ANNUAL
FINANCIAL REPORT

CLERK OF CIRCUIT COURT AND COMPTROLLER
HENDRY COUNTY FLORIDA

Kimberley Barrineau

FOR THE FISCAL YEAR ENDED

SEPTEMBER 30, 2025

HENDRY COUNTY, FLORIDA

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HENDRY COUNTY, FLORIDA

COMBINED
FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

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

SECTION I

COMBINED FINANCIAL STATEMENTS

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Report of Independent Auditor

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, the discretely presented component unit and the aggregate remaining fund information of Hendry County, Florida (the "County"), as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the County as of September 30, 2025 and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and County Transportation Trust Fund for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the County's ability to continue as a going concern for a reasonable period of time.

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

Required Supplementary Information

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

Required Supplementary Information, Continued

We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

The combining statements and schedules and the schedule of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedure in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining statements and schedules and the schedules of expenditures of federal awards and state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated August 14, 2026, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

Ashley, Brown & Smith, CPA's, P.A.

Punta Gorda, Florida
August 14, 2026

Hendry County, Florida
Management's Discussion and Analysis

This discussion and analysis of Hendry County's (the "County") financial statements is designed to introduce the basic financial statements and provide an analytical overview of the County's financial activities for the fiscal year ended September 30, 2025. The basic financial statements are comprised of the government-wide financial statements, fund financial statements, and footnotes. We hope this will assist readers in identifying significant financial issues and changes in the County's financial position.

Financial Highlights

- At the close of fiscal year 2025 the County's total assets and deferred outflows of resources exceeded its total liabilities and deferred inflows of resources, resulting in a net position of $88,744,497 an increase of $5,545,002 over last year. Governmental and business-type assets and deferred outflows of resources exceeded its liabilities and deferred inflows by $64,732,319 and $24,012,178, respectively, which was an increase of $36,566 for governmental assets and deferred outflows and an increase of $5,508,436 for business-type assets and deferred outflows.

- Total revenues for governmental activities were $96,333,343, which was a decrease of $1,397,573 over prior year.
- Total expenses for governmental activities were $95,347,370, which was an increase of $7,942,495 over prior year.
- Noncurrent liabilities are reported at $47,353,785 on September 30, 2025 for governmental activities and $7,039,436 for business-type activities.

- Capital Assets net of depreciation are reported at $87,493,221 on September 30, 2025 for all fund types.

Government-Wide Financial Statements

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

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

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

Fund Financial Statements

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

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

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

Governmental Fund Financial Statements

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

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

Proprietary Fund Financial Statements

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

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

Fiduciary Fund Financial Statement

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

Government-Wide Financial Analysis

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

The following is a condensed summary of net position for the primary government for fiscal years 2024 and 2025 with increases and decreases.

Hendry County, Florida
Summary of Net Position with Prior Year Comparison
September 30, 2025

	Governmental Activities 2024	Governmental Activities 2025	Governmental Activities Inc / (Dec)	Business-type Activities 2024	Business-type Activities 2025	Business-type Activities Inc / (Dec)	All Actvities Total 2025	All Actvities Total Inc / (Dec)
Current & Other assets	$ 53,303,909	$ 49,381,583	$ (3,922,326)	$ 12,990,255	$ 18,839,999	$ 5,849,744	$ 68,221,582	$ 1,927,418
Capital assets	71,249,287	74,775,456	3,526,169	13,605,802	12,717,765	(888,037)	87,493,221	2,638,132
Deferred outflows	12,948,549	12,737,854	(210,695)	907,669	882,747	(24,922)	13,620,601	(235,617)
Total assets and deferred outflows	137,501,745	136,894,893	(606,852)	27,503,726	32,440,511	4,936,785	169,335,404	4,329,933
Current & Other liabilities	13,569,547	15,605,700	2,036,153	1,532,137	1,466,250	(65,887)	17,071,950	1,970,266
Non-current liabilities	51,335,386	47,353,785	(3,981,601)	7,039,436	6,379,632	(659,804)	53,733,417	(4,641,405)
Deferred inflows	7,901,059	9,203,089	1,302,030	428,411	582,451	154,040	9,785,540	1,456,070
Total liabilities and deferred inflows	72,805,992	72,162,574	(643,418)	8,999,984	8,428,333	(571,651)	80,590,907	(1,215,069)
Net position:								
Invested in capital assets, net of related debt	63,341,725	65,696,178	2,354,453	9,116,702	8,577,965	(538,737)	74,274,143	1,815,716
Restricted	29,932,548	28,486,688	(1,445,860)	5,716,975	9,223,775	3,506,800	37,710,463	2,060,940
Unrestricted	(28,578,520)	(29,450,547)	(872,027)	3,670,065	6,210,438	2,540,373	(23,240,109)	1,668,346
Total Net Position	$ 64,695,753	$ 64,732,319	$ 36,566	$ 18,503,742	$ 24,012,178	$ 5,508,436	$ 88,744,497	$ 5,545,002

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

The restricted net position balance of $9,223,775 in 2025, for Business-type Activities, represents contractual obligations and $28,486,688 represents special revenue and capital project requirements in 2025 for Governmental Activities.

The unrestricted net position balance of ($23,240,109), for All Activities, represents assets that are available for spending at the County's discretion, however, it is important to note that this balance is county wide and there are restrictions within each source of funds as to what these funds can be used for.

Governmental Activities Analysis

Governmental Revenue Accounts decreased 1.4% from 2024 to 2025. While there were increases in ad-valorem taxes, the decreases in charges for services, and grant income due to major road and airport grants and ARPA and CARES Act economic recovery grants more than offset the ad-valorem tax increase. Expenses increased 8% in 2025. These increases are related to increases in Salaries and Benefits associated with the actuarial determined pension expenses. The Hendry County Board of County Commissioners, Hendry County Staff as well as all Hendry County Constitutional Officials have worked diligently to become more efficient and cost effective over the past few years and will continue this process into the future.

Business Activities Analysis

The Port LaBelle Utility System had increases in revenue and expenses due to the economic growth in the Port LaBelle area. New homes were built and existing real-estate inventory purchases caused revenues to increase. Those increases in numbers of homes also increased the utility's expenses.

The following schedule represents Summary of Revenues and Expenditures and Changes in Net Position for the year September 30, 2025.

Hendry County, Florida

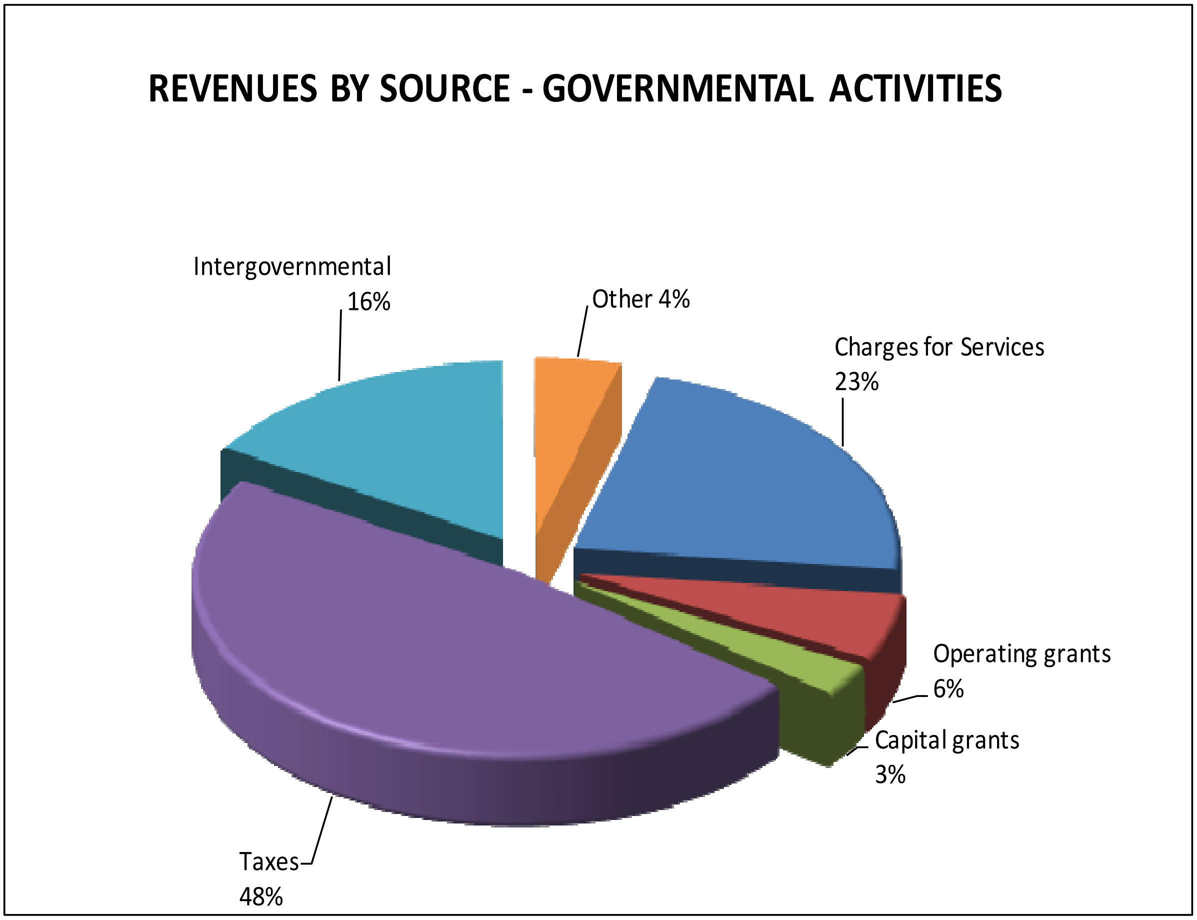
Summary of Revenues, Expenses and Changes in Net Position

As of September 30, 2025

	Governmental Activities 2024	Governmental Activities 2025	Business-type Activities 2024	Business-type Activities 2025	Total 2025
Revenues:					
Program Revenues:					
Charges for Service	$ 19,346,384	$ 21,805,579	$ 3,924,460	$ 3,422,213	$ 25,227,792
Operating Grants and Contributions	7,084,407	5,736,603	-	-	5,736,603
Capital Grants and Contributions	8,094,252	2,813,004	-	-	2,813,004
General Revenues:					
Taxes	40,615,606	46,114,418	-	-	46,114,418
Intergovernmental revenues, not restricted for specific purposes	18,899,159	15,789,520	-	-	15,789,520
Other	3,691,108	4,074,189	362,617	602,131	4,676,320
Total Revenues	97,730,916	96,333,313	4,287,077	4,024,344	100,357,657
Expenses:					
Program Activities:					
General Government	23,618,264	25,363,531	-	-	25,363,531
Court Related	2,933,036	3,418,725	-	-	3,418,725
Public Safety	35,780,211	40,100,369	-	-	40,100,369
Physical Environment	5,520,136	6,461,958	-	-	6,461,958
Transportation	12,381,607	12,110,219	-	-	12,110,219
Economic environment	1,688,477	1,987,287	-	-	1,987,287
Culture and recreation	1,262,716	1,899,796	-	-	1,899,796
Human Services	3,142,374	3,652,028	-	-	3,652,028
Interest on long-term debt	1,078,054	353,457	-	-	353,457
Business-type activities:					
Water and wastewater	-	-	3,897,883	3,321,725	3,321,725
Total Expenses	87,404,875	95,347,370	3,897,883	3,321,725	98,669,095
Increase in net position	10,326,041	985,943	389,194	702,619	1,688,562
Beginning Net position, October 1	54,369,712	63,746,376	17,343,480	23,309,559	87,055,935
Ending Net position, September 30	$ 64,695,753	$ 64,732,319	$ 17,732,674	$ 24,012,178	$ 88,744,497

Governmental Activities

The following is a chart of revenues by source for governmental activities by percent of total revenues for fiscal year 2025.

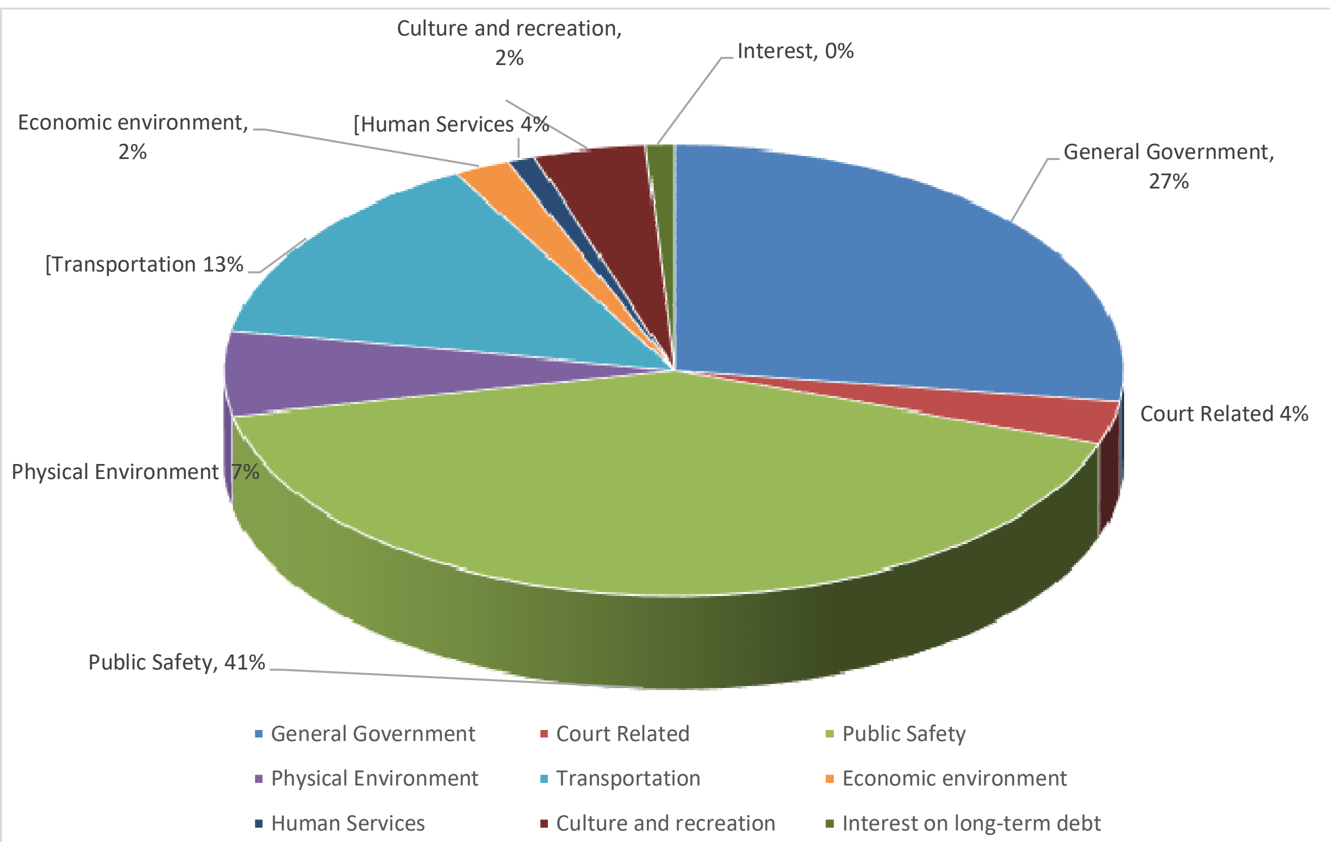


Revenue Source	Revenues	Percent of Total Revenue
Charges for Service	$ 21,805,579	23%
Operating Grants and Contributions	5,736,603	6%
Capital Grants and Contributions	2,813,004	3%
Taxes	46,114,448	48%
Intergovernmental revenues, not restricted for specific purposes	15,789,520	16%
Other	4,074,189	4%
	$ 96,333,343	100%

Governmental Activities - Continued

The following is a chart of expenses by program for governmental activities for fiscal year 2025.

