WALTON COUNTY, FLORIDA

ANNUAL COMPREHENSIVE FINANCIAL REPORT

for the fiscal year ended

September 30, 2024

Prepared by the Office of the Clerk of Circuit Court and County Comptroller

WALTON COUNTY, FLORIDA

PRINCIPAL OFFICERS

BOARD OF COUNTY COMMISSIONERS

William Boots McCormick (R),	District 1 Commissioner
Danny Glidewell (R),	District 2 Commissioner
Brad Drake (R),	District 3 Commissioner
Donna Johns (R),	District 4 Commissioner, Vice Chairman
Tony Anderson (R),	District 5 Commissioner, Chairman

Tax Collector
Rhonda Skipper

Sheriff
Michael A. Adkinson, Jr.

Property Appraiser
Gary J. Gregor

Supervisor of Elections
Ryan Messer

Clerk of the Circuit Court
Alex Alford

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PRIDE • PRESERVATION • CONSERVATION
WALTON COUNTY, FLORIDA

CRYSTAL
SCONIERS

CLERK OF THE CIRCUIT COURT AND COMPTROLLER
WALTON COUNTY, FLORIDA

March 4, 2025

To the Honorable Members of the Board of County Commissioners
and Citizens of Walton County:

We are pleased to present the Annual Comprehensive Financial Report (ACFR) of Walton County, Florida for the fiscal year ended September 30, 2024. This report was prepared in accordance with generally accepted accounting principles by the Clerk of Courts & County Comptroller. Responsibility for both the accuracy of the presented data, and the completeness and fairness of the presentation, including all disclosures, rests with the Clerk of Courts & County Comptroller as Chief Financial Officer of Walton County.

The Clerk of Courts & County Comptroller, through the Finance Department, is responsible for establishing and maintaining internal controls to provide reasonable, but not absolute assurance regarding the safeguarding of assets against loss from unauthorized use or disposition, the reliability of financial records for preparing financial statements, and maintaining accountability for assets. The concept of reasonable assurance recognizes that the cost of a control should not exceed the benefits likely to be derived, and the evaluation of costs and benefits requires estimates and judgments by management. It is within this framework that we believe the County's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

We believe the data as presented is accurate in all material respects; that it is presented in a manner designed to fairly set forth the financial position and results of operations of the County as measured by the financial activity of its various funds, and that all disclosures necessary to enable the user of these financial statements to gain a thorough understanding of the County's financial activity have been included.

Chapter 218.39 of the Florida Statutes requires a financial audit of all counties in the state be performed by independent certified public accountants. This requirement has been met for the fiscal year ended September 30, 2024, and the independent auditors' report has been included in the financial section of this report. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of *Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, Rules of the Auditor General of the State of Florida. The standards governing single audit engagements require the independent auditor to report on the government's internal controls and compliance with legal requirements with special emphasis on the administration of federal awards.

Information related to the single audit, including schedules of federal awards and state financial assistance and independent auditors' reports on the internal control structure and compliance with requirements applicable to federal financial assistance, are included in the compliance section of this report.

Governmental accounting and auditing principles require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in combination with it. Walton County's MD&A can be found immediately following the independent auditors' report.

County Organization. Walton County encompasses 1,066 square miles with an estimated population of 87,728. There are three incorporated cities within Walton County: DeFuniak Springs, Freeport, and Paxton.

The County provides several services to its citizens, including police and fire protection, emergency medical services, health and social services, and cultural and recreation programs.
Walton County operates under a commission/administrator form of government with a governing board consisting of five county commissioners who are elected by the citizens of Walton County from at-large districts for staggered four-year terms. Each commission member must meet district residency requirements. In addition to the Board of County Commissioners, there are five elected constitutional officers: The Clerk of the Circuit Court & County Comptroller, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector. The Walton County Board of County Commissioners exercises varying degrees of budgetary control, but not administrative control, over the activities of the constitutional officers. The Property Appraiser, Sheriff, and Supervisor of Elections operate their respective offices as budget officers with funding provided by the Board of County Commissioners in the form of operating subsidies. In return, each budget officer is responsible for the collection of revenues within their jurisdictional area, and for the subsequent remittance of such collection to the Board. The Clerk of Courts & County Comptroller and the Tax Collector operate as fee officers. Fee officers are authorized to retain revenues generated within their offices for the purpose of defraying the cost of operations. All excess fees available at the end of the fiscal year are remitted back to the Board of County Commissioners, except for the excess fees received by the court system which are remitted to the Florida Department of Revenue.

Formal budgetary integration is employed as a management control device during the year. Constitutional officers funded by the Board and all county departments must submit their budget requests to the Office of Management and Budget (OMB) by June 1st of each year. After budget workshops are conducted with each department and constitutional officers, a proposed budget is submitted to the public by Board resolution and public hearings are held to obtain comments from the citizenry. A last public hearing is then held, and the final budget is adopted. Walton County follows the laws of Florida regarding the control, adoption, and amendment of the budget during each fiscal year; however, the County Administrator approves all departmental budgetary changes by means of a signed budget transfer form. The Board of County Commissioners approves all motions made for inter-divisional transfers and increases in the total budget for a division that occurs due to unanticipated grants or after a public hearing for special expenditures that need to be made from reserves.

Local Economy. Located in the Panhandle of Florida, tourism and its related industries continue to fuel the local economy; however, the County realizes the need to broaden economic opportunities by attracting more diversified businesses and jobs. While most Walton County citizens are employed in the service or government sector, the need for employment diversity has never been more critical than it is now. The Mossy Head Industrial Park has added to our employment base and offers our citizens more employment options. The 350-acre property with connections to Interstate 10, U.S. Highway 90 and State Road 285 currently has eleven businesses on site including FedEx Ground. Walton County's high quality of living serves as a great attraction for both individuals and their families. Our commitment to responsible growth furthers that opportunity.

While the economy continues to grow at a modest rate, there were some bright spots from our local economy. The September 2024 unemployment rate for Walton County was 3.20%, which is 5.88% below the state unemployment rate of 3.40% and 17.95% below the federal unemployment rate of 3.90%.

The beaches of South Walton are an integral part of the local economy with an annual economic impact of approximately $6 billion according to research conducted for the Walton County Tourist Development Council (TDC). Visitors to Walton County are primarily drawn here by our world class beaches and by the abundance of choices in both retail and dining. The number of visitors to our area has continued to increase over the years, tourist development taxes (TDT) collected for 2024 topped the $60.42 million mark. The 0.23% minimal increase in collections from prior year can be attributed to inflationary pressure on the real estate rental market. We expect TDT collections in 2025 to remain flat as the economy cools down and the average daily rate of accommodations located in Walton County continues to fall.

In the last decade, the real estate market has been our hardest hit sector. However, the real estate market has stabilized and grown significantly. Real property values increased 13.39% in 2021, increased 23.74% in 2022, increased 19.26% in 2023 and increased 13.41% in 2024. Overall, real property values have increased 207.31% in the last ten years. We expect an increase in 2025 as the economy continues to improve and home inventories begin to move. The biggest concern for our citizenry in recent times has been the rate of foreclosure filings. Over the last year, foreclosure case filings in Walton County increased by 33.33% from the previous year. The increase is primarily due to the moratorium on foreclosures due to the Covid-19 global pandemic being lifted in 2022. We anticipate an increase in 2025.

Long-term financial planning. Walton County has obtained 350 acres of land in the Mossy Head area that is in a prime location bordering Interstate 10 to the south and State Road 285 and US Highway 90 to the north. Additionally, the CSX rail line has a main track which runs along the entire northern boundary. The site has enough land to accommodate larger operations which few sites within a fifty-mile radius have available. The intended use of this property has been to develop a mixed-use commercial/industrial park and to supply employment opportunities for the substantial population growth that is predicted for the northern part of the county. Specific businesses that will be targeted include manufacturing and distribution, and research and development companies.

In 2014, Love's Truck Stops became the first company to purchase and open a business in the Mossy Head Industrial Park. Subsequently, several other businesses have invested in the property at the site including Brigman Properties, Empire Truck Service and Sales, and Southern Tire Mart.

Ultimately, development of this park will diversify the County's economic base from the tourism-oriented jobs in the southern part of the county and provide employment opportunities that will improve the standard of living for all residents of Walton County**.**

Relevant financial policies. For fiscal year 2025, the Walton County Board of County Commissioners (Board) adopted a budget that showed the same millage rate as the 2024 general county millage rate. However, the Board's final adopted millage rate of 3.600 mills is a decrease of 0.99% from the 2015 general county millage rate.

The Board moved quickly to control spending during the 2024 budgeting process due to a slight increase in projected revenues. The 2025 budget will continue the trend of past budgets with minimal growth projected in both revenues and expenses.

The Walton County Investment Committee monitors the County's investment portfolio in accordance with the County's written investment policy. Investment earnings are used to offset any projected revenue shortfalls in the budget. In 2024, Walton County's investment portfolio had a rate of return of 4.51%.

Major initiatives. The four-laning of U.S. Highway 331 has been a priority of the County Commissioners for a number of years. Safety concerns are paramount as this roadway is the only north-south hurricane evacuation route in Southern Walton County. These twenty-six miles of highway was completed in 2018.

In 2017, the county purchased a 24-unit business complex in Freeport for $1.92 million. After renovation of this building was completed, several county departments moved in. They include the planning, building and code enforcement departments in this centralized location rather than in both Defuniak Springs and Santa Rosa Beach. Additionally, satellite offices of the Tax Collector and Sheriff's department opened in 2019.

In 2009, the permitting process began on the restoration of the 12.9-mile stretch of beaches at Seagrove, Blue Mountain, Inlet, and Dune Allen. The permitting process for this federal project can take several years to complete. The approximate cost of this restoration is estimated to be between $60 and $70 million. The restoration will be paid for with tourist development taxes and federal and state funds should they become available. At present, this project is on hold pending further review by the Board of County Commissioners.

As stated previously, the U.S. Highway 331 corridor is a major north and southbound artery that is significant to this region regarding its functional classification as well as its economic impact. Currently, there are areas along the corridor that do not have access to water and wastewater services. The need to upgrade and extend water and wastewater services along this corridor is vital to meet the economic and environmental needs of the City of DeFuniak Springs, the City of Freeport and Walton County. These upgrades could potentially have a transformational impact countywide. Without these water and wastewater services, any additional development would be impossible along this corridor.

The cost of the upgrades is projected to be over $44 million. The Walton County Board of County Commissioners in conjunction with the City of DeFuniak Springs and the City of Freeport are requesting $27 million over a three-year period from Triumph Gulf Coast, Inc. Additionally, dedicated matching funds for the project will consist of the following:

1. $12 million from Walton County RESTORE ACT POT 3 funds
2. $5 million from Walton County RESTORE ACT POT 1 funds

POT 1 funding will be available and dedicated to match this project over a three-year period. POT 3 funding will be available over a 15-year period. If the project is approved, Walton County intends to borrow or bond the anticipated revenue immediately so that the funding will be available for construction during the three-year development process.

If funding is approved, the project is expected to be completed in 2025.

Finally, on August 16, 2019, the Triumph Gulf Coast Board of Directors approved a $1,742,407 grant to a joint Walton County Board of County Commissioners, City of DeFuniak Springs and the Walton County Economic Development Alliance request to address water and sewer needs along an approximately four mile stretch from I-10 South along US Highway 331. Combined with a three million dollar Restore Act grant to fund the $4,742,407 project.

The Triumph grant has two performance requirements. They are:

1. The acquisition of property along the four-mile corridor for development of an industrial park.

2. Creation of at least 100 Florida Qualified Targeted Industry jobs.

The creation of the 100 jobs must be accomplished within four years of the completion of the water and sewer project. Failure to achieve those numbers could result in the forfeiture of some or all the Triumph dollars.

On December 30, 2019, utilizing a loan of $2.3 million dollars from the Walton County Board of County Commissioners, the Economic Development Alliance acquired approximately 250 acres of land on US Highway 331 situated three miles south of I-10 for development, thereby fulfilling the first performance requirement.

Groundbreaking for the four-mile water/sewer project occurred in the Spring of 2020. This project has been completed.

Awards. The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Walton County, Florida for its annual comprehensive financial report for the fiscal year ended September 30, 2023. This was the twenty-third consecutive year that Walton County has received this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

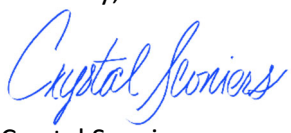
A Certificate of Achievement is valid for a period of one year only. We believe that our current annual comprehensive financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

Acknowledgements. This Annual Comprehensive Financial Report is a result of the tremendous effort and dedication given by the Finance Department of the Clerk of Courts & County Comptroller of Walton County. Your hard work is evident in this report. Thank you!

We would also like to thank the staff of the Office of Management and Budget for their cooperation and assistance during this process.

Finally, we would like to thank the accounting firm of Carr, Riggs & Ingram, LLC and specifically Tyler Dunaway, Madison Starling, and Breana Johnson for their contribution to the publication of this document.

Sincerely,



Crystal Sconiers
Clerk of the Circuit Court & Comptroller

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Walton County
Florida

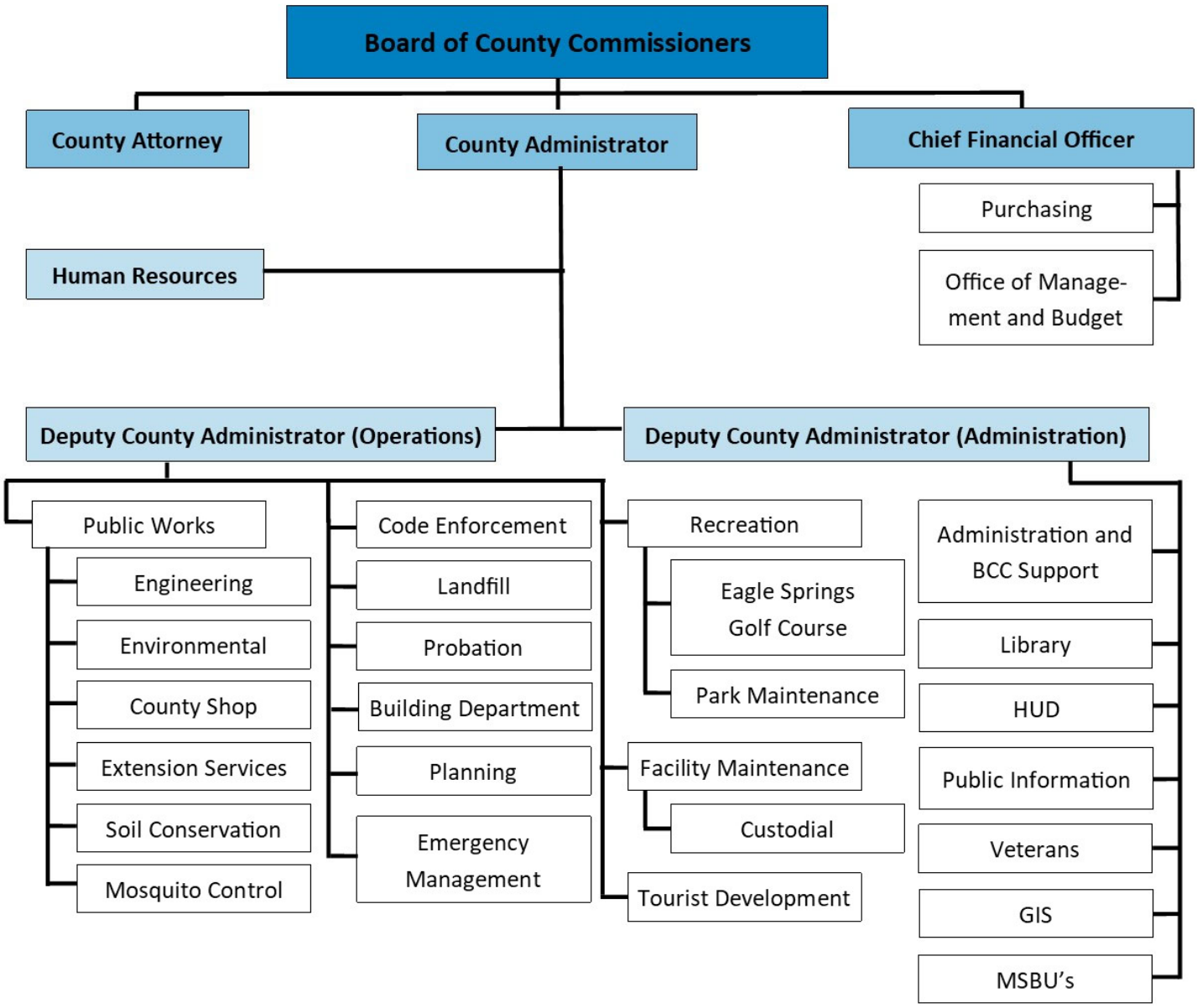
For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2023

Christopher P. Morrill

Executive Director/CEO

Walton County, Florida Organizational Chart



FINANCIAL SECTION

- **INDEPENDENT AUDITORS' REPORT**
- **MANAGEMENT'S DISCUSSION AND ANALYSIS**
- **BASIC FINANCIAL STATEMENTS**
- **COMBINING AND INDIVIDUAL FUND STATEMENTS**

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INDEPENDENT AUDITOR'S REPORT

Honorable Members of the
Board of County Commissioners
Walton County, Florida

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component unit, 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 major governmental special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 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 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, on pages 13 through 25, schedule of changes in total OPEB liability and related ratios, schedule of employer's proportionate share of the net pension liability – Florida Retirement Systems Pension Plan, schedule of employer contributions – Florida Retirement Systems Pension Plan, schedule of employer's proportionate share of the net pension liability – Health Insurance Subsidy Program and schedule of employer contributions – Health Insurance

Subsidy Program, on pages 99 through 104, 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 (GASB), who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual non-major fund financial statements and schedules, and capital assets used in the operation of governmental funds schedules 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 the *Florida Single Audit Act*; and the schedule is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules, capital assets used in the operation of governmental funds schedules, and the schedule of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

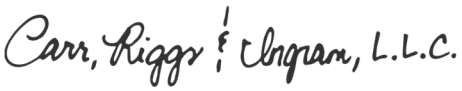
Other Information

Management is responsible for the other information included in the annual comprehensive financial report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 4, 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.



CARR, RIGGS & INGRAM, L.L.C.

Enterprise, Alabama
March 4, 2025

Management's Discussion and Analysis

This section of the report provides readers with a narrative overview and analysis of the financial activities of Walton County for the fiscal year ended September 30, 2024. We encourage readers to consider the information presented here in conjunction with the letter of transmittal, beginning on page 1, and the County's financial statements.

Financial Highlights

- Walton County's primary government assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources (net position) by $652,001,834 for fiscal year 2024 as compared to $567,849,276 for fiscal year 2023. Unrestricted net position may be used to meet the County's ongoing obligations to citizens and creditors. Unrestricted net position at September 30, 2024, was $145,217,033, an increase of $31,265,971 from the previous year.

- The County's total primary government net position for fiscal year 2024 increased $84,152,558 over fiscal year 2023.

- At September 30, 2024, the County's governmental funds reported a combined ending fund balance of $370,262,589, an increase of $53,282,796 over the prior year.

- The General Fund reported an unassigned fund balance of $50,201,795 at September 30, 2024.

- The County reported total outstanding notes payable, subscriptions and lease debt of $15,410,185 at September 30, 2024, a decrease of $967,666 from the prior year.

- The primary government's net pension and post-employment benefit liabilities decreased $351,230 in fiscal year 2024 to a total obligation of $149,874,334.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to Walton County's financial statements, which include government-wide statements, fund statements, and notes to the basic financial statements. This report also contains additional supplementary information following the financial statements, which may be of interest to the reader.

Government-wide Financial Statements

Government-wide financial statements, which consist of the Statement of Net Position and the Statement of Activities, are designed to provide readers with a broad overview of the financial position of Walton County and are similar to private-sector financial statements. These statements begin on page 26 of the report.

The Statement of Net Position shows the County's assets and deferred outflows of resources less its liabilities and deferred inflows of resources at September 30, 2024. The difference between these assets and deferred outflows and liabilities and deferred inflows is reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The Statement of Activities follows the Statement of Net Position and presents information showing how the net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (such as uncollected taxes or earned but unused vacation leave).

Governmental activities reported in the statements include general government, public safety, physical environment, transportation, economic environment, human services, culture and recreation, and interest on long-term debt.

The government-wide financial statements include both the County itself (known as the primary government) and Florida Community Services Corporation, a legally separate component unit formed to acquire and improve existing water distribution facilities in southern Walton County.

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. Walton County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All funds of the County can be divided into three categories: governmental, proprietary, and fiduciary funds.

Governmental Funds

Governmental funds account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements and available resources.

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

Governmental funds individually presented in Walton County's statements include six major funds: the General Fund, the County Transportation Fund, the Fine and Forfeiture Fund, the Tourist Development Fund, the Solid Waste Landfill Fund, and the Capital Projects Fund. Data from the other governmental funds are combined into a single, aggregated column titled "other governmental funds." Combining statements for these other governmental funds have been presented in the supplementary information section of this report.

The County adopts an annual appropriated budget for each of its governmental funds. A budgetary comparison statement has been provided for the major funds to demonstrate budgetary compliance.

The government funds financial statements begin on page 30.

Proprietary Funds

Walton County maintains and presents one type of proprietary fund, an internal service fund, starting on page 41.

The County uses the internal service fund to report funded and accrued compensated absences.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not included in the government-wide financial statements because the resources of these funds are not available to support the County's own operations.

Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in both the government-wide and fund financial statements. The notes to the financial statements can be found beginning on page 46.

Other Information

This report presents certain required supplementary information on pages 99 to 103 concerning Walton County's progress in funding its obligation to provide pensions and other post-employment benefits to its employees.

Government-Wide Financial Analysis

Comparative data for fiscal years ending September 30, 2023, and 2024 are shown below:

Net Position-Governmental Activities

For the fiscal year ended September 30,	2023	**2024**
Assets		
Current and other assets	$ 362,307,845	**$ 418,863,953**
Capital assets	407,103,825	**441,659,936**
Total assets	769,411,670	**860,523,889**
Deferred Outflows of Resources	45,629,202	**47,260,494**
Liabilities		
Current liabilities	45,771,065	**50,209,947**
Noncurrent liabilities	176,893,267	**177,631,161**
Total liabilities	222,664,332	**227,841,108**
Deferred Inflows of Resources	24,527,264	**27,941,441**
Net Position		
Net investment in capital assets	392,620,974	**427,884,751**
Restricted	61,277,240	**78,900,050**
Unrestricted	113,951,062	**145,217,033**
Total Net Position	$ 567,849,276	**$ 652,001,834**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The overall financial position of the County continued to improve in both fiscal years 2023 and 2024. The net position for fiscal years ending September 30, 2023 and 2024, increased $58,714,930 and $84,152,558, respectively.

A portion of Walton County's net position (22.3%) represents unrestricted net position of $145,217,033, which may be used to meet the County's ongoing obligations to citizens and creditors. The increase in unrestricted net position reflects the continued growth within the County during fiscal year 2024.

A portion of the County's net position (10.8% at September 30, 2023, and 12.1% at September 30, 2024) represents resources that are dedicated or subject to external restrictions on how they may be used. The overall dollar increase in restricted net position was $17,622,810 for fiscal year 2024. The increase in restricted net position is principally due to increases in net position restricted for public safety and transportation, with the primary contributor being funds carried over into fiscal year 2025 to be utilized as grant matching funding for the Walton County Sheriff's Office P25 Radio Project awarded by TRIUMPH Gulf Coast in fiscal year 2025.

The County's investment in capital assets such as land, buildings, and equipment, as a percentage of net position, amounts to 69.1% and 65.6% at September 30, 2023 and 2024, respectively, and accounts for the largest portion of the County's net position. These asset values are presented less any outstanding debt related to the acquisition and accumulated depreciation of those assets. The County uses capital assets to provide services to the citizens and consequently these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

A comparison of current unrestricted assets as compared to current unrestricted liabilities can be a good indication of the County's ability to meet its current and existing operational responsibilities.

The ratio for both years is as follows:

Comparison of Current Unrestricted Assets and Liabilities-Governmental Activities

September 30,	2023	**2024**
Current unrestricted assets	$ 350,805,760	**$ 406,270,688**
Current unrestricted liabilities	45,771,065	**50,209,947**
Ratio of current assets to current liabilities	7.66	**8.09**

The County continues to maintain healthy ratios as noted above, which indicates more than adequate cash flows to Walton County.

Changes in Net Position-Governmental Activities

September 30,	2023	**2024**
Revenues		
Program revenue:		
Charges for services	$ 28,877,694	**$ 22,360,826**
Operating grants and contributions	11,265,992	**9,761,042**
Capital grants and contributions	3,832,396	**12,170,972**
General revenues:		
Property taxes	112,383,931	**132,908,597**
Other taxes	129,921,928	**130,190,613**
Other	24,096,733	**29,138,410**
Total revenues	310,378,674	**336,530,460**
Expenses		
General government	54,568,286	**52,030,374**
Public safety	94,520,762	**94,673,472**
Physical environment	20,207,905	**20,269,267**
Transportation	30,153,976	**28,880,405**
Economic environment	35,057,836	**43,080,633**
Human services	9,302,815	**4,673,191**
Culture/recreation	7,245,685	**8,191,425**
Interest on long-term debt	606,479	**579,135**
Total expenses	251,663,744	**252,377,902**
Increase in net position	58,714,930	**84,152,558**
Net Position – Beginning	509,134,346	**567,849,276**
Net Position – Ending	$ 567,849,276	**$ 652,001,834**

Governmental Activities

Revenues in fiscal year 2024 include increases of $20,524,666 in property taxes related to rising overall property values and growth throughout the County. Other taxes remained relatively flat, with only a slight increase of $268,685, indicating stable consumer and business activity throughout the year. The increase of $8,338,576 in capital grants and contributions can be attributed to work completed on several large grant-funded projects including the Rock Hill Road Phase 1 Widening and Resurfacing project, the East County Road 30A Road and Bridge construction project at Deer Lake, the Holiday Shores Phase 1 Pedestrian and Drainage Improvement project, and the Choctaw Beach Fire Station construction project. A net increase in investment earnings of $6,410,608 was recognized in 2024, continuing the trend of higher returns on investments as a result of rising interest rates.

The County saw an increase in deferred inflows of resources of $3,414,177 due to adjustments in pension and other post-employment benefit (OPEB) actuarial assumptions. These deferred inflows reflect changes in long-term obligations and financial reporting adjustments required under governmental accounting standards.

All of the above factors contributed to Walton County posting a $84,152,558 increase in net position for governmental activities in 2024.

Governmental Funds

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

The County's governmental funds reported combined ending fund balances of $316,979,793 at the end of fiscal year 2023 and $370,262,589 at the end of fiscal year 2024. This was an increase of $53,282,796 over the prior year. The unassigned General Fund balances of $41,219,781 at September 30, 2023, and $50,201,795 at September 30, 2024, were available for spending at the County's discretion. Governmental funds held restricted, committed, or assigned amounts totaling $317,501,088 in 2024 to reflect the various constraints placed on those resources for future use, as well as $2,559,706 for non-spendable amounts, reflecting items such as inventory and prepaid items.

Major Fund Information

	General Fund	County Transportation	Fine and Forfeiture
Fiscal Year 2024			
Revenues and other sources	$ 178,753,592	$ 31,819,737	$ 97,761,815
Expenditures and other uses	164,522,511	27,037,561	86,448,564
Increase (decrease) in fund balance	$ 14,231,081	$ 4,782,176	$ 11,313,251
Fiscal Year 2023			
Revenues and other sources	$ 87,432,904	$ 31,913,505	$ 85,846,800
Expenditures and other uses	80,034,869	25,881,203	76,859,650
Increase (decrease) in fund balance	$ 7,398,035	$ 6,032,302	$ 8,687,150

	Tourist Development	Solid Waste Landfill	Capital Projects
Fiscal Year 2024			
Revenues and other sources	$ 70,236,909	$ 42,325,082	$ 14,230,634
Expenditures and other uses	51,432,457	36,423,596	13,868,194
Increase (decrease) in fund balance	$ 18,804,452	$ 5,901,846	$ 362,440
Fiscal Year 2023			
Revenues and other sources	$ 66,999,376	$ 40,448,920	$ 11,536,766
Expenditures and other uses	47,968,375	32,097,664	10,544,329
Increase (decrease) in fund balance	$ 19,031,001	$ 8,351,256	$ 992,437

General Fund

The General Fund is the chief operating fund of the County. At September 30, 2024, the total fund balance in the General Fund was $64,092,062, of which $50,201,795 was unassigned. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 70.9% of total 2024 expenditures, while total fund balance is 90.5% of the same amount. For fiscal year 2023, unassigned fund balance represented 59.1% of total expenditures, while total fund balance was 71.5% of the same amount.

Total revenues in the General Fund increased by 107.1%, from $84,668,386 in FY 2023 to $175,273,374 in FY 2024, representing an increase of $90,604,988. This substantial growth is primarily attributed to the reallocation of all ad valorem tax revenue directly into the General Fund, whereas in previous years, portions of this revenue were distributed among the General Fund, County Transportation Fund, and Fine & Forfeiture Fund. This increase was partially offset by a decrease in revenues generated from a non-ad valorem assessment levied in prior years when the County had two operating hospitals. This levy was part of a Florida AHCA program that allowed the hospitals to defray their costs associated with indigent care and provide additional funding for

graduate medical education. In prior years, having at least two hospitals operating within the County was a requirement for the levy of this assessment, and the closure of one hospital operating within the County eliminated the option for the County to levy this assessment.

Total expenditures in the General Fund increased by 1.6%, from $69,728,157 in FY 2023 to $70,846,224 in FY 2024, representing an increase of $1,118,067. This increase reflects rising personnel costs, inflationary effects on operational expenses, and increased spending on public safety and general government services, offset by a decrease in expenditures related to the non-ad valorem assessment levied in prior years that was not levied for fiscal year 2024 following the closure of one of the hospitals operating within Walton County.

Other Major Governmental Funds

The major governmental funds table also discloses information regarding the other five major governmental funds of the County. Data for the County Transportation, Fine and Forfeiture, Tourist Development Council, Solid Waste Landfill, and Capital Projects funds are presented for fiscal years 2023 and 2024.

The County Transportation Fund accounts for motor fuel taxes and various grants to finance road and bridge construction and maintenance. State statutes govern how these funds are to be used. Fiscal year 2024 showed a decrease of $793,908 in revenues from fiscal year 2023, and an increase in expenditures of $1,255,958 for the same period. The largest factor in the decline in revenues for fiscal year 2024 is the reclassification of ad valorem taxes to the County Transportation Fund. These were recorded directly to County Transportation Fund revenues in prior years but beginning in fiscal year 2024 these are recorded as tax revenue in the General Fund and a transfer into the County Transportation Fund. Miscellaneous revenues also decreased due to a decrease in proportionate fair share funded transportation projects in fiscal year 2024. These decreases were offset by increasing intergovernmental revenues from grants for road and bridge projects. The primary project driving the increase in intergovernmental revenues was the Rock Hill Road Phase 1 Widening and Resurfacing project.

The Fine and Forfeiture Fund accounts for fines and forfeitures, special assessments, and various grants used to finance law enforcement. In fiscal year 2024, revenues decreased significantly by $74,147,713, from $84,142,962 in 2023 to $9,995,249 in 2024. This sharp decline is due to the reclassification of ad valorem tax revenues, which were in prior years allocated directly as tax revenue to the Fine and Forfeiture Fund but are now allocated to the General Fund. The necessary funding for law enforcement activities is instead supported through transfers from the General Fund, reflected in the Other Financing Sources section. The increase in expenditures of $9,588,914 can be attributed to increases in normal budgeted operating and capital expenses.

The Tourist Development Fund accounts for the local option tourist development tax arising from activities related to the tourist industry. Its use is governed by State statute for promotion of the tourism industry, as well as beach maintenance and renourishment. The increased revenues of $3,172,643 in 2024 over 2023 can be attributed to an increase in investment earnings of $2,187,798 and an increase in administrative fees that allow the Tourism administrative function to allocate salary expenditures for other functions within the Tourism Department. All salary and benefit expenditures are initially allocated to the administrative function and are reallocated, so each penny levied is appropriately charged for the salaries and benefits supporting that function within

the organization. Overall expenditures increased $3,464,082 in fiscal year 2024, reflecting an increase in overall operating expenditures, including salaries and benefits, promotional expenses, and expenditures paid to the Sheriff's Office related to beach safety and beach ambassadors. Tourist development tax funds are not available for the County to use for general government operation.

The Solid Waste Landfill Fund utilizes a one-cent small county sales tax to pay for the operation of a landfill and provide garbage and yard debris collection to County residences. For fiscal year 2024, revenues from this sales tax remained relatively stable, with a modest increase of $910,296 compared to 2023. Solid waste expenditures increased $1,434,382 in fiscal year 2024, reflecting overall increases in operating costs as well as capital expenditures related to the construction of a new solid waste recycling facility. The balance of the fund is restricted, committed, or assigned to fund remaining costs on capital projects, acquisition of land for landfill expansion, landfill closure costs, economic development, and road paving.

Within the Solid Waste Landfill Fund, deposits are made to the fund's other cash and cash equivalents account for the purpose of complying with federal and state laws and regulations related to funding the minimum estimated landfill closure and post-closure costs. This requires the County to annually deposit funds in an interest-bearing account for the purpose of funding these costs. This amount is shown as a restricted asset within the fund and was $3,013,452 at September 30, 2023. This was increased to $4,131,017 at September 30, 2024.

The Capital Projects Fund manages allocations for specific capital improvement projects not budgeted within another fund. Revenues increased for this fund in fiscal year 2024 due primarily to grants received for the Choctaw Beach Fire Station construction project, the Holiday Shores Phase 1 Pedestrian and Drainage Improvement project, and the County-wide Broadband Project. This fund also receives transfers in from the General Fund that are utilized for stormwater and other infrastructure projects, primarily south of the Choctawhatchee Bay, as well as payments on the capital projects loan. Capital Projects Fund expenditures increased $3,323,865 in fiscal year 2024 due to the construction of the new Building Department Facility in DeFuniak Springs and the Choctaw Beach Fire Station.

General Fund Budgetary Highlights

Budget and actual comparison statements are provided in the financial statements for the General Fund on pages 34 through 36. Budget columns are provided for both the original budget adopted for fiscal year 2024 as well as the final budget.

A comparison of the original budget to the final budget for General Fund revenues shows large revenue budget adjustments in intergovernmental revenues as well as licenses and permits. Budget adjustments for intergovernmental revenues included increases related to budgeting for grant funds. The primary sources of these funds were the American Rescue Plan Act, a National Fish and Wildlife grant for Coastal Dune Hydrologic Restoration project at Deer Lake and Little Redfish Lake, and Natural Resource Damage Assessment (NRDA) grant funds budgeted for the Florida Artificial Reef Creation and Restoration Phase II Project, as well as other State and Federal grants.

A comparison of the final budget to actual General Fund revenues shows lower intergovernmental revenues than anticipated, primarily attributable to grant projects that span multiple years and were not completed in fiscal year 2024.

Differences between the General Fund fiscal year 2024 original budget and final amended budget totaled $21,251,168 to Board of County Commissioner accounts. The General Fund budget changes can be summarized as follows:

- $19,523,175 rolled forward from fiscal year 2023 for grants and projects not completed in FY 2023
- $1,326,144 for new grants received in FY 2024
- $152,675 in unanticipated revenues from the Short-term rental certification program and Development Order Inspection fee.
- $135,044 for unanticipated increases in operating expenditures for the Constitutional Offices
- $65,000 in unanticipated revenues from the Vessel Registration fee program.
- $49,130 in unanticipated revenues from recreation programs and Eagle Springs Golf Course Centennial Sponsorships.

General Fund expenditures were $30,093,332 less than budgeted. The primary component of that difference consisted of $25,578,513 in grant and project funding not expended in the current year but carried over to the next fiscal year. Additionally, the difference was influenced by $1,003,057 in machinery and equipment encumbered but not yet expended and carried forward into fiscal year 2025, as well as $3,322,152 in unspent salary and benefit costs resulting from delays in filling vacancies.

Capital Asset and Debt Administration

The County's investment in capital assets for its governmental activities, net of accumulated depreciation, as of September 30, 2023, amounted to $407,103,821, and at September 30, 2024, amounted to $441,659,936. This investment includes capital assets subject to depreciation, such as infrastructure, buildings, and equipment as well as capital assets not subject to depreciation such as land and construction in progress. The total increase in the County's investment in capital assets for the current fiscal year was 8.5%.

Major capital events during the current fiscal year include the following:

- The purchase of a beachfront parcel on County Hwy 30A for $6,771,363.
- Completion of the Record Storage Building at a cost of $1,254,180.
- Completion of the Douglass Crossroads and Knox Hill Road Improvement project at a cost of $7,431,567.
- Completion of the County Road 283 and 30A Intersection Improvement project at a cost of $1,880,795.
- Completion of the County Road 83 & 30A Intersection Improvement project at a cost of $1,682,894.
- Construction in progress at September 30, 2024, consisted mostly of the following:
    - $16,420,735 for transportation and stormwater infrastructure projects
    - $9,937,142 in beach access and beach parking projects
    - $11,138,522 for the new Building Department facility in DeFuniak Springs

- $2,490,646 for the Choctaw Beach Fire Station
- $2,873,548 for the renovation of the facility adjacent to Walton County Public Works for the County's Fleet Management Department
- $1,868,250 for infrastructure related to the County's Broadband Network project
- $1,011,202 for infrastructure improvements at County Park facilities, including a 10-acre expansion at Helen McCall Park

Capital Assets (Net of Depreciation)

September 30,	2023	**2024**
Land	$ 143,889,631	**$ 150,684,032**
Buildings	61,391,259	**58,414,479**
Infrastructure	96,797,791	**110,949,244**
Improvements other than buildings	37,081,326	**35,904,982**
Construction in progress	39,587,022	**49,854,675**
Equipment	26,674,514	**33,130,486**
Right of use assets – equipment	1,408,342	**1,960,980**
Right of use assets – buildings	273,936	**214,531**
Right of use assets – subscription	-	**546,527**
Total	$ 407,103,821	**$ 441,659,936**

Additional information on the County's capital assets can be found in Note 2 on page 72 through 74 of this report.

Long-Term Debt

The County had $12,820,653 in notes payable at September 30, 2024, of which $2,110,906 is due for repayment during fiscal year 2025.

September 30,	2023	**2024**
Notes payable		
Capital Projects Loan	$ 14,860,990	**$ 12,820,653**
Total	$ 14,860,990	**$ 12,820,653**

During the current fiscal year, the County's outstanding notes payable decreased by $2,040,337, or 13.7%. This decrease during the current year can be attributed to normal debt service principal reductions.

The Constitution of the State of Florida, Florida Statute 200.181 and Walton County set no legal debt limit. Additional information on the County's long-term debt can be found in Note 2 on page 75 of this report.

Economic Factors and Next Year's Budget and Rates

The unemployment rate for the County at September 30, 2024, was 3.2%, an increase from the 2.9% rate reported at September 30, 2023.

The number of single-family dwelling permits issued in 2024 was 2,928, compared to 2,664 in fiscal year 2023. This is a 9.9% increase from the previous year.

Walton County's population increased 5.3% from the fiscal year ending September 30, 2023, to a total population of 87,728.

The general ad valorem tax rate for fiscal year 2024 was 3.6000 mills, and 3.6000 mills for the upcoming 2025 fiscal year.

Request for Information

This financial report is designed to present users with a general overview of the County's finances for all those with an interest in our government. Questions concerning any of the information provided in this report or requests for additional financial information may be addressed to the County's Chief Financial Officer at 176 Montgomery Circle, DeFuniak Springs, Florida 32435, or the Director of Administrative Services for the Clerk of the Court, P.O. Box 1260, DeFuniak Springs, Florida 32435. Additional information can also be found on the County's web site: http://www.mywaltonfl.gov.

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WALTON COUNTY, FLORIDA

Basic Financial Statements

September 30, 2024	Primary Government Governmental Activities	Component Unit
Assets		
Current assets		
Cash and cash equivalents	$ 315,350,082	$ 34,284,887
Cash - designated for construction	-	55,442,244
Investments	62,300,646	-
Investments - designated	-	20,000,000
Accounts receivable, net	5,742,105	4,008,786
Accounts receivable-developer agreements, net	-	1,146,506
Due from other governments	22,006,649	-
Inventory	772,580	5,454,335
Prepaid items	98,626	94,712
Restricted assets		
Cash and cash equivalents	8,279,741	-
Investments	8,600	-
Total current assets	414,559,029	120,431,470
Noncurrent assets		
Restricted cash		
Debt service fund	-	3,716,714
Renewal and replacement fund	-	1,570,369
Customer's deposits	-	3,057,507
Accounts receivable-developer agreements, net	-	1,306,456
Accounts receivable-installment agreements	-	1,915,827
Lease receivable	-	850,205
Due from other governments	2,610,969	-
Loans receivable	1,693,955	-
Capital assets		
Non-depreciable	200,538,707	18,487,466
Depreciable, net	238,399,191	164,500,807
Right-to-use assets, net	2,722,038	-
Total noncurrent assets	445,964,860	195,405,351
Total assets	860,523,889	315,836,821
Deferred Outflows of Resources		
Deferred outflows related to pension	36,111,694	-
Deferred outflows related to post-employment benefits	11,148,800	-
Deferred losses on debt refundings	-	169,234
Total deferred outflows of resources	47,260,494	169,234

-Continued-

September 30, 2024	Primary Government Governmental Activities	Component Unit
Liabilities		
Current liabilities		
Accounts payable	$ 12,672,182	$ 372,565
Accrued liabilities	6,928,126	76,763
Accrued interest payable	115,774	-
Due to other governments	6,072,464	-
Due to individuals	49,161	-
Deposits	4,616,984	-
Unearned revenue	14,274,850	-
Landfill closure costs	2,471	-
Compensated absences	1,255,077	-
Payable from restricted assets		
Accrued interest payable	-	239,514
Bonds payable	-	385,000
Notes payable	-	1,459,000
Lease obligations	628,728	-
Subscription liability	269,424	-
Other post-employment benefit obligation	1,213,800	-
Notes payable	2,110,906	-
Total current liabilities	50,209,947	2,532,842
Noncurrent liabilities		
Customer deposits	-	3,057,507
Notes payable	10,709,747	11,318,000
Lease obligations	1,414,277	-
Subscription liability	277,103	-
Bonds payable	-	3,201,995
Net pension liability	118,394,334	-
Other post-employment benefit obligation	30,266,200	-
Landfill closure cost	11,136,357	-
Compensated absences	5,433,143	426,869
Total noncurrent liabilities	177,631,161	18,004,371
Total liabilities	227,841,108	20,537,213
Deferred Inflows of Resources		
Deferred inflows related to pension	12,379,058	-
Deferred inflows related to post-employment benefits	12,861,800	-
Deferred inflows related to leases	89,614	885,486
Unavailable revenue on settlement allocations	2,610,969	-
Total deferred inflows of resources	27,941,441	885,486

-Continued-

September 30, 2024	Primary Government Governmental Activities	Component Unit
Net Position		
Net investment in capital assets	$ 427,884,751	$ 166,793,512
Restricted for:		
Debt service	51,434	5,287,083
Capital projects	5,183,655	-
General government	949,535	-
Public safety	34,866,956	-
Transportation	36,894,286	-
Economic environment	12,752	-
Human services	941,432	-
Unrestricted	145,217,033	122,502,761
Total net position	$ 652,001,834	$ 294,583,356

Walton County, Florida
Statement of Activities

For the year ended September 30, 2024

Functions/Programs	Expenses	Program Charges for Services
Primary Government		
Governmental Activities		
General government	$ 52,030,374	$ 8,815,285
Public safety	94,673,472	8,953,876
Physical environment	20,269,267	660,399
Transportation	28,880,405	-
Economic environment	43,080,633	2,386,291
Human services	4,673,191	18,354
Culture/recreation	8,191,425	1,526,621
Interest on long-term debt	579,135	-
Total primary government	$ 252,377,902	$ 22,360,826
Component Unit		
Florida Community Services Corporation	$ 34,455,369	$ 31,430,303

General Revenues	
Property taxes	
Gasoline taxes	
Sales tax	
Tourist development tax	
Other taxes	
Investment earnings	
Miscellaneous	
Gain (loss) on disposition of equipment	
Total general revenues	
Change in net position	
Net position, beginning of year	
Net position, end of year	

The accompanying notes are an integral part of these financial statements.

Revenues			Net (Expense) Revenues and Changes in Net Position	
	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government Governmental Activities	Component Unit
$	1,494,922	$ -	$ (41,720,167)	$ -
	3,980,099	3,168,551	(78,570,946)	-
	200,354	1,323,132	(18,085,382)	-
	-	1,528,290	(27,352,115)	-
	3,882,317	4,830,994	(31,981,031)	-
	203,350	-	(4,451,487)	-
	-	1,320,005	(5,344,799)	-
	-	-	(579,135)	-
$	9,761,042	$ 12,170,972	(208,085,062)	-
$	-	$ 9,226,821	-	6,201,755
			132,908,597	-
			7,546,230	-
			57,838,469	-
			60,422,004	-
			4,383,910	-
			16,261,631	1,876,327
			13,588,098	12,651,676
			(711,319)	389,524
			292,237,620	14,917,527
			84,152,558	21,119,282
			567,849,276	273,464,074
			$ 652,001,834	$ 294,583,356

Walton County, Florida
Balance Sheet
Governmental Funds

September 30, 2024	General	County Transportation	Fine and Forfeiture
Assets			
Cash and cash equivalents	$ 60,771,472	$ 29,845,627	$ 32,648,831
Investments	15,883,088	6,339,601	2,556,657
Receivables, net	500,580	17,519	1,347,666
Due from other governments	11,978,475	2,130,011	838,697
Due from other funds	400,883	-	1,000,866
Inventories	140,537	390,041	-
Prepaid items	67,959	-	5,755
Restricted assets:			
Cash and cash equivalents	2,373,773	1,732,117	-
Investments	-	-	-
Loans receivable	1,693,955	-	-
Total assets	$ 93,810,722	$ 40,454,916	$ 38,398,472
Liabilities			
Accounts payable	$ 2,808,677	$ 1,123,787	$ 1,410,513
Accrued liabilities	2,809,706	255,557	3,414,112
Due to other governments	638,743	41,609	70,112
Due to individuals	-	-	-
Deposits	2,535,766	1,732,117	7,712
Due to other funds	5,648,896	-	2,893
Unearned revenue	12,576,289	17,519	80,884
Total liabilities	27,018,077	3,170,589	4,986,226
Deferred Inflows of Resources			
Unavailable revenue on settlement allocations	2,610,969	-	-
Deferred inflows related to leases	89,614	-	-
Total deferred inflows of resources	2,700,583	-	-
Fund Balance			
Nonspendable	1,902,451	390,041	-
Restricted	659,524	36,894,286	33,412,246
Committed	2,890,000	-	-
Assigned	8,438,292	-	-
Unassigned	50,201,795	-	-
Total fund balance	64,092,062	37,284,327	33,412,246
Total liabilities, deferred inflows of resources, and fund balance	$ 93,810,722	$ 40,454,916	$ 38,398,472

The accompanying notes are an integral part of these financial statements.

