTFLOWS OF RESOURCES			
Related to OPEB	1,113,886	76,841	1,190,727
Related to pensions	11,834,663	830,828	12,665,491
TOTAL DEFERRED OUTFLOWS	12,948,549	907,669	13,856,218
LIABILITIES			
Accounts payable	3,303,273	97,364	3,400,637
Accrued liabilities	1,106,408	64,097	1,170,505
Due to other funds	4,042,865	133,823	4,176,688
Due to other governments	2,341,200	-	2,341,200
Other liabilities	1,242,860	401,623	1,644,483
Customer deposits	-	485,930	485,930
Current portion of long term obligations	1,532,941	349,300	1,882,241
Noncurrent liabilities:			
Due in more than one year	51,335,386	7,039,436	58,374,822
TOTAL LIABILITIES	64,904,933	8,571,573	73,476,506
DEFERRED INFLOWS OF RESOURCES			
Related to OPEB	2,172,497	149,868	2,322,365
Related to deferred lease proceeds	1,751,884	-	1,751,884
Related to pensions	3,976,678	278,543	4,255,221
TOTAL DEFERRED INFLOWS	7,901,059	428,411	8,329,470
NET POSITION			
Net investment in capital assets	63,341,725	9,116,702	72,458,427
Restricted for Contractual obligations	-	4,829,422	4,829,422
Restricted for General government	29,932,548	-	29,932,548
Unrestricted	(28,578,520)	4,557,618	(24,020,902)
TOTAL NET POSITION	\$ 64,695,753	\$ 18,503,742	\$ 83,199,495

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

HENDRY COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
September 30, 2024

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
Primary government:				
Governmental Activities :				
General government	\$ 23,618,264	\$ 12,695,922	\$ 47,703	\$ 737,840
Court related	2,933,036	1,585,934	-	-
Public safety	35,780,211	2,714,478	-	2,819,049
Physical environment	5,520,136	235,931	-	93,750
Transportation	12,381,607	2,027,761	6,433,050	4,371,629
Economic environment	1,688,477	38,225	603,654	-
Culture and recreation	1,262,716	48,133	-	13,219
Human services	3,142,374	-	-	58,765
Interest on long-term debt	1,078,054	-	-	-
Total governmental activities	87,404,875	19,346,384	7,084,407	8,094,252
Business-type Activities :				
Water and Wastewater	3,897,883	3,924,460	-	-
Total primary government	\$ 91,302,758	\$ 23,270,844	\$ 7,084,407	\$ 8,094,252

General revenues and net transfers :

Taxes

 Property taxes

 Gasoline taxes

 Communication taxes

 Other taxes

Licenses and permits

Fines and forfeitures

Intergovernmental revenues

Miscellaneous

Total general revenues

Change in net position

Net position, beginning

Net position, ending

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

Net (Expense) Revenue and
Changes in Net Position

Primary Government		
Governmental Activities	Business-type Activities	Total
\$(10,136,799)	\$ -	\$ (10,136,799)
(1,347,102)	-	(1,347,102)
(30,246,684)	-	(30,246,684)
(5,190,455)	-	(5,190,455)
450,833	-	450,833
(1,046,598)	-	(1,046,598)
(1,201,364)	-	(1,201,364)
(3,083,609)	-	(3,083,609)
(1,078,054)	-	(1,078,054)
<u>(52,879,832)</u>	<u>-</u>	<u>(52,879,832)</u>
<u>-</u>	<u>26,577</u>	<u>26,577</u>
<u>(52,879,832)</u>	<u>26,577</u>	<u>(52,853,255)</u>
26,079,970	-	26,079,970
1,525,445	-	1,525,445
121,207	-	121,207
12,888,984	-	12,888,984
1,611,456	-	1,611,456
341,918	-	341,918
16,945,785	-	16,945,785
<u>3,691,108</u>	<u>362,617</u>	<u>4,053,725</u>
<u>63,205,873</u>	<u>362,617</u>	<u>63,568,490</u>
10,326,041	389,194	10,715,235
<u>54,369,712</u>	<u>18,114,548</u>	<u>72,484,260</u>
<u>\$ 64,695,753</u>	<u>\$ 18,503,742</u>	<u>\$ 83,199,495</u>

HENDRY COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2024

	General	County Transportation Trust	ARPA & Hendry Cares Act	Fines and Forfeitures	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and investments	\$ 9,282,140	\$ 700,078	\$ 6,899,581	\$ 1,048,404	\$ 21,705,562	\$ 39,635,765
Prepaid expenses	27,637	-	-	-	-	27,637
Receivables (net)	471,979	308,247	-	-	3,476,401	4,256,627
Due from other governments	3,004,130	1,009,248	-	226,892	1,086,796	5,327,066
Due from other funds	2,320,986	-	1,723,351	-	12,477	4,056,814
Total assets	<u>\$ 15,106,872</u>	<u>\$ 2,017,573</u>	<u>\$ 8,622,932</u>	<u>\$ 1,275,296</u>	<u>\$ 26,281,236</u>	<u>\$ 53,303,909</u>
Liabilities, deferred inflows of resources and fund balances						
Liabilities						
Accounts payable	\$ 1,498,977	\$ 310,897	\$ 41,672	\$ 241,173	\$ 1,210,554	\$ 3,303,273
Accrued liabilities	917,594	85,093	5,304	14,745	83,672	1,106,408
Due to other funds	214,708	388,011	-	1,087,180	2,352,966	4,042,865
Due to other governments	2,337,701	3,499	-	-	-	2,341,200
Unearned revenue	97,662	-	-	-	579,482	677,144
Other liabilities	193,286	163,468	-	9,042	199,920	565,716
Total liabilities	<u>5,259,928</u>	<u>950,968</u>	<u>46,976</u>	<u>1,352,140</u>	<u>4,426,594</u>	<u>12,036,606</u>
Deferred inflows of resources						
Deferred lease proceeds	264,073	-	-	-	1,487,811	1,751,884
Fund balances						
Restricted	-	1,066,605	8,575,956	(76,844)	20,366,831	29,932,548
Unassigned	9,582,871	-	-	-	-	9,582,871
Total fund balances	<u>9,582,871</u>	<u>1,066,605</u>	<u>8,575,956</u>	<u>(76,844)</u>	<u>20,366,831</u>	<u>39,515,419</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 15,106,872</u>	<u>\$ 2,017,573</u>	<u>\$ 8,622,932</u>	<u>\$ 1,275,296</u>	<u>\$ 26,281,236</u>	<u>\$ 53,303,909</u>

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

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

Fund Balances - total governmental funds	\$ 39,515,419
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Capital assets, net of accumulated depreciation and amortization, used in governmental activities are not financial resources and are, therefore, not reported in the governmental funds.	71,249,287
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Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds:

Notes payable	(7,907,562)	
Leases liability	(1,590,075)	
Subscription liability	(400,716)	
Other Post Employment Benefits	(3,709,944)	
Net Pension liability	(36,735,655)	
Deferred outflows related to pensions	11,834,663	
Deferred inflows related to pensions	(3,976,678)	
Deferred outflows related to OPEB	1,113,886	
Deferred inflows related to OPEB	(2,172,497)	
Compensated absences	(2,524,375)	(46,068,953)

Net position of governmental activities	\$ 64,695,753
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The accompanying notes to the financial statements are an integral part of this statement.

HENDRY COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2024

	General	County Transportation Trust	ARPA & Hendry Cares Act	Fines and Forfeitures	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	\$ 26,201,175	\$ 1,525,445	\$ -	\$ -	\$ 12,888,986	\$ 40,615,606
Licenses and permits	173,812	-	-	-	1,437,644	1,611,456
Intergovernmental	13,706,447	11,219,176	2,263,068	33,516	4,902,237	32,124,444
Charges for services	9,291,995	952,834	-	394,263	8,707,292	19,346,384
Fines and forfeitures	52,587	-	-	289,331	-	341,918
Miscellaneous	1,215,870	206,070	-	252,126	2,017,042	3,691,108
Total revenues	<u>50,641,886</u>	<u>13,903,525</u>	<u>2,263,068</u>	<u>969,236</u>	<u>29,953,201</u>	<u>97,730,916</u>
EXPENDITURES						
Current						
General government	16,505,112	-	-	38,878	6,481,658	23,025,648
Court related	2,590,512	-	-	312,090	-	2,902,602
Public safety	27,431,056	-	489,845	754,682	3,987,585	32,663,168
Physical environment	675,364	-	-	-	4,849,886	5,525,250
Transportation	-	9,782,663	-	-	2,692,871	12,475,534
Economic environment	445,924	-	-	-	1,212,283	1,658,207
Culture and recreation	180,437	-	-	-	1,048,639	1,229,076
Human services	1,810,937	-	-	-	-	1,810,937
Capital outlay						
General government	177,245	-	-	-	279,650	456,895
Public safety	1,305,877	-	1,028,794	-	71,557	2,406,228
Physical environment	-	-	-	-	1,028,376	1,028,376
Transportation	-	5,142,531	-	-	2,028,221	7,170,752
Debt service						
Principal retirement	889,398	-	-	-	-	889,398
Interest and fiscal charges	1,078,054	-	-	-	-	1,078,054
Total expenditures	<u>53,089,916</u>	<u>14,925,194</u>	<u>1,518,639</u>	<u>1,105,650</u>	<u>23,680,726</u>	<u>94,320,125</u>
Excess (deficiencies) of revenues over (under) expenditures	<u>(2,448,030)</u>	<u>(1,021,669)</u>	<u>744,429</u>	<u>(136,414)</u>	<u>6,272,475</u>	<u>3,410,791</u>
OTHER FINANCING SOURCES (USES)						
Issuance of debt	156,000	-	-	-	3,397,000	3,553,000
Issuance of lease agreements	1,007,149	-	-	-	-	1,007,149
Issuance of subscription agreements	419,810	-	-	-	-	419,810
Sale of capital assets	101,490	-	-	-	-	101,490
Transfers in	25,805,596	1,100,000	-	500,000	512,010	27,917,606
Transfers out	(23,676,762)	-	-	(20,844)	(4,220,000)	(27,917,606)
Total other financing sources (uses)	<u>3,813,283</u>	<u>1,100,000</u>	<u>-</u>	<u>479,156</u>	<u>(310,990)</u>	<u>5,081,449</u>
Net change in fund balances	1,365,253	78,331	744,429	342,742	5,961,485	8,492,240
Fund balances, October 1, 2023	8,217,618	988,274	7,831,527	(419,586)	14,405,346	31,023,179
Fund balances, September 30, 2024	<u>\$ 9,582,871</u>	<u>\$ 1,066,605</u>	<u>\$ 8,575,956</u>	<u>\$ (76,844)</u>	<u>\$ 20,366,831</u>	<u>\$ 39,515,419</u>

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

HENDRY COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
For the Fiscal Year ended September 30, 2024

Net change in fund balances - total governmental funds: \$ 8,492,240

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

Capital outlay, reported as expenditures in governmental funds, is shown as capital assets in the Statement of Net Position. 11,062,251

Depreciation and amortization expense on governmental capital assets are included in the Statement of Activities. (6,999,305)

Revenues are recorded on the modified accrual basis of accounting when they are determined to be measurable and available, however, they are recorded on the statement of activities when they are measurable, regardless of availability. Certain expenditures are recorded when the related liability is incurred and expected to be paid in a reasonable period of time which can differ from when the expense is recorded on the statement of activities. The net difference between these revenues and expenditures/expenses is 3,215,598

Issuance of debt provides current financial resources for governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.

Principal payments	\$ 889,398	
Proceeds from issuance of debt	<u>(3,553,000)</u>	(2,663,602)

Changes in accrued compensated absences reported in the Statement of Activities does not require the use of current financial resources and, therefore is not reported as an expenditure in the governmental funds. (362,951)

Changes in other postemployment benefits, deferred outflows, and deferred inflows reported in the Statement of Activities does not require the use of current financial resources and, therefore is not reported as an expenditure in the governmental funds. (1,066,827)

Changes in pension liability, deferred outflows, and deferred inflows reported in the Statement of Activities does not require the use of current financial resources and, therefore is not reported as an expenditure in the governmental funds. (703,505)

Changes in lease and subscription liabilities and deferred inflows related to leases are reported in the Statement of Activities, but does not require the use of current financial resources and therefore is not reported as an expenditure in the governmental funds. (647,858)

Change in net position of governmental activities \$ 10,326,041

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

HENDRY COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 27,359,709	\$ 26,201,175	\$ 26,201,175	\$ -
Licenses and permits	75,000	173,813	173,812	(1)
Intergovernmental	10,001,484	13,579,526	13,706,447	126,921
Charges for services	7,649,272	8,825,620	9,291,995	466,375
Fines and Forfeitures	-	52,587	52,587	-
Miscellaneous	602,075	1,013,813	1,215,870	202,057
Total revenues	<u>45,687,540</u>	<u>49,846,534</u>	<u>50,641,886</u>	<u>795,352</u>
EXPENDITURES				
Current				
General government	13,757,392	14,322,082	16,505,112	(2,183,030)
Court related	2,372,021	2,372,021	2,590,512	(218,491)
Public safety	23,940,826	26,052,947	27,431,056	(1,378,109)
Physical environment	725,596	629,689	675,364	(45,675)
Economic environment	594,883	415,769	445,924	(30,155)
Culture and recreation	172,664	168,234	180,437	(12,203)
Human services	1,503,514	1,688,472	1,810,937	(122,465)
Capital Outlay				
General government	67,000	175,848	177,245	(1,397)
Public safety	686,176	753,343	1,305,877	(552,534)
Debt service				
Principal retirement	1,653,958	1,345,241	889,398	455,843
Interest and fiscal charges	189,000	166,830	1,078,054	(911,224)
Contingency	415,967	50,000	-	50,000
Total expenditures	<u>46,078,997</u>	<u>48,140,476</u>	<u>53,089,916</u>	<u>(4,949,440)</u>
Deficiencies of revenues under expenditures	<u>(391,457)</u>	<u>1,706,058</u>	<u>(2,448,030)</u>	<u>(4,154,088)</u>
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	156,000	156,000	-
Issuance of lease agreements	-	-	1,007,149	1,007,149
Issuance of subscription agreements	-	-	419,810	419,810
Sale of capital assets	-	16,320	101,490	85,170
Transfers in	25,017,035	24,342,879	25,805,596	1,462,717
Transfers out	(24,625,578)	(24,966,239)	(23,676,762)	1,289,477
Total other financing sources (uses)	<u>391,457</u>	<u>(451,040)</u>	<u>3,813,283</u>	<u>4,264,323</u>
Net change in fund balances	-	1,255,018	1,365,253	110,235
Fund balances - October 1, 2023	-	5,872,943	8,217,618	2,344,675
Fund balances - September 30, 2024	<u>\$ -</u>	<u>\$ 7,127,961</u>	<u>\$ 9,582,871</u>	<u>\$ 2,454,910</u>

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

HENDRY COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COUNTY TRANSPORTATION TRUST
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Taxes	\$ 1,509,231	\$ 1,525,445	\$ 1,525,445	\$ -
Intergovernmental	12,756,180	11,219,178	11,219,176	(2)
Charges for services	897,100	952,834	952,834	-
Miscellaneous	90,000	206,059	206,070	11
Total revenues	<u>15,252,511</u>	<u>13,903,516</u>	<u>13,903,525</u>	<u>9</u>
EXPENDITURES				
Current				
Transportation	15,157,713	14,163,355	9,782,663	4,380,692
Capital outlay				
Transportation	1,194,798	761,831	5,142,531	(4,380,700)
Debt service				
Principal & interest retirement	-	-	-	-
Total expenditures	<u>16,352,511</u>	<u>14,925,186</u>	<u>14,925,194</u>	<u>(8)</u>
Excess (deficiencies) of revenues over (under) expenditures	<u>(1,100,000)</u>	<u>(1,021,670)</u>	<u>(1,021,669)</u>	<u>1</u>
OTHER FINANCING SOURCES				
Transfers in	1,100,000	1,100,000	1,100,000	-
Transfers out	-	-	-	-
Total other financing sources	<u>1,100,000</u>	<u>1,100,000</u>	<u>1,100,000</u>	<u>-</u>
Net change in fund balance	-	78,330	78,331	1
Fund balance-October 1, 2023	-	988,274	988,274	-
Fund balance- September 30, 2024	<u>\$ -</u>	<u>\$ 1,066,604</u>	<u>\$ 1,066,605</u>	<u>\$ 1</u>

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

HENDRY COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUND
For the Fiscal Year Ended September 30, 2024

		Business-type Activities Enterprise Fund
		<u>Port LaBelle Utility System</u>
<u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>		
Assets		
Current Assets		
Cash and cash equivalents	\$	7,201,715
Receivables (net)		69,742
Due from other governments		1,823
Restricted Assets:		
Cash and cash equivalents	\$	3,831,073
Investments, at fair value		1,885,902
Total Restricted Assets		<u>5,716,975</u>
Total current assets		<u>12,990,255</u>
Noncurrent Assets		
Capital Assets		
Non-depreciable		743,490
Depreciable		29,569,460
Less: accumulated depreciation		<u>(16,707,148)</u>
Total Capital Assets, net		<u>13,605,802</u>
Total noncurrent assets		<u>13,605,802</u>
Total assets		<u>26,596,057</u>
Deferred outflows of resources		
Related to OPEB	76,841	
Related to pensions	830,828	
Total Deferred outflows of resources		<u>907,669</u>
Total assets and deferred outflows of resources		<u>27,503,726</u>

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

Business-type Activities
Enterprise Fund

 Port LaBelle
Utility System

LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION

Liabilities

Current liabilities

Accounts payable	97,364
Accrued liabilities	64,097
Due to other funds	133,823
Other liabilities	401,623
Customer deposits	485,930
Revenue Bonds payable	349,300
Total current liabilities	1,532,137

Noncurrent liabilities

Revenue Bonds payable	4,139,800
Accrued compensated absences	64,759
Total OPEB liability	255,927
Net pension liability	2,578,950
Total noncurrent liabilities	7,039,436

Total liabilities

8,571,573

Deferred inflows of resources

Related to OPEB	149,868
Related to pensions	278,543

Total Deferred inflows of resources

428,411

Net position

Net investment in capital assets	9,116,702
Restricted for contractual obligations	4,829,422
Unrestricted	4,557,618

Total net position

\$ 18,503,742

HENDRY COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND
For the Fiscal Year Ended September 30, 2024

	Business-type Activities Enterprise Fund
	Port LaBelle Utility System
OPERATING REVENUES	
Charges for services	\$ 3,924,460
Miscellaneous	180,172
	4,104,632
OPERATING EXPENSES	
Personal services	1,050,968
Contractual services	124,565
Repairs and maintenance	488,298
Depreciation and amortization	1,022,851
Office	23,145
Supplies	144,277
Utilities	161,765
Other expense	787,214
	3,803,083
Total operating expenses	3,803,083
Operating income (loss)	301,549
NON-OPERATING REVENUES (EXPENSES)	
Transfers In	-
Interest income	182,445
Interest and fiscal charges	(94,800)
	87,645
Total non-operating (expenses)	87,645
Change in net position	389,194
Total net position, October 1, 2023	18,114,548
Total net position, September 30, 2024	\$ 18,503,742

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

HENDRY COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended September 30, 2024

	Business-type Activities <u>Enterprise Funds</u>
	<u>Port LaBelle Utility System</u>
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from customers	\$ 4,104,632
Cash payments to suppliers for goods and services	(1,567,499)
Net cash paid to other governments and funds	(161,765)
Cash payments to employees for services	<u>(1,050,968)</u>
Net cash provided by operating activities	<u>1,324,400</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Deposits collected from customers less deposits refunded to customers	<u>352,424</u>
Net cash used in noncapital financing activities	<u>352,424</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Transfers In from other funds	133,823
Principal paid on revenue bonds	(341,900)
Interest paid on revenue bonds	<u>(94,800)</u>
Net cash used in capital financing activities	<u>(302,877)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest income	182,445
Acquisition of capital assets and construction in progress	<u>(161,812)</u>
Net cash used in investing activities	<u>20,633</u>
Net increase in cash and cash equivalents	1,394,580
Cash and cash equivalents on October 1, 2023	<u>9,638,208</u>
Cash and cash equivalents on September 30, 2024	<u>\$ 11,032,788</u>

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

Business-type Activities
Enterprise Funds

Port LaBelle
Utility System

Reconciliation of operating income (loss) to net cash provided
by operating activities:

Operating income (loss)	\$ 301,549
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Adjustments to reconcile operating income (loss) to net cash
provided by operating activities:

Depreciation and amortization	1,022,851
OPEB & Pension expense	94,428

Changes in assets and liabilities:

(Increase) decrease in:	
Accounts receivable	153,851
Due from other governments	(1,823)

Increase (decrease) in:

Accounts payable	22,143
Accrued liabilities	7,521
Due to other funds	(47,151)
Deferred outflows - pension related (increase) decrease	(261,523)
Deferred inflows - pension related increase (decrease)	117,672
Net pension liability increase (decrease)	(87,104)
Deferred outflows - OPEB related (increase) decrease	(39,779)
Deferred inflows - OPEB related increase (decrease)	(35,555)
Total OPEB liability increase (decrease)	77,320

Total adjustments	1,022,851
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Net cash provided by operating activities	\$ 1,324,400
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HENDRY COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
September 30, 2024

	Custodial Funds
ASSETS	
Cash and cash equivalents	\$ 5,004,900
Due from other governments	4,425
Total assets	5,009,325
 LIABILITIES	
Accounts payable	57,970
Due to other funds	52,395
Due to other governments	371,368
Due to individuals	1,268,315
Total liabilities	1,750,048
 NET POSITION	
Restricted for:	
Individuals, organizations, and other governments	3,259,277
Total net position	\$ 3,259,277

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

HENDRY COUNTY, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
As of September 30, 2024

	Custodial Funds
Additions:	
Taxes, fees, fines collected for other governments	\$ 128,599,308
Licenses and tag fees collected for other governments	9,403,402
Deposits and other trust activities	2,944,852
Total additions	140,947,562
 Deductions:	
Taxes, fees, fines disbursed for other governments	128,582,827
Licenses and tag fees disbursed for other governments	9,403,402
Deposits and other trust activities disbursed	3,173,531
Total deductions	141,159,760
Change in Net Position	(212,198)
Net Position, beginning	3,471,475
Net Position, ending	\$ 3,259,277

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

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

Hendry County (the “County”) was created in 1923 by the Laws of Florida 1923, Chapter 23-9369 as amended, Section 7.26, Florida Statutes and is a political subdivision of the State of Florida. It is governed by an elected Board of County Commissioners (the “Board”) which is a body of elected Constitutional Officers of Hendry County. In addition to the members of the Board of County Commissioners, there are five elected Constitutional Officers: Clerk of the Circuit Court, Sheriff, Tax Collector, Property Appraiser, and Supervisor of Elections, which were established by the Constitution of the State of Florida, Article VIII, Section 1(d). The Constitutional Officers maintain separate accounting records and budgets.

The accompanying financial statements present the combined financial position and results of operations and changes in cash flows of the County of the applicable fund types governed by the Board of County Commissioners of Hendry County, Florida and its Constitutional Officers.

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of Hendry County (the primary government) and its component units. A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable. In addition, a component unit may be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity’s financial statements to be misleading or incomplete.

Blended component units are legally separate entities that are in substance part of the County’s operation, as they either have governing bodies that are substantively the same as the Board and there is a financial benefit or burden relationship between the Board and the component unit, or they provide their services exclusively or almost exclusively to the County government. The financial transactions of these component units are merged in with transactions of the County as part of the primary government. The blended component unit of the County is as follows:

East Hendry County Drainage District

The District maintains the canals, ditches and storm water treatment areas located in East Hendry County. By Petition of the Hendry County Board of County Commissioners, pursuant to the provisions of Laws of Florida, Chapter 67-1443, the creation of the East Hendry County Drainage District was approved by court order on October 9, 1984.

Hendry County also has a number of independent special districts, whose financials are not included in this report, but are subject to independent audit and whose financials are made available to the public by the District. These include the Bolles Drainage District, the Central County Water Control District, the Clewiston Drainage District, the Collins Slough Water Control District, the Devil's Garden Water Control District, the Gerber Groves Water control District, the Hendry Hilliard Water Control District, the Hendry County Hospital Authority, the Area Housing Commission of Clewiston and the Hendry-LaBelle Recreation Board.

B. Government-Wide and Fund Financial Statements

The basic financial statements consist of the government wide financial statements and fund financial statements. Both sets of statements distinguish between the governmental and business type activities of the Board.

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

B. Government-Wide and Fund Financial Statements (continued)

The government-wide financial statements (the statement of net position and the statement of activities) report on the Board as a whole and do not emphasize fund types but rather a governmental or a business-type classification, which are presented in separate columns. These statements report on the Board as a whole, both the primary government and its component units, and provide a consolidated financial picture of the Board of County Commissioners. As part of the consolidation process, inter-fund activities are eliminated to avoid distorted financial results.

The Statement of Net Position reports all financial and capital resources of the Board's governmental and business-type activities. It is presented in a net position format (assets less liabilities equal net position) and shown with three components: amounts invested in capital assets, net of related debt; restricted net position; and unrestricted net position. The statement of activities reflects the expenses of a given function or segment, which are offset by program revenues. Program revenues are defined as charges for services, operating grants and contributions and capital grants and contributions directly associated with a given function. Taxes are reported under general revenue.

Program revenues are classified into three categories; charges for services, operating grants and contributions and capital grants and contributions. Charges refer to direct recovery from customers for services rendered. Grants and contributions refer to revenues restricted for specific programs whose use may be restricted further to operational or capital items. The general revenues section displays revenue collected that helps support all functions of our government and contribute to the change in the net position for the fiscal year.

The Board's major funds are presented in separate columns on the governmental fund financial statements and the proprietary fund financial statements. The definition of a major fund is one that meets certain criteria set forth in GASB 34. The funds that do not meet the criteria of a major fund are considered non-major funds and are combined into a single column on the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounts of the Board are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity or retained earnings, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

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

The government-wide financial statements are prepared on a full accrual basis using the economic resources measurement focus, as are the proprietary fund financial statements.

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

Revenues are recorded when earned and expenses are recorded when a liability is incurred. Property taxes are recognized in the year for which they are levied. Grants and similar items are recognized as revenues as soon as all of the eligibility requirements have been met.

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

Governmental fund financial statements are prepared on the modified accrual basis using the current financial resources measurement focus. Under the modified accrual basis, revenues are recognized when they become measurable and available as net current assets. The Board considers all revenues available if they are collected within sixty days after year-end. Primary revenues, such as property taxes, special assessments, intergovernmental revenues, charges for services, sales and franchise taxes, rents and interest are treated as susceptible to accrual under the modified accrual basis and have been recognized as revenues.

Expenditures reported in governmental fund financial statements are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule includes principal and interest on general long-term debt, which is recognized when due, the noncurrent portion of accrued compensated absences and other post employment benefits.

The business-type activities reported in the government-wide financial statements and proprietary funds follow private sector standards issued prior to December 1, 1989, to the extent those standards do not conflict with Governmental Accounting Standards Board statements. However, pursuant to Government Accounting Standards Board Statement Number 20, Accounting and Financial Reporting for Proprietary Funds and Other Governmental Entities That Use Proprietary Fund Accounting, the Board has elected not to apply accounting standards issued after November 30, 1989, by the Financial Accounting Standards Board.

When both restricted and unrestricted resources are available, restricted resources will be used first for incurred expenses, and then unrestricted as needed.

The Board reports the following major governmental funds:

General Fund

The *General Fund* is the general operating fund of the Board that is used to account for all financial resources, except those required to be accounted for in another fund.

County Transportation Trust Fund

The *County Transportation Trust Fund* accounts for revenues received and expended for the construction and maintenance of roadways.

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (continued)

ARPA and Hendry Cares Act Fund

The *ARPA & Hendry Cares Act Fund* is a special revenue fund accounts for revenues received and expended for the American Rescue Plan and Hendry Cares Act COVID recovery program.

Fines and Forfeitures Fund

The *Fines and Forfeitures Fund* is a special revenue fund accounts for revenues received and expended for fines and forfeitures.

The Board reports the following major proprietary fund:

The Port LaBelle Utility System

The *Port LaBelle Utility System* accounts for activities related to the county-owned water and systems.

Additionally, the Board reports Agency Funds. Agency funds are custodial funds and do not involve measurement of results of operations. These funds are clearing accounts for assets held by the County as an agent for other funds. These funds hold assets prior to disbursement or in a custodial capacity.

D. Budgets and Budgetary Accounting

Chapters 129 and 200 of the Florida Statutes govern the preparation, adoption and administration of the County's annual budget. The budget is required to be balanced; that is; the total of the estimated revenues, including balances brought forward, shall equal the total of the appropriations and reserves. The following procedures are followed by the County in establishing the operating budget:

- (1) On or before July 15, a tentative budget for the fiscal year commencing the following October 1 is presented to the Board.
- (2) The tentative budget is reviewed by the Board and any necessary changes are made.
- (3) Public hearings are conducted to inform the taxpayers of the tentative budget and proposed tax levies and to obtain taxpayer comments.
- (4) On or before September 30, the budget is legally adopted through passage of a resolution.
- (5) Section 129.07 of the Florida Statutes prohibits incurring expenditures in excess of total fund appropriations.
- (6) Formal budgetary integration is employed as a management control device during the year in all Governmental Fund Types. Estimated beginning fund balances are considered in the budgetary process, but are not included in the financial statements as budgeted revenue.
- (7) Budgets for General, Special Revenue, Debt Service and Capital Projects Funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America.
- (8) Formal budgetary integration is employed as a management control device during the year in all Governmental Fund Types. Estimated beginning fund balances are considered in the budgetary process, but are not included in the financial statements as budgeted revenue.

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Budgets and Budgetary Accounting (continued)

The annual budgets serve as the legal authorization for expenditures. Expenditures cannot legally exceed the total amount budgeted for each fund. The Board must approve all budget amendments, which change the legally adopted total appropriation for a fund.

If, during the fiscal year, additional revenues become available for appropriation in excess of those estimated in the budget, the Board may make supplemental appropriations by resolution for the year up to the amount of such excess. During the fiscal year the Board, in accordance with Florida Statutes, approved various supplemental appropriations. Appropriations lapse at fiscal year-end.

E. Assets, Liabilities, and Net Position or Fund Equity

Cash and Investments

The Board considers cash and cash equivalents to be cash on hand, demand deposits, highly liquid investments, including those held as restricted assets, with original maturities of three months or less when purchased, and those included in the internal investment pool.

For accounting and investment purposes, the Board maintains a cash pool that is available for use by all funds except those whose cash and investments may be segregated due to legal or other restrictions.

Interest earned on investments in the pool is allocated to the various funds based upon each fund's equity balance in the pool during the allocation period.

Inventories

Inventories, consisting primarily of materials and supplies, are stated at cost, which approximates fair market value. The "first-in, first-out" method of accounting is used to determine cost. All inventories are recorded as expenditures, or expenses, as they are used (consumption method).