Program	Expenses	Percent of Total Expense
General Government	$ 25,363,531	27%
Court Related	3,418,725	4%
Public Safety	40,100,369	41%
Physical Environment	6,461,958	7%
Transportation	12,110,219	13%
Economic environment	1,987,287	2%
Human Services	3,652,028	4%
Culture and Recreation	1,899,796	2%
Interest on long-term debt	353,457	0%
Totals	$ 95,347,370	100.00%

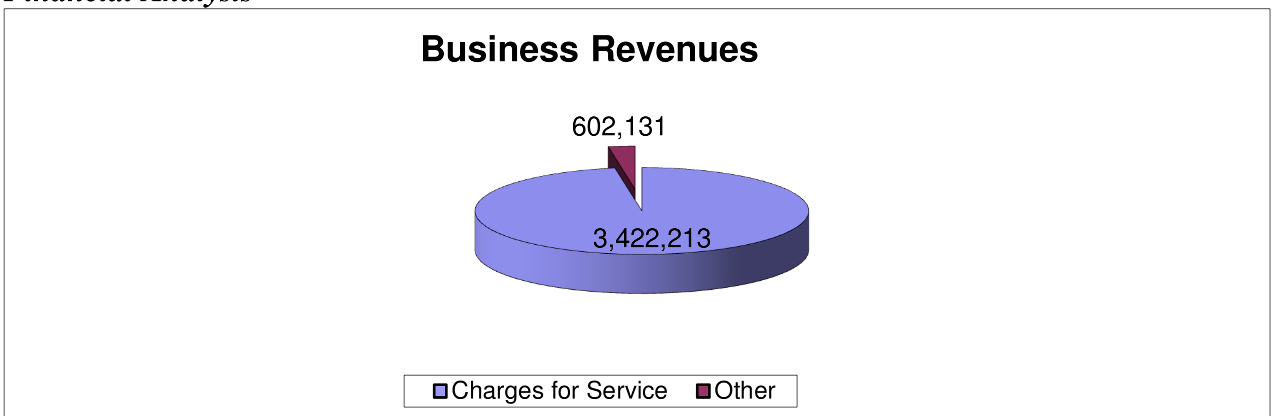


Business-Type Activities

The following is a chart of Revenues by Source for our Business Activities for fiscal year 2025. Our Business Activities consist of Port LaBelle Utilities. Total Revenues created from Charges for Services consisted of $3,422,213. This represents charges for water/sewer usage. Miscellaneous revenues totaling $602,131 resulted from interest revenue and miscellaneous charges.

All business type expenditures for fiscal year 2025 consisted of water and wastewater expenses to operate Port LaBelle Utility Systems and administrative fees.

Financial Analysis



Governmental Funds

Governmental funds use the current financial resources measurement focus that focus on near-term inflows and outflows. The General Fund is the general operating fund that is used to account for all financial resources, except those required to be accounted for in another fund. The Fine & Forfeiture fund accounts for the funding of county courts, probation department, courthouse security, mandated costs for law enforcement, and other miscellaneous items to do with the same.

Proprietary Funds

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

Capital Assets

Non-depreciable capital assets include land and construction in progress. Depreciable assets include buildings, improvements other than buildings, machinery and equipment, and infrastructure. Total Capital assets total $87,493,221. This is an increase of $2,638,132 over prior year.

Debt Administration

As of September 30, 2025, the County had a total of governmental and business-type long-term liabilities of $53,733,417. Governmental liabilities of $47,353,785 mostly consisted of pension related liabilities of

$32,538,428, other post-employment benefits of 4,062,345, and notes and lease liabilities of $1,777,755. Additionally, business-type liabilities of $6,379,632 mostly consisted of revenue bonds of $4,139,800 and pension related liabilities of $2,255,649.

Request for information

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

HENDRY COUNTY, FLORIDA
STATEMENT OF NET POSITION
September 30, 2025

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Current assets:			
Cash and cash equivalents	$ 38,073,268	$ 8,234,447	$ 46,307,715
Prepaid expenses	35,946	-	35,946
Receivables (net)	1,630,656	856,617	2,487,273
Due from other governments	7,514,742	18,500	7,533,242
Due from other funds	2,126,971	-	2,126,971
Restricted cash and cash equivalents	-	4,473,945	4,473,945
Restricted investments, at fair value	-	5,256,490	5,256,490
Noncurrent assets:			
Land and other non-depreciable assets	15,726,927	837,720	16,564,647
Capital assets, net of depreciation	59,048,529	11,880,045	70,928,574
TOTAL ASSETS	124,157,039	31,557,764	155,714,803
DEFERRED OUTFLOWS OF RESOURCES			
Related to OPEB	806,149	55,610	861,759
Related to pensions	11,931,705	827,137	12,758,842
TOTAL DEFERRED OUTFLOWS	12,737,854	882,747	13,620,601
LIABILITIES			
Accounts payable	4,303,887	309,818	4,613,705
Accrued liabilities	1,115,991	111,633	1,227,624
Due to other funds	1,946,632	180,339	2,126,971
Due to other governments	1,969,836	-	1,969,836
Other liabilities	1,403,702	-	1,403,702
Customer deposits	-	506,660	506,660
Current portion of long term obligations	4,865,652	357,800	5,223,452
Noncurrent liabilities:			
Due in more than one year	47,353,785	6,379,632	53,733,417
TOTAL LIABILITIES	62,959,485	7,845,882	70,805,367
DEFERRED INFLOWS OF RESOURCES			
Related to OPEB	1,798,459	124,061	1,922,520
Related to deferred lease proceeds	792,221	-	792,221
Related to pensions	6,612,409	458,390	7,070,799
TOTAL DEFERRED INFLOWS	9,203,089	582,451	9,785,540
NET POSITION			
Net investment in capital assets	65,696,178	8,577,965	74,274,143
Restricted for Contractual obligations	-	9,223,775	9,223,775
Restricted for General government	28,486,688	-	28,486,688
Unrestricted	(29,450,547)	6,210,438	(23,240,109)
TOTAL NET POSITION	$ 64,732,319	$ 24,012,178	$ 88,744,497

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

HENDRY COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
September 30, 2025

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government:				
Governmental Activities :				
General government	$ 25,363,531	$ 17,058,507	$ 50,855	$ 1,365,209
Court related	3,418,725	-	-	-
Public safety	40,100,369	2,651,170	1,180,159	313,056
Physical environment	6,461,958	246,111	-	93,750
Transportation	12,110,219	1,808,877	3,547,711	1,632,915
Economic environment	1,987,287	32,672	957,878	-
Culture and recreation	1,899,796	8,242	-	135,692
Human services	3,652,028	-	-	67,479
Interest on long-term debt	353,457	-	-	-
Total governmental activities	95,347,370	21,805,579	5,736,603	3,608,101
Business-type Activities :				
Water and Wastewater	3,321,725	3,422,213	-	-
Total primary government	$ 98,669,095	$ 25,227,792	$ 5,736,603	$ 3,608,101

General revenues and net transfers :
Taxes
Property taxes
Gasoline taxes
Communication taxes
Other taxes
Licenses and permits
Fines and forfeitures
Intergovernmental revenues
Miscellaneous
Total general revenues

Change in net position

Beginning Net Position, Originally Reported

Restatement

Beginning Net Position, as Restated

Net position, ending

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

Net (Expense) Revenue and Changes in Net Position		
Primary Government		
Governmental Activities	Business-type Activities	Total
$ (6,888,960)	$ -	$ (6,888,960)
(3,418,725)	-	(3,418,725)
(35,955,984)	-	(35,955,984)
(6,122,097)	-	(6,122,097)
(5,120,716)	-	(5,120,716)
(996,737)	-	(996,737)
(1,755,862)	-	(1,755,862)
(3,584,549)	-	(3,584,549)
(353,457)	-	(353,457)
(64,197,087)	-	(64,197,087)
-	100,488	100,488
(64,197,087)	100,488	(64,096,599)
28,239,816	-	28,239,816
6,958,676	-	6,958,676
140,943	-	140,943
8,170,625	-	8,170,625
1,809,261	-	1,809,261
544,371	-	544,371
15,245,149	-	15,245,149
4,074,189	602,131	4,676,320
65,183,030	602,131	65,785,161
985,943	702,619	1,688,562
64,695,753	18,503,742	83,199,495
(949,377)	4,805,817	3,856,440
63,746,376	23,309,559	87,055,935
$ 64,732,319	$ 24,012,178	$ 88,744,497

HENDRY COUNTY, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2025

	General	County Transportation Trust	ARPA & Hendry Cares Act	Fines and Forfeitures	Other Governmental Funds	Total Governmental Funds
Assets						
Cash and investments	$ 9,088,259	$ 727,888	$ 7,148,795	$ 1,078,125	$ 20,030,201	$ 38,073,268
Prepaid expenses	33,946	-	-	-	2,000	35,946
Receivables (net)	402,872	267,186	-	280,000	680,598	1,630,656
Due from other governments	2,967,697	821,858	73	94,730	3,630,384	7,514,742
Due from other funds	2,038,388	48,601	2,123	8,443	29,416	2,126,971
Total assets	$ 14,531,162	$ 1,865,533	$ 7,150,991	$ 1,461,298	$ 24,372,599	$ 49,381,583
Liabilities, deferred inflows of resources and fund balances						
Liabilities						
Accounts payable	$ 1,696,090	$ 562,721	$ 74,630	$ 105,344	$ 1,865,102	$ 4,303,887
Accrued liabilities	935,002	99,959	3,571	19,403	58,056	1,115,991
Due to other funds	112,408	467,117	-	837,180	529,927	1,946,632
Due to other governments	1,969,836	-	-	-	-	1,969,836
Unearned revenue	19,468	-	-	-	499,358	518,826
Other liabilities	193,788	-	-	1,500	689,588	884,876
Total liabilities	4,926,592	1,129,797	78,201	963,427	3,642,031	10,740,048
Deferred inflows of resources						
Deferred lease proceeds	241,944	-	-	-	550,277	792,221
Fund balances						
Restricted	-	735,736	7,072,790	497,871	20,180,291	28,486,688
Unassigned	9,362,626	-	-	-	-	9,362,626
Total fund balances	9,362,626	735,736	7,072,790	497,871	20,180,291	37,849,314
Total liabilities, deferred inflows of resources and fund balances	$ 14,531,162	$ 1,865,533	$ 7,150,991	$ 1,461,298	$ 24,372,599	$ 49,381,583

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

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

Fund Balances - total governmental funds		$ 37,849,314
Capital assets, net of accumulated depreciation and amortization, used in governmental activities are not financial resources and are, therefore, not reported in the governmental funds.		74,775,456
Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds:		
Notes payable	(9,079,278)	
Leases liability	(1,777,755)	
Subscription liability	(370,413)	
Other Post Employment Benefits	(4,062,345)	
Net Pension liability	(32,538,428)	
Deferred outflows related to pensions	11,931,705	
Deferred inflows related to pensions	(6,612,409)	
Deferred outflows related to OPEB	806,149	
Deferred inflows related to OPEB	(1,798,459)	
Compensated absences	(4,391,218)	(47,892,451)
Net position of governmental activities		$ 64,732,319

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

HENDRY COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2025

	General	County Transportation Trust	ARPA & Hendry Cares Act	Fines and Forfeitures	Other Governmental Funds	Total Governmental Funds
REVENUES						
Taxes	$ 28,239,816	$ 1,567,346	$ -	$ -	$ 13,702,928	$ 43,510,090
Impact fees	-	-	-	-	795,097	795,097
Licenses and permits	237,156	-	-	-	1,572,105	1,809,261
Intergovernmental	13,765,414	4,294,474	-	22,560	5,712,308	23,794,756
Charges for services	10,885,161	787,362	-	453,822	9,679,234	21,805,579
Fines and forfeitures	-	-	-	328,751	215,620	544,371
Miscellaneous	1,651,820	280,465	409,063	253,232	1,479,609	4,074,189
Total revenues	54,779,367	6,929,647	409,063	1,058,365	33,156,901	96,333,343
EXPENDITURES						
Current						
General government	14,404,529	-	-	15,593	10,026,825	24,446,947
Court related	3,098,556	-	-	323,169	-	3,421,725
Public safety	30,930,503	-	619,890	802,879	4,726,328	37,079,600
Physical environment	843,820	-	-	-	5,268,954	6,112,774
Transportation	-	8,936,874	-	-	2,507,414	11,444,288
Economic environment	610,880	-	-	-	1,239,557	1,850,437
Culture and recreation	243,240	-	-	-	1,536,964	1,780,204
Human services	2,201,962	-	-	-	-	2,201,962
Capital outlay						
General government	511,192	-	-	-	194,723	705,915
Public safety	2,500,265	-	238,979	-	1,411,998	4,151,242
Physical environment	-	-	-	-	1,926,073	1,926,073
Transportation	-	767,342	-	-	3,606,800	4,374,142
Debt service						
Principal retirement	1,786,398	78,850	-	-	55,000	1,920,248
Interest and fiscal charges	175,338	6,950	-	-	171,169	353,457
Total expenditures	57,306,683	9,790,016	858,869	1,141,641	32,671,805	101,769,014
Excess (deficiencies) of revenues over (under) expenditures	(2,527,316)	(2,860,369)	(449,806)	(83,276)	485,096	(5,435,671)
OTHER FINANCING SOURCES (USES)						
Issuance of debt	1,316,800	529,500	-	-	362,000	2,208,300
Issuance of lease/subscription agreements	1,534,128	-	-	-	-	1,534,128
Sale of capital assets	27,138	-	-	-	-	27,138
Transfers in	26,354,161	2,000,000	4,081,141	680,581	3,766,945	36,882,828
Transfers out	(26,925,156)	-	(5,134,501)	(22,590)	(4,800,581)	(36,882,828)
Total other financing sources (uses)	2,307,071	2,529,500	(1,053,360)	657,991	(671,636)	3,769,566
Net change in fund balances	(220,245)	(330,869)	(1,503,166)	574,715	(186,540)	(1,666,105)
Fund balances, October 1, 2024	9,582,871	1,066,605	8,575,956	(76,844)	20,366,831	39,515,419
Fund balances, September 30, 2025	$ 9,362,626	$ 735,736	$ 7,072,790	$ 497,871	$ 20,180,291	$ 37,849,314

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

HENDRY COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
GOVERNMENTAL FUNDS
For the Fiscal Year ended September 30, 2025

Net change in fund balances - total governmental funds:		$ (1,666,105)
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlay exceeded depreciation expense in the current period.		
Capital outlay		11,157,372
Gain/(loss) on disposal of capital assets		(1,167,070)
Depreciation expense		(6,558,585)
Revenues are recorded on the modified accrual basis of accounting when they are determined to be measurable and available, however, they are recorded on the statement of activities when they are measurable, regardless of availability. Certain expenditures are recorded when the related liability is incurred and expected to be paid in a reasonable period of time which can differ from when the expense is recorded on the statement of activities. The net difference between these revenues and expenditures/expenses is		43,718
Issuance of debt provides current financial resources for governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		
Principal payments of notes payable	$ 1,036,584	
Proceeds from issuance of notes payable	(2,208,300)	(1,171,716)
Changes in accrued compensated absences reported in the Statement of Activities does not require the use of current financial resources and, therefore is not reported as an expenditure in the governmental funds.		(917,466)
Changes in other postemployment benefits, deferred outflows, and deferred inflows reported in the Statement of Activities does not require the use of current financial resources and, therefore is not reported as an expenditure in the governmental funds.		(355,974)
Changes in pension liability, deferred outflows, and deferred inflows reported in the Statement of Activities does not require the use of current financial resources and, therefore is not reported as an expenditure in the governmental funds.		1,779,146
Changes in lease and subscription liabilities and deferred inflows related to leases are reported in the Statement of Activities, but does not require the use of current financial resources and therefore is not reported as an expenditure in the governmental funds.		(157,377)
Change in net position of governmental activities		$ 985,943