	Tourist Development	Solid Waste Landfill	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
$	119,330,959	$ 33,311,607	$ 18,889,126	$ 19,265,446	$ 314,063,068
	23,957,023	6,687,428	3,792,213	3,084,636	62,300,646
	3,844,801	600	-	30,939	5,742,105
	-	5,307,943	3,614,356	748,136	24,617,618
	5,649,092	-	-	2,913	7,053,754
	242,002	-	-	-	772,580
	20,000	1,350	-	3,562	98,626
	-	4,131,017	-	42,834	8,279,741
	-	-	-	8,600	8,600
	-	-	-	-	1,693,955
$	153,043,877	$ 49,439,945	$ 26,295,695	$ 23,187,066	$ 424,630,693
$	4,031,969	$ 1,180,721	$ 1,666,438	$ 450,077	$ 12,672,182
	172,759	53,315	-	222,677	6,928,126
	10,000	4,672,644	-	639,356	6,072,464
	-	-	-	49,161	49,161
	-	-	-	341,389	4,616,984
	705,528	-	-	696,437	7,053,754
	-	-	-	1,600,158	14,274,850
	4,920,256	5,906,680	1,666,438	3,999,255	51,667,521
	-	-	-	-	2,610,969
	-	-	-	-	89,614
	-	-	-	-	2,700,583
	262,302	1,350	-	3,562	2,559,706
	-	4,131,017	-	3,802,977	78,900,050
	107,437,528	-	-	10,813,390	121,140,918
	40,423,791	39,400,898	24,629,257	4,567,882	117,460,120
	-	-	-	-	50,201,795
	148,123,621	43,533,265	24,629,257	19,187,811	370,262,589
$	153,043,877	$ 49,439,945	$ 26,295,695	$ 23,187,066	$ 424,630,693

PRIDE • PRESERVATION • CONSERVATION
WALTON COUNTY, FLORIDA

Walton County, Florida
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position

September 30, 2024

Differences in amounts reported for governmental activities in the Statement of Net Position:		
Fund balances - Total governmental funds		$ 370,262,589
Capital assets used in government activities are not current financial resources and therefore are not reported at the fund level.		441,659,936
Pension related deferred outlfows, deferred inflows and net pension liability represent an acquisition or consumption of net assets that applies to a future period and, therefore, are not reported as liabilities or assets in the governmental funds.		(94,661,698)
Other post-employment benefit ("OPEB") related deferred outlfows, deferred inflows and net OPEB obligation represent an acquisition or consumption of net assets that applies to a future period and, therefore, are not reported as liabilities or assets in the governmental funds.		(33,193,000)
Other liabilities not due and payable in the current period and therefore not reported in the funds are as follows:		
Notes payable	(12,820,653)	
Lease obligations	(2,043,005)	
Subscription lease obligations	(546,527)	
Accrued interest payable	(115,774)	
Landfill closure costs	(11,138,828)	
Compensated absences, net of Internal Service Fund, $1,287,014	(5,401,206)	(32,065,993)
Net position of governmental activities		$ 652,001,834

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds

For the year ended September 30, 2024	General	County Transportation	Fine and Forfeiture
Revenues			
Taxes	$ 130,628,506	$ 4,515,742	$ 1,143,307
Licenses and permits	1,926,265	-	-
Intergovernmental	25,456,355	8,450,323	2,967,601
Charges for services	8,248,434	55,232	3,286,511
Fines and forfeitures	280,208	-	62,967
Investment earnings	3,855,966	1,698,581	1,963,490
Miscellaneous	4,877,640	1,510,609	571,373
Total revenue	175,273,374	16,230,487	9,995,249
Expenditures			
Current			
General government	46,568,021	101,709	-
Public safety	6,963,708	-	73,126,824
Physical environment	1,462,699	-	-
Transportation	-	16,665,079	-
Economic environment	299,552	-	-
Human services	3,588,778	-	-
Culture/recreation	6,700,748	37	-
Capital outlay	4,914,893	10,270,736	12,828,283
Debt service			
Principal	323,492	-	465,205
Interest	24,333	-	28,252
Total expenditures	70,846,224	27,037,561	86,448,564
Excess (deficiency) of revenues over (under) expenditures	104,427,150	(10,807,074)	(76,453,315)
Other Financing Sources (Uses)			
Proceeds from sale of equipment	162,280	704,605	201,493
Transfers in	2,509,453	14,884,645	86,512,190
Transfers out	(93,676,287)	-	-
Issuance of debt	808,485	-	1,052,883
Net other financing sources (uses)	(90,196,069)	15,589,250	87,766,566
Net change in fund balance	14,231,081	4,782,176	11,313,251
Fund balances, beginning of year	49,860,981	32,502,151	22,098,995
Fund balances, end of year	$ 64,092,062	$ 37,284,327	$ 33,412,246

The accompanying notes are an integral part of these financial statements.

Tourist Development	Solid Waste Landfill	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
$ 60,422,004	$ 39,803,773	$ -	$ 1,468,855	$ 237,982,187
-	-	-	4,937,233	6,863,498
181,595	294,093	4,005,648	5,855,900	47,211,515
238,979	598,567	-	1,757,479	14,185,202
-	-	-	844,723	1,187,898
5,544,909	1,312,600	1,213,115	676,865	16,265,526
3,775,492	74,649	-	2,730,676	13,540,439
70,162,979	42,083,682	5,218,763	18,271,731	337,236,265
-	-	-	3,038,939	49,708,669
-	-	-	4,228,079	84,318,611
-	15,328,393	-	6,600	16,797,692
-	-	43,037	-	16,708,116
36,939,523	-	-	3,946,765	41,185,840
-	-	-	986,536	4,575,314
-	-	-	490,181	7,190,966
14,492,934	1,853,331	11,252,887	7,686,721	63,299,785
-	-	2,040,337	-	2,829,034
-	-	531,933	-	584,518
51,432,457	17,181,724	13,868,194	20,383,821	287,198,545
18,730,522	24,901,958	(8,649,431)	(2,112,090)	50,037,720
73,930	241,400	-	-	1,383,708
-	-	9,011,871	-	112,918,159
-	(19,241,872)	-	-	(112,918,159)
-	-	-	-	1,861,368
73,930	(19,000,472)	9,011,871	-	3,245,076
18,804,452	5,901,486	362,440	(2,112,090)	53,282,796
129,319,169	37,631,779	24,266,817	21,299,901	316,979,793
$ 148,123,621	$ 43,533,265	$ 24,629,257	$ 19,187,811	$ 370,262,589

Walton County, Florida
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities

For the year ended September 30, 2024

Differences in amounts reported for governmental activities in the Statement of Activities:		
Net change in fund balances - total governmental funds	$	53,282,796
Capital outlay, reported as expenditures in governmental funds, are shown as capital assets in the Statement of Net Position.		62,867,506
Depreciation and amortization expense on governmental capital assets is included in the governmental activities in the Statement of Activities.		(26,216,364)
In the statement of activities, the gain or loss on the disposal of capital assets is reported. Whereas in the governmental funds, total proceeds from disposals are reported. Thus, the change in net position differs from the change in fund balance by the net book value of the disposed capital assets.		(2,095,027)
Proceeds from the issuance of debt are reported as an other financing source in governmental funds but as an increase of long-term liabilities in the Statement of Net Position.		(1,861,368)
Repayment of long-term debt is reported as an expenditure in governmental funds but as a reduction of long-term liabilities in the Statement of Net Position.		2,829,034
Accrued interest expense reported in the Statement of Activities does not require the use of current financial resources and therefore is not reported in governmental funds.		4,580
Accrued landfill closure/post closure costs do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		(2,170,215)
Pension related deferred outflows, deferred inflows and changes in net pension liability do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		(1,932,536)
Accrued other post-employment benefits do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		(22,200)
Compensated absences reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.		(533,648)
Change in net position of governmental activities	$	84,152,558

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes	$ 128,482,625	$ 128,482,625	$ 130,628,506	$ 2,145,881
Licenses and permits	1,848,000	1,848,000	1,926,265	78,265
Intergovernmental	21,517,423	38,520,716	25,456,355	(13,064,361)
Charges for services	7,266,171	7,571,780	8,248,434	676,654
Fines and forfeitures	275,500	275,500	280,208	4,708
Investment earnings	835,580	843,689	3,855,966	3,012,277
Miscellaneous	4,863,515	4,886,646	4,877,640	(9,006)
Total revenues	165,088,814	182,428,956	175,273,374	(7,155,582)
Expenditures				
Current				
General Government				
Board of County Commissioners	13,360,822	25,943,163	12,663,023	13,280,140
Comptroller	5,762,369	5,898,016	5,445,287	452,729
Clerk of Court - circuit court	232,772	232,772	223,665	9,107
Clerk of Court - county court	69,956	69,956	69,956	-
Court technology	166,450	166,450	330,566	(164,116)
GIS - information services	736,658	736,658	703,169	33,489
Property Appraiser	4,603,771	4,603,771	3,674,293	929,478
Tax Collector	7,954,559	7,954,954	4,641,965	3,312,989
Supervisor of Elections	1,377,251	1,376,251	1,179,308	196,943
Legal services	1,430,220	1,730,520	1,070,096	660,424
State Attorney/Public Defender	31,100	31,100	31,100	-
Growth management and comprehensive planning	8,123,980	8,480,889	7,347,815	1,133,074
County administrator	1,962,605	1,899,635	1,617,016	282,619
Facilities Maintenance	4,760,645	5,114,268	4,533,672	580,596
Financial and administrative services	2,969,902	3,365,916	3,037,090	328,826
Total general government	53,543,060	67,604,319	46,568,021	21,036,298

-Continued-

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance With Final Budget
Public Safety				
Code enforcement	$ 4,128,485	$ 3,965,752	$ 3,342,285	$ 623,467
Fire coordination	282,791	439,041	439,041	-
Parole and probation	355,578	355,578	345,087	10,491
Emergency operations center	610,446	633,082	633,082	-
Emergency medical services	872,856	872,856	872,856	-
Medical examiner	1,331,357	1,331,357	1,331,357	-
Total public safety	7,581,513	7,597,666	6,963,708	633,958
Physical Environment				
Extension service	520,267	539,623	477,354	62,269
Natural resource conservation service	913,829	3,103,371	985,345	2,118,026
Total physical environment	1,434,096	3,642,994	1,462,699	2,180,295
Economic Environment				
Veteran services	299,552	299,552	299,552	-
Human Services				
Health department	2,216,838	4,308,608	3,295,910	1,012,698
Community service	54,500	54,500	41,300	13,200
Mental health	150,000	150,000	150,000	-
Welfare	101,568	101,568	101,568	-
Total human services	2,522,906	4,614,676	3,588,778	1,025,898
Cultural and Recreation				
Library	1,608,590	1,744,812	1,490,832	253,980
Parks and recreation	5,610,279	5,738,881	5,209,916	528,965
Total cultural and recreation	7,218,869	7,483,693	6,700,748	782,945
Capital Outlay	6,740,567	9,348,831	4,914,893	4,433,938

-Continued-

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance With Final Budget
Debt Service				
Principal	$ 323,492	$ 323,492	$ 323,492	$ -
Interest	24,333	24,333	24,333	-
Total debt service	347,825	347,825	347,825	-
Total expenditures	79,688,388	100,939,556	70,846,224	30,093,332
Excess (deficiency) of revenues over (under) expenditures	85,400,426	81,489,400	104,427,150	22,937,750
Other Financing Sources (Uses)				
Proceeds from sale of equipment	-	-	162,280	162,280
Transfers in	6,211,871	6,211,871	2,509,453	(3,702,418)
Transfers out	(93,676,287)	(93,676,287)	(93,676,287)	-
Issuance of debt	-	-	808,485	808,485
Net other financing sources (uses)	(87,464,416)	(87,464,416)	(90,196,069)	(2,731,653)
Net change in fund balance	(2,063,990)	(5,975,016)	14,231,081	20,206,097
Fund balance, beginning of year	49,860,981	49,860,981	49,860,981	-
Fund balance, end of year	$ 47,796,991	$ 43,885,965	$ 64,092,062	$ 20,206,097

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
County Transportation Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes	$ 4,175,000	$ 4,175,000	$ 4,515,742	$ 340,742
Licenses and permits	7,000	7,000	-	(7,000)
Intergovernmental	2,764,750	38,302,184	8,450,323	(29,851,861)
Charges for services	60,000	60,000	55,232	(4,768)
Investment earnings	242,002	242,002	1,698,581	1,456,579
Miscellaneous	700,000	1,468,762	1,510,609	41,847
Total revenues	7,948,752	44,254,948	16,230,487	(28,024,461)
Expenditures				
General government	289,108	289,108	101,709	187,399
Transportation	18,952,252	25,292,050	16,665,079	8,626,971
Culture/recreation	37	37	37	-
Capital outlay	5,982,000	45,898,317	10,270,736	35,627,581
Total expenditures	25,223,397	71,479,512	27,037,561	44,441,951
Excess (deficiency) of revenues over (under) expenditures	(17,274,645)	(27,224,564)	(10,807,074)	16,417,490
Other Financing Sources (Uses)				
Proceeds from sale of equipment	290,000	290,000	704,605	414,605
Transfers in	14,884,645	14,884,645	14,884,645	-
Net other financing sources (uses)	15,174,645	15,174,645	15,589,250	414,605
Net change in fund balance	(2,100,000)	(12,049,919)	4,782,176	16,832,095
Fund balance, beginning of year	32,502,151	32,502,151	32,502,151	-
Fund balance, end of year	$ 30,402,151	$ 20,452,232	$ 37,284,327	$ 16,832,095

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
Fine and Forfeiture Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes	$ 1,000,000	$ 1,000,000	$ 1,143,307	$ 143,307
Intergovernmental	1,370,000	3,100,281	2,967,601	(132,680)
Charges for services	5,198,000	5,198,000	3,286,511	(1,911,489)
Fine and forfeitures	57,000	57,000	62,967	5,967
Investment earnings	240,000	240,000	1,963,490	1,723,490
Miscellaneous	490,000	490,000	571,373	81,373
Total revenues	8,355,000	10,085,281	9,995,249	(90,032)
Expenditures				
Current				
Public safety	82,070,742	81,921,966	73,126,824	8,795,142
Capital outlay	14,643,411	25,492,715	12,828,283	12,664,432
Debt service				
Principal	465,205	465,205	465,205	-
Interest	28,252	28,252	28,252	-
Total expenditures	97,207,610	107,908,138	86,448,564	21,459,574
Excess (deficiency) of revenues over (under) expenditures	(88,852,610)	(97,822,857)	(76,453,315)	21,369,542
Other Financing Sources (Uses)				
Proceeds from sale of equipment	-	-	201,493	201,493
Transfers in	86,509,772	86,512,190	86,512,190	-
Issuance of debt	-	-	1,052,883	1,052,883
Net other financing sources (uses)	86,509,772	86,512,190	87,766,566	1,254,376
Net change in fund balance	(2,342,838)	(11,310,667)	11,313,251	22,623,918
Fund balance, beginning of year	22,098,995	22,098,995	22,098,995	-
Fund balance, end of year	$ 19,756,157	$ 10,788,328	$ 33,412,246	$ 22,623,918

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
Tourist Development Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes	$ 54,595,000	$ 54,595,000	$ 60,422,004	$ 5,827,004
Intergovernmental	-	-	181,595	181,595
Charges for services	200,000	200,000	238,979	38,979
Investment earnings	300,000	300,000	5,544,909	5,244,909
Miscellaneous	4,953,280	4,953,280	3,775,492	(1,177,788)
Total revenues	60,048,280	60,048,280	70,162,979	10,114,699
Expenditures				
Current				
Economic environment	52,333,804	52,378,863	36,939,523	15,439,340
Capital outlay	7,714,476	44,628,917	14,492,934	30,135,983
Total expenditures	60,048,280	97,007,780	51,432,457	45,575,323
Excess (deficiency) of revenues over (under) expenditures	-	(36,959,500)	18,730,522	55,690,022
Other Financing Sources (Uses)				
Proceeds from sale of equipment	-	-	73,930	73,930
Net change in fund balance	-	(36,959,500)	18,804,452	55,763,952
Fund balance, beginning of year	129,319,169	129,319,169	129,319,169	-
Fund balance, end of year	$ 129,319,169	$ 92,359,669	$ 148,123,621	$ 55,763,952

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
Solid Waste Landfill Special Revenue Fund
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes	$ 38,000,000	$ 38,000,000	$ 39,803,773	$ 1,803,773
Intergovernmental	-	93,750	294,093	200,343
Charges for services	550,000	550,000	598,567	48,567
Investment earnings	295,789	295,789	1,312,600	1,016,811
Miscellaneous	100,000	100,000	74,649	(25,351)
Total revenues	38,945,789	39,039,539	42,083,682	3,044,143
Expenditures				
Current				
Physical environment	17,568,917	17,608,857	15,328,393	2,280,464
Capital outlay	17,135,000	22,518,567	1,853,330	20,665,237
Total expenditures	34,703,917	40,127,424	17,181,723	22,945,701
Excess (deficiency) of revenues over (under) expenditures	4,241,872	(1,087,885)	24,901,959	25,989,844
Other Financing Sources (Uses)				
Proceeds from sale of equipment	-	-	241,400	241,400
Transfers out	(19,241,872)	(19,241,872)	(19,241,872)	-
Net other financing sources (uses)	(19,241,872)	(19,241,872)	(19,000,472)	241,400
Net change in fund balance	(15,000,000)	(20,329,757)	5,901,487	26,231,244
Fund balance, beginning of year	37,631,778	37,631,778	37,631,778	-
Fund balance, end of year	$ 22,631,778	$ 17,302,021	$ 43,533,265	$ 26,231,244

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
Statement of Net Position
Proprietary Fund

September 30, 2024		Governmental Activities Internal Service Fund
Assets		
Current assets		
Cash and cash equivalents	$	1,287,014
Liabilities		
Current liabilities		
Accrued compensated absences		184,790
Non-current liabilities		
Accrued compensated absences		1,102,224
Total liabilities		1,287,014
Net position	$	-

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Fund

For the year ended September 30, 2024		Governmental Activities Internal Service Fund
Operating Revenues		
Charges for services	$	294,211
Expenses		
Salaries, wages and employee benefits		294,211
Change in net position		-
Net position, beginning of year		-
Net position, end of year	$	-

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
Statement of Cash Flows
Proprietary Fund

For the year ended September 30, 2024		Governmental Activities Internal Service Fund
Cash Provided by (Used in) Operating Activities		
Funding of compensated absences liability	$	294,211
Payments on compensated absences liability		(191,264)
Net increase in cash and cash equivalents		102,947
Cash and cash equivalents at the beginning of the year		1,184,067
Cash and cash equivalents at the end of the year	$	1,287,014
Reconciliation of Change in Net Position to Cash Provided by Operating Activities		
Change in net position	$	-
Increase in liabilities:		
Compensated absences payable		102,947
Cash provided by operating activities	$	102,947

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
Statement of Fiduciary Net Position

September 30, 2024		Custodial Funds
Assets		
Cash	$	9,652,456
Receivables, net		1,887
Total assets	$	9,654,343
Liabilities		
Due to other governments	$	2,213,174
Deposits		5,043,869
Due to individuals		2,396,072
Total liabilities		9,653,115
Net Position		
Restricted		1,228
Total liabilities and net position	$	9,654,343

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
Statement of Changes in Fiduciary Net Position

For the year ended September 30, 2024		Custodial Funds
Additions		
Tax collections, auto tag fees, and other fees for other governments	$	402,870,891
Clerk of circuit and county courts revenue		65,611,265
Donations		34
Total additions		468,482,190
Deductions		
Current		
Payments of tax, auto tag fees, and other fees to other governments		402,870,891
Payments of clerk of circuit and county courts distributions to other governments		65,611,265
Total deductions		468,482,156
Changes in net position		34
Net position, beginning of year		1,194
Net position, end of year	$	1,228

The accompanying notes are an integral part of these financial statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The financial statements of Walton County, Florida (the County) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to government units in accordance with the Governmental Accounting Standards Board (GASB). The GASB is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The following notes to the financial statements are an integral part of the County's basic financial statements.

Reporting Entity

The County is a political subdivision of the State of Florida created pursuant to Article VIII of the State Constitution with geographical boundaries as established in Florida Statutes Chapter 7.66. It is guided by an elected Board of County Commissioners (the Board) which is governed by state statutes. In addition to the members of the Board, there are five elected Constitutional Officers: Tax Collector, Property Appraiser, Clerk of the Circuit Court, Sheriff, and Supervisor of Elections. The operations of the County as a whole, including the constitutional officers, have been combined in these financial statements.

The financial reporting entity consists of the County and its component unit, which is a legally separate organization for which the County is financially accountable. The County is financially accountable for legally separate organizations if County officials appoint a voting majority of an organization's governing body and either the County is able to impose its will on the organization, or there is a potential for the organization to provide specific financial benefits to, or to impose specific financial burden on, the County. The County may also be financially accountable for organizations that are fiscally dependent on the County if there is a potential for the organization to provide specific financial benefits to the County or impose specific financial burdens on the County, regardless of whether the organizations have separate elected governing boards, governing boards appointed by higher levels of government, or jointly appointed boards.

FCSC which has a February 28 (February 29 for fiscal year ending 2024) year-end is reported as a component unit in a separate column in the financial statements to emphasize it is legally separate from the government.

Discretely Presented Component Unit

Florida Community Services Corporation of Walton County was organized under the laws of the State of Florida on August 7, 1985. FCSC was incorporated as a non-profit corporation under state law. On November 26, 1985, the Board by Ordinance 85-15 rescinded the Public Service Commission's jurisdiction over FCSC and transferred regulatory authority, including utility rate approval, to the Board. FCSC was formed to acquire and improve existing water distribution facilities in the southern part of the County for incorporation into a county regional utility system and to construct a regional sewage collection treatment and disposal facility and water transmission, storage and distribution system, exclusively for the benefit of the primary government. To fulfill its purpose, FCSC has issued revenue bonds pledging its property and revenues to secure the payment of such bonds. After the bonds have been fully paid, FCSC without consideration will transfer all of its assets to the County. FCSC retains all revenue generated by the

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Discretely Presented Component Unit (continued)

system to provide for debt service and maintaining the system. FCSC is reported as a proprietary fund type.

Complete financial statements of the component unit can be obtained directly from its administrative office listed below:

Florida Community Services Corporation of Walton County
4432 Highway 98 East
Santa Rosa Beach, Florida 32459

Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees and charges to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services or privileges provided by a given function or segment, and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

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

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

Property taxes, sales taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received during the period or within the availability period for this revenue source (within 60 days of year-end). All other revenue items are considered to be measurable and available only when cash is received by the County.

The proprietary and fiduciary funds are reported using the economic resources measurement focus and the accrual basis of accounting.

Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds (proprietary funds). Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

As discussed earlier, the County has one discretely presented component unit. While the FCSC is considered to be a major component unit, it is nevertheless shown in separate column in the government-wide financial statements.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments in lieu of taxes where the amounts are reasonably equivalent in value to the interfund services provided. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements

The fund financial statements provide information about the County's funds, including its fiduciary funds. Separate statements for each fund category—governmental and fiduciary—are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The following are reported as major governmental funds:

General Fund – This fund is established to account for resources devoted to financing the general services that the County performs for its citizens. General tax revenues and other sources of revenue used to finance the fundamental operations of the County are included in this fund. The fund is charged with all costs of operating the government for which a separate fund has not been established.

County Transportation Special Revenue Fund – To account for ad valorem, motor fuel taxes, local option gas tax, state revenue sharing and various grant funds designated to finance highway and road construction and maintenance.

Fine and Forfeiture Special Revenue Fund – To account for ad valorem taxes, fines, forfeitures, grants, expenditures and transfers to the Sheriff necessary to carry out the obligations of the office of Sheriff as detailed in Florida Statutes Chapter 30.15.

Tourist Development Council Special Revenue Fund – Fund activity is designated for the promotion of tourism and beach renourishment. Primary revenue for the fund is the local option tourist development tax.

Solid Waste Landfill Special Revenue Fund – To account for one cent County surtax, state grants, landfill fees, and scrap sales designated for the operation of the landfill.

Capital Projects Fund – To account for financial resources used for the acquisition or construction of major capital facilities and infrastructure improvements.

The County also reports the following fund types:

Internal Service Fund (a proprietary fund) – Used to report funded and accrued compensated absences for the Clerk of Courts and Supervisor of Elections.

Fiduciary Funds – To account for assets held by the County in a trustee capacity or as an agent for individuals, other governmental units and/or funds. These funds are accounted for on the accrual basis of accounting. Used to account for licenses, tags, and property taxes collected and remitted to other taxing authorities; funds held in general agency trust, witness advances, and for compliance with court orders; unclaimed tax deed sales, and Sheriff's posse activities.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements (continued)

During the course of operations, the County has activity between funds for various purposes. Any residual balances outstanding at year end are reported as due from/to other funds and advances to/from other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column.

Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements these amounts are reported at gross amounts as transfers in/out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements.

Budgetary Information

Budgetary Basis of Accounting

Annual budgets for governmental fund types that are legally required to prepare an annual budget are adopted on a basis consistent with GAAP. The following special revenue funds are not budgeted and budget information is not presented: Inmate Canteen (Sheriff), Abandoned Property, Triumph Grant, Suspense, Traffic & Parking Enforcement, and Mobility Fee. These funds do not have appropriated budgets since other means control the use of these resources.

Appropriations in all budgeted funds lapse at the end of the fiscal year even if they have related encumbrances. Encumbrances are commitments related to unperformed (executory) contracts for goods or services (i.e., purchase orders, contracts, and commitments). Encumbrance accounting is utilized to the extent necessary to assure effective budgetary control and accountability and to facilitate effective cash planning and control. While all appropriations and encumbrances lapse at year end, valid outstanding encumbrances (those for which performance under the executory contract is expected in the next year) are re-appropriated and become part of the subsequent year's budget pursuant to state regulations. The County had no encumbrances at September 30, 2024.

Board of County Commissioners – Pursuant to Chapter 129, Florida Statues, General Budget Policies, the following procedures are followed by the Board in establishing, adopting and maintaining the operating budget.

Prior to July 15, the Director of the Office of Management and Budget and the Clerk of the Circuit Court, as ex-officio Clerk of the Board, submits to the Board a tentative budget for the fiscal year commencing the following October 1.

Taxpayers are informed of the proposed budget and tentative millage rates through legal advertising. Public hearings are held to elicit taxpayer comments.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Information (continued)

Budgetary Basis of Accounting (continued)

Prior to September 30, the budget is legally adopted through passage of a resolution for the fiscal year beginning October 1.

The Board, at any time within a fiscal year, may amend a budget for that year as follows:

Appropriations for expenditures in any fund may be decreased and other appropriations in the same fund correspondingly increased by motion recorded in the minutes, provided that the total of the appropriations of the fund are not changed. The Board, however, has established procedures by which the designated budget officer and heads of departments may authorize certain interdepartmental budget amendments, provided that the total appropriations of the department are not changed.

Florida Statute 129, Section 7, as amended in 1978, provides that only expenditures in excess of total fund budgets are unlawful. However, because the Board acts on all budget changes between departments, the lower of fund or department becomes the level of control.

Appropriations from the reserve for contingencies may be made to increase the appropriation for any particular expenditure in the same fund, or to create an appropriation in the fund for any lawful purpose, but no expenditures shall be charged directly to the reserve for contingencies.

A receipt of a nature or from a source not anticipated in the budget and received for a particular purpose, including but not limited to grants, donations, gifts, or reimbursements for damages, may, by resolution of the Board recorded in its minutes, be appropriated and expended for that purpose, in addition to the appropriations and expenditures provided for in the budget. Such receipts and appropriations shall be added to the budget of the proper fund.

Supplemental appropriations funded from sources not described above, require public hearings and action by the Board in the same manner as adopting the original budget.

Clerk of the Court – Florida Statutes Chapter 218.35 and 218.36 governs the preparation, adoption and administration of the Clerk of the Circuit Court's annual budget. The Clerk establishes an annual balanced budget which clearly reflects the revenues available to the office and the functions for which the money is to be expended.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Information (continued)

Budgetary Basis of Accounting (continued)

The Clerk of the Circuit Court, functioning in the capacity as Clerk of the Circuit and County Courts and as Clerk of the Board, prepares a budget in two parts:

The budget relating to the state court system (Circuit and County) is filed with and approved by the Florida Clerk of the Court Operations Corporation; and

The budget approved by the Board for funds necessary to perform those duties of Clerk of the Board, County Auditor, and Custodian or Treasurer of all County funds and other County-related duties.

The Comptroller and Clerk of Court – Departments within the Clerk's office such as Finance and Management Information Systems that deal primarily or exclusively with the County are budgeted with appropriations from the Board. The fees generated by the various non-court departments of the Clerk of Circuit Court are used to pay operating expenditures of that department. All excess fees are remitted to the Board at year-end.

Sheriff – Florida Statutes Chapter 30.49 and 129.03 governs the preparation, adoption and administration of the Sheriff's annual budget. By June 1 each year, the Sheriff shall certify to the Board a proposed budget of expenditures for carrying out the duties of his office for the ensuing fiscal year. No later than August 1 of each year, the Board shall approve the Sheriff's budget. The Sheriff's budget is funded primarily from property taxes maintained in the Fine and Forfeiture Fund.

Tax Collector and Property Appraiser – Florida Statutes Chapter 195.087 details the preparation, adoption and administration of the budgets of the Tax Collector and Property Appraiser. On or before a legally designated date each year, the Tax Collector and the Property Appraiser shall submit to the Florida Department of Revenue a budget for the ensuing fiscal year. A copy of such budget shall be furnished at the same time to the Board. Final approval of the budgets is given by the Florida Department of Revenue.

Supervisor of Elections – Florida Statutes Chapter details the preparation, adoption and administration of the budget of the Supervisor of Elections. The Supervisor of Elections works in cooperation with the Board to establish an annual budget for his office. The Supervisor of Elections budget is funded from the Board's General Fund.

Excess of Expenditures over Appropriations

For the year ended September 30, 2024, expenditures exceeded appropriations in the Special Law Enforcement and Fine and Forfeiture funds by $86,870 and $469,294, respectively. The excess expenditures were funded with unanticipated revenues.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Fund Balance

Cash and Cash Equivalents

Cash and cash equivalents represents cash on hand as well as demand deposits, pooled cash and certificates of deposit with original maturities of three months or less. This policy applies to the primary government and its component unit.

Investments

As governed by Florida Statute 218 and the County's investment policy, the County is authorized to invest available surplus funds to the extent noted in the following:

1. Local Government Surplus Funds Trust Fund Investment Pool (the SBA), the State Investment Pool administered by the Florida State Board of Administration – 50%
2. Florida Local Government Investment Trust (FLGIT) administered by the Florida Association of Court Clerks and the Florida Association of Counties – 50%
3. Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency – 50%
4. Savings and Certificates of Deposit in state qualified public depositories – 50%
5. Direct obligations of the U.S. Treasury – 100%
6. Public funds checking – 100%
7. U.S. Government Instrumentality Debt (i.e. Federal Farm Credit Bureau) – 50%
8. High-grade Corporate debt, including Eurodollar notes and bonds – 50%
9. Mortgaged back securities – 50%
10. State and Local Taxable and/or Tax-exempt debt – 50%
11. Equities – 20%
12. Income Trusts – 20%
13. Mutual Funds – 20%

Investments are stated at fair value, NAV, or amortized cost. U.S. Treasury notes and U.S. agency and instrumentalities obligations are valued at quoted market. The reported value of the Local Government Surplus Funds Trust Fund Investment Pool's PRIME account ("Florida PRIME") is shown at share value as it meets the criteria to be "2A-7 Like".

FLGIT reports all share information at Net Asset Value (NAV) and reflects fair value in accordance with GASB 72.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Fund Balance (continued)

Investments (continued)

The County invests throughout the year in the Florida PRIME account, administered by the SBA, under the regulatory oversight of the State of Florida. Florida PRIME is rated by Standard and Poor's as AAAm. At September 30, 2024, Florida PRIME's investments dollar weighted average days to maturity (WAM) was 39 days. Next interest rate reset dates for floating rate securities are used in the calculation of WAM and weighted average life (WAL) is 74 days. Florida PRIME was not exposed to any foreign currency risk during the period from October 1, 2023 through September 30, 2024. As of September 30, 2024, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit the County's daily access to 100% of their account value.

The County also invests in FLGIT Short-Term Bond Fund, a public entity investment trust organized under the laws of the State of Florida. FLGIT is based on current net asset value, variations in value of these assets is determined on a daily basis in the FLGIT portfolio. This fund was assigned a rating of AAAf by Fitch, which is the highest fund credit quality rating offered by Fitch. At September 30, 2024, the FLGIT portfolio invested 31% of funds in treasuries and government related securities.

The County's investments and portfolio allocation is determined by an investment committee comprised of the Clerk of Court (the Clerk) or designee, the Board's Finance Director or designee, and two other advisors, one to be named by the Clerk and one by the Board's Finance Director.

The Portfolio of investments is maintained by the Clerk who provides a portfolio report quarterly (or more often if requested) to the Board. The report provides a breakdown of the portfolio as well as overall performance. Investments for the County, as well as for its component unit, are reported at fair value.

Receivables and Unbilled Revenue

The County reports receivables for various taxes, fees and services.

Estimated unbilled revenues in the component unit statements are accrued at year-end by pro-rating actual subsequent billings.

Allowance for Doubtful Accounts

No allowance for doubtful accounts is recorded for taxes and assessment fees as these are deemed collectible. An allowance for uncollectibles is determined for ambulance billings and HUD based on the County's historical rate of collection on such receivables.

The component unit provides for doubtful accounts based on analysis of individual accounts. For customer accounts, an allowance is created for accounts that are 120 days past due. For developer receivables, an allowance has been created for the full amount of all past due developer receivables.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Fund Balance (continued)

Interfund Activities and Transactions

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. These receivables and payables are classified as "due from other funds" or "due to other funds" within the fund financial statements. These amounts are eliminated in the governmental column of the statement of net position, except for any residual balance outstanding between the governmental activities at the end of the fiscal year, which are reported in the government-wide financial statements as internal balances.

Interfund transactions are reflected as services provided, reimbursements, or transfers. Services provided, deemed to be at or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when a fund incurs a cost, charges the appropriate benefitting fund, and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide presentation.

Inventories and Prepaid Items

Inventories are stated at cost determined by the first-in, first-out cost method. The County uses the consumption method of accounting for inventories. Payment for goods and services applicable to a future period are recorded as prepaid items in both government-wide and fund financial statements using the consumption method. Inventories and prepaid items are equally offset in a nonspendable fund balance which indicates that they do not constitute available spendable resources.

Restricted Assets

Certain assets of the County and its component unit are classified as restricted assets on the statement of net position because their use is limited by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors, grantors, contributors or laws or regulations of other governments.

Capital Assets

Capital assets, which include property, plant, equipment, right-to-use lease assets, right-to-use subscription assets, and infrastructure assets (e.g. roads, bridges, curbs and gutters, streets and sidewalks, drainage systems and lighting systems) are reported in the applicable governmental activities columns in the government-wide financial statements. Additions to capital assets are recorded at cost at the time of purchase. Gifts or contributions of capital assets, and assets received in a service concession arrangement are recorded at acquisition value at the time received.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Fund Balance (continued)

Capital Assets (continued)

The County maintains a $5,000 threshold for additions to equipment and a $25,000 threshold for additions to land, buildings, infrastructure and other capital assets. The County also maintains a fixed asset listing for all tangible personal property equal to or greater than $5,000 as required by Florida Statute 274 and Florida Administrative Code Sections 69(i)-73.002 and 69(i)-73.006.

Depreciation has been provided using the straight-line method. The estimated useful lives of the various classes of depreciable capital assets are as follows:

Asset	Years
Buildings	30 - 40
Right-of-use buildings	3 - 10
Building improvements	30 - 40
System infrastructure	20
Vehicles	5
Equipment	5 - 7
Right-of-use equipment	2 - 7
Improvements other than buildings	20

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to future periods and so will not be recognized as an outflow of resources (expense/ expenditure) until then.

The County and component unit have three (3) items that qualify for reporting as deferred outflows of resources, the deferred losses on debt refunding, the deferred outflows related to other postemployment benefits (OPEB) and the deferred outflows related to pensions, all reported in the government-wide statement of net position. The deferred amount on losses on debt refunding results from debt refinancing, whereby the reacquisition price of the funding debt instruments exceed their net carrying amount. The deferred amount on refunding is amortized over the shorter of the life of the refunded or refunding debt.

The deferred outflows related to pensions are an aggregate of items related to pensions as calculated in accordance with GASB Codification Section P20: Pension Activities – Reporting for Benefits Provided through Trusts That Meet Specified Criteria. The deferred outflows related to pensions and OPEB will be recognized as either pension or OPEB expense or a reduction in the pension or OPEB liability in future reporting years.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to future periods and so will not be

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Fund Balance (continued)

Deferred Outflows/Inflows of Resources (continued)

recognized as an inflow of resources (revenue) until that time. The County has four (4) items that qualify for reporting as deferred inflows of resources. The deferred inflows related to pensions are an aggregate of items related to pensions as calculated in accordance with GASB Codification Section P20: Pension Activities – Reporting for Benefits Provided through Trusts That Meet Specified Criteria. The deferred inflows related to pensions and OPEB will be recognized as a reduction to pension or OPEB expense in future reporting years. The deferred inflows related to leases relate to a building lease in which the County is the lessor. Revenue will be recognized over the life of the lease. The deferred inflows related to settlement allocations relate to opioid settlements with the state of Florida that have been allocated to the County. This funding is maintained by a non-profit agency with authority over expenditure of the settlement over an eighteen-year period.

FCSC defers losses resulting from the refunding of debt issues and amortizes the losses over the lesser of the remaining life of the refunded debt or the life of the new debt. Unamortized deferred losses on debt refunding are presented as deferred outflows of resources within the Statement of Net Position and are summarized as follows as of February 29, 2024, which is the most recent measurement date available for audited FCSC financial data:

Unamortized loss on Series 2001 refunding	$	90,124
Unamortized loss on Series 2003 refunding		30,985
Unamortized loss on Series 2006 refunding		48,125
Total deferred losses on debt refunding	$	169,234

Compensated Absences

It is the County's policy to allow employees to accumulate paid time off benefits. For the fiscal year ended September 30, 2024, for all governmental fund types, the liability relating to such vested unused paid time off to the extent of certain maximum hours is recorded in the accompanying financial statements. Expenditures for compensated absences in governmental funds are those paid during the current fiscal year and the amount unpaid at the end the reporting period that normally would be liquidated with expendable available financial resources.

Accumulated compensated absences is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental fund only if they have matured, for example, as a result of employee resignations and retirements. Compensated absences of the component unit were recorded on the accrual basis as noncurrent liabilities.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Fund Balance (continued)

Lease Obligations

GASB No. 87, Leases, was adopted October 1, 2021. Under this new guidance, all contracts allowing for the County to use another entity's asset for a period greater than 12 months must be recorded as both a right-of-use (ROU) asset and a lease liability. The lease liability is recorded at the present value of future lease payments, including fixed payments, variable payments based on an index or fixed rate and reasonably certain residual guarantees. The intangible leased asset is recorded for the same amount as the related lease liability plus any prepayments and initial direct costs to place the asset in service. Leased assets are amortized over the shorter of the useful life of the asset or the lease term. The lease liability is reduced for lease payments made, less the interest portion of the lease payment. Any contract not meeting the 12-month period requirement is recognized as rental expense.

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

The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of lease liability are composed of fixed payments and term options that the County is reasonably certain to exercise.

The County monitors changes in circumstances that would require a remeasurement of its lease and will remeasure the lease asset and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Unearned Revenues

Unearned revenues are a liability that represents amounts received, but not yet earned. $12,208,060 of funding from the Coronavirus State and Local Fiscal Recovery Funds (SLFRF) program was unearned as of September 30, 2024. The remaining balance of unearned revenue is made up of $741,585 of SHIP funding, $597,936 of law enforcement funding, and $727,269 of miscellaneous grant funding.

Long-Term Liabilities

For long-term liabilities, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. All long-term liabilities are reported in the government-wide financial statement of net position.

Accrued Liabilities

Accrued liabilities of $6,928,126 represent a liability for payroll expenses that were incurred but unpaid at September, 30, 2024.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Fund Balance (continued)

Bond Premiums, Discounts and Issuance Costs - FCSC

Bond premiums and discounts are deferred and amortized as a component of interest expense over the remaining useful life of the related debt. Debt issuance costs are considered outflows of resources in the period incurred and, accordingly, are expensed at the time of debt issuance.

Net Position/Fund Balance

Net position is reported on the government-wide financial statements and is required to be classified for accounting and reporting purposes into the following net asset categories:

Net investment in capital assets – Capital assets, net of accumulated depreciation and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets. Any significant unspent proceeds at year-end related to capital assets are reported as restricted funds.

Restricted – Constraints imposed on net position by external creditors, grantors, contributors, laws or regulations of other governments, or law through constitutional provision or enabling legislation.

Unrestricted – Net position that is not subject to externally imposed stipulations. Unrestricted net position may be designated for specific purposes by action of the Board.

Fund balance is reported in the fund financial statements as either nonspendable or spendable as follows:

Nonspendable – Amounts that cannot be spent because they are either not spendable in form or they are legally or contractually required to be maintained intact.

Restricted – Amounts that can be spent only for purposes stipulated by external parties, constitutional provision or enabling legislation.

Committed – Amounts constrained for a specific purpose by the Board.

Assigned – Includes spendable fund balance amounts established by the Board (resolution) that are intended to be used for specific purposes and are neither considered restricted nor committed.

Unassigned – Unassigned fund balance is the residual classification for the general fund. This classification represents fund balance that is spendable and that has not been restricted, committed, or assigned to specific purposes within the general fund. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Fund Balance (continued)

Net Position/Fund Balance (continued)

The authority to establish, modify or rescind a committed or assigned fund balance rests with the Board and these actions are accomplished through an adopted resolution. When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first, then unrestricted resources as they are needed. When expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used, it is the County's policy to use committed funds first, then assigned, and finally unassigned.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts, and other commitments for expenditure of monies are recorded as reservations of budget, is employed as an extension of the statutory required budgetary process. At year-end, outstanding encumbrances represent material purchase commitments for goods and services which were ordered, budgeted, and appropriated, but had not been received or completed at date. Although encumbrances lapse at year-end, it is the intention to substantially honor these encumbrances under authority provided in the subsequent year's budget. The County had no outstanding encumbrances at September 30, 2024.

Property Taxes

Property taxes in the County are levied by the Board. The millage levies are determined on the basis of estimates of revenue needs and the total taxable valuations within the jurisdiction of the Board. No aggregate ad valorem tax millage in excess of 10 mills on the dollar can be levied against property of the County as specified in Florida Statue 200.071.

Each year the total taxable valuation is established by the County Property Appraiser and the list of property assessments is submitted to the State Department of Revenue for approval. Taxes, assessed as of January 1 of each year, are due and payable on November 1 of each year or as soon thereafter as the assessment roll is opened for collection. Pursuant to Florida Law, all owners of property have the responsibility of ascertaining the amount due and paying it before April 1 of the year following the year in which the tax was assessed.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Deferred Outflows, Liabilities, Deferred Inflows, and Net Position or Fund Balance (continued)

Property Taxes (continued)

2024 property tax calendar:

Lien date	- January 1, 2023
Levy date	- November 1, 2023
Tax bills mailed	- November 1, 2023
Collection dates	- November 30, 2023: 4% discount
	- Through January 2, 2024: 3% discount
	- Through January 31, 2024: 2% discount
	- Through February 29, 2024: 1% discount
Delinquent date	- April 1, 2024

Tax sale - 2023 delinquent property taxes - on or before June 1, 2024

Pensions

The County participates in the Florida Retirement System (the "System"). The System's financial statements are prepared using the economic resources measurement focus and accrual basis of accounting. Contributions are recognized as revenues when earned, pursuant to the plan requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan. Expenses are recognized when the corresponding liability is incurred regardless of when the payment is made. Investments are reported at fair value. Financial statements are prepared in accordance with requirements of the GASB. Under these requirements, the Plan is considered a component unit of the State of Florida and is included in the State's Annual Comprehensive Financial Report.

Other Postemployment Benefits (OPEB)

For purposes of measuring the total OPEB liability, deferred outflows/inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the plan. For this purpose, benefit payments are recognized when due and payable in accordance with the benefit terms. There are no investments as this is a pay-as you-go plan and all cash is held in a cash account.

Management Estimates and Assumptions

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are related to the allowance for doubtful accounts, pension liability, and OPEB liability.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, March 4, 2025 and determined there were no events that occurred that required disclosure.

Recently Issued Accounting Pronouncements

GASB Statement No. 100, *Accounting Changes and Error Corrections*. This Statement establishes accounting and financial reporting requirements for (a) accounting changes and (b) the correction of an error in previously issued financial statements (error correction). This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). There were no significant impacts of implementing this Statement.

The GASB has issued statements that will become effective in future years. These statements are as follows:

GASB Statement No. 101, *Compensated Absences* (GASB 101). The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

GASB Statement No. 102, Certain Risk Disclosures. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued Accounting Pronouncements (continued)

months of the date the financial statements are issued. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

The County is evaluating the requirements of the above statements and the impact on reporting.

Note 2: DETAILED NOTES ON ALL FUNDS

Budgetary Information

During the fiscal year 2024, there were supplemental appropriations of $166,612,141 or 38% of the original budget. The following items represent the major additional appropriations:

General Fund		
Various projects in work and capital projects	$	1,935,807
Various operating costs		2,242,024
Various federal and state grants		17,073,338
Special Revenue Funds		
County Transportation Trust		
Transportation capital projects funded with current revenue, federal and state grants, and available fund balance		46,355,715
Fine and Forfeiture		
Various projects in work and capital projects		10,547,058
Various federal and state grants		153,470
Tourist Development		
Various projects in work and capital projects		30,209,500
Various land purchases		6,750,000
Solid Waste Landfill		
Various federal and state grants		93,750
Various projects in work and capital projects		5,329,757
Capital Projects		
Various projects in work and capital projects		32,173,490
Nonmajor Funds		
Various capital improvements, facility repairs and upgrades		1,731,602
Various federal and state grants		5,051,315
Various personnel services and operating costs		6,965,315
Total	$	166,612,141

Cash, Cash Equivalents and Investments

Cash and cash equivalents are cash on hand, as well as demand deposits, investments, and certificates of deposit included in pooled cash with original maturities of three months or less.

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Cash, Cash Equivalents and Investments (continued)

Investments include non-pooled investments and certificates of deposit with original maturities of three months or greater.

Florida Community Services Corporation (FCSC)

For the year ended February 29, 2024, FCSC invested certain reserve funds through the Blackrock T-Fund (BTRXX) at the Bank of New York Mellon. The fund strategy is to invest at least 99.5% of its total assets in cash, U.S. Treasury bills, notes and other obligations issued or guaranteed as to principal and interest by the U.S. Treasury, and repurchase agreements secured by such obligation or cash. The average weighted maturity of investments held by the fund is 51 days; therefore, FCSC considers these cash equivalents. Blackrock T–Fund has a Standard & Poor's credit rating of AAAm and a Moody's credit rating of Aaa-mf. At February 29, 2024, total invested in the fund with the Bank of New York Mellon totaled $21,414,127.

For the year ended February 29, 2024, the FCSC also invested in the Goldman Sachs Financial Square Treasury Obligations Fund (FYAXX and FTOXX) at the Bank of New York Mellon. The fund is a high-quality money market portfolio that comprises U.S. Government and U.S. Treasury securities including bills, bonds, notes and repurchase agreements. The average weighted maturity of investments held by the fund is 49 days; therefore, FCSC considers these cash equivalents. Goldman has a Standard & Poor's credit rating of AAAm and a Moody's credit rating of Aaa-mf. At February 29, 2024, total invested in the fund with The Bank of New York Mellon totaled $2,480,531 (FYAXX) and $1,277,703 (FTOXX).