Capital Assets

Capital assets include property, plant and equipment. Infrastructure assets are defined as public domain fixed assets such as roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, lighting systems and similar assets that are immovable and of value only to the government unit.

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HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, and Net Position or Fund Equity (continued)

Capital assets are reported in the government-wide financial statements in the applicable governmental or business-type activities column, as well as the proprietary fund financial statements. The threshold for capitalizing property, plant, and equipment is \$5,000. The threshold for capitalizing infrastructure is \$100,000. Capital assets are recorded at cost, or estimated historical cost. Contributed assets are recorded at estimated fair market value at the time received.

Depreciation is calculated using the straight-line method over the estimated useful lives of the related assets. Florida Statutes require that the Board maintain accountability for all assets used in operations, except those maintained by the Sheriff.

The ranges of the useful lives are as follows:

Asset	Years
Buildings	30-50
Infrastructure	10-100
Improvements other than Buildings	6-50
Equipment	3-35
Computer Equipment	3-10
Furniture	4-20
Vehicles & Rolling Stock	3-15

Deferred Outflows/Inflows of Resources

Deferred outflows of resources represent a consumption of net position that applies to a future period and therefore will not be recognized as expended until then. The Board presents deferred outflows associated with pensions and other post employment benefits to be expensed over future periods.

Deferred inflows of resources are reported in governmental activities to offset receivables and deposits that do not meet the availability criterion under the modified accrual basis of accounting. The Board presents amounts associated with pensions and other post employment benefits as deferred inflows of resources.

Compensated Absences

The Board maintains a policy that permits employees to accumulate earned but unused vacation and sick pay benefits that will be paid to employees upon separation from Board service if certain criteria are met. These benefits, plus their related tax and retirement costs are classified as compensated absences. Both the current and long-term portion of compensated absences are accrued and reported in the government-wide and proprietary fund financial statements. This is accounted for pursuant to GASB Statement Number 16, *Accounting for Compensated Absences*.

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Assets, Liabilities, and Net Position or Fund Equity (continued)

Net Position / Fund Balance Classification

Governmental funds report fund balances as either nonspendable or spendable. Spendable fund balances are further classified as restricted, committed, assigned or unassigned, based on the extent to which there are external or internal constraints on the spending of these fund balances.

Nonspendable fund balances include amounts that cannot be spent because they are not in spendable form or legally or contractually required to be maintained intact. The County considers inventories and prepaid items as part of this category, as well as long-term receivables from which proceeds are not restricted, committed or assigned.

Spendable Fund Balances:

Restricted Fund Balance: Amounts that are restricted to specific purposes, and are restricted through enabling legislation and are legally enforceable. The legislation that creates the revenue stream must also stipulate the purposes for which that revenue can be used.

Committed Fund Balance: Amounts that are committed for specific purposes by formal action of the governments' highest level of decision making authority. These amounts are not subject to legal enforceability as in restricted, however those amounts cannot be used for any other purpose unless the government removes or changes the limitation by taking the same form of action it employed to previously impose the limitation.

Assigned Fund Balance: Amounts that are intended by the government to be used for specific purposes but are neither restricted nor limited. Intent should be expressed by (a) the governing body itself, or (b) a subordinate high-level body or official possessing the authority to assign amounts to be used for specific purposes.

Unassigned Fund Balance: The residual classification for the general fund. This classification represents fund balance that has not been assigned to other funds and that has not been restricted, limited or assigned to specific purposes within the general fund.

Government-wide statements and proprietary fund statements utilize an economic resources measurement focus and categorize net position among the following components:

Invested in Capital Assets, Net of Related Debt – indicates that portion of net position which represents the County's equity in capital assets, less the amount of related debt.

Restricted Net Position – indicates that portion of net position which is segregated due to external restrictions imposed by creditors, grantors, contributors or laws or regulations of other governments and restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted Net Position – indicates that portion of net position which is available for general operations.

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires the Board to make estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenue and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - PROPERTY TAXES

Property taxes become due and payable on November 1 of each year and are delinquent on April 1 of the following year. Discounts on property taxes are allowed for payments made prior to the April 1 delinquent date. Tax certificates for the full amount of any unpaid taxes must be sold no later than June 1 of each year.

No accrual for the property tax levy becoming due in November 2021 is included in the accompanying financial statements, since such taxes are collected to finance expenditures of the subsequent period. Procedures for collecting delinquent taxes, including applicable tax certificate sales and tax deed sales, are provided by Florida Statutes and are performed by the Hendry County Tax Collector.

The enforceable lien date is approximately two years after taxes become delinquent and occurs only upon request of a holder of a delinquent tax certificate. There was no significant delinquent property taxes receivable at September 30, 2024.

Important dates in the property tax cycle are as follows:

- Assessment roll certified- July 1
- Millage resolution approved- no later than 93 days following certification of assessment roll
- Beginning of fiscal year for which taxes have been levied- October 1
- Taxes due and payable (levy date)- November 1
- Property taxes payable (maximum discount of 4 percent)- 30 days after levy date
- Due date- March 31
- Taxes become delinquent (lien date)- April 1
- Tax certificate sold- prior to June 1

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 3 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

As of September 30, 2024, the County has the following non-major governmental funds with deficit fund balances. The County anticipates these deficits to be resolved in the next fiscal year(s) as noted below:

Deficit Fund Balances

The Line of Credit Projects Fund has a deficit fund balance of \$1,053,361. It is anticipated that the deficit will be resolved in future fiscal years revenues are received. Projects were funded with loan proceeds prior to receiving revenues which is what created the deficit.

The Murray Road MSBU Fund has a deficit fund balance of \$37,269. It is anticipated that the deficit will be resolved in the next fiscal year as expenditures will be less than revenues.

The Fines and Forfeitures Fund has a deficit fund balance of \$76,844. It is anticipated that the deficit will be resolved in future fiscal years as expenditures will be less than revenues.

Deficit Net Position

The County's unrestricted net position balance was again a deficit and totaled \$(24,020,902), due substantially from recording the current year actuarially determined pension liabilities of approximately \$39 million.

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HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS

All County depositories are banks or savings institutions designated by the State Treasurer as qualified public depositories. Chapter 280, *Florida Statutes* "Florida Security for Public Deposits Act" provides procedures for public depositories to insure monies in banks and savings and loans are collateralized with the Treasurer as an agent for the public entities.

The Public Deposit Security Trust Fund has a procedure to allocate and recover losses in the event of a default or insolvency. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereof. Chapter 280 defines deposits as time deposit accounts, demand deposit accounts, and certificates of deposit. County depositories are banks designated as qualified depositories by the State Treasurer. The County's bank balance of deposits insured by Federal Depository Insurance or pursuant to Chapter 280 of the Florida Statutes was \$31,761,531 as of September 30, 2024.

Board investments are made in accordance with the provisions of Section 218.415, *Florida Statutes* "Investment of Local Government Surplus Funds." Authorized investments include U.S. Government obligations, passbook savings accounts, tax-exempt State and municipal securities, certificates of deposit, Local Government Surplus Funds Investment Pool Trust Fund (SBA), the Florida Local Government Investment Trust (FLGIT), treasury bills, and any other investments authorized by Chapter 218, *Florida Statutes*. There were no violations of this policy during the fiscal year.

The Board adheres to the requirements of Governmental Accounting Standards Board (GASB) Statement Number 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools," as amended by GASB Number 79, "Certain External Investment Pools and Pool Participants." Florida Statutes and Board policy authorize investments in PRIME, an external 2a7-like investment pool. The Fund is publicly traded and may lose principal. PRIME is not registered with the SEC as an investment company, but nevertheless has a policy that it will, and does, operate as a qualifying external investment pool. PRIME has a Standard & Poor's rating of AAAM at September 30, 2023 and meets all of the necessary criteria to elect to measure all of the investments in PRIME at amortized cost. In terms of interest rate risk, PRIME had a weighted average days to maturity (WAM) of 28 days and a weighted average life (WAL) of 71 days at September 30, 2024. PRIME was not exposed to any foreign currency risk nor did it participate in a securities lending program during the period from October 1, 2023 through September 30, 2024.

There are currently no limitations as to the frequency of redemptions; however, PRIME has the ability to impose restrictions on withdrawals should a material event occur. Detailed information on the withdrawal restrictions that may be imposed and PRIME's responsibilities should such an event occur is described in Section 218.409(8)(a), *Florida Statutes*.

The County's investment in PRIME represented less than 1% of the PRIME's total investments. Investments held in PRIME include, but are not limited to, short-term federal agency obligations, treasury bills, repurchase agreements and commercial paper. These short-term investments are stated at cost, which approximates market. Investment income is recognized as earned and is allocated to participants of the Fund based on their equity participation.

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS, CONTINUED

At September 30, 2024, the County reported PRIME investments of \$32,724 at fair value.

At September 30, 2024, the County reported investments in the Florida Local Government Investment Trust (FLGIT) of \$26,023,677.

In accordance with GASB 40, *Deposit and Investment Risk Disclosures—an amendment of GASB Statement No. 3*, certain risks about investments must be disclosed.

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to change in market interest rates. The Board limits its exposure to interest risk by holding all securities until maturity. The Treasury Securities had a weighted average days to maturity (WAM) of 28 days and a weighted average life (WAL) of 71 days at September 30, 2024.

Credit risk is the risk that a security or a portfolio will lose some or all of its value due to a real or perceived change in the ability of the issuer to repay its debt.

Custodial credit is the risk that in the event of the failure of the counterparty, the Board will not be able to recover the value of their investments or collateral securities that are in the possession of an outside party.

Concentration of credit risk is the risk of loss attributed to the magnitude of an entity's investment in a single issuer.

Foreign currency risk is the risk that fluctuations in the currency exchange rate may affect transactions conducted in currencies other than US Dollars and the carrying value of foreign investments.

Treasury Securities are not considered to have credit risk, custodial credit risk, concentration of credit risk, or foreign currency risk.

Fair Value Measurements

In accordance with GASB 72, *Fair Value Measurement and Applications*, the framework for measuring fair value provided a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3).

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS, CONTINUED

The three levels of fair value hierarchy are described as follows:

Level 1 - Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 - Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

US government securities are valued at the closing price reported in the active market in which the individual security is traded and are assigned a Level 1 input.

NOTE 5 - ACCOUNTS RECEIVABLE

At September 30, 2024, receivables were as follows:

	Governmental	Business -Type
Accounts receivable	\$ 2,319,558	\$ 69,742
Leases receivable	1,937,069	-
Less: allowance for bad debt	-	-
Total receivables (net)	\$ 4,256,627	\$ 69,742

NOTE 6 - SPECIAL ASSESSMENT

In connection with the Port LaBelle Utility System (PLUS), the Board has commenced a phased construction program to provide utility service to vacant lots in Units 1–9 in Hendry County and Unit 102 in Glades County. The costs of the improvements are to be financed by special assessments levied against individual lots. The remaining balance of the assessment (if any) is to be paid over a twenty-year period through the real estate tax collection process. Interest at 7% is to be charged on the unpaid balance. The special assessment rate for lots in Hendry County is \$975 per lot, and the rate per lot in Glades County is \$1,080 per lot.

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 7 - RESTRICTED ASSETS AND LIABILITIES

Restricted assets of the proprietary fund represent monies to be restricted for special assessments, renewal and replacement, capital improvements and construction, and customer deposits under the terms of outstanding bond agreements, resolutions, and other contractual agreements.

Restricted assets reported on the proprietary fund statement of net position at September 30, 2024, were as follows:

Port LaBelle Utility

Restricted cash and cash Equivalents	\$ 3,831,073
Restricted investments, at fair value	<u>1,885,902</u>
Total restricted assets	<u><u>\$ 5,716,975</u></u>

Assets restricted for debt service are for the payment of bond principal and interest and bond reserve requirements. Assets restricted for renewal and replacement are for the payment of unusual or extra-ordinary maintenance or repairs. Additionally, assets are restricted for capital improvements and construction. Customer deposits are advance payments held until certain conditions are met.

Liabilities payable from restricted assets were at September 30, 2024 comprised of the following:

Port LaBelle Utility

Current portion of long-term debt	\$ 349,300
Other liabilities	401,623
Customer deposits	<u>485,930</u>
Total	<u><u>\$ 1,236,853</u></u>

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HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 8 - CAPITAL ASSETS

Capital assets activity for the year ended September 30, 2024 are as follows:

	Beginning Balance 10/01/2023	Additions	Deletions	Ending Balance 09/30/2024
<i>Governmental Activities:</i>				
Capital Assets not depreciated:				
Land	\$ 7,496,269	\$ 69,621	\$ -	\$ 7,565,890
Construction in progress	19,979,394	4,680,563	(3,582,119)	21,077,838
Total assets not depreciated	<u>27,475,663</u>	<u>4,750,184</u>	<u>(3,582,119)</u>	<u>28,643,728</u>
Capital assets depreciated/amortized:				
Buildings and improvements	136,372,715	6,530,475	-	142,903,190
Furniture and equipment	33,891,815	1,947,898	(915,292)	34,924,421
Right-to-use leased equipment	1,642,197	1,007,149	-	2,649,346
Intangible assets - subscriptions	419,631	419,810	(129,861)	709,580
Total assets depreciated/amortized	<u>172,326,358</u>	<u>9,905,332</u>	<u>(1,045,153)</u>	<u>181,186,537</u>
Less accumulated depreciation and amortization:				
Buildings and improvements	(104,683,237)	(3,681,890)	961,942	(107,403,185)
Furniture and equipment	(27,920,117)	(1,654,238)	745,378	(28,828,977)
Right-to-use leased equipment	(601,715)	(1,373,369)	-	(1,975,084)
Intangible assets - Subscriptions	(83,925)	(289,807)	-	(373,732)
Total accumulated depreciation and amortization	<u>(133,288,994)</u>	<u>(6,999,304)</u>	<u>1,707,320</u>	<u>(138,580,978)</u>
Total depreciable/amortizable capital assets, net	<u>39,037,364</u>	<u>2,906,028</u>	<u>662,167</u>	<u>42,605,559</u>
Total governmental activities capital assets, net of depreciation and amortization	<u>\$ 66,513,027</u>	<u>\$ 7,656,212</u>	<u>\$ (2,919,952)</u>	<u>\$ 71,249,287</u>

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 8 - CAPITAL ASSETS (CONTINUED)

	Beginning Balance 10/01/2023	Additions	Deletions	Ending Balance 09/30/2024
<i>Business-Type Activities:</i>				
Capital assets not depreciated:				
Land	\$ 537,006	\$ 114,872	\$ (11,146)	\$ 640,732
Construction in Progress	102,758	-	-	102,758
Total capital assets not depreciated	<u>639,764</u>	<u>114,872</u>	<u>(11,146)</u>	<u>743,490</u>
Capital assets being depreciated:				
Buildings and improvements	28,961,341	-	-	28,961,341
Furniture and equipment	550,033	77,833	(19,747)	608,119
Total capital assets being depreciated	<u>29,511,374</u>	<u>77,833</u>	<u>(19,747)</u>	<u>29,569,460</u>
Less accumulated depreciation:				
Buildings and improvements	(15,413,253)	(961,942)	-	(16,375,195)
Furniture and equipment	(306,444)	(60,910)	35,401	(331,953)
Total accumulated depreciation	<u>(15,719,697)</u>	<u>(1,022,852)</u>	<u>35,401</u>	<u>(16,707,148)</u>
Total depreciable capital assets, net	<u>13,791,677</u>	<u>(945,019)</u>	<u>15,654</u>	<u>12,862,312</u>
Total business-type activities capital assets, net of depreciation	<u>\$ 14,431,441</u>	<u>\$ (830,147)</u>	<u>\$ 4,508</u>	<u>\$ 13,605,802</u>

Depreciation costs were charged to functions/ programs as follows:

Governmental activities:

General government	\$ 981,290
Court related	38,405
Public safety	3,523,901
Physical environment	261,608
Transportation	504,327
Economic environment	111,854
Culture and recreation	94,652
Human services	<u>1,483,268</u>
Total depreciation cost for governmental activities	<u>\$ 6,999,305</u>

Business-type activities:

Water and wastewater depreciation cost	<u>\$ 1,022,852</u>
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HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 9 - LONG-TERM OBLIGATIONS (CONTINUED)

Governmental Activities - Notes Payable

Notes Payable

<p>\$267,500 loan to purchase seven vehicles, bearing interest at a rate of 2.65%. The loan requires four annual payments of principal and interest of \$71,545 beginning on February 22, 2023 with the final payment due on February 22, 2026. Outstanding balance as of September 30, 2024 is</p>	\$ 137,741
<p>\$350,000 loan to to purchase two ambulances, bearing interest at a rate of 2.25%. The loan requires four annual payments of principal and interest of \$92,477 beginning on June 15, 2023 with the final payment due on June 15, 2026. Outstanding balance as of September 30, 2024 is</p>	181,256
<p>\$6,000,000 bank loan to fund capital projects, bearing interest at a rate of 3.65%. The loan is intended to be paid using future local government half-cent sales tax revenues. The loan contract requires semi-annual payments of \$435,798. Final payment is due November 2026. Outstanding balance as of September 30, 2024 is</p>	4,029,577
<p>\$236,687 loan to purchase one excavator, bearing interest at a rate of 4.25%. The loan requires three annual payments of principal and interest of \$85,695 beginning on March 1, 2024 with the final payment due on March 1, 2026. Outstanding balance as of September 30, 2024 is</p>	160,988
<p>\$448,000 bank loan for the Country Village MSBU, bearing interest at a rate of 5.66%. The loan contract requires annual payments of principal and interest of \$38,098. Final payment is due April 1, 2044. Outstanding balance as of September 30, 2024 is</p>	448,000
<p>\$2,950,000 bank loan to the Wheeler Road MSBU, bearing interest at a rate of 5.07%. The loan contract requires annual payments of principal and interest of \$213,210. Final payment is due April 15, 2049. Outstanding balance as of September 30, 2024 is</p>	2,950,000
Total governmental - notes payable	<u>7,907,562</u>

Business Type Activities - Revenue Bonds

Revenue Bonds

The Board issued revenue bonds for business-type activities. The descriptions and balances of the outstanding revenue bonds as of September 30, 2024, were as follows:

<p>\$5,492,600 Hendry County, Water and Sewer System Revenue Bonds, Series 2021, bearing interest of 2.24% payable on September 1, 2022 and annually thereafter on September 1, with principal maturing from September 1, 2023 to September 1, 2036.</p>	\$ 4,489,100
Total business-type - revenue bonds payable	<u>4,489,100</u>

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 9 - LONG-TERM OBLIGATIONS (CONTINUED)

The annual debt service requirements for Governmental Activity-Notes Payable and Business-Type Activity-Revenue Bonds Payable at September 30, 2024, were as follows:

Fiscal Year(s)	Government Activities Notes Payable		Business-type Activities Revenue Bonds Payable		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2025	\$ 637,987	\$ 196,203	\$ 349,300	\$ 100,556	\$ 987,287	\$ 296,759
2026	4,041,756	313,749	357,800	92,732	4,399,556	406,481
2027	84,879	166,429	365,300	84,717	450,179	251,146
2028	89,275	162,033	373,900	76,534	463,175	238,567
2029	93,899	157,410	381,500	68,159	475,399	225,569
2030-2034	547,700	708,840	2,041,600	208,658	2,589,300	917,498
2035-2039	705,125	551,416	619,700	17,983	1,324,825	569,399
2040-2044	907,925	348,616	-	-	907,925	348,616
2045-2049	799,016	110,438	-	-	799,016	110,438
Total	\$ 7,907,562	\$ 2,715,134	\$ 4,489,100	\$ 649,339	\$ 12,396,662	\$ 3,364,473

Changes in bonded and other indebtedness of the Board for the year ended September 30, 2024, was as follows:

	Beginning Balance 10/1/2023	Additions	Reductions	Ending Balance 9/30/2024	Due Within One Year
<u>Governmental Activities</u>					
Notes Payable	\$ 5,162,273	\$ 3,634,687	\$ (889,398)	\$ 7,907,562	\$ 637,987
Lease Liability	1,075,302	1,262,657	(747,884)	1,590,075	745,978
Subscription Liability	267,631	419,810	(286,725)	400,716	148,976
Other Post Employment Benefits	2,589,100	1,120,844	-	3,709,944	-
FRS Pension Liability	27,457,249	8,756,724	(7,304,619)	28,909,354	-
HIS Liability	8,133,068	611,383	(918,150)	7,826,301	-
Compensated Absences	2,161,424	369,164	(6,213)	2,524,375	-
Total governmental activities long-term liabilities	\$ 46,846,047	\$16,175,269	\$(10,152,989)	\$ 52,868,327	\$ 1,532,941

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 9 - LONG-TERM OBLIGATIONS (CONTINUED)

	Beginning Balance 10/1/2023	Additions	Reductions	Ending Balance 9/30/2024	Due Within One Year
<u>Business-Type Activities</u>					
Port LaBelle Utility Systems					
Revenue Bonds Payable	\$ 4,831,000	\$ -	\$ (341,900)	\$ 4,489,100	\$ 349,300
Other Post Employment					
Benefits	178,607	77,320	-	255,927	-
FRS Pension liability	1,922,411	606,753	(506,137)	2,023,027	-
HIS Liability	569,435	42,363	(55,875)	555,923	-
Compensated Absences	60,055	4,704	-	64,759	-
Total business-type activities					
long-term liabilities	<u>\$ 7,561,508</u>	<u>\$ 731,140</u>	<u>\$ (903,912)</u>	<u>\$ 7,388,736</u>	<u>\$ 349,300</u>

NOTE 10 - LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

The landfill stopped accepting solid waste on December 1, 1992, and finished placing the required cover on the landfill during the fiscal year ended September 30, 1994. The County completed post closure care requirements during fiscal year 2017 in accordance with landfill laws and Subpart H of 40 Code of Federal Regulations, Part 264, as adopted by reference in Rule 62-701.630 of the Florida Administrative Code (FAC).

The County continually conducts monitoring to detect any potential incidents of environmental contamination. If any contamination is detected, the County will submit a plan to the Florida Department of Environmental Protection to remedy the problems discovered. The County does not believe that any additional liabilities arising from the closed landfill remedial actions would materially affect the County's financial condition.

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 11 - COMMITMENTS & CONTINGENCIES

Contingencies

Grants and Assistance

Activities of certain funds of the Board are financed in whole or in part by various forms of grants and assistance, principally from the federal government. There can be no absolute assurance that such assistance will continue in the future at the present levels. Amounts received from grantor agencies are subject to audit or adjustment by the grantor agencies. Also, any amounts disallowed could constitute liabilities of the applicable funds.

Litigation

The Board, in accordance with the normal conduct of its affairs, is involved in various judgments, claims, and litigation. It is expected that the final settlement of these matters will not materially affect the financial statements of the Board.

NOTE 12 - RETIREMENT PLAN

Florida Retirement System:

General Information - All of the employees of the primary government 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 (“Pension 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 Pension Plan, which is administered by the State Board of Administration (“SBA”). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, *Florida Statutes*, and Chapter 60S, *Florida Administrative Code*. Amendments to the law can be made only by an act of the Florida State Legislature.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the Web site:

www.dms.myflorida.com/workforce/operations/retirement/publications.

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 12 - RETIREMENT PLAN (CONTINUED)

Pension Plan

Plan Description – The Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (“DROP”) for eligible employees. The general classes of membership are as follows:

Regular Class- Members of the FRS who do not qualify for membership in other classes.

Elected County Officers Class- Members who hold specified elective offices in local government.

Senior Management Service Class (SMSC)- Members in senior management positions.

Special Risk Class- Members who are employed in public safety and meet the criteria to qualify for this class.

Benefits Provided – Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension 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.

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 12 - RETIREMENT PLAN (CONTINUED)

Pension Plan (continued)

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 Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is three percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of three percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by three percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with a 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, 2023 through June 30, 2024 and July 1, 2024 through September 30, 2024, respectively, were as follows: regular 13.57% and 13.63%; county elected officers 58.68% and 58.68%; senior management 34.52% and 34.52%; special risk 32.67% and 32.79%; special risk administration 39.82% and 39.82%; and DROP participants 21.13% and 21.13%.

The County's contributions to the Pension Plan totaled \$4,158,542 for the fiscal year ended September 30, 2024.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2024, the County reported a liability of \$30,932,380 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The County's proportionate share of the net pension liability was based on the County's 2023-24 fiscal year contributions relative to the 2022-23 fiscal year contributions of all participating members. At June 30, 2024, the County's proportionate share was 0.079960237%, which was an increase of 0.00623% from its proportionate share measured as of June 30, 2023.

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 12 - RETIREMENT PLAN (CONTINUED)

Pension Plan (continued)

For the fiscal year ended September 30, 2024, the County recognized pension (benefit) of (\$703,506), excluding HIS. In addition the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 3,125,001	\$ -
Change of assumptions	4,239,566	-
Net difference between projected and actual earnings on Pension Plan investments	-	(2,055,927)
Changes in proportion and differences between County Pension Plan contributions and proportionate share of contributions	3,002,363	(966,645)
County Pension Plan contributions subsequent to the measurement date	<u>1,238,917</u>	<u>-</u>
Total	<u>\$ 11,605,847</u>	<u>\$ (3,022,572)</u>

The deferred outflows of resources related to the Pension Plan, totaling \$7,344,358 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, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

<u>Fiscal Year Ending September 30:</u>	<u>Amount</u>
2025	\$ (53,582)
2026	5,525,776
2027	1,009,229
2028	470,233
2029	392,702
Thereafter	-

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 12 - RETIREMENT PLAN (CONTINUED)

Pension Plan (continued)

Actuarial Assumptions – The total pension liability in the July 1, 2024 actuarial valuation was determined using the following actuarial assumption, applied to all periods included in the measurement:

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

The Mortality assumption was based on the PUB-2010 with Projection Scale MP-2021.

The actuarial assumptions used in the July 1, 2024, valuation were based on the results of an actuarial experience study for the period July 1, 2018 through June 30, 202023.

The long-term expected rate of return on Pension Plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy’s description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption.

The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual Return	Standard Deviation
Cash	1.0%	3.3%	3.3%	1.1%
Fixed income	29.0%	5.7%	5.6%	3.9%
Global equity	45.0%	8.6%	7.0%	18.2%
Real estate (property)	12.0%	8.1%	6.8%	16.6%
Private equity	11.0%	12.4%	8.8%	28.4%
Strategic investments	2.0%	6.6%	6.2%	8.7%
Total	100.0%			
Assumed Inflation - Mean			2.4%	1.5%

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

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 12 - RETIREMENT PLAN (CONTINUED)

Pension Plan (continued)

Discount Rate – The discount rate used to measure the total pension liability was 6.70%. The Pension 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.

Sensitivity of the County’s Proportionate Share of the Net Pension 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 (5.70%)	Discount Rate (6.70%)	1% Increase (7.70%)
County's proportionate share of the net pension liability/(asset)	<u>\$ 54,408,975</u>	<u>\$ 30,932,381</u>	<u>\$ 11,265,754</u>

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

Payables to the Pension Plan – At September 30, 2024, the County reported approximately \$85,000 payable for outstanding contributions to the Pension Plan.

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, 2024, 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.

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 12 - RETIREMENT PLAN (CONTINUED)

HIS Plan (continued)

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, 2024, the HIS contribution was 2.00% of payroll. 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 \$495,109 for the fiscal year ended September 30, 2024.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2024, the County reported a liability of \$8,493,974 for its proportionate share of the HIS Plan’s net pension liability. The net pension liability was measured as of June 30, 2024, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2024. The County’s proportionate share of the net pension liability was based on the County’s 2023-24 fiscal year contributions relative to the 2022-23 fiscal year contributions of all participating members. At June 30, 2024, the County's proportionate share was 0.05662%, which was an increase of 0.00182% from its proportionate share measured as of June 30, 2024.

For the fiscal year ended September 30, 2024, the County recognized HIS expense (benefit) of (\$129,593). In addition the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 82,015	\$ (16,310)
Change of assumptions	150,323	(1,005,578)
Net difference between projected and actual earnings on HIS Plan investments	-	(3,072)
Changes in proportion and differences between County HIS Plan contributions and proportionate share of contributions	698,546	(198,689)
County HIS Plan contributions subsequent to the measurement date	128,760	-
Total	<u>\$ 1,059,644</u>	<u>\$ (1,223,649)</u>

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 12 - RETIREMENT PLAN (CONTINUED)

HIS Plan (continued)

The deferred outflows of resources related to the HIS Plan, totaling \$164,005 resulting from County contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2025. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30:	Amount
2025	\$ (10,084)
2026	(45,181)
2027	(129,673)
2028	(69,263)
2029	(28,437)
Thereafter	(10,127)

Actuarial Assumptions – The total pension liability in the July 1, 2024 actuarial valuation was determined using the following actuarial assumption, applied to all periods included in the measurement:

Inflation	2.40%
Salary increases	3.50%, average, including inflation
Discount rate	3.93%

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

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

Discount Rate – The discount rate used to measure the total pension liability was 3.65%. 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.

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 12 - RETIREMENT PLAN (CONTINUED)

HIS Plan (continued)

Sensitivity of the County’s Proportionate Share of the Net Pension 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 3.93%, as well as what the County’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.93%) or one percentage point higher (4.93%) than the current rate:

	1%, Decrease (2.93%)	Discount Rate (3.93%)	1% Increase (4.93%)
County's proportionate share of the net pension liability	\$ 9,542,085	\$ 8,382,224	\$ 7,419,352

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

Payables to the HIS Plan – At September 30, 2024, the County reported an approximated payable of \$6,500 for outstanding contributions to the HIS Plan.

SUMMARY

The aggregate amount of net pension liability, related deferred outflows of resources and deferred inflows of resources and pension expense for the County's defined benefit pension plans are summarized below:

	FRS Plan	HIS Plan	Total
Net pension liability	\$ 30,932,381	\$ 8,382,224	\$ 39,314,605
Deferred outflows of resources related to pensions	11,605,847	1,059,644	12,665,491
Deferred inflows of resources related to pensions	(3,022,572)	(1,223,649)	(4,246,221)
Pension expense	703,505	129,593	833,098

FRS - Defined Contribution Pension 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.

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 12 - RETIREMENT PLAN (CONTINUED)

FRS - Defined Contribution Pension Plan (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. Board 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 Pension 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% of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during the 2021-22 fiscal year, as established by Section 121.72, *Florida Statutes*, are based on a percentage of gross compensation, by class. The allocation include a required employee contribution of 3% of gross compensation for each member class.

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. Non-vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2024, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the County.

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

The County's Investment Plan contributions totaled \$1,242,811 for the fiscal year ended September 30, 2024.

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 13 - RISK MANAGEMENT

The Board is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees and natural disasters.

The County is a member of Public Risk Management (PRM), a local government liability risk pool.

PRM administers insurance activities relating to property, general, automobile, public official's liability, workers' compensation, health and auto physical damage. The pool assesses each member its pro rata share of the estimated amount required to meet current year losses, operating expenses and reinsurance costs (premiums). To reduce its exposure to large losses on all types of insured events PRM uses reinsurance policies purchased from third parties. The Fund is fully funded annually.