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

HENDRY COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - GENERAL FUND
For the Fiscal Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
Taxes	$ 28,437,038	$ 26,201,175	$ 28,239,816	$ 2,038,641
Licenses and permits	95,000	173,813	237,156	63,343
Intergovernmental	11,639,749	13,989,666	13,765,414	(224,252)
Charges for services	7,955,896	10,051,047	10,885,161	834,114
Fines and Forfeitures	-	-	-	-
Miscellaneous	940,501	995,613	1,651,820	656,207
Total revenues	49,068,184	51,411,314	54,779,367	3,368,053
EXPENDITURES				
Current				
General government	13,274,291	14,695,178	14,404,529	290,649
Court related	2,475,511	2,474,939	3,098,556	(623,617)
Public safety	26,567,956	29,009,302	30,930,503	(1,921,201)
Physical environment	857,519	629,689	843,820	(214,131)
Economic environment	608,921	415,769	610,880	(195,111)
Culture and recreation	181,957	168,234	243,240	(75,006)
Human services	1,902,886	1,688,472	2,201,962	(513,490)
Capital Outlay				
General government	67,000	194,015	511,192	(317,177)
Public safety	866,176	1,012,123	2,500,265	(1,488,142)
Debt service				
Principal retirement	1,530,476	1,345,241	1,786,398	(441,157)
Interest and fiscal charges	190,920	166,830	175,338	(8,508)
Contingency	5,521,077	50,000	-	50,000
Total expenditures	54,044,690	51,849,792	57,306,683	(5,456,891)
Deficiencies of revenues under expenditures	(4,976,506)	(438,478)	(2,527,316)	(2,088,838)
OTHER FINANCING SOURCES (USES)				
Issuance of debt	850,000	156,000	1,316,800	1,160,800
Issuance of lease/subscription agreements	-	-	1,534,128	1,534,128
Sale of capital assets	-	27,138	27,138	-
Transfers in	31,963,508	26,476,597	26,354,161	(122,436)
Transfers out	(27,837,002)	(24,966,239)	(26,925,156)	(1,958,917)
Total other financing sources (uses)	4,976,506	1,693,496	2,307,071	613,575
Net change in fund balances	-	1,255,018	(220,245)	(1,475,263)
Fund balances - October 1, 2024	-	7,127,961	9,582,871	2,454,910
Fund balances - September 30, 2025	$ -	$ 8,382,979	$ 9,362,626	$ 979,647

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

HENDRY COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
COUNTY TRANSPORTATION TRUST
For the Fiscal Year Ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
REVENUES				
Taxes	$ 1,509,231	$ 1,567,346	$ 1,567,346	$ -
Intergovernmental	14,661,445	4,294,474	4,294,474	-
Charges for services	877,100	787,362	787,362	-
Miscellaneous	79,000	280,465	280,465	-
Total revenues	17,126,776	6,929,647	6,929,647	-
EXPENDITURES				
Current				
Transportation	18,905,182	8,936,874	8,936,874	-
Capital outlay				
Transportation	221,594	767,342	767,342	-
Debt service				
Principal & interest retirement	-	85,800	85,800	-
Total expenditures	19,126,776	9,790,016	9,790,016	-
Excess (deficiencies) of revenues over (under) expenditures	(2,000,000)	(2,860,369)	(2,860,369)	-
OTHER FINANCING SOURCES				
Issuance of debt	-	529,500	529,500	-
Transfers in	2,000,000	2,000,000	2,000,000	-
Transfers out	-	-	-	-
Total other financing sources	2,000,000	2,529,500	2,529,500	-
Net change in fund balance	-	(330,869)	(330,869)	-
Fund balance-October 1, 2024	-	1,066,605	1,066,605	-
Fund balance- September 30, 2025	$ -	$ 735,736	$ 735,736	$ -

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

HENDRY COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUND
For the Fiscal Year Ended September 30, 2025

		Business-type Activities Enterprise Fund
		Port LaBelle Utility System
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES		
Assets		
Current Assets		
Cash and cash equivalents		$ 8,234,447
Receivables (net)		856,617
Due from other governments		18,500
Restricted Assets:		
Cash and cash equivalents	$ 4,473,945	
Investments, at fair value	5,256,490	
Total Restricted Assets		9,730,435
Total current assets		18,839,999
Noncurrent Assets		
Capital Assets		
Non-depreciable		837,720
Depreciable		29,428,526
Less: accumulated depreciation		(17,548,481)
Total Capital Assets, net		12,717,765
Total noncurrent assets		12,717,765
Total assets		31,557,764
Deferred outflows of resources		
Related to OPEB	55,610	
Related to pensions	827,137	
Total Deferred outflows of resources		882,747
Total assets and deferred outflows of resources		32,440,511

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

	Business-type Activities Enterprise Fund
	Port LaBelle Utility System
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION	
Liabilities	
Current liabilities	
Accounts payable	309,818
Accrued liabilities	111,633
Due to other funds	180,339
Customer deposits	506,660
Revenue Bonds payable	357,800
Total current liabilities	1,466,250
Noncurrent liabilities	
Revenue Bonds payable	3,782,000
Accrued compensated absences	61,746
OPEB liability	280,237
Net pension liability	2,255,649
Total noncurrent liabilities	6,379,632
Total liabilities	7,845,882
Deferred inflows of resources	
Related to OPEB	124,061
Related to pensions	458,390
Total Deferred inflows of resources	582,451
Net position	
Net investment in capital assets	8,577,965
Restricted for contractual obligations	9,223,775
Unrestricted	6,210,438
Total net position	$ 24,012,178

HENDRY COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND
For the Fiscal Year Ended September 30, 2025

	Business-type Activities Enterprise Fund
	Port LaBelle Utility System
OPERATING REVENUES	
Charges for services	$ 3,422,213
Miscellaneous	180,172
Total operating revenues	3,602,385
OPERATING EXPENSES	
Personal services	474,143
Contractual services	193,473
Repairs and maintenance	442,510
Depreciation and amortization	1,127,876
Office	10,786
Supplies	339,308
Utilities	162,877
Other expense	462,075
Total operating expenses	3,213,048
Operating income (loss)	389,337
NON-OPERATING REVENUES (EXPENSES)	
Interest income	421,959
Interest and fiscal charges	(108,677)
Total non-operating (expenses)	313,282
Change in net position	702,619
Total net position, October 1, 2024 - as restated	23,309,559
Total net position, September 30, 2025	$ 24,012,178

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

HENDRY COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
For the Fiscal Year Ended September 30, 2025

	Business-type Activities Enterprise Funds
	Port LaBelle Utility System
CASH FLOWS FROM OPERATING ACTIVITIES:	
Cash received from customers	$ 3,539,238
Cash payments to suppliers for goods and services	(1,448,152)
Net cash paid to other governments and funds	(162,877)
Cash payments to employees for services	(477,156)
Net cash provided by operating activities	1,451,053
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:	
Deposits collected from customers less deposits refunded to customers	20,730
Net cash provided by noncapital financing activities	20,730
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:	
Transfers In from other funds	-
Principal paid on revenue bonds	(349,300)
Interest paid on revenue bonds	(108,677)
Net cash used in capital financing activities	(457,977)
CASH FLOWS FROM INVESTING ACTIVITIES:	
Interest income	421,959
Acquisition of capital assets and construction in progress	239,839
Net cash used in investing activities	661,798
Net increase in cash and cash equivalents	1,675,604
Cash and cash equivalents on October 1, 2024	11,032,788
Cash and cash equivalents on September 30, 2025	$ 12,708,392

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

	Business-type Activities Enterprise Funds
	Port LaBelle Utility System
Reconciliation of operating income (loss) to net cash provided by operating activities:	
Operating income (loss)	$ 389,337
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:	
Depreciation and amortization	1,127,876
OPEB & Pension expense	556,293
Changes in assets and liabilities:	
(Increase) decrease in:	
Accounts receivable	(789,240)
Due from other governments	(16,677)
Increase (decrease) in:	
Accounts payable	212,454
Accrued liabilities	47,536
Due to other funds	46,516
Deferred outflows - pension related (increase) decrease	3,691
Deferred inflows - pension related increase (decrease)	179,847
Net pension liability increase (decrease)	(323,301)
Deferred outflows - OPEB related (increase) decrease	21,231
Deferred inflows - OPEB related increase (decrease)	(25,807)
Compensated absences - increase (decrease	(3,013)
Total OPEB liability increase (decrease)	24,310
Total adjustments	1,061,716
Net cash provided by operating activities	$ 1,451,053

HENDRY COUNTY, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
September 30, 2025

		Custodial Funds
ASSETS		
Cash and cash equivalents	$	6,329,305
Due from other governments		3,425
Total assets		6,332,730
LIABILITIES		
Accounts payable		-
Due to other funds		51,247
Due to other governments		621,457
Due to individuals		1,387,886
Total liabilities		2,060,590
NET POSITION		
Restricted for:		
Individuals, organizations, and other governments		4,272,140
Total net position	$	4,272,140

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

HENDRY COUNTY, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
As of September 30, 2025

	Custodial Funds
Additions:	
Taxes, fees, fines collected for other governments	$ 121,842,616
Licenses and tag fees collected for other governments	9,178,885
Deposits and other trust activities	1,787,206
Total additions	132,808,707
Deductions:	
Taxes, fees, fines disbursed for other governments	120,701,845
Licenses and tag fees disbursed for other governments	9,178,885
Deposits and other trust activities disbursed	1,915,114
Total deductions	131,795,844
Change in Net Position	1,012,863
Net Position, beginning	3,259,277
Net Position, ending	$ 4,272,140

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

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

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

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

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

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

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

B. Government-Wide and Fund Financial Statements

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

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

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

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

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

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

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

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

The Board reports the following major governmental funds:

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

The Board reports the following major proprietary fund:

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

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

D. Budgets and Budgetary Accounting

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

D. Budgets and Budgetary Accounting (continued)

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

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

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

Cash and Investments

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

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

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

Inventories

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

Capital Assets

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

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NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

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

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

The ranges of the useful lives are as follows:

Asset	Years
Buildings	20-50
Infrastructure	20-40
Improvements other than Buildings	10-45
Equipment	5-25
Intangible Assets	10-35

Deferred Outflows/Inflows of Resources

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

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

Compensated Absences
The County's reporting of accumulated unused compensated absences has been recorded in accordance with GASB Statement No. 101. A liability is accrued for an employee’s rights to receive compensation for future absences when certain conditions are met. In general, it is the County’s policy to grant all permanent full-time and part-time employees leave based upon the number of years of employment. Employees are encouraged to use their annual leave in the year that it is earned. All vacation pay is accrued when incurred in the government-wide, proprietary, and fiduciary fund financial statements. A liability for this amount is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

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

Net Position / Fund Balance Classification

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

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

Spendable Fund Balances:

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

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

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

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

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

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

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Use of Estimates

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

NOTE 2 - PROPERTY TAXES

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

No accrual for the property tax levy becoming due in November 2025 is included in the accompanying financial statements, since such taxes are collected to finance expenditures of the subsequent period. Procedures for collecting delinquent taxes, including applicable tax certificate sales and tax deed sales, are provided by Florida Statutes and are performed by the Hendry County Tax Collector.

The enforceable lien date is approximately two years after taxes become delinquent and occurs only upon request of a holder of a delinquent tax certificate. There was no significant delinquent property taxes receivable at September 30, 2025.

Important dates in the property tax cycle are as follows:

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

NOTE 3 - STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

As of September 30, 2025, the County has the following non-major governmental funds with deficit fund balances. The County anticipates these deficits to be resolved in the next fiscal year(s) as noted below:

Deficit Fund Balances

The East Hendry County Recreational MSBU Fund has a deficit fund balance of $6,913. It is anticipated that the deficit will be resolved in the next fiscal year as expenditures will be less than revenues.

The Murray Road MSBU Fund has a deficit fund balance of $38,942. It is anticipated that the deficit will be resolved in the next fiscal year as expenditures will be less than revenues.

The Country Village MSBU Fund has a deficit fund balance of $26,008. It is anticipated that the deficit will be resolved in future fiscal years as expenditures will be less than revenues.

The Insurance Fund reported a negative fund balance of $356,668 at year-end due to claims and related insurance costs exceeding current-year revenues. The deficit is expected to be recovered through future premiums charged to participating funds.

Deficit Net Position

The County's unrestricted net position balance was again a deficit and totaled $(23,240,109), due substantially from recording the current year actuarially determined pension liabilities of approximately $35 million.

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NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS

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

The Public Deposit Security Trust Fund has a procedure to allocate and recover losses in the event of a default or insolvency. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereof. Chapter 280 defines deposits as time deposit accounts, demand deposit accounts, and certificates of deposit. County depositories are banks designated as qualified depositories by the State Treasurer. The County's bank balance of deposits insured by Federal Depository Insurance or pursuant to Chapter 280 of the Florida Statutes was $35,719,513 as of September 30, 2025.

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

The County adheres to the requirements of Governmental Accounting Standards Board (GASB) Statement No. 31, "Accounting and Financial Reporting for Certain Investments and for External Investment Pools," as amended by GASB Statement No. 79, "Certain External Investment Pools and Pool Participants." Florida Statutes and Board policy authorize investments in PRIME, an external 2a7-like investment pool. PRIME is not registered with the SEC as an investment company, but nevertheless has a policy that it will, and does, operate as a qualifying external investment pool. PRIME has a Standard & Poor's rating of AAAm at September 30, 2025, and meets all of the necessary criteria to elect to measure its investments at amortized cost. In terms of interest rate risk, PRIME had a weighted average days to maturity (WAM) of 47 days and a weighted average life (WAL) of 73 days at September 30, 2025. PRIME was not exposed to any foreign currency risk nor did it participate in a securities lending program during the period from October 1, 2024 through September 30, 2025.

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

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

NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS, CONTINUED

At September 30, 2025, the County reported investments in Florida PRIME of $34,253 and investments in the Florida Local Government Investment Trust (FLGIT) of $11,004,818 and investments in the Florida Cooperative Liquid Assets Securities System (FLCLASS) of $11,173,758.

FLCLASS is an external investment pool available to Florida local governments. The County's investment in FLCLASS is reported at net asset value (NAV). At September 30, 2025, FLCLASS had a weighted average maturity (WAM) of 42 days and a weighted average life (WAL) of 85 days. FLCLASS was rated AAAm by Standard & Poor's at September 30, 2025. There were no restrictions on redemptions from FLCLASS.

Interest rate risk is the risk that changes in market interest rates will adversely affect the fair value of an investment. Generally, the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. The County manages its exposure to interest rate risk by maintaining a portfolio of short-term investments and generally holding investments until maturity.

Credit risk is the risk that an issuer or other counterparty to an investment will be unable to fulfill its obligations. The County's investment policy limits credit risk by restricting investments to those authorized by Florida Statutes and the County's investment policy.

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

Concentration of credit risk is the risk of loss attributable to the magnitude of the County's investment in a single issuer. The County's investment policy establishes diversification guidelines designed to limit this risk.

Foreign currency risk is the risk that changes in foreign exchange rates will adversely affect the fair value of investments denominated in foreign currencies. The County's investment policy does not authorize investments in foreign-denominated securities.

U.S. Treasury securities are not considered to be subject to credit risk, concentration of credit risk, or foreign currency risk.

Fair Value Measurements

The County measures and records investments at fair value in accordance with GASB Statement No. 72, *Fair Value Measurement and Application.* Fair value is determined using a hierarchy that prioritizes the inputs to valuation techniques. The hierarchy gives the highest priority to quoted prices in active markets for identical assets (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

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NOTE 4 - CASH, CASH EQUIVALENTS AND INVESTMENTS, CONTINUED

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

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

Level 2 - Inputs to the valuation methodology include:

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

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

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

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

U.S. government securities are valued at the closing price reported in the active market in which the individual security is traded and are assigned a Level 1 input. The County's investment in FLCLASS is measured at net asset value per share (or its equivalent) and is therefore not categorized within the fair value hierarchy.