Deposits and Investments

Custodial Credit Risk - Deposits

The County and FCSC maintain cash balances at various banks which are "Qualified Public Depositories" as defined by Chapter 280, Florida Statutes. Cash accounts are also insured by the Federal Deposit Insurance Corporation (FDIC) for up to $250,000. All balances in excess of the FDIC insurance for demand and time deposits are fully collateralized by the multiple financial institutions' collateral pool in accordance with Chapter 280, Florida Statutes.

The entire amount of the Board's demand deposits in fiscal year 2024 were transferred to a public fund net interest bearing checking account, paying interest at 70% of the current federal funds rate *with no reserve requirements.*

Custodial Credit Risk - Investments

Custodial credit risk is the risk that in the event of the failure of the counterparty to a transaction, the Board will not be able to recover the value of its investments or collateralized securities that are in the possession of an outside party. The Board's investments are held by the counterparty(s), or by their respective trust departments, not in the Board's name. Consequently, these investments are exposed to custodial credit risk. The Board has no policy on custodial credit risk.

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and Investments (continued)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Increases in prevailing fixed-maturity investments fluctuate in responses to changes in market interest rates. Increases in prevailing interest rates generally translate into decreases in the fair value of those instruments. The fair value of interest sensitive instruments may also be affected by the credit worthiness of the issuer, prepayment options, relative values of alternative investments, and other general market conditions. Certain fixed maturity investments have call provisions that could result in shorter maturity periods. The longer the maturity of an investment, the greater its price volatility. The County's investment policy places no limit on the maturity of investments.

Investment Type	Total Fair Value	0-1 Year	1-5 Year	5-10 Year	More Than 10 Year
Certificate of deposit	$ 200,912	$ -	$ 200,912	$ -	$ -
Corporate bonds	35,558,599	2,348,003	33,210,596	-	-
Municipal bonds	4,031,568	112,500	3,919,068	-	-
U.S. Government and agency securities	8,964,409	1,565,519	4,958,599	754,945	1,685,346
	48,755,488	$ 4,026,022	$ 42,289,175	$ 754,945	$ 1,685,346
Money market	582,030				
Equity securities	1,280,867				
	$ 50,618,385				

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributable to the quantity of the government's investment in a single issuer. To limit concentration of credit risk, the County's investment policy requires diversification of the portfolio with maximum limits per investment type, as disclosed in Note 1. Investments in single issuers that equal or exceed 5% of total investments have a reportable concentration of credit risk. Credit quality risk results from potential default of investments that are not financially sound. The County's investment policy requires that corporate and government debt instruments must be of investment grade as rated by a nationally recognized rating agency.

Investment Type	Credit Rating	Risk at Fair Value	Total Investments
Florida Local Government Investment Trust (FLGIT)	AAAf	$ 11,544,856	18.53%

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and Investments (continued)

Fair Value Measurement

GASB Statement No. 72, *Fair Value Measurement and Application*, enhances comparability of governmental financial statements by requiring fair value measurement for certain assets and liabilities using a consistent definition and accepted valuation techniques. The standard establishes a hierarchy of inputs used to measure fair value that prioritizes inputs into three categories – Level 1, Level 2, and Level 3 inputs – considering the relative reliability of inputs. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to measurements involving significant unobservable inputs (Level 3 measurements). The three levels of fair value hierarchy are as follows:

- Level 1 inputs are quoted (unadjusted) prices in active markets for identical financial assets or liabilities that are accessible at the measurement date;

- Level 2 inputs are inputs other than quoted prices included within level 1 that are observable for the financial asset or liability, either directly or indirectly; and

- Level 3 inputs are unobservable inputs for the financial asset or liability.

The level in the fair value hierarchy within which a fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Deposits and Investments (continued)

Fair Value Measurement (continued)

At September 30, 2024, the County's pooled investments are valued as follows:

Investment Type	9/30/2024 Value	Fair Value Measurements Using: Quoted Prices in Active Markets for Identical Assets (Level 1)	Fair Value Measurements Using: Significant Other Observable Inputs (Level 2)
Certificates of deposit	$ 200,912	$ 200,912	$ -
Money market funds	582,030	582,030	-
U.S. government and agency securities	8,964,409	4,790,971	4,173,438
Municipal bonds	4,031,568	-	4,031,568
Corporate bonds	35,558,599	-	35,558,599
Equity securities	1,280,867	1,280,867	-
Total investments at fair value	50,618,385	$ 6,854,780	$ 43,763,605
Investments Measured at Net Asset Value (NAV)			
Florida Local Government Investment Trust (FLGIT)	11,544,856		
Investments Measured at Amortized Cost			
Florida PRIME (SBA)	146,005		
Total investments valued at NAV and amortized cost	11,690,861		
Total investments	$ 62,309,246		

Investments classified as level 2 of the fair value hierarchy use valuation techniques that reflect market participant's assumptions and maximize the use of relevant observable inputs including quoted prices for similar assets, benchmark yield curves and market corroborated inputs.

Florida Community Services Corporation (FCSC)

FCSC held investments in certificates of deposit of $20,000,000 at February 29, 2024. The certificates of deposit bear interest at 5.2% and mature in March 2024.

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Receivables

Accounts Receivables consists primarily of franchise fee and ambulance billings in the General Fund, Tourist Development Council tax in the Special Revenue Fund and fraud recoveries in the Housing and Urban Development ("HUD") non-major special revenue fund. All accounts receivables are considered collectible and no allowance for uncollectibles is deemed necessary, except for ambulance billings which had a balance of $1,642,310 and an allowance of $416,122 and HUD which had a balance of $219,958 and an allowance of $219,958.

Florida Community Services Corporation (FCSC) charges accounts to bad debt expense as they are billed and deemed uncollectible. At February 29, 2024, the allowance for uncollectible accounts was $506,048.

Due From Other Governments is comprised of grants reimbursements of $12,660,051, revenue sharing and taxes due to the County of $9,346,598, and an allocation by the State of Florida from litigation settlements of $2,610,969. These litigation settlements will be paid out over several years and a deferred inflow of resources has been recorded by the General fund.

Loans Receivable consists of a loan agreement with the Walton County Economic Development Alliance ("EDA") for the purchase of real property in order to facilitate growth and business creation in the county. The outstanding balance at September 30, 2024 is $1,693,955 and will be repaid by the EDA with proceeds of each sale of real property.

FCSC - Developers Agreements Receivable

As of February 29, 2024, FCSC had gross balances for accounts receivable related to developers' agreements of $4,021,802. These receivables represent amounts owed by developers for water and/or sewer connection fees under the terms of contracts between the parties and FCSC.

As of February 29, 2024, FCSC had taken legal action related to the collection of the past due amounts by filing liens. However, management believes there is uncertainty regarding the collectability of the past due amounts. Therefore, at February 29, 2024, FCSC had established an allowance for doubtful accounts of $1,568,840. Revenues related to developer agreements are reported as non-operating revenues.

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Interfund Activity

Receivables (due from other funds) and payables (due to other funds) resulting from various interfund transactions are as follows:

Due From Other Funds:

General Fund		
Tourist development council	$	400,883

Amount due from tourist development council is for miscellaneous reimbursements.
All amounts due will be paid within one year of the financial statement date.

Fine and Forfeiture		
Other governmental funds	$	696,221
Tourist Development Council		304,645
	$	1,000,866

Amounts due from other governmental funds represent grant reimbursements.
Amounts due from the tourist development council are for reimbursement of expenses.
All amounts due will be paid within one year of the financial statement date.

Tourist Development Council		
General fund	$	5,648,896
Other governmental funds		196
	$	5,649,092

Amounts due from the general fund are from Clerk of the Courts for Tourist Development Tax.
Amounts due from other governmental funds represent miscellaneous reimbursements.
All amounts due will be paid within one year of the financial statement date.

Other Governmental Funds		
Fine and forfeiture	$	2,893
Other governmental funds		20
	$	2,913

Amounts due from the fine and forfeiture fund are for miscellaneous reimbursements.
Amount due from other governmental funds represent various operating and grant reimbursements. All amounts due will be paid within one year of the financial statement date.

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Interfund Transfers

Transfers are used to (1) use solid waste landfill revenues to cover road paving expenditures in county transportation fund and capital projects in the general fund and (2) transfer general fund revenues to fund capital projects.

Transfers Between Funds:

Transfers to General Fund from:		
Solid waste landfill		$ 2,509,453
Transfers to County Transportation Fund from :		
Solid waste landfill	7,718,130	
General fund	7,166,515	
Total		14,884,645
Transfers to Capital Projects Fund from:		
Solid waste landfill		9,011,871
Transfers to Fine and Forfeiture Fund from:		
Solid waste landfill	2,418	
General fund	86,509,772	
Total		86,512,190
Total interfund transfers		$ 112,918,159

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Restricted Assets

Restricted assets of the County are those required to be set aside for future debt service and landfill closure requirements. FCSC includes assets restricted for debt service, as well as customer deposits and construction funds. Restricted assets are as follows:

	Cash and Cash Equivalents	Investments	Total
Walton County - Primary Government			
Debt service funds	$ 42,834	$ 8,600	$ 51,434
Infrastructure improvements	4,105,890	-	4,105,890
Landfill closure costs	4,131,017	-	4,131,017
	$ 8,279,741	$ 8,600	$ 8,288,341
Florida Community Service Corporation			
Debt service funds	$ 3,716,714	$ -	$ 3,716,714
Renewal and replacement funds	1,570,369	-	1,570,369
Customer deposits	3,057,507	-	3,057,507
	$ 8,344,590	$ -	$ 8,344,590

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Capital Assets

Capital assets activity for the fiscal year is as follows:

	October 1, 2023	Additions	Deductions	September 30, 2024
Capital assets, not being depreciated				
Land	$ 143,889,631	$ 6,794,401	$ -	$ 150,684,032
Construction in progress	39,587,022	30,616,423	20,348,770	49,854,675
Capital assets, not being depreciated	183,476,653	37,410,824	20,348,770	200,538,707
Capital assets, being depreciated				
Buildings	96,999,108	1,725,013	1,969,596	96,754,525
Improvements other than buildings	63,731,294	1,571,149	-	65,302,443
Infrastructure	224,726,419	22,839,616	-	247,566,035
Machinery and equipment	97,649,948	17,801,986	6,807,808	108,644,126
Capital assets, being depreciated	483,106,769	43,937,764	8,777,404	518,267,129
Less accumulated depreciation for				
Buildings	35,607,849	2,771,592	39,395	38,340,046
Improvements other than buildings	26,649,968	2,747,493	-	29,397,461
Infrastructure	127,928,628	8,688,163	-	136,616,791
Machinery and equipment	70,975,434	11,181,188	6,642,982	75,513,640
Total accumulated depreciation	261,161,879	25,388,436	6,682,377	279,867,938
Total capital assets being depreciated, net	221,944,890	18,549,328	2,095,027	238,399,191

- Continued -

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Capital Assets (continued)

	October 1, 2023	Additions	Deductions	September 30, 2024
Right-to-use lease assets, being amortized				
Buildings	$ 530,187	$ -	$ 177,022	$ 353,165
Equipment	1,900,145	1,059,203	501,914	2,457,434
Right-to-use lease assets, being amortized	2,430,332	1,059,203	678,936	2,810,599
Less accumulated amortization for				
Buildings	256,251	59,405	177,022	138,634
Equipment	491,803	506,565	501,914	496,454
Total accumulated amortization	748,054	565,970	678,936	635,088
Right-to-use lease assets being amortized, net	1,682,278	493,233	-	2,175,511
Right-to-use subscription assets, being amortized				
Subscription-based information technology amortized	-	808,485	-	808,485
Right-to-use subscription assets, being amortized	-	808,485	-	808,485
Less accumulated amortization for Subscription-based information technology				
Right-to-use subscription assets	-	261,958	-	261,958
Total accumulated amortization	-	261,958	-	261,958
Right-to-use subscription assets being amortized, net	-	546,527	-	546,527
Total governmental activities capital assets, net	$ 407,103,821	$ 56,999,912	$ 22,443,797	$ 441,659,936

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Capital Assets (continued)

Depreciation and amortization expense was charged to the functions of the government as follows:

Governmental Activities	
General government	$ 3,027,057
Public safety	7,724,657
Physical environment	1,269,061
Transportation	11,798,342
Economic environment	1,255,087
Human services	91,952
Culture and recreation	1,050,208
Total	$ 26,216,364

A summary of capital assets for FCSC, a proprietary fund type component unit, at year-end is as follows:

	March 1, 2023	Additions	Transfer/ Deductions	February 29, 2024
Capital assets not being depreciated				
Land	$ 16,377,740	$ -	$ -	$ 16,377,740
Construction in progress	4,175,914	3,093,825	(5,160,013)	2,109,726
Total non-depreciable assets	20,553,654	3,093,825	(5,160,013)	18,487,466
Capital assets being depreciated:				
Buildings	11,305,028	-	-	11,305,028
Utility system	368,734,157	14,930,145	5,013,032	388,677,334
Automobiles and trucks	8,603,761	1,324,388	(953,957)	8,974,192
Furniture and fixtures	1,111,457	36,248	-	1,147,705
Machinery and equipment	22,157,317	1,289,802	(247,847)	23,199,272
Total depreciable assets	411,911,720	17,580,583	3,811,228	433,303,531
Less accumulated depreciation	251,511,694	18,367,579	(1,076,549)	268,802,724
Total depreciable capital assets, net	160,400,026	(786,996)	4,887,777	164,500,807
Total governmental activities capital assets, net	$ 180,953,680	$ 2,306,829	$ (272,236)	$ 182,988,273

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Long-term Debt and Liabilities

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

	Balance 10/01/23	Additions	Reductions	Balance 09/30/24	Due Within One Year
Leases	$ 1,516,861	$ 1,052,883	$ 526,739	$ 2,043,005	$ 628,728
Subscription leases	-	808,485	261,958	546,527	269,424
Notes from direct borrowings	14,860,990	-	2,040,337	12,820,653	2,110,906
Compensated absences	6,051,624	5,862,841	5,226,245	6,688,220	1,255,077
Net pension liability	120,311,564	10,712,655	12,629,885	118,394,334	-
Total OPEB liability	29,914,000	2,722,000	1,156,000	31,480,000	1,213,800
Landfill closure costs	8,968,613	2,170,215	-	11,138,828	2,471
	$ 181,623,652	$ 23,329,079	$ 21,841,164	$ 183,111,567	$ 5,480,406

Compensated absences, other postemployment benefits and the net pension liability will be liquidated in future periods primarily by the General Fund for governmental activities. A portion of compensated absences will be liquidated by the internal service fund.

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Long-term Debt and Liabilities (continued)

Leases

The County has entered into multiple lease agreements as lessee for vehicles, equipment, and buildings that qualify as leases for accounting purposes.

The present value of the future minimum lease payments is as follows:

	Tax Collector	Sheriff	Total
2025	$ 3,350	$ 647,029	$ 650,379
2026	1,687	648,287	649,974
2027	1,687	539,493	541,180
2028	563	330,213	330,776
2029	-	-	-
Total minimum payments	7,287	2,165,022	2,172,309
Less: amount representing interest	(4)	(129,300)	(129,304)
Present value of minimum lease payments	$ 7,283	$ 2,035,722	$ 2,043,005
Gross asset value	$ 50,234	$ 2,810,599	$ 2,860,833
Accumulated depreciation/amortization	(48,608)	(635,086)	(683,694)
Net asset value	$ 1,626	$ 2,175,513	$ 2,177,139

Subscription-Based Information Technology Arrangements

The County has one software arrangement that requires recognition under GASBC Section S:80, *Subscription-Based Information Technology Arrangements* (SBITAs). The County now recognizes a subscription liability and an intangible right-to-use subscription asset for the accounting software in Finance.

The accounting software arrangement is a three-year agreement, initiated in fiscal year 2024 with an annual payment of $285,000. The County has used a 2.85% discount rate for this arrangement based on another similar lease during the same fiscal year.

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Long-term Debt and Liabilities (continued)

Subscription-Based Information Technology Arrangements (continued)

The present value of the future minimum lease payments is as follows:

	Clerk
2025	$ 285,000
2026	285,000
2027	-
2028	-
2029	-
Total minimum payments	570,000
Less: amount representing interest	(23,473)
Present value of minimum lease payments	$ 546,527

Notes From Direct Borrowings

September 30, 2024

Note Payable - SunTrust - Original loan of $27,000,000 for capital projects. Due in quarterly principal and interest installments of $553,331 with an interest rate of 3.25%. Note matures in 2030 and is secured by half-cent sales tax revenues.	$ 11,185,653
Revenue Promissory Note, Series 2020 - Original loan of $2,500,000 to finance the County's rural broadband expansion. Due in quarterly principal and interest installments with an interest rate of 2.10%. Note matures in 2030.	1,635,000
	$ 12,820,653

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Long-term Debt and Liabilities (continued)

Notes From Direct Borrowings (continued)

Principal maturities of all the primary government's notes payable and related interest payments for the next five years are as follows:

Year Ending September 30,	Principal	Interest	Total
2025	$ 2,110,906	$ 405,479	$ 2,516,385
2026	2,182,320	338,263	2,520,583
2027	2,245,783	268,920	2,514,703
2028	2,310,881	196,943	2,507,824
2029	2,399,115	123,671	2,522,786
2030	1,571,648	47,343	1,618,991
	$ 12,820,653	$ 1,380,619	$ 14,201,272

Sales Tax Revenues Pledged

The County has pledged a portion of its future half-cent sales tax revenue to repay the $27,000,000 Note Payable – SunTrust Bank issued in fiscal year 2015 to finance the planning, development, acquisition, construction, equipping and maintenance of certain improvements and public facilities in the County. The note is payable solely from the half-cent sales tax approved by the Board and effective January 1, 2013. The half-cent sales tax is projected to produce 100 percent of the debt service requirements over the life of the note. For the current year, principal and interest paid and half-cent sales tax revenues were $2,214,123 and $17,702,625, respectively.

Florida Community Services Corporation (FCSC)

The following is a summary of changes in FCSC long-term debt and liabilities for the year. FCSC's bonds and notes payable were comprised of the following at February 29, 2024:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
Revenue bonds and notes					
Series 2011 revenue bond	$ 3,925,000	$ -	$ 370,000	$ 3,555,000	$ 385,000
Series 2013 note	3,810,000	-	380,000	3,430,000	395,000
Series 2015 note	10,390,000	-	1,043,000	9,347,000	1,064,000
Revenue bonds and notes payable	18,125,000	-	1,793,000	16,332,000	1,844,000
Plus unamortized bond premium	36,308	-	4,313	31,995	-
Total revenue bonds and notes payable	$ 18,161,308	$ -	$ 1,797,313	$ 16,363,995	$ 1,844,000

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Long-term Debt and Liabilities (continued)

Florida Community Services Corporation (FCSC) (continued)

February 29, 2024	Current	Long-term	Total
$8,685,000 Revenue Bonds, Series 2011, serial bonds for the purpose of refunding the outstanding Water and Sewer Revenue Refunding Bonds, Series 2001, principal and interest payments are due semi-annually with principal due in increasing amounts and interest rates from 2.0% to 4.75%. The bonds are secured by the assets of the Corporation and by future revenues.	$ 385,000	$ 3,170,000	$ 3,555,000
$6,800,000 Water and Sewer Revenue Note, Series 2013, for the purpose of refunding the outstanding Water and Sewer Revenue Refunding Bonds, Series 2003, principal and interest payments are due semi-annually with principal due in increasing amounts and an interest rate of 2.47%. The note is secured by the assets of the Corporation and by future revenues.	395,000	3,035,000	3,430,000
$14,626,000 Water and Sewer Revenue Note, Series 2015, for the purpose of refunding the outstanding Water and Sewer Revenue Refunding Bonds, Series 2006, principal and interest payments are due semi-annually with principal due in increasing amounts and an interest rate of 2.54%. The note is secured by the assets of the Corporation and by future revenues.	1,064,000	8,283,000	9,347,000
Total revenue bonds and notes outstanding	1,844,000	14,488,000	16,332,000
Unamortized premium	-	31,995	31,995
Total revenue bonds and notes, net	$ 1,844,000	$ 14,519,995	$ 16,363,995

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Long-term Debt and Liabilities (continued)

Florida Community Services Corporation (FCSC) (continued)

FCSC's annual requirements to amortize all debts outstanding as of February 29, 2024 on the bonds and notes are as follows:

Year Ending February 29,	Principal	Interest	Total
2025	$ 1,844,000	$ 460,638	$ 2,304,638
2026	1,895,000	408,001	2,303,001
2027	1,953,000	353,203	2,306,203
2028	2,009,000	296,422	2,305,422
2029	2,065,000	237,345	2,302,345
2030-2032	6,566,000	334,737	6,900,737
	$ 16,332,000	$ 2,090,346	$ 18,422,346

Debt Covenants

FCSC's outstanding bond and note issues require FCSC to provide in each fiscal year net revenues and water and sewer impact fees that are adequate to pay at least 115% of the annual debt service. Additionally, annual net revenues must be adequate to pay 105% of FCSC's annual debt service plus any amounts required to be deposited in reserve and certain other accounts. As of February 29, 2024, FCSC was in compliance with all of its debt covenants.

Indenture Provisions

FCSC's outstanding bond and note issues require the establishment of certain debt service reserve accounts to be maintained. At February 29, 2024, FCSC was in compliance with the debt service reserve requirements of the outstanding bond and note issues. FCSC's outstanding bond and note issues require the establishment of a renewal and replacement fund which must maintain a balance equal to 5% of the gross revenues received by the issuer in the immediately preceding fiscal year. FCSC met this requirement for fiscal year 2024. Within the same bank account, FCSC's maintains additional funds which are designated by FCSC's Board for use in replacement and repairs due to natural disasters, such as hurricanes.

Deposits

At September 30, 2024, deposits totaled $4,616,984. Of this total, $2,373,773 was for bid bond deposits and cash sureties for infrastructure paid by developers and $1,567,557 was for proportionate fair share deposits, which are both restricted by enabling legislation. Proportionate fair share is a funding mechanism passed by the Florida Legislature designed to mitigate the impact of development on transportation facilities by the cooperative efforts of the public and private sectors. The remaining balance was related to miscellaneous deposits.

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Conduit Debt

The County authorized issuance of conduit debt in June 2024 in the form of revenue bonds for the Seaside School Project up to $26,947,000 for the acquisition, construction and equipping of various capital improvements to the Seaside School, Inc.'s facilities, including two new academic buildings. The County is not obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements. As of September 30, 2024, the outstanding balance was $4,312,827.

Net Investment in Capital Assets

All debt proceeds obtained for capital assets were expended and netted against net capital assets to arrive at net investment in capital assts.

Net Position Restricted by Enabling Legislation

The government-wide statement of net position reports $78,900,050 of restricted net position, of which $77,597,792 is restricted by enabling legislation.

Fund Balance

The County classifies fund balance as nonspendable, restricted, committed, assigned or unassigned based upon a hierarchy that imposes certain constraints on the resources. See Note 1 for a description and detailed explanation of each classification.

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Fund Balance (continued)

At September 30, 2024, fund balance is comprised of the following:

Nonspendable		
General fund		
Inventory	$ 140,537	
Prepaids	67,959	
Loan receivable	1,693,955	
		$ 1,902,451
County transportation		
Inventory		390,041
Tourist development		
Inventory	242,002	
Prepaids	20,000	
Other	300	
Total tourist development		262,302
Solid waste landfill		
Prepaids		1,350
Nonmajor funds		
Prepaids		3,562
Total nonspendable fund balance		$ 2,559,706

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Fund Balance (continued)

Restricted		
General fund		
Court technology	$ 567,236	
Court innovations	92,288	
		$ 659,524
County transportation		
Road and bridge		36,894,286
Fine and forfeiture		
Public safety		33,412,246
Solid waste landfill		
Closure costs		4,131,017
Nonmajor governmental funds		
Debt service	51,434	
Housing and Urban Development (HUD)	12,752	
Mosquito control	941,432	
Court technology	408,618	
Public Records Modernization	644,020	
Child support enforcement	290,011	
Law enforcement	1,454,710	
		3,802,977
Total restricted fund balance		$ 78,900,050

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Fund Balance (continued)

Committed		
General fund		
Self funding		$ 2,890,000
Tourist development		
Beach renourishment	62,794,959	
Shoulder	23,430,782	
North Walton	856,434	
High impact	20,355,353	
		107,437,528
Nonmajor governmental funds		
Code enforcement	9,194,429	
Preservation	1,037,568	
Sidewalk	581,393	
Total nonmajor governmental funds		10,813,390
Total committed fund balance		$ 121,140,918
Assigned		
General fund		
2025 budget appropriations		$ 8,438,292
Tourist development		
2025 budget appropriations		40,423,791
Solid waste landfill		
Landfill operations and capital projects		39,400,898
Capital projects		
Capital projects and improvements		24,629,257
Nonmajor governmental funds		
Public safety	202,696	
Culture and recreation	4,365,186	
		4,567,882
Total assigned fund balance		$ 117,460,120

Note 3: RECOGNITION OF LANDFILL CLOSURE AND POST-CLOSURE COSTS

State and federal laws require final cover and closure as well as post-closure care of landfills. Closure cost estimates include final cover, anticipated costs of equipment and facilities constructed near or after closure and thirty years of monitoring and maintenance costs subsequent to closing. Closure costs estimates are subject to regulatory review. The County has one landfill site for which closure and post-closure cost estimates are required. Presently, the County is utilizing a 120 acre site located on Highway 83 North. This site contains approximately 40 acres of filled Class I cells that have been closed, approximately 16 acres of Class III cells that are approximately 94% filled, approximately 10 acres of Class III cells that are approximately 5% filled, and 5.1 acres of Class I cells constructed and available that have not been utilized. During the year-ended September 30, 2023, the County opened approximately 10 acres of Class III cells. The County has elected to ship all Class I materials to a facility outside the County. The current closure cost estimate for the 26 acre Class III cells of $22,671,883 represents closure costs of $12,680,813 and post-closure cost of $9,991,070. A portion of the cost is reported each period as operating expense based on landfill capacity used as of each balance sheet date. The estimated closure/post-closure cost of $11,138,828 for this used capacity is reflected as a liability at September 30, 2024. Closure and post-closure costs of $11,533,055 remain to be recognized in the estimated seventeen years of remaining useful life.

The landfill is required, by state and federal law and regulations, to make annual contributions to a cash escrow account to meet financial assurance requirements. In the event closure escrows and interest earnings prove inadequate due to inflation, changes in technology, or additional closure/post-closure care requirements, these costs may need to be covered by charges to future landfill users.

Note 4: EMPLOYEE RETIREMENT SYSTEM

Florida Retirement System Pension Plan

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

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

The System provides for those employees hired prior to July 1, 2011 vesting of benefits after six years of creditable service. Normal retirement benefits are available to employees who retire at or after age 62 with six or more years of service. For Special Risk Class members, normal retirement is age 55 with at least six years of Special Risk service, or twenty-five years of Special Risk service, regardless of age, or age 52 with 25 years of Special Risk service and up to four years of active duty wartime service. Early retirement is available after six years of service with a 5% reduction of

Note 4: EMPLOYEE RETIREMENT SYSTEM (Continued)

Florida Retirement System Pension Plan (continued)

benefits for each year prior to the normal retirement age. For those employees hired on or after July 1, 2011, the System provides for vesting of benefits after eight years of credible service. Normal retirement benefits are available to these employees who retire at or after age 65 with eight years of service or thirty-three years regardless of age. For Special Risk Class members, normal retirement is age 60 with at least eight years of Special Risk service, or thirty years of Special Risk service, regardless of age. Retirement benefits are based upon age, average compensation and years-of-service credit where average compensation is computed as the average of an individual's five highest years of earnings.

Participating employer contributions are based upon state-wide rates established by the State of Florida. These rates are applied to employee salaries as follows: regular employees-13.63% DROP Program-21.13%, special risk employees-32.79%, senior management-34.52% and elected officials-58.68%. These rates are applied to employee salaries each pay period. Employee contributions are 3.00% for all classifications, with the exception of DROP program participants who do not make contributions.

The County's contributions to the System pension plan for the years ended September 30, 2024 and 2023 were $13,699,545, and $11,392,167, respectively, and equal to the actuarially determined contributions for each year. The County's contributions to the Retiree Health Insurance Subsidy Program ("HIS") for the years ended September 30, 2024 and 2023 were $1,576,590 and $1,237,718, respectively, and equal to the actuarially determined contributions for each year. These contributions were paid by their due date. Total payroll for the County employees covered by the System pension plan and HIS was $78,892,780 for the year ended September 30, 2024. The County's total payroll was $80,603,024 for the same period. Net pension liabilities are generally liquidated by the general fund.

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

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions. At September 30, 2024, the Board reported a liability of $91,218,535 for its proportionate share of the collective net pension liability for the Florida Retirement System Pension Plan ("Pension Plan"). 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 Board's proportion of the collective net pension liability was based on the employers' shares of contributions to the Pension Plan relative to the total employer contributions of all participating employers. At June 30, 2024, the System's proportion of the Pension Plan was 0.235800%, which was an increase of 0.005013% from its proportion measured as of June 30, 2023.

Note 4: EMPLOYEE RETIREMENT SYSTEM (Continued)

Florida Retirement System Pension Plan (continued)

For the year ended September 30, 2024, the Board recognized a combined pension expense of $1,932,536 for the Pension Plan and the HIS Plan. For the year ended September 30, 2024, the Board recognized pension expense of $1,649,651 for the Pension Plan. At September 30, 2024, the Board reported deferred outflows of resources and deferred inflows of resources related to the Pension Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 9,215,520	$ -
Changes of assumptions	12,502,334	-
Net difference between projected and actual earnings on pension plan investments	-	6,062,859
Changes in proportion and difference between employer contributions and proportionate	7,045,562	2,525,552
Employer contributions subsequent to the measurement date	3,352,975	-
Total	$ 32,116,391	$ 8,588,411

$3,352,975 reported as deferred outflows of resources related to the Pension Plan resulting from Board contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2025. Amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Year Ended September 30,	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense, Net
2025	$ 5,427,059	$ 1,689,091	$ 3,737,968
2026	5,427,059	1,689,091	3,737,968
2027	5,427,059	1,689,091	3,737,968
2028	5,427,059	1,689,091	3,737,968
2029	5,427,059	1,689,091	3,737,968
Thereafter	1,628,121	142,956	1,485,165
	$ 28,763,416	$ 8,588,411	$ 20,175,005

Actuarial assumptions. The total pension liability for the Pension Plan was determined by an actuarial valuation as of July 1, 2024 using the following actuarial assumptions, applied to all periods included in the measurement:

Note 4: EMPLOYEE RETIREMENT SYSTEM (Continued)

Florida Retirement System Pension Plan (continued)

Inflation	2.40%
Investment rate of return*	6.70%
Projected salary increases	3.50%

* Net of pension plan investment expense

The actuarial assumptions used in the actuarial valuation as of July 1, 2024 for the Pension Plan were based on the results of an investigation of the economic and demographic experience for the System based upon participant data for the period July 1, 2018 to June 30, 2023.

Mortality rates were based on the PUB-2010 base table, projected generationally with Scale MP-2021.

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

Asset Class	Target Allocation(1)	Annual Arithmetic Return*	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.3%	3.3%	1.1%
Fixed income	29.0%	5.7%	5.6%	3.9%
Global equity	45.0%	8.6%	7.0%	18.2%
Real estate (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%			

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

* Includes assumed rate of inflation of 2.40%

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

Note 4: EMPLOYEE RETIREMENT SYSTEM (Continued)

Florida Retirement System Pension Plan (continued)

Sensitivity of the Board's proportionate share of the net pension liability to changes in the discount rate. The following table presents the Board's proportionate share of the net pension liability calculated using the discount rate of 6.70% for the Pension Plan, as well as what the Board's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (5.70%) or 1-percentage point higher (7.70%) than the current rate:

	1% Decrease 5.70%	Current Discount Rate 6.70%	1% Increase 7.70%
Board's proportionate share of collective pension liability	$ 160,450,209	$ 91,218,535	$ 33,222,324

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued FRS Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024. The supporting actuarial information is included in the GASB Statement No. 68 Report for the FRS prepared as of June 30, 2024. The auditor's report dated January 10, 2025 on the total pension liability, total deferred outflows of resources, total deferred inflows of resources, total pension expense for the sum of all participating entities as of June 30, 2024 along with supporting schedules is also available. The additional financial and actuarial information is available from the following website:

http://www.dms.myflorida.com/workforce_operations/retirement/publications.

Health Insurance Subsidy Program

Chapter 112, Florida Statutes, established the HIS, a cost-sharing multiple-employer defined benefit pension plan to assist retired members of any State-administered retirement system in paying the costs of health insurance. Contributions to the HIS plan are included in contributions to the Pension Plan noted above. The Pension Plan contributes 1.66% of each covered employee's salary to the HIS Plan.

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

Pension liabilities, pension expense, and deferred outflows of resources and deferred inflows of resources related to pensions. At September 30, 2024, the Board reported a liability of $27,175,799 for its proportionate share of the collective net pension liability. For the Health Insurance Subsidy program ("HIS Plan"), the net pension liability was measured as of June 30, 2024 and the total

Note 4: EMPLOYEE RETIREMENT SYSTEM (Continued)

Health Insurance Subsidy Program (continued)

pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2023. The Board's proportion of the collective net pension liability was based on the employers' shares of contributions to the HIS Plan relative to the total employer contributions of all participating employers. At June 30, 2024, the Board's proportion of the HIS Plan was 0.1811602%, which was an increase of 0.002646% from its proportion measured as of June 30, 2023.

For the year ended September 30, 2024, the Board recognized pension expense of $282,885 for the HIS Plan. At September 30, 2024, the Board reported deferred outflows of resources and deferred inflows of resources related to the HIS Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 262,400	$ 52,182
Changes of assumptions	480,947	3,217,265
Net difference between projected and actual earnings on pension plan investments	-	9,829
Changes in proportion and difference between employer contributions and proportionate share of contributions	2,858,476	511,371
Employer contributions subsequent to the measurement date	393,480	-
Total	$ 3,995,303	$ 3,790,647

$393,480 reported as deferred outflows of resources related to pensions resulting from Board contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability in the year ended September 30, 2025. Amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in the pension's expense as follows:

Year Ended September 30,	Deferred Outflows of Resources	Deferred Inflows of Resources	Pension Expense, Net
2025	$ 571,718	$ 597,673	$ (25,955)
2026	571,718	597,673	(25,955)
2027	571,718	597,673	(25,955)
2028	571,718	597,673	(25,955)
2029	571,718	600,129	(28,411)
Thereafter	743,233	799,826	(56,593)
	$ 3,601,823	$ 3,790,647	$ (188,824)

Note 4: EMPLOYEE RETIREMENT SYSTEM (Continued)

Health Insurance Subsidy Program (continued)

The total pension liability for the HIS Plan was determined by an actuarial valuation as of July 1, 2023, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.40%
Investment rate of return*	3.93%
Projected salary increases	3.50%

* Net of pension plan investment expense

The actuarial assumptions used in the actuarial valuation as of July 1, 2023 for the HIS Plan were based on the results of an investigation of the economic and demographic experience for the Florida Retirement System ("FRS") based upon participant data for the period July 1, 2018 to June 30, 2023.

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

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

Discount rate. The discount rate used to measure the total pension liability for the HIS Plan was 3.93%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion rate is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the Board's proportionate share of the net pension liability to changes in the discount rate. The following table presents the Board's proportionate share of the net pension liability calculated using the discount rate of 3.65% for the HIS Plan as well as what the Board's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.93%) or 1-percentage point higher (4.93%) than the current rate:

	1% Decrease 2.93%	Current Discount Rate 3.93%	1% Increase 4.93%
Board's proportionate share of collective pension liability	$ 30,936,155	$ 27,175,799	$ 24,054,096

Note 4: EMPLOYEE RETIREMENT SYSTEM (Continued)

Health Insurance Subsidy Program (continued)

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued FRS Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024. The supporting actuarial information is included in the GASB Statement No. 68 *Report for the FRS* prepared as of June 30, 2024. The auditor's report dated January 10, 2025 on the total pension liability, total deferred outflows of resources, total deferred inflows of resources, total pension expense for the sum of all participating entities as of June 30, 2024 along with supporting schedules is also available. The additional financial and actuarial information is available from the following website:

http://www.dms.myflorida.com/workforce_operations/retirement/publications.

Note 5: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION

Plan Description

The Board administers a single-employer defined benefit healthcare plan (the "Plan"). In accordance with Section 112.0801 of the Florida Statutes, because Walton County provides a medical plan to active employees of the County and their eligible dependents, the County is also required to provide retirees with the opportunity to participate in this Plan. The Plan provides healthcare benefits including medical coverage, prescription drug benefits, and life insurance coverage to both active and eligible retired employees. The Plan is administered through an agreement with Blue Cross Blue Shield of Florida (BCBSFL). Two plans are offered: a Blue Cross Co-Pay plan with a $750 deductible (Plans 03559 and 3359) and a Blue Cross PPO plan with a $1,500 deductible (Plan 3360). Once the retiree becomes eligible for Medicare coverage, the monthly premium is reduced. The Plan does not issue a publicly available financial report.

Eligibility for participation in the Plan is limited to full time employees of the County and of the Constitutional Officers. A retired employee who is participating in the employer's medical program is eligible to elect post-retirement coverage if:

Normal retirement requirements for members initially enrolled before July 1, 2011:

- *For Special Risk* – is at least age 55 with 6 years of service or any age with 25 years of service, and is eligible for immediate retirement benefits under FRS, or
- *For Non-Special Risk* – is at least age 62 with 6 or more years of service, or any age with 30 years of service.

Normal retirement requirements for members initially enrolled on or after July 1, 2011:

- *For Special Risk* – is at least age 60 with 8 years of service or any age with 30 years of service, and is eligible for immediate retirement benefits under FRS, or
- *For Non-Special Risk* – is at least age 65 with 8 or more years of service, or any age with 33 years of service.

The benefit is payable immediately upon retirement for life.

Note 5: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (Continued)

Benefits Provided

The County provides postemployment healthcare and life insurance to its retirees. Health benefits are provided through the County's healthcare provider, BCBSFL. The benefit levels are the same as those afforded to active employees. Health benefits include inpatient and outpatient medical services and prescriptions. Upon a retiree reaching age 65 years of age, Medicare becomes the primary insurer and the County's plan becomes secondary.

Membership

At October 1, 2023, the date of the actuarial valuation, there were no terminated employees entitled to benefits but not yet receiving them. The membership of the Plan consisted of:

Active employees	1,027
Inactive (employees or beneficiaries currently receiving benefits)	332
Inactive (employees entitled but not yet receiving benefits)	-
Total membership	1,359
Participating employers	1

Funding Policy

A qualifying trust or agency fund has not been authorized by the County. The County negotiates the premium rates with BCBSFL. The required contribution is based on pay-as-you-go financing requirements. Upon a retiree or beneficiary reaching age 65 years of age, they are required to contribute 100% of their current premium costs. Prior to a retiree or beneficiary reaching age 65 years of age, the County pays a portion of the premium and the beneficiary is required to pay the remainder. The County contributes the remainder to cover the costs of providing the benefits to the retirees.

Total OPEB Liability

The County's total OPEB liability is reported herein as of September 30, 2024 for the County's fiscal year and reporting period of October 1, 2023 to September 30, 2024. The values shown for this fiscal year and reporting period are based on a measurement date of October 1, 2023 and the corresponding measurement period of October 1, 2022 to September 30, 2023. The measurement of the total OPEB liability is based on a valuation date of October 1, 2023. The following shows the changes in the County's total OPEB liability:

Note 5: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (Continued)

Total OPEB Liability (continued)

	Increases (Decreases)		
	Total OPEB Liability (a)	Plan Fiduciary Net Pension (b)	Net OPEB Liability (a)+(b)
Balance at October 1, 2022	$ 29,914,000	$ -	$ 29,914,000
Service cost	588,000	-	588,000
Interest cost	1,317,000	-	1,317,000
Difference between expected and actual experience	2,559,000	-	2,559,000
Employer contributions	-	1,156,000	1,156,000
Benefit payments	(1,156,000)	(1,156,000)	(2,312,000)
Assumption changes	(1,742,000)	-	(1,742,000)
Net changes	1,566,000	-	1,566,000
Balance at September 30, 2023	$ 31,480,000	$ -	$ 31,480,000

Sensitivity of the total OPEB liability to changes in the discount rate – The following represents the total OPEB liability, as well as what the total OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease 3.70%	Current Discount Rate 4.70%	1% Increase 5.70%
Net OPEB liability	$ 37,873,000	$ 31,480,000	$ 26,561,000

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates – The following represents the total OPEB liability, as well as what total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (4%) or 1-percentage-point higher (6%) than the current healthcare trend rates:

	1% Decrease 4.00%	Current Trend Rate 5.00%	1% Increase 6.00%
Net OPEB liability	$ 26,596,000	$ 31,480,000	$ 37,862,000

At September 30, 2024, the Board reported deferred outflows of resources and deferred inflows of resources related to the OPEB from the following sources:

Note 5: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (Continued)

Total OPEB Liability (continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 5,836,000	$ 312,000
Changes of assumptions	4,099,000	12,549,800
Net difference between projected and actual earnings on pension plan investments	-	-
Employer contributions subsequent to the measurement date	1,213,800	-
Total	$ 11,148,800	$ 12,861,800

$1,213,800 reported as deferred outflows of resources related to postemployment benefits resulting from Board contributions subsequent to the measurement date will be recognized as a reduction of the total OPEB liability in the year ended September 30, 2025. Amounts reported as deferred outflows of resources and deferred inflows of resources related to the OPEB will be recognized in OPEB expense as follows:

Year Ended September 30,	OPEB Expense, Net
2025	$ (373,000)
2026	(717,000)
2027	(1,145,000)
2028	(1,042,000)
2029	350,200
2030	-
	$ (2,926,800)

Actuarial Methods and Assumptions – The actuarial report dated January 31, 2025 for the fiscal year end date of September 30, 2024 was prepared using GAAP and practices, and relied on census data and medical claims data reported by the County. Projections of benefits for financial reporting purposes are based on the substantive plan (the Plan as understood by the employer and the Plan members) and include the types f benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used included techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the October 1, 2023 actuarial valuation, the entry age actuarial cost method was used to determine the Plan's funding liabilities and assets. The actuarial assumption included a 4.70% discount rate, general wage increases of 2.60% and a medical trend rate for fiscal year 2024 of 5.0 per year. The discount rate represents the Municipal GO AA 20-year yield curve rates as of September 30, 2023. The following mortality rates were used:

Note 5: POSTEMPLOYMENT BENEFITS OTHER THAN PENSION (Continued)

Total OPEB Liability (continued)

Post Employment:

- Females: RP-2000 Fully Generational with Scale BB, 100% White Collar
- Males: RP-2000 White Collar Generational with Scale BB, 50% Blue Collar and 50% White Collar

During Employment

- Females: RP-2000 Generational, 100% Combined Healthy White Collar with Scale BB
- Males: RP-2000 Generational with Scale BB, 50% Blue Collar and 50% White Collar

Note 6: COMMITMENTS AND CONTINGENCIES

During the ordinary course of its operation, the County is party to various claims, legal actions, and complaints. While the ultimate effect of such litigation cannot be ascertained at this time, in the opinion of counsel for the County, the liabilities which may arise from such actions would not result in losses which would exceed the liability insurance limits in effect at the time the claim arose or otherwise materially affect the financial condition of the County or results of activities.

Except for vehicular property damage, the County carries commercial insurance for all other risks of loss including accidental death and dismemberment, health and workers' compensation for Community Service Workers. Settled claims resulting from these risks have not exceeded commercial insurance coverage for the past three fiscal years.

It is the policy of the County not to purchase commercial insurance for the risks associated with vehicular property damage. The County believes it is more economical to manage this risk internally and covers all claim settlements and judgments for vehicular property damage out of its General Fund resources. The County currently reports all risk management activities for vehicular property damage from its General Fund. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss is reasonably estimated. These losses include an estimate of amounts incurred but not reported.

The County maintains a pay-as-you-go method of funding current and future liabilities, and has reserved none of its fund balance for future potential liability.

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund(s). The amount, if any, of expenditures from current or prior years which may be disallowed by the grantor cannot be determined at this time although the County expects such amounts not recorded, if any, to be immaterial.

Note 6: COMMITMENTS AND CONTINGENCIES (Continued)

The County has active construction projects as of September 30, 2024. At year-end, the County's commitments with contractors are as follows:

Project	Contract Amount	Expended to Date	Remaining Commitment
Various infrastructure projects	$ 40,864,051	$ 30,050,643	$ 10,813,408
Broadband expansion	1,573,750	820,750	753,000
Total contract commitments	$ 42,437,801	$ 30,871,393	$ 11,566,408

Note 7: LITIGATION

The County is involved in numerous litigations and claims arising in the ordinary course of operations. In the opinion of legal counsel, the range of potential recoveries or liabilities in excess of insurance coverage, if any, is not reasonably determinable and no loss contingencies have been recorded.

FCSC Litigation

As of February 29, 2024, FCSC had taken legal action related to the collection of the past due amounts by filing liens. However, management believes there is uncertainty regarding the collectability of the past due amounts. Therefore, at February 29, 2024, FCSC had established an allowance for doubtful accounts of $1,568,840. Revenues related to developer agreements are reported as non-operating revenues.

FCSC is involved in one pending legal action with Inlet Beach Water System ("IBWS") alleging breach of contract and unjust enrichment for sewer fees. The plaintiff is disputing the current sewer fee rates being charged by the FCSC. As a result of the dispute, the plaintiff is submitting payments each month at a lower rate than billed. In 2023, the FCSC entered into a mediation agreement with IBWS in which the parties agreed to draft and approve a purchase and sale agreement for all of the operating assets of IBWS, excluding cash and cash equivalents and accounts receivable, but including liabilities owed to parties other than the FCSC and liabilities owed to the Corporation as carried on the IBWS financial statements dated June 2023 and $400,000 of the billed amount since September 2021 to date of closing. All other liabilities owed to the FCSC shall be forgiven. In January 2024, the Corporation entered into an agreement with Inlet Beach Water System to purchase the utility system and incorporate it into the Regional Utilities service area. The purchase price is pending completion of a three-appraiser process.

Note 8: TAX ABATEMENT

As part of the November 6, 2012 General Election, a referendum was placed on the ballot to authorize the Board authority to grant property tax exemptions to new businesses and expansions of existing businesses that are expected to create, new full time jobs in Walton County. The referendum received a 63.42% affirmative vote establishing authority for the Board to grant ad valorem tax exemptions for economic development.

The Board determines the percentage amount which can range from 10% to 100% and duration of the tax abatement, which is not to exceed 10 years. The amount of the abatement is automatically deducted from the property owner's tax bill.

For the year ended September 30, 2024, the County abated property taxes totaling $16,008 under this program. The Board has elected to disclose all tax abatement agreements without consideration of materiality.