Major uninsurable risks include damages to infrastructure assets and damages or governmental fines due to seepage, pollution or contamination of any kind. Since the amounts of loss cannot be reasonably estimated and the likelihood is undeterminable, no provision for such occurrences is included in these financial statements.

NOTE 14 - OTHER POST-EMPLOYMENT BENEFITS

Implementation of New GASB Statement

The County implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions. GASB Statement No. 75 specifies that governments must recognize their total OPEB liability and related deferred outflows of resources, deferred inflows of resources, and OPEB expense in the financial statements based on the actuarial present value of projected benefit payments.

County OPEB Plan Description

In accordance with Section 112.0801, *Florida Statutes*, because the Board provides medical plans to employees of the County and their eligible dependents, the Board is also required to provide retirees the opportunity to participate in the group employee health plan. Retirees participating in the group insurance plans offered by the County are required to contribute 100% of the active participants cost of participation.

Participant Count

As of September 30, 2024, membership consisted of:

Active Employees	492
Retired Participants (plus covered spouses)	68
Total Participants:	<u>560</u>

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 14 - OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Participant Averages

Active Participants	
Average age	43.7
Average service	7.1
Retirees average age	72.2

Net OPEB Liability Assumptions

The County's net OPEB liability was measured as of September 30, 2024, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of October 1, 2024.

The total OPEB liability in the September 30, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Interest Rate:	
Discount Rate	3.91%
Municipal Bond Rate	3.91%
Inflation	2.50% per year

Mortality rates were based on the PUB-2010 Public Retirement Plans General mortality table projected generationally with Scale MP-2021 for the Regular Class and Elected Officials and PUB-2010 Public Retirement Safety mortality table projected generationally with Scale MP-2021 for the Special Risk Class.

The most recent retirement and withdrawal experience study covered the period from July 1, 2018 to June 30, 2023.

Under GASB 75, the discount rate for unfunded plans must be based on a yield or index rate for a 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher. Rates were taken from the Bond Buyer 20-Bond GO index as of the measurement date.

Actuarial Standards of Practice

Actuarial Standards of Practice No. 6 ("ASOP 6") provides guidance on measuring retiree group benefits obligations and determining retiree group benefits periodic costs or actuarially determined contributions.

Actuarial Standards Practice No. 35 ("ASOP 35") requires that each demographic and other noneconomic assumption should be reasonable individually and in conjunctions with one another. At each measurement date, the actuary should consider whether the selected assumptions continue to be reasonable. If the actuary determines that one or more of the previously selected assumptions are no longer reasonable, the actuary will perform an experience study to determine the best estimate for the Plan's population.

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 14 - OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Actuarial Standards of Practice, (Continued)

Actuarial Standards of Practice No. 27 Revised (“ASOP 27”) requires that each economical assumption be reasonable based on the following characteristics: (a) appropriate for the purpose of the measurement; (b) reflects the actuary's professional judgement; (c) takes into account historical and current economic data that is relevant as of the measurement date; (d) reflects the actuary's estimate of future experience, observation of the estimates inherent in market data, or a combination thereof; and (e) has no significant bias. Given the uncertain nature of the items for which assumptions are selected, different actuaries will apply different professional judgement and may choose different reasonable assumptions. As a result, arrange of reasonable assumptions may develop both for an individual actuary and across actuarial practice.

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
	(a)	(b)	(a) - (b)
Balances at September 30, 2023	\$ 2,767,707	\$ -	\$ 2,767,707
Changes for the year:			
Service cost	199,944	-	199,944
Interest on the total OPEB liability	135,532	-	135,532
Difference between expected and actual experience	418,864	-	418,864
Employer contributions	-	80,787	(80,787)
Changes in assumptions	524,611	-	524,611
Benefit payments	(80,787)	(80,787)	-
Net Changes	1,198,164	-	1,198,164
Balances at September 30, 2024	\$ 3,965,871	\$ -	\$ 3,965,871

Sensitivity of the Net OPEB Liability

Impact of change in Discount Rate

The following presents the net OPEB liability of the County, calculated using the discount rate of 3.91%, as well as what the County's net OPEB liability would be if it were calculated using a discount rate that is 1% lower (2.91%) or 1% higher (4.91%) than the current rate:

	1% Decrease (2.91%)	Current Discount Rate (3.91%)	1% Increase (4.91%)
Net OPEB Liability	\$ 4,616,455	\$ 3,965,871	\$ 3,437,042

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 14 - OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Sensitivity of the Net OPEB Liability (continued)

Impact of change in Healthcare Trend Rates

The following presents the net OPEB liability of the County, calculated using a healthcare cost trend rates of 1% higher than the assumed healthcare cost trend rates for all years and a healthcare cost trend rate that is 1% lower than the assumed health care cost trend rates for all years:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Net OPEB Liability	\$ 3,589,441	\$ 3,965,871	\$ 4,426,913

Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

Since certain OPEB expense items are amortized over closed periods each year, the deferred portions of these items must be tracked annually. If the amounts increase the OPEB expense, they are labeled as deferred outflows and amounts that decrease the OPEB expense are labeled as deferred inflows. These outflows and inflows are amortized on a level dollar basis with no interest added for the deferred inflows. These outflows and inflows are amortized on a level dollar basis with no interest added for the deferred amounts. Deferred experience gain/losses and changes in assumptions are amortized over the average remaining service lives of all employees that are provided with benefits through the OPEB plan at the beginning of the measurement period. Investment gains/losses are amortized over a five year period. The following shows the summary of the deferred outflows and inflows as of September 30, 2024:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 366,506	\$ (1,012,380)
Change in assumptions	824,221	(1,309,985)
	\$ 1,190,727	\$ (2,322,365)

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended September 30:	Amounts
2025	\$ (170,396)
2026	(306,290)
2027	(306,286)
2028	(286,519)
2029	(290,303)
Thereafter	228,156

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 15-SUBSCRIPTION LIABILITIES

During fiscal year 2024, the County had 2 subscription agreements. The County is required to make annual principal and interest payments based on the subscription annual interest rate of 3%. The duration of the subscriptions is between 5 and 60 months, including extension options likely to be exercised by both parties. At the end of the fiscal year, the subscription liability was \$400,716.

Fiscal Year Ending September 30:	Principal and Interest Requirements to Maturity Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
	2025	\$ 148,976	\$ 12,021
2026	81,445	7,552	88,997
2027	83,889	5,109	88,998
2028	86,406	2,592	88,998
Total	\$ 400,716	\$ 27,274	\$ 427,990

NOTE 16 - LEASES

The County is a lessor for noncancellable leases of land and buildings and is a lessee in noncancellable leases for vehicles and equipment. The County implemented GASB Statement Number 87, Leases, for the fiscal year ended September 30, 2022. The objective of this statement is to establish a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. This Statement requires a lessee to recognize an intangible right-to-use asset and corresponding lease liability. Similarly, a lessor is required to recognize a lease receivable, included in accounts receivable, and a deferred inflow of resources.

Leases Receivable

The County recognized a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements. At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Later, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Likewise, the deferred inflow of resources is recognized as revenue over the term of the lease.

During Fiscal Year 2024, the County had 12 active leases as Lessor of buildings and land. Due dates of the leases range from January 2023 to April 2062. The leases receivable balance as of September 30, 2024 is \$1,937,069.

HENDRY COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
September 30, 2024

NOTE 16 - LEASES, CONTINUED

Lease Liabilities

The County recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements, as applicable. The County recognizes lease liabilities with an initial, individual value of \$10,000 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 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 the term of the lease.

During Fiscal Year 2024, the County had 76 active leases as Lessee of vehicles and equipment. The County is required to make annual variable principal and interest payments based on the lease annual interest rate in the range of 2% to 4%. The duration of the County leases is between 6 and 60 months. At the end of the fiscal year the lease liability was recorded in the amount of \$1,590,075.

Fiscal Year Ending September 30:	Principal and Interest Requirements to Maturity		
	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2025	\$ 745,978	\$ 37,087	\$ 783,065
2026	345,589	20,006	365,595
2027	254,750	11,499	266,249
2028	200,594	4,107	204,701
2029	43,164	632	43,796
Total	\$ 1,590,075	\$ 73,331	\$ 1,663,406

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REQUIRED
SUPPLEMENTARY
INFORMATION

HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
COMBINING SCHEDULE - BALANCE SHEET
GENERAL FUND
As of September 30, 2024

	<u>Board of County Commissioners</u>	<u>Clerk of Circuit Court</u>	<u>Property Appraiser</u>	<u>Sheriff</u>
Assets				
Cash and investments	\$ 6,447,687	\$ 923,311	\$299,039	\$ 861,979
Prepaid expenses	-	15,326	6,686	-
Receivables (net)	413,898	3,007	-	55,074
Due from other governments	2,352,293	208,640	-	404,409
Due from other funds	2,122,967	52,395	-	145,624
	<hr/>	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 11,336,845</u>	<u>\$ 1,202,679</u>	<u>\$305,725</u>	<u>\$1,467,086</u>
Liabilities, deferred inflows of resources and fund balances				
Liabilities				
Accounts payable	\$ 752,386	\$ 10,222	\$ 275	\$ 730,361
Accrued liabilities	287,483	99,395	28,987	474,810
Due to other funds	214,708	-	-	-
Due to other governments	29,229	1,093,062	276,463	177,062
Unearned revenue	12,809	-	-	84,853
Other liabilities	193,286	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities	<u>1,489,901</u>	<u>1,202,679</u>	<u>305,725</u>	<u>1,467,086</u>
Deferred inflows of resources				
Deferred lease proceeds	<u>264,073</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances				
Unassigned	<u>9,582,871</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total fund balances	<u>9,582,871</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<hr/>	<hr/>	<hr/>	<hr/>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 11,336,845</u>	<u>\$ 1,202,679</u>	<u>\$305,725</u>	<u>\$1,467,086</u>

<u>Supervisor of Elections</u>	<u>Tax Collector</u>	<u>Total</u>
\$ 81,575	\$ 668,549	\$ 9,282,140
-	5,625	27,637
-	-	471,979
-	38,788	3,004,130
-	-	2,320,986
<u>\$ 81,575</u>	<u>\$ 712,962</u>	<u>\$ 15,106,872</u>

997	\$ 4,736	\$ 1,498,977
-	26,919	917,594
-	-	214,708
80,578	681,307	2,337,701
-	-	97,662
-	-	193,286
<u>81,575</u>	<u>712,962</u>	<u>5,259,928</u>

-	-	264,073
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-	-	9,582,871
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-	-	9,582,871
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<u>\$ 81,575</u>	<u>\$ 712,962</u>	<u>\$ 15,106,872</u>
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HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GENERAL FUND
As of September 30, 2024

	Board of County Commissioners	Clerk of Circuit Court	Property Appraiser	Sheriff
REVENUES				
Taxes	\$ 26,201,175	\$ -	\$ -	\$ -
Licenses and permits	173,812	-	-	-
Intergovernmental	11,903,581	126,922	-	1,675,944
Charges for services	2,739,203	1,501,200	1,833,975	659,535
Fines and Forfeitures	-	-	-	52,587
Miscellaneous	932,340	99,154	15,797	120,221
Total revenues	41,950,111	1,727,276	1,849,772	2,508,287
EXPENDITURES				
Current				
General government	10,236,638	1,644,929	1,993,119	-
Court related	534,470	1,396,386	-	659,656
Public safety	7,790,157	-	-	19,640,899
Physical environment	675,364	-	-	-
Economic environment	445,924	-	-	-
Culture and recreation	180,437	-	-	-
Human services	1,810,937	-	-	-
Capital outlay				
General government	177,245	-	-	-
Public safety	34,223	-	-	1,271,654
Physical environment	-	-	-	-
Debt service				
Principal retirement	889,398	-	-	-
Interest and fiscal charges	289,274	-	-	788,780
Total expenditures	23,064,067	3,041,315	1,993,119	22,360,989
Excess (deficiencies) of revenues over (under) expenditures	18,886,044	(1,314,039)	(143,347)	(19,852,702)
OTHER FINANCING SOURCES (USES)				
Issuance of debt	156,000	-	-	-
Issuance of lease agreements	-	-	-	1,007,149
Issuance of subscription agreements	-	-	419,810	-
Sale of capital assets	85,170	-	-	16,320
Transfers in	4,106,557	1,906,873	-	19,006,295
Transfers out	(21,868,518)	(592,834)	(276,463)	(177,062)
Total other financing sources (uses)	(17,520,791)	1,314,039	143,347	19,852,702
Net change in fund balances	1,365,253	-	-	-
Fund balances - October 1, 2023	8,217,618	-	-	-
Fund balances - September 30, 2024	\$ 9,582,871	\$ -	\$ -	\$ -

Supervisor of Elections	Tax Collector	Total
\$ -	\$ -	\$ 26,201,175
-	-	173,812
-	-	13,706,447
-	2,558,082	9,291,995
-	-	52,587
15,809	32,549	1,215,870
<u>15,809</u>	<u>2,590,631</u>	<u>50,641,886</u>

721,102	1,909,324	16,505,112
-	-	2,590,512
-	-	27,431,056
-	-	675,364
-	-	445,924
-	-	180,437
-	-	1,810,937
-	-	177,245
-	-	1,305,877
-	-	-
-	-	889,398
-	-	1,078,054
<u>721,102</u>	<u>1,909,324</u>	<u>53,089,916</u>

<u>(705,293)</u>	<u>681,307</u>	<u>(2,448,030)</u>
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-	-	156,000
-	-	1,007,149
-	-	419,810
-	-	101,490
785,871	-	25,805,596
(80,578)	(681,307)	(23,676,762)
<u>705,293</u>	<u>(681,307)</u>	<u>3,813,283</u>
-	-	1,365,253
-	-	8,217,618
<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,582,871</u>

HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
As of September 30, 2024

	Board of County Commissioners		Clerk of Circuit Court	
	Final Budget	Actual	Final Budget	Actual
REVENUES				
Taxes	\$26,201,175	\$26,201,175	\$ -	\$ -
Licenses and permits	173,813	173,812	-	-
Intergovernmental	11,903,582	11,903,581	-	126,922
Charges for services	2,739,202	2,739,203	1,401,617	1,501,200
Fines and Forfeitures	-	-	-	-
Miscellaneous	893,592	932,340	-	99,154
Total revenues	<u>41,911,364</u>	<u>41,950,111</u>	<u>1,401,617</u>	<u>1,727,276</u>
EXPENDITURES				
General government	7,601,073	10,236,638	1,909,872	1,644,929
Court related	498,326	534,470	1,401,614	1,396,386
Public safety	6,096,636	7,790,157	-	-
Physical environment	629,689	675,364	-	-
Economic environment	415,769	445,924	-	-
Culture and recreation	168,234	180,437	-	-
Human services	1,688,472	1,810,937	-	-
Capital outlay				
General government	175,848	177,245	-	-
Public safety	34,233	34,223	-	-
Physical environment	-	-	-	-
Debt Service				
Principal retirement	1,011,841	889,398	-	-
Interest and fiscal charges	166,830	289,274	-	-
Contingency	-	-	-	-
Total expenditures	<u>18,486,951</u>	<u>23,064,067</u>	<u>3,311,486</u>	<u>3,041,315</u>
Excess (deficiencies) of revenues over (under) expenditures	<u>23,424,413</u>	<u>18,886,044</u>	<u>(1,909,869)</u>	<u>(1,314,039)</u>
OTHER FINANCING SOURCES (USES)				
Issuance of debt	156,000	156,000	-	-
Issuance of lease agreements	-	-	-	-
Issuance of subscription agreements	-	-	-	-
Sale of capital assets	-	85,170	-	-
Transfers in	2,640,844	4,106,557	1,909,869	1,906,873
Transfers out	(24,966,239)	(21,868,518)	-	(592,834)
Total other financing sources (uses)	<u>(22,169,395)</u>	<u>(17,520,791)</u>	<u>1,909,869</u>	<u>1,314,039</u>
Net change in fund balances	1,255,018	1,365,253	-	-
Fund balances - October 1, 2023	5,872,943	8,217,618	-	-
Fund balances - September 30, 2024	<u>\$ 7,127,961</u>	<u>\$ 9,582,871</u>	<u>\$ -</u>	<u>\$ -</u>

Property Appraiser		Sheriff		Supervisor of Elections	
Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	1,675,944	1,675,944	-	-
1,833,975	1,833,975	659,535	659,535	-	-
-	-	52,587	52,587	-	-
-	15,797	120,221	120,221	-	15,809
<u>1,833,975</u>	<u>1,849,772</u>	<u>2,508,287</u>	<u>2,508,287</u>	<u>-</u>	<u>15,809</u>
1,833,975	1,993,119	-	-	785,871	721,102
-	-	472,081	659,656	-	-
-	-	19,956,311	19,640,899	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	719,110	1,271,654	-	-
-	-	-	-	-	-
-	-	333,400	-	-	-
-	-	-	788,780	-	-
-	-	50,000	-	-	-
<u>1,833,975</u>	<u>1,993,119</u>	<u>21,530,902</u>	<u>22,360,989</u>	<u>785,871</u>	<u>721,102</u>
-	(143,347)	(19,022,615)	(19,852,702)	(785,871)	(705,293)
-	-	-	-	-	-
-	-	-	1,007,149	-	-
-	419,810	-	-	-	-
-	-	16,320	16,320	-	-
-	-	19,006,295	19,006,295	785,871	785,871
-	(276,463)	-	(177,062)	-	(80,578)
<u>-</u>	<u>143,347</u>	<u>19,022,615</u>	<u>19,852,702</u>	<u>785,871</u>	<u>705,293</u>
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND, NON-GAAP BASIS (CONTINUED)
As of September 30, 2024

	Tax Collector		Total		Variance - Positive (Negative)
	Final Budget	Actual	Final Budget	Actual	
REVENUES					
Taxes	\$ -	\$ -	\$ 26,201,175	\$ 26,201,175	\$ -
Licenses and permits	-	-	173,813	173,812	(1)
Intergovernmental	-	-	13,579,526	13,706,447	126,921
Charges for services	2,191,291	2,558,082	8,825,620	9,291,995	466,375
Fines and Forfeitures	-	-	52,587	52,587	-
Miscellaneous	-	32,549	1,013,813	1,215,870	202,057
Total revenues	2,191,291	2,590,631	49,846,534	50,641,886	795,352
EXPENDITURES					
General government	2,191,291	1,909,324	14,322,082	16,505,112	(2,183,030)
Court related	-	-	2,372,021	2,590,512	(218,491)
Public safety	-	-	26,052,947	27,431,056	(1,378,109)
Physical environment	-	-	629,689	675,364	(45,675)
Economic environment	-	-	415,769	445,924	(30,155)
Culture and recreation	-	-	168,234	180,437	(12,203)
Human services	-	-	1,688,472	1,810,937	(122,465)
Capital outlay					
General government	-	-	175,848	177,245	(1,397)
Public safety	-	-	753,343	1,305,877	(552,534)
Physical environment	-	-	-	-	-
Debt Service					
Principal retirement	-	-	1,345,241	889,398	455,843
Interest and fiscal charges	-	-	166,830	1,078,054	(911,224)
Contingency	-	-	50,000	-	50,000
Total expenditures	2,191,291	1,909,324	48,140,476	53,089,916	(4,949,440)
Excess (deficiencies) of revenues over (under) expenditures	-	681,307	1,706,058	(2,448,030)	(4,154,088)
OTHER FINANCING SOURCES (USES)					
Issuance of debt	-	-	156,000	156,000	-
Issuance of lease agreements	-	-	-	1,007,149	1,007,149
Issuance of subscription agreements	-	-	-	419,810	419,810
Sale of capital assets	-	-	16,320	101,490	85,170
Transfers in	-	-	24,342,879	25,805,596	1,462,717
Transfers out	-	(681,307)	(24,966,239)	(23,676,762)	1,289,477
Total financing sources (uses)	-	(681,307)	(451,040)	3,813,283	4,264,323
Net change in fund balances	-	-	1,255,018	1,365,253	110,235
Fund balances - October 1, 2023	-	-	5,872,943	8,217,618	2,344,675
Fund balances - September 30, 2024	\$ -	\$ -	\$ 7,127,961	\$ 9,582,871	\$ 2,454,910

HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2024

	Special Revenue Funds					
	Law Enforcement Trust	Section 8 Housing	Court Technology Fund	SHIP Local Affordable Housing	Emergency 911	Port Labelle Street Lighting District
Assets						
Cash and cash equivalents	\$ 36,322	\$ 90,132	\$ 118,100	\$ 666,820	\$ -	\$ 70,835
Prepaid expense	-	-	-	-	-	-
Receivables (net)	-	-	-	1,680	207,503	-
Due from other governments	-	-	6,424	10,068	-	-
Due from other funds	-	-	-	-	-	437
Total assets	\$ 36,322	\$ 90,132	\$ 124,524	\$ 678,568	\$ 207,503	\$ 71,272
Liabilities, deferred inflows of resources and fund balances						
Liabilities						
Accounts payable	\$ -	\$ 77	\$ 51,985	\$ 15,206	\$ 25,295	\$ 5,691
Accrued liabilities	-	801	-	1,410	1,126	-
Due to other funds	-	-	-	-	102,589	1,904
Unearned revenue	-	-	-	579,482	-	-
Other liabilities	-	-	-	5,400	-	-
Total liabilities	-	878	51,985	601,498	129,010	7,595
Deferred inflows of resources						
Deferred lease proceeds	-	-	-	-	-	-
Fund balances						
Restricted	36,322	89,254	72,539	77,070	78,493	63,677
Total fund balances (deficits)	36,322	89,254	72,539	77,070	78,493	63,677
Total liabilities, deferred inflows of resources and fund balances	\$ 36,322	\$ 90,132	\$ 124,524	\$ 678,568	\$ 207,503	\$ 71,272

Special Revenue Funds

East Hendry County Drainage District	East Hendry County Fire District	West Hendry County Fire District	Mid-County MSBU	East Hendry County Recreational MSBU	West Hendry County Recreational MSBU	Airport Sears MSBU	Felda MSBU
\$ 400,470	\$ 811,296	\$ 1,883,616	\$ 433,541	\$ 140,159	\$ 330,624	\$ 1,479,520	\$ 421,299
-	-	-	-	-	-	-	-
-	-	17,176	48	98	26,237	15	9
-	7,406	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>\$ 400,470</u>	<u>\$ 818,702</u>	<u>\$ 1,900,792</u>	<u>\$ 433,589</u>	<u>\$ 140,257</u>	<u>\$ 356,861</u>	<u>\$ 1,479,535</u>	<u>\$ 421,308</u>
\$ 5,104	\$ 122,099	\$ 18,288	\$ -	\$ 5,012	\$ -	\$ 1,160	\$ 2,770
-	10,607	5,243	-	5,880	14,458	-	-
1,882	135,477	19,995	6,748	17,378	7,994	5,572	-
-	-	-	-	-	-	-	-
-	8,275	-	-	70,448	-	-	-
<u>6,986</u>	<u>276,458</u>	<u>43,526</u>	<u>6,748</u>	<u>98,718</u>	<u>22,452</u>	<u>6,732</u>	<u>2,770</u>
-	-	-	-	-	-	-	-
393,484	542,244	1,857,266	426,841	41,539	334,409	1,472,803	418,538
<u>393,484</u>	<u>542,244</u>	<u>1,857,266</u>	<u>426,841</u>	<u>41,539</u>	<u>334,409</u>	<u>1,472,803</u>	<u>418,538</u>
<u>\$ 400,470</u>	<u>\$ 818,702</u>	<u>\$ 1,900,792</u>	<u>\$ 433,589</u>	<u>\$ 140,257</u>	<u>\$ 356,861</u>	<u>\$ 1,479,535</u>	<u>\$ 421,308</u>

HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2024

	Special Revenue Funds					
	North Labelle MSBU	Four Corners MSBU	Wheeler Road MSBU	Hooker's Point Lighting	Mosquito Control	Phillips Road MSBU
Assets						
Cash and cash equivalents	\$ 351,731	\$ 76,785	\$ 2,491,079	\$ 42,264	\$ 557,947	\$ 9,845
Prepaid expenses	-	-	-	-	-	-
Receivables (net)	-	-	14	-	60,264	-
Due from other governments	-	-	-	-	-	-
Due from other funds	-	-	-	-	-	-
Total assets	\$ 351,731	\$ 76,785	\$ 2,491,093	\$ 42,264	\$ 618,211	\$ 9,845
Liabilities, deferred inflows of resources and fund balances						
Liabilities						
Accounts payable	\$ 859	\$ 45,669	\$ 228,922	\$ 1,080	\$ 23,246	\$ -
Accrued liabilities	-	-	-	-	-	-
Due to other funds	3,392	3,095	5,363	1,261	16,927	1,263
Unearned revenue	-	-	-	-	-	-
Other liabilities	-	-	-	-	3,506	-
Total liabilities	4,251	48,764	234,285	2,341	43,679	1,263
Deferred inflows of resources						
Deferred lease proceeds	-	-	-	-	58,832	-
Fund balances						
Restricted	347,480	28,021	2,256,808	39,923	515,700	8,582
Total fund balances (deficits)	347,480	28,021	2,256,808	39,923	515,700	8,582
Total liabilities, deferred inflows of resources and fund balances	\$ 351,731	\$ 76,785	\$ 2,491,093	\$ 42,264	\$ 618,211	\$ 9,845

Special Revenue Funds

Sky Valley MSBU	LaBelle Airport Fund	Property Appraiser	Clerk of Circuit Court's Modernization Trust Fund	Documentary Stamps & Intangible Tax	Sheriff's Gun Range Fund	Sheriff's Training Fund	Sheriff's Equitable Sharing Program Fund	Sheriff's Commissary
\$ 48,908	\$ -	\$ 225,039	\$ 297,118	\$ -	\$ 6,548	\$ 28,335	\$ 2,820	\$ 1,229,081
-	-	-	-	-	-	-	-	-
-	222,508	-	-	-	-	-	-	65,580
-	895,073	-	-	-	-	-	-	114,957
-	-	-	11,010	-	-	-	-	-
<u>\$ 48,908</u>	<u>\$ 1,117,581</u>	<u>\$ 225,039</u>	<u>\$ 308,128</u>	<u>\$ -</u>	<u>\$ 6,548</u>	<u>\$ 28,335</u>	<u>\$ 2,820</u>	<u>\$ 1,409,618</u>
\$ 355	\$ 94,898	\$ -	\$ 400	\$ -	\$ 250	\$ -	\$ -	\$ 12,950
-	1,671	-	-	-	-	-	-	-
1,261	729,395	-	-	-	-	-	-	145,624
-	-	-	-	-	-	-	-	-
-	48,818	-	-	-	-	-	-	-
<u>1,616</u>	<u>874,782</u>	<u>-</u>	<u>400</u>	<u>-</u>	<u>250</u>	<u>-</u>	<u>-</u>	<u>158,574</u>
-	165,900	-	-	-	-	-	-	-
47,292	76,899	225,039	307,728	-	6,298	28,335	2,820	1,251,044
<u>47,292</u>	<u>76,899</u>	<u>225,039</u>	<u>307,728</u>	<u>-</u>	<u>6,298</u>	<u>28,335</u>	<u>2,820</u>	<u>1,251,044</u>
<u>\$ 48,908</u>	<u>\$ 1,117,581</u>	<u>\$ 225,039</u>	<u>\$ 308,128</u>	<u>\$ -</u>	<u>\$ 6,548</u>	<u>\$ 28,335</u>	<u>\$ 2,820</u>	<u>\$ 1,409,618</u>

HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2024

	Special Revenue Funds					
	Airglades Airport Fund	Seven K Estates MSBU	Murray Road MSBU	Building Department	Country Village MSBU	Community Health Resource
Assets						
Cash and cash equivalents	\$ 606,247	\$ 6,729	\$ 2	\$2,949,049	\$ 421,844	\$ 123,112
Prepaid expense	-	-	-	-	-	-
Receivables (net)	1,465,341	-	-	-	-	208,780
Due from other governments	-	-	-	325	-	-
Due from other funds	-	-	-	-	-	-
Total assets	\$ 2,071,588	\$ 6,729	\$ 2	\$2,949,374	\$ 421,844	\$ 331,892
Liabilities, deferred inflows of resources and fund balances						
Liabilities						
Accounts payable	\$ 36,921	\$ -	\$ -	\$ 8,243	\$ -	\$ -
Accrued liabilities	817	-	-	39,304	-	-
Due to other funds	70,119	1,241	37,271	73,937	1,353	-
Unearned revenue	-	-	-	-	-	-
Other liabilities	63,287	-	-	186	-	-
Total liabilities	171,144	1,241	37,271	121,670	1,353	-
Deferred inflows of resources						
Deferred lease proceeds	1,117,323	-	-	-	-	-
Fund balances						
Restricted	783,121	5,488	(37,269)	2,827,704	420,491	331,892
Total fund balances (deficits)	783,121	5,488	(37,269)	2,827,704	420,491	331,892
Total liabilities, deferred inflows of resources and fund balances	\$ 2,071,588	\$ 6,729	\$ 2	\$2,949,374	\$ 421,844	\$ 331,892

Special Revenue Funds			Capital Projects Fund	Total Non-Major Governmental Funds
Solid Waste Disposal	Line of Credit Projects	Building Repairs & Improvements	Capital Projects	
\$ 3,687,840	\$ -	\$ 161,077	\$ 1,499,428	\$ 21,705,562
-	-	-	-	-
1,494	504	164,802	1,034,348	3,476,401
52,543	-	-	-	1,086,796
-	-	-	1,030	12,477
<u>\$ 3,741,877</u>	<u>\$ 504</u>	<u>\$ 325,879</u>	<u>\$ 2,534,806</u>	<u>\$ 26,281,236</u>
\$ 276,198	\$ 151,617	\$ -	\$ 76,259	\$ 1,210,554
2,355	-	-	-	83,672
50,773	902,248	-	8,904	2,352,966
-	-	-	-	579,482
-	-	-	-	199,920
<u>329,326</u>	<u>1,053,865</u>	<u>-</u>	<u>85,163</u>	<u>4,426,594</u>
-	-	145,756	-	1,487,811
3,412,551	(1,053,361)	180,123	2,449,643	20,366,831
<u>3,412,551</u>	<u>(1,053,361)</u>	<u>180,123</u>	<u>2,449,643</u>	<u>20,366,831</u>
<u>\$ 3,741,877</u>	<u>\$ 504</u>	<u>\$ 325,879</u>	<u>\$ 2,534,806</u>	<u>\$ 26,281,236</u>

HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2024

	Special Revenue Funds					
	Law Enforcement Trust	Section 8 Housing	Court Technology Fund	SHIP Local Affordable Housing	Emergency 911	Port Labelle Street Lighting District
REVENUES						
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 58,155
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	603,654	-	518,521	839,101	-
Charges for services	-	38,225	84,737	-	230,444	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	-	571	5,807	1,744	117,975	591
Total revenues	<u>-</u>	<u>642,450</u>	<u>90,544</u>	<u>520,265</u>	<u>1,187,520</u>	<u>58,746</u>
EXPENDITURES						
Current						
General government	-	-	81,999	-	-	-
Court related	-	-	-	-	-	-
Public safety	-	-	-	-	568,316	-
Physical environment	-	-	-	-	-	64,262
Transportation	-	-	-	-	-	-
Economic environment	-	633,347	-	578,936	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Total expenditures	<u>-</u>	<u>633,347</u>	<u>81,999</u>	<u>578,936</u>	<u>568,316</u>	<u>64,262</u>
Excess (deficiencies) of revenues over (under) expenditures	<u>-</u>	<u>9,103</u>	<u>8,545</u>	<u>(58,671)</u>	<u>619,204</u>	<u>(5,516)</u>
OTHER FINANCING SOURCES (USES)						
Issuance of debt	-	-	-	-	-	-
Issuance of lease agreements	-	-	-	-	-	-
Issuance of subscription agreements	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	-	9,103	8,545	(58,671)	619,204	(5,516)
Fund balances - October 1, 2023	36,322	80,151	63,994	135,741	(540,711)	69,193
Fund balances - September 30, 2024	<u>\$ 36,322</u>	<u>\$ 89,254</u>	<u>\$ 72,539</u>	<u>\$ 77,070</u>	<u>\$ 78,493</u>	<u>\$ 63,677</u>

Special Revenue Funds

East Hendry County Drainage District	East Hendry County Fire District	West Hendry County Fire District	Mid-County MSBU	East Hendry County Recreational MSBU	West Hendry County Recreational MSBU	Airport Sears MSBU	Felda MSBU
\$ 47,730	\$ 764,461	\$ 935,763	\$ 306,993	\$ 351,093	\$ 611,231	\$ 93,090	\$ 22,971
-	-	-	-	-	-	-	-
-	7,285	16,028	-	33,325	-	-	-
-	-	-	-	350	-	-	-
-	-	-	-	-	-	-	-
27,342	63,213	147,631	37,316	19,768	37,077	203,404	28,175
<u>75,072</u>	<u>834,959</u>	<u>1,099,422</u>	<u>344,309</u>	<u>404,536</u>	<u>648,308</u>	<u>296,494</u>	<u>51,146</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	864,241	1,067,140	-	-	-	-	-
48,929	-	-	-	-	-	73,971	18,117
-	-	-	360,763	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	489,069	559,570	-	-
-	-	-	-	47,287	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	6,403	-
-	-	-	-	-	-	-	-
<u>48,929</u>	<u>864,241</u>	<u>1,067,140</u>	<u>360,763</u>	<u>536,356</u>	<u>559,570</u>	<u>80,374</u>	<u>18,117</u>
26,143	(29,282)	32,282	(16,454)	(131,820)	88,738	216,120	33,029
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	236,582	222,658	-	-	-	-	8
-	-	-	-	-	-	-	-
<u>-</u>	<u>236,582</u>	<u>222,658</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>8</u>
26,143	207,300	254,940	(16,454)	(131,820)	88,738	216,120	33,037
367,341	334,944	1,602,326	443,295	173,359	245,671	1,256,683	385,501
<u>\$ 393,484</u>	<u>\$ 542,244</u>	<u>\$ 1,857,266</u>	<u>\$ 426,841</u>	<u>\$ 41,539</u>	<u>\$ 334,409</u>	<u>\$ 1,472,803</u>	<u>\$ 418,538</u>

HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2024

	Special Revenue Funds					
	North Labelle MSBU	Four Corners MSBU	Wheeler Road MSBU	Hooker's Point Lighting	Mosquito Control	Phillips Road MSBU
REVENUES						
Taxes	\$ 55,420	\$ 17,718	\$ 87,813	\$ 10,489	\$ 680,284	\$ 18,890
Licenses and permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	37,749	-
Charges for services	-	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	24,238	6,228	116,637	3,099	102,535	905
Total revenues	<u>79,658</u>	<u>23,946</u>	<u>204,450</u>	<u>13,588</u>	<u>820,568</u>	<u>19,795</u>
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Court related	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Physical environment	38,864	62,769	63,718	14,930	823,309	16,277
Transportation	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Physical environment	7,500	22,710	951,161	-	-	-
Transportation	-	-	-	-	-	-
Total expenditures	<u>46,364</u>	<u>85,479</u>	<u>1,014,879</u>	<u>14,930</u>	<u>823,309</u>	<u>16,277</u>
Excess (deficiencies) of revenues over (under) expenditures	<u>33,294</u>	<u>(61,533)</u>	<u>(810,429)</u>	<u>(1,342)</u>	<u>(2,741)</u>	<u>3,518</u>
OTHER FINANCING SOURCES (USES)						
Issuance of debt	-	-	2,949,000	-	-	-
Issuance of lease agreements	-	-	-	-	-	-
Issuance of subscription agreements	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>2,949,000</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	33,294	(61,533)	2,138,571	(1,342)	(2,741)	3,518
Fund balances - October 1, 2023	314,186	89,554	118,237	41,265	518,441	5,064
Fund balances - September 30, 2024	<u>\$ 347,480</u>	<u>\$ 28,021</u>	<u>\$ 2,256,808</u>	<u>\$ 39,923</u>	<u>\$ 515,700</u>	<u>\$ 8,582</u>

Special Revenue Funds

Sky Valley MSBU	LaBelle Airport Fund	Property Appraiser	Clerk of Circuit Court's Modernization Trust Fund	Documentary Stamps & Intangible Tax	Sheriff's Gun Range Fund	Sheriff's Training Fund	Sheriff's Equitable Sharing Program	Sheriff's Commissary
\$ 13,303	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-	-
-	1,990,270	-	-	-	-	-	-	-
-	964,414	138,454	119,708	5,632,527	29,914	3,699	-	449,644
-	-	-	-	-	-	-	-	-
3,656	(20,106)	1,074	-	-	191	908	56	23,061
<u>16,959</u>	<u>2,934,578</u>	<u>139,528</u>	<u>119,708</u>	<u>5,632,527</u>	<u>30,105</u>	<u>4,607</u>	<u>56</u>	<u>472,705</u>
-	-	125,000	106,105	5,632,527	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	21,291	-	-	242,883
15,315	-	-	-	-	-	-	-	-
-	975,546	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	18,500	-	-	53,057
-	-	-	-	-	-	-	-	-
-	2,028,221	-	-	-	-	-	-	-
<u>15,315</u>	<u>3,003,767</u>	<u>125,000</u>	<u>106,105</u>	<u>5,632,527</u>	<u>39,791</u>	<u>-</u>	<u>-</u>	<u>295,940</u>
1,644	(69,189)	14,528	13,603	-	(9,686)	4,607	56	176,765
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
1,644	(69,189)	14,528	13,603	-	(9,686)	4,607	56	176,765
45,648	146,088	210,511	294,125	-	15,984	23,728	2,764	1,074,279
<u>\$ 47,292</u>	<u>\$ 76,899</u>	<u>\$ 225,039</u>	<u>\$ 307,728</u>	<u>\$ -</u>	<u>\$ 6,298</u>	<u>\$ 28,335</u>	<u>\$ 2,820</u>	<u>\$ 1,251,044</u>

HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2024

	Special Revenue Funds					
	Airglades Airport Fund	Seven K Estates MSBU	Murray Road MSBU	Building Department	Country Village MSBU	Community Health Resource
REVENUES						
Taxes	\$ -	\$ -	\$ 7,085	\$ -	\$ 51,569	\$ -
Licenses and permits	-	-	-	1,437,644	-	-
Intergovernmental	271,928	-	-	-	-	331,180
Charges for services	783,347	-	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-
Miscellaneous	420,619	6,773	73	(31)	340	712
Total revenues	<u>1,475,894</u>	<u>6,773</u>	<u>7,158</u>	<u>1,437,613</u>	<u>51,909</u>	<u>331,892</u>
EXPENDITURES						
Current						
General government	-	-	-	-	-	-
Court related	-	-	-	-	-	-
Public safety	-	-	-	1,223,714	-	-
Physical environment	-	1,241	9,710	-	78,998	-
Transportation	1,356,562	-	-	-	-	-
Economic environment	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-
Capital outlay						
General government	-	-	-	-	-	-
Public safety	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-
Transportation	-	-	-	-	-	-
Total expenditures	<u>1,356,562</u>	<u>1,241</u>	<u>9,710</u>	<u>1,223,714</u>	<u>78,998</u>	<u>-</u>
Excess (deficiencies) of revenues over (under) expenditures	<u>119,332</u>	<u>5,532</u>	<u>(2,552)</u>	<u>213,899</u>	<u>(27,089)</u>	<u>331,892</u>
OTHER FINANCING SOURCES (USES)						
Issuance of debt	-	-	-	-	448,000	-
Issuance of lease agreements	-	-	-	-	-	-
Issuance of subscription agreements	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-
Transfers in	-	-	-	-	-	-
Transfers out	-	-	-	-	-	-
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>448,000</u>	<u>-</u>
Net change in fund balances	119,332	5,532	(2,552)	213,899	420,911	331,892
Fund balances - October 1, 2023	663,789	(44)	(34,717)	2,613,805	(420)	-
Fund balances - September 30, 2024	<u>\$ 783,121</u>	<u>\$ 5,488</u>	<u>\$ (37,269)</u>	<u>\$ 2,827,704</u>	<u>\$ 420,491</u>	<u>\$ 331,892</u>

Special Revenue Funds			Capital Projects Fund	Total Non-Major Governmental Funds
Solid Waste Disposal	Line of Credit Projects	Building Repairs & Improvements	Capital Projects	
\$ 3,702,087	\$ -	\$ -	\$ 5,052,841	\$ 12,888,986
-	-	-	-	1,437,644
93,750	-	25,000	134,446	4,902,237
231,829	-	-	-	8,707,292
-	-	-	-	-
356,721	-	65,417	213,322	2,017,042
<u>4,384,387</u>	<u>-</u>	<u>90,417</u>	<u>5,400,609</u>	<u>29,953,201</u>
-	219,710	6,365	309,952	6,481,658
-	-	-	-	-
-	-	-	-	3,987,585
3,519,476	-	-	-	4,849,886
-	-	-	-	2,692,871
-	-	-	-	1,212,283
-	-	-	-	1,048,639
-	-	-	232,363	279,650
-	-	-	-	71,557
40,602	-	-	-	1,028,376
-	-	-	-	2,028,221
<u>3,560,078</u>	<u>219,710</u>	<u>6,365</u>	<u>542,315</u>	<u>23,680,726</u>
<u>824,309</u>	<u>(219,710)</u>	<u>84,052</u>	<u>4,858,294</u>	<u>6,272,475</u>
-	-	-	-	3,397,000
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
52,762	-	-	-	512,010
-	-	-	(4,220,000)	(4,220,000)
<u>52,762</u>	<u>-</u>	<u>-</u>	<u>(4,220,000)</u>	<u>(310,990)</u>
877,071	(219,710)	84,052	638,294	5,961,485
<u>2,535,480</u>	<u>(833,651)</u>	<u>96,071</u>	<u>1,811,349</u>	<u>14,405,346</u>
<u>\$ 3,412,551</u>	<u>\$ (1,053,361)</u>	<u>\$ 180,123</u>	<u>\$ 2,449,643</u>	<u>\$ 20,366,831</u>

HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
As of September 30, 2024

	Clerk of the Circuit Court	Sheriff	Tax Collector	Total Custodial Funds
ASSETS				
Cash and cash equivalents	\$ 3,425,717	\$ 292,584	\$ 1,286,599	\$ 5,004,900
Due from other governments	4,425			4,425
Total assets	<u>3,430,142</u>	<u>292,584</u>	<u>1,286,599</u>	<u>5,009,325</u>
LIABILITIES				
Accounts payable	-	57,970	-	57,970
Due to other funds	52,395	-	-	52,395
Due to other governments	233,097	90,768	47,503	371,368
Due to individuals	-	29,219	1,239,096	1,268,315
Total liabilities	<u>285,492</u>	<u>177,957</u>	<u>1,286,599</u>	<u>1,750,048</u>
NET POSITION				
Restricted for:				
Individuals, organizations, and other governments	3,144,650	114,627	-	3,259,277
Total Net Position	<u>\$ 3,144,650</u>	<u>\$ 114,627</u>	<u>\$ -</u>	<u>\$ 3,259,277</u>

HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
For the Fiscal Year Ended September 30, 2024

	Clerk of the Circuit Court	Sheriff	Tax Collector	Total Custodial Funds
Additions:				
Taxes, fees, fines collected for other governments	\$ 22,532,092	\$ 227,620	\$ 105,839,596	\$ 128,599,308
Licenses and tag fees collected for other governments	-	-	9,403,402	9,403,402
Deposits and other trust activities	2,401,455	485,465	57,932	2,944,852
Total additions	24,933,547	713,085	115,300,930	140,947,562
Deductions:				
Taxes, fees, fines disbursed for other governments	22,606,179	137,052	105,839,596	128,582,827
Licenses and tag fees disbursed for other governments	-	-	9,403,402	9,403,402
Deposits and other trust activities disbursed	2,561,518	554,081	57,932	3,173,531
Total deductions	25,167,697	691,133	115,300,930	141,159,760
Change in Fiduciary Net Position	(234,150)	21,952	-	(212,198)
Fiduciary Net Position:				
Beginning	3,378,800	92,675	-	3,471,475
Ending	<u>\$ 3,144,650</u>	<u>\$ 114,627</u>	<u>\$ -</u>	<u>\$ 3,259,277</u>

HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended September 30, 2024

Schedule of the County's Proportionate Share of Net Pension Plan Liability
Florida Retirement System Pension Plan
For the Last Ten Fiscal Years Ended June 30

	<u>6/30/2024</u>	<u>6/30/2023</u>	<u>6/30/2022</u>	<u>6/30/2021</u>	<u>6/30/2020</u>	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>6/30/2017</u>	<u>6/30/2016</u>	<u>6/30/2015</u>
County's proportion of the net pension liability	0.07996%	0.07373%	0.06886%	0.06880%	0.07456%	0.07159%	0.07300%	0.07537%	0.07325%	0.06703%
County's proportionate share of the net pension liability	\$ 30,932,380	\$ 29,379,659	\$ 25,620,020	\$ 5,197,274	\$ 32,313,563	\$ 24,653,496	\$ 22,074,803	\$ 22,294,200	\$ 18,496,380	\$ 8,657,429
County's covered - employee payroll	\$ 18,000,691	\$ 16,490,649	\$ 14,653,169	\$ 14,123,289	\$ 14,089,706	\$ 13,231,730	\$ 13,217,447	\$ 13,087,294	\$ 12,162,212	\$ 11,951,308
County's proportionate share of the net pension liability as a percentage of its covered employee payroll	171.84%	178.16%	174.84%	36.80%	229.34%	186.32%	167.01%	170.35%	152.08%	72.44%
Plan fiduciary net position as a percentage of the total pension liability	83.70%	82.38%	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%	92.00%

Schedule of the County's Contributions to the Florida Retirement System Pension Plan
Last Ten Fiscal Years

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 4,158,542	\$ 3,307,034	\$ 2,602,358	\$ 2,241,195	\$ 2,193,050	\$ 1,951,402	\$ 1,809,113	\$ 1,787,412	\$ 1,598,337	\$ 1,877,742
Contributions in relation to the contractually required contribution	(4,158,542)	(3,307,034)	(2,602,358)	(2,241,195)	(2,193,050)	(1,951,402)	(1,809,113)	(1,787,412)	(1,598,337)	1,877,742
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered-employee payroll	\$ 18,514,258	\$ 16,603,038	\$ 14,855,500	\$ 14,121,328	\$ 14,316,481	\$ 13,464,976	\$ 12,964,821	\$ 13,264,354	\$ 12,110,054	\$ 11,951,308
Contributions as a percentage of covered employee payroll	22.46%	19.92%	17.52%	15.87%	15.32%	14.49%	13.95%	13.48%	13.20%	15.71%

HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended September 30, 2024

Schedule of the County's Proportionate Share of Net Pension Plan Liability
Health Insurance Subsidy Plan
For the Last Ten Fiscal Years Ended June 30

	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016	6/30/2015
County's proportion of the HIS Plan liability	0.05662%	0.05480%	0.05268%	0.05182%	0.05249%	0.05095%	0.05070%	0.04993%	0.04734%	0.00473%
County's proportionate share of the HIS Plan liability	\$ 8,493,974	\$ 8,702,503	\$ 5,580,123	\$ 6,357,066	\$ 6,409,069	\$ 5,701,084	\$ 5,366,772	\$ 5,338,798	\$ 5,587,709	\$ 4,828,351
County's covered-employee payroll	\$ 23,973,723	\$ 21,758,505	\$ 19,238,501	\$ 18,458,124	\$ 18,206,917	\$ 16,946,918	\$ 17,326,036	\$ 15,959,182	\$ 14,890,780	\$ 14,489,748
County's proportionate share of the HIS Plan liability as a percentage of its covered employee payroll	35.43%	40.00%	29.00%	34.44%	35.20%	33.64%	30.98%	33.45%	37.52%	33.32%
Plan fiduciary net position as a percentage of the total HIS Plan liability	4.80%	4.12%	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%	0.50%

Schedule of the County's Contributions to the Health Insurance Subsidy Plan
Last Ten Fiscal Years

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 495,109	\$ 364,778	\$ 325,325	\$ 307,334	\$ 307,711	\$ 291,388	\$ 271,273	\$ 269,317	\$ 247,253	\$ 197,705
Contributions in relation to the contractually required contribution	(495,109)	(364,778)	(325,325)	(307,334)	(307,711)	(291,388)	(271,273)	(269,317)	(247,253)	(197,705)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
County's covered-employee payroll	\$ 24,804,513	\$ 21,944,210	\$ 19,636,889	\$ 18,514,110	\$ 18,536,853	\$ 17,553,102	\$ 16,351,775	\$ 16,223,884	\$ 14,894,726	\$ 14,489,748
Contributions as a percentage of covered employee payroll	2.00%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.36%

HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION

Fiscal Year Ended September 30, 2024

Schedule of Changes in Net OPEB Liability

For the fiscal years ended September 30:

	2024	2023	2022	2021	2020	2019	2018
Service Cost	\$ 199,944	\$ 197,667	\$ 457,457	\$ 443,980	\$ 359,989	\$ 247,984	\$ 324,922
Interest	135,532	120,860	129,730	116,686	133,841	159,790	142,870
Difference between expected and actual experience	418,864	-	(1,182,271)	-	(729,231)	-	-
Change in assumptions	524,611	(61,741)	(2,021,888)	30,266	571,083	951,258	(397,934)
Benefit payments	(80,787)	(76,427)	(156,959)	(131,136)	(211,642)	(204,486)	(115,734)
Net change in Total OPEB Liability	1,198,164	180,359	(2,773,931)	459,796	124,040	1,154,546	(45,876)
Total OPEB Liability - beginning	2,767,707	2,587,348	5,361,279	4,901,483	4,777,443	3,622,897	3,668,773
Total OPEB Liability - ending	<u>3,965,871</u>	<u>2,767,707</u>	<u>2,587,348</u>	<u>5,361,279</u>	<u>4,901,483</u>	<u>4,777,443</u>	<u>3,622,897</u>
Contributions - Employer	80,787	76,427	156,959	131,136	211,642	204,486	115,734
Benefit payments	(80,787)	(76,427)	(156,959)	(131,136)	(211,642)	(204,486)	(115,734)
Net OPEB Liability	<u>\$ 3,965,871</u>	<u>\$ 2,767,707</u>	<u>\$ 2,587,348</u>	<u>\$ 5,361,279</u>	<u>\$ 4,901,483</u>	<u>\$ 4,777,443</u>	<u>\$ 3,622,897</u>
Covered employee Payroll	\$ 25,593,000	\$ 22,602,864	\$ 20,686,232	\$ 19,234,453	\$ 18,141,628	\$ 17,296,799	-
Plan net OPEB liability as a % of the covered employee payroll	15.50%	12.24%	12.51%	27.87%	27.02%	27.62%	N/A

Since GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, was implemented for fiscal year 2018, the total OPEB liability was not available prior to fiscal year 2018.

HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended September 30, 2024

Schedule of OPEB Contributions

For the fiscal years ended September 30:

	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>
Actuarially Determined Contribution	\$ 108,234	\$ -	\$ 249,727	\$ 623,726	\$ 553,107	\$ 486,820	\$ 410,944
Contribution in Relation to the Actuarially Determined Contribution	<u>80,787</u>	<u>76,427</u>	<u>156,959</u>	<u>131,136</u>	<u>211,642</u>	<u>204,486</u>	<u>115,734</u>
Contribution Deficiency (Excess)	<u>\$ 27,447</u>	<u>\$ (76,427)</u>	<u>\$ 92,768</u>	<u>\$ 492,590</u>	<u>\$ 341,465</u>	<u>\$ 282,334</u>	<u>\$ 295,210</u>
Covered Employee Payroll	25,593,000	22,602,864	20,686,232	19,234,453	18,141,628	17,296,799	N/A
Contributions as a Percentage of Covered Payroll	0.32%	0.34%	0.76%	0.68%	1.17%	1.18%	N/A

**SUPPLEMENTARY
REPORTS**

**Report of Independent Auditor 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***

To the Honorable Board of County
Commissioners of Hendry 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 governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of Hendry County, Florida, (the "County") as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated July 7, 2025.

Report Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001-HC that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County'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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*. These matters are described in the accompanying schedule of findings and questioned costs as items.

The County's Response to Finding

The County's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The County's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

Ashley, Brown & Smith, CPAs, P.A.

Punta Gorda, Florida

July 7, 2025

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

To the Honorable Board of County
Commissioners of Hendry County, Florida:

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

Opinion on Each Major Federal Program and State Financial Assistance Project

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

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs and state financial assistance projects for the year ended September 30, 2024.

Basis for Opinion on Each Major Federal Program and State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and 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). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists.

The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program and state project as a whole.

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

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

We are required to communicate with those charged with governance regarding, among other matters, that 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 on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

Report on Internal Control over Compliance, Continued

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 that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies, or material weaknesses. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001-HC that we consider to be a significant deficiency.

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. Accordingly, this report is not suitable for an other purpose.

Ashley, Brown & Smith, CPAs, P.A.

Punta Gorda, Florida

July 7, 2025

HENDRY COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended September 30, 2024

FEDERAL AGENCY <i>Pass-through entity</i> Federal Program - Project Name	Federal Assistance Listing Number	Contract / Grant Number	Federal Expenditures	Transfers to Subrecipients
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>				
<i>Passed through the Federal Emergency Management Agency</i>				
Emergence Management Preparedness & Assistance (EMPG)	97.042	G0452	\$ 47,703	\$ -
<i>Passed through the Federal Emergency Management Agency</i>				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)				
DR-4673 (2023)	97.036	Z3081	4,855	-
DR-4673 (2024)	97.036	Z3081	8,508	-
			<u>13,363</u>	<u>-</u>
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			<u>61,066</u>	<u>-</u>
<u>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</u>				
<i>Passed through State of Florida, Department of Revenue</i>				
Title IV Child Support Enforcement	93.563	COC26	113,638	-
Title IV Child Support Enforcement	93.563	CDC26	13,283	-
TOTAL U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES			<u>126,921</u>	<u>-</u>
<u>U.S. DEPARTMENT OF THE TREASURY</u>				
Coronavirus State and Local Fiscal Recovery Funds	21.027	1505-0271	1,720,053	-
<i>Passed through State of Florida, Department of Transportation</i>				
Coronavirus State and Local Fiscal Recovery Funds				
CR835 Widening and Resurfacing	21.027	FM#445072-1-54-01	92,042	-
CR835 Widening and Resurfacing	21.027	FM#440445-1-54-01/02	116,337	-
TOTAL U.S. DEPARTMENT OF THE TREASURY			<u>1,928,432</u>	<u>-</u>
<u>U.S. DEPARTMENT OF TRANSPORTATION</u>				
<i>Passed through State of Florida, Department of Transportation</i>				
Enhanced Mobility of Seniors and Individuals with Disabilities - FTA Section 5310 Enhanced Mobility of Seniors	20.513	FM#448458-1-84-23	83,213	-
Formula Grants for Rural Areas - (CARES)	20.509	FM#447489-1-84-02	679,111	-
Formula Grants for Rural Areas	20.509	FM#448231-1-84-02	59,147	-
Formula Grants for Rural Areas	20.509	FM#447505-1-84-03	217,059	-
Formula Grants for Rural Areas	20.509	FM#454187-1-84-23	60,840	-
			<u>1,016,157</u>	<u>-</u>
Highway Planning and Construction Cluster - Harlem Community/Blvd Wall Sign	20.205	FM#449698-1-38-01	14,039	-
Harlem Sidewalks at Various Locations	20.205	FM#438095-1-38/58/68-01	613,231	-
Curve Safety Improvements On CR835	20.205	FM#438372-1-38/58/68-01	3,452,161	-
Sidewalk on N Side of Sonora Ave	20.205	FM#442020-1-38-01	133	-
Sidewalk on E Side of Collingswood Pkwy	20.205	FM#442021-1-38-01	133	-
Sidewalk on W Side of NW Raintree Blvd	20.205	FM#442024-1-38-01	133	-
			<u>4,079,830</u>	<u>-</u>
<i>Passed through the Federal Aviation Administration</i>				
Airport Improvement Program - LaBelle Municipal Airport Rehab	20.106	3-12-0125-018-2023	969,006	-
LaBelle Municipal Airport - Replace Airport Rotating Beacon and Tower	20.106	3-12-0125-019-2024	40,109	-
Airglades Airport - Reconstruct Apron and Taxilane	20.106	3-12-0012-012-2024	244,735	-
			<u>1,253,850</u>	<u>-</u>
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			<u>6,433,050</u>	<u>-</u>
<u>U.S. DEPARTMENT OF JUSTICE - BUREAU OF JUSTICE ASSISTANCE</u>				
<i>Passed through State of Florida Department of Law Enforcement</i>				
Edward Byrne Memorial Justice Assistance Grant	16.738	15PBJA-22-GG-00656-MUMU	33,609	-
Edward Byrne Memorial Justice Assistance Grant	16.738	15-PBJA-23-GG-03228-JAGX	6,094	6,094
			<u>39,703</u>	<u>6,094</u>
<i>Office of Justice Programs</i>				
Bulletproof Vest Partnership Program	16.607	2023BUBX23037949	8,488	-
State Criminal Alien Assistance Program	16.606	15PBJA-23-RR-05611-SCAA	11,051	-
TOTAL U.S. DEPARTMENT OF JUSTICE			<u>59,242</u>	<u>6,094</u>
<u>U.S. DEPARTMENT OF THE INTERIOR</u>				
National Park Service				
<i>Passed through Florida Division of Historical Resources</i>				
Emergency Supplement Historic Preservation Fund - Hurricane Irma	15.957	20.h.fh.100.013	13,276	-
TOTAL U.S. DEPARTMENT OF THE INTERIOR			<u>13,276</u>	<u>-</u>

The notes to Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

HENDRY COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS - CONTINUED
For the Fiscal Year Ended September 30, 2024

FEDERAL AGENCY <i>Pass-through entity</i> Federal Program - Project Name	Federal Assistance Listing Number	Contract / Grant Number	Federal Expenditures	Transfers to Subrecipients
<u>U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT</u>				
<i>Passed through State of Florida Department of Community Affairs</i>				
Lower Income Housing Assistance Program_Section 8 Moderate Rehabilitation - Section 8 Voucher Program	14.856	A3405	603,653	-
Community Development Block Grant (CDBG)	14.228	IR007	43,794	-
Community Development Block Grant (CDBG)	14.228	IO168	14,394	-
Community Development Block Grant (CDBG)	14.228	IR047	19,441	-
			<u>77,629</u>	<u>-</u>
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			<u>681,282</u>	<u>-</u>
TOTAL FEDERAL AWARD EXPENDITURES			<u>\$ 9,303,269</u>	<u>\$ 6,094</u>

The notes to Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

HENDRY COUNTY, FLORIDA
SCHEDULE OF STATE FINANCIAL ASSISTANCE
For the Fiscal Year Ended September 30, 2024

STATE AGENCY State Project - Project Name	State CSFA Number	Grant / Contract Number	State Expenditures	Transfers to Subrecipients
STATE OF FLORIDA DEPARTMENT OF MANAGEMENT SERVICES				
Prepaid Next Generation 911 (NG911) State Grant Program -				
NG911 Core Services	72.003	S14-19-12-06	\$ 75,436	\$ -
GIS Indoor Mapping & Sub-addressing	72.003	S20-21-12-06	48,189	-
GIS Data Maintenance	72.003	S22-23-01-32	25,407	-
			<u>149,032</u>	<u>-</u>
E911 State Grant Program -				
Mapping Software License	72.002	S25-24-01-10	40,900	-
Wireless 911 Emergency Telephone System Rural County Grant Program -				
E911 System and Map Maintenance	72.001	22-11-20	76,221	-
			<u>266,153</u>	<u>-</u>
STATE OF FLORIDA DEPARTMENT OF LAW ENFORCEMENT				
Local Firearms Safety Training Program	71.103	9H007	21,387	-
FDLE Drone Replacement Program	71.092	3X037	39,998	-
Law Enforcement Salary Assistance for Fiscally Constrained Counties -				
Law Enforcement Salary Assistance (LESA)	71.067	5V014	590,109	-
Law Enforcement Salary Assistance (LESA)	71.067	ME014	196,703	-
			<u>786,812</u>	<u>-</u>
			<u>848,197</u>	<u>-</u>
STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION				
Small County Road Assistance Program (SCRAP) -				
CR78 From Kirby Thompson Road to Ft. Denaud Bridge Way	55.016	FM#435050-1-54-01	2,507,738	-
CR 80A (Cowboy Way) from SR 80 to Bridge St	55.016	FM#436655-1-54-01	29,205	-
			<u>2,536,943</u>	<u>-</u>
Small County Outreach Program (SCOP) -				
CR835 from 9.1 Mi South to 7.7 Mi South of US27	55.009	FM#438581-1-54-01	11,615	-
CR78 From Hidden Hammock Drive to Kirby Thompson Road	55.009	FM#446330-1-54-01	12,435	-
Hendry Isles Blvd from Arcadia Avenue to SR 80	55.009	FM#446388-1-54-01	57,148	-
Intersection Improvements at Helms Rd and Forrey Dr	55.009	FM#447938-1-34-01	318	-
			<u>81,516</u>	<u>-</u>
County Incentive Grant Program -				
Helms Road Extension from SR 29 to Sr 80	55.008	FM#419948-4-34-01	6,480	-
Aviation Development Grants -				
LaBelle Municipal Airport T-Hangars and Access Drives	55.004	FM#439943-1-94-01	810,850	-
Airglades Airport Security Lighting & Fencing Upgrade	55.004	FM#453091-1-94-01	31,228	-
LaBelle Municipal Airport Security Improvements	55.004	FM#453093-1-94-01	30,662	-
LaBelle Municipal Airport Acquisition	55.004	FM#454191-1-94-01	30,881	-
LaBelle Municipal Airport Acquire Parcel H	55.004	FM#454728-1-94-01	27,299	-
			<u>930,920</u>	<u>-</u>
Florida Commission for the Transportation Disadvantaged (CTD) Trip and Equipment Grant	55.001	G2K45	308,599	-
Florida Commission for the Transportation Disadvantaged (CTD) Trip and Equipment Grant	55.001	G2Z13	92,145	-
			<u>400,744</u>	<u>-</u>
			<u>3,956,603</u>	<u>-</u>
STATE OF FLORIDA DEPARTMENT OF EDUCATION AND COMMISSIONER OF EDUCATION				
Coach Aaron Feis Guardian Program -	48.140	961-90210-3D001	87,170	-
			<u>87,170</u>	<u>-</u>
STATE OF FLORIDA DEPARTMENT OF STATE AND SECRETARY OF STATE				
Acquisition, Resoration of Historic Properties -				
Old Hendry County Courthouse Historic Interior	45.032	23.h.sc.100.092	34,858	-
			<u>34,858</u>	<u>-</u>
STATE OF FLORIDA DEPARTMENT OF FINANCIAL SERVICES				
Volunteer Firefighter Grant Assistance Program				
	43.006	FM860	23,313	-
			<u>23,313</u>	<u>-</u>
STATE OF FLORIDA DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES				
Mosquito Control Research Grant				
	42.003	30616	37,749	-
			<u>37,749</u>	<u>-</u>

The notes to Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

HENDRY COUNTY, FLORIDA
SCHEDULE OF STATE FINANCIAL ASSISTANCE - (CONTINUED)
For the Fiscal Year Ended September 30, 2024

STATE AGENCY State Project - Project Name	State CSFA Number	Grant / Contract Number	State Expenditures	Transfers to Subrecipients
STATE OF FLORIDA HOUSING FINANCE CORPORATION				
State Housing Initiatives Partnership Program (SHIP)	40.901	NONE	518,521	-
TOTAL STATE OF FLORIDA HOUSING FINANCE CORPORATION			518,521	-
STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION				
Statewide Surface Water Restoration and Wastewater Projects -				
Hendry County Connecting Airglades Airport and Clewiston WWTP	37.039	LPA0086	8,125	-
Hendry County Port LaBelle Utility System Wastewater Collection System	37.039	LPA0301	205,524	-
Port LaBelle Utility System Wastewater Collection System for Units No 2&3	37.039	LPA0670	147	-
			<u>213,796</u>	<u>-</u>
Small County Consolidated Grants	37.012	SC414	93,750	-
TOTAL STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION			307,546	-
STATE OF FLORIDA EXECUTIVE OFFICE OF THE GOVERNOR				
Emergency Management Programs -				
Hazards Analysis (HA) Grant Program - 2023	31.067	T0197	1,919	-
Hazards Analysis (HA) Grant Program	31.067	T0298	2,378	-
			<u>4,297</u>	<u>-</u>
Emergency Management Programs -				
Emergency Management Preparedness & Assistance Base Grant	31.063	A0381	77,020	-
Emergency Management Preparedness & Assistance Base Grant	31.063	A0442	39,006	-
			<u>116,026</u>	<u>-</u>
TOTAL STATE OF FLORIDA EXECUTIVE OFFICE OF THE GOVERNOR			120,323	-
TOTAL STATE FINANCIAL ASSISTANCE EXPENDITURES			\$ 6,200,433	\$ -

The notes to Schedules of Expenditures of Federal Awards and State Financial Assistance are an integral part of this schedule.