NOTE 5 - ACCOUNTS RECEIVABLE

At September 30, 2025, receivables were as follows:

	Governmental	Business -Type
Accounts receivable	$ 728,045	$ 856,617
Leases receivable	902,611	-
Less: allowance for bad debt	-	-
Total receivables (net)	$ 1,630,656	$ 856,617

NOTE 6 - SPECIAL ASSESSMENT

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

NOTE 7 - RESTRICTED ASSETS AND LIABILITIES

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

Restricted assets reported on the proprietary fund statement of net position at September 30, 2025, were as follows:

Port LaBelle Utility		
Restricted cash and cash Equivalents	$	4,473,945
Restricted investments, at fair value		5,256,490
Total restricted assets	$	9,730,435

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

Liabilities payable from restricted assets were at September 30, 2025 comprised of the following:

Port LaBelle Utility		
Current portion of long-term debt	$	357,800
Customer deposits		506,660
Total	$	864,460

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NOTE 8 - CAPITAL ASSETS

Capital assets activity for the year ended September 30, 2025 are as follows:

	Beginning Balance 10/01/2024	Additions	Deletions	Ending Balance 09/30/2025
Governmental Activities:				
Capital Assets not depreciated:				
Land	$ 7,565,890	$ 480	$ -	$ 7,566,370
Construction in progress	21,077,838	7,152,700	(20,069,981)	8,160,557
Total assets not depreciated	28,643,728	7,153,180	(20,069,981)	15,726,927
Capital assets depreciated/amortized:				
Buildings and improvements	142,903,190	20,238,501	(769,999)	162,371,692
Furniture and equipment	34,924,421	2,395,996	(5,118,018)	32,202,399
Right-to-use leased equipment	2,649,346	1,049,094	(1,912,202)	1,786,238
Intangible assets - subscriptions	709,580	485,034	(291,720)	902,894
Total assets depreciated/amortized	181,186,537	24,168,625	(8,091,939)	197,263,223
Less accumulated depreciation and amortization:				
Buildings and improvements	(107,403,185)	(3,846,901)	518,254	(110,731,832)
Furniture and equipment	(28,828,977)	(1,875,026)	4,991,596	(25,712,407)
Right-to-use leased equipment	(1,975,084)	(543,867)	1,094,325	(1,424,626)
Intangible assets - Subscriptions	(373,732)	(292,791)	320,694	(345,829)
Total accumulated depreciation and amortization	(138,580,978)	(6,558,585)	6,924,869	(138,214,694)
Total depreciable/amortizable capital assets, net	42,605,559	17,610,040	(1,167,070)	59,048,529
Total governmental activities capital assets, net of depreciation and amortization	$ 71,249,287	$ 24,763,220	$ (21,237,051)	$ 74,775,456

NOTE 8 - CAPITAL ASSETS (CONTINUED)

	Beginning Balance 10/01/2024	Additions	Deletions	Ending Balance 09/30/2025
Business-Type Activities:				
Capital assets not depreciated:				
Land	$ 640,732	$ -	$ -	$ 640,732
Construction in Progress	102,758	94,230	-	196,988
Total capital assets not depreciated	743,490	94,230	-	837,720
Capital assets being depreciated:				
Buildings and improvements	28,961,341	-	(190,314)	28,771,027
Furniture and equipment	608,119	145,609	(96,229)	657,499
Total capital assets being depreciated	29,569,460	145,609	(286,543)	29,428,526
Less accumulated depreciation:				
Buildings and improvements	(16,375,195)	(900,826)	190,314	(17,085,707)
Furniture and equipment	(331,953)	(227,050)	96,229	(462,774)
Total accumulated depreciation	(16,707,148)	(1,127,876)	286,543	(17,548,481)
Total depreciable capital assets, net	12,862,312	(982,267)	-	11,880,045
Total business-type activities capital assets, net of depreciation	$ 13,605,802	$ (888,037)	$ -	$ 12,717,765

Depreciation and amortization costs were charged to functions/ programs as follows:

Governmental activities:

General government	$ 919,502
Court related	35,987
Public safety	3,302,014
Physical environment	245,136
Transportation	472,571
Economic environment	104,811
Culture and recreation	88,692
Human services	1,389,872
Total depreciation cost for governmental activities	$ 6,558,585

Business-type activities:

Water and wastewater depreciation cost	$ 1,127,876

NOTE 9 - LONG-TERM OBLIGATIONS

Governmental Activities - Notes Payable

$267,500 loan to purchase seven vehicles, bearing interest at a rate of 2.65%. The loan requires four annual payments of principal and interest of $71,545 beginning on February 22, 2023 with the final payment due on February 22, 2026. Outstanding balance as of September 30, 2025 is	$ 71,861
$350,000 loan to to purchase two ambulances, bearing interest at a rate of 2.25%. The loan requires four annual payments of principal and interest of $92,477 beginning on June 15, 2023 with the final payment due on June 15, 2026. Outstanding balance as of September 30, 2025 is	92,804
$6,000,000 bank loan to fund capital projects, bearing interest at a rate of 3.65%. The loan is intended to be paid using future local government half-cent sales tax revenues. The loan contract requires semi-annual payments of $435,798. Final payment is due November 2026. Outstanding balance as of September 30, 2025 is	3,341,631
$236,687 loan to purchase one excavator, bearing interest at a rate of 4.25%. The loan requires three annual payments of principal and interest of $85,695 beginning on March 1, 2024 with the final payment due on March 1, 2026. Outstanding balance as of September 30, 2025 is	82,264
$448,000 bank loan for the Country Village MSBU, bearing interest at a rate of 5.66%. The loan contract requires annual payments of principal and interest of $38,098. Final payment is due April 1, 2044. Outstanding balance as of September 30, 2025 is	434,218
$2,950,000 bank loan to the Wheeler Road MSBU, bearing interest at a rate of 5.07%. The loan contract requires annual payments of principal and interest of $213,210. Final payment is due April 15, 2049. Outstanding balance as of September 30, 2025 is	2,895,000
$790,000 loan to to purchase three ambulances, bearing interest at a rate of 5.25%. The loan requires four annual payments of principal and interest of $224,085 beginning on April 8, 2026 with the final payment due on April 8, 2029. Outstanding balance as of September 30, 2025 is	790,000
$480,000 loan to to purchase twelve vehicles, bearing interest at a rate of 5.25%. The loan requires four annual payments of principal and interest of $136,153 beginning on April 8, 2026 with the final payment due on April 8, 2029. Outstanding balance as of September 30, 2025 is	480,000
$339,500 loan to to purchase grading equipment, bearing interest at a rate of 5.00%. The loan requires four annual payments of principal and interest of $95,743 beginning on June 10, 2026 with the final payment due on June 10, 2029. Outstanding balance as of September 30, 2025 is	339,500
$362,000 loan to to purchase a fire tanker, bearing interest at a rate of 5.00%. The loan requires four annual payments of principal and interest of $102,088 beginning on June 10, 2026 with the final payment due on June 10, 2029. Outstanding balance as of September 30, 2025 is	362,000

NOTE 9 - LONG-TERM OBLIGATIONS (CONTINUED)

Governmental Activities - Notes Payable (Contined)

$190,000 loan to to purchase a bucket truck, bearing interest at a rate of 5.25%. The loan requires four annual payments of principal and interest of $53,894 beginning on January 15, 2026 with the final payment due on January 15, 2029. Outstanding balance as of September 30, 2025 is	190,000
Total governmental - notes payable	**9,079,278**

Business Type Activities - Revenue Bonds

Revenue Bonds

The Board issued revenue bonds for business-type activities. The descriptions and balances of the outstanding revenue bonds as of September 30, 2025, were as follows:

$5,492,600 Hendry County, Water and Sewer System Revenue Bonds, Series 2021, bearing interest of 2.24% payable on September 1, 2022 and annually thereafter on September 1, with principal maturing from September 1, 2023 to September 1, 2036.	4,139,800
Total business-type - revenue bonds payable	**4,139,800**

The annual debt service requirements for Governmental Activitiy-Notes Payable and Business-Type Activity-Revenue Bonds Payable at September 30. 2025, were as follows:

	Government Activities Notes Payable		Business-type Activities Revenue Bonds Payable		Total	
Fiscal Year(s)	Principal	Interest	Principal	Interest	Principal	Interest
2026	4,167,998	301,187	357,800	92,732	4,525,798	393,919
2027	609,723	167,532	365,300	84,717	975,023	252,249
2028	641,443	163,192	373,900	76,534	1,015,343	239,726
2029	675,120	158,627	381,500	68,159	1,056,620	226,786
2030	97,483	153,825	390,200	59,613	487,683	213,438
2031	102,535	148,773	398,800	50,873	501,335	199,646
2032	107,848	143,460	408,500	41,940	516,348	185,400
2033	113,438	137,870	417,200	32,789	530,638	170,659
2034	119,318	131,990	426,900	23,444	546,218	155,434
2035-2039	696,062	560,479	619,700	17,983	1,315,762	578,462
2040-2044	896,319	360,222	-	-	896,319	360,222
2045-2049	851,991	125,300	-	-	851,991	125,300
Total	$ 9,079,278	$ 2,552,457	$ 4,139,800	$ 548,784	$ 13,219,078	$ 3,101,241

NOTE 9 - LONG-TERM OBLIGATIONS (CONTINUED)

Changes in bonded and other indebtedness of the Board for the year ended September 30, 2025, was as follows:

	Governmental Activities				
	Beginning Balance 10/1/2024	Additions	Reductions	Ending Balance 9/30/2025	Due Within One Year
Notes Payable	$ 7,907,562	$ 2,208,300	$ (1,036,584)	$ 9,079,278	$ 4,167,998
Lease Liability	1,590,075	1,049,094	(861,414)	1,777,755	532,111
Subscription Liability	400,716	485,034	(515,337)	370,413	165,543
Other Post Employment Benefits	3,709,944	352,401	-	4,062,345	-
FRS Pension Liability	28,909,354		(3,608,165)	25,301,189	-
HIS Liability	7,826,301	-	(589,062)	7,237,239	-
Compensated Absences*	3,473,752	917,466	-	4,391,218	-
Total governmental activities long-term liabilities	$ 53,817,704	$ 5,012,295	$ (6,610,562)	$ 52,219,437	$ 4,865,652

	Business-Type Activities Port LaBelle Utility Systems				
	Beginning Balance 10/1/2024	Additions	Reductions	Ending Balance 9/30/2025	Due Within One Year
Revenue Bonds Payable	$ 4,489,100	$ -	$ (349,300)	$ 4,139,800	$ 357,800
Other Post Employment Benefits	255,927	24,310	-	280,237	-
FRS Pension liability	2,023,027		(269,082)	1,753,945	-
HIS Liability	555,923		(54,219)	501,704	-
Compensated Absences	64,759	-	(3,013)	61,746	-
Total business-type activities long-term liabilities	$ 7,388,736	$ 24,310	$ (675,614)	$ 6,737,432	$ 357,800

*The beginning balances of compensated absences have been restated due to implementation of GASB 101, *Compensated Absences.*

NOTE 10 - LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

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

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

NOTE 11 - COMMITMENTS & CONTINGENCIES

Contingencies

Grants and Assistance

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

Litigation

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

NOTE 12 - RETIREMENT PLAN

Florida Retirement System:

General Information - All of the employees of the primary government participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan (“Pension Plan”) and the Retiree Health Insurance Subsidy (“HIS Plan”).

NOTE 12 - RETIREMENT PLAN (CONTINUED)

Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan ("Investment Plan") alternative to the FRS Pension Plan, which is administered by the State Board of Administration ("SBA"). As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida State Legislature.

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

Pension Plan

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

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

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

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

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

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

Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least six years of credited service, or with 25 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service.

NOTE 12 - RETIREMENT PLAN (CONTINUED)

Pension Plan (continued)

Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service. Elected Officers' class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% (3.33% for judges and justices) of their final average compensation based on the five highest years of salary for each year of credited service.

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

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

In addition to the above benefits, the DROP program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with a FRS employer for a period not to exceed 96 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants.

Contributions – Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of July 1 of each year.

The employer contribution rates by job class for the periods from October 1, 2024 through June 30, 2025 and July 1, 2025 through September 30, 2025, respectively, were as follows: regular 13.63% and 14.03%; county elected officers 58.68% and 54.57%; senior management 34.52% and 33.24%; special risk 32.79% and 35.19%; special risk administration 39.82% and 39.48%; and DROP participants 21.13% and 22.02%.

The County's contributions to the Pension Plan totaled $4,862,183 for the fiscal year ended September 30, 2025.

NOTE 12 - RETIREMENT PLAN (CONTINUED)

Pension Plan (continued)

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2025, the County reported a liability of $27,055,134 for its proportionate share of the Pension Plan's net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2025. The County's proportionate share of the net pension liability was based on the County's 2024-25 fiscal year contributions relative to the 2023-24 fiscal year contributions of all participating members. At June 30, 2025, the County's proportionate share was 0.08718%, which was a increase of 0.00722% from its proportionate share measured as of June 30, 2024.

For the fiscal year ended September 30, 2025, the County recognized pension (benefit) of ($6,030,243), excluding HIS. In addition the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 2,889,773	$ -
Change of assumptions	3,141,804	-
Net difference between projected and actual earnings on Pension Plan investments	-	(4,517,129)
Changes in proportion and differences between County Pension Plan contributions and proportionate share of contributions	3,953,495	(514,128)
County Pension Plan contributions subsequent to the measurement date	1,476,462	-
Total	$ 11,461,534	$ (5,031,257)

The deferred outflows of resources related to the Pension Plan, totaling $1,476,462 resulting from County contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30:	Amount
2026	$ 5,293,737
2027	349,810
2028	(221,201)
2029	(468,531)
Thereafter	-

NOTE 12 - RETIREMENT PLAN (CONTINUED)

Pension Plan (continued)

Actuarial Assumptions – The total pension liability in the July 1, 2025 actuarial valuation was determined using the following actuarial assumption, applied to all periods included in the measurement:

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

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

The actuarial assumptions used in the July 1, 2025, valuation were based on the results of an actuarial experience study for the period July 1, 2018 through June 30, 2023.

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

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

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual Return	Standard Deviation
Cash	1.0%	3.2%	3.2%	1.1%
Fixed income	29.0%	5.5%	5.4%	4.0%
Global equity	45.0%	8.5%	6.9%	18.3%
Real estate (property)	12.0%	8.4%	7.1%	16.8%
Private equity	11.0%	12.4%	8.8%	28.4%
Strategic investments	2.0%	6.5%	6.1%	8.7%
Total	100.0%			
Assumed Inflation - Mean			2.4%	1.5%

NOTE 12 - RETIREMENT PLAN (CONTINUED)

Pension Plan (continued)

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

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

	1%, Decrease (5.70%)	Discount Rate (6.70%)	1% Increase (7.70%)
County's proportionate share of the net pension liability/(asset)	$ 53,095,283	$ 27,055,134	$ 5,223,450

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

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

HIS Plan

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

Benefits Provided – For the fiscal year ended September 30, 2025, eligible retirees and beneficiaries received a monthly HIS payment of $7 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $45 and a maximum HIS payment of $225 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

NOTE 12 - RETIREMENT PLAN (CONTINUED)

HIS Plan (continued)

Contributions – The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2025, the HIS contribution was 2.00% of payroll. The County contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation.

In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits mav be reduced or cancelled.

The County's contributions to the HIS Plan totaled $556,584 for the fiscal year ended September 30, 2025.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At September 30, 2025, the County reported a liability of $7,738,944 for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2025. The County's proportionate share of the net pension liability was based on the County's 2024-25 fiscal year contributions relative to the 2023-24 fiscal year contributions of all participating members. At June 30, 2025, the County's proportionate share was 0.06038%, which was an increase of 0.00376% from its proportionate share measured as of June 30, 2025.