Name of Business	Purpose	Percent Abated	Amount Abated
R&G Lathinghouse Partnership	To make improvements to real property and purchase tangible personal property to facilitate expansion.	55%	$ 9,321
Triangle Chevrolet-Buick, Co. Inc.	Construction of a new dealership, building and related improvements.	16%	$ 779

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WALTON COUNTY, FLORIDA

Schedule of Changes in Total OPEB Liability and Related Ratios
Last Seven Fiscal Years*

As of and for the year ended September 30,	**2023**	**2022**	**2021**	**2020**
Total OPEB Liability				
Service cost	$ 588,000	$ 1,612,000	$ 1,454,000	$ 1,061,000
Interest	1,317,000	973,000	978,000	853,000
Differences between expected and actual experience	2,559,000	1,457,000	-	5,152,000
Changes of assumptions	(1,742,000)	(16,558,000)	2,053,000	2,818,000
Benefit payments	(1,156,000)	(782,000)	(765,000)	(709,000)
Net change in total OPEB liability	1,566,000	(13,298,000)	3,720,000	9,175,000
Total OPEB liability - beginning, as restated	29,914,000	43,212,000	39,492,000	30,317,000
Total OPEB liability - ending (a)	$ 31,480,000	$ 29,914,000	$ 43,212,000	$ 39,492,000
Plan Fiduciary Net Position				
Contributions - employer	1,156,000	782,000	765,000	709,000
Benefit payments	(1,156,000)	(782,000)	(765,000)	(709,000)
Net change in plan fiduciary net position	-	-	-	-
Plan fiduciary net position - beginning	-	-	-	-
Plan fiduciary net position - ending (b)	-	-	-	-
Net OPEB liability - ending (a) - (b)	$ 31,480,000	$ 29,914,000	$ 43,212,000	$ 39,492,000
Plan fiduciary net position as a percentage of the total OPEB liability	0.00%	0.00%	0.00%	0.00%
Covered-employee payroll	$ 63,137,000	$ 63,137,000	$ 48,742,000	$ 48,742,000
Net OPEB liability as a percentage of covered-employee payroll	49.86%	47.38%	88.65%	81.02%
Contributions as a percentage of covered-employee payroll	1.83%	1.24%	1.57%	1.45%

*This schedule is intended to show information for 10 years.
Additional years will be presented as they become available.

2019	2018	2017
$ 765,000	$ 738,000	$ 719,000
959,000	822,000	792,000
(1,292,000)	2,332,000	-
5,980,000	(1,664,000)	-
(735,000)	(693,000)	(651,000)
5,677,000	1,535,000	860,000
24,640,000	23,105,000	22,245,000
$ 30,317,000	$ 24,640,000	$ 23,105,000
735,000	693,000	651,000
(735,000)	(693,000)	(651,000)
-	-	-
-	-	-
-	-	-
$ 30,317,000	$ 24,640,000	$ 23,105,000
0.00%	0.00%	0.00%
$ 47,319,000	$ 47,319,000	$ 36,941,000
64.07%	52.07%	62.55%
1.55%	1.46%	1.76%

Schedule of Employer's Proportionate Share of the Net Pension Liability
Florida Retirement Systems Pension Plan
Last Ten Fiscal Years

As of and for the year ended June 30,	**2024**	**2023**	**2022**	**2021**
Employer's proportion of the net pension liability	0.235800%	0.230787%	0.211257%	0.207404%
Employer's proportionate share of the net pension	$ 91,218,535	$ 91,961,161	$ 78,604,678	$ 15,666,059
Employer's covered payroll*	$ 78,076,610	$ 70,042,496	$ 61,725,006	$ 56,971,800
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	116.83%	131.29%	127.35%	27.50%
Plan fiduciary net position as a percentage of the total pension liability	83.70%	82.38%	82.89%	96.40%

* Employer's covered payroll during fiscal year is the total payroll paid to covered employees (not just pensionable payroll). The amounts determined for each fiscal year were determined for the year ended September 30.

2020	2019	2018	2017	2016	2015
0.218462%	0.214527%	0.201152%	0.201467%	0.192488%	0.177419%
$ 94,686,768	$ 73,879,975	$ 60,588,162	$ 59,592,706	$ 48,603,420	$ 22,916,098
$ 54,271,774	$ 51,069,047	$ 48,245,952	$ 44,398,430	$ 40,627,415	$ 39,986,370
174.47%	144.67%	125.58%	134.22%	119.63%	57.31%
78.85%	82.61%	84.26%	83.89%	84.88%	92.00%

Schedule of Employer Contributions
Florida Retirement Systems Pension Plan
Last Ten Fiscal Years

As of and for the year ended September 30,	**2024**	**2023**	**2022**	**2021**
Contractually required contribution**	$ 13,699,545	$ 11,392,167	$ 9,515,985	$ 8,166,884
Contributions in relation to the actuarially determined contribution	13,699,545	11,392,167	9,515,985	8,166,884
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Employer's covered payroll*	$ 78,892,780	$ 71,034,783	$ 63,523,324	$ 57,270,813
Contributions as a percentage of covered payroll	17.36%	16.04%	14.98%	14.26%

* Employer's covered payroll during fiscal year is the total payroll paid to covered employees (not just pensionable payroll). The amounts determined for each fiscal year were determined for the year ended September 30.

** The amount contractually required contribution is equal to the amount that would be recognized as additions from the employer's contributions in the pension plan's schedule of changes in fiduciary net position during the period that coincides with the employer's fiscal year.

2020	2019	2018	2017	2016	2015
$ 7,351,234	$ 6,842,066	$ 6,734,188	$ 5,742,586	$ 5,183,622	$ 4,710,495
7,351,234	6,842,066	6,734,188	5,742,586	5,183,622	4,710,495
$ -	$ -	$ -	$ -	$ -	$ -
$ 54,445,154	$ 51,393,221	$ 46,957,748	$ 44,194,033	$ 41,440,841	$ 39,760,306
13.50%	13.31%	14.34%	12.99%	12.51%	11.85%

Schedule of Employer's Proportionate Share of the Net Pension Liability
Health Insurance Subsidy Program
Last Ten Fiscal Years

As of and for the year ended June 30,	**2024**	**2023**	**2022**	**2021**
Employer's proportion of the net pension liability	0.181160%	0.178514%	0.163724%	0.156962%
Employer's proportionate share of the net pension liability	$ 27,175,799	$ 28,350,403	$ 17,340,967	$ 19,253,718
Employer's covered payroll*	$ 78,076,610	$ 70,042,496	$ 61,725,006	$ 56,971,800
Employer's proportionate share of the net pension liability as a percentage of its covered payroll	34.81%	40.48%	28.09%	33.80%
Plan fiduciary net position as a percentage of the total pension liability	4.80%	4.12%	4.81%	3.56%

* Employer's covered payroll during fiscal year is the total payroll paid to covered employees (not just pensionable payroll). The amounts determined for each fiscal year were determined for the year ended September 30.

** The amount contractually required contribution is equal to the amount that would be recognized as additions from the employer's contributions in the pension plan's schedule of changes in fiduciary net position during the period that coincides with the employer's fiscal year.

2020	2019	2018	2017	2016	2015
0.153465%	0.150351%	0.140474%	0.138520%	0.131258%	0.127901%
$ 18,737,877	$ 16,822,769	$ 14,867,914	$ 14,811,187	$ 15,297,561	$ 13,043,922
$ 54,271,774	$ 51,069,047	$ 48,245,952	$ 44,398,430	$ 40,627,415	$ 39,986,370
34.53%	32.94%	30.82%	33.36%	37.65%	32.62%
3.00%	2.63%	2.15%	1.64%	0.97%	0.50%

Schedule of Employer Contributions
Health Insurance Subsidy Program
Last Ten Fiscal Years

As of and for the year ended September 30,	**2024**	**2023**	**2022**	**2021**
Contractually required contribution**	$ 1,576,590	$ 1,237,718	$ 1,041,440	$ 934,780
Contributions in relation to the actuarially determined contribution	1,576,590	1,237,718	1,041,440	934,780
Contribution deficiency (excess)	$ -	$ -	$ -	$ -
Employer's covered payroll*	$ 78,892,780	$ 71,034,783	$ 63,523,324	$ 57,270,813
Contributions as a percentage of covered payroll	2.00%	1.74%	1.64%	1.63%

* Employer's covered payroll during fiscal year is the total payroll paid to covered employees (not just pensionable payroll). The amounts determined for each fiscal year were determined for the year ended September 30.

** The amount contractually required contribution is equal to the amount that would be recognized as additions from the employer's contributions in the pension plan's schedule of changes in fiduciary net position during the period that coincides with the employer's fiscal year

2020	2019	2018	2017	2016	2015
$ 887,743	$ 852,608	$ 779,499	$ 733,621	$ 687,918	$ 660,558
887,743	852,608	779,499	733,621	687,918	660,558
$ -	$ -	$ -	$ -	$ -	$ -
$ 54,445,154	$ 51,393,221	$ 46,957,748	$ 44,194,033	$ 41,440,841	$ 39,760,306
1.63%	1.66%	1.66%	1.66%	1.66%	1.66%

NOTES TO REQUIRED PENSION AND OPEB SUPPLEMENTARY INFORMATION

Note 1: OTHER POSTEMPLOYMENT BENEFITS PLAN

The defined benefit OPEB plan does not have any assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the pension OPEB Plan.

The following actuarial assumptions changed in 2024:

- The discount rate of return was increased from 4.40% to 4.70%.

Note 2: FLORIDA RETIREMENT SYSTEMS (FRS)

The following actuarial assumptions changed in 2024:

- The projected salary increases increased from 3.25% to 3.50%.
- The scale for mortality rates using the PUB-2010 base table, projected generationally with Scale MP-2021 was updated from Scale MP-2018.

Note 3: HEALTH INSURANCE SUBSIDY PROGRAM (HIS)

The following actuarial assumptions changed in 2024:

- The projected salary increases increased from 3.25% to 3.50%.
- The discount rate increased from 3.65% to 3.93%.
- The scale for mortality rates using the PUB-2010 base table, projected generationally with Scale MP-2021 was updated from Scale MP-2018.

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Mosquito Control Grant - To account for state grants to help control mosquitoes and insects.

Housing and Urban Development - To account for federal grants from the Department of Housing and Urban Development.

SHIP Grant - To account for state grant funds provided under the State Housing Initiatives Partnership Program.

North Walton Mosquito Control District - To account for activities of this dependent special district established to help control mosquitoes and insects.

Building Department - To account for fees and assessments levied on building activities to help ensure compliance with state statutes and County ordinances.

Recreation Plat - To account for specific assessment charged property developers to provide recreational facilities within their developments.

Inmate Canteen (Sheriff) - To account for inmate canteen activities.

Court Technology - To account for activity related to the technology needs of the court system.

Record Modernization - To account for an additional service charge on each recorded instrument. These funds are used exclusively for improvements to the official records system and to pay for equipment and start-up costs necessitated by statewide recording systems.

Special Law Enforcement - To account for special revenue from fines and forfeitures for law enforcement.

Preservation - To account for fees paid in lieu of land reserved per land development Code 4.06. Fund expenditures are limited to cost incurred for restoration of native vegetation on public lands.

Sidewalk - To account for assessments charged to developers in lieu of construction of sidewalks as required by the Walton County Land Development Code.

E-911 - To account for phone charges assessed for the purpose of providing emergency assistance.

Abandoned Property - To account for state and local forfeitures restricted to law enforcement.

Triumph Grant - To account for Triumph grant revenue and expenditures.

Suspense - To account for collection and remittance of miscellaneous receipts.

Traffic and Parking Enforcement - To account for fines collected by the Clerk of the Circuit Court for traffic and parking enforcement.

Title IV-D - To account for federal reimbursements for expenditures related to Title IV-D child support cases.

Clerk's Fine and Forfeiture - Established pursuant to Chapter 142.01(1) of the Florida Statutes to account for court related revenues and expenditures, which are required to be reported separately from the Clerk's general fund activities.

MSBU Various - To account for a special assessments charged to various property owners to provide for infrastructure.

Mobility Fee – To account for mobility fee collections to fund projects for the movement of people.

DEBT SERVICE FUND

Highway 331 Bridge - To account for the accumulation of resources and debt service on the County's 2013 half-cent sales surtax note. Proceeds from the loan were used to construct the Highway 331 Bridge Project.

Walton County, Florida
Combining Balance Sheet
Nonmajor Governmental Funds

September 30, 2024	Special Mosquito Control Grant	Special Housing and Urban Development	Special SHIP Grant
Assets			
Cash and cash equivalents	$ 30,499	$ 91,717	$ 748,049
Investments	6,123	18,412	150,180
Accounts receivable, net	-	-	-
Due from other governments	-	12,201	-
Due from other funds	-	-	-
Prepaid items	-	-	-
Restricted assets:			
Cash and cash equivalents	-	-	-
Investments	-	-	-
Total assets	$ 36,622	$ 122,330	$ 898,229
Liabilities			
Accounts payable	$ -	$ 6,576	$ 156,644
Accrued liabilities	-	64,000	-
Due to other governments	-	-	-
Due to individuals	-	38,895	-
Deposits	-	-	-
Due to other funds	-	107	-
Unearned revenue	36,622	-	741,585
Total liabilities	36,622	109,578	898,229
Fund Balance			
Nonspendable	-	-	-
Restricted	-	12,752	-
Committed	-	-	-
Assigned	-	-	-
Total fund balance	-	12,752	-
Total liabilities, deferred inflows of resources and fund balance	$ 36,622	$ 122,330	$ 898,229

Revenue Funds

	N. Walton Mosquito Control District	Building Department	Recreation Plat	Inmate Canteen (Sheriff)	Court Technology
$	850,090	$ 7,731,517	$ 3,716,696	$ 600,377	$ 430,772
	170,665	1,552,032	746,171	-	-
	-	-	-	30,939	-
	558	-	-	-	-
	-	-	-	-	-
	-	3,562	-	-	-
	-	-	-	-	-
	-	-	-	-	-
$	1,021,313	$ 9,287,111	$ 4,462,867	$ 631,316	$ 430,772
$	66,790	$ 10,750	$ 97,682	$ 44,100	$ 709
	13,091	42,841	-	-	21,445
	-	35,529	-	-	-
	-	-	-	10,266	-
	-	-	-	-	-
	-	-	-	10,385	-
	-	-	-	-	-
	79,881	89,120	97,682	64,751	22,154
	-	3,562	-	-	-
	941,432	-	-	566,565	408,618
	-	9,194,429	-	-	-
	-	-	4,365,185	-	-
	941,432	9,197,991	4,365,185	566,565	408,618
$	1,021,313	$ 9,287,111	$ 4,462,867	$ 631,316	$ 430,772

Walton County, Florida
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)

September 30, 2024	Record Modern-ization	Special Law Enforcement	Special Preservation
Assets			
Cash and cash equivalents	$ 644,020	$ 1,013,040	$ 864,092
Investments	-	99,124	173,476
Accounts receivable, net	-	-	-
Due from other governments	-	5,070	-
Due from other funds	-	2,913	-
Prepaid items	-	-	-
Restricted assets:			
Cash and cash equivalents	-	-	-
Investments	-	-	-
Total assets	$ 644,020	$ 1,120,147	$ 1,037,568
Liabilities			
Accounts payable	$ -	$ 15,473	$ -
Accrued liabilities	-	-	-
Due to other governments	-	-	-
Due to individuals	-	-	-
Deposits	-	-	-
Due to other funds	-	-	-
Unearned revenue	-	597,936	-
Total liabilities	-	613,409	-
Fund Balance			
Nonspendable	-	-	-
Restricted	644,020	506,738	-
Committed	-	-	1,037,568
Assigned	-	-	-
Total fund balance	644,020	506,738	1,037,568
Total liabilities, deferred inflows of resources and fund balance	$ 644,020	$ 1,120,147	$ 1,037,568

Revenue Funds

	Sidewalk	E-911	Abandoned Property	Triumph Grant	Suspense
$	484,187	$ 168,806	$ 27,016	$ 8,022	$ 14,146
	97,206	33,891	-	-	-
	-	-	-	-	-
	-	685,925	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
$	581,393	$ 888,622	$ 27,016	$ 8,022	$ 14,146
$	-	$ -	$ 14,099	$ -	$ -
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	685,925	-	-	-
	-	-	-	-	-
	-	685,925	14,099	-	-
	-	-	-	-	-
	-	-	12,917	8,022	14,146
	581,393	-	-	-	-
	-	202,697	-	-	-
	581,393	202,697	12,917	8,022	14,146
$	581,393	$ 888,622	$ 27,016	$ 8,022	$ 14,146

-Continued-

Walton County, Florida
Combining Balance Sheet
Nonmajor Governmental Funds (Continued)

September 30, 2024	Traffic and Parking Enforcement	Special Title IV-D
Assets		
Cash and cash equivalents	$ 346,342	$ 276,202
Investments	-	-
Accounts receivable, net	-	-
Due from other governments	-	19,897
Due from other funds	-	-
Prepaid items	-	-
Restricted assets:		
Cash and cash equivalents	-	-
Investments	-	-
Total assets	$ 346,342	$ 296,099
Liabilities		
Accounts payable	$ -	$ -
Accrued liabilities	-	6,088
Due to other governments	-	-
Due to individuals	-	-
Deposits	-	-
Due to other funds	20	-
Unearned revenue	-	-
Total liabilities	20	6,088
Fund Balance		
Nonspendable	-	-
Restricted	346,322	290,011
Committed	-	-
Assigned	-	-
Total fund balance	346,322	290,011
Total liabilities, deferred inflows of resources and fund balance	$ 346,342	$ 296,099

Revenue Funds			Debt Service Fund	
Clerk's Fine & Forfeiture	MSBU Various	Mobility Fee	Highway 331 Bridge	Total Nonmajor Governmental Funds
$ 692,393	$ 186,074	$ 341,389	$ -	$ 19,265,446
-	37,356	-	-	3,084,636
-	-	-	-	30,939
23,900	585	-	-	748,136
-	-	-	-	2,913
-	-	-	-	3,562
-	-	-	42,834	42,834
-	-	-	8,600	8,600
$ 716,293	$ 224,015	$ 341,389	$ 51,434	$ 23,187,066
$ 37,254	$ -	$ -	$ -	$ 450,077
75,212	-	-	-	222,677
603,827	-	-	-	639,356
-	-	-	-	49,161
-	-	341,389		341,389
-	-	-	-	696,437
-	224,015	-	-	1,600,158
716,293	224,015	341,389	-	3,999,255
-	-	-	-	3,562
-	-	-	51,434	3,802,977
-	-	-	-	10,813,390
-	-	-	-	4,567,882
-	-	-	51,434	19,187,811
$ 716,293	$ 224,015	$ 341,389	$ 51,434	$ 23,187,066

Walton County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds

For the year ended September 30, 2024	Special Mosquito Control Grant	Special Housing and Urban Development	Special SHIP Grant
Revenues			
Taxes	$ -	$ -	$ -
Licenses and permits	-	-	-
Intergovernmental	73,318	2,928,417	953,900
Charges for services	-	-	-
Fines and forfeitures	-	-	-
Investment earnings	1,511	936	31,144
Miscellaneous	-	-	-
Total revenue	74,829	2,929,353	985,044
Expenditures			
Current			
General government	-	-	-
Public safety	-	-	-
Physical environment	-	-	-
Economic environment	-	2,961,721	985,044
Human services	74,829	-	-
Culture/recreation	-	-	-
Capital outlay	-	-	-
Total expenditures	74,829	2,961,721	985,044
Excess (deficiency) of revenues over (under) expenditures	-	(32,368)	-
Fund balances, beginning of year	-	45,120	-
Fund balance, end of year	$ -	$ 12,752	$ -

Revenue Funds

	N. Walton Mosquito Control District	Building Department	Recreation Plat	Inmate Canteen (Sheriff)	Court Technology
	$ 1,468,855	$ -	$ -	$ -	$ -
	-	4,937,233	-	-	-
	728	-	-	-	-
	-	249,525	-	-	285,344
	-	-	-	-	-
	34,672	389,362	116,119	-	-
	-	24,632	2,165,542	304,622	-
	1,504,255	5,600,752	2,281,661	304,622	285,344
	-	-	-	-	473,967
	-	2,544,936	-	281,553	-
	-	-	-	-	-
	-	-	-	-	-
	911,707	-	-	-	-
	-	-	484,376	-	-
	121,129	7,477,548	60,623	-	-
	1,032,836	10,022,484	544,999	281,553	473,967
	471,419	(4,421,732)	1,736,662	23,069	(188,623)
	470,013	13,619,723	2,628,523	543,496	597,241
	$ 941,432	$ 9,197,991	$ 4,365,185	$ 566,565	$ 408,618

-Continued-

Walton County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds (Continued)

For the year ended September 30, 2024	Record Modernization	Special Law Enforcement	Special Preservation
Revenues			
Taxes	$ -	$ -	$ -
Licenses and permits	-	-	-
Intergovernmental	-	-	-
Charges for services	90,393	-	-
Fines and forfeitures	-	45,000	-
Investment earnings	11,016	-	31,638
Miscellaneous	-	127,204	-
Total revenue	101,409	172,204	31,638
Expenditures			
Current			
General government	40,758	-	-
Public safety	-	126,237	-
Physical environment	-	-	-
Economic environment	-	-	-
Human services	-	-	-
Culture/recreation	-	-	-
Capital outlay	-	5,633	-
Total expenditures	40,758	131,870	-
Excess (deficiency) of revenues over (under) expenditures	60,651	40,334	31,638
Fund balances, beginning of year	583,369	466,404	1,005,930
Fund balance, end of year	$ 644,020	$ 506,738	$ 1,037,568

Revenue Funds

	Sidewalk	E-911	Abandoned Property	Triumph Grant	Suspense
	$ -	$ -	$ -	$ -	$ -
	-	-	-	-	-
	-	1,295,370	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	16,962	3,524	-	-	-
	84,136	-	4,269	7,027	4,979
	101,098	1,298,894	4,269	7,027	4,979
	-	-	-	-	-
	-	1,265,592	6,521	-	3,240
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	21,788	-	-	-	-
	21,788	1,265,592	6,521	-	3,240
	79,310	33,302	(2,252)	7,027	1,739
	502,083	169,395	15,169	995	12,407
	$ 581,393	$ 202,697	$ 12,917	$ 8,022	$ 14,146

-Continued-

Walton County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds (Continued)

For the year ended September 30, 2024	Traffic and Parking Enforcement	Special Title IV-D
Revenues		
Taxes	$ -	$ -
Licenses and permits	-	-
Intergovernmental	-	129,958
Charges for services	-	-
Fines and forfeitures	78,505	-
Investment earnings	-	-
Miscellaneous	8,265	-
Total revenue	86,770	129,958
Expenditures		
Current		
General government	-	164,866
Public safety	-	-
Physical environment	-	-
Economic environment	-	-
Human services	-	-
Culture/recreation	-	-
Capital outlay	-	-
Total expenditures	-	164,866
Excess (deficiency) of revenues over (under) expenditures	86,770	(34,908)
Fund balances, beginning of year	259,552	324,919
Fund balance, end of year	$ 346,322	$ 290,011

Revenue Funds			Debt Service Fund	
Clerk's Fine & Forfeiture	MSBU Various	Mobility Fee	Highway 331 Bridge	Total Nonmajor Governmental Funds
$ -	$ -	$ -	$ -	$ 1,468,855
-	-	-	-	4,937,233
474,209	-	-	-	5,855,900
1,125,617	6,600	-	-	1,757,479
721,218	-	-	-	844,723
38,304	-	-	1,677	676,865
-	-	-	-	2,730,676
2,359,348	6,600	-	1,677	18,271,731
2,359,348	-	-	-	3,038,939
-	-	-	-	4,228,079
-	6,600	-	-	6,600
-	-	-	-	3,946,765
-	-	-	-	986,536
-	-	-	5,805	490,181
-	-	-	-	7,686,721
2,359,348	6,600	-	5,805	20,383,821
-	-	-	(4,128)	(2,112,090)
-	-	-	55,562	21,299,901
$ -	$ -	$ -	$ 51,434	$ 19,187,811

Walton County, Florida
Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ -	$ 5,999,302	$ 4,005,648	(1,993,654)
Investment earnings	-	-	1,213,115	1,213,115
Total revenues	-	5,999,302	5,218,763	(780,539)
Expenditures				
Transportation	-	3,578,130	43,037	3,535,093
Capital outlay	6,500,000	35,095,360	11,252,887	23,842,473
Debt service:				
Principal	2,040,339	2,040,339	2,040,337	2
Interest	471,533	471,533	531,933	(60,400)
Total expenditures	9,011,872	41,185,362	13,868,194	27,317,168
Excess (deficiency) of revenues over (under) expenditures	(9,011,872)	(35,186,060)	(8,649,431)	26,536,629
Other Financing Sources (Uses)				
Transfers in	9,011,872	9,011,871	9,011,871	-
Net change in fund balance	-	(26,174,189)	362,440	26,536,629
Fund balance, beginning of year	24,266,817	24,266,817	24,266,817	-
Fund balance, end of year	$ 24,266,817	$ (1,907,372)	$ 24,629,257	$ 26,536,629

Walton County, Florida
Mosquito Control Grant Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ 38,893	$ 109,940	$ 73,318	$ (36,622)
Investment earnings	-	-	1,511	1,511
Total revenues	38,893	109,940	74,829	(35,111)
Expenditures				
Current				
Human services	38,893	109,940	74,829	35,111
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ -	$ -

Walton County, Florida
Housing and Urban Development Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ 2,718,071	$ 3,075,978	$ 2,928,417	$ (147,561)
Investment earnings	-	-	936	936
Total revenues	2,718,071	3,075,978	2,929,353	(146,625)
Expenditures				
Current				
Economic environment				
Housing Assistance	2,718,071	3,075,978	2,961,721	114,257
Excess revenues under expenditures	-	-	(32,368)	(32,368)
Fund balance, beginning of year	45,120	45,120	45,120	-
Fund balance, end of year	$ 45,120	$ 45,120	$ 12,752	$ (32,368)

Walton County, Florida
SHIP Grant Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ -	$ 1,316,502	$ 953,900	$ (362,602)
Investment earnings	-	-	31,144	31,144
Total revenues	-	1,316,502	985,044	(331,458)
Expenditures				
Current				
Economic environment				
SHIP Program	-	1,316,502	985,044	331,458
Excess revenues over (under) expenditures	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ -	$ -

Walton County, Florida
North Walton Mosquito Control District Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Taxes	$ 1,442,793	$ 1,442,793	$ 1,468,855	$ 26,062
Intergovernmental	-	-	728	728
Investment earnings	24,037	24,037	34,672	10,635
Total revenues	1,466,830	1,466,830	1,504,255	37,425
Expenditures				
Current				
Human services	1,132,537	1,312,537	911,707	400,830
Capital outlay	337,631	337,631	121,129	216,502
Total expenditures	1,470,168	1,650,168	1,032,836	617,332
Excess revenues over (under) expenditures	(3,338)	(183,338)	471,419	654,757
Fund balance, beginning of year	470,013	470,013	470,013	-
Fund balance, end of year	$ 466,675	$ 286,675	$ 941,432	$ 654,757

Walton County, Florida
Building Department Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Licenses and permits	$ 5,030,000	$ 5,030,000	$ 4,937,233	$ (92,767)
Charges for services	200,000	200,000	249,525	49,525
Investment earnings	-	-	389,362	389,362
Miscellaneous	-	-	24,632	24,632
Total revenues	5,230,000	5,230,000	5,600,752	370,752
Expenditures				
Current				
Public safety	3,950,000	4,466,354	2,544,936	1,921,418
Capital outlay	5,780,000	12,048,961	7,477,548	4,571,413
Total expenditures	9,730,000	16,515,315	10,022,484	6,492,831
Excess (deficiency) of revenues over (under) expenditures	(4,500,000)	(11,285,315)	(4,421,732)	6,863,583
Fund balance, beginning of year	13,619,723	13,619,723	13,619,723	-
Fund balance, end of year	$ 9,119,723	$ 2,334,408	$ 9,197,991	$ 6,863,583

Walton County, Florida
Recreation Plat Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Investment earnings	$ -	$ -	$ 116,119	$ 116,119
Miscellaneous	600,000	600,000	2,165,542	1,565,542
Total revenues	600,000	600,000	2,281,661	1,681,661
Expenditures				
Current				
Culture/recreation	600,000	1,456,456	484,376	972,080
Capital outlay	-	682,773	60,623	622,150
Total expenditures	600,000	2,139,229	544,999	1,594,230
Excess revenues over (under) expenditures	-	(1,539,229)	1,736,662	3,275,891
Fund balance, beginning of year	2,628,523	2,628,523	2,628,523	-
Fund balance, end of year	$ 2,628,523	$ 1,089,294	$ 4,365,185	$ 3,275,891

Walton County, Florida
Court Technology Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Charges for services	$ 300,000	$ 300,000	$ 285,344	$ (14,656)
Expenditures				
Current				
General government				
Court Technology	862,673	862,673	473,967	388,706
Excess revenues over (under) expenditures	(562,673)	(562,673)	(188,623)	374,050
Fund balance, beginning of year	597,241	597,241	597,241	-
Fund balance, end of year	$ 34,568	$ 34,568	$ 408,618	$ 374,050

Walton County, Florida
Record Modernization Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Charges for services	$ 130,000	$ 130,000	$ 90,393	$ (39,607)
Investment earnings	-	-	11,016	11,016
Total revenues	130,000	130,000	101,409	(28,591)
Expenditures				
Current				
General government				
Court Technology	130,000	130,000	40,758	89,242
Excess revenues over expenditures	-	-	60,651	60,651
Fund balance, beginning of year	583,369	583,369	583,369	-
Fund balance, end of year	$ 583,369	$ 583,369	$ 644,020	$ 60,651

Walton County, Florida
Special Law Enforcement Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Fines and forfeitures	$ -	$ 45,000	$ 45,000	$ -
Miscellaneous	-	-	127,204	127,204
Total revenues	-	45,000	172,204	127,204
Expenditures				
Current				
Public safety	-	45,000	126,237	(81,237)
Capital outlay	-	-	5,633	(5,633)
Total expenditures	-	45,000	131,870	(86,870)
Excess revenues over (under) expenditures	-	-	40,334	40,334
Fund balance, beginning of year	466,404	466,404	466,404	-
Fund balance, end of year	$ 466,404	$ 466,404	$ 506,738	$ 40,334

Walton County, Florida
Preservation Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Investment earnings	$ -	$ -	$ 31,638	$ 31,638
Fund balance, beginning of year	1,005,930	1,005,930	1,005,930	-
Fund balance, end of year	$ 1,005,930	$ 1,005,930	$ 1,037,568	$ 31,638

Walton County, Florida
Sidewalk Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Investment earnings	$ -	$ -	$ 16,962	$ 16,962
Miscellaneous	75,000	75,000	84,136	9,136
Total revenues	75,000	75,000	101,098	26,098
Expenditures				
Current				
General government				
Sidewalk	35,000	35,000	-	35,000
Capital outlay	500,000	538,366	21,788	516,578
Total expenditures	535,000	573,366	21,788	551,578
Excess revenues over (under) expenditures	(460,000)	(498,366)	79,310	577,676
Fund balance, beginning of year	502,083	502,083	502,083	-
Fund balance, end of year	$ 42,083	$ 3,717	$ 581,393	$ 577,676

Walton County, Florida
E-911 Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ 420,000	$ 3,775,858	$ 1,295,370	$ (2,480,488)
Investment earnings	5,000	5,000	3,524	(1,476)
Total revenues	425,000	3,780,858	1,298,894	(2,481,964)
Expenditures				
Current				
Public safety				
E-911 Services	425,000	3,780,858	1,265,592	2,515,266
Excess revenue over expenditures	-	-	33,302	33,302
Fund balance, beginning of year	169,395	169,395	169,395	-
Fund balance, end of year	$ 169,395	$ 169,395	$ 202,697	$ 33,302

Walton County, Florida
Title IV - D Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ 145,000	$ 164,871	$ 129,958	$ (34,913)
Expenditures				
Current				
General government				
Child Support	145,000	164,871	164,866	5
Excess revenues under expenditures	-	-	(34,908)	(34,908)
Fund balance, beginning of year	324,919	324,919	324,919	-
Fund balance, end of year	$ 324,919	$ 324,919	$ 290,011	$ (34,908)

Walton County, Florida
Clerk's Fine & Forfeiture Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Intergovernmental	$ 261,003	$ 435,654	$ 474,209	$ 38,555
Charges for services	927,056	784,400	1,125,617	341,217
Fines and forfeitures	640,000	640,000	721,218	81,218
Investment earnings	30,000	30,000	38,304	8,304
Total revenues	1,858,059	1,890,054	2,359,348	469,294
Expenditures				
Current				
General government	1,858,059	1,890,054	2,359,348	(469,294)
Excess revenues over (under) expenditures	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ -	$ -

Walton County, Florida
MSBU Various Special Revenue Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Charges for services	$ 43,225	$ 43,225	$ 6,600	$ (36,625)
Expenditures				
Current				
Physical environment				
MSBU various	43,225	43,225	6,600	36,625
Excess revenues over (under) expenditures	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ -	$ -

Walton County, Florida
Highway 331 Bridge Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance With Final Budget
Revenues				
Investment earnings	$ -	$ -	$ 1,677	$ 1,677
Expenditures				
Current				
Culture/recreation	-	-	5,805	(5,805)
Capital outlay	-	7,142	-	7,142
Total expenditures	-	7,142	5,805	1,337
Excess revenues over (under) expenditures	-	(7,142)	(4,128)	3,014
Fund balance, beginning of year	55,562	55,562	55,562	-
Fund balance, end of year	$ 55,562	$ 48,420	$ 51,434	$ 3,014

PRIDE • PRESERVATION • CONSERVATION
WALTON COUNTY, FLORIDA

FIDUCIARY FUNDS

ALL CUSTODIAL FUNDS

Tax Collector

Licenses – To account for the collection and remittance of miscellaneous licenses and permits.

Tags – To account for the collection and remittance of motor vehicle registration receipts.

Property Tax – To account for the collection and distribution of local property taxes.

Clerk of the Circuit Court

General Agency – To account for the collection and disbursement of trust accounts including tax accounts, fine and forfeiture accounts, and other miscellaneous sources.

Witness – To account for the collection and disbursement of advances received for payment of witnesses.

Registry of the Court – To account for the collection and disbursement of funds required by court orders.

Child Support – To account for the collection and disbursement of court ordered child support and/or alimony.

Appearance Bonds – To account for payment of cash and surety bonds.

Tax Redemption **–** To account for the collections and disbursements related to the sale of tax deeds.

Sheriff

Posse – To account for the collection and disbursement of posse funds.

Walton County, Florida
Combining Statement of Fiduciary Net Position
Custodial Funds

September 30, 2024	Tax Collector Licenses	Tags	Property Tax
Assets			
Cash	$ 3,616	$ 540,569	$ 3,082,548
Receivables, net	-	-	-
Total assets	$ 3,616	$ 540,569	$ 3,082,548
Liabilities			
Due to other governments	$ 3,616	$ 540,569	$ 483,536
Deposits	-	-	2,599,012
Due to individuals	-	-	-
Total liabilities	3,616	540,569	3,082,548
Net Position			
Restricted	-	-	-
Total liabilities and net position	$ 3,616	$ 540,569	$ 3,082,548

	Clerk of the Circuit Court					
	General Agency	Witness	Registry of the Court	Child Support	Appearance Bonds	Tax Redemption
$	2,913,317	$ 15,911	$ 653,493	$ 191	$ 504,844	$ 1,936,739
	1,887	-	-	-	-	-
$	2,915,204	$ 15,911	$ 653,493	$ 191	$ 504,844	$ 1,936,739
$	1,111,709	$ -	$ 8,124	$ 191	$ 61,628	$ 3,801
	1,799,488	-	645,369	-	-	-
	4,007	15,911	-	-	443,216	1,932,938
	2,915,204	15,911	653,493	191	504,844	1,936,739
	-	-	-	-	-	-
$	2,915,204	$ 15,911	$ 653,493	$ 191	$ 504,844	$ 1,936,739

-Continued-

	Sheriff	
September 30, 2024	Posse	Total
Assets		
Cash	$ 1,228	$ 9,652,456
Receivables, net	-	1,887
Total assets	$ 1,228	$ 9,654,343
Liabilities		
Due to other governments	$ -	$ 2,213,174
Deposits	-	5,043,869
Due to individuals	-	2,396,072
Total liabilities	-	9,653,115
Net Position		
Restricted	1,228	1,228
Total liabilities and net position	$ 1,228	$ 9,654,343

Walton County, Florida
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds

For the year ended September 30, 2024	Tax Collector		
	Licenses	Tags	Property Tax
Additions			
Tax collections, auto tag fees, and other fees for other governments	$ 233,457	$ 16,954,153	$ 385,683,281
Clerk of circuit and county courts revenue	-	-	-
Donations	-	-	-
Total additions	233,457	16,954,153	385,683,281
Deductions			
Current			
Payments of tax, auto tag fees, and other fees to other governments	233,457	16,954,153	385,683,281
Payments of clerk of circuit and county courts distributions to other governments	-	-	-
Total deductions	233,457	16,954,153	385,683,281
Changes in Net Position	-	-	-
Net position, beginning of year	-	-	-
Net position, end of year	$ -	$ -	$ -

	Clerk of the Circuit Court					
	General Agency	Witness	Registry of the Court	Child Support	Appearance Bonds	Tax Redemption
	$ -	$ -	$ -	$ -	$ -	$ -
	59,453,865	-	2,924,969	110,503	698,289	2,423,639
	-	-	-	-	-	-
	59,453,865	-	2,924,969	110,503	698,289	2,423,639
	-	-	-	-	-	-
	59,453,865	-	2,924,969	110,503	698,289	2,423,639
	59,453,865	-	2,924,969	110,503	698,289	2,423,639
	-	-	-	-	-	-
	-	-	-	-	-	-
	$ -	$ -	$ -	$ -	$ -	$ -

-Continued-

Walton County, Florida
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds (Continued)

For the year ended September 30, 2024	Sheriff Posse	Total
Additions		
Tax collections, auto tag fees, and other fees for other governments	$ -	$ 402,870,891
Clerk of circuit and county courts revenue	-	65,611,265
Donations	34	34
Total additions	34	468,482,190
Deductions		
Current		
Payments of tax, auto tag fees, and other fees to other governments	-	402,870,891
Payments of clerk of circuit and county courts distributions to other governments	-	65,611,265
Total deductions	-	468,482,156
Changes in Net Position	34	34
Net position, beginning of year	1,194	1,194
Net position, end of year	$ 1,228	$ 1,228

CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

Although not necessary for fair presentation in conformity with generally accepted accounting principles, the following schedules are presented to provide greater detailed information regarding Capital Assets.

Walton County, Florida
Capital Assets Used in the Operations of Governmental Funds
Schedule by Source

September 30, 2024

Governmental Funds Capital and Right-To-Use Assets	
Land	$ 150,684,032
Buildings	97,107,690
Improvements other than buildings	65,302,443
Machinery and equipment	111,910,045
Infrastructure	247,566,035
Construction in progress	49,854,675
Total governmental funds capital and right-to-use assets	$ 722,424,920
Investment in Governmental Funds Capital and Right-To-Use Assets by Source	
General Fund	$ 73,606,872
Special Revenue Fund	479,882,723
Capital Projects Fund	104,919,871
Grants	64,015,454
Total governmental funds capital and right-to-use assets	$ 722,424,920

Walton County, Florida
Capital Assets Used in the Operations of Governmental Funds
Schedule by Function and Activity

September 30, 2024

Function and Activity	Land	Buildings	Improvements Other Than Buildings
General Government			
Finance and administration	$ 463,070	$ 8,116,529	$ -
Comprehensive planning	-	-	-
Judicial	166,696	28,202,622	82,803
Other general government	14,474,804	6,909,397	6,413,401
Total general government	15,104,570	43,228,548	6,496,204
Public Safety			
Law enforcement	1,163,746	32,012,664	6,497,866
Ambulance service	-	-	-
Civil defense	-	1,781,228	183,750
Building inspection	-	432,280	-
Emergency 911	-	138,751	-
Animal control	-	2,092,770	-
Fire	1,398,683	1,792,639	42,316
Total public safety	2,562,429	38,250,332	6,723,932
Physical Environment	1,044,101	5,920,839	160,333
Transportation	5,352,202	3,936,717	10,399,772
Economic Environment			
Housing authority	-	-	-
Tourist development	25,228,138	2,112,076	9,802,168
Farmers market	71,693	-	-
Total economic environment	25,299,831	2,112,076	9,802,168
Human Services			
Health	-	1,406,280	214,748
Veterans	-	-	-
Total human services	-	1,406,280	214,748
Culture and Recreation			
Beach access	74,183,594	-	5,018,030
Parks and recreation	26,869,101	421,409	26,487,256
Library	268,204	1,831,489	-
Total culture and recreation	101,320,899	2,252,898	31,505,286
Total governmental funds capital and right-to-use assets	$ 150,684,032	$ 97,107,690	$ 65,302,443

	Machinery and Equipment	Infrastructure	Construction In Progress	Total
$	1,254,892	$ -	$ -	$ 9,834,491
	284,756	-	-	284,756
	2,531,892	-	-	30,984,013
	4,621,464	5,108,775	4,486,923	42,014,764
	8,693,004	5,108,775	4,486,923	83,118,024
	43,857,992	747,290	-	84,279,558
	11,288,346	-	-	11,288,346
	1,386,598	203,572	103,570	3,658,718
	345,861	-	11,138,520	11,916,661
	89,138	-	-	227,889
	89,146	-	-	2,181,916
	-	-	2,634,158	5,867,796
	57,057,081	950,862	13,876,248	119,420,884
	7,891,153	5,961,104	594,619	21,572,149
	29,820,195	232,028,472	16,357,682	297,895,040
	19,464	-	-	19,464
	3,840,784	3,492,822	4,380,463	48,856,451
	-	-	-	71,693
	3,860,248	3,492,822	4,380,463	48,947,608
	546,441	-	-	2,167,469
	6,995	-	-	6,995
	553,436	-	-	2,174,464
	1,740,193	-	8,795,225	89,737,042
	2,009,312	24,000	698,388	56,509,466
	285,423	-	665,127	3,050,243
	4,034,928	24,000	10,158,740	149,296,751
$	111,910,045	$ 247,566,035	$ 49,854,675	$ 722,424,920

Walton County, Florida
Capital Assets Used in the Operations of Governmental Funds
Schedule of Changes by Function and Activity

As of and for the year ended September 30, 2024

Function and Activity	Capital Assets 10/01/23	Additions
General Government		
Finance and administration	$ 8,958,089	$ 876,402
Comprehensive planning	274,344	49,554
Judicial	30,944,586	39,427
Other general government	39,372,993	7,892,603
Total general government	79,550,012	8,857,986
Public Safety		
Law enforcement	75,332,802	11,684,393
Ambulance service	11,399,620	199,268
Civil defense	3,395,600	531,589
Building inspection	1,316,042	10,600,619
Emergency 911	227,889	-
Animal control	2,181,916	-
Fire	3,323,109	2,544,687
Total public safety	97,176,978	25,560,556
Physical Environment	20,484,203	2,205,763
Transportation	284,843,293	29,422,060
Economic Environment		
Housing authority	19,464	-
Tourist development	47,627,909	2,431,009
Farmers market	71,693	-
Total economic environment	47,719,066	2,431,009
Human Services		
Health	2,066,778	121,129
Veterans	6,995	-
Total human services	2,073,773	121,129
Culture and Recreation		
Beach access	78,792,892	13,087,315
Parks and recreation	56,019,868	833,884
Library	2,353,669	696,574
Total culture and recreation	137,166,429	14,617,773
Total governmental funds capital and right-to-use assets	$ 669,013,754	$ 83,216,276

Deductions	Capital Assets 9/30/24
$ -	$ 9,834,491
39,142	284,756
-	30,984,013
5,250,832	42,014,764
5,289,974	83,118,024
2,737,637	84,279,558
310,542	11,288,346
268,471	3,658,718
-	11,916,661
-	227,889
-	2,181,916
-	5,867,796
3,316,650	119,420,884
1,117,817	21,572,149
16,370,313	297,895,040
-	19,464
1,202,467	48,856,451
-	71,693
1,202,467	48,947,608
20,438	2,167,469
-	6,995
20,438	2,174,464
2,143,165	89,737,042
344,286	56,509,466
-	3,050,243
2,487,451	149,296,751
$ 29,805,110	$ 722,424,920

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WALTON COUNTY, FLORIDA

STATISTICAL SECTION

Statistical schedules differ from financial statements because they usually cover more than one fiscal year and may present non-accounting data. These schedules reflect social and economic data, and financial trends of Walton County, Florida.

STATISTICAL SECTION

The statistical section of the annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the County's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the County's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the County's most significant local revenue source, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the County's current levels of outstanding debt and their ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the County's financial activities take place.

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the County provides and the activities it performs.

Walton County, Florida
Government-Wide Expenses and Revenues
(Accrual Basis of Accounting)

For the year ended September 30,	2024	2023	2022	2021
Government-Wide Expenses by Function				
General government	$ 52,030,374	$ 54,568,286	$ 43,337,225	$ 37,575,037
Public safety	94,673,472	94,520,762	74,891,266	62,961,724
Physical environment	20,269,267	20,207,905	14,542,611	13,302,258
Transportation	28,880,405	30,153,976	26,372,077	23,684,089
Economic environment	43,080,633	35,057,836	28,593,031	24,607,743
Human services	4,673,191	9,302,815	8,847,569	9,272,806
Culture/recreation	8,191,425	7,245,685	5,267,164	4,358,450
Debt services	579,135	606,479	720,727	793,946
Total government-wide expenses by function	$ 252,377,902	$ 251,663,744	$ 202,571,670	$ 176,556,053
Government-Wide Revenues				
Program revenues				
Charges for services	$ 22,360,826	$ 28,877,694	$ 29,003,773	$ 27,306,218
Operating grants and contributions	9,761,042	11,265,992	11,777,923	15,987,554
Capital grants and contributions	12,170,972	3,832,396	13,791,764	16,484,425
General revenues				
Taxes				
Property taxes	132,908,597	112,383,931	91,347,204	80,493,769
Gasoline taxes	7,546,230	7,494,543	7,331,281	6,961,117
Sales taxes	57,838,469	57,538,830	58,104,336	52,334,769
Tourist development bed tax	60,422,004	60,222,271	62,946,352	58,073,370
Other taxes	256,092	261,602	263,487	258,726
State revenue sharing	4,127,818	4,404,682	3,919,763	2,881,633
Investment earnings (losses)	16,261,631	9,851,023	(3,154,563)	461,736
Miscellaneous	13,588,098	14,245,710	10,984,799	10,821,425
Gain (loss) on disposition of equipment	(711,319)	-	-	-
Special item	-	-	-	-
Total government-wide revenues	$ 336,530,460	$ 310,378,674	$ 286,316,119	$ 272,064,742

2020	2019	2018	2017	2016	2015
$ 37,739,314	$ 29,618,838	$ 27,081,341	$ 33,365,289	$ 25,692,294	$ 25,430,143
73,065,481	67,532,988	55,294,616	53,085,811	46,892,084	39,889,287
12,100,205	12,783,855	11,458,965	12,379,377	9,916,761	11,190,946
24,711,934	27,376,243	26,914,820	21,438,931	21,217,707	15,552,252
24,450,201	21,108,011	17,862,455	12,781,381	17,123,638	15,889,294
2,631,843	2,508,656	2,408,915	2,088,995	2,283,853	1,874,924
4,350,766	3,000,774	2,107,503	4,034,242	1,504,076	4,029,171
941,384	873,700	825,119	774,434	869,730	1,071,059
$ 179,991,128	$ 164,803,065	$ 143,953,734	$ 139,948,460	$ 125,500,143	$ 114,927,076
$ 17,488,699	$ 18,131,725	$ 16,359,145	$ 13,734,896	$ 12,818,417	$ 10,471,312
15,286,013	6,985,897	4,501,975	4,905,961	4,958,896	4,349,574
6,010,558	3,853,435	6,111,741	9,125,493	4,576,423	14,218,252
74,111,096	66,731,083	60,600,283	55,078,685	49,609,053	44,521,882
6,307,431	7,004,726	6,422,671	6,145,598	5,918,651	5,167,916
35,000,216	37,158,087	33,670,146	31,403,705	32,072,589	36,548,311
31,325,781	27,701,336	25,726,361	23,524,494	21,758,228	20,146,264
253,482	276,964	289,635	286,193	288,454	289,111
2,344,990	2,454,182	2,281,910	2,119,357	1,984,974	2,037,312
2,844,553	3,565,286	502,257	593,657	1,129,859	595,163
7,146,059	9,317,136	5,239,856	7,794,156	8,470,082	8,292,648
-	-	-	-	-	-
-	-	-	-	-	7,227,657
$ 198,118,878	$ 183,179,857	$ 161,705,980	$ 154,712,195	$ 143,585,626	$ 153,865,402

Walton County, Florida
General Government Expenditures by Function
(Modified Accrual Basis of Accounting)
Last Ten Fiscal Years

Fiscal Year	General Government	Public Safety	Physical Environment	Transportation	Economic Environment
2015	28,051,626	38,739,905	10,666,566	29,429,954	16,484,966
2016	22,483,326	44,314,780	12,275,325	23,878,064	34,281,506
2017	27,191,825	50,526,999	10,986,632	27,842,250	32,645,259
2018	29,087,292	51,896,519	12,583,836	25,419,451	25,696,123
2019	34,973,284	60,853,449	15,740,504	23,998,736	29,573,103
2020	31,921,713	57,027,957	11,867,947	13,782,711	22,385,714
2021	35,075,713	60,690,469	12,747,676	13,414,430	23,815,086
2022	37,698,814	65,296,199	13,442,834	14,979,699	28,702,490
2023	47,569,557	74,910,100	15,113,280	17,250,115	33,195,318
2024	49,708,669	84,318,611	16,797,692	16,708,116	41,185,840

* Includes all Governmental Fund Types

Human Services	Culture/ Recreation	Capital Projects	Debt Service	Total (*)
2,784,291	3,541,894	2,280,287	39,478,813	171,458,302
2,234,033	1,182,302	1,234,476	2,805,532	144,689,344
1,998,608	2,906,679	1,905,430	2,952,855	158,956,537
2,409,611	3,240,258	3,762,969	2,813,289	156,909,348
2,694,640	5,503,881	3,775,422	3,079,564	180,192,583
2,506,961	3,103,874	32,402,250	6,068,586	181,067,713
9,182,222	3,638,181	56,856,296	3,470,900	218,890,973
8,727,749	4,332,868	55,698,922	3,916,070	232,795,645
9,149,465	6,342,637	52,005,659	3,624,886	259,161,017
4,575,314	7,190,966	63,299,785	3,413,552	287,198,545

Walton County, Florida
General Governmental Revenues by Source
(Modified Accrual Basis of Accounting)
Last Ten Fiscal Years

Fiscal Year	Taxes	Licenses and Permits	Inter-governmental	Charges for Services
2015	95,226,101	2,530,020	35,584,050	7,136,458
2016	97,267,784	2,886,510	25,099,737	9,267,053
2017	103,247,809	2,892,531	28,867,271	10,113,664
2018	112,732,328	3,219,599	26,994,452	12,399,911
2019	123,768,397	3,812,551	28,507,600	13,599,020
2020	132,891,357	3,898,144	37,829,260	12,941,500
2021	178,187,283	12,459,971	55,461,629	13,891,758
2022	198,059,623	12,971,616	51,568,524	14,823,600
2023	216,360,009	12,633,647	41,187,600	14,878,593
2024	237,982,187	6,863,498	47,211,515	14,185,202

* Includes all Governmental Fund Types.