HENDRY COUNTY, FLORIDA

NOTES TO SCHEDULES OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

YEAR ENDED SEPTEMBER 30, 2024

NOTE 1 – GENERAL

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the “Schedule”) presents the activity of all federal awards and state financial assistance of Hendry County, Florida (the “County”) for the year ended September 30, 2024. The information in the 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 the County, the schedule is not intended to and does not present the financial position, changes in net position, or cash flows of the County. The County’s reporting entity is defined in Note 1 to the County’s basic financial statements for the fiscal year ended September 30, 2024. All federal award and state financial assistance programs received directly from federal and state agencies, as well as federal award and state financial assistance programs passed through other government agencies, are included in the schedule.

The Schedule is presented in accordance with Uniform Guidance using the modified accrual basis of accounting, which is described in Note 1 to the County’s Basic Financial Statements for the fiscal year ended September 30, 2024.

NOTE 2 – INDIRECT COST RATE

The County has elected to not use the 10 percent de minimis indirect cost rate as covered in 2 CFR 200.414 (f) Indirect Costs.

NOTE 3 – CONTINGENCIES

Grant monies received by the County are for specific purposes and are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon prior experience, the County does not believe that such disallowances, if any, would have a material effect on the financial position of the County. As of September 30, 2024, there were no material questioned or disallowed costs as a result of grant audits in process or completed of which management was aware. Any adjustments to grant funding are recorded in the year the adjustment occurs.

NOTE 4 – MAJOR FEDERAL PROGRAM DETERMINATION

Major federal program determination has been completed in accordance with the Uniform Guidance.

NOTE 5 – MAJOR STATE PROJECT DETERMINATION

Major state program determination has been completed in accordance with the Florida Single Audit Act.

NOTE 6 – SUBRECIPIENTS

The County transferred \$6,094 of federal awards to the City of Clewiston during the fiscal year ended September 30, 2024.

HENDRY COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COST
YEAR ENDED SEPTEMBER 30, 2024

Part 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?	No
Significant deficiency(ies)?	Yes
Noncompliance material to financial statements noted?	No

Federal Awards and State Projects

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditor’s report issued on compliance for major federal programs and state projects:	<u>Unmodified</u>
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No
Any audit findings disclosed that are required to be reported in accordance with Chapter 10.550 for state projects?	No
Identification of major federal programs and state projects:	

Major Federal Programs:

	<u>ALN</u>
U.S. DEPARTMENT OF THE TREASURY– Coronavirus State and Local Fiscal Recovery Funds	21.027
U.S. DEPARTMENT OF TRANSPORTATION– Formula Grants for Rural Areas	20.509
Airport Improvement Program	20.106

Major State Projects:

	<u>CSFA No.</u>
STATE OF FLORIDA DEPARTMENT OF LAW ENFORCEMENT– Law Enforcement Salary Assistance for Fiscally Constrained Counties	71.067
STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION– Small County Road Assistance Program (SCRAP)	55.016

HENDRY COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COST - (CONTINUED)
YEAR ENDED SEPTEMBER 30, 2024

Part I – Summary of Auditor’s Results – (Continued)

Dollar threshold used to determine Type A programs:

Federal programs	\$ 750,000
State projects	\$ 750,000

Auditee qualified as low-risk auditee? Yes No

Part II – Financial Statement Findings

Finding: 2024-001-HC – Submission of Timely Audit Reports. We consider this a repeat finding from the two previous fiscal year findings 2023-003-HC and 2022-003-HC.

Finding Type: Significant Deficiency in Internal Control over Financial Reporting

Criteria: The audit and annual financial report is due to state and federal governmental agencies no later than nine months after year end.

Condition: The financial audit and the AFR, were not submitted within the timeline prescribed by statute.

Cause: Due to unforeseen delays during the fiscal year, the completion and submission of the audit reports was late.

Effect: The County is not in compliance regarding timely submission of audited financial statements and the AFR.

Recommendation: We recommend the County follow their internal controls to ensure compliance and timely financial reporting.

Management’s Response: Management’s response is provided within the corrective action plan on page I-103.

Part III –Federal Award Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and material instances of noncompliance, including questioned costs, as well as any material abuse findings, related to the audit of major federal programs, as required to be reported by 2 CFR 200.516(a).

There were no findings required to be reported by 2 CFR 200.516(a).

HENDRY COUNTY, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COST - (CONTINUED), SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND CORRECTIVE ACTION PLAN YEAR ENDED SEPTEMBER 30, 2024

Part IV – State Project Findings and Questioned Costs

This section identifies the significant deficiencies, material weaknesses, and material instances of noncompliance, including questioned costs, as well as any material abuse findings, related to the audit of major state projects, as required to be reported by Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*.

There were no findings required to be reported by Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*.

Prior Year Findings:

Finding: 2023-001-HC – Schedule of Expenditures of Federal Awards and State Financial Assistance.

Finding Type: Material Weakness in Internal Control over Financial Reporting

Status: Corrected

Finding: 2023-002-HC – Intergovernmental Revenue. We consider this a new finding.

Finding Type: Material Weakness in Internal Control over Financial Reporting

Status: Corrected

Finding: 2023-003-HC – Submission of Timely Audit Reports.

Finding Type: Significant Deficiency in Internal Control over Financial Reporting

Status: Uncorrected (see current year finding 2024-001-HC)

Finding: 2023-004-HC – Material Weakness in Internal Control over Compliance and Other Matter

Federal agency: U.S. Department of Treasury

Federal program title: Coronavirus State and Local Fiscal Recovery Funds

Assistance Listing Number (ALN): 21.027

Status: Corrected

Finding: 2023-005-HC – Significant Deficiency in Internal Control over Compliance and Other Matter

Federal agency: U.S. Department of Treasury

Federal program title: Coronavirus State and Local Fiscal Recovery Funds

Assistance Listing Number (ALN): 21.027

Status: Corrected

Corrective Action Plan: See the County’s correction plan & response at I-103.

Independent Auditor's Management Letter

To the Honorable Board of County
Commissioners of Hendry County, Florida:

Report on the Financial Statements

We have audited the financial statements of the Hendry County, Florida (the "County"), as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated July 7, 2025.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Report of Independent Auditor 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*; Report of Independent Auditor on Compliance for Each Major Federal Awards Program and State Financial Assistance Project and on Internal Control Over Compliance Required by Uniform Guidance, and Chapter 10.550, Rules of the Auditor General; Schedule of Findings and Questioned Costs; and Report of Independent Accountant 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 July 7, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Correction plans for prior year findings 2023-001-HC, 2023-002-HC, 2023-004-HC, and 2023-005-HC have been implemented and are corrected. The prior year finding 2024-001-HC is a repeat finding of the prior year finding 2023-003-HC.

Official Title and Legal Authority

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

Financial Condition and Management

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

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the County. It is management's responsibility to monitor the County's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by 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 had one recommendation to improve financial management as detailed in the accompanying schedule of schedule of findings and questioned costs at finding 2024-001-HC.

Property Assessed Clean Energy (PACE) Programs

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

Special District Component Units

Section 10.554(1)(i)5.c., Rules of the Auditor General, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provided the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), *Florida Statutes*. In connection with our audit, we 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*.

As required by Section 218.39(3)(c), *Florida Statutes*, and Section 10.554(1)(i)7., Rules of the Auditor General, the East Hendry County Drainage District reported:

- a. The total number of district employees compensated in the last pay period of the district's fiscal year is 0.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year is 1.
- c. All compensation earned by or awarded to employees in the last pay period, whether paid or accrued, regardless of contingency is \$0.
- d. All compensation earned by or awarded to nonemployee independent contractors in the last month of the fiscal year, whether paid or accrued, regardless of contingency is \$343.
- e. Each construction project with a total cost of at least \$65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project is none.
- f. A budget variance based on the budget adopted under Section 189.016(4), *Florida Statutes*, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), *Florida Statutes*, is \$2,528.

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.

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 Hendry County Board of County Commissioners, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida
July 7, 2025

**Report of Independent Accountant on Compliance With Local Government Investment Policies and
E911 Requirements of Sections 365.172 and 365.173, *Florida Statutes***

To the Honorable Board of County
Commissioners of Hendry County, Florida:

We have examined Hendry County, Florida's (the "County's") compliance with the local government investment policy requirements of 218.415, Florida Statutes, and E911 requirements of Sections 365.172 and 365.173, Florida Statutes, for the year ended September 30, 2024. Management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County's compliance based on our examination.

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

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

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

The purpose of this report is to comply with the audit requirements of Sections 218.415, 365.172, and 365.173, Florida Statutes, and *Rules of the Auditor General*.

Ashley, Brown & Smith, CPAs, P.A.

Punta Gorda, Florida
July 7, 2025



HENDRY COUNTY

Board of County Commissioners
P.O. Box 2340
LaBelle, Florida 33975-2340

863-675-5220

Jennifer Davis
County Administrator

Kimberley Barrineau
Clerk of the Courts

Matt Raulerson
County Attorney

July 7, 2025

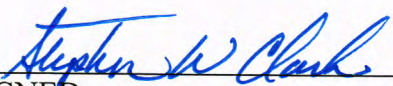
In response to the Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, the Hendry County Board of County Commissioners issues the following response:

**Management Response to Finding 2024-001-HC – Submission of Timely Audit Reports.
(Significant Deficiency)**

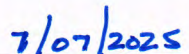
The Board of County Commissioners has been informed of the findings.

The Board acknowledges the delay in submitting timely audit reports and recognize its impact on compliance and oversight. To address this, we are implementing a revised reporting calendar, increasing coordination with external auditors, and assigning internal deadlines with accountability checkpoints to ensure timely completion moving forward.

The Board of County Commissioners anticipates that the correction actions will be completed by September 30, 2025. Steve Clark, Finance Director, is the contact person.


SIGNED


TITLE


DATE

Emma Byrd
District 1

Emory Howard
District 2

Mitchell Wills
District 3

Ramon Iglesias
District 4

Michael Atkinson
District 5

This institution is an equal opportunity provider and employer.

HENDRY COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT

September 30, 2024

FINANCIAL STATEMENTS,
TOGETHER WITH REPORTS OF INDEPENDENT AUDITOR

Table of Contents

	<u>Page(s)</u>
Report of Independent Auditor	II-1 - II-3
 Financial Statements	
Balance Sheet - Governmental Funds.....	II-4
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds.....	II-5
Statement of Fiduciary Net Position- Custodial Funds.....	II-6
Statement of Changes in Fiduciary Net Position- Custodial Funds.....	II-7
Notes to Financial Statements.....	II-8 - II-15
 Required Supplementary Information	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund.....	II-16
Note to Required Supplementary Information	II-17
 Other Financial Information	
Combining Statement of Fiduciary Net Position - All Custodial Funds.....	II-18
Combining Statement of Changes in Fiduciary Net Position - All Custodial Funds.....	II-19
 Supplementary Reports	
Report of Independent Auditor on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	II-20 - II-21
Independent Auditor's Management Letter.....	II-22 - II-23
Report of Independent Accountant on Compliance with Local Government Investment Policies, Article V Requirements, and Florida Statute 61.181 Requirements.....	II-24

Report of Independent Auditor

To the Honorable Kimberley Barrineau,
Clerk of Courts & Comptroller
Hendry County, Florida

Report on the Financial Statements

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

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Emphasis of Matter

Basis of Presentation

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with 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 fund of Hendry County, Florida that is attributable to the Clerk. They do not purport to, and do not, present fairly the financial position of Hendry County, Florida as of September 30, 2024, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 16 be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the 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.

Other Information

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

Other Reporting Required by *Government Auditing Standards*

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

Ashley, Brown & Smith, CPAs, P.A.

Punta Gorda, Florida
June 28, 2025

FINANCIAL STATEMENTS

HENDRY COUNTY, FLORIDA
 CLERK OF THE CIRCUIT COURT
 Balance Sheet - Governmental Funds
 September 30, 2024

	General Fund	Documentary Stamps & Intangible Tax	Modernization Trust Fund	Total
ASSETS				
Cash	\$ 923,311	\$ -	\$ 297,118	\$ 1,220,429
Accounts Receivable, net	3,007	-	-	3,007
Due from other funds	52,395	-	-	52,395
Due from Other Governments	208,640	-	2,060	210,700
Prepaid Expenses	15,326	-	8,950	24,276
Total Assets	<u>\$ 1,202,679</u>	<u>\$ -</u>	<u>\$ 308,128</u>	<u>\$ 1,510,807</u>
 LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	\$ 10,222	\$ -	\$ 400	\$ 10,622
Accrued Liabilities	99,395	-	-	99,395
Due to BOCC	601,037	-	-	601,037
Due to Other Governments	492,025	-	-	492,025
Total Liabilities	1,202,679	-	400	1,203,079
 Fund Balance				
Restricted	-	-	307,728	307,728
Total Liabilities and Fund Balance	<u>\$ 1,202,679</u>	<u>\$ -</u>	<u>\$ 308,128</u>	<u>\$ 1,510,807</u>

See accompanying notes.

HENDRY COUNTY, FLORIDA
 CLERK OF THE CIRCUIT COURT
 Statement of Revenues, Expenditures, and
 Changes in Fund Balance - Governmental Funds
 For the Fiscal Year Ended September 30, 2024

	General Fund	Documentary Stamps & Intangible Tax	Modernization Trust Fund	Total
Revenues				
Intergovernmental	\$ 126,922	\$ -	\$ 119,708	\$ 246,630
Charges for Services	1,501,200	5,632,527	-	7,133,727
Interest	62,642	-	-	62,642
Miscellaneous	36,512	-	-	36,512
Total Revenues	<u>1,727,276</u>	<u>5,632,527</u>	<u>119,708</u>	<u>7,479,511</u>
Expenditures				
General Government	1,644,929	5,632,527	106,105	7,383,561
Court Related	1,396,386	-	-	1,396,386
Total Expenditures	<u>3,041,315</u>	<u>5,632,527</u>	<u>106,105</u>	<u>8,779,947</u>
Excess of Revenues Over (Under) Expenditures	<u>(1,314,039)</u>	<u>-</u>	<u>13,603</u>	<u>(1,300,436)</u>
Other Financing Sources (Uses)				
Operating Transfers In	1,906,873	-	-	1,906,873
Operating Transfers Out	(592,834)	-	-	(592,834)
Total Other Financing Sources (Uses)	<u>1,314,039</u>	<u>-</u>	<u>-</u>	<u>1,314,039</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and other sources	-	-	13,603	13,603
Fund Balance - October 1, 2023	<u>-</u>	<u>-</u>	<u>294,125</u>	<u>294,125</u>
Fund Balance - September 30, 2024	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 307,728</u>	<u>\$ 307,728</u>

See accompanying notes.

HENDRY COUNTY, FLORIDA
 CLERK OF THE CIRCUIT COURT
 Statement of Fiduciary Net Position - Custodial Funds
 September 30, 2024

	<u>Custodial Funds</u>
ASSETS	
Cash and Cash Equivalents	\$ 3,425,717
Due from Other Governments	<u>4,425</u>
Total Assets	<u>3,430,142</u>
LIABILITIES AND NET POSITION	
Due to Other Funds	52,395
Due to Other Governments	<u>233,097</u>
Total Liabilities	<u>285,492</u>
NET POSITION	
Restricted for:	
Individuals, Organizations, and Other Governments	<u>3,144,650</u>
Total Net Position	<u><u>\$ 3,144,650</u></u>

See accompanying notes.

HENDRY COUNTY, FLORIDA
 CLERK OF THE CIRCUIT COURT
 Statement of Changes in Fiduciary Net Position
 For the fiscal year ended September 30, 2024

	<u>Total Custodial Funds</u>
Additions	
Fees/fines Collected for Other Governments	\$ 22,532,092
Deposits and Other Trust Activities	<u>2,401,455</u>
Total Additions	24,933,547
Deductions	
Fees/fines Disbursed for Other Governments	22,606,179
Deposits and Other Trust Activities Disbursed	<u>2,561,518</u>
Total Deductions	<u>25,167,697</u>
Change in Net Position	(234,150)
Beginning Net Position	<u>3,378,800</u>
Ending Net Position	<u><u>\$ 3,144,650</u></u>

See accompanying notes.

HENDRY COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
Notes to Financial Statements
September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Clerk, as an elected constitutional officer was established by the Constitution of the State of Florida, Article VIII, Section 1 (d). As such, the Clerk's special purpose financial statements are included in the government wide financial statements of Hendry County, the primary government. A component unit is a legally separate organization for which the elected officials of the primary government are financially accountable. Based on the criteria established by Statement of Governmental Accounting Standards Board Number 14, "Financial Reporting Entity," there are no component units included in the Clerk's financial statements.

(a) Fund Accounting

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

Governmental Funds

General Fund

The *General Fund* is used to account for all revenues and expenditures applicable to the general operations of the Clerk, which are not properly accounted for in another fund. All operating revenues, which are not specifically restricted or designated as to use, are recorded in the General Fund. Excess revenues at the end of the year, due back to the Board of County Commissioners and the State of Florida, are shown as operating transfers out.

Special Revenue Funds

The *Special Revenue Funds* are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. The Public Records Modernization Trust fund is used to account revenues generated from the additional service charge on most recorded instruments as defined in Sections 28.24 (12)(d) and 28.24 (12)(e)1, F.S. The funds shall be used exclusively to fund court-related technology needs of the Clerk as defined in Section 29.008(1)(f)2 and (h), F.S. The excess of such revenues over expenditures for the fiscal year are retained by the Clerk in the fund.

The *Documentary Stamp and Intangible Tax Fund*—is a special revenue fund used to account for the functions of the Clerk to perform and charge for the service of collecting and remitting taxes to the State of Florida. The documentary stamp tax is an excise tax imposed on obligations to pay money pursuant to Florida Statutes 201.08. The intangible tax is a tax on intangible personal property levied on obligations for payment of money which are secured by a mortgage or other liens upon real property located in the State of Florida pursuant to Florida Statutes 199.133.

HENDRY COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
Notes to Financial Statements
September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

As a result of the implementation of Governmental Accounting Standards Board (GASB) Statement No. 84 (described further below), activity previously reported in the Clerk's Operating Trust Agency Fund is now reported in both Special Revenue Funds, as well as Fiduciary Funds. The Modernization Trust Fund and the Documentary Stamp and Intangible Tax Fund include Special Trust activity that the Clerk considers to be the government's own source revenue.

Fiduciary Funds

Custodial Funds

Funds are used to account for assets received and held by the Clerk on behalf of outside parties, including other governments. Custodial funds are used to report resources held by the reporting governments in a purely custodial capacity. Custodial funds typically involve only the receipt, temporary investment and remittance of custodial resources to individuals, private organizations, or other governments. The Clerk reports activity for four Custodial funds: Registry, Operating Trust, Fine and Forfeiture and Christmas Club.

(b) Measurement Focus, Basis of Accounting and Financial Statement Presentation

Governmental Funds

The General Fund and Special Revenue Funds are accounted for on a "spending" or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on the balance sheet. Accordingly, the reported undesignated fund balances (net current assets) are considered a measure of available, spendable or appropriable resources. General operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Fiduciary Funds

Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

Basis of Accounting

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

The modified accrual basis of accounting is followed by all funds. The modification in such method from the accrual basis is that revenues are recorded when they become measurable and available to finance operations of the current year.

HENDRY COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
Notes to Financial Statements
September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include:

1. Principal and interest on general long-term debt, which is recognized when due; and
2. Expenditures are not divided between years by the recording of prepaid expenses.

Budgetary Process

Chapter 218, Florida Statutes, governs the preparation, adoption and administration process of the Clerk's annual budget. The Clerk's budget, however, is prepared in two parts. One portion relates to the State court system, including Recording, and is required to be filed with the State Court Administrator. The remaining portion relates to the requirements of the Clerk as ex officio to the Board, Clerk of the Board of County Commissioners, County Auditor and custodian, or treasurer, of all County funds. The budget for this portion is submitted to and approved by the Board of County Commissioners. However, the budget in total is required to be filed with the State Court Administrator.

The annual budget serves as the legal authorization for expenditures. Expenditures cannot legally exceed the total amount budgeted for each fund. All budgets are prepared on the modified accrual basis. The level of control for appropriations is exercised at the functional level.

Encumbrances

Encumbrance accounting, under which purchase orders and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Clerk.

(c) Assets, Liabilities and Equity

Capital Assets

Acquisitions of tangible personal property are recorded as expenditures in the General Fund at the time of purchase. These assets are reported to the Hendry County, Florida, Board of County Commissioners and are recorded in the government wide financial statements.

Compensated Absences

The Clerk's employees accumulate sick and annual leave based on the number of years of continuous service and other criteria. Upon termination of employment, employees generally receive payment for accumulated annual and sick leave.

As of September 30, 2024, the Clerk had \$164,872 in long-term compensated absences payable. This amount is reported in the government-wide financial statements of Hendry County, Florida.

HENDRY COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
Notes to Financial Statements
September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Statement of Governmental Accounting Standards Board No. 16, "Accounting for Compensated Absences", requires the compensated absences liability to be measured using the salary rate in effect at the balance sheet date and requires additional amounts to be accrued for certain salary related payments associated with the payment of compensated absences. The liability shown in the financial statements of Hendry County has been accrued in accordance with this criteria.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management of the Clerk to make estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenues and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

Fund Balances

Spendable fund balances are classified based on a hierarchy of the Clerk's ability to control the spending of these fund balances.

Restricted fund balances are fund balance amounts that are constrained for specific purposes which are externally imposed by creditors, grantors, contributors, or laws or regulations or imposed by law through constitutional provisions or enabling legislation. As of September 30, 2024, the Clerk had \$307,728 in restricted fund balance in the Modernization Trust Fund.

The excess of such revenues over expenditures for the fiscal year are retained by the Clerk in the fund to fund court-related technology needs of the Clerk, as defined in Section 29.008(1)(f)2 and (h), F.S.

Committed fund balances are fund balances constrained for specific purposes imposed by the Clerk's formal action of highest level of decision making authority. As of September 30, 2024, the Clerk had no committed fund balances.

Assigned fund balances are fund balances are constrained by the Clerk's intent to be used for specific purposes, but which are neither restricted nor committed. As of September 30, 2024, the Clerk had no assigned fund balances.

Unassigned fund balances represent the residual positive fund balance within the General Fund, which has not been assigned to other funds and has not been restricted, committed or assigned. In funds other than the General Fund, unassigned fund balances are limited to negative residual balances. As of September 30, 2024, the Clerk had no unassigned fund balances because all excess revenues within the general fund are required to be remitted to the Board.

HENDRY COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
Notes to Financial Statements
September 30, 2024

NOTE 2 - CASH AND CASH INVESTMENTS

During the fiscal year, the Clerk maintained deposits in interest-bearing savings and checking accounts. At September 30, 2024, the bank balance of all accounts was \$4,875,622 and the book balance of deposits was \$4,645,611.

The Clerk had \$535 of cash on hand at September 30, 2024.

The deposits whose values exceeded the limits of federal depository insurance are entirely insured or collateralized pursuant to the Public Depository Security Act of the State of Florida, Chapter 280 of the Florida Statutes.

The Clerk held no investments during the fiscal year.

NOTE 3 - RETIREMENT PLAN

Plan Description

The Clerk of the Circuit Court's employees participate in the Florida Retirement System (FRS). As provided by Chapters 12I 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 ("Pension 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 Pension Plan, which is administered by the State Board of Administration.

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 (where applicable), 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 Legislature.

Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension 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 regular class members with less than 30 years of service may retire before age 62 and are entitled to a retirement benefit payable monthly also equal to 1.6% of their final average compensation for each year of credited service based on the five highest years of salary, with a 5% reduction for each year under age 62. Substantial changes were made to the Pension Plan during fiscal year 2011, affecting new members enrolled on or after July 1, 2011, by extending the vesting requirement to eight years of credited service and increasing normal retirement to age 65 or 33 years of service regardless of age. Also, the final average compensation for these members is based on the eight highest years of salary.

HENDRY COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
Notes to Financial Statements
September 30, 2024

NOTE 3 - RETIREMENT PLAN - (Continued)

Funding Policy

All enrolled members of the FRS Pension Plan are required to contribute 3.0% of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on statewide contribution rates. The employer contribution rates by job class for the periods from October 1, 2023 through June 30, 2024 and July 1, 2024 through September 30, 2024, respectively, were as follows: regular 13.57% and 13.63%; county elected officers 58.68% and 58.68%; senior management 34.52% and 34.52%; and DROP participants 21.13% and 21.13%. During the fiscal year ended September 30, 2024, the Clerk of the Circuit Court contributed to the plan an amount equal to 18.81% of covered payroll.

The HIS Plan provides a monthly benefit to assist retirees in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement. Eligible retirees and beneficiaries receive a monthly health insurance subsidy payment of \$5 for each year of creditable service, with a minimum payment of \$45 and a maximum payment of \$225 per month.

The HIS Plan is funded by required contributions from FRS participating employees as set forth by Florida Legislature, based on a percentage of gross compensation for all active FRS members.

For those members who elect participation in the Investment Plan, rather than the Pension Plan, vesting occurs at one year of service. These participants receive a contribution for self-direction in an investment product with a third party administrator selected by the State Board of Administration. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the plan, including the FRS Financial Guidance Program, are funded through an employer contribution 0.06 percent of payroll by forfeited benefits of plan members.

The Clerk of the Circuit Court recognizes pension expenditures in an amount equal to amounts paid to the Pension Plan, the HIS Plan and the defined contribution plan, amounting to \$246,390, \$33,063, and \$55,026 respectively, for the fiscal year ended September 30, 2024. The Clerk of the Circuit Court's payments after June 30, 2023, the measurement date used to determine the net pension liability associated with the Pension Plan and HIS Plan, amounted to \$50,248, and \$7,607, respectively. The Clerk of the Circuit Court is not legally required to and does not accumulate expendable available resources to liquidate the retirement obligation related to its employees. Accordingly, the net pension liability and associated deferred outflows and deferred inflows are presented on the government-wide financial statements of the County, following requirements of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27*, and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68*, effective October 1, 2014.

HENDRY COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
Notes to Financial Statements
September 30, 2024

NOTE 3 - RETIREMENT PLAN - (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 Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the Web site www.ams.myflorida.com/retirement.

NOTE 4 - GENERAL LONG-TERM DEBT

The following changes in general long-term debt occurred during the year ended September 30, 2024:

Long-term debt payable at October 1, 2023	\$ 143,957
Increase (decrease) in accrued compensated	<u>20,915</u>
Long-term debt payable at September 30, 2024	<u><u>\$ 164,872</u></u>

General long-term debt is comprised of the noncurrent portion of compensated absences. Employees of the Clerk are entitled to paid annual leave, based on length of service and job classification.

NOTE 5 - INSURANCE

The Clerk participates in the County-wide insurance program. The Hendry County, Florida, Board of County Commissioners is a member of Public Risk Management (PRM), a local government liability risk pool.

PRM administers insurance activities relating to property, general, automobile, public official's liability, worker's compensation, health, and auto physical damage. The pool assesses each member its pro-rata share of the estimated amount required to meet current year losses, operating expenses and reinsurance costs (premiums).

To reduce its exposure to large losses on all types of insured events PRM uses reinsurance policies purchased from third-party carriers. The fund is fully funded annually. The premiums for this coverage are paid by the various Constitutional Officers and Board of County Commissioners on a per employee coverage basis.

Charges to operating departments are based upon amounts believed by management to meet the required annual payout during the fiscal year and to pay for the estimated operating costs of the program and for premiums for third party carrier insurance plans. For the fiscal year ended September 30, 2024, the Clerk was charged \$499,717.

HENDRY COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
Notes to Financial Statements
September 30, 2024

NOTE 6 - CONTINGENCIES

The Clerk is involved from time to time in certain routine litigation, the substance of which as other liabilities for recoveries, would not materially affect the financial position of the Clerk.