For the fiscal year ended September 30, 2025, the County recognized HIS expense (benefit) of ($176,799). In addition the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 46,196	$ (12,276)
Change of assumptions	68,498	(1,871,852)
Net difference between projected and actual earnings on HIS Plan investments	-	(6,441)
Changes in proportion and differences between County HIS Plan contributions and proportionate share of contributions	1,040,048	(148,973)
County HIS Plan contributions subsequent to the measurement date	142,566	-
Total	$ 1,297,308	$ (2,039,542)

NOTE 12 - RETIREMENT PLAN (CONTINUED)

HIS Plan (continued)

The deferred outflows of resources related to the HIS Plan, totaling $142,565 resulting from County contributions to the HIS Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the HIS Plan will be recognized in pension expense as follows:

Fiscal Year Ending September 30:	Amount
2026	$ (172,086)
2027	(261,385)
2028	(196,363)
2029	(150,659)
2030	(104,307)
Thereafter	-

Actuarial Assumptions – The total pension liability in the July 1, 2025 actuarial valuation was determined using the following actuarial assumption, applied to all periods included in the measurement:

Inflation	2.40%
Salary increases	3.50%, average, including inflation
Discount rate	5.20%

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

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

Discount Rate – The discount rate used to measure the total pension liability was 5.20%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

NOTE 12 - RETIREMENT PLAN (CONTINUED)

HIS Plan (continued)

Sensitivity of the County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate – The following represents the County's proportionate share of the net pension liability calculated using the discount rate of 5.20%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (4.20%) or one percentage point higher (6.20%) than the current rate:

	1%, Decrease (4.20%)	Discount Rate (5.20%)	1% Increase (6.20%)
County's proportionate share of the net pension liability	8,726,904	$ 7,738,943	$ 6,910,358

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

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

SUMMARY

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

	FRS Plan	HIS Plan	Total
Net pension liability	$ 27,055,134	$ 7,738,943	$ 34,794,077
Deferred outflows of resources related to pensions	11,461,534	1,297,308	12,758,842
Deferred inflows of resouces related to pensions	(5,031,257)	(2,039,542)	(7,070,799)
Pension expense	(1,779,146)	(121,903)	(1,901,049)

FRS - Defined Contribution Pension Plan

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

NOTE 12 - RETIREMENT PLAN (CONTINUED)

FRS - Defined Contribution Pension Plan (continued)

As provided in Section 121.4501, *Florida Statutes,* eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Board employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the Pension Plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll and by forfeited benefits of plan members. Allocations to the investment member's accounts during the 2021-22 fiscal year, as established by Section 121.72, *Florida Statutes,* are based on a percentage of gross compensation, by class. The allocation include a required employee contribution of 3% of gross compensation for each member class.

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2024, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the County.

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

The County’s Investment Plan contributions totaled $1,390,855 for the fiscal year ended September 30, 2025.

NOTE 13 - RISK MANAGEMENT

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

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

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

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

NOTE 14 - OTHER POST-EMPLOYMENT BENEFITS

Implementation of New GASB Statement

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

County OPEB Plan Description

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

Participant Count

As of September 30, 2025, membership consisted of:

Active Employees	492
Retired Participants (plus covered spouses)	68
Total Participants:	560

NOTE 14 - OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Participant Averages

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

Net OPEB Liability Assumptions

The County's net OPEB liability was measured as of September 30, 2025, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of October 1, 2024.

The total OPEB liability in the October 1, 2024 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Interest Rate:	
Discount Rate	4.56%
Municipal Bond Rate	4.56%
Inflation	2.50% per year

Mortality rates were based on the PUB-2010 Public Retirement Plans General mortality table projected generationally with IRS Adjusted Scale MP-2021 for the Regular Class and Elected Officials and PUB-2010 Public Retirement Safety mortality table projected generationally with IRS 2024 Adjusted Scale MP-2021 for the Special Risk Class.

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

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

Actuarial Standards of Practice

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

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

NOTE 14 - OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Actuarial Standards of Practice, (Continued)

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

Changes in the Net OPEB Liability

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Beginning Balances	$ 3,965,871	$ -	$ 3,965,871
Changes for the year:			
Service cost	396,048	-	396,048
Interest on the total OPEB liability	169,090	-	169,090
Employer contributions	-	74,730	(74,730)
Changes in assumptions	(113,697)	-	(113,697)
Benefit payments	(74,730)	(74,730)	-
Net Changes	376,711	-	376,711
Ending Balances	$ 4,342,582	$ -	$ 4,342,582

Sensitivity of the Net OPEB Liability

Impact of change in Discount Rate

The following presents the net OPEB liability of the County, calculated using the discount rate of 4.56%, as well as what the County's net OPEB liability would be if it were calculated using a discount rate that is 1% lower (3.56%) or 1% higher (5.56%) than the current rate:

	1% Decrease (3.56%)	Current Discount Rate (4.56%)	1% Increase (5.56%)
Net OPEB Liability	$ 5,033,851	$ 4,342,582	$ 3,776,436

NOTE 14 - OTHER POST-EMPLOYMENT BENEFITS (CONTINUED)

Sensitivity of the Net OPEB Liability (continued)

Impact of change in Healthcare Trend Rates

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

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Net OPEB Liability	$ 3,876,706	$ 4,342,582	$ 4,918,548

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

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

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 314,148	$ (773,442)
Change in assumptions	547,583	(1,149,016)
	$ 861,731	$ (1,922,458)

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

Year ended September 30:	**Amounts**
2026	$ (320,502)
2027	(320,498)
2028	(300,731)
2029	(304,515)
2030	96,007
Thereafter	89,512

NOTE 15-SUBSCRIPTION LIABILITIES

During fiscal year 2025, the County had 4 subscription agreements. The County is required to make annual principal and interest payments based on the subscription annual interest rate of 3%. The duration of the subscriptions is between 5 and 60 months, including extension options likely to be exercised by both parties. At the end of the fiscal year, the subscription liability was $370,413.

	Principal and Interest Requirements to Maturity Governmental Activities		
Fiscal Year Ending September 30:	Principal Payments	Interest Payments	Total Payments
2026	$ 165,543	$ 10,340	$ 175,883
2027	95,039	6,232	101,271
2028	97,920	3,349	101,269
2029	11,911	362	12,273
Total	$ 370,413	$ 20,283	$ 390,696

NOTE 16 - LEASES

The County is a lessor for noncancellable leases of land and buildings and a lessee for noncancellable leases of vehicles and equipment. The County accounts for leases in accordance with Governmental Accounting Standards Board (GASB) Statement No. 87, *Leases.* Under this guidance, a lessee recognizes a lease liability and a corresponding intangible right-to-use asset at the commencement of a lease. A lessor recognizes a lease receivable and a corresponding deferred inflow of resources at the commencement of a lease.

Leases Receivable

At the commencement of a lease, the County measures the lease receivable at the present value of lease payments expected to be received over the lease term. The lease receivable is subsequently reduced as principal payments are received. The deferred inflow of resources is initially measured equal to the lease receivable, adjusted for any lease payments received at or before the commencement date, and is recognized as lease revenue over the lease term.

As of September 30, 2025, the County had 13 active leases as lessor for land and buildings. Lease expiration dates range from January 2023 through April 2062. The lease receivable balance at September 30, 2025, was $902,611.

NOTE 16 - LEASES, CONTINUED

Lease Liabilities

The County recognizes a lease liability and an intangible right-to-use lease asset in the government-wide financial statements, as applicable. The County recognizes lease liabilities with an initial, individual value of $10,000 or more. At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured as the initial amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over the term of the lease.

During Fiscal Year 2025, the County had 95 active leases as Lessee of vehicles and equipment. The County is required to make annual variable principal and interest payments based on the lese annual interest rate in the range of 2% to 4%. The duration of the County leases is between 6 and 60 months. At the end of the fiscal year the lease liability was recorded in the amount of $1,777,755.

	Principal and Interest Requirements to Maturity Governmental Activities		
Fiscal Year Ending September 30:	Principal Payments	Interest Payments	Total Payments
2026	$ 532,111	$ 94,005	$ 626,116
2027	452,156	69,327	521,483
2028	422,826	44,379	467,205
2029	266,252	21,451	287,703
2030	104,410	3,909	108,319
Total	$ 1,777,755	$ 233,071	$ 2,010,826

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NOTE 17 - RESTATEMENT

The County implemented GASB Statement No. 101, *Compensated Absences,* during fiscal year 2025. As required by the Statement, beginning net position was restated to recognize the cumulative effect of applying the new accounting standard. Implementation of GASB Statement No. 101 increased the County's compensated absences liability and decreased beginning net position by $949,377 for governmental activities.

During the fiscal year 2025 year-end closing and reconciliation process, management identified prior-period errors affecting business-type activities. Assessment receivables were understated by $1,660,578, resulting in an understatement of accounts receivable and beginning net position. Management also determined that investments were understated by $3,145,239, resulting in an understatement of investments and beginning net position. The cumulative effect of these prior-period error corrections increased beginning net position for business-type activities by $4,805,817.

The effects of these restatements on beginning net position are summarized below:

	Governmental Activities	Business-Type Activities
Beginning net position, as previously reported	$ 64,695,753	$ 18,503,742
Implementation of GASB Statement No. 101	(949,377)	-
Correction of prior-period error	-	4,805,817
Beginning net position, as restated	$ 63,746,376	$ 23,309,559

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REQUIRED SUPPLEMENTARY INFORMATION

HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
COMBINING SCHEDULE - BALANCE SHEET
GENERAL FUND
As of September 30, 2025

	Board of County Commissioners	Clerk of Circuit Court	Property Appraiser	Sheriff
Assets				
Cash and investments	$ 6,897,389	$ 847,749	$476,065	$ 282,841
Prepaid expenses	-	29,148	-	-
Receivables (net)	382,325	3,553	-	16,994
Due from other governments	1,876,975	62,340	-	973,429
Due from other funds	1,987,141	51,247	-	-
Total assets	$ 11,143,830	$ 994,037	$476,065	$ 1,273,264
Liabilities, deferred inflows of resources and fund balances				
Liabilities				
Accounts payable	$ 977,144	$ 13,304	$ 275	$ 695,493
Accrued liabilities	243,211	54,946	28,531	571,112
Due to other funds	112,408	-	-	-
Due to other governments	-	925,687	447,259	-
Unearned revenue	12,809	-	-	6,659
Other liabilities	193,688	100	-	-
Total liabilities	1,539,260	994,037	476,065	1,273,264
Deferred inflows of resources				
Deferred lease proceeds	241,944	-	-	-
Fund balances				
Unassigned	9,362,626	-	-	-
Total fund balances	9,362,626	-	-	-
Total liabilities, deferred inflows of resources and fund balances	$ 11,143,830	$ 994,037	$476,065	$ 1,273,264

Supervisor of Elections	Tax Collector	Total
$ 122,352	$ 461,863	$ 9,088,259
-	4,798	33,946
-	-	402,872
-	54,953	2,967,697
-	-	2,038,388
$ 122,352	$ 521,614	$ 14,531,162
3,361	$ 6,513	$ 1,696,090
-	37,202	935,002
-	-	112,408
118,991	477,899	1,969,836
-	-	19,468
-	-	193,788
122,352	521,614	4,926,592
-	-	241,944
-	-	9,362,626
-	-	9,362,626
$ 122,352	$ 521,614	$ 14,531,162

HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GENERAL FUND
As of September 30, 2025

	Board of County Commissioners	Clerk of Circuit Court	Property Appraiser	Sheriff
REVENUES				
Taxes	$ 28,239,816	$ -	$ -	$ -
Licenses and permits	237,156	-	-	-
Intergovernmental	11,746,793	116,547	-	1,902,074
Charges for services	3,563,380	1,418,010	1,881,611	1,322,554
Fines and Forfeitures	-	-	-	-
Miscellaneous	1,166,782	119,251	16,340	306,961
Total revenues	44,953,927	1,653,808	1,897,951	3,531,589
EXPENDITURES				
Current				
General government	8,172,986	1,731,856	1,444,005	-
Court related	563,658	1,394,122	-	1,140,776
Public safety	8,385,464	-	-	22,545,039
Physical environment	843,820	-	-	-
Economic environment	610,880	-	-	-
Culture and recreation	243,240	-	-	-
Human services	2,201,962	-	-	-
Capital outlay				
General government	493,025	-	6,687	-
Public safety	957,211	-	-	1,543,054
Physical environment	-	-	-	-
Debt service				
Principal retirement	1,040,420	-	-	745,978
Interest and fiscal charges	138,251	-	-	37,087
Total expenditures	23,650,917	3,125,978	1,450,692	26,011,934
Excess (deficiencies) of revenues over (under) expenditures	21,303,010	(1,472,170)	447,259	(22,480,345)
OTHER FINANCING SOURCES (USES)				
Issuance of debt	1,316,800	-	-	-
Issuance of lease/subscription agreements	414,245	-	-	1,049,094
Sale of capital assets	-	-	-	27,138
Transfers in	2,142,590	1,956,287	-	21,404,113
Transfers out	(25,396,890)	(484,117)	(447,259)	-
Total other financing sources (uses)	(21,523,255)	1,472,170	(447,259)	22,480,345
Net change in fund balances	(220,245)	-	-	-
Fund balances - October 1, 2024	9,582,871	-	-	-
Fund balances - September 30, 2025	$ 9,362,626	$ -	$ -	$ -

Supervisor of Elections	Tax Collector	Total
$ -	$ -	$ 28,239,816
-	-	237,156
-	-	13,765,414
-	2,699,606	10,885,161
-	-	-
16,854	25,632	1,651,820
16,854	2,725,238	54,779,367
749,034	2,306,648	14,404,529
-	-	3,098,556
-	-	30,930,503
-	-	843,820
-	-	610,880
-	-	243,240
-	-	2,201,962
-	11,480	511,192
-	-	2,500,265
-	-	-
-	-	1,786,398
-	-	175,338
749,034	2,318,128	57,306,683
(732,180)	407,110	(2,527,316)
-	-	1,316,800
-	70,789	1,534,128
-	-	27,138
851,171	-	26,354,161
(118,991)	(477,899)	(26,925,156)
732,180	(407,110)	2,307,071
-	-	(220,245)
-	-	9,582,871
$ -	$ -	$ 9,362,626

HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND
As of September 30, 2025

	Board of County Commissioners		Clerk of Circuit Court	
	Final Budget	Actual	Final Budget	Actual
REVENUES				
Taxes	$ 26,201,175	$ 28,239,816	$ -	$ -
Licenses and permits	173,813	237,156	-	-
Intergovernmental	11,903,582	11,746,793	-	116,547
Charges for services	2,739,202	3,563,380	1,438,886	1,418,010
Fines and Forfeitures	-	-	-	-
Miscellaneous	893,592	1,166,782	46,660	119,251
Total revenues	41,911,364	44,953,927	1,485,546	1,653,808
EXPENDITURES				
General government	7,601,073	8,172,986	1,956,287	1,731,856
Court related	498,326	563,658	1,485,546	1,394,122
Public safety	6,096,636	8,385,464	-	-
Physical environment	629,689	843,820	-	-
Economic environment	415,769	610,880	-	-
Culture and recreation	168,234	243,240	-	-
Human services	1,688,472	2,201,962	-	-
Capital outlay				
General government	175,848	493,025	-	-
Public safety	34,233	957,211	-	-
Physical environment	-	-	-	-
Debt Service				
Principal retirement	1,011,841	1,040,420	-	-
Interest and fiscal charges	166,830	138,251	-	-
Contingency	-	-	-	-
Total expenditures	18,486,951	23,650,917	3,441,833	3,125,978
Excess (deficiencies) of revenues over (under) expenditures	23,424,413	21,303,010	(1,956,287)	(1,472,170)
OTHER FINANCING SOURCES (USES)				
Issuance of debt	156,000	1,316,800	-	-
Issuance of lease agreements	-	414,245	-	-
Sale of capital assets	-	-	-	-
Transfers in	2,640,844	2,142,590	1,956,287	1,956,287
Transfers out	(24,966,239)	(25,396,890)	-	(484,117)
Total other financing sources (uses)	(22,169,395)	(21,523,255)	1,956,287	1,472,170
Net change in fund balances	1,255,018	(220,245)	-	-
Fund balances - October 1, 2024	7,127,961	9,582,871	-	-
Fund balances - September 30, 2025	$ 8,382,979	$ 9,362,626	$ -	$ -