Fines and Forfeitures	Investment Earnings (Loss)	Miscellaneous	Total*
653,554	595,162	16,578,493	158,303,838
641,313	1,129,858	9,604,217	145,896,472
645,055	593,657	8,967,058	155,327,045
633,030	502,255	6,024,140	162,505,715
627,491	3,565,307	10,633,906	184,514,272
582,762	2,844,554	7,137,299	198,124,876
797,380	631,680	9,677,769	271,107,470
1,078,004	(3,089,494)	9,353,759	284,765,632
1,224,687	9,886,499	13,698,992	309,870,027
1,187,898	16,265,526	13,540,439	337,236,265

Walton County, Florida
Schedule of Net Position and Changes in Net Position
(Accrual Basis of Accounting)
Last Ten Fiscal Years

For the year ended September 30,	2024	2023	2022	2021
Expenses				
General government	$ 52,030,374	$54,568,286	$43,337,225	$37,575,037
Public safety	94,673,472	94,520,762	74,891,266	62,961,724
Physical environment	20,269,267	20,207,905	14,542,611	13,302,258
Transportation	28,880,405	30,153,976	26,372,077	23,684,089
Economic environment	43,080,633	35,057,836	28,593,031	24,607,743
Human services	4,673,191	9,302,815	8,847,569	9,272,806
Culture and recreation	8,191,425	7,245,685	5,267,164	4,358,450
Interest on long-term debt	579,135	606,479	720,727	793,946
Total expenses	252,377,902	251,663,744	202,571,670	176,556,053
Revenues				
Program revenue				
Charges for services				
General government	$ 8,815,285	$ 8,673,531	$ 8,847,826	$ 8,863,418
Public safety	8,953,876	10,267,807	11,070,591	9,440,026
Physical environment	660,399	709,662	542,183	491,011
Economic environment	2,386,291	1,815,915	1,709,662	1,265,415
Human services	18,354	6,120,016	6,122,725	6,744,258
Culture/recreation	1,526,621	1,290,763	710,786	502,090
Operating grants and contributions	9,761,042	11,265,992	11,777,923	15,987,554
Capital grants and contributions	12,170,972	3,832,396	13,791,764	16,484,425
Total program revenues	44,292,840	43,976,082	54,573,460	59,778,197
Total net revenues (expenses)	(208,085,062)	(207,687,662)	(147,998,210)	(116,777,856)
General revenues				
Property taxes	132,908,597	112,383,931	91,347,204	80,493,769
Other taxes	130,190,613	129,921,928	132,565,219	120,509,615
Gain (loss) on disposition of equipmer	(711,319)	-	-	-
Other	29,849,729	24,096,733	7,830,236	11,283,161
Total general revenues	292,237,620	266,402,592	231,742,659	212,286,545
Special item	-	-	-	-
Change in net position	$ 84,152,558	$ 58,714,930	$ 83,744,449	$ 95,508,689
Prior period adjustment	$ -	$ -	$ (222,263)	$ 24,590
Net investment in capital assets	$ 427,884,751	$ 392,620,974	$ 362,516,707	$ 327,264,863
Restricted for:				
Debt service	51,434	55,562	140,484	140,448
Capital projects	5,183,655	4,194,062	4,478,781	4,372,572
General government	949,535	1,190,282	1,259,066	1,150,209
Public safety	34,866,956	23,397,018	15,224,919	7,735,415
Transportation	36,894,286	31,925,183	26,020,519	24,810,014
Economic environment	12,752	45,120	48,625	203,374
Human services	941,432	470,013	531,400	464,751
Unrestricted (deficit)	145,217,033	113,951,062	98,913,845	59,470,514
Total primary government net position	$ 652,001,834	$ 567,849,276	$ 509,134,346	$ 425,612,160

2020	2019	2018	2017	2016	2015
37,739,314	29,618,838	27,081,341	33,365,289	25,692,294	25,430,143
73,065,481	67,532,988	55,294,616	53,085,811	46,892,084	39,889,287
12,100,205	12,783,855	11,458,965	12,379,377	9,916,761	11,190,946
24,711,934	27,376,243	26,914,820	21,438,931	21,217,707	15,552,252
24,450,201	21,108,011	17,862,455	12,781,381	17,123,638	15,889,294
2,631,843	2,508,656	2,408,915	2,088,995	2,283,853	1,874,924
4,350,766	3,000,774	2,107,503	4,034,242	1,504,076	4,029,171
941,384	873,700	825,119	774,434	869,730	1,071,059
179,991,128	164,803,065	143,953,734	139,948,460	125,500,143	114,927,076
$ 7,117,915	$ 6,482,620	$ 6,093,711	$ 3,143,151	$ 2,954,381	$ 3,336,621
8,933,016	10,180,708	9,478,276	9,041,994	8,498,997	6,030,010
639,862	1,098,704	574,967	1,188,692	1,207,916	963,849
334,256	206,089	182,118	307,277	115,187	111,103
68,475	10,800	10,800	30,800	20,800	10,800
395,175	152,804	19,273	22,982	21,136	18,929
15,286,013	6,985,897	4,501,975	4,905,961	4,958,896	4,349,574
6,010,558	3,853,435	6,111,741	9,125,493	4,576,423	14,218,252
38,785,270	28,971,057	26,972,861	27,766,350	22,353,736	29,039,138
(141,205,858)	(135,832,008)	(116,980,873)	(112,182,110)	(103,146,407)	(85,887,938)
74,111,096	66,731,083	60,600,283	55,078,685	49,609,053	44,521,882
75,231,900	74,595,295	68,390,723	63,479,346	62,022,896	64,188,914
-	-	-	-	-	-
9,990,612	12,882,422	5,742,113	8,387,814	9,599,941	8,887,811
159,333,608	154,208,800	134,733,119	126,945,845	121,231,890	117,598,607
-	-	-	-	7,227,657	10,370,000
$ 18,127,750	$ 18,376,792	$ 17,752,246	$ 14,763,735	$ 25,313,140	$ 42,080,669
$ (565,537)	$ -	$ (10,224,000)	$ (800,864)	$ (351,613)	$ (37,086,830)
$ 286,079,537	$ 273,325,808	$ 247,481,794	$ 230,298,796	$ 206,407,365	$ 185,573,714
143,176	97,248	1,450,217	1,601,150	6,177,040	3,531,053
2,712,840	3,768,720	3,256,071	2,795,200	2,530,939	2,044,676
1,378,148	1,407,668	1,266,929	1,379,718	1,733,494	1,664,480
6,352,618	5,948,658	5,412,019	3,152,957	2,872,318	2,133,933
18,413,584	15,772,202	14,423,434	12,361,190	8,817,128	8,646,500
148,245	151,069	173,421	242,916	302,277	586,004
438,057	435,020	414,454	408,674	396,423	382,269
14,412,676	11,610,275	20,261,537	34,371,029	42,653,123	49,593,608
$ 330,078,881	$ 312,516,668	$ 294,139,876	$ 286,611,630	$ 271,890,107	$ 254,156,237

Walton County, Florida
Fund Balances, Governmental Funds
(Modified Accrual Basis of Accounting)
Last Ten Fiscal Years

As of September 30,	2024	2023	2022	2021
General Fund				
Nonspendable	$ 1,902,451	$ 1,800,820	$ 1,774,347	$ 1,758,356
Restricted	659,524	865,363	926,248	843,613
Committed	2,890,000	-	-	-
Assigned	8,438,292	5,975,017	5,349,759	6,360,939
Unassigned	50,201,795	41,219,781	34,412,592	26,464,599
Total general fund	64,092,062	49,860,981	42,462,946	35,427,507
All Other Governmental Funds				
Nonspendable	657,255	629,418	451,780	361,409
Restricted	78,240,526	60,411,877	46,204,507	38,033,170
Committed	118,250,918	106,812,701	85,774,739	69,268,027
Assigned	109,021,828	99,264,816	88,568,332	66,418,314
Total other governmental funds	306,170,527	267,118,812	220,999,358	174,080,920
Total governmental funds	$ 370,262,589	$ 316,979,793	$ 263,462,304	$ 209,508,427

2020	2019	2018	2017	2016	2015
$ 2,045,126	$ 561,725	$ 517,245	$ 1,010,518	$ 711,723	$ 816,015
1,047,856	1,014,933	987,732	1,029,015	1,174,581	1,173,500
-	-	-	-	-	-
1,280,478	6,504,592	4,172,170	4,963,789	4,854,242	4,290,458
26,870,472	16,404,867	17,691,674	15,671,532	16,610,115	15,603,519
31,243,932	24,486,117	23,368,821	22,674,854	23,350,661	21,883,492
216,411	639,249	610,773	593,107	546,936	493,143
28,538,812	26,565,652	25,408,813	21,052,929	21,963,698	17,986,301
50,357,563	41,131,149	44,588,810	38,612,893	42,978,200	35,824,170
45,710,190	41,515,320	33,525,597	36,992,622	32,892,709	43,844,489
124,822,976	109,851,370	104,133,993	97,251,551	98,381,543	98,148,103
$ 156,066,908	$ 134,337,487	$ 127,502,814	$ 119,926,405	$ 121,732,204	$ 120,031,595

Walton County, Florida
Changes in Fund Balance - Governmental Funds
(Modified Accrual Basis of Accounting)
Last Ten Fiscal Years

For the year ended September 30,	2024	2023	2022	2021
Revenues				
Taxes	$ 237,982,187	$ 216,360,009	$ 198,059,623	$ 178,187,283
Licenses and permits	6,863,498	12,633,647	12,971,616	12,459,971
Intergovernmental	47,211,515	41,187,600	51,568,524	55,461,629
Charges for services	14,185,202	14,878,593	14,823,600	13,891,758
Fines and forfeitures	1,187,898	1,224,687	1,078,004	797,380
Investment earnings (losses)	16,265,526	9,886,499	(3,089,494)	631,680
Miscellaneous	13,540,439	13,698,992	9,353,759	9,677,769
Total revenues	337,236,265	309,870,027	284,765,632	271,107,470
Expenditures				
Current				
General government	49,708,669	47,569,557	37,698,814	35,075,713
Public safety	84,318,611	74,910,100	65,296,199	60,690,469
Physical environment	16,797,692	15,113,280	13,442,834	12,747,676
Transportation	16,708,116	17,250,115	14,979,699	13,414,430
Economic environment	41,185,840	33,195,318	28,702,490	23,815,086
Human services	4,575,314	9,149,465	8,727,749	9,182,222
Culture/recreation	7,190,966	6,342,637	4,332,868	3,638,181
Capital outlay	63,299,785	52,005,659	55,698,922	56,856,296
Debt service				
Principal	2,829,034	3,003,179	3,147,574	2,654,731
Interest	584,518	621,707	768,496	816,169
Total expenditures	287,198,545	259,161,017	232,795,645	218,890,973
Excess Revenue Over (Under) Expenditures	50,037,720	50,709,010	51,969,987	52,216,497
Other Financing Sources (Uses)				
Proceeds from sale of equipment	1,383,708	1,402,085	1,142,020	1,200,432
Transfers in	112,918,159	26,756,634	23,020,641	35,662,637
Transfers out	(112,918,159)	(26,756,634)	(23,020,641)	(35,662,637)
Issuance of debt	1,861,368	1,406,394	841,870	-
Total other financing sources (uses)	3,245,076	2,808,479	1,983,890	1,200,432
Special item	-	-	-	-
Net change in fund balance	$ 53,282,796	$ 53,517,489	$ 53,953,877	$ 53,416,929
Debt service as a percentage of noncapital expenditures	1.52%	1.75%	2.21%	4.08%

2020	2019	2018	2017	2016	2015
$ 132,891,357	$ 123,768,397	$ 112,732,328	$ 103,247,809	$ 97,267,784	$ 95,226,101
3,898,144	3,812,551	3,219,599	2,892,531	2,886,510	2,530,020
37,829,260	28,507,600	26,994,452	29,405,601	25,099,737	35,584,050
12,941,500	13,599,020	12,399,911	10,113,664	9,267,053	7,136,458
582,762	627,491	633,030	645,055	641,313	653,554
2,844,554	3,565,307	502,255	593,657	1,129,858	595,162
7,137,299	10,633,906	6,024,140	9,171,722	9,604,217	9,350,836
198,124,876	184,514,272	162,505,715	156,070,039	145,896,472	151,076,181
31,921,713	34,973,284	29,087,292	27,191,825	22,483,326	28,051,626
57,027,957	60,853,449	51,896,519	50,526,999	44,314,780	38,739,905
11,867,947	15,740,504	12,583,836	10,986,632	12,275,325	10,666,566
13,782,711	23,998,736	25,419,451	27,842,250	23,878,064	29,429,954
22,385,714	29,573,103	25,696,123	32,645,259	34,281,506	16,484,966
2,506,961	2,694,640	2,409,611	1,998,608	2,234,033	2,784,291
3,103,874	5,503,881	3,240,258	2,906,679	1,182,302	3,541,894
32,402,250	3,775,422	3,762,969	1,905,430	1,234,476	2,280,287
5,131,595	2,193,306	1,976,019	2,145,875	1,951,754	38,396,195
936,991	886,258	837,270	806,980	853,778	1,082,618
181,067,713	180,192,583	156,909,348	158,956,537	144,689,344	171,458,302
17,057,163	4,321,689	5,596,367	(2,886,498)	1,207,128	(20,382,121)
-	820,037	752,949	-	-	-
15,345,076	27,620,221	18,663,752	19,527,339	17,898,837	16,935,224
(15,345,076)	(27,620,221)	(18,663,752)	(19,527,339)	(17,898,837)	(16,935,224)
5,237,795	1,692,947	469,246	1,096,233	845,091	27,018,625
5,237,795	2,512,984	1,222,195	1,096,233	845,091	27,018,625
-	-	-	-	7,227,657	10,370,000
$ 22,294,958	$ 6,834,673	$ 6,818,562	$ (1,790,265)	$ 9,279,876	$ 17,006,504
2.25%	2.24%	2.44%	2.53%	27.38%	7.83%

Walton County, Florida
Property Tax Levies and Collections
Last Ten Fiscal Years

Fiscal Year	Total Tax Levy for Fiscal Year (1)	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years (2)	Total Collections to Date	
		Amount (2)	Percent-age of Levy		Amount (2)	Percent-age of Levy
2015	50,818,597	49,076,935	96.57%	52,592	49,129,527	96.68%
2016	56,467,066	54,522,421	96.56%	55,520	54,577,941	96.65%
2017	62,262,782	60,058,915	96.46%	62,823	60,121,738	96.56%
2018	68,496,937	66,145,023	96.57%	55,313	66,200,336	96.65%
2019	75,108,284	72,501,875	96.53%	87,132	72,589,007	96.65%
2020	81,754,531	78,863,511	96.46%	64,033	78,927,544	96.54%
2021	92,578,103	89,310,030	96.47%	58,099	89,368,129	96.53%
2022	114,366,084	110,065,582	96.24%	327,427	110,393,009	96.53%
2023	134,876,805	130,211,674	96.54%	380,423	130,592,097	96.82%
2024	152,922,349	129,994,081	85.01%	-	129,994,081	85.01%

(1) Source: Walton County Property Appraiser
(2) Source: Walton County Tax Collector

Property tax levies, based on assessed values as of January 1st, become due and payable on November 1st each year. A four percent discount is allowed if the taxes are paid in November, with this discount declining by one percent each month thereafter. Accordingly, taxes collected will never be 100 percent of the tax levy. Taxes become delinquent on April 1st of each year and tax certificates for the full amount of any unpaid taxes and assessments must be sold not later than June June 1st of each year.

Property is assessed as of January 1st and taxes based on those assessments are levied and become due on the following November 1st. Therefore, assessments and tax levies applicable to a certain tax year are collected in the fiscal year ending during the following calendar year.

Walton County, Florida
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years

Fiscal Year	Real Property		Personal Property	
	Assessed Value (1)	Estimated Actual Value	Assessed Value (1)	Estimated Actual Value
2015	13,553,530,003	13,553,530,003	410,933,844	410,933,844
2016	15,077,496,337	15,077,496,337	439,991,155	439,991,155
2017	16,662,282,449	16,662,282,449	443,690,097	443,690,097
2018	18,358,304,836	18,358,304,836	463,283,002	463,283,002
2019	20,155,697,731	20,155,697,731	478,155,856	478,155,856
2020	21,947,972,220	21,947,972,220	517,864,328	517,864,328
2021	24,886,141,636	24,886,141,636	557,359,668	557,359,668
2022	30,793,062,284	30,793,062,284	609,442,087	609,442,087
2023	36,724,960,932	36,724,960,932	712,793,477	712,793,477
2024	41,651,282,089	41,651,282,089	824,096,134	824,096,134

(1) Source: Walton County Property Appraiser
(2) Source: Centrally assessed property consists of railroad and utility systems assessed by the State of Florida.

Property is assessed as of January 1st and taxes based on those assessments are levied and become due on the following November 1st. Therefore, assessments and levies applicable to a certain tax year are collected in the fiscal year ending during the following fiscal year.

Centrally Assessed		Total		Total	Ratio of Total Assessed
Assessed Value (1)	Estimated Actual Value	Assessed Value (1)	Estimated Actual Value	Direct Tax Rate	to Estimated Actual Value
6,474,962	6,474,962	13,970,938,809	13,970,938,809	3.636	100%
6,910,954	6,910,954	15,524,398,446	15,524,398,446	3.636	100%
6,782,986	6,782,986	17,112,755,532	17,112,755,532	3.636	100%
7,030,725	7,030,725	18,828,618,563	18,828,618,563	3.636	100%
6,940,490	6,940,490	20,640,794,077	20,640,794,077	3.636	100%
2,699,388	2,699,388	22,468,535,936	22,468,535,936	3.636	100%
2,683,249	2,683,249	25,446,184,553	25,446,184,553	3.636	100%
2,799,712	2,799,712	31,405,304,083	31,405,304,083	3.636	100%
2,959,911	2,959,911	37,440,714,320	37,440,714,320	3.600	100%
3,052,732	3,052,732	42,478,430,955	42,478,430,955	3.600	100%

Walton County, Florida
Property Tax Rates – Direct and Overlapping Governments
Last Ten Fiscal Years

	2024	2023	2022	2021
Board of County Commissioners				
General Fund	3.600	3.600	1.086	1.113
County Transportation Trust Fund	0.000	0.000	0.120	0.093
Fine and Forfeiture Fund	0.000	0.000	2.430	2.430
Total general county	3.600	3.600	3.636	3.636
District School System	4.288	4.253	4.385	4.784
Total County wide	7.888	7.853	8.021	8.420
Special Districts				
South Walton Mosquito Control	0.225	0.210	0.220	0.230
Walton County Fire and Rescue	FLAT	FLAT	FLAT	FLAT
South Walton Fire District	1.000	1.000	1.000	1.000
North Walton Mosquito Control	0.441	0.441	0.491	0.491
Argyle Fire District	FLAT	FLAT	FLAT	FLAT
Liberty Fire District	FLAT	FLAT	FLAT	FLAT
North West Florida Water District	0.022	0.023	0.026	0.029
Cities				
DeFuniak Springs	5.500	5.500	5.500	5.500
Freeport	4.730	4.730	4.730	4.730

Source: Walton County Property Appraiser and Walton County Office of Management and Budget

Note:
(1) Rates are stated as an amount per $1,000 of assessed value.
(2) Flat rates vary depending on parcel type ranging from $25 to $82.

2020	2019	2018	2017	2016	2015
1.125	0.733	0.873	0.795	1.299	1.291
0.389	0.409	0.270	0.348	0.389	0.397
2.122	2.494	2.493	2.493	1.948	1.948
3.636	3.636	3.636	3.636	3.636	3.636
5.075	5.022	5.097	5.191	5.348	5.491
8.711	8.658	8.733	8.827	8.984	9.127
0.240	0.24	0.163	0.163	0.163	0.163
FLAT	FLAT	FLAT	FLAT	FLAT	FLAT
1.000	1.000	0.980	0.980	0.980	0.980
0.491	0.491	0.491	0.491	0.491	0.491
FLAT	FLAT	FLAT	FLAT	FLAT	FLAT
FLAT	FLAT	FLAT	FLAT	FLAT	FLAT
0.031	0.033	0.036	0.037	0.038	0.039
5.000	4.500	4.500	4.500	4.500	4.500
4.730	4.730	4.730	4.730	4.730	4.730

Walton County, Florida
Ratio of Outstanding Debt by Type
Last Ten Fiscal Years

Year	General Obligation Bonds	Special Assessment Debt	Notes Payable	Leases and Subscriptions Payable
2015	-	-	25,500,941	773,219
2016	-	-	23,922,440	1,244,736
2017	-	-	22,759,466	1,358,068
2018	-	-	21,169,826	1,440,935
2019	-	-	19,531,373	2,579,031
2020	-	-	20,470,739	1,745,866
2021	-	-	18,771,258	790,704
2022	-	-	16,842,917	1,131,719
2023	-	-	14,860,990	1,516,861
2024	-	-	12,820,653	2,589,532

(1) See Demographic Statistics on page 154 for detail of population and per capita personal income.

(2) Details regarding Walton County's outstanding debt can be found in Note 2 of the financial statements.

Total	Percentage of Personal Income (1)	Per Capita (1)
26,274,160	0.83%	433
25,167,176	0.73%	400
24,117,534	0.64%	369
22,610,761	0.56%	334
22,110,404	0.52%	316
22,216,605	0.46%	297
19,561,962	0.37%	251
17,974,636	0.29%	226
16,377,851	0.22%	197
15,410,185	0.20%	176

Walton County, Florida
Ratio of Annual Debt Service Expenditures of General Bonded Debt To Total General Governmental Expenditures
Last Ten Fiscal Years

Fiscal Year	Principal	Interest	Other Debt Service	Total Debt Service (1)	Total General Expenditures (2)	Ratio of Debt Service to Total General Expenditures
2015	-	-	-	-	171,458,302	0.00%
2016	-	-	-	-	144,689,344	0.00%
2017	-	-	-	-	157,454,891	0.00%
2018	-	-	-	-	156,909,348	0.00%
2019	-	-	-	-	180,192,583	0.00%
2020	-	-	-	-	181,067,713	0.00%
2021	-	-	-	-	218,890,973	0.00%
2022	-	-	-	-	232,795,645	0.00%
2023	-	-	-	-	259,161,017	0.00%
2024	-	-	-	-	287,198,545	0.00%

(1) Source: Walton County Clerk of the Circuit Court - Finance Department
(2) Includes all Govermental Fund Types.

Walton County, Florida
Bond Coverage
Last Ten Fiscal Years

Revenue Bond Coverage

The last revenue bonds issued were for highway paving and were retired in 1993. There have been no subsequent revenue bonds issued.

Legal Debt Margin

The constitution of the State of Florida, Florida Statute 200.181 and Walton County set no legal debt limit.

Walton County, Florida
Property Value, Construction and Bank Deposits
Last Ten Fiscal Years

Fiscal Year	Real Property Value (1)	Construction (2)	Bank Deposits (3)
2015	13,553,530,003	620,210,506	929,365,000
2016	15,524,398,446	728,967,101	1,087,143,000
2017	16,662,282,449	659,931,088	1,261,897,000
2018	18,358,304,836	742,917,142	1,343,237,000
2019	20,155,697,731	911,935,542	1,489,965,000
2020	21,947,972,220	859,578,158	1,748,525,000
2021	25,446,184,553	1,239,005,587	2,301,035,000
2022	30,793,062,284	1,429,432,829	2,587,598,000
2023	36,724,960,932	1,200,586,881	2,425,268,000
2024	41,651,282,089	1,511,012,629	2,509,328,000

(1) Source: Walton County Property Appraiser
(2) Source: Walton County Building Department
(3) Source: Federal Deposit Insurance Corporation (FDIC)

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WALTON COUNTY, FLORIDA

Walton County, Florida
Demographic Statistics
Last Ten Fiscal Years

Fiscal Year	Pop-ulation* (1)	Per Capita Personal Income (1)	Personal Income (amt. in thousands) (2)	School Enroll-ment (3)	Percentage Unemployment Rate (4)		
					Walton County	Florida	United States
2015	60,687	52,046	3,158,516	8,928	4.50%	5.00%	5.00%
2016	62,943	55,051	3,465,075	9,359	4.30%	4.80%	4.90%
2017	65,301	57,822	3,775,834	9,688	2.90%	3.80%	4.20%
2018	67,656	59,728	4,040,958	10,273	2.50%	3.50%	3.70%
2019	70,071	61,029	4,276,363	10,671	2.50%	3.20%	3.50%
2020	74,724	64,481	4,818,278	10,542	4.10%	7.20%	7.80%
2021	77,941	69,862	5,354,767	11,276	3.40%	4.80%	4.80%
2022	79,544	78,714	6,302,522	11,781	2.30%	2.50%	3.70%
2023	83,342	88,228	7,349,744	11,992	2.90%	2.80%	3.80%
2024	87,728	89,435	7,723,035	12,271	3.20%	3.30%	4.10%

(1) Source: Florida Legislative Office of Economic and Demographic Research
(2) Personal income is a calculated amount based on population and per capita personal income.
(3) Source: Walton County School Board
(4) Source: Florida Research & Economic Database

Walton County, Florida
Operating Indicators by Function/Program
Last Ten Fiscal Years

Function/Program	2024	2023	2022	2021
General Government				
Single family dwelling permits	2,928	2,664	2,849	2,448
Total building and other permits issued	18,414	19,790	21,570	20,700
Building inspections conducted	25,857	28,835	30,821	26,462
Public Safety				
Number of E911 calls	49,829	55,247	48,053	57,321
Number of E911 Fire/EMS calls	12,853	13,145	12,101	11,397
Animal control responses	15,066	12,044	10,765	11,087
Tourist Development Council				
Bed tax receipts (gross dollars in thousands)	60,424	60,284	62,956	58,076
Library				
Number of registered borrowers	29,910	31,312	48,924	45,001
Number of visits	215,223	143,477	112,102	109,741
Number of items in collection	86,354	84,554	115,638	106,329
Constitutional Officers:				
Clerk of Circuit Court				
Marriage licenses issued	1,335	1,182	1,331	1,486
Instruments recorded	45,057	46,933	59,485	65,167
Passports	2,466	2,534	1,826	1,109
Tax deeds sold	128	113	89	163
Civil cases filed	3,780	3,807	3,524	3,634
Misdemeanor cases filed	773	807	823	1,032
Felony cases filed	942	875	1,045	946
Traffic infractions	4,957	5,777	4,898	4,079
Supervisor of Elections				
Number of registered voters	60,306	55,124	61,254	59,331
Number of polling places	21	21	21	21
Property Appraiser				
Parcels in county	91,910	90,687	88,109	86,546
Tax Collector				
Tax certificates sold	2,960	3,090	2,369	2,410
Tag and title transactions processed	143,702	140,415	137,101	136,199
Driver licenses issued/ renewed	21,726	19,797	21,236	25,160
Hunting/fishing licenses issued	1,434	1,231	1,294	3,086
Concealed weapons applications processed	1,721	1,344	1,306	1,680
Birth certificates reissued	1,062	717	683	567
Sheriff				
Law enforcement officers	271	260	252	258
Calls for service	210,663	209,123	214,387	221,101
Misdemeanor arrests	2,214	2,244	2,023	1,837

* Information is not available for the year presented

Source: All information has been provided by Constitutional Offices and Board of County Commissioner Departments.

2020	2019	2018	2017	2016	2015
2,003	2,380	1,487	1,298	1,748	1,155
16,018	13,976	12,995	12,400	12,010	9,705
26,268	24,455	22,643	23,590	21,782	19,134
49,407	68,796	82,101	51,470	61,447	61,727
8,030	6,978	7,506	14,448	15,220	8,821
8,691	8,510	4,823	5,505	5,014	5,013
31,330	27,728	25,726	23,527	21,758	20,148
45,790	44,497	49,639	47,690	45,796	44,095
88,697	117,761	103,273	107,781	110,140	119,098
99,377	110,050	109,891	112,053	112,532	109,297
1,210	1,520	1,617	1,627	1,842	1,724
50,470	43,607	43,502	42,332	42,189	42,812
904	1,696	1,408	1,427	1,280	1,005
109	184	232	177	214	129
2,832	3,656	3,326	3,258	3,093	2,986
1,083	1,071	960	1,320	1,881	1,716
845	754	940	1,152	936	898
4,142	4,274	4,270	5,308	4,264	5,217
59,743	52,460	49,928	47,264	48,968	43,492
21	21	21	21	21	21
85,636	84,518	81,981	84,503	80,998	80,445
3,216	3,145	2,890	2,944	3,724	4,364
93,700	125,284	124,754	116,326	104,436	100,951
23,413	25,520	19,714	18,772	17,745	16,797
786	1,232	896	898	930	988
1,832	777	870	1,713	4,096	167
856	561	708	784	659	260
267	269	251	255	159	152
243,193	257,646	133,368	131,277	128,817	160,625
1,722	2,936	1,798	3,903	2,598	2,284

Walton County, Florida
Principal Employers
Current Year and Nine Years Ago

	2024		
Employer	Employees (1)	Rank	Percentage of Total County Employment
Walton County School Board	1,955	1	6.6%
Walton County Government	1,333	2	4.5%
Sandestin Golf and Beach Resort	962	3	3.3%
Sacred Heart Hospital of the Emerald Coast	880	4	3.0%
Publix Super Markets (multiple locations)	695	5	2.4%
Watercolor Inn and Resort	668	6	2.3%
Hilton Sandestin Beach and Golf Resort	485	7	1.6%
Wal-Mart Super Center (multiple locations)	467	8	1.6%
Walton Correctional Institution	277	9	0.9%
North Walton Doctors Hospital	105	10	0.4%
Wyndham Vacation Rentals (former ResortQuest)			
Total	7,827		26.6%

Total number of individuals employed within Walton County (2) 29,490

(1) Information has been provided by the Department of Florida Research and Economics Database,

(2) The number of employees may not be exact, historical data has been estimated using the most recent information available

2015		
Employees	Rank	Percentage of Total County Employment
1,150	1	4.4%
880	2	3.4%
800	3	3.1%
550	5	2.1%
370	7	1.4%
290	9	1.1%
600	4	2.3%
444	6	1.7%
290	8	
120	10	0.5%
5,494		20.0%
25,848		

Walton County, Florida
Principal Property Taxpayers
Current Year and Nine Years Ago

Taxpayer	2024 Assessed Value (1)	Rank	Percentage of Total Net Assessed Value
Fl Power and Light Co (fka Gulf Power Co)	$ 228,779,502	1	0.54%
EBSCO Gulf Coast Development	172,798,338	2	0.41%
Choctawhatchee Electric Cooperative	146,197,706	3	0.34%
San Destin Hotel LLC	98,669,443	4	0.23%
San Destin Hilton, LTD	80,256,358	5	0.19%
HC Ariza Owner LLC	68,065,677	6	0.16%
Origins Crossings LLC	57,575,925	7	0.14%
Camp Creek Residential Dev LLC	50,813,480	8	0.12%
Sandestin Investments LLC	50,023,400	9	0.12%
SJRBH LLC	48,497,405	10	0.11%
Florida Gas Transmission Company			
D R Horton			
Grand Boulevard Retail			
Terra Mar Apartments 1			
Power Energy Coop			
Total Principal Taxable Vaule	1,001,677,234		2.36%
Total Taxable Assessed Value	$ 42,478,430,955		100.00%

(1) Source: Walton County Property Appraiser

	2015		
	Assessed Value (1)	Rank	Total Net Assessed Value
$	36,303,562	7	0.29%
	83,653,314	1	0.67%
	78,163,845	2	0.62%
	48,226,383	3	0.39%
	43,400,042	5	0.35%
	44,809,161	4	0.36%
	36,542,012	6	0.29%
	2,620,942	8	0.02%
	26,162,056	9	0.21%
	25,067,766	10	0.20%
	424,949,083		3.40%
$	12,523,317,748		100.00%

PRIDE • PRESERVATION • CONSERVATION
WALTON COUNTY, FLORIDA

Walton County, Florida
Capital Assets By Function/Program
Last Ten Fiscal Years

	2024	2023	2022	2021
General Government				
Facilities owned/leased (sq. ft.)	785,759	779,815	777,565	771,943
Libraries available to the public(sq. ft.)	19,513	19,513	19,513	19,513
Public Safety				
Fire/Rescue vehicles (number)	92	89	85	86
EMS/Fire stations(number)*	14	15	15	15
Tourist Development Council				
Beaches (miles)	26	26	26	26
Beach access (number)	75	75	75	74
Transportation				
Paved miles	762	753	729	713
Unpaved miles	285	295	318	339
Culture and Recreation				
Parks (number)	39	38	36	32
Parks with boat ramps (number)	12	12	12	17
Constitutional Officers:				
Clerk of Circuit Court				
Facilities (sq. ft.)	45,650	45,650	45,650	45,650
Facilities (number)	2	2	2	2
Supervisor of Elections				
Facilities (sq. ft.)	3,900	3,900	3,900	3,900
Facilities (number)	2	2	2	2
Property Appraiser				
Facilities (sq. ft.)	8,100	8,100	8,100	8,100
Facilities (number)	2	2	2	2
Tax Collector				
Facilities (sq. ft.)	12,050	12,050	12,050	12,050
Facilities (number)	3	3	3	3
Sheriff				
Facilities owned (sq. ft.)	71,484	63,364	63,364	63,364
Facilities/Stations	10	7	7	7

* The number decreased in FY2016, the number of EMS/ Fire stations will no longer include the volunteer fire

Source: All information has been provided by Constitutional Offices and Board of County Commissoner Departments.

2020	2019	2018	2017	2016	2015
701,415	684,448	648,639	635,083	582,430	483,763
19,513	19,513	19,513	18,441	16,961	16,961
85	61	66	66	49	51
15	15	15	15	15	22
26	26	26	26	26	26
74	73	65	62	61	61
703	689	674	666	664	758
350	363	377	375	377	404
32	32	23	23	21	21
17	17	16	16	18	18
45,650	42,990	42,990	42,990	42,990	42,990
2	2	2	2	2	2
3,900	3,900	3,900	3,900	3,900	3,900
2	2	2	2	2	2
8,100	8,100	8,100	8,100	8,100	8,100
2	2	2	2	2	2
10,800	10,800	7,400	7,400	7,400	7,400
3	3	2	2	2	2
63,364	63,364	63,364	63,364	61,668	61,668
7	7	7	7	6	6

Walton County, Florida
Full-Time Equivalent Government-Wide Employees By Function
Last Ten Fiscal Years

	2024	2023	2022	2021	2020
General government	145	125	119	114	101
Public safety	64	61	59	49	43
Physical environment	38	36	31	30	29
Transportation	134	146	136	131	136
Economic environment	87	79	69	61	66
Human services	7	7	6	4	5
Culture and recreation	58	61	41	42	40
Total County government	533	515	461	431	420
Constitutional Officers					
Clerk of the Circuit Court	70	71	69	66	67
Property Appraiser	35	32	33	30	26
Tax Collector	38	38	39	39	38
Sheriff	647	603	608	538	534
Supervisor of Elections	10	9	7	8	8
Total Constitutional Officers	800	753	756	681	673
Total government-wide employees by function	1,333	1,268	1,217	1,112	1,093

Sources: All information has been provided by Constitutional Offices and the Walton County Clerk of Courts Finance Department.

2019	2018	2017	2016	2015
102	90	97	109	101
27	25	26	122	109
28	27	23	25	23
139	127	131	136	128
72	62	64	50	40
5	5	5	5	6
38	32	27	16	17
411	368	373	463	424
69	68	66	67	71
27	28	28	28	28
40	39	35	32	32
555	436	435	330	319
8	7	7	6	6
699	578	571	463	456
1,110	946	944	926	880

Walton County, Florida
Schedule of Insurance in Force
September 30, 2024

Type of Coverage	Details of Coverage	Insurance Company	Policy Period
Automobile	$200,000 per person $300,000 per occurrence	Florida Municipal Insurance Trust Administered by the Florida League of Cities	10/01/2023-09/30/2024
Property Coverage Real Property Personal Property Inland Marine	 $100,000,000 $100,000,000 $26,583,992	 Florida Municipal Insurance Trust Administered by the Florida League of Cities	 10/01/2023-09/30/2024
Worker's Compensation	$1,000,000 statutory liability	Florida Municipal Insurance Trust Administered by the Florida League of Cities	
General Liability	$50,000 per occurrence for fire $100,000 per person $200,000 per occurrence statutory liability $1,000,000 per occurrence outside of Florida $3,000,000 coverage part aggregate	Florida Association of County Trust	10/01/2023-09/30/2024 not highlighted not highlighted
Health Insurance	Contract specification	BC/BS of Florida BC/BS of Florida	10/01/2023-09/30/2024
Accidental Death and Dismemberment	$50,000 to $100,000 depending upon employee classification and nature of injury and/or cause of death	OCHS Insurance Co Minnesota National Life	10/01/2023-09/30/2024
Life Insurance	$10,000 to $50,000 depending upon employee classification	OCHS Insurance Co Minnesota National Life	10/01/2023-09/30/2024
Long-Term Disability Insurance	60% of income up to a maximum of $7,000 per month	OCHS Insurance Co National Insurance System (NIS)	10/01/2023-09/30/2024
Accident Medical for Parks & Recreation	$100,000 per injury	AIG Accident & Health	10/1/2023-9/30/2024

Source: All information has been provided Walton County Board of County Commissioner Departments.

COMPLIANCE SECTION

This section is presented to demonstrate compliance with the Single Audit requirements of the United States Office of Management and Budget and related compliance reporting requirements of the Auditor General of the State of Florida, including the Florida Single Audit.

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

Honorable Members of the
Board of County Commissioners
Walton 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 discretely presented component unit, each major fund, the aggregate remaining fund information, and the proprietary and fiduciary fund types of Walton County, Florida (the "County") as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated March 4, 2025.

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, L.L.C.

Enterprise, Alabama
March 4, 2025

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

Honorable Members of the
Board of County Commissioners
Walton County, Florida

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

Opinion on Each Major Federal Program and Major State Project

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

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

Basis for Opinion on Each Major Federal Program and Major State Project

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

We are required to be independent of 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 major 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*, the Uniform Guidance and Chapter 10.550, Rules of the Auditor General of the State of Florida 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*, the Uniform Guidance and Chapter 10.550, Rules of the Auditor General of the State of Florida, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.

- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.

- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, Rules of the Auditor General of the State of Florida, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control Over Compliance

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

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

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

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

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, L.L.C.

Enterprise, Alabama
March 4, 2025

Federal/State Agency Pass-Through Entity Federal Program/State Project	Assistance Listing/ CSFA Number	Grant I.D. Number	Passed Through to Subrecipients	Expenditures
U.S Department of Housing and Urban Development				
Direct Program				
Housing Voucher Cluster				
Section 8 Housing Choice Vouchers	14.871	FL110	$ -	$ 2,754,858
Mainstream Vouchers	14.879	FL110	-	151,550
Housing Voucher Cluster total			-	2,906,408
Family Self-Sufficiency Program	14.877	FL110	-	54,374
Department total			-	2,960,782
U.S. Department of Health and Human Services				
Pass-through Florida Department of Revenue				
Child Support Enforcement	93.563	CSU66	-	4,217
Child Support Enforcement - Title IV-D	93.563	COC66	-	119,729
Child Support Enforcement - Title IV-D	93.563	CDC66	-	10,229
Subtotal for ALN 93.563 and department total			-	134,175
U.S. Department of Justice				
Pass-through Florida Department of Law Enforcement				
Edward Byrne Memorial Justice Assistance Program	16.738	R7090	-	36,570
Edward Byrne Memorial Justice Assistance Program	16.738	D-R7042 HEVY AR	-	7,240
Subtotal for ALN 16.738			-	43,810
Residential Substance Abuse Treatment for State Prisoners	16.593	G4002	-	9,698
Residential Substance Abuse Treatment for State Prisoners	16.593	S6003	-	63,621
Residential Substance Abuse Treatment for State Prisoners	16.593	2022-RSAT-WALT-1-6R-001	-	11,040
Residential Substance Abuse Treatment for State Prisoners	16.593	15PBJA-21-GG-00051-RSAT	-	27,735
Subtotal for ALN 16.593			-	112,094
Total passed through Florida Department of Law Enforcement			-	155,904

Federal/State Agency Pass-Through Entity Federal Program/State Project	Assistance Listing/ CSFA Number	Grant I.D. Number	Passed Through to Subrecipients	Expenditures
Direct Program				
Bullet Proof Vest Partnership Program	16.607	2021BUBX21025334	-	31,283
Joint Law Enforcement Operations (JLEO)	16.111	FC/FLN_0328	-	17,606
Overtime and Authorized Expense	16.U01	N/A	-	41,237
COPS -Community Policing-De Escalations	16.710	15JCOPS-21-GG-02456-SPPS	-	51,449
		2020UMWX0224, ORI		
COPS Hiring Grant	16.710	FL06600	-	176,152
COPS LEMHWA	16.710	15JCOPS-23-GG-01782-LEMH	-	30,838
Subtotal for ALN 16.710			-	258,439
Total Direct Programs			-	348,565
Department total			-	504,469
U.S. Department of the Interior				
Pass-through Florida Fish & Wildlife				
Conservation Commission				
Fish and Wildlife Cluster				
Sport Fish Restoration Program	15.605	23054	-	60,000
U.S. Department of the Treasury				
Direct Program				
COVID-19 Coronavirus State and Local				
Fiscal Recovery Funds	21.027	COVID-19 SLT-1322	-	106,604

Federal/State Agency Pass-Through Entity Federal Program/State Project	Assistance Listing/ CSFA Number	Grant I.D. Number	Passed Through to Subrecipients	Expenditures
Direct Program				
Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States	21.015	RDCGR250092-01-00	-	2,500
Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States	21.015	RDCGR250116-01-00	-	172,204
Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States	21.015	RDCGR250132-01-00	-	283,097
Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States	21.015	1RDCGR250148010	-	101,750
Subtotal for ALN 21.015			-	559,551
COVID-19 Local Assistance and Tribal	21.032	COVID-19 15050276	-	100,000
Pass-through Florida Department of Transportation				
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	COVID-19 G2M78	-	3,200,944
COVID-19 Coronavirus State and Local Fiscal Recovery Funds	21.027	COVID-19 G2M73	-	378,247
Subtotal for ALN 21.027			-	3,685,795
Department total			-	4,345,346
U.S. Department of Defense				
Direct Program				
Community Investment Program	12.600	CIP2012-22-01	-	2,313,410
U.S. Department of Transportation				
Pass-through Florida Department of Transportation				
County Road 883 Freeport Sidewalk	20.205	G2M35	-	377,390
U.S. Department of Commerce				
Pass-through National Fish and Wildlife Foundation				
Office of Coastal Management	11.473	0318.19.066995	-	1,224,604

Federal/State Agency Pass-Through Entity Federal Program/State Project	Assistance Listing/ CSFA Number	Grant I.D. Number	Passed Through to Subrecipients	Expenditures
U.S. Department of Homeland Security				
Pass-through Florida Division of Emergency Management				
Emergency Management Performance	97.042	G0502	-	63,933
Emergency Management Performance	97.042	23-12	-	9,722
Subtotal for ALN 97.042			-	73,655
Disaster Grants - Public Assistance	97.036	DR-4734-FL	-	4,765
Disaster Grants - Public Assistance	97.036	AA-00204 Mission 00197	-	6,771
Disaster Grants - Public Assistance	97.036	RSA-00600	-	11,254
Disaster Grants - Public Assistance	97.036	DR4486-Z1921	-	12,476
Disaster Grants - Public Assistance	97.036	Z2266	-	106,013
Disaster Grants - Public Assistance	97.036	Z0844	-	149,347
Disaster Grants - Public Assistance	97.036	14-FS-8-Q-01-76-02-503	-	230,825
Disaster Grants - Public Assistance	97.036	14-FS-8-Q-01-76-02-503	-	38,471
Subtotal for ALN 97.036			-	559,922
Hazard Mitigation Grant Program	97.039	H0876	-	162,155
Severe Weather	97.039	RSA-00524 Mission 00012	-	2,843
Subtotal for ALN 97.039			-	164,998
Department total			-	798,575
Total Expenditures of Federal Awards			$ -	$ 12,718,751

See Independent Auditor's Report and accompanying notes to Schedule of Expenditures of Federal Awards and State Financial Assistance.