NOTE 7 - OTHER POST-EMPLOYMENT BENEFITS

The Clerk provides postemployment health care benefits in accordance with Section 112.0801, *Florida Statutes*, to all employees who retire from the Clerk. The Clerk is required to provide health care coverage at cost to all retirees but does not pay any portion of the premium of the retiree to participate in the Clerk's group health care plan. The liability and expense for other postemployment benefits, calculated in accordance with Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, are reported in the financial statements of the County.

REQUIRED
SUPPLEMENTARY
INFORMATION

HENDRY COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
GENERAL FUND

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended September 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ -	\$ -	\$ 126,922	\$ 126,922
Charges for Services	1,401,617	1,401,617	1,501,200	99,583
Interest	-	-	62,642	62,642
Miscellaneous	-	-	36,512	36,512
Total Revenues	1,401,617	1,401,617	1,727,276	325,659
Expenditures				
General Government				
Personal Services	1,549,172	1,549,172	1,359,751	189,421
Operating Expenses	360,700	360,700	285,178	75,522
Court Related				
Personal Services	1,325,594	1,325,594	1,329,049	(3,455)
Operating Expenses	76,020	76,020	67,337	8,683
Total Expenditures	3,311,486	3,311,486	3,041,315	270,171
Excess of Expenditures over Revenues	(1,909,869)	(1,909,869)	(1,314,039)	595,830
Other Financing Sources (Uses)				
Operating Transfers In	1,909,869	1,909,869	1,906,873	(2,996)
Operating Transfers Out	-	-	(592,834)	(592,834)
Total Other Financing Sources (Uses)	1,909,869	1,909,869	1,314,039	(595,830)
Excess of Revenues and Other Sources Sources Over (Under) Expenditures and Other Uses	-	-	-	-
Fund Balance - October 1, 2023	-	-	-	-
Fund Balance - September 30, 2024	\$ -	\$ -	\$ -	\$ -

HENDRY COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
NOTE TO REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2024

NOTE 1 - BUDGETARY INFORMATION

Budgets are legally adopted for the general fund and are on a basis consistent with accounting principles generally accepted in the United States of America. Budgetary control is exercised at the fund level; net expenditures cannot exceed the budgeted appropriation from the Board of County Commissioners (the Board) or the State of Florida, as amended. Budgetary changes within each fund can be made at the discretion of the Clerk of the Circuit and County Courts. Amendments to increase appropriations must be submitted to the Board or to the State of Florida.

The general fund revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. The Modernization Trust Fund and Documentary Stamp Intangible Tax Fund expenditures are restricted by statute; therefore, these budgets are not approved by the Board or by the State of Florida and are not included as required supplementary information.

OTHER
FINANCIAL
INFORMATION

HENDRY COUNTY, FLORIDA
 CLERK OF THE CIRCUIT COURT
 Combining Statement of Fiduciary Net Position
 September 30, 2024

	Registry of Court	Special Trust	Fine & Forfeiture	Christmas Club	Total Custodial Funds
ASSETS					
Cash and Cash Equivalents	\$ 248,102	\$2,267,332	\$ 900,318	\$ 9,965	\$3,425,717
Due from Other Governments	-	4,425	-	-	4,425
Total Assets	248,102	2,271,757	900,318	9,965	3,430,142
LIABILITIES AND NET POSITION					
Due to Other Funds	-	-	52,395	-	52,395
Due to Other Governments	64,157	85,665	83,275	-	233,097
Total Liabilities	64,157	85,665	135,670	-	285,492
NET POSITION					
Restricted for:					
Individuals, Organizations, and Other Governments	183,945	2,186,092	764,648	9,965	3,144,650
Total Net Position	\$ 183,945	\$2,186,092	\$ 764,648	\$ 9,965	\$3,144,650

HENDRY COUNTY, FLORIDA
 CLERK OF THE CIRCUIT COURT
 Combining Statement of Changes in Fiduciary Net Position
 For the fiscal year ended September 30, 2024

	<u>Registry of Court</u>	<u>Special Trust</u>	<u>Fine & Forfeiture</u>	<u>Christmas Club</u>	<u>Total Custodial Funds</u>
Additions					
Fees/fines collected for other governments	\$ -	\$16,744,238	\$5,787,854	\$ -	\$22,532,092
Deposits and other trust activities	<u>2,390,404</u>	<u>-</u>	<u>-</u>	<u>11,051</u>	<u>2,401,455</u>
Total Additions	<u>2,390,404</u>	<u>16,744,238</u>	<u>5,787,854</u>	<u>11,051</u>	<u>24,933,547</u>
Deductions					
Fees/fines disbursed for other governments	-	16,455,465	6,150,714	-	22,606,179
Deposits and other trust activities disbursed	<u>2,549,303</u>	<u>-</u>	<u>-</u>	<u>12,215</u>	<u>2,561,518</u>
Total Deductions	<u>2,549,303</u>	<u>16,455,465</u>	<u>6,150,714</u>	<u>12,215</u>	<u>25,167,697</u>
Change in net position	(158,899)	288,773	(362,860)	(1,164)	(234,150)
Beginning net position	<u>342,844</u>	<u>1,897,319</u>	<u>1,127,508</u>	<u>11,129</u>	<u>3,378,800</u>
Ending net position	<u>\$ 183,945</u>	<u>\$ 2,186,092</u>	<u>\$ 764,648</u>	<u>\$ 9,965</u>	<u>\$ 3,144,650</u>

**Report of Independent Auditor 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***

To the Honorable Kimberley Barrineau,
Clerk of Courts & Comptroller
Hendry County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Hendry County, Florida, Clerk of the Circuit Court, (the "Clerk") as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, and have issued our report thereon dated June 28, 2025, for the purpose of compliance with Section 218.39(2), Florida Statutes, and Chapter 10.550, Rules of the Auditor General-Local Governmental Entity Audits.

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") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Clerk's internal control. Accordingly, we do not express an opinion on the effectiveness of the Clerk's internal control.

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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 determination of financial statement amounts. 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the Clerk's management, the Hendry County, Florida, Board of County Commissioners, and the Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Ashley, Brown & Smith, CPAs, P.A.

Punta Gorda, Florida
June 28, 2025

Independent Auditor's Management Letter

To the Honorable Kimberley Barrineau,
Clerk of Courts & Comptroller
Hendry County, Florida

Report on the Financial Statements

We have audited the financial statements of the Hendry County, Florida, Clerk of the Circuit Court (the "Clerk"), as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated June 28, 2025.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Report of Independent Auditor on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Report of Independent Accountant on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated August 28, 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 findings and recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

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

Financial Management

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

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires 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 have any such findings.

Purpose of the Letter

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

Ashley, Brown & Smith, CPAs, P.A.

Punta Gorda, Florida
June 28, 2025

**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***

To the Honorable Kimberley Barrineau,
Clerk of Courts & Comptroller
Hendry County, Florida

We have examined the Hendry County, Florida Clerk of the Circuit and County Courts' (the "Clerk's") compliance with the local government investment policy requirements of 218.415, Florida Statutes, Article V requirements of Sections 28.35 and 28.36, Florida Statutes, and requirements of Section 61.181, Florida Statutes, during the year ended September 30, 2024. Management is responsible for the Clerk's compliance with those requirements. Our responsibility is to express an opinion on the Clerk's compliance based on our examination with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Clerk complied, in all material respects, with the 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 judgement, including an assessment of the risk of material noncompliance, whether due to fraud or error. We believe that our examination provides a reasonable basis for our opinion.

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

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

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

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

Ashley, Brown & Smith, CPAs, P.A.

Punta Gorda, Florida
June 28, 2025

HENDRY COUNTY, FLORIDA
PROPERTY APPRAISER

SEPTEMBER 30, 2024

FINANCIAL STATEMENTS
TOGETHER WITH REPORTS OF INDEPENDENT AUDITORS

TABLE OF CONTENTS

	<u>Page(s)</u>
Report of Independent Auditor	III-1 - III-3
Financial Statements	
Balance Sheet - Governmental Funds.....	III-4
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.....	III-5
Notes to Financial Statements.....	III-6 - III-12
Required Supplementary Information	
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund.....	III-13
Supplementary Reports	
Report on 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 <i>Government Auditing Standards</i>	III-14 - III-15
Independent Auditor's Management Letter.....	III-16 - III-17
Schedule of Current Year Findings.....	III-18
Auditee's Management Letter Response.....	III-19
Report of Independent Accountant on Compliance with Local Government Investment Policies.....	III-20

Independent Auditor's Report

To the Honorable Dena R. Pittman
Property Appraiser
Hendry County, Florida

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Hendry County, Florida, Property Appraiser (the "Property Appraiser"), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Property Appraiser's special purpose financial statements as listed in the table of contents.

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Emphasis of Matter

Basis of Presentation

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with 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 fund of Hendry County, Florida that is attributable to the Property Appraiser. They do not purport to, and do not, present fairly the financial position of Hendry County, Florida as of September 30, 2024, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Required Supplementary Information, continued

Accounting principles generally accepted in the United States of America require that the budgetary comparison information to be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the special purpose financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the special purpose 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 special purpose financial statements, and other knowledge we obtained during our audit of the special purpose 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2025, on our consideration of the Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Property Appraiser'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 consideration of the Property Appraiser's internal control over financial reporting and compliance.

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida
June 28, 2025

FINANCIAL STATEMENTS

HENDRY COUNTY, FLORIDA
PROPERTY APPRAISER
Balance Sheet - Governmental Funds
September 30, 2024

	General Fund	Special Revenue Fund	Total Governmental Funds
ASSETS			
Cash	\$ 299,039	\$ 225,039	\$ 524,078
Prepaid Expense	6,686	-	6,686
Total Assets	\$ 305,725	\$ 225,039	\$ 530,764
 LIABILITIES AND FUND EQUITY			
Liabilities			
Due to board of county commissioners	\$ 276,463	\$ -	\$ 276,463
Accounts payable	275	-	275
Accrued liabilities	28,987	-	28,987
Total liabilities	305,725	-	305,725
Fund equity			
Fund balance Assigned	-	225,039	225,039
Total fund equity	-	225,039	225,039
Total liabilities and fund equity	\$ 305,725	\$ 225,039	\$ 530,764

See accompanying notes

HENDRY COUNTY, FLORIDA
PROPERTY APPRAISER

Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds
For the fiscal year ended September 30, 2024

	General Fund	Special Revenue Fund	Total Governmental Funds
REVENUES			
Charges for services	\$ 1,833,975	\$ 138,454	\$ 1,972,429
Miscellaneous	15,797	1,074	16,871
Total revenues	<u>1,849,772</u>	<u>139,528</u>	<u>1,989,300</u>
EXPENDITURES			
Governmental expenditures			
Personal services	1,361,590	71,000	1,432,590
Operating expenditures	211,719	-	211,719
Capital outlay	419,810	54,000	473,810
Total expenditures	<u>1,993,119</u>	<u>125,000</u>	<u>2,118,119</u>
Excess of revenues under expenditures	<u>(143,347)</u>	<u>14,528</u>	<u>(128,819)</u>
Other financing sources (uses)			
Issuance of SBITAs	419,810	-	419,810
Operating transfers out	(276,463)	-	(276,463)
Total other financing sources (uses)	<u>143,347</u>	<u>-</u>	<u>143,347</u>
Excess of revenues and other sources over expenditures and other uses	-	14,528	14,528
Fund balance, October 1, 2023	<u>-</u>	<u>210,511</u>	<u>210,511</u>
Fund balance, September 30, 2024	<u>\$ -</u>	<u>\$ 225,039</u>	<u>\$ 225,039</u>

See accompanying notes

HENDRY COUNTY, FLORIDA
PROPERTY APPRAISER
Notes to Financial Statements
September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The Property Appraiser is an elected Constitutional Officer of Hendry County (County), a political subdivision of the State of Florida. The position of Property Appraiser was established by Article VIII, Section 1 (d) of the State of Florida Constitution.

Under Chapter 192, Florida Statutes, the Property Appraiser is charged with determining the just value of real and tangible personal property located within the County. The Property Appraiser functions as a Constitutional County Officer subject to the general oversight of the Florida Department of Revenue. The office receives compensation from several taxing authorities in the County, based on the budget approved by the Department of Revenue, as provided in Section 192.091, Florida Statutes.

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the Property Appraiser and its component units. Component units are entities for which the government is considered to be financially accountable. Financial accountability is determined on the basis of the Property Appraiser's ability to significantly influence operations, select the governing authority, and participate in fiscal management. Based on application of the criteria set forth by the Governmental Accounting Standards Board, management has determined that no component units exist which would require inclusion in these financial statements.

Fund Accounting

The accounts of the Property Appraiser are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for using a separate set of self-balancing accounts which comprise its assets, liabilities, fund equities, revenues, and expenditures. The various funds are grouped by type in the financial statements. The Property Appraiser utilizes the following governmental funds:

General Fund - This fund is used to account for all revenues and expenditures applicable to the general operations of the Property Appraiser, which are not properly accounted for in another fund. All operating revenues, which are not specifically restricted or designated as to use, are recorded in the General Fund. Excess revenues at the end of the year, due back to the Board of County Commissioners, are shown as operating transfers out.

Special Revenue Fund - This fund is used to account for proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

Basis of Accounting

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

The modified accrual basis of accounting is followed by the General Fund and the Special Revenue Fund. Revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized when the related fund liability is incurred, if measurable, except expenditures for debt service and other long-term obligations which are recognized when paid.

HENDRY COUNTY, FLORIDA
PROPERTY APPRAISER
Notes to Financial Statements
September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgetary Requirements

Expenditures of the General Fund are controlled by appropriations in accordance with the budgetary requirements set forth in the Florida Statutes. The budgeted revenues and expenditures in the accompanying financial statements reflect all amendments approved by the State of Florida Department of Revenue.

The General Fund budget is prepared on the modified accrual basis of accounting.

The Property Appraiser follows these procedures in establishing the budgetary data reflected in the financial statements:

1. On or before June 1 of each year the Property Appraiser shall, concurrently submit an annual budget to the Florida Department of Revenue and to the Board of County Commissioners. Budgetary control is established at the functional level.
2. On or before August 15 the Department shall make its final budget amendments or changes to the budget and shall provide notice thereof to the Property Appraiser and the Board of County Commissioners.
3. The budget for the General Fund is adopted on a basis consistent with generally accepted governmental accounting principles.

A budget was not adopted for the Special Revenue Fund, as it is not required.

Encumbrances

Encumbrance accounting, under which purchase orders and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Property Appraiser.

Compensated Absences

The Property Appraiser's employees accumulate sick and annual leave based on the number of years of continuous service and other criteria. Upon termination of employment, employees generally receive payment for accumulated leave.

The liability shown in the County's financial statement has been accrued in accordance with this criteria. At September 30, 2024, the Property Appraiser had \$28,074 in long-term compensated absences payable.

Statement of Government Accounting Standards Board Number 16, Accounting for Compensated Absences, requires the compensated absences liability to be measured using the salary rate in effect at the balance sheet date and requires additional amounts to be accrued for certain salary related payments associated with the payment of compensated absences. The liability shown in the County's basic financial statements has been accrued in accordance with this criteria.

HENDRY COUNTY, FLORIDA
PROPERTY APPRAISER
Notes to Financial Statements
September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management of the Property Appraiser to make estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenue and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

Fund Balances

- Assigned - Assigned fund balances are constrained by the Property Appraiser's intent to be used for specific purposes, but are neither restricted nor committed.
- Unassigned - Fund balance that has not been reported in any other classification.

When both assigned and unassigned resources are available for use, it is the Property Appraiser's policy to use assigned resources first, then unassigned resources as needed.

NOTE 2 - CASH AND INVESTMENTS

During the fiscal year, cash consisted of an interest-bearing bank account. The funds in the bank account were entirely covered by federal depository insurance or by a collateral pool pledged to the State Treasurer by financial institutions which comply with the requirements of Florida statutes and have been designated as qualified public depositories by the State Treasurer.

At September 30, 2024, the book balance of deposits was \$524,078 for the Property Appraiser and the bank balance was \$556,288.

The Property Appraiser held no investments during the fiscal year.

NOTE 3 - GENERAL FIXED ASSETS

Tangible personal property used by the Property Appraiser is shown in the statement of net position of the Board of County Commissioners. In addition, office space used in the Property Appraiser's operations is provided at no cost by the Board of County Commissioners.

HENDRY COUNTY, FLORIDA
PROPERTY APPRAISER
Notes to Financial Statements
September 30, 2024

NOTE 4 - GENERAL LONG-TERM DEBT

Changes in General Long-Term Debt

Changes in the general long-term debt of the Property Appraiser for the year ended September 30, 2024, are summarized below:

	Compensated Absences
General long-term debt at October 1, 2023	\$ 34,287
Increase in accrued compensated absences	83,906
Decrease in accrued compensated absences	(90,119)
General long-term debt at September 30, 2024	\$ 28,074
Noncurrent portion of compensated absences	\$ 23,863

NOTE 5 - RETIREMENT PLAN

The Property Appraiser'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 ("Pension 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 Pension Plan, which is administered by the State Board of Administration.

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 (where applicable), 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 Legislature. Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension 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 regular class members with less than 30 years of service may retire before age 62 and are entitled to a retirement benefit payable monthly also equal to 1.6% of their final average compensation for each year of credited service based on the five highest years of salary, with a 5% reduction for each year under age 62.

Substantial changes were made to the Pension Plan during fiscal year 2011, affecting new members enrolled on or after July 1, 2011, by extending the vesting requirement to eight years of credited service and increasing normal retirement to age 65 or 33 years of service regardless of age. Also, the final average compensation for these members is based on the eight highest years of salary.

HENDRY COUNTY, FLORIDA
PROPERTY APPRAISER
Notes to Financial Statements
September 30, 2024

NOTE 5 - RETIREMENT PLAN (CONTINUED)

Funding Policy

All enrolled members of the FRS Pension Plan are required to contribute 3.0% of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on statewide contribution rates. The employer contribution rates by job class for the periods from October 1, 2023 through June 30, 2024 and July 1, 2024 through September 30, 2024, respectively, were as follows: regular 13.57 and 13.63%; county elected officers 58.68% and 58.68%; senior management 34.52 and 34.52%; and DROP participants 21.13% and 21.13%. During the fiscal year ended September 30, 2024, the Property Appraiser contributed to the plan an amount equal to 22.61% of covered payroll.

The HIS Plan provides a monthly benefit to assist retirees in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement. Eligible retirees and beneficiaries receive a monthly health insurance subsidy payment of \$7 for each year of creditable service, with a minimum payment of \$75 and a maximum payment of \$225 per month. The HIS Plan is funded by required contributions from FRS participating employees as set forth by Florida Legislature, based on a percentage of gross compensation for all active FRS members.

For those members who elect participation in the Investment Plan, rather than the Pension Plan, vesting occurs at one year of service. These participants receive a contribution for self-direction in an investment product with a third party administrator selected by the State Board of Administration. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan.

Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll from by forfeited benefits of plan members.

The Property Appraiser recognizes pension expenditures in an amount equal to amounts paid to the Pension Plan, the HIS Plan and the defined contribution plan, amounting to \$71,867, \$17,431, and \$107,775, respectively, for the fiscal year ended September 30, 2024. The Property Appraiser's payments after June 30, 2024, the measurement date used to determine the net pension liability associated with the Pension Plan and HIS Plan, amounted to \$15,148, and \$3,796, respectively. The Property Appraiser is not legally required to and does not accumulate expendable available resources to liquidate the retirement obligation related to its employees. Accordingly, the net pension liability and associated deferred outflows and deferred inflows are presented on the government-wide financial statements of the County, following requirements of GASB Statement No. 68, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27, and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68, effective October 1, 2014.

HENDRY COUNTY, FLORIDA
PROPERTY APPRAISER
Notes to Financial Statements
September 30, 2024

NOTE 5 - RETIREMENT PLAN (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 Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the Web site www.ams.myflorida.com/retirement.

NOTE 6 - RISK MANAGEMENT

The Property Appraiser participates in the County-wide insurance program. The Hendry County, Florida, Board of County Commissioners is a member of Public Risk Management (PRM), a local government liability risk pool.

PRM administers insurance activities relating to property, general, automobile, public official's liability, worker's compensation, health, and auto physical damage. The pool assesses each member its pro-rata share of the estimated amount required to meet current year losses, operating expenses and reinsurance costs (premiums).

To reduce its exposure to large losses on all types of insured events PRM uses reinsurance policies purchased from third-party carriers. The fund is fully funded annually. The premiums for this coverage are paid by the various Constitutional Officers and Board of County Commissioners on a per employee coverage basis.

Charges to operating departments are based upon amounts believed by management to meet the required annual payout during the fiscal year and to pay for the estimated operating costs of the program and for premiums for third party carrier insurance plans. For fiscal year ended September 30, 2024, the Property Appraiser was charged \$272,039.

NOTE 7 - OTHER POST-EMPLOYMENT BENEFITS

The Property Appraiser provides postemployment health care benefits in accordance with Section 112.0801, Florida Statutes, to all employees who retire from the Property Appraiser. The Property Appraiser is required to provide health care coverage at cost to all retirees but does not pay any portion of the premium of the retiree to participate in the Property Appraiser's group health care plan. The liability and expense for other postemployment benefits, calculated in accordance with Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, are reported in the financial statements of the County.

HENDRY COUNTY, FLORIDA
PROPERTY APPRAISER
Notes to Financial Statements
September 30, 2024

NOTE 8 - SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENT

The Property Appraiser has entered into an agreement that meets the definition of subscription-based information technology arrangements (SBITAs) under GASB Statement 96. Detailed information about the Property Appraiser's SBITA can be found in the County-wide financial statements.

SBITAs entered into by the Property Appraiser are included in the County-wide financial statements and the Property Appraiser's financial statements as other financing sources and capital outlay expenditures in the Statement of Revenues, Expenditures, and Changes in Fund Balance in the year of inception. Any payments made are reported in the County-wide financial statements as debt service expenditures in the Statement of Revenues, Expenditures, and Changes in Fund Balance as they are incurred. In the Property Appraiser's financial statements, these payments are included in operating expenditures.

**REQUIRED SUPPLEMENTARY
INFORMATION**

HENDRY COUNTY, FLORIDA
PROPERTY APPRAISER
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
For the fiscal year ended September 30, 2024

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES				
Charges for services	\$ 1,817,870	\$ 1,833,975	\$ 1,833,975	\$ -
Miscellaneous	-	-	15,797	15,797
Total revenues	1,817,870	1,833,975	1,849,772	15,797
EXPENDITURES				
Governmental expenditures				
Personal services	1,472,068	1,538,130	1,361,590	176,540
Operating expenditures	250,845	257,845	211,719	46,126
Capital Outlay	10,000	10,000	419,810	(409,810)
Non-operating	84,957	28,000	-	28,000
Total expenditures	1,817,870	1,833,975	1,993,119	(159,144)
Excess of revenues over (under) expenditures	-	-	(143,347)	(143,347)
Other financing sources (uses)				
Issuance of SBITAs	-	-	419,810	419,810
Operating transfers out	-	-	(276,463)	(276,463)
Total other financing sources (uses)	-	-	143,347	143,347
Excess of revenues and other sources over/(under) expenditures and other uses	-	-	-	-
Fund balance, October 1, 2023	-	-	-	-
Fund balance, September 30, 2024	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**SUPPLEMENTARY
REPORTS**

**Report on Independent Auditor 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***

To the Honorable Dena R. Pittman,
Property Appraiser
Hendry County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Hendry County, Florida, Property Appraiser, (the "Property Appraiser") as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Property Appraiser' financial statements, and have issued our report thereon dated June 28, 2025.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Property Appraiser' 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 determination of financial statement amounts. 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the Property Appraiser's management, the Hendry County Florida, Board of County Commissioners, and the Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida

June 28, 2025

Management Letter

Honorable Dena R. Pittman,
Property Appraiser
Hendry County, Florida

Report on the Financial Statements

We have audited the financial statements of the Hendry County, Florida, Property Appraiser (the “Property Appraiser”), Florida, as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated June 28, 2025.

Auditor’s Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant’s Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated June 28, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Property Appraiser had no component units as of September 30, 2024.

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 had one recommendation to improve financial management as detailed in the accompanying schedule of current year findings and responses at finding 2024-001.

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.

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 Hendry County, Florida, Property Appraiser, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida

June 28, 2025

HENDRY COUNTY, FLORIDA
PROPERTY APPRAISER
Schedule of Current Year Findings
For the Year Ended September 30, 2024

Finding 2024-001 - Journal Entries (Significant Deficiency)

Condition: The Property Appraiser's management is responsible for establishing and maintaining internal controls for the proper recording of all journal entries recorded in the general ledger.

Criteria: As part of our audit, we performed procedures and reviewed internal controls over journal entries recorded in the general ledger. Journal entries are an important accounting function as they are not only used to record some types of transactions on a daily basis but they can also be used to correct the original postings and also modify financial reporting.

Cause: Based on our inquiries and procedures, we noted that staff is preparing and posting all required journal entries in QuickBooks, however some entries were not reviewed or approved by someone other than the preparer when recorded. Additionally, supporting documentation was not consistently retained.

Effect: Segregation of duties over preparing and approval of journal entries is essential to prevent errors and unauthorized posting of transactions which could potentially result in fraudulent financial reporting or misappropriation of assets. In order to obtain adequate segregation of duties, journal entries posted to the general ledger should be reviewed and approved by someone other than the person proposing the entry. The review and approval should include a review of the supporting information used to develop the journal entry.

Recommendation: We recommend that the Property Appraiser's management review its current internal controls and process over journal entries and consider implementing a control whereby each journal entry and its supporting documentation is manually reviewed and approved by someone other than the person who prepared it and who is qualified to perform the review. In addition, we recommend that the process should include producing a report on a monthly basis of all journal entries posted to the general ledger which is then compared to the manually-approved journal entries to ensure that all journal entries that were posted were properly approved and were posted correctly.



Dena R. Pittman
Hendry County Property Appraiser

Corrective Action Plan

June 27, 2025

In response to the 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 Property Appraiser issues the following response:

Management Response to **Finding 2024-001 – Journal Entries**

With respect to the Journal Entries finding, we agree with the finding and we are in the process of reviewing our internal control policies. We plan to implement the auditor's recommendations in order to improve this process.

Honorable Dena R. Pittman
Property Appraiser



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AshleyBrownCPAS.com

Report of Independent Accountant on Compliance with Local Government Investment Policies

To the Honorable Dena R. Pittman,
Property Appraiser
Hendry County, Florida

We have examined the Hendry County, Florida, Property Appraiser's (the "Property Appraiser") compliance with Section 228.415, Florida Statutes, Local Government Investment Policies, for the year ended September 30, 2024. Management is responsible for the Property Appraiser's compliance with those requirements. Our responsibility is to express an opinion on the Property Appraiser's compliance based on our examination.

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

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

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

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

This report is intended solely for the information and use of the Florida Auditor General, the Property Appraiser's Office, and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida
June 28, 2025

HENDRY COUNTY, FLORIDA
SHERIFF

September 30, 2024

FINANCIAL STATEMENTS,
TOGETHER WITH REPORTS OF INDEPENDENT AUDITOR

Table of Contents

	Page(s)
Report of Independent Auditor	IV-1 - IV-3
 Financial Statements	
Balance Sheet - Governmental Funds	IV-4
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	IV-5
Statement of Fiduciary Net Position - Custodial Funds	IV-6
Statement of Changes in Fiduciary Net Position - Custodial Funds	IV-7
Notes to Financial Statements	IV-8 - IV-15
 Required Supplementary Information	
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual - General Fund, Non-GAAP Basis	IV-16
 Other Financial Information	
Combining Balance Sheet - Non-major Governmental Funds	IV-17
Combining Statement of Revenues, Expenditures and Changes in Fund Balance - Non-major Governmental Funds	IV-18
 Supplementary Reports	
Report of Independent Auditor on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	IV-19 - IV-20
Independent Auditor's Management Letter	IV-21 - IV-22
Report of Independent Accountant on Compliance with Local Government Investment Policies	IV-23

Report of Independent Auditor

To the Honorable Steve Whidden,
Sheriff
Hendry County, Florida

Report on the Financial Statements

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

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Sheriff's ability to continue as a going concern for twelve months beyond the financial statement date, including any 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 generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Emphasis of Matter

Basis of Presentation

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with 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 fund of Hendry County, Florida that is attributable to the Sheriff. They do not purport to, and do not, present fairly the financial position of Hendry County, Florida as of September 30, 2024, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 16 be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the 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 financial statements, and other knowledge we obtained during our audit of the 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2025 on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.

Ashley, Brown & Smith, CPAs, P.A.

Punta Gorda, Florida
June 28, 2025

FINANCIAL STATEMENTS

HENDRY COUNTY, FLORIDA
SHERIFF
Balance Sheet - Governmental Funds
September 30, 2024

	<u>General</u>	<u>Commissary</u>	<u>Non-Major Governmental</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash	\$ 861,979	\$ 1,229,081	\$ 37,703	\$ 2,128,763
Accounts Receivable	55,074	65,580	-	120,654
Due from other Funds	145,624	-	-	145,624
Due from other Governments	404,409	114,957	-	519,366
Total Assets	\$ 1,467,086	\$ 1,409,618	\$ 37,703	\$ 2,914,407
 LIABILITIES AND FUND EQUITY				
Liabilities				
Accounts Payable	\$ 730,361	\$ 12,950	\$ 250	\$ 743,561
Accrued Liabilities	474,810	-	-	474,810
Unearned Revenue	84,853	-	-	84,853
Due to other Funds	-	145,624	-	145,624
Due to Board of County Commissioners	177,062	-	-	177,062
Total Liabilities	1,467,086	158,574	250	1,625,910
Fund Equity				
Fund Balance				
Restricted	-	1,251,044	-	1,251,044
Assigned	-	-	37,453	37,453
Unassigned	-	-	-	-
Total Fund Equity	-	1,251,044	37,453	1,288,497
Total Liabilities and Fund Equity	\$ 1,467,086	\$ 1,409,618	\$ 37,703	\$ 2,914,407

See accompanying notes.