Property Appraiser		Sheriff		Supervisor of Elections	
Final Budget	Actual	Final Budget	Actual	Final Budget	Actual
$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-
-	-	2,086,084	1,902,074	-	-
1,881,611	1,881,611	1,543,354	1,322,554	-	-
-	-	-	-	-	-
-	16,340	55,361	306,961	-	16,854
1,881,611	1,897,951	3,684,799	3,531,589	-	16,854
1,874,924	1,444,005	-	-	826,380	749,034
-	-	491,067	1,140,776	-	-
-	-	22,912,666	22,545,039	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
6,687	6,687	-	-	-	-
-	-	977,890	1,543,054	-	-
-	-	-	-	-	-
-	-	333,400	745,978	-	-
-	-	-	37,087	-	-
-	-	50,000	-	-	-
1,881,611	1,450,692	24,765,023	26,011,934	826,380	749,034
-	447,259	(21,080,224)	(22,480,345)	(826,380)	(732,180)
-	-	-	-	-	-
-	-	-	1,049,094	-	-
-	-	27,138	27,138	-	-
-	-	21,053,086	21,404,113	826,380	851,171
-	(447,259)	-	-	-	(118,991)
-	(447,259)	21,080,224	22,480,345	826,380	732,180
-	-	-	-	-	-
-	-	-	-	-	-
$ -	$ -	$ -	$ -	$ -	$ -

HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
GENERAL FUND, NON-GAAP BASIS (CONTINUED)
As of September 30, 2025

	Tax Collector		Total		
	Final Budget	Actual	Final Budget	Actual	Variance - Positive (Negative)
REVENUES					
Taxes	$ -	$ -	$ 26,201,175	$ 28,239,816	$ 2,038,641
Licenses and permits	-	-	173,813	237,156	63,343
Intergovernmental	-	-	13,989,666	13,765,414	(224,252)
Charges for services	2,447,994	2,699,606	10,051,047	10,885,161	834,114
Fines and Forfeitures	-	-	-	-	-
Miscellaneous	-	25,632	995,613	1,651,820	656,207
Total revenues	2,447,994	2,725,238	51,411,314	54,779,367	3,368,053
EXPENDITURES					
General government	2,436,514	2,306,648	14,695,178	14,404,529	290,649
Court related	-	-	2,474,939	3,098,556	(623,617)
Public safety	-	-	29,009,302	30,930,503	(1,921,201)
Physical environment	-	-	629,689	843,820	(214,131)
Economic environment	-	-	415,769	610,880	(195,111)
Culture and recreation	-	-	168,234	243,240	(75,006)
Human services	-	-	1,688,472	2,201,962	(513,490)
Capital outlay					
General government	11,480	11,480	194,015	511,192	(317,177)
Public safety	-	-	1,012,123	2,500,265	(1,488,142)
Physical environment	-	-	-	-	-
Debt Service					
Principal retirement	-	-	1,345,241	1,786,398	(441,157)
Interest and fiscal charges	-	-	166,830	175,338	(8,508)
Contingency	-	-	50,000	-	50,000
Total expenditures	2,447,994	2,318,128	51,849,792	57,306,683	(5,456,891)
Excess (deficiencies) of revenues over (under) expenditures	-	407,110	(438,478)	(2,527,316)	(2,088,838)
OTHER FINANCING SOURCES (USES)					
Issuance of debt	-	-	156,000	1,316,800	1,160,800
Issuance of lease agreements	-	70,789	-	1,534,128	1,534,128
Sale of capital assets	-	-	27,138	27,138	-
Transfers in	-	-	26,476,597	26,354,161	(122,436)
Transfers out	-	(477,899)	(24,966,239)	(26,925,156)	(1,958,917)
Total financing sources (uses)	-	(407,110)	1,693,496	2,307,071	613,575
Net change in fund balances	-	-	1,255,018	(220,245)	(1,475,263)
Fund balances - October 1, 2024	-	-	7,127,961	9,582,871	2,454,910
Fund balances - September 30, 2025	$ -	$ -	$ 8,382,979	$ 9,362,626	$ 979,647

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HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2025

	Special Revenue Funds						
	Law Enforcement Trust	Section 8 Housing	Court Technology Fund	SHIP Local Affordable Housing	Emergency 911	Port Labelle Street Lighting District	East Hendry County Drainage District
Assets							
Cash and cash equivalents	$ 36,322	$ 312,484	$ 82,908	$ 581,104	$ 24,599	$ 58,637	$ 435,817
Prepaid expense	-	-	-	-	-	-	-
Receivables (net)	-	4,890	-	1,708	-	-	-
Due from other governments	-	-	9,234	-	109,054	-	-
Due from other funds	-	-	1,073	-	2	-	-
Total assets	$ 36,322	$ 317,374	$ 93,215	$ 582,812	$ 133,655	$ 58,637	$ 435,817
Liabilities, deferred inflows of resources and fund balances							
Liabilities							
Accounts payable	$ -	$ 1,179	$ 50,113	$ 59	$ 1,947	$ 5,969	$ 3,529
Accrued liabilities	-	525	1,304	925	917	-	-
Due to other funds	-	-	-	-	32,179	2,165	2,112
Unearned revenue	-	-	-	499,358	-	-	-
Other liabilities	-	-	-	5,400	-	-	-
Total liabilities	-	1,704	51,417	505,742	35,043	8,134	5,641
Deferred inflows of resources							
Deferred lease proceeds	-	-	-	-	-	-	-
Fund balances							
Restricted	36,322	315,670	41,798	77,070	98,612	50,503	430,176
Total fund balances (deficits)	36,322	315,670	41,798	77,070	98,612	50,503	430,176
Total liabilities, deferred inflows of resources and fund balances	$ 36,322	$ 317,374	$ 93,215	$ 582,812	$ 133,655	$ 58,637	$ 435,817

Special Revenue Funds								
East Hendry County Fire District	West Hendry County Fire District	Mid-County MSBU	East Hendry County Recreational MSBU	West Hendry County Recreational MSBU	Airport Sears MSBU	Felda MSBU	North Labelle MSBU	Four Corners MSBU
$ 875,731	$ 1,932,417	$ 482,242	$ 24,681	$ 280,325	$ 1,591,841	$ 447,849	$ 401,815	$ 17,763
-	-	-	-	-	-	-	-	-
-	-	48	-	-	-	-	-	-
204	166	-	130	39,870	-	-	-	-
-	-	-	1,462	-	-	-	-	-
$ 875,935	$ 1,932,583	$ 482,290	$ 26,273	$ 320,195	$ 1,591,841	$ 447,849	$ 401,815	$ 17,763
$ 66,848	$ 15,689	$ -	$ 9,735	$ 55	$ 1,105	$ -	$ 523	$ 6,338
10,942	6,407	-	3,629	10,231	-	-	-	-
140,069	21,620	7,329	17,355	11,550	6,026	3,076	3,730	3,428
-	-	-	-	-	-	-	-	-
8,275	-	-	2,467	-	-	-	-	-
226,134	43,716	7,329	33,186	21,836	7,131	3,076	4,253	9,766
-	-	-	-	-	-	-	-	-
649,801	1,888,867	474,961	(6,913)	298,359	1,584,710	444,773	397,562	7,997
649,801	1,888,867	474,961	(6,913)	298,359	1,584,710	444,773	397,562	7,997
$ 875,935	$ 1,932,583	$ 482,290	$ 26,273	$ 320,195	$ 1,591,841	$ 447,849	$ 401,815	$ 17,763

HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2025

	Special Revenue Funds						
	Wheeler Road MSBU	Hooker's Point Lighting	Mosquito Control	Phillips Road MSBU	Sky Valley MSBU	LaBelle Airport Fund	Property Appraiser
Assets							
Cash and cash equivalents	$ 403,644	$ 40,457	$ 759,306	$ 1,803	$ 52,748	$ (23,302)	$ 240,094
Prepaid expenses	-	-	-	-	-	-	-
Receivables (net)	-	-	34,207	-	-	239,175	-
Due from other governments	43	-	187	-	-	219,331	-
Due from other funds	-	-	2,374	-	-	4,104	-
Total assets	$ 403,687	$ 40,457	$ 796,074	$ 1,803	$ 52,748	$ 439,308	$ 240,094
Liabilities, deferred inflows of resources and fund balances							
Liabilities							
Accounts payable	$ 8	$ 1,030	$ 141,965	$ -	$ 313	$ 54,675	$ -
Accrued liabilities	-	-	-	-	-	1,844	-
Due to other funds	7,351	1,460	19,147	1,478	1,456	19,399	-
Unearned revenue	-	-	-	-	-	-	-
Other liabilities	-	-	3,505	-	-	51,502	-
Total liabilities	7,359	2,490	164,617	1,478	1,769	127,420	-
Deferred inflows of resources							
Deferred lease proceeds	-	-	32,685	-	-	188,089	-
Fund balances							
Restricted	396,328	37,967	598,772	325	50,979	123,799	240,094
Total fund balances (deficits)	396,328	37,967	598,772	325	50,979	123,799	240,094
Total liabilities, deferred inflows of resources and fund balances	$ 403,687	$ 40,457	$ 796,074	$ 1,803	$ 52,748	$ 439,308	$ 240,094

Special Revenue Funds								
Clerk of Circuit Court's Modernization Trust Fund	Documentary Stamps & Intangible Tax	Sheriff's Gun Range Fund	Sheriff's Training Fund	Sheriff's Equitable Sharing Program Fund	Sheriff's Commissary	Airglades Airport Fund	Seven K Estates MSBU	Murray Road MSBU
$ 373,817	$ -	$ 3,599	$ 30,299	$ 2,877	$ 1,240,894	$ (1,125,041)	$ 6,541	$ (37,488)
2,000	-	-	-	-	-	-	-	-
-	-	-	-	-	24,397	252,342	-	-
2,423	-	-	-	-	-	2,384,425	-	-
-	-	-	-	-	-	5,822	-	-
$ 378,240	$ -	$ 3,599	$ 30,299	$ 2,877	$ 1,265,291	$ 1,517,548	$ 6,541	$ (37,488)
$ 200	$ -	$ -	$ -	$ -	$ 116,871	$ 459,058	$ -	$ -
-	-	-	-	-	-	809	-	-
-	-	-	-	-	-	59,857	1,443	1,454
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	83,243	-	-
200	-	-	-	-	116,871	602,967	1,443	1,454
-	-	-	-	-	-	219,816	-	-
378,040	-	3,599	30,299	2,877	1,148,420	694,765	5,098	(38,942)
378,040	-	3,599	30,299	2,877	1,148,420	694,765	5,098	(38,942)
$ 378,240	$ -	$ 3,599	$ 30,299	$ 2,877	$ 1,265,291	$ 1,517,548	$ 6,541	$ (37,488)

HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
COMBINING BALANCE SHEET (CONTINUED)
NONMAJOR GOVERNMENTAL FUNDS
September 30, 2025

	Special Revenue Funds						
	Building Department	Country Village MSBU	Community Health Resource	Line of Credit Projects	Impact Fees Zone One	Impact Fees Zone Two	Impact Fees Zone Three
Assets							
Cash and cash equivalents	$ 3,170,243	$ (23,874)	$ 524,181	$ -	$ 501,284	$ 290,476	$ 13,492
Prepaid expense	-	-		-	-	-	-
Receivables (net)	-	-	-	-	-	-	-
Due from other governments	601	-	-	-	-	-	-
Due from other funds	12,088	-	-	-	-	-	-
Total assets	$ 3,182,932	$ (23,874)	$ 524,181	$ -	$ 501,284	$ 290,476	$ 13,492
Liabilities, deferred inflows of resources and fund balances							
Liabilities							
Accounts payable	$ 93,675	$ -	$ -	$ -	$ -	$ -	$ -
Accrued liabilities	18,817	-	-	-	-	-	-
Due to other funds	70,575	2,134	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-
Other liabilities	185	-	-	-	324,126	193,101	8,880
Total liabilities	183,252	2,134	-	-	324,126	193,101	8,880
Deferred inflows of resources							
Deferred lease proceeds	-	-	-	-	-	-	-
Fund balances							
Restricted	2,999,680	(26,008)	524,181	-	177,158	97,375	4,612
Total fund balances (deficits)	2,999,680	(26,008)	524,181	-	177,158	97,375	4,612
Total liabilities, deferred inflows of resources and fund balances	$ 3,182,932	$ (23,874)	$ 524,181	$ -	$ 501,284	$ 290,476	$ 13,492

Special Revenue Funds				Capital Projects Fund	
School Zone Enforcement	Insurance	Building Repairs & Improvements	LaBelle Acres MSBU	Capital Projects	Total Non-Major Governmental Funds
$ 34,698	$ 2,458	$ 237,161	$ 27,307	$ 1,807,235	$ 20,030,201
-	-	-	-	-	2,000
-	-	123,648	-		680,598
3,012	-	-	-	726,216	3,630,384
-	-	-	-	1,029	29,416
$ 37,710	$ 2,458	$ 360,809	$ 27,307	$ 2,534,480	$ 24,372,599
$ 14,753	$ 359,126	$ 48,957	$ 1	$ 33,791	$ 1,865,102
-	-	-	-	-	58,056
-	-	5,940	-	-	529,927
-	-	-	-	-	499,358
-	-	-	-	8,904	689,588
14,753	359,126	54,897	1	42,695	3,642,031
-	-	109,687	-	-	550,277
22,957	(356,668)	196,225	27,306	2,491,785	20,180,291
22,957	(356,668)	196,225	27,306	2,491,785	20,180,291
$ 37,710	$ 2,458	$ 360,809	$ 27,307	$ 2,534,480	$ 24,372,599

HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2025

	Special Revenue Funds						
	Law Enforcement Trust	Section 8 Housing	Court Technology Fund	SHIP Local Affordable Housing	Emergency 911	Port Labelle Street Lighting District	East Hendry County Drainage District
REVENUES							
Taxes	$ -	$ -	$ -	$ -	$ -	$ 56,956	$ 41,384
Impact fees	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	957,878	-	430,122	199,815	-	-
Charges for services	-	32,672	86,602	2,231	235,668	-	-
Fines and forfeitures	-	-	-	-	-	-	-
Miscellaneous	-	1,269	3,912	41,801	(1,720)	125	19,447
Total revenues	-	991,819	90,514	474,154	433,763	57,081	60,831
EXPENDITURES							
Current							
General government	-	-	121,255	-	-	-	-
Court related	-	-	-	-	-	-	-
Public safety	-	-	-	-	413,644	-	-
Physical environment	-	-	-	-	-	70,994	33,408
Transportation	-	-	-	-	-	-	-
Economic environment	-	765,403	-	474,154	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Physical environment	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Debt service							
Principal retirement	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-
Total expenditures	-	765,403	121,255	474,154	413,644	70,994	33,408
Excess (deficiencies) of revenues over (under) expenditures	-	226,416	(30,741)	-	20,119	(13,913)	27,423
OTHER FINANCING SOURCES (USES)							
Issuance of debt	-	-	-	-	-	-	-
Issuance of lease agreements	-	-	-	-	-	-	-
Issuance of subscription agreements	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	-	-	-	739	9,269
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	-	-	-	739	9,269
Net change in fund balances	-	226,416	(30,741)	-	20,119	(13,174)	36,692
Fund balances - October 1, 2024	36,322	89,254	72,539	77,070	78,493	63,677	393,484
Fund balances - September 30, 2025	$ 36,322	$ 315,670	$ 41,798	$ 77,070	$ 98,612	$ 50,503	$ 430,176