Federal/State Agency Pass-Through Entity Federal Program/State Project	Assistance Listing/ CSFA Number	Grant I.D. Number	Passed Through to Subrecipients	Expenditures
Executive Office of Governor				
Emergency Management Programs	31.087	T0398	$ -	$ 400,708
Emergency Management Programs	31.067	T0224	-	6,636
Emergency Management Programs	31.067	T0324	-	27
Subtotal for CSFA 31.067			-	6,663
Emergency Management Projects	31.063	A0400	-	76,386
Department total			-	483,757
Florida Department of Agriculture				
Mosquito Control	42.003	30628	-	73,318
Florida Housing Finance Corporation				
SHIP Program	40.901	N/A	-	953,900
Florida Department of Environmental Protection				
Small County Consolidated Grants	37.012	SC331	-	93,739
Restoration Deepwater Horizon Oil Spill	37.081	DH008	-	3,114
Department total			-	96,853
Florida Department of State				
State Aid to Libraries	45.030	23.LSA.000.079	-	16,787
Florida Department of Commerce				
Regional Community Development and Infrastructure	40.042	D0204	-	625,000
Florida Department of Health				
County Grant Awards	64.005	C1066	-	8,008
County Grant Awards	64.005	SOW23-347	-	101,400
Department of Health	64.005	N/A	-	134,823
Subtotal for CSFA 64.005 and department total			-	244,231

Federal/State Agency Pass-Through Entity Federal Program/State Project	Assistance Listing/ CSFA Number	Grant I.D. Number	Passed Through to Subrecipients	Expenditures
Florida Department of Transportation				
Small County Outreach Program (SCOP)	55.009	G2185	-	264,136
County Incentive Grant Program (CIGP)	55.009	G2N55	-	329,743
Subtotal for CSFA 55.009				593,879
JPA Traffic Signal Systems	55.023	AS117	-	111,114
County Incentive Grant Program (CIGP)	55.008	G2384	-	10,934
Local Transportation Projects	55.039	G1U64	-	675,946
Local Transportation Projects	55.039	G2403	-	391,292
Local Transportation Projects	55.039	G2C01	-	4,800
Local Transportation Projects	55.039	G2B96	-	19,703
Local Transportation Projects	55.039	G1L72	-	507,594
Subtotal for CSFA 55.039			-	1,599,335
Department total			-	2,315,262
Florida Department of Law Enforcement				
Law Enforcement Programs	71.103	9H021	-	58,604
Law Enforcement Programs	71.122	2023-SAFE-SF-056	-	126,323
Department total			-	184,927
Florida Fish and Wildlife Conservation Commission				
Artificial Reef Program	77.007	22012	-	13,000
State of Florida, Department of Financial Services				
Fire Decontamination Equipment Grant Program	43.013	N/A	-	47,240

Federal/State Agency Pass-Through Entity Federal Program/State Project	Assistance Listing/ CSFA Number	Grant I.D. Number	Passed Through to Subrecipients	Expenditures
Florida Department of Education				
Coach Aaron Feis Guardian Program	48.140	89H-90210-3D001	-	56,567
Florida Department of Management Services				
Wireless 911 Emergency System				
Telephone Grants:				
Prepaid Next Generation 911 (NG911) State Grant Program	72.003	S17-21-02-69	-	65,462
Prepaid Next Generation 911 (NG911) State Grant Program	72.003	S21-22-05-06	-	462,024
Subtotal for CSFA 72.003			-	527,486
Prepaid Next Generation 911 (NG911) State Grant Program	72.002	S22-23-01-54	-	71,199
Prepaid Next Generation 911 (NG911) State Grant Program	72.002	S25-24-10-26	-	14,689
Prepaid Next Generation 911 (NG911) State Grant Program	72.002	N/A	-	50,000
Prepaid Next Generation 911 (NG911) State Grant Program	72.002	N/A	-	60,560
Prepaid Next Generation 911 (NG911) State Grant Program	72.002	N/A	-	2,700
Subtotal for CSFA 72.002			-	199,148
Department total			-	726,634
Total Expenditures of State Financial Assistance			$ -	$ 5,837,476

* CCDF Cluster

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentations

The accompanying schedule of expenditures of federal awards and state financial assistance (Schedule) includes the federal and state spending of Walton County, Florida (the "County") and is presented on the accrual basis of accounting. The information in this Schedule is presented in accordance with the requirements of the Uniform Guidance and the Florida Single Audit Act. Therefore, some amounts presented in this Schedule may differ from amounts presented in, or used in preparation of, the basic financial statements. Because the Schedule presents only a selected portion of the operations of the County, it is not intended to and does not represent the financial position of the County.

Note 2: INDIRECT COST

The Uniform Guidance allows an organization to elect a 10% de minimis indirect cost rate. For the year ended September 30, 2024, the County did not elect to use this rate.

Note 3: LOANS AND LOAN GUARANTEES

The County did not have any loans or loan guarantee programs required to be reported on the Schedule for the fiscal year ending September 30, 2024.

Note 4: SUBRECIPIENTS

During the year ended September 30, 2024, the County had no subrecipients.

Note 5: NONCASH ASSISTANCE AND OTHER

The County did not receive any noncash assistance or federally funded insurance during the year ended September 30, 2024.

Note 6: CONTINGENCIES

Grant monies received and disbursed 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 experience, the County does not believe that such disallowance, if any, would have a material effect on the financial position of the County.

Note 7: FEDERAL PASS-THROUGH FUNDS

The County is also a sub-recipient of federal funds that have been subjected to testing and are reported as expenditures and listed as federal pass-through funds. Federal awards other than those indicated as pass-through are considered to be direct.

Note 8: FLORIDA STATE AID TO LIBRARIES

The County received and expended $16,787 in grant funding and interest from the Florida State Aid to Libraries grant for the fiscal year ended September 30, 2024.

Section I: Summary of Auditor's Results

Financial Statements

1. Type of auditor's report issued — Unmodified

2. Internal control over financial reporting:
   a. Material weaknesses identified? — No
   b. Significant deficiencies identified not considered to be material weaknesses? — None noted
   c. Noncompliance material to the financial statements noted? — No

Federal Awards

1. Type of auditor's report issued on compliance for major programs — Unmodified

2. Internal control over major programs:
   a. Material weaknesses identified? — No
   b. Significant deficiencies identified not considered to be material weaknesses? — None noted

3. Any audit findings disclosed that are required to be reported in accordance with 2CFR section 200.516(a)? — None noted

4. Identification of major programs

Assistance Listing Number	Federal Program
	Housing Vouchers Cluster
14.871	Section 8 Housing Choice Vouchers
14.879	Mainstream Vouchers
21.027	Coronavirus State and Local Fiscal Recovery Funds
12.600	Community Investment Program
11.473	Office of Coastal Management

5. Dollar threshold used to distinguish between type A and type B programs — $750,000

6. Auditee qualified as low-risk under 2CFR 200.520 — Yes

State Projects

1. Type of auditor's report issued on compliance for major projects — Unmodified

2. Internal control over major projects:
   a. Material weaknesses identified? — No
   b. Significant deficiencies identified not considered to be material weaknesses? — None noted

3. Any audit findings disclosed that are required to be reported in accordance with Florida Single Audit Act? None noted

4. Identification of major projects

CSFA Number	State Project
40.042	Regional Community Development and Infrastructure
55.039	Local Transportation Projects
40.901	SHIP Program

5. Dollar threshold used to distinguish between type A and type B programs $750,000

Section II: Financial Statement Findings

There are no findings to report.

Section III: Federal Award Findings and Questioned Costs

There are no findings to report.

Section IV: Major State Projects Findings and Questioned Costs

The audit did not disclose any audit findings required to be reported pursuant to Section 10.557, Rules of the Auditor General. (Section 10.554(1)(I)1.f, Rules of the Auditor General).

Section V: Summary Schedule of Prior Audit Findings

There were no federal or state audit findings from the prior year to report.

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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SPECIFIED FLORIDA STATUTE SECTIONS

Honorable Board of County Commissioners
Walton County, Florida

We have examined Walton County, Florida's (the "County") compliance with the following Florida Statute sections during the fiscal year ended September 30, 2024:

Section 365.172(10)	Emergency communications number E911 system fund
Section 365.173(2)(a)	Emergency communications number E911 system fund
Section 218.415	Investment guidelines

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 judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. 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.

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

Carr, Riggs & Ingram, L.L.C.
CARR, RIGGS & INGRAM, L.L.C.

Enterprise, Alabama
March 4, 2025

CARR, RIGGS & INGRAM, L.L.C.

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MANAGEMENT LETTER

Honorable Board of County Commissioners
Walton County, Florida

Report on the Financial Statements

We have audited the financial statements of Walton County, Florida (the County) as of and for the fiscal year ended September 30, 2024 and have issued our report thereon dated March 4, 2025.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and Major State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, 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 March 4, 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 prior audit findings in the preceding annual financial audit report.

Financial Condition and Management

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, require us to apply appropriate procedures and report the results of our determination as to whether or not Walton County, Florida

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 Walton County, Florida did not meet any of the conditions described in Section 218.503(1), Florida Statutes. Pursuant to sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures to Walton County, Florida. It is management's responsibility to monitor Walton County, Florida's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

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

Property Assessed Clean Energy (PACE) Programs

A PACE program authorized pursuant to Section 163.081 or 163.082, Florida Statutes, did not operate within the County's geographical boundaries during the fiscal year under audit.

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 have the following finding:

Item 2024-001 – Mobility Fee Calculation

Finding – A new mobility fee was implemented in 2024 to replace the transportation fair share fee. During testing, errors were identified on 6 of the 8 mobility fees tested.

Recommendation – Planning should document, systematically review and monitor its policies and procedures to ensure fees mandated by the LDC are properly assessed, billed and collected.

Management's Response – Management has implemented a new process where mobility fees are required to have multiple reviews before being issued. Reviews are performed by both the planning department and the finance department.

Purpose of this Letter

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

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, L.L.C.

Enterprise, Alabama
March 4, 2025

PRIDE • PRESERVATION • CONSERVATION
WALTON COUNTY, FLORIDA

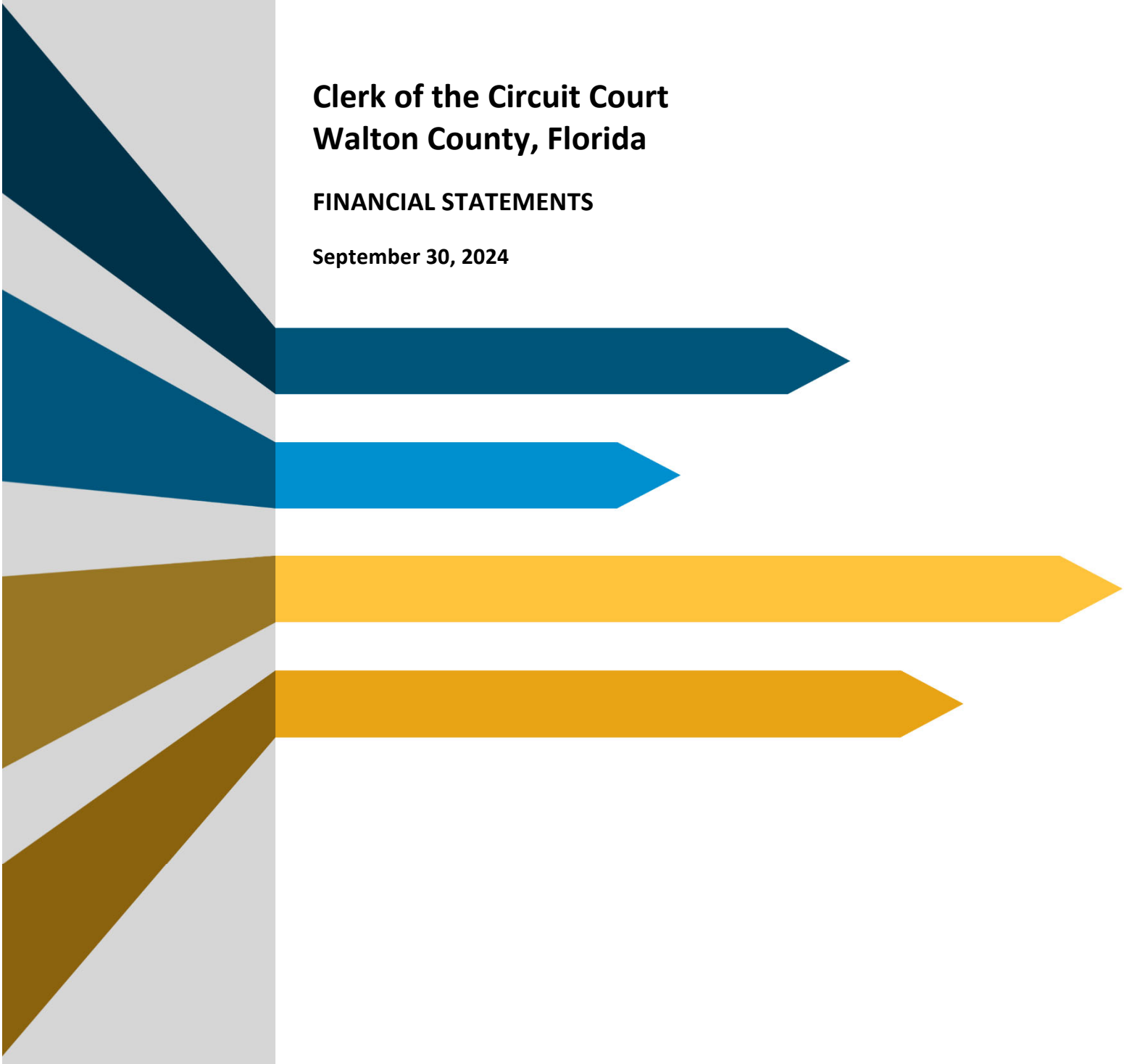
FINANCIAL STATEMENTS AND COMPLIANCE REPORTS FOR CONSTITUTIONAL OFFICERS

- CLERK OF CIRCUIT COURT AND COUNTY COMPTROLLER
- PROPERTY APPRAISER
- TAX COLLECTOR
- SUPERVISOR OF ELECTIONS
- SHERIFF

Clerk of the Circuit Court
Walton County, Florida

FINANCIAL STATEMENTS

September 30, 2024



PRIDE • PRESERVATION • CONSERVATION
WALTON COUNTY, FLORIDA

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MANAGEMENT LETTER 220

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INDEPENDENT AUDITOR'S REPORT

Honorable Alex Alford
Clerk of the Circuit Court
Walton County, Florida

Opinions

We have audited the accompanying financial statements of each major fund, the proprietary fund, and the aggregate remaining fund information of the Walton 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 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, the proprietary fund, and the aggregate remaining fund information for the Clerk as of September 30, 2024, and the respective changes in financial position and the budgetary comparison for the General Fund, and Fine and Forfeiture Fund and, where applicable, cash flows thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

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 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 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.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clerk's financial statements. The combining and individual fund financial statements and nonmajor fund budget and actual schedules, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of

the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and nonmajor fund budget and actual schedules are fairly stated, in all material respects, in relation to the 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 February 17, 2025, on our consideration of the Clerk's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clerk's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, L.L.C.

Enterprise, Alabama
February 17, 2025

Walton County, Florida
Clerk of the Circuit Court
Balance Sheet – Governmental Funds

September 30, 2024	General	Fine and Forfeiture
Assets		
Cash and cash equivalents	$ 6,758,999	$ 692,393
Due from other governments	-	23,900
Total assets	$ 6,758,999	$ 716,293
Liabilities and Fund Balances		
Liabilities		
Accounts payable	$ 9,780	$ 37,254
Wages and benefits payable	253,679	75,212
Deposits	638	-
Due to Board of County Commissioners	6,494,902	-
Due to other governments	-	603,827
Total liabilities	6,758,999	716,293
Fund balances		
Restricted for		
Count technology	-	-
Title IV-D	-	-
Record modernization	-	-
Total fund balances	-	-
Total liabilities and fund balances	$ 6,758,999	$ 716,293

The accompanying notes are an integral part of these financial statements.

	Nonmajor Funds		Total Governmental Funds
$	1,350,994	$	8,802,386
	19,897		43,797
$	1,370,891	$	8,846,183
$	709	$	47,743
	27,533		356,424
	-		638
	-		6,494,902
	-		603,827
	28,242		7,503,534
	408,618		408,618
	290,011		290,011
	644,020		644,020
	1,342,649		1,342,649
$	1,370,891	$	8,846,183

Walton County, Florida
Clerk of the Circuit Court
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds

For the year ended September 30, 2024	General	Fine and Forfeiture
Revenues		
Intergovernmental	$ -	$ 474,209
Charges for services	1,957,840	1,125,617
Fines and forfeitures	-	721,218
Investment earnings	364,540	38,304
Total revenues	2,322,380	2,359,348
Expenditures		
General government		
Personnel services	4,337,011	1,781,409
Operating	1,108,276	87,516
Capital outlay	847,912	-
Debt service		
Principal	261,958	-
Interest	23,042	-
Total expenditures	6,578,199	1,868,925
Excess (deficiency) of revenues over (under) expenditures	(4,255,819)	490,423
Other Financing Sources (Uses)		
Appropriations from Board of County Commissioners	4,291,044	-
Reversions		
Board of County Commissioners	(843,710)	-
Clerk of Courts Trust Fund	-	(490,423)
Proceeds from issuance of debt	808,485	-
Net other financing sources (uses)	4,255,819	(490,423)
Net change in fund balances	-	-
Fund balances, beginning of year	-	-
Fund balances, end of year	$ -	$ -

The accompanying notes are an integral part of these financial statements.

	Nonmajor Funds	Total Governmental Funds
$	129,958	$ 604,167
	375,737	3,459,194
	-	721,218
	11,016	413,860
	516,711	5,198,439
	578,426	6,696,846
	101,165	1,296,957
	-	847,912
	-	261,958
	-	23,042
	679,591	9,126,715
	(162,880)	(3,928,276)
	-	4,291,044
	-	(843,710)
	-	(490,423)
	-	808,485
	-	3,765,396
	(162,880)	(162,880)
	1,505,529	1,505,529
$	1,342,649	$ 1,342,649

Walton County, Florida
Clerk of the Circuit Court
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Charges for services	$ 1,844,700	$ 1,976,591	$ 1,957,840	$ (18,751)
Investment earnings	52,500	60,609	364,540	303,931
Total revenues	1,897,200	2,037,200	2,322,380	285,180
Expenditures				
General government				
Personnel services	4,910,749	4,636,059	4,337,011	299,048
Operating	1,197,495	1,612,185	1,108,276	503,909
Capital outlay	80,000	80,000	847,912	(767,912)
Debt service				
Principal	-	-	261,958	(261,958)
Interest	-	-	23,042	(23,042)
Total expenditures	6,188,244	6,328,244	6,578,199	(249,955)
Excess (deficiency) of revenues over (under) expenditures	(4,291,044)	(4,291,044)	(4,255,819)	35,225
Other Financing Sources (Uses)				
Appropriations from Board of County Commissioners	4,291,044	4,291,044	4,291,044	-
Reversion				
Board of County Commissioners	-	-	(843,710)	(843,710)
Proceeds from issuance of debt	-	-	808,485	808,485
Net other financing sources (uses)	4,291,044	4,291,044	4,255,819	(35,225)
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ -	$ -

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
Clerk of the Circuit Court
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Fine and Forfeiture Fund

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	$ 261,003	$ 435,654	$ 474,209	$ 38,555
Charges for services	927,056	784,400	1,125,617	341,217
Fines and forfeitures	640,000	640,000	721,218	81,218
Investment earnings	30,000	30,000	38,304	8,304
Total revenues	1,858,059	1,890,054	2,359,348	469,294
Expenditures				
General government				
Personnel services	1,773,617	1,795,427	1,781,409	14,018
Operating	84,442	94,627	87,516	7,111
Total expenditures	1,858,059	1,890,054	1,868,925	21,129
Excess (deficiency) of revenues over (under) expenditures	-	-	490,423	490,423
Other Financing Sources (Uses)				
Reversion				
Clerk of Courts Trust Fund	-	-	(490,423)	(490,423)
Net other financing sources (uses)	-	-	(490,423)	(490,423)
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ -	$ -

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
Clerk of the Circuit Court
Statement of Net Position – Proprietary Funds

September 30, 2024	Governmental Activities Internal Service Fund
Assets	
Current assets	
Cash and cash equivalents	$ 1,228,314
Liabilities	
Current liabilities	
Accrued compensated absences	175,985
Non-current liabilities	
Accrued compensated absences	1,052,329
Total liabilities	1,228,314
Total net position	$ -

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
Clerk of the Circuit Court
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds

For the year ended September 30, 2024	Governmental Activities Internal Service Fund
Operating Revenues	
Charges for services	$ 279,836
Operating Expenses	
Personnel services	279,836
Change in net position	-
Net position, beginning of year	-
Net position, end of year	$ -

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
Clerk of the Circuit Court
Statement of Cash Flows – Proprietary Funds

For the year ended September 30, 2024		Governmental Activities Internal Service Fund
Cash Flows from Operating Activities		
Funding of compensated absences liability	$	279,836
Cash payments to employees for compensated absences		(157,307)
Net increase in cash and cash equivalents		122,529
Cash and cash equivalents, beginning of year		1,105,785
Cash and cash equivalents, end of year	$	1,228,314
Reconciliation of Change in Net Position to Net Cash Provided by Operating Activities		
Change in net position	$	-
Increase in liabilities		
Compensated absences payable		122,529
Net cash provided by operating activities	$	122,529

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
Clerk of the Circuit Court
Statement of Fiduciary Net Position – Fiduciary Funds

September 30, 2024		Custodial Funds
Assets		
Cash and cash equivalents	$	6,024,495
Receivables, net		1,887
Total assets	$	6,026,382
Liabilities		
Due to other governments	$	1,201,364
Deposits		2,444,857
Due to individuals		2,380,161
Total liabilities		6,026,382
Total net position	$	-

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
Clerk of the Circuit Court
Statement of Changes in Fiduciary Net Position – Fiduciary Funds

For the year ended September 30, 2024		Custodial Funds
Additions		
Clerk of circuit and county courts revenue	$	65,611,265
Deductions		
Current		
Payments of clerk of circuit and county courts distributions to other governments		65,611,265
Net increase (decrease) in fiduciary net position		-
Net position, beginning of year		-
Net position, end of year	$	-

The accompanying notes are an integral part of these financial statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Walton County, Florida Clerk of the Circuit Court (the "Clerk") have been prepared in accordance with the accounting principles and reporting guidelines established by the Governmental Accounting Standards Board (GASB), accounting principles generally accepted in the United States of America (GAAP), and accounting practices prescribed by Chapter 10.550, Rules of the Auditor General, State of Florida. The more significant of these governmental accounting policies applicable to the Clerk are described below.

Reporting Entity

The Clerk is an elected official established pursuant to Article VIII Section 1(d) of the constitution of the State of Florida and serves the geographic boundary established in Florida Statutes Chapter 7.66. The Clerk's financial statements do not purport to reflect the financial position or the results of operations of Walton County, Florida (the "County") taken as a whole. Although the Clerk's office is operationally autonomous from the Board of County Commissioners (the "Board"), it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Pursuant to *GASB Codifications of Governmental Accounting and Financial Reporting Standards, Sections 2100 and 2600*, the Clerk's financial statements are combined with those of the Board and other elected officials into the reporting entity of the County.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Clerk considers revenues to be available if they are collected within 90 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

The accounting and financial reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that, generally, only current assets and current liabilities are included in the balance sheet. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they present a summary of sources and uses of "available spendable resources" during a period.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The portion of the Clerk's revenue that is a budget appropriation from the Board, rather than a charge for services, is reported as an other-financing source. At year-end, excess revenue and other financial sources over expenditures are remitted to the Board and reported as reversion to the Board of County Commissioners.

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

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

The proprietary fund (the internal service fund) is reported using the accrual basis of accounting. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's principal ongoing operations. The principle operating revenues of the Clerk's internal service fund are charges to funds related to the Clerk's compensated absences activity. Operating expenses for the internal service fund include recognition of changes in the compensated absences liabilities. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

Fiduciary fund statements are prepared using the *economic resource measurement* focus and the *accrual basis of accounting*.

Fund Financial Statements

The Clerk's financial statements have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the "Rules"). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund financial statements do not constitute a complete presentation because, in conformity with the Rules, the Clerk has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, or management's discussion and analysis. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County's county-wide financial statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements (continued)

The Clerk reports the following major governmental funds:

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

Fine and Forfeiture Fund – A special revenue fund established pursuant to Chapter 2004-265 Laws of Florida to account for court related revenues and expenditures, which are required to be reported separately from the Clerk's General Fund activities.

The following nonmajor governmental funds are reported:

Court Technology – A special revenue fund that accounts for an additional service charge for each recorded instrument reserved for the technology needs of the court system within the Clerk's office.

Title IV-D – A special revenue fund that receives federal reimbursement for expenses related to the Title IV-D child support cases.

Record Modernization – A special revenue fund that accounts for an additional service charge for each recorded instrument. These funds are to be used exclusively for improvements to the official records system.

The Clerk also reported the following fund types:

Internal Service Fund – The internal service fund (a proprietary fund) is used to report funded and accrued compensated absences.

Fiduciary Fund – Custodial funds account for assets held in a trust capacity or as an agent for individuals, other governmental units, and/or other funds.

Budgetary Information

Budgetary Basis of Accounting

Florida Statutes, Chapter 218.35 and 218.36 details the preparation, adoption and administration of the Clerk's annual budget. The Clerk establishes an annual balanced budget for their office which displays the revenues available to the office and the functions for which the money is to be expended. The budgeted revenues and expenditures in the accompanying financial statements reflect all amendments approved by the Board. The budget is prepared on a basis consistent with GAAP. Budgetary control is maintained at the major object expenditure level. Expenditures may not legally exceed appropriations at the department level, and appropriations lapse at year-end. Budgetary changes within major object expenditure categories are made at the discretion of the Clerk.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Information (continued)

Budgetary Basis of Accounting (continued)

The Clerk, functioning in the capacity as the Clerk of the Circuit and County Courts and as Clerk of the Board, prepares a budget in seven parts:

A. The budget relating to the state court system (Circuit and County), is filed with the Florida Clerk of the Court Operations Corporation;

B. The budget relating to the requirements of the Clerk as the Clerk of the Board, County Auditor, and Custodian or Treasurer of all County funds and other County-related duties;

C. The budget relating to the recording of official records;

D. The budget related to the Records Modernization Fund;

E. The budget related to the Court Technology Fund;

F. The budget related to the Fine and Forfeiture Fund; and

G. The budget related to the Title IV-D Fund.

Excess Revenue and Expenditures

Pursuant to Section 218.36(2), Florida Statutes, "…each county officer shall pay into the county general fund all money in excess of the sum to which he or she is entitled under the provisions of Chapter 145." In accordance with the statute for fiscal year 2024, the Clerk remitted $843,710 of excess revenues over expenditures to the Board.

Pursuant to Section 28.37(2), Florida Statutes, the Clerk shall retain all fees, service charges, court costs, and fines collected to fund the Clerk's court operations. Excess revenue over expenditures at September 30th of each year will be sent to the Clerk of Courts Trust Fund. Additionally, if revenues received in any given month exceed 1/12 of the projected revenues for the year, then that excess is to be remitted to the Clerk of Courts Trust Fund as well. For the year ended September 30, 2024, excess court revenues did exceed 1/12 of revenue projections in the amount of $150,760 and all of these funds were remitted back to the Clerk of Courts Trust Fund. Excess court fund revenues from September 2024 were retained by the Clerk to fund October 2024 court operations in the amount of $339,663.

Excess of Expenditures over Appropriations

For the year ended September 30, 2024, expenditures exceeded appropriations by $249,955. The excess expenditures were funded with proceeds from debt.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Employee Benefits

Compensated Absences

It is the Clerk's policy to allow employees to accumulate a maximum of 1,000 hours of paid time off (PTO) at the end of the calendar year. Any PTO hours exceeding 1,000 will be forfeited by that employee. Upon separation, employees will receive pay for their unused accrued PTO up to a maximum payment of 500 hours. Expenditures for compensated absences in the internal service fund are those paid during the current fiscal year for employee separation, PTO buy back, and longevity pay. The amounts unpaid at the end of the reporting period are then accrued for future use.

Retirement Plan

The Clerk and all qualified County employees participate in The Florida Retirement System (the "System"). The System's financial statements are prepared using the economic resources measurement focus and accrual basis of accounting in accordance with the requirements of the GASB. The Plan is considered a component unit of the State of Florida and is included in the State's Annual Comprehensive Financial Report. Assets, liabilities and cash inflows/outflows related to the Clerk are combined with all the County's participates and reported in the County's government-wide financial statements.

Other Postemployment Benefits (OPEB)

The Clerk, in accordance with Section 112.0801, Florida Statutes, provides post-retirement health care benefits to all retired employees who participated in the County's group health plan while employed. Employees of the Clerk are covered under the County's plan. The County is required to measure and recognize the annual cost of the future benefits and calculate the annual employer funding requirements and, to the extent funding is not made by the County, recognize an OPEB liability on the Statement of Net Position of the County. These amounts, if any, are recorded in the County's government-wide financial statements.

Assets, Liabilities and Net Position or Fund Balance

Cash and Cash Equivalents

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Fund Balance (continued)

Inventories and Prepaid Items

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

Capital Assets

Capital assets, which include machinery and equipment and right-to-use subscription assets, are recorded as expenditures at the time acquired and if donated, acquisition value at the date of the donation. Title in all capital assets owned by the County is retained by the Board and the Clerk's capital assets are reported on the County-wide financial statements. The Clerk maintains custodial responsibility for the capital assets used by his office.

The Clerk maintains a $5,000 threshold for capitalization of machinery and equipment and a $25,000 threshold for land, buildings and improvements. Additionally, the Clerk maintains an inventory of all tangible personal property with a donated value or cost of $5,000 or more and a projected useful life of one year or more as required by Florida Statute 274 and Administrative Code Sections 69I-73.002 and 69I-73.006. Depreciation is determined using the straight-line method over the asset's estimated useful life.

Categories and Classification of Fund Balance

Net position flow assumption – The Clerk funds outlays from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Clerk's policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund balance flow assumptions – The Clerk funds outlays from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Clerk's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Fund Balance (continued)

Categories and Classification of Fund Balance (continued)

Fund balance policies – Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Clerk itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, specifies the following classifications:

Nonspendable fund balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted fund balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance – The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Clerk's highest level of decision-making authority. The Clerk is the highest level of decision-making authority. Once adopted, the limitation imposed by formal action remains in place until a similar action is taken to remove or revise the limitation.

Assigned fund balance – Amounts in the assigned fund balance classification are intended to be used by the Clerk for specific purposes but do not meet the criteria to be classified as committed. The Clerk can authorize the finance director to assign fund balance. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Unassigned fund balance – Unassigned fund balance is the residual classification for the General Fund.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, February 17, 2025 and determined there were no events that occurred that required disclosure.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued and Implemented Accounting Pronouncements

GASB Statement No. 100, *Accounting Changes and Error Corrections*. This Statement establishes accounting and financial reporting requirements for (a) accounting changes and (b) the correction of an error in previously issued financial statements (error correction). This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). There were no significant impacts of implementing this Statement.

The GASB has issued statements that will become effective in future years. These statements are as follows:

GASB Statement No. 101, *Compensated Absences* (GASB 101). The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

GASB Statement No. 102, Certain Risk Disclosures. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

The Clerk is evaluating the requirements of the above statements and the impact on reporting.

Note 2: DETAILED NOTES ON ALL FUNDS

Cash, Cash Equivalents, and Investments

Cash and cash equivalents is comprised of cash on hand and demand deposits.

Demand deposits greater than the Federal Deposit Insurance Corporation (FDIC) insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Depositories Act. In the event of a default or insolvency of a qualified public depositor (depositor), the depositor will implement procedures for payment of losses according to the depositors validated claims pursuant to Section 280.08, Florida Statutes.

Custodial Credit Risk for deposits is the risk in the event of the failure of a depository financial institution a government may not be able to recover deposits. Monies placed on deposit with financial institutions in the form of demand deposits, time deposits or certificate of deposits are defined as public deposits. The financial institutions in which the Clerk places its deposits are certified as "qualified public depositories," as required under the Florida Security for Public Deposits Act. For an investment, this is the risk that, in the event of the failure of the counterparty, the Clerk will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party.

Credit and Interest Rate Risk - The Clerk adheres to the investment policy adopted by the Board, thereby limiting its exposure to both credit and interest rate risk as noted below. Concentration of credit risk is the risk of loss attributable to the quantity of the Clerk's investments in a single issuer. The entire amount of the Clerk's demand deposits are held in a public fund net interest bearing checking account, paying interest at the current federal funds rate less (5) basis points, with no reserve requirements. This arrangement increases the liquidity of the Clerk's deposits and eliminates the fees paid on sweep accounts. Balances in the account are fully collateralized in compliance with applicable State statutes.

Due From Other Governments

The Clerk is due receivables from various other government sources, all of which are deemed collectible within 60 days of year-end.

Source	**Amount**
Other governments	$ 43,797

Note 3: RETIREMENT PLAN

The Clerk and all full-time employees are participants in the Florida Retirement System (the "System"), a defined benefit, cost sharing, multiple-employer public retirement system, which is controlled by the State Legislature and administered by the State of Florida, Department of

Note 3: RETIREMENT PLAN (Continued)

Administration, Division of Retirement. The plan covers full-time employees of various governmental units within the State of Florida. Accordingly, the actuarial information and related disclosures attributable to the Clerk's employees are not determinable.

The System's funding policy provides for monthly employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll are adequate to accumulate sufficient assets to pay benefits when due (see rates below). Level percentage of payroll employer contribution rates, established by State law, is determined using the entry-age actuarial funding method. If an unfunded actuarial liability reemerges, future plan benefit changes, assumption changes, and methodology changes are amortized within 30 years, using level dollar amounts. Except for gains reserved for rate stabilization, it is anticipated future actuarial gains and losses are amortized on a rolling 10% basis, as a level dollar amount.

The System provides for those employees hired prior to July 1, 2011 vesting of benefits after six years of creditable service. Normal retirement benefits are available to employees who retire at or after age 62 with six or more years of service. For Special Risk Class members, normal retirement is age 55 with at least six years of Special Risk service, or twenty-five years of Special Risk service, regardless of age, or age 52 with 25 years of Special Risk service and up to four years of active duty wartime service. Early retirement is available after six years of service with a 5% reduction of benefits for each year prior to the normal retirement age. For those employees hired on or after July 1, 2011, the System provides for vesting of benefits after eight years of credible service. Normal retirement benefits are available to these employees who retire at or after age 65 with eight years of service or thirty-three years regardless of age. For Special Risk Class members, normal retirement is age 60 with at least eight years of Special Risk service, or thirty years of Special Risk service, regardless of age. Retirement benefits are based upon age, average compensation and years-of-service credit where average compensation is computed as the average of an individual's five highest years of earnings.

Participating employer contributions are based upon State-wide rates established by the State of Florida. These rates applied to employee salaries at year end are as follows: regular employees – 13.63%, DROP Program – 21.13%, senior management – 34.52% and elected officials – 58.68%. These rates are applied to employee salaries each pay period. Employee contributions are 3.00% for all classifications, with the exception of the DROP program.

For the year ended September 30, 2024, total payroll for the Clerk's employees covered by the System was $4,487,462 and total payroll was $4,518,312. The Clerk's contributions to the plan for the years ended September 30, 2024, 2023, and 2022 were $883,658, $804,398, and $692,275, respectively. These contributions were paid by the due date.

The Florida Division of Retirement issues a publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing Florida Division of Retirement, P. O. Box 9000, Tallahassee, FL 32315-9000 or at the Division's website at dms.myflorida.com.

Note 4: **CONTINGENCIES**

The Clerk is involved in several litigations and claims arising in the ordinary course of operations. Legal counsel for the Clerk believes a favorable outcome is likely. No accruals or loss contingency has been made in the financial statements.

The Clerk receives grants from federal and state sources that are subject to review and audit by the funding sources. Such reviews and audits could result in the discovery of unallowable activities and unallowable costs. Consequently, any of the funding sources may, at their discretion, request reimbursement for expenses or return of funds, or both, as a result of noncompliance by the Clerk with the terms of the grants/contracts. In the opinion of the Clerk's management, such allowances, if any, would not be significant in relation to the financial statements of the Clerk.

Note 5: FINANCIAL DISCLOSURES REPORTED AT THE COUNTY-WIDE LEVEL

Capital Assets

Title in all capital assets owned by the County is retained by the Board and the below noted capital asset information and activity is reported on the county-wide financial statements.

Summary of changes in capital assets during the year ended September 30, 2024:

	Balance 10/1/23	Increases	Decreases	Balance 9/30/24
Governmental Activities				
Capital assets, being depreciated				
Machinery and equipment	$ 2,232,270	$ 39,427	$ -	$ 2,271,697
Less accumulated depreciation for				
Machinery and equipment	(2,067,073)	(110,478)	-	(2,177,551)
Total capital assets being depreciated, net	165,197	(71,051)	-	94,146
Right-to-use subscription assets, being amortized				
Subscription-based information technology	-	808,485	-	808,485
Less accumulated amortization for				
Subscription-based information technology	-	(261,958)	-	(261,958)
Right-to-use subscription assets being amortized, net	-	546,527	-	546,527
Total governmental activities capital assets, net	$ 165,197	$ 475,476	$ -	$ 640,673

Note 5: FINANCIAL DISCLOSURES REPORTED AT THE COUNTY-WIDE LEVEL (Continued)

Capital Assets (continued)

Depreciation and amortization expense was charged to the function of government as follows:

Governmental Activities	$ 372,436

Long-Term Liabilities

The internal service fund is designed to record the annual cost related to the Clerk's compensated absences, to record the short-term and long-term components of such liabilities, and to collect and hold cash to liquidate such liabilities. The related cost associated with the fund will be recovered via charges to the General Fund.

Subscription liabilities that will not be liquidated with expendable available financial resources of the Clerk are the obligation of the County and are reported at the county-wide level.

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

	Balance 10/1/23	Additions	Reductions	Balance 9/30/24	Due Within One Year
Subscription liabilities	$ -	$ 808,485	$ 261,958	$ 546,527	$ 269,424
Compensated absences	1,105,785	279,836	157,307	1,228,314	175,985
Total	$ 1,105,785	$ 1,088,321	$ 419,265	$ 1,774,841	$ 445,409

Subscription-Based Information Technology Arrangements

The Clerk has one software arrangement that requires recognition under GASBC Section S:80, *Subscription-Based Information Technology Arrangements* (SBITAs). The Clerk now recognizes a subscription liability and an intangible right-to-use subscription asset for the Tourist Development Tax (TDT) software in Finance.

Note 5: FINANCIAL DISCLOSURES REPORTED AT THE COUNTY-WIDE LEVEL (Continued)

Long-Term Liabilities (continued)

The present value of the future minimum SBITAs payments is as follows:

September 30,		Amount
2025	$	285,000
2026		285,000
Total minimum payments		570,000
Less: amount representing interest		(23,473)
Present value of minimum lease payments	$	546,527

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Court Technology – Accounts for an additional service charge on recorded documents. These funds are reserved for the technology needs of the court system.

Title IV-D – Accounts for federal reimbursement for expenses related to Title IV-D child support cases.

Record Modernization – Accounts for an additional service charge on recorded instrument. These funds are designated exclusively for improvements to the official records system.

Walton County, Florida
Clerk of the Circuit Court
Combining Balance Sheet – Nonmajor Governmental Funds

September 30, 2024	Court Technology	Title IV-D Fund	Record Modernization Fund	Total
Assets				
Cash and cash equivalents	$ 430,772	$ 276,202	$ 644,020	$ 1,350,994
Due from other governments	-	19,897	-	19,897
Total assets	$ 430,772	$ 296,099	$ 644,020	$ 1,370,891
Liabilities and Fund Balances				
Liabilities				
Accounts payable	$ 709	$ -	$ -	$ 709
Wages and benefits payable	21,445	6,088	-	27,533
Total liabilities	22,154	6,088	-	28,242
Fund balances				
Restricted	408,618	290,011	644,020	1,342,649
Total liabilities and fund balances	$ 430,772	$ 296,099	$ 644,020	$ 1,370,891

Walton County, Florida
Clerk of the Circuit Court
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds

For the year ended September 30, 2024	Court Technology	Title IV-D Fund	Record Modernization Fund	Total
Revenues				
Intergovernmental	$ -	$ 129,958	$ -	$ 129,958
Charges for services	285,344	-	90,393	375,737
Investment earnings	-	-	11,016	11,016
Total revenues	285,344	129,958	101,409	516,711
Expenditures				
General government				
Personnel services	413,766	164,660	-	578,426
Operating	60,201	206	40,758	101,165
Total expenditures	473,967	164,866	40,758	679,591
Excess (deficiency) of revenues over (under) expenditures	(188,623)	(34,908)	60,651	(162,880)
Fund balances, beginning of year	597,241	324,919	583,369	1,505,529
Fund balances, end of year	$ 408,618	$ 290,011	$ 644,020	$ 1,342,649

Walton County, Florida
Clerk of the Circuit Court
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Court Technology Fund

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Charges for services	$ 300,000	$ 300,000	$ 285,344	$ (14,656)
Expenditures				
General government				
Personnel services	768,373	766,443	413,766	352,677
Operating	94,300	96,230	60,201	36,029
Total expenditures	862,673	862,673	473,967	388,706
Excess (deficiency) of revenues over (under) expenditures	(562,673)	(562,673)	(188,623)	374,050
Fund balance, beginning of year	597,241	597,241	597,241	-
Fund balance, end of year	$ 34,568	$ 34,568	$ 408,618	$ 374,050

Walton County, Florida
Clerk of the Circuit Court
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Title IV-D

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	$ 145,000	$ 164,871	$ 129,958	$ (34,913)
Expenditures				
General government				
Personnel services	144,600	164,664	164,660	4
Operating	400	207	206	1
Total expenditures	145,000	164,871	164,866	5
Excess (deficiency) of revenues over (under) expenditures	-	-	(34,908)	(34,908)
Fund balance, beginning of year	324,919	324,919	324,919	-
Fund balance, end of year	$ 324,919	$ 324,919	$ 290,011	$ (34,908)

Walton County, Florida
Clerk of the Circuit Court
Schedule of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
Record Modernization

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Charges for services	$ 130,000	$ 130,000	$ 90,393	$ (39,607)
Investment earnings	-	-	11,016	11,016
Total revenues	130,000	130,000	101,409	(28,591)
Expenditures				
General government				
Operating	130,000	130,000	40,758	89,242
Excess (deficiency) of revenues over (under) expenditures	-	-	60,651	60,651
Fund balance, beginning of year	583,369	583,369	583,369	-
Fund balance, end of year	$ 583,369	$ 583,369	$ 644,020	$ 60,651

Fiduciary Funds

General Agency – To account for collections held in trust including; taxes, fines and forfeitures and other miscellaneous sources.

Juror and Witness – To account for advances received from the State and County for payment of jurors and witnesses.

Registry of Court – To account for collections held in trust as ordered by the courts.

Child Support – To account for collection of court ordered child support and alimony.

Appearance Bonds – To account for cash bonds collected for the release of prisoners.

Tax Redemption – To account for collections related to the sale of tax deeds.

Walton County, Florida
Clerk of the Circuit Court
Combining Statement of Fiduciary Net Position – Custodial Funds

September 30, 2024	General Agency	Juror and Witness
Assets		
Cash and cash equivalents	$ 2,913,317	$ 15,911
Receivables, net	1,887	-
Total assets	$ 2,915,204	$ 15,911
Liabilities		
Due to other governments	$ 1,111,709	$ 15,911
Deposits	1,799,488	-
Due to individuals	4,007	-
Total liabilities	2,915,204	15,911
Total net position	$ -	$ -

	Registry of Court	Child Support	Appearance Bonds	Tax Redemption	Total
$	653,493	$ 191	$ 504,844	$ 1,936,739	$ 6,024,495
	-	-	-	-	1,887
$	653,493	$ 191	$ 504,844	$ 1,936,739	$ 6,026,382
$	8,124	$ 191	$ 61,628	$ 3,801	$ 1,201,364
	645,369	-	-	-	2,444,857
	-	-	443,216	1,932,938	2,380,161
	653,493	191	504,844	1,936,739	6,026,382
$	-	$ -	$ -	$ -	$ -

Walton County, Florida
Clerk of the Circuit Court
Combining Statement of Changes in Fiduciary Net Position – Custodial Funds

For the year ended September 30, 2024	General Agency	Juror and Witness
Additions		
Clerk of circuit and county courts revenue	$ 59,453,865	$ -
Deductions		
Current		
Payments of clerk of circuit and county courts distributions to other governments	59,453,865	-
Net increase (decrease) in fiduciary net position	-	-
Net position, beginning of year	-	-
Net position, end of year	$ -	$ -

Registry of the Court	Child Support	Appearance Bonds	Tax Redemption	Total
$ 2,924,969	$ 110,503	$ 698,289	$ 2,423,639	$ 65,611,265
2,924,969	110,503	698,289	2,423,639	65,611,265
-	-	-	-	-
-	-	-	-	-
$ -	$ -	$ -	$ -	$ -

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

Honorable Alex Alford
Clerk of the Circuit Court
Walton 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, the proprietary and fiduciary fund types, and the remaining nonmajor governmental funds of the Walton County, Florida Clerk of the Circuit Court (the "Clerk"), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Clerk's basic financial statements, and have issued our report thereon dated February 17, 2025.

Report on Internal Control Over Financial Reporting

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

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

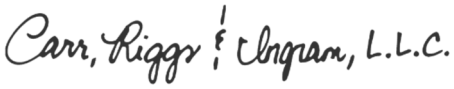
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit, we did not 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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



CARR, RIGGS & INGRAM, L.L.C.

Enterprise, Alabama
February 17, 2025

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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SPECIFIED FLORIDA STATUTE SECTIONS

Honorable Alex Alford
Clerk of the Circuit Court
Walton County, Florida

We have examined the Walton County, Florida's Clerk of the Circuit Court's (the "Clerk") compliance with the following Florida Statute sections during the fiscal year ended September 30, 2024:

Sections 28.35 and 38.36	Performance Standards and Budget
Section 61.181	Alimony and Child Support Payments
Section 218.415	Local Government Investment Policy

The Clerk's management is responsible for the Clerk's compliance with those requirements. Our responsibility is to express an opinion of the Clerk's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Clerk complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Clerk complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the Clerk's compliance with specified requirements.

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

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

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

Carr, Riggs & Ingram, L.L.C.
CARR, RIGGS & INGRAM, L.L.C.

Enterprise, Alabama
February 17, 2025

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MANAGEMENT LETTER

Honorable Alex Alford
Clerk of Circuit Court
Walton County, Florida

Report on the Financial Statements

We have audited the financial statements of the Walton 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 February 17, 2025.

Auditor's Responsibility

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; and Chapter 10.550, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Reports on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated February 17, 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 findings and recommendations in the preceding annual financial audit report.

Financial Management

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

Additional Matters

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

Purpose of this Letter

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

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, L.L.C.

Enterprise, Alabama
February 17, 2025

Property Appraiser
Walton County, Florida

FINANCIAL STATEMENTS

September 30, 2024

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INDEPENDENT AUDITOR'S REPORT

Honorable Gary J. Gregor
Property Appraiser
Walton County, Florida

Opinion

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

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

Basis for 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 *Governmental 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; 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 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards***,** we have also issued our report dated February 18, 2025 on our consideration of the Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts, grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Property Appraiser's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, L.L.C.