HENDRY COUNTY, FLORIDA
SHERIFF
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Governmental Funds
For the Fiscal Year Ended September 30, 2024

	General Fund	Commissary	Non-Major Governmental	Total Governmental Funds
Revenues				
Intergovernmental	\$ 1,675,944	\$ -	\$ -	\$ 1,675,944
Charges for Services	659,535	449,644	33,613	1,142,792
Fines and Forfeitures	52,587	-	-	52,587
Miscellaneous	120,221	23,061	1,155	144,437
Total Revenues	2,508,287	472,705	34,768	3,015,760
Expenditures				
Law Enforcement				
Personnel Services	12,255,116	-	-	12,255,116
Operating Expenditures	2,713,687	-	21,291	2,734,978
Capital Outlay	1,265,905	-	18,500	1,284,405
Debt Service				
Principal	747,884	-	-	747,884
Interest	40,896	-	-	40,896
Corrections				
Personnel Services	3,826,674	145,620	-	3,972,294
Operating Expenditures	845,422	97,263	-	942,685
Capital Outlay	5,749	53,057	-	58,806
Judicial				
Personnel Services	658,722	-	-	658,722
Operating Expenditures	934	-	-	934
Total Expenditures	22,360,989	295,940	39,791	22,696,720
Excess of Revenues Over (Under)				
Expenditures	(19,852,702)	176,765	(5,023)	(19,680,960)
Other Financing Sources and (Uses)				
Proceeds from sale of capital assets	16,320	-	-	16,320
Operating Transfers in from BOCC	19,006,295	-	-	19,006,295
Proceeds from leases	1,007,149	-	-	1,007,149
Operating Transfers out to BOCC	(177,062)	-	-	(177,062)
Total other Financing Sources (Uses)	19,852,702	-	-	19,852,702
Excess of Revenues and Other Sources				
Over (Under) Expenditures and Other Uses	-	176,765	(5,023)	171,742
Fund Balance - October 1, 2023	-	1,074,279	42,476	1,116,755
Fund Balance - September 30, 2024	\$ -	\$ 1,251,044	\$ 37,453	\$ 1,288,497

See accompanying notes.

HENDRY COUNTY, FLORIDA
SHERIFF
Statement of Fiduciary Net Position
September 30, 2024

	<u>Total Custodial Funds</u>
ASSETS	
Cash	<u>\$ 292,584</u>
Total assets	<u>292,584</u>
LIABILITIES	
Accounts Payable	57,970
Due to Other Governments	90,768
Due to Individuals	<u>29,219</u>
Total Liabilities	<u>177,957</u>
NET POSITION	
Restricted for:	
Individuals, organizations, and other governments	114,627
Total Net Position	<u><u>\$ 114,627</u></u>

HENDRY COUNTY, FLORIDA
SHERIFF
Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended September 30, 2024

	<u>Total Custodial Funds</u>
ADDITIONS:	
Deposits and other trust activities	\$ 485,465
Fees/fines collected for other governments	<u>227,620</u>
Total Additions	<u>713,085</u>
DEDUCTIONS:	
Deposits and other trust activities disbursed	554,081
Fees/fines disbursed for other governments	<u>137,052</u>
Total Deductions	<u>691,133</u>
Change in Fiduciary Net Position	21,952
Fiduciary Net Position - Beginning	<u>92,675</u>
Fiduciary Net Position - Ending	<u><u>\$ 114,627</u></u>

HENDRY COUNTY, FLORIDA
SHERIFF
Notes to Financial Statements
September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The Sheriff is an elected constitutional officer of Hendry County, a political subdivision of the State of Florida. The position of Sheriff was established by Article VIII, Section 1(d) of the Constitution of the State of Florida.

The duties and responsibilities of the Sheriff are concerned with law enforcement, judicial process and corrections. The operations are financed by appropriations made by the Board of County Commissioners pursuant to the approved budget.

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the Sheriff and its component units. Component units are entities for which the government is considered to be financially accountable. Financial accountability is determined on the basis of the Sheriff's ability to significantly influence operations, select the governing authority and participate in fiscal management.

Based on the application of the criteria set forth by the Governmental Accounting Standards Board, management has determined that no component units exist which would require inclusion in these financial statements.

(a) Fund Accounting

The accounts of the Sheriff are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures, as appropriate. The various funds are grouped by type in the financial statements. The Sheriff utilizes the following funds:

Governmental Funds

General Fund

The General Fund is used to account for all revenues and expenditures applicable to the general operations of the Sheriff which are not properly accounted for in another fund. All operating revenues, which are not specifically restricted or designated as to use, are recorded in the General Fund. Excess revenues at the end of the year, due back to the Board of County Commissioners, are shown as operating transfers out.

Special Revenue Funds

Special Revenue Funds are operating funds used to account for revenues (other than expendable trusts or capital projects), the use of which is restricted or designated. The Commissary Fund is used to account for the receipts and disbursements relating to the inmates of the Hendry County Jail. This fund is restricted to purchases of items for the benefit of the inmates.

Fiduciary Funds

Custodial Fund

The Custodial Fund is a fiduciary fund used to account for the assets held by the Sheriff as an agent for individuals, private organizations, other governments, or other funds as required by legal or regulatory policies.

HENDRY COUNTY, FLORIDA
SHERIFF
Notes to Financial Statements
September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

(b) Measurement Focus, Basis of Accounting, and Financial Statement Presentation

Governmental Funds

The General Fund and Special Revenue Funds are accounted for on a "spending" or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on the balance sheet. Accordingly, the reported undesignated fund balance (net current assets) is considered a measure of available, spendable or appropriable resources. General operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. All custodial funds are accounted for using the accrual basis of accounting. All revenues are recognized when they become measurable and available as net current position.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include:

1. Principal and interest on general long-term debt, which is recognized when due; and
2. Expenditures are not divided between years by the recording of prepaid expenses.

Budgetary Process

Chapter 30, of the Florida Statutes, governs the preparation, adoption and administration process of the Sheriff's annual budget. A budget is only required to be prepared for the General Fund. The budget and amendments, if any, for the General Fund are required to be submitted to and approved by the Board of County Commissioners. The budget is prepared on the modified accrual basis. The level of control for appropriations is exercised at the functional level.

As the Sheriff's Office does not have a legally adopted budget for the Commissary Special Revenue fund, a budgetary comparison for this fund is not presented.

Encumbrances

Encumbrance accounting, under which purchase orders and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Sheriff.

(c) Assets, Liabilities, and Equity

Capital Assets

Acquisitions of tangible personal property are recorded as expenditures at the time of purchase. These assets are reported to the Board of County Commissioners and are recorded in the County's basic financial statements.

HENDRY COUNTY, FLORIDA
SHERIFF
Notes to Financial Statements
September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Compensated Absences

It is the Sheriff's policy to permit employees to accumulate a limited amount of earned, but unused, sick and annual leave, which will be paid upon separation of service. Vacation is accrued as a liability when benefits are earned by the employee. The Sheriff uses the vesting method to accrue sick leave liability. The vesting method accrues sick leave liability for employees who are currently eligible to receive termination payments upon separation as well as those expected to become eligible in the future.

As of September 30, 2024, the Sheriff had long-term compensated absences payable of \$1,349,627, which is a \$205,519 increase from the prior year. This amount is reported in the government-wide financial statements of Hendry County, Florida.

Statement of Governmental Accounting Standards Board No. 16, "Accounting for Compensated Absences", requires the compensated absences liability to be measured using the salary rate in effect at the balance sheet date and requires additional amounts to be accrued for certain salary related payments associated with the payment of compensated absences. The liability shown in the financial statements of Hendry County has been accrued in accordance with this criteria.

Fund Balances

Spendable fund balances are classified based on a hierarchy of the Sheriff's ability to control the spending of these fund balances.

Restricted fund balances are fund balance amounts that are constrained for specific purposes which are externally imposed by creditors, grantors, contributors, or laws or regulations or imposed by law through constitutional provisions or enabling legislation. As of September 30, 2024, the Sheriff had \$1,251,044 in restricted fund balance in the Commissary Special Revenue. This amount is restricted to purchases of items for the benefit of the inmates at Hendry County Jail.

Committed fund balances are fund balances constrained for specific purposes imposed by the Sheriff's formal action of highest level of decision making authority. As of September 30, 2024, the Sheriff had no committed fund balances.

Assigned fund balances are fund balances intended to be used for specific purposes, but which are neither restricted nor committed.

Unassigned fund balances represent the residual positive fund balance within the General Fund, which has not been assigned to other funds and has not been restricted, committed or assigned. In funds other than the General Fund, unassigned fund balances are limited to negative residual balances. As of September 30, 2024, the Sheriff had no unassigned fund balance because all excess revenues within the general fund are required to be remitted to the Board and there were no negative residual balances in the special revenue funds.

When both assigned and unassigned resources are available for use, it is the Sheriff's policy to use assigned resources first, then unassigned resources as needed.

HENDRY COUNTY, FLORIDA
SHERIFF
Notes to Financial Statements
September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (Continued)

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management of the Sheriff to make estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenue and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - CASH AND INVESTMENTS

Cash

At September 30, 2024, the carrying amount of the Sheriff's deposits was \$2,421,347 and the bank balance was \$2,487,916. These deposits were entirely covered during the year and at year-end by federal depository insurance or by collateral pursuant to the Public Depository Act of the State of Florida (Florida Statute Chapter 280). All Sheriff depositories are banks designated as qualified depositories by the State Treasurer.

Investments

Florida Statutes authorize the Sheriff to invest in the Local Government Surplus Funds Trust Fund administered by the State Treasurer; negotiable direct obligations of or obligations unconditionally guaranteed by the U.S. Government; interest-bearing time deposits or savings accounts in financial institutions located in Florida and organized under Federal or Florida laws; securities of any open-end or closed-end management type investment company or investment trust registered under the Investment Act of 1940 provided the portfolio is limited to United States Government obligations. The Sheriff did not have any investments during the year or at year end.

NOTE 3 - GENERAL FIXED ASSETS

Changes in general fixed assets are as follows:

	Beginning Balance 10/1/2023	Increases	Decreases	Ending Balance 9/30/2024
Capital assets not depreciated:				
Construction in progress	\$ 846,678	\$ 98,337	\$ 921,838	\$ 23,177
Total capital assets not depreciated:	<u>846,678</u>	<u>98,337</u>	<u>921,838</u>	<u>23,177</u>
Capital assets depreciated and amortized:				
Equipment	6,498,194	1,209,562	440,301	7,267,455
Right-to-use assets	1,642,197	1,007,149	-	2,649,346
Total capital assets depreciated and amortized	<u>8,140,391</u>	<u>2,216,711</u>	<u>440,301</u>	<u>9,916,801</u>
Less: Accumulated depreciation and amortization				
Equipment	(4,631,442)	(702,482)	440,301	(4,893,623)
Right-to-use assets	(601,715)	(1,373,369)	-	(1,975,084)
Total Accumulated depreciation and amortization	<u>(5,233,157)</u>	<u>(2,075,851)</u>	<u>440,301</u>	<u>(6,868,707)</u>
Capital assets, net	<u>\$ 3,753,912</u>	<u>\$ 239,197</u>	<u>\$ 1,802,440</u>	<u>\$ 3,071,271</u>

The Sheriff received a donated vehicle with a estimated fair value of \$50,000.

HENDRY COUNTY, FLORIDA
SHERIFF
Notes to Financial Statements
September 30, 2024

NOTE 4 - COMMITMENTS AND CONTINGENCIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the State of Florida. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the Sheriff expects such amounts, if any, to be immaterial.

The Sheriff, in accordance with the normal conduct of its affairs, is involved in various judgments, claims and litigations. It is expected that the final settlement of these matters will not materially affect the financial statements of the Sheriff.

NOTE 5- LEASES

The Sheriff's Office has entered into various leases for the use of vehicles which are classified as long-term leases for accounting purposes. The lease terms range from 13 to 60 months and are not mutually cancellable.

As of fiscal year ended September 30, 2024, the Sheriff's right-of-use lease asset and related accumulated amortization was \$2,649,346 and \$1,975,084, respectively. The related lease liability at fiscal year ended September 30, 2024 was \$1,590,075. Refer to Note 3 Capital Assets for a summary of changes in the right-of-use lease assets by major underlying asset class.

The annual principal and interest payment requirements for the Sheriff's Office lease liability are indicated below.

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2025	\$ 745,978	\$ 37,087	\$ 783,065
2026	345,589	20,006	365,596
2027	254,750	11,499	266,249
2028	200,594	4,107	204,700
2029	43,164	632	43,796
Totals	<u>\$ 1,590,075</u>	<u>\$ 73,331</u>	<u>\$ 1,663,406</u>

NOTE 6 - RETIREMENT PLAN

Plan Description

The Sheriff'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 Service, Division of Retirement, including the FRS Pension Plan ("Pension 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 Pension Plan, which is administered by the State Board of Administration.

HENDRY COUNTY, FLORIDA
SHERIFF
Notes to Financial Statements
September 30, 2024

NOTE 6 - RETIREMENT PLAN, CONTINUED

Plan Description, Continued

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 Legislature.

Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension 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 regular class members with less than 30 years of service may retire before age 62 and are entitled to a retirement benefit payable monthly also equal to 1.6% of their final average compensation for each year of credited service based on the five highest years of salary, with a 5% reduction for each year under age 62. Substantial changes were made to the Pension Plan during fiscal year 2011, affecting new members enrolled on or after July 1, 2011 by extending the vesting requirement to eight years of credited service and increasing normal retirement to age 65 or 33 years of service regardless of age. Also, the final average compensation for these members is based on the eight highest years of salary.

Funding Policy

All enrolled members of the FRS Pension Plan are required to contribute 3.0% of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on statewide contribution rates. The employer contribution rates by job class for the periods from October 1, 2023 through June 30, 2024 and July 1, 2024 through September 30, 2024, respectively, were as follows: regular 13.57% and 13.63%; county elected officers 58.68% and 58.68%; senior management 34.52% and 34.52%; special risk regular 32.67% and 32.79%; special risk administration 39.82% and 39.82%; and DROP participants 21.13% and 21.13%. During the fiscal year ended September 30, 2024, the Sheriff contributed to the plan an amount equal to 29.26% of covered payroll.

The HIS Plan provides a monthly benefit to assist retirees in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement. Eligible retirees and beneficiaries receive a monthly health insurance subsidy payment of \$7 for each year of creditable service, with a minimum payment of \$45 and a maximum payment of \$225 per month. The HIS Plan is funded by required contributions from FRS participating employees as set forth by Florida Legislature, based on a percentage of gross compensation for all active FRS members.

For those members who elect participation in the Investment plan, rather than the Pension Plan, vesting occurs at one year of service. These participants receive a contribution for self-direction in an investment product with a third party administrator selected the State Board of Administration.

HENDRY COUNTY, FLORIDA
SHERIFF
Notes to Financial Statements
September 30, 2024

NOTE 6 - RETIREMENT PLAN - (Continued)

Funding Policy, Continued

Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.) as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved instrument choices. Costs of administering the plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll by forfeited benefits of plan members.

The Sheriff recognizes pension expenditures in an amount equal to amounts paid to the Pension Plan, the HIS Plan, and the defined contribution plan, amounting to \$2,154,165, \$207,366, and \$672,628, respectively, for the fiscal year ended September 30, 2024. The Sheriff's payments after June 30, 2024, the measurement date used to determine net pension liability associated with the Pension Plan and the HIS Plan, amounted to \$591,856 and \$56,468, respectively.

The Sheriff is not legally required to and does not accumulate expendable available resources to liquidate the retirement obligation related to its employees. Accordingly, the net pension liability and associated deferred outflows and deferred inflows are presented on the government-wide financial statements of the County, following requirements of GASB No. 68, Accounting and Financial Reporting for Pensions- an amendment of GASB No. 27, and GASB No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date- an amendment of GASB No. 68, effective October 1, 2014.

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, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the Web site: www.dms.myflorida.com/retirement

NOTE 7 - OTHER POST-EMPLOYMENT BENEFITS

The Sheriff provides postemployment health care benefits in accordance with Section 112.0801, *Florida Statutes*, to all employees who retire from the Sheriff. The Sheriff is required to provide health care coverage at cost to all retirees but does not pay any portion of the premium of the retiree to participate in the Sheriff's group health care plan. The liability and expense for other postemployment benefits, calculated in accordance with Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, are reported in the financial statements of the County.

HENDRY COUNTY, FLORIDA
SHERIFF
Notes to Financial Statements
September 30, 2024

NOTE 8 - RELATED PARTY TRANSACTIONS

The Sheriff is a constitutional county officer whose appropriations are approved by the Board of County Commissioners. The Board has agreed to provide certain operating expenditures for the Sheriff. The Board paid all property and casualty insurance and workers' compensation premiums for the Sheriff.

NOTE 9 - RISK MANAGEMENT

The Sheriff is exposed to various risk of loss related to torts; theft of, or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Sheriff is a member of a public entity risk pool which is a cooperative group of governmental entities joining together to finance an exposure, liability, or risk.

The pool provides coverage for, liability, public officials liability automobile physical damage, general liability, and automobile liability. The costs of the property and casualty insurance and workers' compensation are accounted for in the General Fund of the Board of County Commissioners.

REQUIRED
SUPPLEMENTARY
INFORMATION

HENDRY COUNTY, FLORIDA
SHERIFF
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - General Fund
For the Fiscal Year Ended September 30, 2024

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ -	\$ 1,675,944	\$ 1,675,944	\$ -
Charges for Services	-	659,535	659,535	-
Fines and Forfeitures	-	52,587	52,587	-
Miscellaneous	-	120,221	120,221	-
Total Revenues	<u>-</u>	<u>2,508,287</u>	<u>2,508,287</u>	<u>-</u>
Expenditures				
Law Enforcement				
Personnel Services	10,402,400	12,580,954	12,255,116	325,838
Operating Expenditures	2,397,743	2,700,862	2,713,687	(12,825)
Capital Outlay	647,676	690,610	1,265,905	(575,295)
Debt Service	333,400	333,400	788,780	(455,380)
Contingency	30,000	30,000	-	30,000
Total Law Enforcement	<u>13,811,219</u>	<u>16,335,826</u>	<u>17,023,488</u>	<u>(687,662)</u>
Corrections				
Personnel Services	3,945,490	3,945,490	3,826,674	118,816
Operating Expenditures	729,005	729,005	845,422	(116,417)
Capital Outlay	28,500	28,500	5,749	22,751
Contingency	20,000	20,000	-	20,000
Total Corrections	<u>4,722,995</u>	<u>4,722,995</u>	<u>4,677,845</u>	<u>45,150</u>
Judicial				
Personal Services	466,440	466,440	658,722	(192,282)
Operating Expenditures	5,641	5,641	934	4,707
Total Judicial	<u>472,081</u>	<u>472,081</u>	<u>659,656</u>	<u>(187,575)</u>
Total Expenditures	<u>19,006,295</u>	<u>21,530,902</u>	<u>22,360,989</u>	<u>(830,087)</u>
Excess of Revenues Over (Under)				
Expenditures	<u>(19,006,295)</u>	<u>(19,022,615)</u>	<u>(19,852,702)</u>	<u>(830,087)</u>
Other Financing Sources (Uses)				
Proceeds From Sale of Capital Assets	-	16,320	16,320	-
Operating Transfers In	19,006,295	19,006,295	19,006,295	-
Proceeds from leases	-	-	1,007,149	1,007,149
Operating Transfers Out	-	-	(177,062)	(177,062)
Total Other Financing Sources (Uses)	<u>19,006,295</u>	<u>19,022,615</u>	<u>19,852,702</u>	<u>830,087</u>
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	-	-	-	-
Fund Balance - October 1, 2023	-	-	-	-
Fund Balance - September 30, 2024	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

OTHER
FINANCIAL
INFORMATION

HENDRY COUNTY, FLORIDA
SHERIFF
Combining Balance Sheet
Non-Major Governmental Funds
September 30, 2024

	<u>Training</u>	<u>Equitable Sharing Program</u>	<u>Gun Range</u>	<u>Total Non-Major Governmental Funds</u>
ASSETS				
Cash	\$ 28,335	\$ 2,820	\$ 6,548	\$ 37,703
Total assets	<u>\$ 28,335</u>	<u>\$ 2,820</u>	<u>\$ 6,548</u>	<u>\$ 37,703</u>
LIABILITIES AND FUND EQUITY				
Liabilities				
Accounts Payable	\$ -	\$ -	\$ 250	\$ 250
Total Liabilities	<u>-</u>	<u>-</u>	<u>250</u>	<u>250</u>
Fund Equity				
Fund Balance Assigned	28,335	2,820	6,298	37,453
Total Fund Equity	<u>28,335</u>	<u>2,820</u>	<u>6,298</u>	<u>37,453</u>
Total Liabilities and Fund Equity	<u>\$ 28,335</u>	<u>\$ 2,820</u>	<u>\$ 6,548</u>	<u>\$ 37,703</u>

HENDRY COUNTY, FLORIDA
SHERIFF

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Non-Major Governmental Funds
For the Year Ended September 30, 2024

	<u>Training</u>	<u>Equitable Sharing Program</u>	<u>Gun Range</u>	<u>Total Non-Major Governmental Funds</u>
Revenues				
Charges for Services	\$ 3,699	\$ -	\$ 29,914	\$ 33,613
Miscellaneous	908	56	191	1,155
Total Revenues	<u>4,607</u>	<u>56</u>	<u>30,105</u>	<u>34,768</u>
Expenditures				
Operating Expenses	-	-	21,291	21,291
Capital Outlay	-	-	18,500	18,500
Total Expenditures	<u>-</u>	<u>-</u>	<u>39,791</u>	<u>39,791</u>
Excess of Revenues Over (Under) Expenditures	4,607	56	(9,686)	(5,023)
Fund Balances - October 1, 2023	<u>23,728</u>	<u>2,764</u>	<u>15,984</u>	<u>42,476</u>
Fund Balances - September 30, 2024	<u>\$ 28,335</u>	<u>\$ 2,820</u>	<u>\$ 6,298</u>	<u>\$ 37,453</u>

SUPPLEMENTARY
REPORTS

**Report of Independent Auditor 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***

To the Honorable Steve Whidden,
Sheriff
Hendry County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Hendry County, Florida, Sheriff, (the "Sheriff") as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Sheriff's special purpose financial statements, and have issued our report thereon dated June 28, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Sheriff's financial statements are free 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 determination of financial statement amounts. 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the Sheriff's management, the Hendry County, Florida, Board of County Commissioners and the Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Ashley, Brown & Smith, CPAs, P.A.

Punta Gorda, Florida
June 28, 2025

Independent Auditor's Management Letter

To the Honorable Steve Whidden,
Sheriff
Hendry County, Florida

Report on the Financial Statements

We have audited the financial statements of the Hendry County, Florida, Sheriff, as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated June 28, 2025.

Auditor's Responsibility

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

Other Reports and Schedule

We have issued our Report of Independent Auditor on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Examination Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated June 28, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Management

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

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires 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 have any such findings.

Purpose of the Letter

Our management letter is 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 Hendry County, Florida, Sheriff, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Ashley, Brown & Smith, CPAs, P.A.

Punta Gorda, Florida
June 28, 2025

**Report of Independent Accountant on Compliance With
Local Government Investment Policies**

To the Honorable Steve Whidden,
Sheriff
Hendry County, Florida

We have examined the Hendry County, Florida, Sheriff's (the "Sheriff") compliance with Section 218.415, Florida Statutes, Local Government Investment Policies, for the year ended September 30, 2024. Management is responsible for the Sheriff's compliance with the specified requirements. Our responsibility is to express an opinion on the Sheriff's compliance based on our examination.

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

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

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

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

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

Ashley, Brown & Smith, CPAs, P.A.

Punta Gorda, Florida
June 28, 2025

HENDRY COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS

SEPTEMBER 30, 2024

FINANCIAL STATEMENTS
TOGETHER WITH REPORTS OF INDEPENDENT AUDITORS

TABLE OF CONTENTS

	<u>Page(s)</u>
Report of Independent Auditor	V-1 - V-3
Financial Statements	
Balance Sheet - Governmental Funds.....	V-4
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.....	V-5
Notes to Financial Statements.....	V-6 - V-11
Required Supplementary Information	
Statement of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund.....	V-12
Supplementary Reports	
Report on 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 <i>Government Auditing Standards</i>	V-13 - V-14
Independent Auditor's Management Letter.....	V-15 - V-16
Schedule of Current Year Findings.....	V-17
Auditee's Management Letter Reponse.....	V-18
Report of Independent Accountant on Compliance with Local Government Investment Policies.....	V-19



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Independent Auditor's Report

To the Honorable Sherry Taylor,
Supervisor of Elections
Hendry County, Florida

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Hendry County, Florida, Supervisor of Elections (the "Supervisor of Elections"), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' financial statements as listed in the table of contents.

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Supervisor of Elections' ability to continue as a going concern for 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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Emphasis of Matter

Basis of Presentation

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with 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 fund of Hendry County, Florida that is attributable to the Supervisor of Elections. They do not purport to, and do not, present fairly the financial position of Hendry County, Florida as of September 30, 2024, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Required Supplementary Information, continued

Accounting principles generally accepted in the United States of America require that the budgetary comparison information to be presented to supplement the special purpose financial statements. Such information is the responsibility of management and, although not a part of the special purpose financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the special purpose 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 special purpose financial statements, and other knowledge we obtained during our audit of the special purpose 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2025, on our consideration of the Supervisor of Elections's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Supervisor of Elections' 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 consideration the Supervisor of Elections' internal control over financial reporting and compliance.

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida

June 28, 2025

FINANCIAL STATEMENTS

HENDRY COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
Balance Sheet - Governmental Funds
September 30, 2024

	General Fund
ASSETS	
Cash	\$ 81,575
Total assets	\$ 81,575
 LIABILITIES AND FUND EQUITY	
Liabilities	
Accounts Payable	\$ 997
Due to Board of County Commissioners	80,578
Total liabilities	81,575
Fund equity	
Fund balance	-
Total liabilities and fund equity	\$ 81,575

See accompanying notes

HENDRY COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS

Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds
For the fiscal year ended September 30, 2024

	General Fund
REVENUES	
Miscellaneous	\$ 15,809
Total revenues	15,809
EXPENDITURES	
Governmental expenditures	721,102
Excess of revenues under expenditures	(705,293)
Other financing sources (uses)	
Operating transfers in	785,871
Operating transfers out	(80,578)
Total other financing sources (uses)	705,293
Excess of revenues and other sources over/(under) expenditures and other uses	-
Fund balance, October 1, 2023	-
Fund balance, September 30, 2024	\$ -

See accompanying notes

HENDRY COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
Notes to Financial Statements
September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The Supervisor of Elections is an elected Constitutional Officer of Hendry County ("County"), a political subdivision of the State of Florida. The position of Supervisor of Elections was established by Article VIII, Section 1 (d) of the State of Florida Constitution. The general powers and responsibilities of the Supervisor of Elections are specified in Chapters 97 through Florida Statutes. The Supervisor of Elections is charged with the conduct of elections within the County, except certain independent special district elections separately provided for by special acts. The operations are financed by appropriations made by the Board of County Commissioners pursuant to the approved budget.

As required by accounting principles generally accepted in the United States of America, the financial statements of the reporting entity include those of the Supervisor of Elections and its component units. Component units are entities for which the government is considered to be financially accountable. Financial accountability is determined on the basis of the Supervisor of Elections' ability to significantly influence operations, select the governing authority, and participate in fiscal management. Based on application of the criteria set forth by the Governmental Accounting Standards Board, management has determined that no component units exist which would require inclusion in these financial statements.

Fund Accounting

The accounts of the Supervisor of Elections are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for using a separate set of self-balancing accounts which comprise its assets, liabilities, fund equities, revenues, and expenditures. Government resources are allocated to, and accounted for, in individual funds, based upon the purpose for which they are to be spent and the means by which spending activities are controlled.

The following fund is used by the Supervisor of Elections:

General Fund - This 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.

Basis of Accounting

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

The modified accrual basis of accounting is followed by the General Fund. The modification in such method from the accrual basis is that revenues are recorded when they become measurable and available to finance operations of the current year. Expenditures are generally recognized when the related fund liability is incurred, if measurable, except expenditures for debt service, and other long-term obligations which are recognized when paid.

HENDRY COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
Notes to Financial Statements
September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgetary Requirements

Expenditures of the General Fund are controlled by appropriations in accordance with the budgetary requirements set forth in the Florida Statutes. The budgeted revenues and expenditures in the accompanying financial statements reflect all amendments approved by the Board of County Commissioners.

1. On or before June 1 of each year the Supervisor of Elections shall submit to the Board of County Commissioners a tentative budget for the ensuing fiscal year. Budgetary control is established at the fund level.
2. Public hearings are held by the Board to obtain taxpayer comments and possible adjustments by the Board.
3. The Board of County Commissioners may amend, modify, increase, or reduce any or all items of expenditures in the proposed budget submitted by the Supervisor of Elections by giving written notices of its actions, after approval of the budget.
4. Prior to October 1, the budget is legally enacted by the Board.

Encumbrances

Encumbrance accounting, under which purchase orders and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Supervisor of Elections.

Compensated Absences

It is the Supervisor of Election's policy to permit employees to accumulate a limited amount of earned, but unused, vacation and sick leave, which will be paid upon separation of service. Vacation is accrued as a liability when benefits are earned by the employee. The Supervisor of Elections uses the vesting method in accruing sick leave liability. The vesting method accrues sick leave liability for employees who are currently eligible to receive termination payments upon separation, as well as those expected to become eligible in the future. For the fiscal year ended September 30, 2024, the amount of accrued compensated absences was \$13,118.

Statement of Government Accounting Standards Board Number 16, Accounting for Compensated Absences, requires the compensated absences liability to be measured using the salary rate in effect at the balance sheet date and requires additional amounts to be accrued for certain salary related payments associated with the payment of compensated absences. The liability shown in the Board's financial statement has been accrued in accordance with this criteria.

HENDRY COUNTY, FLORIDA
 SUPERVISOR OF ELECTIONS
 Notes to Financial Statements
 September 30, 2024

NOTE 2 - CASH AND INVESTMENTS

During the fiscal year, cash consisted of interest-bearing bank accounts. The funds in the bank accounts were entirely covered by Federal Depository Insurance Corporation or by a collateral pool pledged to the State Treasurer by financial institutions which comply with the requirements of Florida statutes and have been designated as qualified public depositories by the State Treasurer.

At September, 30 2024, the carrying amount of the Supervisor of Elections' deposits was \$81,575 and the bank balance was \$99,429.

The Supervisor of Elections held no investments during the fiscal year.

NOTE 3 - AMOUNT TO BE REMITTED TO BOARD OF COUNTY COMMISSIONERS

Funding for the operations of the Supervisor of Elections, accounted for in the General Fund, is provided by the Hendry County Board of County Commissioners. The amount of such funding is estimated in the budgeting process and by Statute, any excess of revenues and transfers over expenditures in the General Fund are returned to the Board of County Commissioners. Such excess, if any, is reflected as an operating transfer out in the accompanying financial statements.

NOTE 4 - GENERAL FIXED ASSETS

Tangible personal property used by the Supervisor of Elections is shown in the statement of net position of the Board of County Commissioners. In addition, office space used in the Supervisor of Elections' operations is provided at no cost by the Board of County Commissioners.

NOTE 5 - GENERAL LONG-TERM DEBT

Changes in General Long-Term Debt

Changes in the general long-term debt of the Supervisor of Elections for the year ended September 30, 2024, are summarized below:

	Compensated Absences
General long-term debt at October 1, 2023	\$ 9,892
Increase in accrued compensated absences	7,671
Decrease in accrued compensated absences	(4,445)
General long-term debt at September 30, 2024	\$ 13,118
Noncurrent portion of compensated absences	\$ 12,856

HENDRY COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
Notes to Financial Statements
September 30, 2024

NOTE 6 - RETIREMENT PLAN

The Supervisor of Elections' 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 Service, Division of Retirement, including the FRS Pension Plan ("Pension 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 Pension Plan, which is administered by the State Board of Administration. 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 Legislature. Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension 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 2.0% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested regular class members with less than 30 years of service may retire before age 62 and are entitled to a retirement benefit payable monthly also equal to 2.0% of their final average compensation for each year of credited service based on the five highest years of salary, with a 5% reduction for each year under age 62. Substantial changes were made to the Pension Plan during fiscal year 2011, affecting new members enrolled on or after July 1, 2011 by extending the vesting requirement to eight years of credited service and increasing normal retirement to age 65 or 33 years of service regardless of age. Also, the final average compensation for these members is based on the eight highest years of salary.