Special Revenue Funds

East Hendry County Fire District	West Hendry County Fire District	Mid-County MSBU	East Hendry County Recreational MSBU	West Hendry County Recreational MSBU	Airport Sears MSBU	Felda MSBU	North Labelle MSBU	Four Corners MSBU
$ 760,351	$ 948,834	$ 272,368	$ 386,060	$ 972,365	$ 16,245	$ 3,918	$ 38,285	$ 2,888
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	800	-	-	-	-	-
-	-	-	-	-	-	-	-	-
47,272	90,440	23,230	74,121	19,116	67,527	19,264	17,139	2,015
807,623	1,039,274	295,598	460,981	991,481	83,772	23,182	55,424	4,903
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
1,156,340	1,230,331	-	-	-	-	-	-	-
-	-	-	-	-	46,712	17,159	23,600	24,291
-	-	331,179	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	509,433	1,027,531	-	-	-	-
-	-	-	-	-	-	-	-	-
142,308	-	-	-	-	-	-	-	-
-	-	-	-	-	5,045	-	-	16,539
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
1,298,648	1,230,331	331,179	509,433	1,027,531	51,757	17,159	23,600	40,830
(491,025)	(191,057)	(35,581)	(48,452)	(36,050)	32,015	6,023	31,824	(35,927)
362,000	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
236,582	222,658	83,701	-	-	79,892	20,212	18,258	15,903
-	-	-	-	-	-	-	-	-
598,582	222,658	83,701	-	-	79,892	20,212	18,258	15,903
107,557	31,601	48,120	(48,452)	(36,050)	111,907	26,235	50,082	(20,024)
542,244	1,857,266	426,841	41,539	334,409	1,472,803	418,538	347,480	28,021
$ 649,801	$ 1,888,867	$ 474,961	$ (6,913)	$ 298,359	$ 1,584,710	$ 444,773	$ 397,562	$ 7,997

HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)
NON-MAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2025

	Special Revenue Funds						
	Wheeler Road MSBU	Hooker's Point Lighting	Mosquito Control	Phillips Road MSBU	Sky Valley MSBU	LaBelle Airport Fund	Property Appraiser
REVENUES							
Taxes	$ 257,342	$ 10,510	$ 675,215	$ 18,735	$ 13,469	$ -	$ -
Impact fees	-	-	-	-	-	-	-
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	-	67,479	-	-	479,693	-
Charges for services	-	-	-	-	-	1,080,956	138,830
Fines and forfeitures	-	-	-	-	-	-	-
Miscellaneous	48,058	1,914	65,982	797	2,407	(25,572)	1,225
Total revenues	305,400	12,424	808,676	19,532	15,876	1,535,077	140,055
EXPENDITURES							
Current							
General government	-	-	-	-	-	-	125,000
Court related	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Physical environment	35,222	14,380	746,333	27,789	12,189	-	-
Transportation	-	-	-	-	-	1,038,864	-
Economic environment	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Physical environment	1,904,489	-	-	-	-	-	-
Transportation	-	-	-	-	-	449,313	-
Debt service							
Principal retirement	55,000	-	-	-	-	-	-
Interest and fiscal charges	171,169	-	-	-	-	-	-
Total expenditures	2,165,880	14,380	746,333	27,789	12,189	1,488,177	125,000
Excess (deficiencies) of revenues over (under) expenditures	(1,860,480)	(1,956)	62,343	(8,257)	3,687	46,900	15,055
OTHER FINANCING SOURCES (USES)							
Issuance of debt	-	-	-	-	-	-	-
Issuance of lease agreements	-	-	-	-	-	-	-
Issuance of subscription agreements	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	20,729	-	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	20,729	-	-	-	-
Net change in fund balances	(1,860,480)	(1,956)	83,072	(8,257)	3,687	46,900	15,055
Fund balances - October 1, 2024	2,256,808	39,923	515,700	8,582	47,292	76,899	225,039
Fund balances - September 30, 2025	$ 396,328	$ 37,967	$ 598,772	$ 325	$ 50,979	$ 123,799	$ 240,094

Special Revenue Funds									
Clerk of Circuit Court's Modernization Trust Fund	Documentary Stamps & Intangible Tax	Sheriff's Gun Range Fund	Sheriff's Training Fund	Sheriff's Equitable Sharing Program	Sheriff's Commissary	Airglades Airport Fund	Seven K Estates MSBU	Murray Road MSBU	Building Department
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 8,086	$ -
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	1,572,105
143,088	-	-	-	-	-	3,092,242	-	-	-
-	6,795,648	25,367	5,548	-	300,889	727,912	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	142	558	57	37,289	386,348	1,854	-	73,762
143,088	6,795,648	25,509	6,106	57	338,178	4,206,502	1,854	8,086	1,645,867
72,776	6,795,648	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	28,208	4,142	-	339,270	-	-	-	1,360,617
-	-	-	-	-	-	-	2,244	10,339	-
-	-	-	-	-	-	1,137,371	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	101,532	-	-	-	113,274
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	3,157,487	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
72,776	6,795,648	28,208	4,142	-	440,802	4,294,858	2,244	10,339	1,473,891
70,312	-	(2,699)	1,964	57	(102,624)	(88,356)	(390)	(2,253)	171,976
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	580	-
-	-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	580	-
70,312	-	(2,699)	1,964	57	(102,624)	(88,356)	(390)	(1,673)	171,976
307,728	-	6,298	28,335	2,820	1,251,044	783,121	5,488	(37,269)	2,827,704
$ 378,040	$ -	$ 3,599	$ 30,299	$ 2,877	$ 1,148,420	$ 694,765	$ 5,098	$ (38,942)	$ 2,999,680

HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE (CONTINUED)
NON-MAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2025

	Special Revenue Funds						
	Country Village MSBU	Community Health Resource	Solid Waste Disposal	Line of Credit Projects	Impact Fees Zone One	Impact Fees Zone Two	Impact Fees Zone Three
REVENUES							
Taxes	$ 51,535	$ -	$ 3,770,203	$ -	$ -	$ -	$ -
Impact fees	-	-	-	-	494,813	287,031	13,253
Licenses and permits	-	-	-	-	-	-	-
Intergovernmental	-	172,938	93,750	-	-	-	-
Charges for services	-	-	246,111	-	-	-	-
Fines and forfeitures	-	-	-	-	-	-	-
Miscellaneous	122	19,351	211,248	-	6,471	3,444	239
Total revenues	51,657	192,289	4,321,312	-	501,284	290,475	13,492
EXPENDITURES							
Current							
General government	-	-	-	-	-	-	-
Court related	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Physical environment	498,156	-	3,172,741	-	324,126	193,100	8,880
Transportation	-	-	-	-	-	-	-
Economic environment	-	-	-	-	-	-	-
Culture and recreation	-	-	-	-	-	-	-
Capital outlay							
General government	-	-	-	-	-	-	-
Public safety	-	-	1,054,884	-	-	-	-
Physical environment	-	-	-	-	-	-	-
Transportation	-	-	-	-	-	-	-
Debt service							
Principal retirement	-	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-	-
Total expenditures	498,156	-	4,227,625	-	324,126	193,100	8,880
Excess (deficiencies) of revenues over (under) expenditures	(446,499)	192,289	93,687	-	177,158	97,375	4,612
OTHER FINANCING SOURCES (USES)							
Issuance of debt	-	-	-	-	-	-	-
Issuance of lease agreements	-	-	-	-	-	-	-
Issuance of subscription agreements	-	-	-	-	-	-	-
Sale of capital assets	-	-	-	-	-	-	-
Transfers in	-	-	52,762	1,053,360	-	-	-
Transfers out	-	-	-	-	-	-	-
Total other financing sources (uses)	-	-	52,762	1,053,360	-	-	-
Net change in fund balances	(446,499)	192,289	146,449	1,053,360	177,158	97,375	4,612
Fund balances - October 1, 2024	420,491	331,892	3,412,551	(1,053,360)	-	-	-
Fund balances - September 30, 2025	$ (26,008)	$ 524,181	$ 3,559,000	$ -	$ 177,158	$ 97,375	$ 4,612

Special Revenue Funds				Capital Projects Fund	
School Zone Enforcement	Insurance	Building Repairs & Improvements	LaBelle Acres MSBU	Capital Projects	Total Non-Major Governmental Funds
$ -	$ -	$ -	$ 33,832	$ 5,364,347	$ 13,702,928
-	-	-	-	-	795,097
-	-	-	-	-	1,572,105
-	-	25,000	-	50,303	5,712,308
-	-	-	-	-	9,679,234
215,620	-	-	-	-	215,620
1,113	11,505	63,042	765	142,530	1,479,609
216,733	11,505	88,042	34,597	5,557,180	33,156,901
-	2,320,473	60,965	-	530,708	10,026,825
-	-	-	-	-	-
193,776	-	-	-	-	4,726,328
-	-	-	7,291	-	5,268,954
-	-	-	-	-	2,507,414
-	-	-	-	-	1,239,557
-	-	-	-	-	1,536,964
-	-	10,975	-	183,748	194,723
-	-	-	-	-	1,411,998
-	-	-	-	-	1,926,073
-	-	-	-	-	3,606,800
-	-	-	-	-	55,000
-	-	-	-	-	171,169
193,776	2,320,473	71,940	7,291	714,456	32,671,805
22,957	(2,308,968)	16,102	27,306	4,842,724	485,096
-	-	-	-	-	362,000
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	1,952,300	-	-	-	3,766,945
-	-	-	-	(4,800,581)	(4,800,581)
-	1,952,300	-	-	(4,800,581)	(671,636)
22,957	(356,668)	16,102	27,306	42,143	(186,540)
-	-	180,123	-	2,449,642	20,366,831
$ 22,957	$ (356,668)	$ 196,225	$ 27,306	$ 2,491,785	$ 20,180,291

HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
As of September 30, 2025

	Clerk of the Circuit Court	Sheriff	Tax Collector	Total Custodial Funds
ASSETS				
Cash and cash equivalents	$ 4,380,849	$ 700,835	$ 1,247,621	$ 6,329,305
Due from other governments	3,425			3,425
Total assets	4,384,274	700,835	1,247,621	6,332,730
LIABILITIES				
Accounts payable	-	-	-	-
Due to other funds	51,247	-	-	51,247
Due to other governments	292,689	217,556	111,212	621,457
Due to individuals	-	251,477	1,136,409	1,387,886
Total liabilities	343,936	469,033	1,247,621	2,060,590
NET POSITION				
Restricted for:				
Individuals, organizations, and other governments	4,040,338	231,802	-	4,272,140
Total Net Position	$ 4,040,338	$ 231,802	$ -	$ 4,272,140

HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
For the Fiscal Year Ended September 30, 2025

	Clerk of the Circuit Court	Sheriff	Tax Collector	Total Custodial Funds
Additions:				
Taxes, fees, fines collected for other governments	$ 12,018,170	$ 267,270	$ 109,557,176	$ 121,842,616
Licenses and tag fees collected for other governments	-	-	9,178,885	9,178,885
Deposits and other trust activities	1,681,124	69,383	36,699	1,787,206
Total additions	13,699,294	336,653	118,772,760	132,808,707
Deductions:				
Taxes, fees, fines disbursed for other governments	11,105,134	39,535	109,557,176	120,701,845
Licenses and tag fees disbursed for other governments	-	-	9,178,885	9,178,885
Deposits and other trust activities disbursed	1,698,472	179,943	36,699	1,915,114
Total deductions	12,803,606	219,478	118,772,760	131,795,844
Change in Fiducuary Net Position	895,688	117,175	-	1,012,863
Fiduciary Net Position:				
Beginning	3,144,650	114,627	-	3,259,277
Ending	$ 4,040,338	$ 231,802	$ -	$ 4,272,140

HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended September 30, 2025

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

	6/30/2025	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016
County's proportion of the net pension liability	0.08718%	0.07996%	0.07373%	0.06886%	0.06880%	0.07456%	0.07159%	0.07300%	0.07537%	0.07325%
County's proportionate share of the net pension liability	$ 27,055,134	$ 30,932,380	$ 29,379,659	$ 25,620,020	$ 5,197,274	$ 32,313,563	$ 24,653,496	$ 22,074,803	$ 22,294,200	$ 18,496,380
County's covered - employee payroll	$ 20,392,801	$ 18,000,691	$ 16,490,649	$ 14,653,169	$ 14,123,289	$ 14,089,706	$ 13,231,730	$ 13,217,447	$ 13,087,294	$ 12,162,212
County's proportionate share of the net pension liability as a percentage of its covered employee payroll	132.67%	171.84%	178.16%	174.84%	36.80%	229.34%	186.32%	167.01%	170.35%	152.08%
Plan fiduciary net position as a percentage of the total pension liability	87.26%	83.70%	82.38%	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	$ 4,862,183	$ 4,158,542	$ 3,307,034	$ 2,602,358	$ 2,241,195	$ 2,193,050	$ 1,951,402	$ 1,809,113	$ 1,787,412	$ 1,598,337
Contributions in relation to the contractually required contribution	(4,862,183)	(4,158,542)	(3,307,034)	(2,602,358)	(2,241,195)	(2,193,050)	(1,951,402)	(1,809,113)	(1,787,412)	(1,598,337)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
County's covered-employee payroll	$ 21,012,106	$ 18,514,258	$ 16,603,038	$ 14,855,500	$ 14,121,328	$ 14,316,481	$ 13,464,976	$ 12,964,821	$ 13,264,354	$ 12,110,054
Contributions as a percentage of covered employee payroll	23.14%	22.46%	19.92%	17.52%	15.87%	15.32%	14.49%	13.95%	13.48%	13.20%

HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended September 30, 2025

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

	6/30/2025	6/30/2024	6/30/2023	6/30/2022	6/30/2021	6/30/2020	6/30/2019	6/30/2018	6/30/2017	6/30/2016
County's proportion of the HIS Plan liability	0.06038%	0.05662%	0.05480%	0.05268%	0.05182%	0.05249%	0.05095%	0.05070%	0.04993%	0.04734%
County's proportionate share of the HIS Plan liability	$ 7,738,944	$ 8,493,974	$ 8,702,503	$ 5,580,123	$ 6,357,066	$ 6,409,069	$ 5,701,084	$ 5,366,772	$ 5,338,798	$ 5,587,709
County's covered-employee payroll	$ 27,091,775	$ 23,973,723	$ 21,758,505	$ 19,238,501	$ 18,458,124	$ 18,206,917	$ 16,946,918	$ 17,326,036	$ 15,959,182	$ 14,890,780
County's proportionate share of the HIS Plan liability as a percentage of its covered employee payroll	28.57%	35.43%	40.00%	29.00%	34.44%	35.20%	33.64%	30.98%	33.45%	37.52%
Plan fiduciary net position as a percentage of the total HIS Plan liability	6.36%	4.80%	4.12%	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%

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

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Contractually required contribution	$ 556,584	$ 495,109	$ 364,778	$ 325,325	$ 307,334	$ 307,711	$ 291,388	$ 271,273	$ 269,317	$ 247,253
Contributions in relation to the contractually required contribution	(556,584)	(495,109)	(364,778)	(325,325)	(307,334)	(307,711)	(291,388)	(271,273)	(269,317)	(247,253)
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
County's covered-employee payroll	$ 27,898,947	$ 24,804,513	$ 21,944,210	$ 19,636,889	$ 18,514,110	$ 18,536,853	$ 17,553,102	$ 16,351,775	$ 16,223,884	$ 14,894,726
Contributions as a percentage of covered employee payroll	2.00%	2.00%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%	1.66%

HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended September 30, 2025

Schedule of Changes in Net OPEB Liability
For the fiscal years ended September 30:

	2025	2024	2023	2022	2021	2020	2019	2018
Service Cost	$ 396,048	$ 199,944	$ 197,667	$ 457,457	$ 443,980	$ 359,989	$ 247,984	$ 324,922
Interest	169,090	135,532	120,860	129,730	116,686	133,841	159,790	142,870
Difference between expected and actual experience	-	418,864	-	(1,182,271)	-	(729,231)	-	-
Change in assumptions	(113,697)	524,611	(61,741)	(2,021,888)	30,266	571,083	951,258	(397,934)
Benefit payments	(74,730)	(80,787)	(76,427)	(156,959)	(131,136)	(211,642)	(204,486)	(115,734)
Net change in Total OPEB Liability	376,711	1,198,164	180,359	(2,773,931)	459,796	124,040	1,154,546	(45,876)
Total OPEB Liability - beginning	3,965,871	2,767,707	2,587,348	5,361,279	4,901,483	4,777,443	3,622,897	3,668,773
Total OPEB Liability - ending	4,342,582	3,965,871	2,767,707	2,587,348	5,361,279	4,901,483	4,777,443	3,622,897
Contributions - Employer	74,730	80,787	76,427	156,959	131,136	211,642	204,486	115,734
Benefit payments	(74,730)	(80,787)	(76,427)	(156,959)	(131,136)	(211,642)	(204,486)	(115,734)
Net OPEB Liability	$ 4,342,582	$ 3,965,871	$ 2,767,707	$ 2,587,348	$ 5,361,279	$ 4,901,483	$ 4,777,443	$ 3,622,897
Covered employee Payroll	$ 29,037,629	$ 25,593,000	$ 22,602,864	$ 20,686,232	$ 19,234,453	$ 18,141,628	$ 17,296,799	-
Plan net OPEB liability as a % of the covered employee payroll	14.96%	15.50%	12.24%	12.51%	27.87%	27.02%	27.62%	N/A

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

HENDRY COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
Fiscal Year Ended September 30, 2025

Schedule of OPEB Contributions
For the fiscal years ended September 30:

	2025	2024	2023	2022	2021	2020	2019	2018
Actuarially Determined Contribution	$ 380,530	$ 108,234	$ -	$ 249,727	$ 623,726	$ 553,107	$ 486,820	$ 410,944
Contribution in Relation to the Actuarially Determined Contribution	74,730	80,787	76,427	156,959	131,136	211,642	204,486	115,734
Contribution Deficiency (Excess)	$ 305,800	$ 27,447	$ (76,427)	$ 92,768	$ 492,590	$ 341,465	$ 282,334	$ 295,210
Covered Employee Payroll	29,037,629	25,593,000	22,602,864	20,686,232	19,234,453	18,141,628	17,296,799	N/A
Contributions as a Percentage of Covered Payroll	0.26%	0.32%	0.34%	0.76%	0.68%	1.17%	1.18%	N/A

ASHLEY & BROWN & SMITH
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Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate discretely presented component units and remaining fund information of Hendry County, Florida, (the "County") as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated August 14, 2026.