Enterprise, Alabama
February 18, 2025

Walton County, Florida
Property Appraiser
Balance Sheet – Governmental Funds

September 30, 2024		General Fund
Assets		
Cash and cash equivalents	$	435,279
Other assets		62,949
Total assets	$	498,228
Liabilities and Fund Balance		
Liabilities		
Due to Board of County Commissioners	$	347,094
Due to other governments		46,663
Accounts payable		19,561
Wages and benefits payable		84,910
Total liabilities		498,228
Fund balance		-
Total liabilities and fund balance	$	498,228

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
Property Appraiser
Statement of Revenues, Expenditures and Changes in Fund Balance
Governmental Funds

For the year ended September 30, 2024		General Fund
Revenues		
Intergovernmental	$	421,279
Miscellaneous		113
Total revenues		421,392
Expenditures		
General government		
Personnel services		2,740,767
Operating		502,374
Capital outlay		144,358
Total expenditures		3,387,499
Excess revenues over (under) expenditures		(2,966,107)
Other Financing Sources (Uses)		
Appropriations from Board of County Commissioners		3,309,609
Proceeds from sale of equipment		50,255
Reversion to Board of County Commissioners		(347,094)
Return of excess fees to other taxing authorities		(46,663)
Net other financing sources (uses)		2,966,107
Net change in fund balance		-
Fund balance, beginning of year		-
Fund balance, end of year	$	-

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
Property Appraiser
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	$ 542,175	$ 542,175	$ 421,279	$ (120,896)
Miscellaneous	-	-	113	113
Total revenues	542,175	542,175	421,392	(120,783)
Expenditures				
Current				
General government				
Personnel services	3,095,138	3,108,713	2,740,767	367,946
Operating	529,810	529,810	502,374	27,436
Capital outlay	80,000	80,000	144,358	(64,358)
Non-operating	12,365	12,365	-	12,365
Total expenditures	3,717,313	3,730,888	3,387,499	343,389
Excess revenues over (under) expenditures	(3,175,138)	(3,188,713)	(2,966,107)	222,606
Other Financing Sources (Uses)				
Appropriations from Board of County Commissioners	3,175,138	3,188,713	3,309,609	120,896
Proceeds from sale of equipment	-	-	50,255	50,255
Reversion to Board of County Commissioners	-	-	(347,094)	(347,094)
Return of excess fees to other taxing authorities	-	-	(46,663)	(46,663)
Net other financing sources (uses)	3,175,138	3,188,713	2,966,107	(222,606)
Net change in fund balances	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ -	$ -

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Walton County, Florida Property Appraiser (the "Property Appraiser") have been prepared in accordance with the accounting principles and reporting guidelines established by the Governmental Accounting Standards Board (GASB), accounting principles generally accepted in the United States of America (GAAP), and accounting practices prescribed by Chapter 10.550, Rules of the Auditor General, State of Florida. The more significant of these governmental accounting policies applicable to the Property Appraiser are described below.

Reporting Entity

The Property Appraiser is an elected official established pursuant to Article VIII Section 1(d) of the constitution of the State of Florida and serves the geographic boundary established in Florida Statutes chapter 7.66. The Property Appraiser's financial statements do not purport to reflect the financial position or the results of operations of Walton County, Florida (the "County") taken as a whole. Although the Property Appraiser's office is operationally autonomous from the Board of County Commissioners (the "Board"), it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Pursuant to GASB *Codification of Governmental Accounting and Financial Reporting Standards, Section 2100 and 2600*, the Property Appraiser's financial statements are combined with those of the Board and other elected constitutional officers into the reporting entity of Walton County, Florida (the "County").

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Property Appraiser considers revenues to be available if they are collected within 90 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

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

The operations of the Property Appraiser are funded by the Board of County Commissioners and other taxing authorities in the County. The appropriations from the Board are recorded as other financing sources. At year-end, excess revenue and other financial sources received over expenditures are remitted to the Board and other taxing authorities in proportion to the amounts received from each taxing authority.

Fund Financial Statements

The Property Appraiser's financial statements have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the "Rules"). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund statements do not constitute a complete presentation because, in conformity with the Rules, the Property Appraiser has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, or management's discussion and analysis. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County's county-wide financial statements.

In preparing these financial statements, the following is reported as a major governmental fund:

> The *General Fund* accounts for all revenue and expenditures applicable to the general operations of the Property Appraiser that are not required either legally or by GAAP to be accounted for in another fund.

Budgetary Information

Budgetary Basis of Accounting

Florida Statutes Chapter 195.087 details the preparation, adoption and administration of the Property Appraiser's annual budget. On or before June 1 of each year, the Property Appraiser shall certify to the Department of Revenue (the "Department") a proposed budget. The Department has until August 15 to approve or modify the budget. The Board has until September 30 to approve a final budget during hearings held pursuant to Florida Statute 200.065. Budgetary control is maintained at the major object expenditure level. Expenditures may not legally exceed appropriations at the department level, and appropriations lapse at year-end. Budgetary changes within major object expenditure categories are made at the discretion of the Property Appraiser.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Information (continued)

Budgetary Basis of Accounting (continued)

Budgeted revenues and expenditures in the accompanying financial statements reflect all amendments approved by the Department and Board.

Excess Revenues over Expenditures

Pursuant to Section 218.36(2), Florida Statutes, any excess revenues over expenditures, determined as of the fiscal year end, "...shall be divided into parts for each governmental unit which was billed and which paid for the operation of the Property Appraiser's office in the same proportion as the governmental units were originally billed.

Employee Benefits

Compensated Absences

It is the Property Appraiser's policy to allow employees to accumulate earned but unused paid time off benefits, which are eligible for payment upon separation of government service. Employees are allowed to accumulate up to a maximum of 500 working hours. Accumulated paid time off is payable on termination up to 500 hours. If the employee retires, the full value of the hours accumulated will be paid out up to 500 hours. Expenditures for compensated absences in governmental funds are those paid during the current fiscal year and the amount unpaid at the end of the reporting period that normally would be liquidated with expendable available financial resources. Accrued compensated absences that will not be liquidated with expendable available financial resources of the Property Appraiser are the obligation of the County and are reported at the county-wide level.

Retirement Plan

The Property Appraiser and all qualified County employees participate in The Florida Retirement System (the "System"). The System's financial statements are prepared using the economic resources measurement focus and accrual basis of accounting in accordance with the requirements of the GASB. The Plan is considered a component unit of the State of Florida and is included in the State's Annual Comprehensive Financial Report. Assets, liabilities and cash inflows/outflows related to the Property Appraiser are combined with all the County's participates and reported in the County's government-wide financial statements.

Other Postemployment Benefits (OPEB)

The Property Appraiser, in accordance with Section 112.0801, Florida Statutes, provides post-retirement health care benefits to all retired employees who participated in the County's group

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Employee Benefits (continued)

Other Postemployment Benefits (OPEB) (continued)

health plan while employed. Employees of the Property Appraiser are covered under the County's plan. The County is required to measure and recognize the annual cost of the future benefits and calculate the annual employer funding requirements and, to the extent funding is not made by the County, recognize an OPEB liability on the Statement of Net Position of the County. These amounts, if any, are recorded in the County's government-wide financial statements.

Assets, Liabilities, and Net Position or Fund Balance

Cash and Cash Equivalents

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

Inventories and Prepaid Items

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

Capital Assets

Capital assets are recorded as expenditures at the time acquired and if donated, acquisition value at the date of donation. Title in all capital assets owned by the County is retained by the Board and the Property Appraiser capital assets are reported on the county-wide financial statements. The Property Appraiser maintains custodial responsibility for the capital assets used by his office.

The Property Appraiser maintains a $5,000 threshold for capitalization of machinery and equipment and a $25,000 threshold for land, buildings and improvements. Additionally, the Property Appraiser maintains an inventory of all tangible personal property with a donated value or cost of $5,000 or more and a projected useful life of one year or more as required by Florida Statute 274 and Florida Administrative Code Sections 69I-73.002 and 69I-73.006. Depreciation is determined using the straight-line method over the asset's estimated useful life.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Net Position or Fund Balance (continued)

Categories and Classification of Fund Balance

Fund balance flow assumptions – The Property Appraiser funds outlays from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Property Appraiser's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund balance policies – Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Property Appraiser itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, specifies the following classifications:

Nonspendable fund balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted fund balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance – The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Property Appraiser's highest level of decision-making authority. The Property Appraiser is the highest level of decision-making authority. Once adopted, the limitation imposed by the formal action remains in place until a similar action is taken to remove or revise the limitation.

Assigned fund balance – Amounts in the assigned fund balance classification are intended to be used by the Property Appraiser for specific purposes but do not meet the criteria to be classified as committed. The Property Appraiser can authorize the finance director to assign fund balance. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment.

Unassigned fund balance – Unassigned fund balance is the residual classification for the General Fund.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, February 18, 2025, and determined there were no events that occurred that required disclosure.

Recently Issued Accounting Pronouncements

GASB Statement No. 100, *Accounting Changes and Error Corrections*. This Statement establishes accounting and financial reporting requirements for (a) accounting changes and (b) the correction of an error in previously issued financial statements (error correction). This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). There were no significant impacts of implementing this Statement.

The GASB has issued statements that will become effective in future years. These statements are as follows:

In June 2022, GASB issued Statement No. 101, *Compensated Absences* (GASB 101). The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued Accounting Pronouncements (continued)

GASB Statement No. 102, Certain Risk Disclosures. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

The Property Appraiser is evaluating the requirements of the above statements and the impact on reporting.

Note 2: DETAILED NOTES TO GENERAL FUND

Cash and Cash Equivalents

Cash and cash equivalents is comprised of cash on hand and demand deposits.

Demand deposits greater than the Federal Deposit Insurance Corporation (FDIC) insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Depositories Act. In the event of a default or insolvency of a qualified public depositor (depositor), the depositor will implement procedures for payment of losses according to the depositors validated claims pursuant to Section 280.08, Florida Statutes.

Custodial risk - Custodial credit risk for deposits is the risk in the event of the failure of a depository financial institution a government may not be able to recover deposits. Monies placed on deposit with financial institutions in the form of demand deposits, time deposits or certificate of deposits are defined as public deposits. At year-end, all cash held in demand deposits was fully insured by the Federal Deposit Insurance Corporation and the multiple financial institutions collateral pool required by Section 280, Florida Statutes.

Due to Board of County Commissioners

Represents the excess revenues over expenditures of $347,094 remitted to the Board after year end in accordance with Section 218.36(2) Florida Statutes. This amount is reported as Reversion to Board of County Commissioners on the Statement of Revenues Expenditures and Changes in Fund Balance.

Note 3: RETIREMENT PLAN

The Property Appraiser and all full-time employees are participants in the Florida Retirement System (the "System"), a defined benefit, cost sharing, multiple-employer public retirement system, which is controlled by the State Legislature and administered by the State of Florida, Department of Administration, Division of Retirement. The plan covers full-time employees of various governmental units within the State of Florida. Accordingly, the actuarial information and related disclosures attributable to the Property Appraiser's employees are not determinable.

The System's funding policy provides for monthly employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are adequate to accumulate sufficient assets to pay benefits when due (see rates below). Level percentage of payroll employer contribution rates, established by State law, is determined using the entry-age actuarial funding method. If an unfunded actuarial liability reemerges, future plan benefit changes, assumption changes, and methodology changes are amortized within 30 years, using level dollar amounts. Except for gains reserved for rate stabilization, it is anticipated future actuarial gains and losses are amortized on a rolling 10% basis as a level dollar amount.

The System provides for those employees hired prior to July 1, 2011 vesting of benefits after six years of creditable service. Normal retirement benefits are available to employees who retire at or after age 62 with six or more years of service. For Special Risk Class members, normal retirement is age 55 with at least six years of Special Risk service, or twenty-five years of Special Risk service, regardless of age, or age 52 with 25 years of Special Risk service and up to four years of active duty wartime service. Early retirement is available after six years of service with a 5% reduction of benefits for each year prior to the normal retirement age. For those employees hired on or after July 1, 2011, the System provides for vesting of benefits after eight years of credible service. Normal retirement benefits are available to these employees who retire at or after age 65 with eight years of service or thirty-three years regardless of age. For Special Risk Class members, normal retirement is age 60 with at least eight years of Special Risk service, or thirty years of Special Risk service, regardless of age. Retirement benefits are based upon age, average compensation and years-of-service credit where average compensation is computed as the average of an individual's five highest years of earnings.

Participating employer contributions are based upon State-wide rates established by the State of Florida. These rates applied to employee salaries at year end are as follows: regular employees – 13.63%, DROP Program – 21.13%, senior management – 34.52%, and elected officials – 58.68%. These rates are applied to employee salaries each pay period. Employee contributions are 3.00% for all classifications, with the exception of the DROP program.

Total payroll for the Property Appraiser's employees covered by the System was $2,099,631 for the year ended September 30, 2024. The Property Appraiser's total payroll was $2,131,630 for the same period. The Property Appraiser's contributions to the plan for the years ended September 30, 2024, 2023, and 2022 were $458,068, $404,759, and $323,712, respectively and were paid by the due date for the contribution.

Note 3: RETIREMENT PLAN (Continued)

The Property Appraiser has no responsibility to the System other than to make the periodic payments required by State Statutes. The Florida Division of Retirement issues a publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing Florida Division of Retirement, P.O. Box 9000, Tallahassee, FL 32315-9000 or at the Division's website at dms.myflorida.com.

Note 4: CONTINGENT LIABILITIES

The Property Appraiser is currently involved in litigation arising in the normal course of operations. Those claims are challenging property valuations. Potential recoveries or liabilities in excess of insurance coverage, if any, are not determinable. No accruals for loss contingency have been made in the financial statements.

Note 5: FINANCIAL DISCLOSURES REPORTED AT THE COUNTY-WIDE LEVEL

Capital Assets

Title in all capital assets owned by the County is retained by the Board of County Commissioners and the below noted capital asset information and activity is reported in the county-wide financial statements.

Summary of capital asset activity for the year ended September 30, 2024:

	Balance 10/01/23	Increases	Decreases	Balance 9/30/24
Governmental Activities				
Capital assets depreciated:				
Machinery and equipment	$ 990,020	$ 139,044	$ 161,721	$ 967,343
Less: accumulated depreciation	334,598	95,732	117,732	312,597
Total governmental activities Capital assets, net	$ 655,422	$ 43,312	$ 43,989	$ 654,746

Depreciation expense to be reported by the County was charged to the functions of the government as follows:

General government	$ 95,732

Note 5: FINANCIAL DISCLOSURES REPORTED AT THE COUNTY-WIDE LEVEL (Continued)

Long-Term Debt

Accrued compensated absences and leases that will not be liquidated with expendable available financial resources of the Property Appraiser are the obligation of the County and are reported at the county-wide level.

Summary of changes in long-term debt for the year ended September 30, 2024:

	Balance 10/01/23	Increases	Reductions	Balance 9/30/24	Due In One Year
Compensated absences	$ 174,745	$ 221,017	$ (218,338)	$ 177,424	$ 17,742

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

Honorable Gary J. Gregor
Property Appraiser
Walton 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 Walton 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 financial statements, and have issued our report thereon dated February 18, 2025.

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 Property Appraiser's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

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

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, L.L.C.

Enterprise, Alabama
February 18, 2025

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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH *LOCAL GOVERNMENT INVESTMENT POLICIES*

Honorable Gary J. Gregor
Property Appraiser
Walton County, Florida

We have examined the Walton County, Florida Property Appraiser's (the "Property Appraiser") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies* during the year ended September 30, 2024. Management of the Property Appraiser is responsible for the Property Appraiser's compliance with the specific 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 judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

In our opinion, the Property Appraiser complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2024.

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

Carr, Riggs & Ingram, L.L.C.
CARR, RIGGS & INGRAM, L.L.C.

Enterprise, Alabama
February 18, 2025

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MANAGEMENT LETTER

Honorable Gary J. Gregor
Property Appraiser
Walton County, Florida

Report on the Financial Statements

We have audited the financial statements of the Walton County, Florida Property Appraiser (the "Property Appraiser") as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated February 18, 2025.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated February 18, 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 significant 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.

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 noted the following recommendation:

2024-01 Payroll Controls

Condition – A Personnel Action Notice form was not properly approved. Discrepancies were noted for the Personnel Action Notice form that was applicable for December 2023 to July 2024.

Criteria – The Property Appraiser is responsible for approving Personnel Action Notice forms and ensuring compliance with office policies and procedures. The Property Appraiser's policies require the Property Appraiser to approve all Personnel Action Notice forms indicating pay rate changes.

Cause – Lack of proper approval of Personnel Action Notice form.

Effect – The finding could result in incorrect pay rates used in the calculation and processing of payroll.

Recommendation – We recommend, for each Personnel Action Notice form being issued, the Property Appraiser timely approve all Personnel Action Notice forms.

View of Responsible Officials and Planned Corrective Actions – The Property Appraiser acknowledges the finding and is currently following the recommendation.

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

Carr, Riggs & Ingram, L.L.C.

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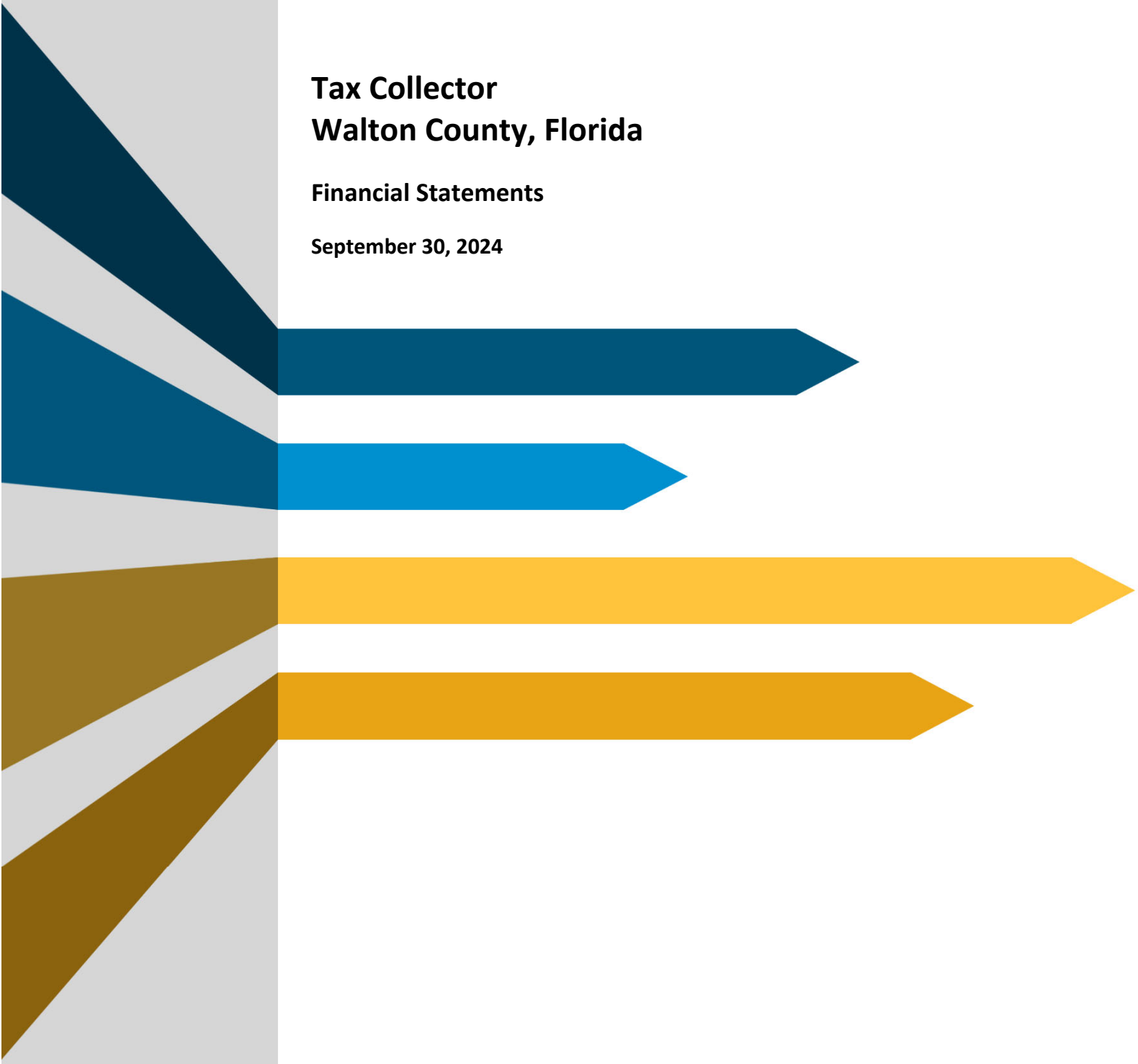
Enterprise, Alabama
February 18, 2025

PRIDE • PRESERVATION • CONSERVATION
WALTON COUNTY, FLORIDA

Tax Collector
Walton County, Florida

Financial Statements

September 30, 2024



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INDEPENDENT AUDITOR'S REPORT

Honorable Rhonda Skipper
Tax Collector
Walton County, Florida

Opinions

We have audited the accompanying financial statements of the major fund and the fiduciary fund type of the Walton County, Florida Tax Collector (the "Tax Collector"), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Tax Collector's basic financial statements as listed in the table of contents.

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

Basis for Opinions

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Tax Collector's financial statements. The combining fiduciary fund statements are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United

States of America. In our opinion, the combining fiduciary fund 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 our report dated February 17, 2025 on our consideration of the Tax Collector's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tax Collector's internal control over financial reporting and compliance.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, L.L.C.

Enterprise, Alabama
February 17, 2025

Walton County, Florida
Tax Collector
Balance Sheet – Governmental Funds

September 30, 2024		General Fund
Assets		
Cash and cash equivalents	$	4,959,177
Due from individuals		355,551
Total assets	$	5,314,728
Liabilities and Fund Balance		
Liabilities		
Accounts payable	$	107,397
Wages and benefits payable		152,009
Due to Board of County Commissioners		4,474,802
Due to other governments		580,520
Total liabilities		5,314,728
Fund balance		-
Total liabilities and fund balance	$	5,314,728

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
Tax Collector
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds

For the year ended September 30, 2024		General Fund
Revenues		
Charges for services	$	8,723,079
Expenditures		
General government		
Personnel services		3,027,359
Operating		574,044
Capital outlay		58,467
Debt service		
Principal		7,842
Interest		45
Total expenditures		3,667,757
Excess (deficiency) of revenues over (under) expenditures		5,055,322
Other Financing Sources (Uses)		
Return of excess fees to other taxing authorities		(580,520)
Reversion to Board of County Commissioners		(4,474,802)
Net other financing sources (uses)		(5,055,322)
Net change in fund balance		-
Fund balance, beginning of year		-
Fund balance, end of year	$	-

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
Tax Collector
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Charges for services	$ 3,946,983	$ 3,946,983	$ 8,723,079	$ 4,776,096
Expenditures				
General government				
Personnel services	3,313,093	3,298,093	3,027,359	270,734
Operating	629,890	589,890	574,044	15,846
Capital outlay	4,000	59,000	58,467	533
Debt service				
Principal	-	-	7,842	(7,842)
Interest	-	-	45	(45)
Total expenditures	3,946,983	3,946,983	3,667,757	279,226
Excess (deficiency) of revenues over (under) expenditures	-	-	5,055,322	5,055,322
Other Financing Sources (Uses)				
Return of excess fees to other taxing authorities	-	-	(580,520)	(580,520)
Reversion to Board of County Commissioners	-	-	(4,474,802)	(4,474,802)
Net other financing sources (uses)	-	-	(5,055,322)	(5,055,322)
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ -	$ -

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
Tax Collector
Statement of Fiduciary Net Position – Fiduciary Funds

September 30, 2024		Custodial Funds
Assets		
Cash	$	3,626,733
Liabilities		
Due to other governments		1,027,721
Deposits		2,599,012
Total liabilities		3,626,733
Net Position	$	-

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
Tax Collector
Statement of Changes in Fiduciary Net Position – Fiduciary Funds

For the year ended September 30, 2024		Custodial Funds
Additions		
Tax collections, auto tag fees, and other fees for other governments	$	402,870,891
Deductions		
Payments of tax, auto tag fees, and other fees to other governments		402,870,891
Changes in net position		-
Net position, beginning of year		-
Net position, end of year	$	-

The accompanying notes are an integral part of these financial statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Walton County, Florida Tax Collector (the "Tax Collector") have been prepared in accordance with the accounting principles and reporting guidelines established by the Governmental Accounting Standards Board (GASB), accounting principles generally accepted in the United States of America (GAAP), and accounting practices prescribed by Chapter 10.550, Rules of the Auditor General, State of Florida. The more significant of these governmental accounting policies applicable to the Tax Collector are described below.

Reporting Entity

The Tax Collector is an elected official established pursuant to Article VIII Section 1(d) of the constitution of the State of Florida and serves the geographic boundary established in Florida Statutes chapter 7.66. The Tax Collector's financial statements do not purport to reflect the financial position or the results of operations of Walton County, Florida (the "County") taken as a whole. Although the Tax Collector's office is operationally autonomous from the Board of County Commissioners (the "Board"), it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Pursuant to *GASB Codification of Governmental Accounting and Financial Reporting Standards, Sections 2100 and 2600*, the Tax Collector's financial statements are combined with those of the Board and other elected constitutional officers into the reporting entity of the County.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Tax Collector considers revenues to be available if they are collected within 90 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under leases are reported as other financing sources.

The operations of the Tax Collector are funded by the Board of County Commissioners and other taxing authorities in the County. At year-end, excess revenue and other financial sources over expenditures are remitted to the Board and other taxing authorities in proportion to the amounts received from each taxing authority.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

The accounting and financial reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that, generally, only current assets and current liabilities are included in the balance sheet. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they present a summary of sources and uses of "available spendable resources" during a period.

Fiduciary fund (custodial fund) statements are prepared using the economic resource measurement focus and the accrual basis of accounting.

Fund Financial Statements

The Tax Collector's financial statements have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the "Rules"). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund financial statements do not constitute a complete presentation because, in conformity with the Rules, the Tax Collector has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, or management's discussion and analysis. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County's county-wide financial statements.

In preparing these financial statements, the following is reported as a major governmental fund:

> *General Fund* – The General Fund is used to account for all revenue and expenditures applicable to the general operations of the Tax Collector that are not required either legally or by GAAP to be accounted for in another fund.

The Tax Collector also reported the following fiduciary fund type:

> *Custodial Funds* – Custodial funds are custodial in nature and account for assets held in a trust capacity or as an agent for individuals, other governmental units, and/or other funds.

Budgetary Information

Budgetary Basis of Accounting

Florida Statutes, Chapter 195.087 details the preparation, adoption, and administration of the Tax Collector's annual budget. On or before August 1 of each year, the Tax Collector submits an annual budget to the Department of Revenue (the "Department"). If the Department finds the budget inadequate or excessive, it shall return such budget to the Tax Collector, together with its ruling thereon. The Tax Collector shall revise the budget as required and resubmit it to the Department.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Information (continued)

After final approval by the Department, there shall be no reduction or increase by the Tax Collector or Board without the approval of the Department. Budgetary control is maintained at the major object expenditure level. Expenditures may not legally exceed appropriations at the department level, and appropriations lapse at year-end. Budgetary changes within major object expenditure categories are made at the discretion of the Tax Collector. The budgeted revenues and expenditures in the accompanying financial statements reflect all amendments approved by the Board and the Department.

Excess Revenue over Expenditures

Pursuant to Section 218.36(2), Florida Statutes, whenever a tax collector has excess revenues over expenditures as determined as of the fiscal year end, "…he or she shall distribute the excess to each governmental unit in the same proportion as the fees paid by the governmental unit bear to the total fee income of his or her office."

Employee Benefits

Compensated Absences

The Tax Collector's policy allows the accumulation of annual leave up to 240 hours as of the first day of each calendar year for non-exempt employees, and 480 hours for exempt employees. There is no limitation on the amount of sick leave accumulation. However, upon separation from employment, all accumulated sick leave up to 240 hours (480 hours for exempt employees), regardless of length of employment, and all accumulated annual leave up to 240 hours (480 hours for exempt employees), pending one full year of employment, will be paid provided one of the following conditions are met:

- Resignation of position, with notice and in good standing
- Elimination of position due to staff cutbacks and layoffs
- Retirement
- Death

Expenditures for compensated absences in governmental funds are those paid during the current fiscal year and the amount unpaid at the end of the reporting period that normally would be liquidated with expendable available financial resources. Accrued compensated absences that will not be liquidated with expendable available financial resources of the Tax Collector are the obligation of the County and are reported at the county-wide level.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Employee Benefits (continued)

Retirement Plan

The Tax Collector and all qualified County employees participate in The Florida Retirement System (the "System"). The System's financial statements are prepared using the economic resources measurement focus and accrual basis of accounting in accordance with the requirements of the GASB. The Plan is considered a component unit of the State of Florida and is included in the State's Annual Comprehensive Financial Report. Assets, liabilities and cash inflows/outflows related to the Tax Collector are combined with all the County's participates and reported in the County's government-wide financial statements.

Other Postemployment Benefits (OPEB)

The Tax Collector, in accordance with Section 112.0801, Florida Statutes, provides post-retirement health care benefits to all retired employees who participated in the County's group health plan while employed. Employees of the Tax Collector are covered under the County's plan. The County is required to measure and recognize the annual cost of the future benefits and calculate the annual employer funding requirements and, to the extent funding is not made by the County, recognize an OPEB liability on the Statement of Net Position of the County. These amounts, if any, are recorded in the County's government-wide financial statements.

Assets, Liabilities, and Net Position or Fund Balance

Cash and Cash Equivalents

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

Inventories and Prepaid Items

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Net Position or Fund Balance (continued)

Capital Assets

Capital assets are recorded as expenditures at the time acquired and if donated, acquisition value at the date of donation. Title in all capital assets owned by the County is retained by the Board and the Tax Collector's capital assets are reported on the county-wide financial statements. The Tax Collector maintains custodial responsibility for the capital assets used by his office.

The Tax Collector maintains a $5,000 threshold for capitalization of machinery and equipment and a $25,000 threshold for land, buildings and improvements. Additionally, the Tax Collector maintains an inventory of all tangible personal property with a donated value or cost of $5,000 or more and a projected useful life of one year or more, as required by Florida Statute 274 and Florida Administrative Code Sections 69I-73.002 and 69I-73.006. Depreciation is determined using the straight-line method over the asset's estimated useful life.

Lease Obligations

Lease contracts that provide the Tax Collector with control of a non-financial asset, such as land, buildings or equipment, for a period of time in excess of twelve months are reported as a leased asset with a related lease liability. Any contract not meeting the twelve-month period requirement is recognized as rental expense. The lease liability is recorded at the present value of future lease payments, including fixed payments, variable payments based on an index or fixed rate and reasonably certain residual guarantees. The intangible leased asset is recorded for the same amount as the related lease liability plus any prepayments and initial direct costs to place the asset in service. Leased assets are amortized over the shorter of the useful life of the asset or the lease term. The lease liability is reduced for lease payments made, less the interest portion of the lease payment. The Tax Collector uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Tax Collector uses its estimated incremental borrowing rate as the discount rate for leases.

Categories and Classification of Fund Balance

Fund balance flow assumptions – The Tax Collector funds outlays from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Tax Collector's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Net Position or Fund Balance (continued)

Fund balance policies – Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Tax Collector itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, specifies the following classifications:

Nonspendable fund balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted fund balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance – The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Tax Collector's highest level of decision-making authority. The Tax Collector is the highest level of decision-making authority. Once adopted, the limitation imposed by the formal action remains in place until a similar action is taken to remove or revise the limitation.

Assigned fund balance – Amounts in the assigned fund balance classification are intended to be used by the Tax Collector for specific purposes but do not meet the criteria to be classified as committed. The Tax Collector can authorize the finance director to assign fund balance. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment.

Unassigned fund balance – Unassigned fund balance is the residual classification for the General Fund.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, February 17, 2025, and determined there were no events that occurred that required disclosure.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued and Implemented Accounting Pronouncements

GASB Statement No. 100, *Accounting Changes and Error Corrections*. This Statement establishes accounting and financial reporting requirements for (a) accounting changes and (b) the correction of an error in previously issued financial statements (error correction). This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). There were no significant impacts of implementing this Statement.

The Governmental Accounting Standards Board has issued statements that will become effective in future years. These statements are as follows:

In June 2022, GASB Statement No. 101*, Compensated Absences* (GASB 101). The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

GASB Statement No. 102, Certain Risk Disclosures. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued and Implemented Accounting Pronouncements (continued)

The Tax Collector is evaluating the requirements of the above statements and the impact on reporting.

Note 2: DETAILED NOTES ON ALL FUNDS

Cash and Cash Equivalents

Cash and cash equivalents is comprised of cash on hand and demand deposits.

Demand deposits greater than the Federal Deposit Insurance Corporation (FDIC) insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Depositories Act. In the event of a default or insolvency of a qualified public depositor (depositor), the depositor will implement procedures for payment of losses according to the depositors validated claims pursuant to Section 280.08, Florida Statutes.

Custodial risk - Custodial credit risk for deposits is the risk in the event of the failure of a depository financial institution a government may not be able to recover deposits. Monies placed on deposit with financial institutions in the form of demand deposits, time deposits or certificate of deposits are defined as public deposits. At year-end, all cash held in demand deposits was fully insured by the Federal Deposit Insurance Corporation and the multiple financial institutions collateral pool required by Section 280, Florida Statutes.

Excess revenues over expenditures were returned to the various taxing authorities as required by Florida Statutes Section 218.36(2), and are accrued and reported as other financing uses. For fiscal year 2024, $5,055,322 of excess fees was remitted to various taxing authorities including $4,474,802 to the Board of County Commissioners.

Due from Individuals

Due from individuals consists of credit card payments made by individuals for services provided by the Tax Collector that have not been remitted to the Tax Collector as of year-end.

Note 3: RETIREMENT PLAN

The Tax Collector and all full-time employees are participants in the Florida Retirement System (the "System"), a defined benefit, cost sharing, multiple-employer public retirement system, which is controlled by the State Legislature and administered by the State of Florida, Department of Administration, Division of Retirement. The plan covers full-time employees of various governmental units within the State of Florida. Accordingly, the actuarial information and related disclosures attributable to the Tax Collector's employees are not determinable.

The System's funding policy provides for monthly employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll are adequate to accumulate sufficient assets to pay benefits when due (see rates below). Level percentage of payroll employer contribution rates, established by State law, is determined using the entry-age actuarial funding method. If an unfunded actuarial liability reemerges, future plan benefit changes, assumption changes, and methodology changes are amortized within 30 years, using level dollar amounts. Except for gains reserved for rate stabilization, it is anticipated future actuarial gains and losses are amortized on a rolling 10% basis, as a level dollar amount.

The System provides for those employees hired prior to July 1, 2011 vesting of benefits after six years of creditable service. Normal retirement benefits are available to employees who retire at or after age 62 with six or more years of service. For Special Risk Class members, normal retirement is age 55 with at least six years of Special Risk service, or twenty-five years of Special Risk service, regardless of age, or age 52 with 25 years of Special Risk service and up to four years of active duty wartime service. Early retirement is available after six years of service with a 5% reduction of benefits for each year prior to the normal retirement age. For those employees hired on or after July 1, 2011, the System provides for vesting of benefits after eight years of credible service. Normal retirement benefits are available to these employees who retire at or after age 65 with eight years of service or thirty-three years regardless of age. For Special Risk Class members, normal retirement is age 60 with at least eight years of Special Risk service, or thirty years of Special Risk service, regardless of age. Retirement benefits are based upon age, average compensation and years-of-service credit where average compensation is computed as the average of an individual's five highest years of earnings.

Participating employer contributions are based upon State-wide rates established by the State of Florida. These rates applied to employee salaries at year end are as follows: regular employees – 13.63%, DROP Program – 21.13%, senior management – 34.52% and elected officials – 58.68%. These rates are applied to employee salaries each pay period. Employee contributions are 3.00% for all classifications, with the exception of the DROP program.

Total payroll for the Tax Collector's employees covered by the System was $2,227,480 for the year ended September 30, 2024. The Tax Collector's total payroll was $2,339,276 for the same period. The Tax Collector's contributions to the plan for the years ended September 30, 2024, 2023, and 2022 were $456,194, $360,954, and $345,461, respectively. These contributions were paid by the due date for the contribution. The Tax Collector has no responsibility to the System other than to make the periodic payments required by State Statutes.

Note 3: RETIREMENT PLAN (Continued)

The Florida Division of Retirement issues a publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing Florida Division of Retirement, P O Box 9000, Tallahassee, FL 32315-9000 or at the Division's website at dms.myflorida.com.

Note 4: COMMITMENTS AND CONTINGENCIES

The Tax Collector is involved in several litigations and claims arising in the normal course of operations. Potential recoveries or liabilities in excess of insurance coverage, if any, are not determinable. No accruals for loss contingencies have been made in these financial statements.

Note 5: FINANCIAL DISCLOSURES REPORTED AT THE COUNTY-WIDE LEVEL

Capital Assets

Title in all capital assets owned by the County is retained by the Board and the below noted capital asset information and activity is reported on the county-wide financial statements.

Capital asset activity for the fiscal year is as follows:

	Balance 10/1/23	Additions	Deletions	Balance 9/30/24
Governmental Activities				
Capital assets depreciated:				
Machinery and equipment	$ 994,163	$ 45,195	$ -	$ 1,039,358
Less: accumulated depreciation	(685,651)	(37,930)	-	(723,581)
Total governmental activities capital assets, net	$ 308,512	$ 7,265	$ -	$ 315,777

Depreciation expense to be reported by the County was charged to the functions of the government as follows:

Governmental Activities	
General government	$ 37,930

Long-Term Debt

Accrued compensated absences and leases that will not be liquidated with expendable available financial resources are the obligation of the County and are reported at the county-wide level.

Note 5: FINANCIAL DISCLOSURES REPORTED AT THE COUNTY-WIDE LEVEL (Continued)

Long-Term Debt (Continued)

The following is a summary of changes in long-term debt:

	Balance 10/1/23	Additions	Deletions	Balance 9/30/24	Due in One year
Leases	$ 15,124	$ -	$ 7,842	$ 7,282	$ 3,346
Compensated absences	369,854	614,892	587,054	397,692	39,769
Total	$ 384,978	$ 614,892	$ 594,896	$ 404,974	$ 43,115

Leases

The Tax Collector has entered into lease agreements as lessee for financing the acquisition of two copier machines and two mailing systems. The lease agreements have been recorded at the present value of the future minimum lease payments as of the inception date on the county-wide financial statements.

The following is an analysis of the property under lease at September 30, 2024:

	Capital Assets
Machinery and equipment	$ 50,234
Less: accumulated depreciation	(48,607)
Net leased property	$ 1,627

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2024 are as follows:

For the fiscal year ended September 30,	
2025	$ 3,350
2026	1,687
2027	1,687
2028	562
Total minimum lease payments	7,286
Less: amount representing interest	4
Present value of future minimum lease payments	$ 7,282

Fiduciary Funds

License – To account for collection and subsequent remittance of licenses and permits.

Tag – To account for collection of motor vehicle registration receipts and subsequent disbursement.

Tax – To account for the collection and disbursement of local property taxes.

Walton County, Florida
Tax Collector
Combining Statement of Fiduciary Net Position
Custodial Funds

September 30, 2024	License	Tag	Tax	Total
Assets				
Cash	$ 3,616	$ 540,569	$ 3,082,548	$ 3,626,733
Liabilities				
Due to other governments	3,616	540,569	483,536	1,027,721
Deposits	-	-	2,599,012	2,599,012
Total liabilities	3,616	540,569	3,082,548	3,626,733
Net position				
Restricted	$ -	$ -	$ -	$ -

Walton County, Florida
Tax Collector
Combining Statement of Changes in Fiduciary Net Position
Custodial Funds

For the year ended September 30, 2024	License	Tag	Tax	Total
Additions:				
Tax collections, auto tag fees, and other fees for other governments	$ 233,457	$ 16,954,153	$ 385,683,281	$ 402,870,891
Deductions:				
Payments of tax, auto tag fees, and other fees to other governments	233,457	16,954,153	385,683,281	402,870,891
Changes in net position	-	-	-	-
Net position, beginning of the year	-	-	-	-
Net position, end of year	$ -	$ -	$ -	$ -

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

Honorable Rhonda Skipper
Tax Collector
Walton 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 major fund and fiduciary fund type of the Walton 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 financial statements, and have issued our report thereon dated February 17, 2025.

Report on Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statement. 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.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, L.L.C.

Enterprise, Alabama
February 17, 2025

CARR, RIGGS & INGRAM, L.L.C.

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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH *LOCAL GOVERNMENT INVESTMENT POLICIES*

Honorable Rhonda Skipper
Tax Collector
Walton County, Florida

We have examined the Walton County, Florida Tax Collector's (the "Tax Collector") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies* during the year ended September 30, 2024. Management of the Tax Collector is responsible for the Tax Collector's compliance with the specific 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 judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the Tax Collector's compliance with specified requirements.

We are required to be independent and to meet our other 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 requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2024.

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

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, L.L.C.

Enterprise, Alabama
February 17, 2025

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MANAGEMENT LETTER

Honorable Rhonda Skipper
Tax Collector
Walton County, Florida

Report on the Financial Statements

We have audited the financial statements of the Walton County, Florida Tax Collector (the "Tax Collector"), as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated February 17, 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 Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated February 17, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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

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 that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have 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 Tax Collector and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, L.L.C.

Enterprise, Alabama
February 17, 2025

Supervisor of Elections
Walton County, Florida

FINANCIAL STATEMENTS

September 30, 2024

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INDEPENDENT AUDITOR'S REPORT

Honorable Ryan Messer
Supervisor of Elections
Walton County, Florida

Opinions

We have audited the accompanying financial statements of the major fund and proprietary fund type of the Walton County, Florida Supervisor of Elections (the "Supervisor of Elections"), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' basic financial statements as listed in the table of contents.

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

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

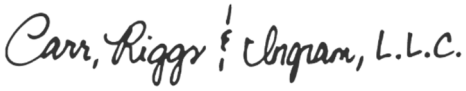
In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated February 17, 2025, on our consideration of the Supervisor of Elections' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Supervisor of Elections' internal control over financial reporting and compliance.



CARR, RIGGS & INGRAM, L.L.C.

Enterprise, Alabama
February 17, 2025

Walton County, Florida
Supervisor of Elections
Balance Sheet – Governmental Funds

September 30, 2024		General Fund
Assets		
Cash and cash equivalents	$	358,262
Total assets	$	358,262
Liabilities and Fund Balance		
Liabilities		
Accounts payable	$	64,302
Due to Board of County Commissioners		239,341
Wages and benefits payable		54,619
Total liabilities		358,262
Fund balance		-
Total liabilities and fund balance	$	358,262

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
Supervisor of Elections
Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds

For the year ended September 30, 2024		General Fund
Revenues		
Miscellaneous revenues	$	4,333
Total revenues		4,333
Expenditures		
General government		
Personnel services		811,703
Operating		302,845
Total expenditures		1,114,548
Excess (deficiency) of revenues over (under) expenditures		(1,110,215)
Other Financing Sources (Uses)		
Appropriations from Board of County Commissioners		1,349,556
Reversion to Board of County Commissioners		(239,341)
Net other financing sources (uses)		1,110,215
Net change in fund balance		-
Fund balance, beginning of year		-
Fund balance, end of year	$	-

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
Supervisor of Elections
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual
General Fund

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Miscellaneous revenues	$ 25,000	$ 24,000	$ 4,333	$ (19,667)
Total revenues	25,000	24,000	4,333	(19,667)
Expenditures				
General government				
Personnel services	942,911	942,911	811,703	131,208
Operating	339,225	339,225	302,845	36,380
Capital outlay	91,420	91,420	-	91,420
Total expenditures	1,373,556	1,373,556	1,114,548	259,008
Excess revenues over (under) expenditures	(1,348,556)	(1,349,556)	(1,110,215)	239,341
Other Financing Sources (Uses)				
Appropriations from Board of County Commissioners	1,348,556	1,349,556	1,349,556	-
Reversion to Board of County Commissioners	-	-	(239,341)	(239,341)
Net other financing sources (uses)	1,348,556	1,349,556	1,110,215	(239,341)
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ -	$ -

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
Supervisor of Elections
Statement of Net Position – Proprietary Funds

September 30, 2024	Governmental Activities Internal Service Fund
Assets	
Cash and cash equivalents	$ 58,700
Liabilities	
Current liabilities	
Accrued compensated absences	8,805
Non-current liabilities	
Accrued compensated absences	49,895
Total liabilities	58,700
Total net position	$ -

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
Supervisor of Elections
Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds

For the year ended September 30, 2024	Governmental Activities Internal Service Fund
Operating Revenues	
Charges for services	$ 14,375
Operating Expenses	
Personnel services	14,375
Change in net position	-
Net position, beginning of year	-
Net position, end of year	$ -

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
Supervisor of Elections
Statement of Cash Flows – Proprietary Funds

For the year ended September 30, 2024		Governmental Activities Internal Service Fund
Operating Activities		
Cash received from funding of compensated absences liability	$	14,375
Cash payments on compensated absences liability		(33,957)
Net increase (decrease) in cash and cash equivalents		(19,582)
Cash and cash equivalents, beginning of year		78,282
Cash and cash equivalents, end of year	$	58,700
Reconciliation of Operating Income (Loss) to Net Cash Used in Operating Activities		
Change in net position	$	-
Increase (decrease) in liabilities		
Compensated absences payable		(19,582)
Net cash used in operating activities	$	(19,582)

The accompanying notes are an integral part of these financial statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Walton County, Florida Supervisor of Elections (the "Supervisor of Elections") have been prepared in accordance with the accounting principles and reporting guidelines established by the Governmental Accounting Standards Board (GASB), accounting principles generally accepted in the United States of America (GAAP), and accounting practices prescribed by Chapter 10.550, Rules of the Auditor General, State of Florida. The more significant of these governmental accounting policies applicable to the Supervisor of Elections are described below.

Reporting Entity

The Supervisor of Elections is an elected official established pursuant to Article VIII Section 1(d) of the constitution of the State of Florida and serves the geographic boundary established in Florida Statutes chapter 7.66. Although the Supervisor of Elections' office is operationally autonomous from the Board of County Commissioners (the "Board"), it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Pursuant to GASB *Codification of Governmental Accounting and Financial Reporting Standards, Section 2100 and 2600*, the Supervisor of Elections' financial statements are combined with those of the Board and other elected constitutional officers into the reporting entity of Walton County, Florida (the "County").

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Supervisor of Elections considers revenues to be available if they are collected within 90 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

The proprietary fund (internal service fund) is reported using the *economic resources measurement* focus and the *accrual basis of accounting*. Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary fund's

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

principle ongoing operations. The principle operating revenues of the Supervisor of Elections' internal service fund are charges to funds related to the Supervisor of Elections compensated absences activity. Operating expenses for the internal service fund include recognition of changes in the compensated absences liabilities. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

The accounting and financial reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that, generally, only current assets and current liabilities are included in the balance sheet. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they present a summary of sources and uses of "available spendable resources" during a period.

The operations of the Supervisor of Elections are primarily funded by the Board of County Commissioners and appropriations from the Board are reported as other financing source. At year-end, excess revenue and other financing sources over expenditures are remitted to the Board and reported as reversion to Board of County Commissioners.

Fund Financial Statements

The Supervisor of Elections' financial statements have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the "Rules"). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund statements do not constitute a complete presentation because, in conformity with the Rules, the Supervisor of Elections has not presented reconciliations to the government-wide financial statements, or management's discussion and analysis. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County's countywide financial statements.

The Supervisor of Elections reports the following major governmental fund:

The *General Fund* accounts for all financial resources that are not required either legally or by generally accepted accounting principles to be accounted for in another fund.