Funding Policy

All enrolled members of the FRS Pension Plan are required to contribute 3.0% of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on statewide contribution rates. The employer contribution rates by job class for the periods from October 1, 2023 through June 30, 2024 and July 1, 2024 through September 30, 2024, respectively, were as follows: regular 13.57% and 13.63% and senior management 34.52% and 34.52%. During the fiscal year ended September 30, 2024, the Supervisor of Elections contributed to the plan an amount equal to 32.59% of covered payroll.

The HIS Plan provides a monthly benefit to assist retirees in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement. Eligible retirees and beneficiaries receive a monthly health insurance subsidy payment of \$7 for each year of creditable service, with a minimum payment of \$45 and a maximum payment of \$225 per month. The HIS Plan is funded by required contributions from FRS participating employees as set forth by Florida Legislature, based on a percentage of gross compensation for all active FRS members.

HENDRY COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
Notes to Financial Statements
September 30, 2024

NOTE 6 - RETIREMENT PLAN (CONTINUED)

Funding Policy

For those members who elect participation in the Investment Plan, rather than the Pension Plan, vesting occurs at one year of service. These participants receive a contribution for self-direction in an investment product with a third party administrator selected by the State Board of Administration. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan.

Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll by forfeited benefits of plan members. The Supervisor of Elections does not participate in the Investment Plan.

The Supervisor of Elections recognizes pension expenditures in an amount equal to amounts paid to the Pension Plan, the HIS Plan and the defined contribution plan amounting to \$85,463, \$4,978, and \$5,688, respectively, for the fiscal year ended September 30, 2024. The Supervisor of Elections' payments after June 30, 2024, the measurement date used to determine the net pension liability associated with the Pension Plan and HIS Plan, amounted to \$21,899 and \$1,691 respectively. The Supervisor of Elections is not legally required to and does not accumulate expendable available resources to liquidate the retirement obligation related to its employees. Accordingly, the net pension liability and associated deferred outflows and deferred inflows are presented on the government-wide financial statements of the County, following requirements of GASB Statement No. 68, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27, and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68, effective October 1, 2014.

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 Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the Web site www.ams.mvflorida.com/retirement.

HENDRY COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
Notes to Financial Statements
September 30, 2024

NOTE 7 - RISK MANAGEMENT

The Supervisor participates in the County-wide insurance program. The Hendry County, Florida, Board of County Commissioners is a member of Public Risk Management (PRM), a local government liability risk pool.

PRM administers insurance activities relating to property, general, automobile, public official's liability, worker's compensation, health, and auto physical damage. The pool assesses each member its pro-rata share of the estimated amount required to meet current year losses, operating expenses and reinsurance costs (premiums).

To reduce its exposure to large losses on all types of insured events PRM uses reinsurance policies purchased from third-party carriers. The fund is fully funded annually. The premiums for this coverage are paid by the various Constitutional Officers and Board of County Commissioners on a per employee coverage basis.

Charges to operating departments are based upon amounts believed by management to meet the required annual payout during the fiscal year and to pay for the estimated operating costs of the program and for premiums for third party carrier insurance plans. For fiscal year ended September 30, 2024, the Supervisor was charged \$54,972.

NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS

The Supervisor provides postemployment health care benefits in accordance with Section 112.0801, Florida Statutes, to all employees who retire from the Supervisor. The Supervisor is required to provide health care coverage at cost to all retirees but does not pay any portion of the premium of the retiree to participate in the Supervisor's group health care plan. The liability and expense for other postemployment benefits, calculated in accordance with Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, are reported in the financial statements of the County.

**REQUIRED SUPPLEMENTARY
INFORMATION**

HENDRY COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
For the fiscal year ended September 30, 2024

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES				
Intergovernmental revenues	\$ -	\$ -	\$ -	\$ -
Miscellaneous	-	-	15,809	15,809
Total revenues	-	-	15,809	15,809
EXPENDITURES				
Governmental expenditures	785,871	785,871	721,102	64,769
Excess of revenues over (under) expenditures	(785,871)	(785,871)	(705,293)	80,578
Other financing sources (uses)				
Operating transfers in	785,871	785,871	785,871	-
Operating transfers out	-	-	(80,578)	(80,578)
Total other financing sources (uses)	785,871	785,871	705,293	(80,578)
Excess of revenues and other sources over/(under) expenditures and other uses	-	-	-	-
Fund balance, October 1, 2023	-	-	-	-
Fund balance, September 30, 2024	\$ -	\$ -	\$ -	\$ -

**SUPPLEMENTARY
REPORTS**

**Report on Independent Auditor 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***

To the Honorable Sherry Taylor,
Supervisor of Elections
Hendry County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Hendry County, Florida, Supervisor of Elections, (the "Supervisor of Elections") as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' financial statements, and have issued our report thereon dated June 28, 2025.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2024-001 that we consider to be a significant deficiency.

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 determination of financial statement amounts. 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*.

Supervisor of Elections' Response to Findings

The Supervisor of Elections' response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The Supervisor of Elections' response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

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

This report is intended solely for the information and use of the Supervisor of Elections' management, the Hendry County Florida, Board of County Commissioners, and the Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida
June 28, 2025

Management Letter

Honorable Sherry Taylor,
Supervisor of Elections
Hendry County, Florida

Report on the Financial Statements

We have audited the financial statements of the Hendry County, Florida, Supervisor of Elections (the "Supervisor of Elections"), Florida, as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated June 28, 2025.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated June 28, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. Corrective actions for 2023-001 Budgetary Control and 2023-001 Correction of Errors have been implemented.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Supervisor of Elections had no component units as of September 30, 2024.

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 had one recommendation to improve financial management as detailed in the accompanying schedule of current year findings and responses at finding 2024-001.

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.

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 Hendry County, Florida, Supervisor of Elections, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida

June 28, 2025

HENDRY COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
Schedule of Current Year Findings
For the Year Ended September 30, 2024

Significant Deficiency

Finding 2024-001 - Journal Entries

Condition: The Supervisor of Elections management is responsible for establishing and maintaining internal controls for the proper recording of all journal entries recorded in the general ledger.

Criteria: As part of our audit, we performed procedures and reviewed internal controls over journal entries recorded in the general ledger. Journal entries are an important accounting function as they are not only used to record some types of transactions on a daily basis but they can also be used to correct the original postings and also modify financial reporting. Adjustments to the financial records should be recorded through journal entries, as they provide a clear, consistent and auditable trail of changes.

Cause: Based on our inquiries and procedures, we noted that staff is manually modifying existing transactions in the accounting system rather than processing formal adjusting journal entries.

Effect: When changes are made directly to transactions instead of through journal entries, it can make it harder to maintain a clear audit trail and understand the reasoning behind certain adjustments. Using journal entries not only provides better visibility but also helps reinforce internal controls. To support proper segregation of duties, it's important that journal entries are reviewed and approved by someone other than the person who prepared them. That review should include reviewing supporting documentation to ensure the entry is accurate and complete.

Recommendation: We recommend that the Supervisor of Elections implement a more consistent use of formal journal entries for financial adjustments, supported by proper documentation and review by someone other than the person who prepared it and who is qualified to perform the review.



SHERRY TAYLOR

SUPERVISOR OF ELECTIONS

Hendry County
Post Office Box 174
LaBelle, FL 33975

LaBelle Office
(863) 675-5230
Clewiston Office
(863) 983-1592

Corrective Action Plan

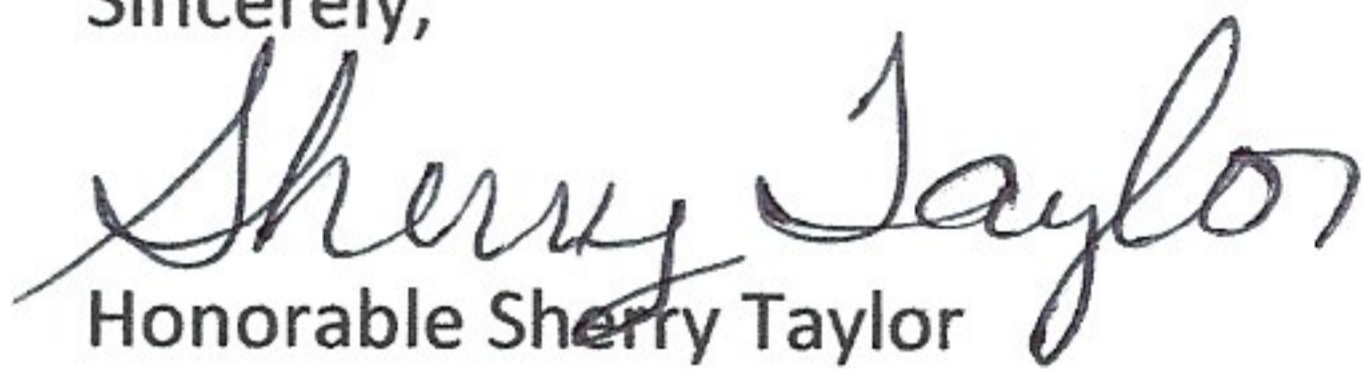
June 28, 2025

In response to the 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 Supervisor of Elections' issues the following response:

Management Response to Finding 2024-001 – Journal Entries

With respect to the Journal Entries finding, we agree with the finding and we are in the process of reviewing our internal control policies. We plan to implement the auditor's recommendations in order to improve this process.

Sincerely,


Honorable Sherry Taylor
Supervisor of Elections

Website: hendryelections.gov
Email: supervisor@hendryelections.gov



PHONE: 941.639.6600 | FAX: 941.639.6115
366 E OLYMPIA AVE, PUNTA GORDA, FL 33950
AshleyBrownCPAS.com

Report of Independent Accountant on Compliance with Local Government Investment Policies

To the Honorable Sherry Taylor,
Supervisor of Elections
Hendry County, Florida

We have examined the Hendry County, Florida, Supervisor of Election's (the "Supervisor of Elections") compliance with Section 228.415, Florida Statutes, Local Government Investment Policies, for the year ended September 30, 2024. Management is responsible for the Supervisor of Election's compliance with those requirements. Our responsibility is to express an opinion on the Supervisor of Election's compliance based on our examination.

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

Our examination does not provide a legal determination on the Supervisor of Elections' compliance with specified requirements.

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

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

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

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida
June 28, 2025

HENDRY COUNTY, FLORIDA
TAX COLLECTOR

SEPTEMBER 30, 2024

FINANCIAL STATEMENTS
TOGETHER WITH REPORTS OF INDEPENDENT AUDITORS

TABLE OF CONTENTS

	<u>Page(s)</u>
Report of Independent Auditor	VI-1 - VI-3
Financial Statements	
Balance Sheet - Governmental Funds.....	VI-4
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds.....	VI-5
Statement of Fiduciary Net Position- Custodial Funds.....	VI-6
Statement of Changes in Fiduciary Net Position- Custodial Funds.....	VI-7
Notes to Financial Statements.....	VI-8 - VI-13
Required Supplementary Information	
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund.....	VI-14
Supplementary Information	
Combining Statement of Fiduciary Net Position- Custodial Funds.....	VI-15
Combining Statement of Changes in Fiduciary Net Position- Custodial Funds.....	VI-16
Supplementary Reports	
Report on 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 <i>Government Auditing Standards</i>	VI-17 - VI-18
Independent Auditor's Management Letter.....	VI-19 - VI-20
Report of Independent Accountant on Compliance with Local Government Investment Policies.....	VI-21

Independent Auditor's Report

To the Honorable Amy Collins
Tax Collector
Hendry County, Florida

We have audited the accompanying financial statements of each major fund, the aggregate remaining fund information, and the fiduciary fund information of the Hendry County, Florida, Tax Collector (the "Tax Collector"), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Tax Collector's special purpose financial statements as listed in the table of contents.

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

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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.

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the 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 opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Emphasis of Matter

Basis of Presentation

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with 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 fund of Hendry County, Florida that is attributable to the Tax Collector. They do not purport to, and do not, present fairly the financial position of Hendry County, Florida as of September 30, 2024, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Required Supplementary Information, continued

Accounting principles generally accepted in the United States of America require that the budgetary comparison information to be presented to supplement the special purpose financial statements. Such information is the responsibility of management and, although not a part of the special purpose financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the special purpose 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 special purpose financial statements, and other knowledge we obtained during our audit of the special purpose 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.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 28, 2025, on our consideration of the Tax Collector's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Tax Collector'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 consideration the Tax Collector' internal control over financial reporting and compliance.

Ashley, Brown & Smith, CPAs, P.A.

Punta Gorda, Florida

June 28, 2025

FINANCIAL STATEMENTS

HENDRY COUNTY, FLORIDA
Tax Collector
Balance Sheet - Governmental Fund
September 30, 2024

	<u>General Fund</u>
ASSETS	
Cash	\$ 668,549
Due from other governments	38,788
Prepaid expenses	<u>5,625</u>
Total Assets	<u>\$ 712,962</u>
LIABILITIES	
Accounts payable	\$ 4,736
Accrued liabilities	26,919
Due to other governments	<u>681,307</u>
Total liabilities	<u>\$ 712,962</u>

See accompanying notes.

HENDRY COUNTY, FLORIDA

Tax Collector

Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund

For the fiscal year ended September 30, 2024

	<u>General Fund</u>
REVENUES	
Charges for services	\$ 2,558,082
Miscellaneous	<u>32,549</u>
Total revenues	<u>2,590,631</u>
EXPENDITURES	
Governmental expenditures	
Personal services	1,657,158
Operating expenditures	<u>252,166</u>
Total expenditures	<u>1,909,324</u>
Excess of revenues under expenditures	<u>681,307</u>
Other financing sources (uses)	
Operating transfers out	<u>(681,307)</u>
Total other financing sources (uses)	<u>(681,307)</u>
Excess of revenues and other sources over expenditures and other uses	-
Fund balance, October 1, 2023	<u>-</u>
Fund balance, September 30, 2024	<u><u>\$ -</u></u>

See accompanying notes.

HENDRY COUNTY, FLORIDA
Tax Collector
Statement of Fiduciary Net Position- Custodial Funds
September 30, 2024

	<u>Custodial Funds</u>
ASSETS	
Cash	\$ 1,286,599
Total Assets	1,286,599
LIABILITIES	
Due to other governments	47,503
Due to individuals	1,239,096
Total liabilities	1,286,599
NET POSITION	
Restricted for:	
Individuals, organizations, and other governments	-
Total net position	\$ -

See accompanying notes.

HENDRY COUNTY, FLORIDA
Tax Collector
Statement of Changes in Fiduciary Net Position- Custodial Funds
For the fiscal year ended September 30, 2024

	<u>Custodial Funds</u>
ADDITIONS	
Property taxes, fees, fines collected for other governments	\$ 105,839,596
Licenses and tax fees collected for other governments	9,403,402
Deposits and other trust activities	57,932
Total additions	115,300,930
DEDUCTIONS	
Property taxes, fees, fines disbursed for other governments	105,839,596
Licenses and tax fees disbursed for other governments	9,403,402
Deposits and other trust activities disbursed	57,932
Total deductions	115,300,930
Change in net position	-
Net position, beginning, October 1, 2023	-
Net position, ending, September 30, 2024	\$ -

See accompanying notes.

HENDRY COUNTY, FLORIDA

Tax Collector

Notes to Financial Statements

September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The Tax Collector is an elected Constitutional Officer of Hendry County (County), a political subdivision of the State of Florida. The position of Tax Collector was established by Article VIII, Section 1 (d) of the State of Florida Constitution.

As required by generally accepted accounting principles, the financial statements of the reporting entity include those of the Tax Collector and its component units. Component units are entities for which the government is considered to be financially accountable. Financial accountability is determined on the basis of the Tax Collector's ability to significantly influence operations, select the governing authority, and participate in fiscal management. Based on application of the criteria set forth by the Governmental Accounting Standards Board, management has determined that no component units exist which would require inclusion in these financial statements.

Fund Accounting

The accounts of the Tax Collector are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for using a separate set of self-balancing accounts which comprise its assets, liabilities, fund equities, revenues, and expenditures. Government resources are allocated to, and accounted for, in individual funds, based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The Tax Collector utilizes the following governmental funds:

General Fund - This fund is used to account for all revenues and expenditures applicable to the general operations of the Tax Collector, which are not properly accounted for in another fund. All operating revenues, which are not specifically restricted or designated as to use, are recorded in the General Fund. Excess revenues at the end of the year, due back to the Board of County Commissioners, are shown as operating transfers out.

Custodial Funds - Custodial Funds are used to account for assets held by public officials in a trustee capacity or as a custodian for individuals, private organizations, other governments and/or other funds. Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds.

Measurement Focus

The *General Fund* is accounted for on a "spending" or "financial flow" measurement focus. This means that only current assets and current liabilities are generally included on the balance sheet. Accordingly, the reported undesignated fund balance (net current assets) is considered a measure of available, spendable or appropriable resources. General operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets.

Custodial Funds are accounted for using an economic resource measurement focus requiring a resource flow statement.

HENDRY COUNTY, FLORIDA
Tax Collector
Notes to Financial Statements
September 30, 2024

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. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The modified accrual basis of accounting is followed by the General Fund. Revenues are recognized when they become measurable and available as net current assets. Expenditures are generally recognized when the related fund liability is incurred, if measurable, except expenditures for debt service and other long-term obligations which are recognized when paid.

Budgetary Requirements

Chapter 195, Florida Statutes, governs the preparation, adoption and amendment process of the Tax Collector's annual budget. A budget is only required to be prepared for the General Fund. The Tax Collector's budget and amendments are prepared independently of the Board of County Commissioners and are approved by the State of Florida Department of Revenue. A copy of the approved budget is provided to the Board of County Commissioners.

The budget for the General Fund is prepared on the modified accrual basis of accounting. The annual budget serves as the legal authorization for expenditures. The level of control for appropriations is exercised at the functional level.

Encumbrances

Encumbrance accounting, under which purchase orders and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is not employed by the Tax Collector.

Compensated Absences

The Tax Collector's employees accumulate annual paid time off (PTO), to be used for sick and vacation, based on the number of years of continuous service and other criteria.

The liability shown in the County's financial statement has been accrued in accordance with this criteria. At September 30, 2024, the Tax Collector had \$61,972 in long-term compensated absences payable.

Statement of Government Accounting Standards Board Number 16, Accounting for Compensated Absences, requires the compensated absences liability to be measured using the salary rate in effect at the balance sheet date and requires additional amounts to be accrued for certain salary related payments associated with the payment of compensated absences. The liability shown in the County's basic financial statements has been accrued in accordance with this criteria.

HENDRY COUNTY, FLORIDA
Tax Collector
Notes to Financial Statements
September 30, 2024

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management of the Tax Collector to make estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenue and expenditures or expenses during the reporting period. Actual results could differ from those estimates.

NOTE 2 - CASH AND INVESTMENTS

During the fiscal year, cash consisted of an interest-bearing checking bank accounts. The funds in the bank account were entirely covered by federal depository insurance or by a collateral pool pledged to the State Treasurer by financial institutions which comply with the requirements of Florida statutes and have been designated as qualified public depositories by the State Treasurer.

At September 30, 2024, the book balance of deposits and cash on hand was \$1,955,148 for the Tax Collector and the bank balance of deposits was \$2,477,919.

The Tax Collector held no investments during the fiscal year.

NOTE 3 - GENERAL FIXED ASSETS

Acquisitions of tangible personal property are recorded as expenditures in the General Fund at the time of purchase. These assets are reported to the Hendry County, Florida, Board of County Commissioners and are recorded in the government-wide financial statements of the Board. In addition, office space used in the Tax Collector's operations is provided at no cost by the Board of County Commissioners.

NOTE 4 - GENERAL LONG-TERM DEBT

Changes in General Long-Term Debt

Changes in the general long-term debt of the Tax Collector for the year ended September 30, 2024, are summarized below:

	Compensated Absences
General long-term debt at October 1, 2023	\$ 58,568
Increase in accrued compensated absences	88,530
Decrease in accrued compensated absences	(85,126)
General long-term debt at September 30, 2024	<u>\$ 61,972</u>
Noncurrent portion of compensated absences	<u>\$ 57,257</u>

HENDRY COUNTY, FLORIDA

Tax Collector

Notes to Financial Statements

September 30, 2024

NOTE 5 - SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

The Tax Collector has entered into various agreements that meet the definition of subscription-based information technology arrangements (SBITAs) under GASB Statement 96 Detailed information about the Tax Collector's SBITAs can be found in the County-wide financial statements.

SBITAs entered into by the Tax Collector are included in the County-wide financial statements as other financing sources and capital outlay expenditures in the Statement of Revenues, Expenditures, and Changes in Fund Balance in the year of inception Any payments made are reported in the County-wide financial statements as debt service expenditures in the Statement of Revenues, Expenditures, and Changes in Fund Balance as they are incurred In the Tax Collector financial statements, these payments are included in operating expenditures.

NOTE 6 - RETIREMENT PLAN

The Tax Collector'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 ("Pension 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 Pension Plan, which is administered by the State Board of Administration.

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 (where applicable), 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 Legislature. Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension 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 regular class members with less than 30 years of service may retire before age 62 and are entitled to a retirement benefit payable monthly also equal to 1.6% of their final average compensation for each year of credited service based on the five highest years of salary, with a 5% reduction for each year under age 62. Substantial changes were made to the Pension Plan during fiscal year 2011, affecting new members enrolled on or after July 1, 2011, by extending the vesting requirement to eight years of credited service and increasing normal retirement to age 65 or 33 years of service regardless of age. Also, the final average compensation for these members is based on the eight highest years of salary.

Funding Policy

All enrolled members of the FRS Pension Plan are required to contribute 3.0% of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on statewide contribution rates.

HENDRY COUNTY, FLORIDA
Tax Collector
Notes to Financial Statements
September 30, 2024

NOTE 6 - RETIREMENT PLAN (CONTINUED)

Funding Policy, Continued

The employer contribution rates by job class for the periods from October 1, 2023 through June 30, 2024 and July 1, 2024 through September 30, 2024, respectively, were as follows: regular 13.57% and 13.63%; county elected officers 58.68% and 58.68%; senior management 34.52% and 34.52%; and DROP participants 21.13% and 21.13%. During the fiscal year ended September 30, 2024, the Tax Collector contributed to the plan an amount equal to 14.17% of covered payroll.

The HIS Plan provides a monthly benefit to assist retirees in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement. Eligible retirees and beneficiaries receive a monthly health insurance subsidy payment of \$5 for each year of creditable service, with a minimum payment of \$45 and a maximum payment of \$225 per month. The HIS Plan is funded by required contributions from FRS participating employees as set forth by Florida Legislature, based on a percentage of gross compensation for all active FRS members.

For those members who elect participation in the Investment Plan, rather than the Pension Plan, vesting occurs at one year of service. These participants receive a contribution for self-direction in an investment product with a third party administrator selected by the State Board of Administration. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll from by forfeited benefits of plan members.

The Tax Collector recognizes pension expenditures in an amount equal to amounts paid to the Pension Plan, the HIS Plan and the defined contribution plan, amounting to \$111,290, \$20,860, and \$42,052, respectively, for the fiscal year ended September 30, 2024. The Tax Collector's payments after June 30, 2024, the measurement date used to determine the net pension liability associated with the Pension Plan and HIS Plan, amounted to \$25,836, and \$5,708, respectively. The Tax Collector is not legally required to and does not accumulate expendable available resources to liquidate the retirement obligation related to its employees. Accordingly, the net pension liability and associated deferred outflows and deferred inflows are presented on the government-wide financial statements of the County, following requirements of GASB Statement No. 68, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27, and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68, effective October 1, 2014.

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 Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the Web site www.ams.myflorida.com/retirement.

HENDRY COUNTY, FLORIDA
Tax Collector
Notes to Financial Statements
September 30, 2024

NOTE 7 - RISK MANAGEMENT

The Tax Collector participates in the County-wide insurance program. The Hendry County, Florida, Board of County Commissioners is a member of Public Risk Management (PRM), a local government liability risk pool.

PRM administers insurance activities relating to property, general, automobile, public official's liability, worker's compensation, health, and auto physical damage. The pool assesses each member its pro-rata share of the estimated amount required to meet current year losses, operating expenses and reinsurance costs (premiums).

To reduce its exposure to large losses on all types of insured events PRM uses reinsurance policies purchased from third-party carriers. The fund is fully funded annually. The premiums for this coverage are paid by the various Constitutional Officers and Board of County Commissioners on a per employee coverage basis.

Charges to operating departments are based upon amounts believed by management to meet the required annual payout during the fiscal year and to pay for the estimated operating costs of the program and for premiums for third party carrier insurance plans. For fiscal year ended September 30, 2024, the Tax Collector was charged \$337,916.

NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS

The Tax Collector provides postemployment health care benefits in accordance with Section 112.0801, Florida Statutes, to all employees who retire from the Tax Collector. The Tax Collector is required to provide health care coverage at cost to all retirees but does not pay any portion of the premium of the retiree to participate in the Tax Collector's group health care plan. The liability and expense for other postemployment benefits, calculated in accordance with Governmental Accounting Standards Board Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, are reported in the financial statements of the County.

**REQUIRED SUPPLEMENTARY
INFORMATION**

HENDRY COUNTY, FLORIDA

Tax Collector

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual

For the fiscal year ended September 30, 2024

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES				
Charges for services	\$ 2,029,785	\$ 2,191,291	\$ 2,558,082	\$ 366,791
Miscellaneous	-	-	32,549	32,549
Total revenues	<u>2,029,785</u>	<u>2,191,291</u>	<u>2,590,631</u>	<u>399,340</u>
EXPENDITURES				
Governmental expenditures				
Personal services	1,793,505	1,902,702	1,657,158	245,544
Operating expenditures	236,280	288,589	252,166	36,423
Total expenditures	<u>2,029,785</u>	<u>2,191,291</u>	<u>1,909,324</u>	<u>281,967</u>
Excess of revenues over (under) expenditures	<u>-</u>	<u>-</u>	<u>681,307</u>	<u>681,307</u>
Other financing sources (uses)				
Operating transfers out	<u>-</u>	<u>-</u>	<u>(681,307)</u>	<u>(681,307)</u>
Total other financing sources (uses)	<u>-</u>	<u>-</u>	<u>(681,307)</u>	<u>(681,307)</u>
Excess of revenues and other sources over/ (under) expenditures and other uses	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance, October 1, 2023			<u>-</u>	
Fund balance, September 30, 2024			<u>\$ -</u>	

**SUPPLEMENTARY
REPORTS**

HENDRY COUNTY, FLORIDA
Tax Collector
Combining Statement of Fiduciary Net Position - All Custodial Funds
September 30, 2024

	Tax Collection and Redemption	Tag and License	Waste Collection	Employee Concession	Total Custodial Funds
ASSETS					
Cash	\$ 1,238,270	\$ 36,674	\$ 10,829	\$ 826	\$ 1,286,599
Total assets	<u>\$ 1,238,270</u>	<u>\$ 36,674</u>	<u>\$ 10,829</u>	<u>\$ 826</u>	<u>\$ 1,286,599</u>
LIABILITIES					
Due to other governments	\$ -	\$ 36,674	\$ 10,829	\$ -	\$ 47,503
Due to individuals	1,238,270	-	-	826	1,239,096
Total liabilities	<u>1,238,270</u>	<u>36,674</u>	<u>10,829</u>	<u>826</u>	<u>1,286,599</u>
NET POSITION					
Restricted for: Individual, organizations, and other governments	-	-	-	-	-
Total net position	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

HENDRY COUNTY, FLORIDA
Tax Collector
Combining Statement of Changes in Fiduciary Net Position - All Custodial Funds
For the Fiscal year Ended September 30, 2024

	Tax Collection and Redemption	Tag and License	Waste Collection	Employee Concession	Total Custodial Funds
ADDITIONS					
Property taxes, fees, fines collected for other governments	\$ 105,828,267	\$ -	\$ 11,329	\$ -	\$ 105,839,596
Licenses and tag fees collected for other governments	-	9,403,402	-	-	9,403,402
Deposits and other trust activities	-	-	-	57,932	57,932
Total additions	<u>105,828,267</u>	<u>9,403,402</u>	<u>11,329</u>	<u>57,932</u>	<u>115,300,930</u>
DEDUCTIONS					
Property taxes, fees, fines disbursed for other governments	105,828,267	-	11,329	-	105,839,596
Licenses and tag fees disbursed for other governments	-	9,403,402	-	-	9,403,402
Deposits and other trust activities disbursed	-	-	-	57,932	57,932
Total deductions	<u>105,828,267</u>	<u>9,403,402</u>	<u>11,329</u>	<u>57,932</u>	<u>115,300,930</u>
Change in net position	-	-	-	-	-
Net position, beginning	-	-	-	-	-
Net position, ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**Report on Independent Auditor 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***

To the Honorable Amy Collins
Tax Collector
Hendry County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Hendry County, Florida, Tax Collector, (the "Tax Collector") as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Tax Collector' financial statements, and have issued our report thereon dated June 28, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Tax Collector' 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 determination of financial statement amounts. 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

This report is intended solely for the information and use of the Tax Collector's management, the Hendry County Florida, Board of County Commissioners, and the Florida Auditor General and is not intended to be and should not be used by anyone other than these specified parties.

Ashley, Brown & Smith, CPAs, P.A.

Punta Gorda, Florida
June 28, 2025

Management Letter

Honorable Amy Collins
Tax Collector
Hendry County, Florida

Report on the Financial Statements

We have audited the financial statements of the Hendry County, Florida, Tax Collector (the “Tax Collector”), Florida, as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated June 28, 2025.

Auditor’s Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor’s Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant’s Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated June 28, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Tax Collector had no component units as of September 30, 2024.

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 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 Hendry County, Florida, Tax Collector, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Ashley, Brown & Smith, CPAs, P.A.

Punta Gorda, Florida
June 28, 2025

**Report of Independent Accountant on
Compliance with Local Government Investment Policies**

To the Honorable Amy Collins
Tax Collector
Hendry County, Florida

We have examined the Hendry County, Florida, Tax Collector's (the "Tax Collector") compliance with Section 228.415, Florida Statutes, Local Government Investment Policies, for the year ended September 30, 2024. Management is responsible for the Tax Collector's compliance with those requirements. Our responsibility is to express an opinion on the Tax Collector's compliance based on our examination.

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

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

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

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

This report is intended solely for the information and use of the Florida Auditor General, the Tax Collector's Office, and applicable management and is not intended to be and should not be used by anyone other than these specified parties.

Ashley, Brown & Smith, CPAs, P.A.

Punta Gorda, Florida
June 28, 2025