The Supervisor of Elections reports the following proprietary fund type:

The *Internal Service Fund* is used to report funded and accrued compensated absences.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Budgetary Information

Budgetary Basis of Accounting

Florida Statutes Chapter 129.201 and 129.03 details the preparation, adoption and administration of the Supervisor of Elections' annual budget. By June 1 of each year, the Supervisor of Elections shall submit to the Board a tentative budget for carrying out the duties of his office for the ensuing fiscal year. The Board has until September 30 to approve and/or modify the Supervisor of Elections' proposed budget during hearings held pursuant to Florida Statutes 129. The budgeted revenues and expenditures in the accompanying financial statements reflect all amendments approved by the Board. Budgetary control is maintained at the major object expenditure level. Expenditures may not legally exceed appropriations at the department level, and appropriations lapse at year-end. Budgetary changes within major object expenditure categories are made at the discretion of the Supervisor of Elections.

Excess Revenues over Expenditures

Pursuant to Section 129.202(1)(f), Florida Statutes, "all unexpended balances at the end of each fiscal year shall be returned to the Board and deposited to the County fund or funds from which payment was originally made." Excess revenues over expenditures returned to the Board as required by Florida Statues are accrued and reported as other financing (uses).

Employee Benefits

Compensated Absences

It is the Supervisor of Elections' policy to allow employees to accumulate up to 240 hours of annual leave and sick leave, total of 480 hours, all of which is allowed for payment upon separation from employment. Expenditures for compensated absences in governmental funds are those paid during the current fiscal year and the amount unpaid at the end of the reporting period that normally would be liquidated with expendable available financial resources. Liabilities and expenses for compensated absences are recorded in the internal service fund.

Retirement Plan

The Supervisor of Elections and all qualified County employees participates in The Florida Retirement System (the "System"). The System's financial statements are prepared using the economic resources measurement focus and accrual basis of accounting in accordance with the requirements of the GASB. The Plan is considered a component unit of the State of Florida and is included in the State's Annual Comprehensive Financial Report. Assets, liabilities and cash inflows/outflows related to the Supervisor of Elections are combined with all the County's participates and reported in the County's government-wide financial statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Employee Benefits (continued)

Other Postemployment Benefits (OPEB)

The Supervisor of Elections, in accordance with Section 112.0801, Florida Statutes, provides post-retirement health care benefits to all retired employees who participated in its group health plan while employed. Employees of the Supervisor of Elections are covered under the County's plan. The County is required to measure and recognize the annual cost of the future benefits and calculate the annual employer funding requirements and, to the extent funding is not made by the County, recognize an OPEB liability on the Statement of Net Position of the County. These amounts, if any, are recorded in the County's government-wide financial statements.

Assets, Liabilities, and Net Position or Fund Balance

Cash and Cash Equivalents

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

Inventories and Prepaid Items

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

Capital Assets

Capital assets are recorded as expenditures at the time acquired and if donated, acquisition value at the date of donation. Title in all capital assets owned by the County is retained by the Board and the Supervisor of Elections' capital assets are reported on the county-wide financial statements. The Supervisor of Elections maintains custodial responsibility for the capital assets used by his office.

The Supervisor of Elections maintains a $5,000 threshold for capitalization of machinery and equipment and a $25,000 threshold for land, buildings and improvements. Additionally, the Supervisor of Elections maintains an inventory of all tangible personal property with a donated value or cost of $5,000 or more and a projected useful life of one year or more as required by Florida Statute 274 and Florida Administrative Code Sections 69I-73.002 and 69I-73.006. Depreciation is determined using the straight-line method over the asset's estimated useful life.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Net Position or Fund Balance (continued)

Compensated Absences

The internal service fund is designed to record the annual cost related to the Supervisor of Elections' compensated absences, to record the short-term and long-term components of such liabilities, and to collect and hold cash to liquidate such liabilities. The related cost associated with the fund will be recovered via charges to the General Fund.

Summary of changes in compensated absences for the year ended September 30, 2024:

	Balance 10/1/23	Additions	Reductions	Balance 9/30/24	Due Within One Year
Compensated absences	$ 78,282	$ 29,564	$ 49,146	$ 58,700	$ 8,805

Categories and Classification of Fund Balance

Net position flow assumption – The Supervisor of Elections funds outlays from both restricted and unrestricted resources. In order to calculate the amounts to report as restricted – net position and unrestricted – net position in the proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the Supervisor of Elections' policy to consider restricted – net position to have been depleted before unrestricted – net position is applied.

Fund balance flow assumptions – The Supervisor of Elections funds outlays from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Supervisor of Elections' policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund balance policies – Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Supervisor of Elections itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, specifies the following classifications:

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Net Position or Fund Balance (continued)

Nonspendable fund balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted fund balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance – The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Supervisor of Elections' highest level of decision-making authority. The Supervisor of Elections is the highest level of decision-making authority. Once adopted, the limitation imposed by formal action remains in place until a similar action is taken to remove or revise the limitation.

Assigned fund balance – Amounts in the assigned fund balance classification are intended to be used by the Supervisor of Elections for specific purposes but do not meet the criteria to be classified as committed. The Supervisor of Elections can authorize the finance director to assign fund balance. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Unassigned fund balance – Unassigned fund balance is the residual classification for the General Fund.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, February 17, 2025, and determined there were no events that occurred that required disclosure.

Recently Issued Accounting Pronouncements

GASB Statement No. 100, *Accounting Changes and Error Corrections*. This Statement establishes accounting and financial reporting requirements for (a) accounting changes and (b) the correction of an error in previously issued financial statements (error correction). This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued Accounting Pronouncements (continued)

changes. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). There were no significant impacts of implementing this Statement.

The GASB has issued statements that will become effective in future years. These statements are as follows:

In June 2022, GASB issued Statement No. 101, *Compensated Absences* (GASB 101). The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

GASB Statement No. 102, Certain Risk Disclosures. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

The Supervisor of Elections is evaluating the requirements of the above statements and the impact on reporting.

Note 2: DETAILED NOTES ON ALL FUNDS

Cash, Cash Equivalents and Investments

Cash and cash equivalents is comprised of cash on hand and demand deposits.

Demand deposits greater than the Federal Deposit Insurance Corporation (FDIC) insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Depositories Act. In the event of a default or insolvency of a qualified public depositor (depositor), the depositor will implement procedures for payment of losses according to the depositors validated claims pursuant to Section 280.08, Florida Statutes.

The Supervisor of Elections adheres to the investment policy adopted by the Board, thereby limiting its exposure to both credit and interest rate risk as noted below. The investment program is established in accordance with the Supervisor of Elections' investment policy, pertinent bond resolutions and Section 218.45, Florida Statutes, which allows the Supervisor to invest in the Florida State Board of Administration intergovernmental investment pool or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969, direct obligations of the United States Government, obligations of the different agencies of the Federal Government, registered money market funds and accounts of state qualified public depositories.

Custodial credit risk - Custodial credit risk for deposits is the risk in the event of the failure of a depository financial institution a government may not be able to recover deposits. Monies placed on deposit with financial institutions in the form of demand deposits, time deposits or certificate of deposits are defined as public deposits. At year-end, all cash held in demand deposits was fully insured by the Federal Deposit Insurance Corporation and the multiple financial institutions collateral pool required by Sections 280, Florida Statutes.

Interest rate risk - Interest rate risk is the possibility that interest rates will rise and reduce the fair value of an investment. The Board's investment policy limits interest rate risk by requiring that an attempt be made to match investment maturities with known cash needs and anticipated cash flow requirements.

Credit risk - Section I50: *Investments* of the GASB Codification requires that governments provide information about credit risk associated with their investments by disclosing the credit rating of investments in debt securities as described by nationally recognized statistical rating organizations. Concentration of credit risk is the risk of loss attributable to the quantity of the Supervisor of Elections' investments in a single issuer. The Supervisor of Elections' deposits are held in a public funds net interest bearing checking account, paying interest at the current federal funds rate less five (5) basis points with no reserve requirements. Balances in the account are fully collateralized in compliance with applicable State statutes.

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Cash, Cash Equivalents and Investments (continued)

Due to Board of County Commissioners

Represents the excess revenues over expenditures of $239,341 remitted to the Board after year end in accordance with Florida Statutes Section 129.202(1)(f). This amount is reported as Reversion to Board of County Commissioners on the Statement of Revenues, Expenditures, and Changes in Fund Balance.

Note 3: RETIREMENT PLAN

The Supervisor of Elections and all full-time employees are participants in the Florida Retirement System (the "System"), a defined benefit, cost sharing, multiple-employer public retirement system, which is controlled by the State Legislature and administered by the State of Florida, Department of Administration, Division of Retirement. The plan covers full-time employees of various governmental units within the State of Florida. Accordingly, the actuarial information and related disclosures attributable to the Supervisor of Elections' employees are not determinable.

The System provides for those employees hired prior to July 1, 2011 vesting of benefits after six years of creditable service. Normal retirement benefits are available to employees who retire at or after age 62 with six or more years of service. For Special Risk Class members, normal retirement is age 55 with at least six years of Special Risk service, or twenty-five years of Special Risk service, regardless of age, or age 52 with 25 years of Special Risk service and up to four years of active duty wartime service. Early retirement is available after six years of service with a 5% reduction of benefits for each year prior to the normal retirement age. For those employees hired on or after July 1, 2011, the System provides for vesting of benefits after eight years of credible service. Normal retirement benefits are available to these employees who retire at or after age 65 with eight years of service or thirty-three years regardless of age. For Special Risk Class members, normal retirement is age 60 with at least eight years of Special Risk service, or thirty years of Special Risk service, regardless of age. Retirement benefits are based upon age, average compensation and years-of-service credit where average compensation is computed as the average of an individual's five highest years of earnings.

Participating employer contributions are based upon state-wide rates established by the State of Florida. These rates applied to employee salaries at year end are as follows: regular employees – 13.63%, DROP Program – 21.13%, senior management – 34.52% and elected officials – 58.68%. These rates are applied to employee salaries each pay period. Employee contributions are 3.00% for all classifications, with the exception of the DROP program. Total payroll for the Supervisor of Elections' employees covered by the System was $481,257 for the year ended September 30, 2024. The Supervisor of Elections' total payroll was $606,772 for the same period. The Supervisor of Elections' contributions to the plan for the years ended September 30, 2024, 2023, and 2022 were $143,367, $128,858, and $124,907, respectively. These contributions were paid by the due date for the contribution.

Note 3: RETIREMENT PLAN (Continued)

The Supervisor of Elections has no responsibility to the System other than to make the periodic payments required by State Statutes. The Florida Division of Retirement issues a publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing the Florida Division of Retirement, P.O. Box 9000, Tallahassee, FL 32315-9000 or at the Division's website at dms.myflorida.com.

Note 4: CONTINGENCIES

The Supervisor of Elections receives grants from federal and state sources that are subject to review and audit by the funding sources. Such reviews and audits could result in the discovery of unallowable activities and unallowable costs. Consequently, any of the funding sources may, at their discretion, request reimbursement for expenses or return of funds, or both, as a result of noncompliance by the Supervisor of Elections with the terms of the grants/contracts. In the opinion of the Supervisor of Elections' management, such allowances, if any, would not be significant in relation to the financial statements of the Supervisor of Elections.

Note 5: FINANCIAL DISCLOSURES REPORTED AT THE COUNTY-WIDE LEVEL

Capital Assets

Title in all capital assets owned by the County is retained by the Board of County Commissioners and the below noted capital asset information and activity is reported in the county-wide financial statements.

Summary of changes in capital assets during the year ended September 30, 2024:

	Balance 10/1/23	Increases	Decreases	Balance 9/30/24
Governmental Activities				
Capital assets, being depreciated				
Machinery, equipment, and improvements	$ 692,585	$ -	$ -	$ 692,585
Less accumulated depreciation for				
Machinery, equipment, and improvements	(612,144)	(33,763)	-	(645,907)
Capital assets, net	$ 80,441	$ (33,763)	$ -	$ 46,678

Depreciation expense was charged to the functions of the government as follows:

Governmental Activities	
General government	$ 33,763

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

Honorable Ryan Messer
Supervisor of Elections
Walton 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 Walton 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, and have issued our report thereon dated February 17, 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 opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Supervisor of Elections' internal control. Accordingly, we do not express an opinion on the effectiveness of the Supervisor of Elections' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 Supervisor of Elections' financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, L.L.C.

Enterprise, Alabama
February 17, 2025.

CARR, RIGGS & INGRAM, L.L.C.

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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH *LOCAL GOVERNMENT INVESTMENT POLICIES*

Honorable Ryan Messer
Supervisor of Elections
Walton County, Florida

We have examined the Walton County, Florida Supervisor of Elections' (the "Supervisor of Elections") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies* during the year ended September 30, 2024. Management of the Supervisor of Elections is responsible for the Supervisor of Elections' compliance with the specific requirements. Our responsibility is to express an opinion on the Supervisor of Elections' compliance based on our examination.

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

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

Our examination does not provide a legal determination on the Supervisor of Elections' compliance with specified requirements.

In our opinion, the Supervisor of Elections complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2024.

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

Carr, Riggs & Ingram, L.L.C.
CARR, RIGGS & INGRAM, L.L.C

Enterprise, Alabama
February 17, 2025

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MANAGEMENT LETTER

Honorable Ryan Messer
Supervisor of Elections
Walton County, Florida

Report on the Financial Statements

We have audited the financial statements of the Walton County, Florida Supervisor of Elections (the "Supervisor of Elections") as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated February 17, 2025.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated February 17, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Financial Management

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

Additional Matters

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

Purpose of this Letter

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

Carr, Riggs & Ingram, L.L.C.

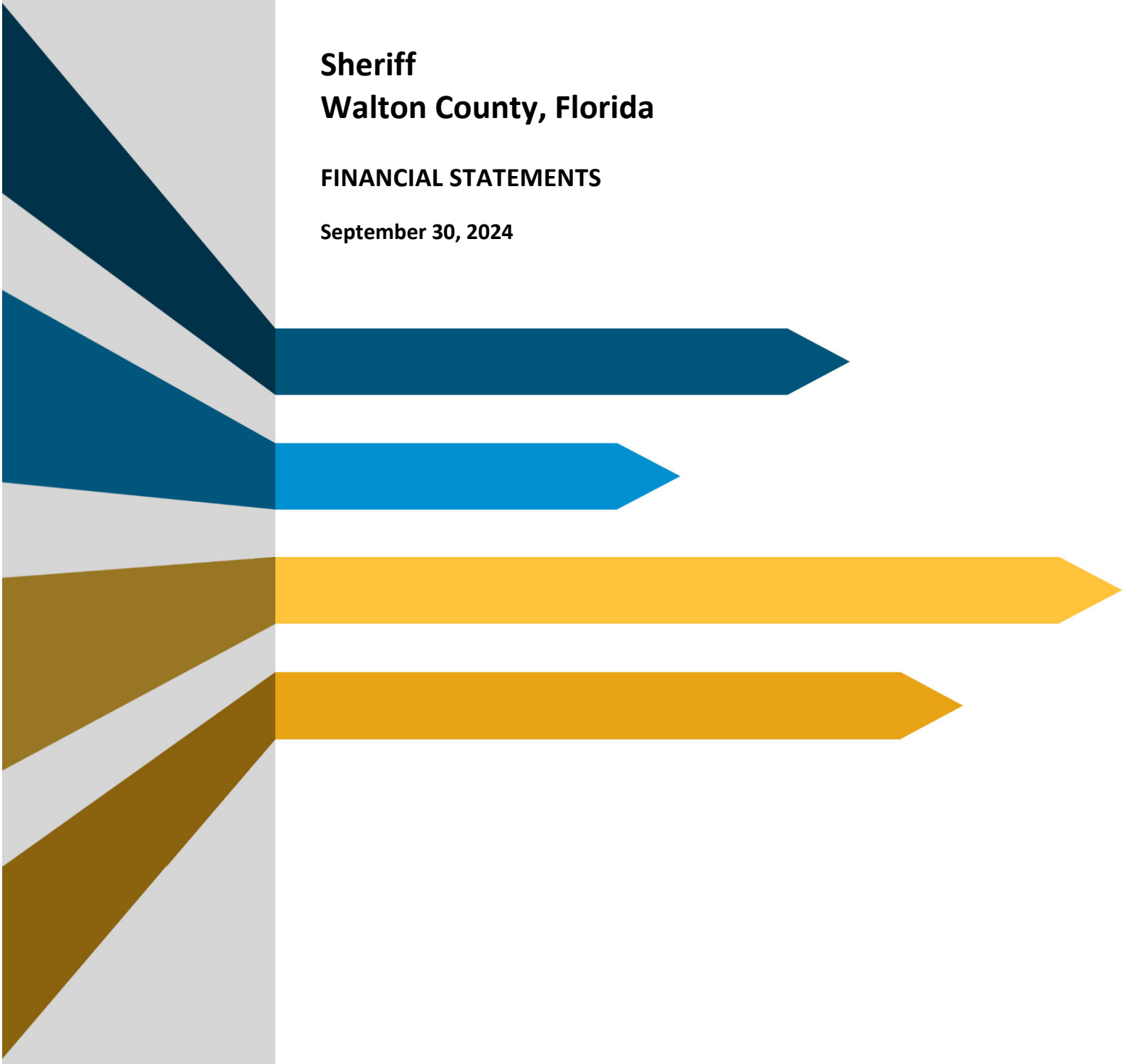
CARR, RIGGS & INGRAM, L.L.C.

Enterprise, Alabama
February 17, 2025

Sheriff
Walton County, Florida

FINANCIAL STATEMENTS

September 30, 2024



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INDEPENDENT AUDITOR'S REPORT

Honorable Michael A. Adkinson, Jr.
Sheriff
Walton County, Florida

Opinions

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

In our opinion, the financial statements referred to above present fairly, in all material respects, the 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 and budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

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 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 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.

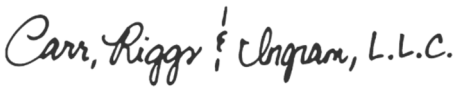
Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sheriff's financial statements. The combining and individual fund financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and

reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund 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 our report dated on March 4, 2025 on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.



CARR, RIGGS & INGRAM, L.L.C.

Enterprise, Alabama
March 4, 2025

Walton County, Florida
Sheriff
Balance Sheet – Governmental Funds

September 30, 2024	General Fund	Nonmajor Funds	Total Governmental Funds
Assets			
Cash and cash equivalents	$ 19,914,043	$ 1,515,201	$ 21,429,244
Accounts receivable, net	1,306,338	30,939	1,337,277
Interfund receivable	-	2,913	2,913
Due from Board of County Commissioners	1,250,311	-	1,250,311
Due from other governments	546,769	-	546,769
Other assets	5,755	-	5,755
Total assets	$ 23,023,216	$ 1,549,053	$ 24,572,269
Liabilities and Fund Balances			
Liabilities			
Accounts payable	$ 1,398,557	$ 73,672	$ 1,472,229
Wages and benefits payable	3,365,039	-	3,365,039
Interfund payable	2,893	20	2,913
Unearned revenue	80,884	-	80,884
Due to Board of County Commissioners	18,174,471	10,385	18,184,856
Inmate deposits	-	10,266	10,266
Due to individuals	1,372	-	1,372
Total liabilities	23,023,216	94,343	23,117,559
Fund balances			
Restricted for			
Public Safety - Law Enforcement	-	1,454,710	1,454,710
Total liabilities and fund balances	$ 23,023,216	$ 1,549,053	$ 24,572,269

The accompanying notes are an integral part of these financial statements

Walton County, Florida
Sheriff
Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds

For the year ended September 30, 2024	General Fund	Nonmajor Funds	Total Governmental Funds
Revenues			
Fines and forfeitures	$ -	$ 78,505	$ 78,505
Intergovernmental	1,959,210	-	1,959,210
Miscellaneous	-	456,365	456,365
Total revenues	1,959,210	534,870	2,494,080
Expenditures			
Public safety			
Personnel services	61,122,148	-	61,122,148
Operating	15,790,483	417,550	16,208,033
Capital outlay	12,671,492	5,633	12,677,125
Debt service			
Principal	465,205	-	465,205
Interest	28,252	-	28,252
Total expenditures	90,077,580	423,183	90,500,763
Excess revenues over (under) expenditures	(88,118,370)	111,687	(88,006,683)
Other Financing Sources (Uses)			
Appropriations from Board of County Commissioners	103,632,408	45,000	103,677,408
Reversion to Board of County Commissioners	(16,566,921)	-	(16,566,921)
Proceeds from issuance of debt	1,052,883	-	1,052,883
Net other financing sources (uses)	88,118,370	45,000	88,163,370
Net change in fund balance	-	156,687	156,687
Fund balance, beginning of year	-	1,298,023	1,298,023
Fund balances, end of year	$ -	$ 1,454,710	$ 1,454,710

The accompanying notes are an integral part of these financial statements

Walton County, Florida
Sheriff
Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual
General Fund

For the year ended September 30, 2024	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	$ -	$ 1,959,210	$ 1,959,210	$ -
Expenditures				
Public safety				
Personnel services	64,494,102	61,122,148	61,122,148	-
Operating	14,995,097	16,283,937	15,790,483	493,454
Capital outlay	14,896,364	11,618,612	12,671,492	(1,052,880)
Debt service				
Principal	-	-	465,205	(465,205)
Interest	-	-	28,252	(28,252)
Total expenditures	94,385,563	89,024,697	90,077,580	(1,052,883)
Excess revenues over (under) expenditures	(94,385,563)	(87,065,487)	(88,118,370)	(1,052,883)
Other Financing Sources (Uses)				
Appropriations from Board of County Commissioners	94,385,563	103,632,408	103,632,408	-
Reversion to Board of County Commissioners	-	(16,566,921)	(16,566,921)	-
Proceeds from issuance of debt	-	-	1,052,883	1,052,883
Net other financing sources (uses)	94,385,563	87,065,487	88,118,370	1,052,883
Net change in fund balance	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	$ -	$ -	$ -	$ -

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
Sheriff
Statement of Fiduciary Net Position – Fiduciary Funds

September 30, 2024		Custodial Funds Posse
Assets		
Cash	$	1,228
Net position		
Restricted for		
Public Safety - Law Enforcement		1,228
Total net position	$	1,228

The accompanying notes are an integral part of these financial statements.

Walton County, Florida
Sheriff
Statement of Changes in Fiduciary Net Position – Fiduciary Funds

For the year ended September 30, 2024		Custodial Funds Posse
Additions		
Interest	$	34
Changes in net position		34
Net position, beginning of year		1,194
Net position, end of year	$	1,228

The accompanying notes are an integral part of these financial statements.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the Walton County, Florida Sheriff (the "Sheriff") have been prepared in accordance with the accounting principles and reporting guidelines established by the Governmental Accounting Standards Board (GASB), accounting principles generally accepted in the United States of America (GAAP), and accounting practices prescribed by Chapter 10.550, Rules of the Auditor General, State of Florida. The more significant of these governmental accounting policies applicable to the Sheriff are described below.

Reporting Entity

The Sheriff is an elected official established pursuant to Article VIII Section 1(d) of the constitution of the State of Florida and serves the geographic boundary established in Florida Statutes Chapter 7.66. The Sheriff's financial statements do not purport to reflect the financial position or the results of operations of Walton County, Florida (the "County") taken as a whole. Although the Sheriff's office is operationally autonomous from the Board of County Commissioners (the "Board"), it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Pursuant to *GASB Codification of Governmental Accounting and Financial Reporting Standards, Sections 2100 and 2600*, the Sheriff's financial statements are combined with those of the Board and other elected officials into the reporting entity of the County.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as *current financial resources* or *economic resources*. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Sheriff considers revenues to be available if they are collected within 90 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources.

The accounting and financial reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that, generally, only current assets and current liabilities are included in the balance sheet. Governmental fund

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they present a summary of sources and uses of "available spendable resources" during a period.

The portion of the Sheriff's revenue that is a budget appropriation from the Board is reported as other financing source. At year-end, excess revenue and other financing sources over expenditures are remitted to the Board and reported as reversion to Board of County Commissioners.

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

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

Fiduciary fund (custodial fund) statements are prepared using the economic resource measurement focus and the accrual basis of accounting.

Fund Financial Statements

The Sheriff's financial statements have been prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida (the "Rules"). These financial statements are the fund financial statements required by generally accepted accounting principles. However, these fund financial statements do not constitute a complete presentation because, in conformity with the Rules, the Sheriff has not presented reconciliations to the government-wide financial statements, the government-wide financial statements, or management's discussion and analysis. Also, certain notes to the financial statements may supplement rather than duplicate the notes included in the County's county-wide financial statements.

The Sheriff reports the following major governmental fund:

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

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Fund Financial Statements (continued)

The Sheriff has seven additional special revenue funds which have been combined into a single aggregate presentation as other governmental funds. Individual data for these non-major funds is provided in the combining statements of this report. Special revenue funds account for specific revenue sources that are legally restricted to expenditures for specified purposes.

The Sheriff also reported the following fund type:

Fiduciary Fund – Custodial funds account for assets held in a trust capacity or as an agent for individuals, other governmental units and/or other funds.

Budgetary Information

Budgetary basis of accounting

Florida Statutes Chapters 30.49 and 129.03 details the preparation, adoption and administration of the Sheriff's annual budget. The Sheriff establishes an annual balanced budget for the general fund which displays the revenues available to the office and the functions for which the money is to be expended and submits it to the Board for approval. Major special revenue funds are not budgeted. By June 1 of each year, the Sheriff shall certify to the Board a proposed budget of expenditures for carrying out the duties of his office for the ensuing fiscal year. The Board has until September 30 to approve and/or modify the Sheriff's proposed budget during hearings held pursuant to Florida Statutes 129. Once approved, any subsequent amendments must be approved by the Board. Budgetary control is maintained at the major object expenditure level. Expenditures may not legally exceed appropriations at the department level, and appropriations lapse at year-end. Budgetary changes within major object expenditure categories are made at the discretion of the Sheriff. The budgeted revenues and expenditures in the accompanying financial statements reflect all amendments approved by the Board.

Excess Revenue over Expenditures

Pursuant to Section 30.50(6), Florida Statutes, any excess revenues over expenditures determined as of the date specified in Section 30.50(5), Florida Statutes, “shall be refunded to the Board of County Commissioners". Excess revenues over expenditures returned to the Board of County Commissioners as required by Florida Statues are accrued and reported as other financing (uses). All excess revenues over expenditures in special revenue funds remain with the Sheriff.

Excess of Expenditures over Appropriations

For the year ended September 30, 2024, expenditures exceeded appropriations within the capital outlay and debt service functions of the General Fund by $1,052,880 and $493,457, respectively. The excess expenditures were funded with lease proceeds and unanticipated revenues.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Employee Benefits

Compensated Absences

It is the Sheriff's policy to allow employees to accumulate unlimited unused sick time. Accumulated annual leave is limited to 240 hours per year for hourly employees and 480 hours per year for Senior Executive Service employees (SES employees). Accumulated annual leave up to a maximum of 240 hours is payable upon termination to hourly employees and up to a maximum of 480 hours for SES employees. Additionally, employees who retire from the Sheriff with a minimum of ten years continuous service will be paid for 25% of their unused sick leave hours up to a maximum of 2,000 hours. Accrued compensated absences that will not be liquidated with expendable available financial resources of the Sheriff are the obligation of the County and are reported at the county-wide level.

Retirement Plan

The Sheriff and all qualified County employees participate in The Florida Retirement System (the "System"). The System's financial statements are prepared using the economic resources measurement focus and accrual basis of accounting in accordance with the requirements of the GASB. The Plan is considered a component unit of the State of Florida and is included in the State's Annual Comprehensive Financial Report. Assets, liabilities, and cash inflows/outflows related to the Sheriff are combined with all the County's participates and reported in the County's government-wide financial statements.

Other Postemployment Benefits (OPEB)

The Sheriff, in accordance with Section 112.0801, Florida Statutes, provides post-retirement health care benefits to all retired employees who participated in the County's group health plan while employed. Employees of the Sheriff are covered under the County's plan. The County is required to measure and recognize the annual cost of the future benefits and calculate the annual employer funding requirements and, to the extent funding is not made by the County, recognize an OPEB liability on the Statement of Net Position of the County. These amounts, if any, are recorded in the County's government-wide financial statements.

Assets, Liabilities and Net Position or Fund Balance

Cash and Cash equivalents

Cash and cash equivalents are cash on hand, demand deposits and short term investments with maturities of three months or less from the date of acquisition.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities and Net Position or Fund Balance (continued)

Receivables

Receivables consists primarily of accounts receivable for ambulance billings and contractual reimbursements for inmate canteen operations. Grants receivable are comprised of reimbursements from federal and state funding sources. An allowance for uncollectibles is determined for ambulance billings based on the County's historical rate of collection of such receivables.

Inventories and Prepaid Items

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

Capital Assets

Capital assets are recorded as expenditures at the time acquired and if donated, acquisition value at the date of donation. Title in all capital assets owned by the County is retained by the Board and the Sheriff's capital assets are reported on the county-wide financial statements. The Sheriff maintains custodial responsibility for the capital assets used by his office.

The Sheriff maintains a $5,000 threshold for capitalization of machinery and equipment and a $25,000 threshold for land, buildings and improvements. Additionally, the Sheriff maintains an inventory of all tangible personal property with a donated value or cost of $5,000 or more and a projected useful life of one year or more as required by Florida Statute 274 and Florida Administrative Code Sections 69I-73.002 and 69I-73.006. Depreciation is determined using the straight-line method over the asset's estimated useful life.

Lease Obligations

Lease contracts that provide the Sheriff with control of a non-financial asset, such as land, buildings or equipment, for a period of time in excess of twelve months are reported as a leased asset with a related lease liability. Any contract not meeting the materiality threshold or the twelve month period requirement is recognized as rental expense. The lease liability is recorded at the present value of future lease payments, including fixed payments, variable payments based on an index or fixed rate and reasonably certain residual guarantees. The intangible leased asset is recorded for the same amount as the related lease liability plus any prepayments and initial direct costs to place the asset in service. Leased assets are amortized over the shorter of the useful life of the asset or the lease term. The lease liability is reduced for lease payments made, less the interest portion of the lease payment. The Sheriff uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, the Sheriff uses its estimated incremental borrowing rate as the discount rate for leases.

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Net Position or Fund Balance (continued)

Categories and Classification of Fund Balance

Fund balance flow assumptions – The Sheriff funds outlays from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied. It is the Sheriff's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance.

Further, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

Fund balance policies – Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The Sheriff itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The provisions of GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, specifies the following classifications:

Nonspendable fund balance – Nonspendable fund balances are amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted fund balance – Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed fund balance – The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the Sheriff's highest level of decision-making authority. The Sheriff is the highest level of decision-making authority. Once adopted, the limitation imposed by formal action remains in place until a similar action is taken to remove or revise the limitation.

Assigned fund balance – Amounts in the assigned fund balance classification are intended to be used by the Sheriff for specific purposes but do not meet the criteria to be classified as committed. The Sheriff can authorize the finance director to assign fund balance. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Assets, Liabilities, and Net Position or Fund Balance (continued)

Categories and Classification of Fund Balance (continued)

have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

Unassigned fund balance – Unassigned fund balance is the residual classification for the General Fund.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, March 4, 2025, and determined there were no events that occurred that required disclosure.

Recently Issued and Implemented Accounting Pronouncements

GASB Statement No. 100, *Accounting Changes and Error Corrections*. This Statement establishes accounting and financial reporting requirements for (a) accounting changes and (b) the correction of an error in previously issued financial statements (error correction). This Statement defines accounting changes as changes in accounting principles, changes in accounting estimates, and changes to or within the financial reporting entity and describes the transactions or other events that constitute those changes. This Statement prescribes the accounting and financial reporting for (1) each type of accounting change and (2) error corrections. This Statement requires that (a) changes in accounting principles and error corrections be reported retroactively by restating prior periods, (b) changes to or within the financial reporting entity be reported by adjusting beginning balances of the current period, and (c) changes in accounting estimates be reported prospectively by recognizing the change in the current period. This Statement requires disclosure in notes to financial statements of descriptive information about accounting changes and error corrections, such as their nature. In addition, information about the quantitative effects on beginning balances of each accounting change and error correction should be disclosed by reporting unit in a tabular format to reconcile beginning balances as previously reported to beginning balances as restated. Furthermore, this Statement addresses how information that is affected by a change in accounting principle or error correction should be presented in required supplementary information (RSI) and supplementary information (SI). There were no significant impacts of implementing this Statement.

The GASB has issued statements that will become effective in future years. These statements are as follows:

Note 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recently Issued and Implemented Accounting Pronouncements (continued)

In June 2022, GASB issued Statement No. 101, *Compensated Absences* (GASB 101). The objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. Earlier application is encouraged.

GASB Statement No. 102, Certain Risk Disclosures. The objective of this Statement is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations or constraints. This Statement requires a government to assess whether a concentration or constraint makes the primary government reporting unit or other reporting units that report a liability for revenue debt vulnerable to the risk of a substantial impact. Additionally, this Statement requires a government to assess whether an event or events associated with a concentration or constraint that could cause the substantial impact have occurred, have begun to occur, or are more likely than not to begin to occur within 12 months of the date the financial statements are issued. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.

The Sheriff is evaluating the requirements of the above statements and the impact on reporting.

Note 2: DETAILED NOTES ON ALL FUNDS

Cash and Cash Equivalents

Cash and cash equivalents is comprised of cash on hand and demand deposits.

Demand deposits greater than the Federal Deposit Insurance Corporation (FDIC) insurance coverage are secured by the qualified public depositories pledging securities with the State Treasurer in such amounts required by the Florida Security for Public Depositories Act. In the event of a default or insolvency of a qualified public depositor (depositor), the depositor will implement procedures for payment of losses according to the depositors validated claims pursuant to Section 280.08, Florida Statutes.

Custodial risk - Custodial credit risk for deposits is the risk in the event of the failure of a depository financial institution a government may not be able to recover deposits. Monies placed on deposit with financial institutions in the form of demand deposits, time deposits or certificate of deposits are defined as public deposits. At year-end, all cash held in demand deposits was fully insured by the Federal Deposit Insurance Corporation and the multiple financial institutions collateral pool required by Section 280, Florida Statutes.

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Receivables

Accounts Receivable, net - Accounts receivable primarily consists of ambulance billings in the General Fund and commissions of $30,939 due from vendors who provide concessions, phone, internet and tablet services to inmates in the Inmate Canteen Fund. All accounts receivable are considered collectible and no allowance for uncollectibles is deemed necessary, except for ambulance billings which had a balance of $1,642,310 and an allowance of $416,122.

Due from Board of County Commissioners - The amount due from the Board of $1,250,311 represents $794,656 of expenditures reimbursable to the Sheriff from an E911 grant received by the Board, $125,087 of expenditures reimbursable to the Sheriff from Opioid Settlement Funds received by the Board, $25,816 of expenditures reimbursable to the Sheriff from a US Department of Justice grant received by the Board, and $304,752 of expenditures reimbursable to the Sheriff from the Tourist Development Council.

Interfund Balances - Receivables (due from other funds) and payables (due to other funds) resulting from various interfund transactions are as follows:

	Due		
	To	From	Net
General Fund	$ -	$ (2,893)	$ (2,893)
Other governmental funds	2,913	(20)	2,893
Total	$ 2,913	$ (2,913)	$ -

The amounts due to the General Fund from Other Governmental Funds are for reimbursements of expenditures on the Triumph Grant projects. Amounts due to Other Governmental Funds from the General Fund are for matching requirements and donation collections for the animal shelter.

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Receivables (continued)

Due from Other Governments

Due from other governments at September 30, 2024 consisted of the following:

	General Fund
Federal Inmate Housing	$ 2,376
Federal Emergency Management Agency	23,730
Federal Grants	83,357
State of Florida Grants	113,002
Medicaid Managed Care Supplemental Payments	296,386
Miscellaneous	27,918
Total	$ 546,769

Due to Board of County Commissioners

The amount due to the Board at September 30, 2024 is comprised of the following fees collected for the Board and excess appropriations from the Board over expenditures.

Excess fees pursuant Section 30.50(6), Florida Statutes	$ 16,566,921
Emergency medical services	1,454,566
Inmate housing	23,081
Other fees	140,288
Total	$ 18,184,856

Note 2: DETAILED NOTES ON ALL FUNDS (Continued)

Fund Balance

At September 30, 2024, fund balance is comprised of the following:

Restricted Fund Balance

Inmate Canteen Fund	$ 566,565
Triumph Grant Fund	8,022
Law Enforcement Education and Automation	279,638
Suspense	14,146
Crime Prevention	227,100
Traffic and Parking Enforcement	346,322
Abandoned Property	12,917
Total restricted fund balance	$ 1,454,710

Note 3: RETIREMENT PLAN

The Sheriff and all full-time employees are participants in the Florida Retirement System (the "System"), a defined benefit, cost sharing, multiple-employer public retirement system, which is controlled by the State Legislature and administered by the State of Florida, Department of Administration, Division of Retirement. The plan covers full-time employees of various governmental units within the State of Florida. Accordingly, the actuarial information and related disclosures attributable to the Sheriff's employees are not determinable.

The System's funding policy provides for monthly employer contributions at actuarially determined rates that, expressed as percentages of annual covered payroll, are adequate to accumulate sufficient assets to pay benefits when due (see rates below). Level percentage of payroll employer contribution rates, established by state law, is determined using the entry-age actuarial funding method. If an unfunded actuarial liability re-emerges, future plan benefit changes, assumption changes, and methodology changes are amortized within 30 years, using level dollar amounts. Except for gains reserved for rate stabilization, it is anticipated future actuarial gains and losses are amortized on a rolling 10% basis, as a level dollar amount.

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

Note 3: RETIREMENT PLAN (Continued)

is age 55 with at least eight years of Special Risk service, or twenty-five years of Special Risk service, regardless of age. Retirement benefits are based upon age, average compensation and years-of-service credit where average compensation is computed as the average of an individual's five highest years of earnings.

Participating employer contributions are based upon State-wide rates established by the State of Florida. These rates applied to employee salaries at year end are as follows: regular employees – 13.63%, DROP Program – 21.13%, senior management – 34.52%, special risk – 32.79% and elected officials – 58.68%. These rates are applied to employee salaries each pay period. Employee contributions are 3.00% for all classifications, with the exception of the DROP program.

Total payroll for the Sheriff's employees covered by the System was $38,971,278, for the year ended September 30, 2024. The Sheriff's total payroll was $39,604,111 for the same period. The Sheriff's contributions to the plan, net of accrued contributions, for the years ended September 30, 2024, 2023, and 2022 were $10,712,089, $8,717,925, and $6,991,110, respectively. These contributions were paid by the due date for the contribution. The Sheriff has no responsibility to the System other than to make the periodic payments required by state statutes.

The Florida Division of Retirement issues a publicly available financial report that includes financial statements and required supplementary information for the System. The report may be obtained by writing to the Florida Division of Retirement, P.O. Box 9000, Tallahassee, FL 32315-9000 or at the Division’s website at dms.myflorida.com.

Note 4: CONTINGENCIES

At September 30, 2024, the Sheriff was involved in several litigations and claims arising in the normal course of operations. It is the opinion of management that coverage provided by the Self-Insurance Fund is more than adequate to eliminate any material exposure resulting from those claims. The Sheriff receives grants from federal and state sources that are subject to review and audit by the funding sources. Such reviews and audits could result in the discovery of unallowable activities and unallowable costs. Consequently, any of the funding sources may, at their discretion, request reimbursement for expenses or return of funds, or both, as a result of noncompliance by the Sheriff with the terms of the grants/contracts. In the opinion of the Sheriff’s management, such allowances, if any, would not be significant in relation to the financial statements of the Sheriff. No accruals for loss contingencies have been made in these financial statements.

Note 5: FINANCIAL DISCLOSURES REPORTED AT THE COUNTY-WIDE LEVEL

Capital Assets

Title in all capital assets owned by the County is retained by the Board of County Commissioners and the below noted capital asset information and activity is reported in the county-wide financial statements.

Capital asset activity for the fiscal year is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Governmental Activities				
Capital assets, not being depreciated				
Construction in progress	$ 788,995	$ 774,174	$ -	$ 1,563,169
Capital assets, being depreciated				
Machinery and equipment	43,653,465	10,656,762	(2,693,637)	51,616,590
Buildings and improvements	5,100,137	167,696	-	5,267,833
Right of use assets - equipment	1,575,751	1,059,203	(177,520)	2,457,434
Right of use assets - buildings	530,187	-	(177,022)	353,165
Capital assets, being depreciated	50,859,540	11,883,661	(3,048,179)	59,695,022
Less accumulated depreciation for				
Machinery and equipment	(29,635,741)	(6,158,666)	2,682,859	(33,111,548)
Buildings and improvements	(1,432,298)	(507,863)	-	(1,940,161)
Right of use assets - equipment	(210,661)	(463,311)	177,520	(496,452)
Right of use assets - buildings	(256,251)	(59,405)	177,022	(138,634)
Total accumulated depreciation	(31,534,951)	(7,189,245)	3,037,401	(35,686,795)
Total capital assets being depreciated, net	19,324,589	4,694,416	(10,778)	24,008,227
Governmental activities capital assets, net	$ 20,113,584	$ 5,468,590	$ (10,778)	$ 25,571,396

Depreciation expense to be reported by the Board was charged to the function of government as follows:

Governmental Activities	
Public safety	$ 7,189,245

Note 5: FINANCIAL DISCLOSURES REPORTED AT THE COUNTY-WIDE LEVEL (Continued)

Long-Term Debt

Accrued compensated absences and capital leases that will not be liquidated with expendable available financial resources of the Sheriff are the obligation of the County and are reported at the county-wide level.

The following is a summary of changes in long-term debt:

	Beginning Balance	Additions	Reductions	Ending Balance	Due in One Year
Compensated absences	$ 2,837,100	$ 2,759,961	$ 2,243,657	$ 3,353,404	$ 335,340
Leases	1,448,042	1,052,883	465,205	2,035,720	625,382
Total	$ 4,285,142	$ 3,812,844	$ 2,708,862	$ 5,389,124	$ 960,722

Leases

The Sheriff has entered into multiple lease agreements as lessee for vehicles, equipment, and buildings that qualify as leases for accounting purposes.

The present value of the future minimum lease payments is as follows:

September 30,	Amount
2025	$ 647,029
2026	648,287
2027	539,493
2028	330,213
2029	-
Total minimum payments	2,165,022
Less: amount representing interest	(129,302)
Present value of minimum lease payments	$ 2,035,720

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Inmate Canteen Fund – To account for revenues restricted to the welfare of inmates.

Triumph Grant Fund – To account for grant activity related to the Triumph grant.

Law Enforcement Education and Automation – To account for appropriations restricted to educating law enforcement officers and the automation of law enforcement operations.

Suspense – To account for the collections and remittance of miscellaneous receipts.

Crime Prevention – To account for funds used for public related education in crime prevention.

Traffic and Parking Enforcement – To account for fines collected by the Clerk of the Circuit Court for traffic and parking enforcement.

Abandoned Property – To account for state and local forfeitures restricted to law enforcement.

Walton County, Florida
Sheriff
Combining Balance Sheet – Nonmajor Governmental Funds

September 30, 2024	Inmate Canteen Fund	Triumph Grant Fund	Law Enforcement Education and Automation
Assets			
Cash and cash equivalents	$ 600,377	$ 8,022	$ 279,618
Accounts receivable	30,939	-	-
Interfund receivable	-	-	20
Total assets	$ 631,316	$ 8,022	$ 279,638
Liabilities and Fund Balances			
Liabilities			
Accounts payable	$ 44,100	$ -	$ -
Interfund payable	-	-	-
Due to Board of County Commissioners	10,385	-	-
Inmate deposits	10,266	-	-
Total liabilities	64,751	-	-
Fund balances			
Restricted for			
Public Safety - Law Enforcement	566,565	8,022	279,638
Total liabilities and fund balances	$ 631,316	$ 8,022	$ 279,638

Suspense	Crime Prevention	Traffic and Parking Enforcement	Abandoned Property	Total
$ 14,146	$ 239,680	$ 346,342	$ 27,016	$ 1,515,201
-	-	-	-	30,939
-	2,893	-	-	2,913
$ 14,146	$ 242,573	$ 346,342	$ 27,016	$ 1,549,053
$ -	$ 15,473	$ -	$ 14,099	$ 73,672
-	-	20	-	20
-	-	-	-	10,385
-	-	-	-	10,266
-	15,473	20	14,099	94,343
14,146	227,100	346,322	12,917	1,454,710
$ 14,146	$ 242,573	$ 346,342	$ 27,016	$ 1,549,053

Walton County, Florida
Sheriff
Combining Statement of Revenues, Expenditures and Changes in Fund Balances – Nonmajor Governmental Funds

For the year ended September 30, 2024	Inmate Canteen Fund	Triumph Grant Fund	Law Enforcement Education and Automation
Revenues			
Fines and foreitures	$ -	$ -	$ -
Miscellaneous	304,622	7,027	10,047
Total revenues	304,622	7,027	10,047
Expenditures			
Public safety			
Operating	281,553	-	12,680
Capital outlay	-	-	-
Total expenditures	281,553	-	12,680
Excess revenues over (under) expenditures	23,069	7,027	(2,633)
Other Financing Sources (Uses)			
Appropriations from Board of County Commissioners	-	-	-
Net change in fund balance	23,069	7,027	(2,633)
Fund balance, beginning of year	543,496	995	282,271
Fund balance, end of year	$ 566,565	$ 8,022	$ 279,638

Suspense	Crime Prevention	Traffic and Parking Enforcement	Abandoned Property	Total
$ -	$ -	$ 78,505	$ -	$ 78,505
4,979	117,156	8,265	4,269	456,365
4,979	117,156	86,770	4,269	534,870
3,240	113,556	-	6,521	417,550
-	5,633	-	-	5,633
3,240	119,189	-	6,521	423,183
1,739	(2,033)	86,770	(2,252)	111,687
-	45,000	-	-	45,000
1,739	42,967	86,770	(2,252)	156,687
12,407	184,133	259,552	15,169	1,298,023
$ 14,146	$ 227,100	$ 346,322	$ 12,917	$ 1,454,710

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

Honorable Michael A. Adkinson, Jr.
Sheriff
Walton County, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund, the fiduciary fund types and aggregate remaining nonmajor governmental funds of the Walton County, Florida Sheriff (the "Sheriff") as of and for the year ended September 30, 2024, and the related notes to the financial statements, and have issued our report thereon dated March 4, 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) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the special purpose financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Sheriff's internal control. Accordingly, we do not express an opinion on the effectiveness of the Sheriff's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the 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 financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

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

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, L.L.C.

Enterprise, Alabama
March 4, 2025

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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH *LOCAL GOVERNMENT INVESTMENT POLICIES*

Honorable Michael A. Adkinson, Jr.
Sheriff
Walton County, Florida

We have examined the Walton County, Florida Sheriff's (the "Sheriff") compliance with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies,* during the year ended September 30, 2024. Management is responsible for the Sheriff's compliance with those requirements. Our responsibility is to express an opinion on the Sheriff's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Sheriff complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Sheriff complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the Sheriff's compliance with specified requirements.

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

In our opinion, the Sheriff complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2024.

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

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, L.L.C.

Enterprise, Alabama
March 4, 2025

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MANAGEMENT LETTER

Honorable Michael A. Adkinson, Jr.
Sheriff
Walton County, Florida

Report on the Financial Statements

We have audited the financial statements of the Walton County, Florida Sheriff (the "Sheriff") as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated March 4, 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 Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards;* and Independent Accountant's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated March 4, 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 recommendations made in the preceding annual financial audit report.

Financial Management

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

Additional Matters

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

Purpose of this Letter

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

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, L.L.C.

Enterprise, Alabama
March 4, 2025

PRIDE • PRESERVATION • CONSERVATION
WALTON COUNTY, FLORIDA