Report Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2025-001-HC, 2025-003-HC, and 2025-004-HC that we consider to be significant deficiencies and 2025-002-HC that we consider to be a material weakness.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.* These matters are described in the accompanying schedule of findings and questioned costs as items.

The County's Response to Finding

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

Purpose of this Report

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

Ashley, Brown & Smith, CPA's, P.A.

Punta Gorda, Florida
August 14, 2026

SINGLE AUDIT

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

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

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

Opinion on Each Major Federal Program and State Financial Assistance Project

We have audited Hendry County, Florida's (the "County") compliance with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Compliance Supplement*; and the requirements described in the State of Florida Department of Financial Services' State Projects Compliance Supplement that could have a direct and material effect on each of the County's major federal programs and state financial assistance projects for the year ended September 30, 2025. The County's major federal programs and state financial assistance projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the County complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs and state financial assistance projects for the year ended September 30, 2025.

Basis for Opinion on Each Major Federal Program and State Project

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

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

Responsibilities of Management for Compliance

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

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

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

Report on Internal Control over Compliance

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

Report on Internal Control over Compliance, Continued

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the 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 or significant deficiencies, as defined above. However, material weaknesses or significant deficiencies may exist that have not been identified.

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

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

Ashley, Brown & Smith, CPA's, P.A.

Punta Gorda, Florida
August 14, 2026

HENDRY COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the Fiscal Year Ended September 30, 2025

FEDERAL AGENCY *Pass-through entity* Federal Program - Project Name	Assistance Listing Number	Contract / Grant Number	Expenditures	Transfers to Subrecipients
FEDERAL AWARDS				
U.S. DEPARTMENT OF HOMELAND SECURITY				
Passed through the Federal Emergency Management Agency				
Emergence Management Preparedness & Assistance (EMPG)	97.042	G0452	$ 50,855	$ -
Passed through the Federal Emergency Management Agency				
Disaster Grants - Public Assistance (Presidentially Declared Disasters)				
DR-4337	97.036	Z4190	1,942	-
DR-4834	97.036	Z4771	196,298	-
			198,240	-
TOTAL U.S. DEPARTMENT OF HOMELAND SECURITY			**249,095**	**-**
U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES				
Passed through State of Florida, Department of Revenue				
Title IV Child Support Enforcement	93.563	CDC26	116,249	-
TOTAL U.S DEPARTMENT OF HEALTH AND HUMAN SERVICES			**116,249**	**-**
U.S. DEPARTMENT OF THE TREASURY				
Passed through State of Florida, Department of Transportation				
Coronavirus State and Local Fiscal Recovery Funds				
CR835 Widening and Resurfacing	21.027	FM#445072-1-54-01	10,959	-
CR835 Widening and Resurfacing	21.027	FM#440445-1-54-01/02	9,153	-
TOTAL U.S. DEPARTMENT OF THE TREASURY			**20,112**	**-**
U.S. DEPARTMENT OF TRANSPORTATION				
Highway Safety Cluster -				
State and Community Highway Safety - HCSO	20.600	G3611	97,494	-
Passed through State of Florida, Department of Transportation				
Enhanced Mobility of Seniors and Individuals with Disabilities -				
FTA Section 5310 Enhanced Mobility of Seniors	20.513	FM#448458-1-84-23	66,787	-
FTA Section 5310 Enhanced Mobility of Seniors	20.513	FM#448458-1-84-24	250,970	-
			317,757	-
Formula Grants for Rural Areas	20.509	FM#454187-1-84-23	139,160	-
Formula Grants for Rural Areas	20.509	FM#447505-1-84-03	312,635	-
			451,795	-
Highway Planning and Construction Cluster -				
Harlem Community/BLV Wall Sign	20.205	FM#449698-1-38-01	34,298	-
Sidewalk on N Side of Sonora Ave	20.205	FM#442020-1-38-01	16	-
Sidewalk on E Side of Collingswood Pkwy	20.205	FM#442021-1-38-01	16	-
Sidewalk on W Side of NW Raintree Blvd	20.205	FM#442024-1-38-01	16	-
			34,346	-
Passed through the Federal Aviation Administration				
Airport Improvement Program -				
LaBelle Municipal Airport Rehab	20.106	3-12-0125-018-2023	62,406	-
LaBelle Municipal Airport - Replace Airport Rotating Beacon and Tower	20.106	3-12-0125-019-2024	216,839	-
LaBelle Municipal Airport - Rehabilitate Entrance Road and Parking	20.106	3-12-0125-020-2024	72,233	-
Airglades Airport - Reconstruct Apron and Taxilane	20.106	3-12-0012-012-2024	2,376,715	-
Airglades Airport - Reconstruct Rotating Beacon	20.106	3-12-0012-011-2024	33,619	-
			2,761,812	-
TOTAL U.S. DEPARTMENT OF TRANSPORTATION			**3,663,204**	**-**
U.S. DEPARTMENT OF JUSTICE - BUREAU OF JUSTICE ASSISTANCE				
Passed through State of Florida Department of Law Enforcement				
Edward Byrne Memorial Justice Assistance Grant	16.738	PBJA-23-GG-02972-MUMU	37,034	-
TOTAL U.S. DEPARTMENT OF JUSTICE			**37,034**	**-**

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

HENDRY COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE - CONTINUED
For the Fiscal Year Ended September 30, 2025

FEDERAL AGENCY *Pass-through entity* Federal Program - Project Name	Assistance Listing Number	Contract / Grant Number	Expenditures	Transfers to Subrecipients
FEDERAL AWARDS (Continued)				
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Passed through State of Florida Department of Community Affairs				
Housing Voucher Cluster				
Section 8 Housing Choice Vouchers	14.871	FL123	765,402	-
Community Development Block Grant (CDBG)	14.228	IR007	20,920	-
Community Development Block Grant (CDBG)	14.228	IO168	2,250	
Community Development Block Grant (CDBG)	14.228	IR047	19,706	-
			42,876	-
TOTAL U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			**808,278**	**-**
TOTAL FEDERAL AWARD EXPENDITURES			**$ 4,893,972**	**$ -**

HENDRY COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE - CONTINUED
For the Fiscal Year Ended September 30, 2025

STATE AGENCY State Project - Project Name	State CSFA Number	Grant / Contract Number	State Expenditures	Transfers to Subrecipients
STATE FINANCIAL ASSISTANCE				
STATE OF FLORIDA DEPARTMENT OF MANAGEMENT SERVICES				
Prepaid Next Generation 911 (NG911) State Grant Program -				
Region 6 GIS Rep	72.003	S22-23-01-33	$ 17,774	$ -
Tactical Mapping and Analysis	72.003	S25-24-01-09	7,164	-
Call Taker Answering Equip	72.003	S26-24-07-06	5,590	-
			30,528	-
Wireless 911 Emergency Telephone System Rural County Grant Program -				
E911 Syst Maint	72.001	23-10-20	65,947	-
GIS Data Support	72.001	24-04-10	33,500	-
Logging Recorder Upgrade	72.001	24-04-11	2,171	-
UPS Replacement	72.001	24-04-12	3,644	-
Map Maint	72.001	24-10-13	40,900	-
GIS Maint	72.001	25-04-12	8,375	-
Translation Services	72.001	25-10-16	35,558	
			190,095	-
TOTAL STATE OF FLORIDA DEPARTMENT OF MANAGEMENT SERVICES			**220,623**	-
STATE OF FLORIDA DEPARTMENT OF LAW ENFORCEMENT				
Hendry County Sheriffs Office Building Repairs	71.173	MK013	4,915	-
Law Enforcement Apprenticeship Grant Program	71.165	EP005	198,953	-
Hendry County SLERS Radio Coverage Enhancements	71.141	TJ011	70,176	-
Local Firearms Safety Training Program	71.103	FL024	15,439	-
Law Enforcement Salary Assistance for Fiscally Constrained Counties -				
Law Enforcement Salary Assistance (LESA)	71.067	ME014	590,109	-
Law Enforcement Salary Assistance (LESA)	71.067	LG014	270,592	-
			860,701	-
Florida Incident Based Reporting System	71.043	2021-FBSFA-F2-005	64,212	-
TOTAL STATE OF FLORIDA DEPARTMENT OF LAW ENFORCEMENT			**1,214,396**	-
STATE OF FLORIDA DEPARTMENT OF HEALTH				
Emergency Medical Services County Grant Awards -				
County Grant Awards	64.005	C1026	11,025	-
County Grant Awards	64.005	C2425	8,072	-
County Grant Awards	64.005	C2526	11,236	-
TOTAL STATE OF FLORIDA DEPARTMENT OF HEALTH			**30,333**	-
STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION				
Local Transportation Projects - FT Denaud Bridge Way, Bridge #070013-Bridge Rehap	55.039	452787-1-34-01	411	-
Small County Outreach Program (SCOP) -				
CR835 from 9.1 Mi South to 7.7 Mi South of US27	55.009	FM#438581-1-54-01	348	-
CR78 From Hidden Hammock Drive to Kirby Thompson Road	55.009	FM#446330-1-54-01	7,914	-
Hendry Isles Blvd from Arcadia Avenue to SR 80	55.009	FM#446388-1-54-01	127,927	-
Intersection Improvements at Helms Rd and Forrey Dr	55.009	FM#447938-1-34-01	21,700	-
Fort Denaud Road Over Maria's Slough Bridge No. 074028	55.009	FM#454137-1-54-01	139	-
			158,028	-
County Incentive Grant Program -				
Helms Road Extension from SR 29 to Sr 80	55.008	FM#419948-4-34-01	22,419	-
Helms Road Extension from SR 29 to Sr 80	55.008	FM#419948-3-58-01	334,652	-
			357,071	-
Aviation Development Grants -				
Airglades Airport Security Lighting & Fencing Upgrade	55.004	FM#453091-1-94-01	52,976	-
LaBelle Municipal Airport Security Improvements	55.004	FM#453093-1-94-01	52,206	-
Airglades Airport Apron and Taxiway Reconstruction	55.004	FM#453398-1-94-01	336,767	-
			441,949	-
Florida Commission for the Transportation Disadvantaged (CTD) Trip and Equipment Grant	55.001	G2Z13	276,884	-
Florida Commission for the Transportation Disadvantaged (CTD) Trip and Equipment Grant	55.001	G3D89	83,700	-
			360,584	-
TOTAL STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION			**1,318,043**	-
STATE OF FLORIDA DEPARTMENT OF EDUCATION AND COMMISSIONER OF EDUCATION				
Coach Aaron Feis Guardian Program -	48.140	961-90210-5D001	95,336	-
TOTAL STATE OF FLORIDA DEPARTMENT OF EDUCATION AND COMMISSIONER OF EDUCATION			**95,336**	-

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

HENDRY COUNTY, FLORIDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE - CONTINUED
For the Fiscal Year Ended September 30, 2025

STATE AGENCY State Project - Project Name	State CSFA Number	Grant / Contract Number	State Expenditures	Transfers to Subrecipients
STATE FINANCIAL ASSISTANCE (Continued)				
STATE OF FLORIDA DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES				
Mosquito Control Research Grant	42.003	31812	67,479	-
TOTAL STATE OF FLORIDA DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES			**67,479**	**-**
STATE OF FLORIDA HOUSING FINANCE CORPORATION				
State Housing Initiatives Partnership Program (SHIP)	40.901	NONE	474,155	-
TOTAL STATE OF FLORIDA HOUSING FINANCE CORPORATION			**474,155**	**-**
STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION				
Statewide Surface Water Restoration and Wastewater Projects -				
Hendry County Port LaBelle Utilitiy System Water Plant Construction	37.039	L0049	61,966	-
Hendry County Wastewater Collection System - Hookers Point	37.039	L0050	378	-
Hendry County Port LaBelle Utility System Wastewater Collection System	37.039	LPA0301	198,268	-
			260,612	-
Florida Recreation Development Assistance Program	37.017	A3085	42,177	-
Small County Consilidated Grants	37.012	SC514	93,750	-
TOTAL STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION			**396,539**	**-**
STATE OF FLORIDA EXECUTIVE OFFICE OF THE GOVENOR				
Emergency Management Programs -				
Hazards Analysis (HA) Grant Program - 2023	31.067	T0359	1,930	-
Emergency Management Programs -				
Emergency Management Preparedness & Assistance Base Grant	31.063	A0442	66,800	-
Emergency Management Preparedness & Assistance Base Grant	31.063	A0566	26,452	-
			93,252	-
TOTAL STATE OF FLORIDA EXECUTIVE OFFICE OF THE GOVENOR			**95,182**	**-**
TOTAL STATE FINANCIAL ASSISTANCE EXPENDITURES			**$ 3,912,086**	**$ -**

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

HENDRY COUNTY, FLORIDA

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

YEAR ENDED SEPTEMBER 30, 2025

NOTE 1 – GENERAL

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the "Schedule") presents the activity of all federal awards and state financial assistance of Hendry County, Florida (the "County") for the year ended September 30, 2025. The information in the Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("*Uniform Guidance*"). Because the Schedule presents only a selected portion of the operations of the County, the schedule is not intended to and does not present the financial position, changes in net position, or cash flows of the County. The County's reporting entity is defined in Note 1 to the County's basic financial statements for the fiscal year ended September 30, 2025. All federal award and state financial assistance programs received directly from federal and state agencies, as well as federal award and state financial assistance programs passed through other government agencies, are included in the schedule.

NOTE 2 – BASIS OF ACCOUNTING

The Schedule is presented in accordance with Uniform Guidance using the modified accrual basis of accounting, which is described in Note 1 to the County's Basic Financial Statements for the fiscal year ended September 30, 2025.

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

NOTE 3 – CONTINGENCIES

Grant monies received by the County are for specific purposes and are subject to review by the grantor agencies. Such audits may result in requests for reimbursement due to disallowed expenditures. Based upon prior experience, the County does not believe that such disallowances, if any, would have a material effect on the financial position of the County. As of September 30, 2025, there were no material questioned or disallowed costs as a result of grant audits in process or completed of which management was aware. Any adjustments to grant funding are recorded in the year the adjustment occurs.

NOTE 4 – SUBRECIPIENTS

The County did not pass through Federal awards or State financial assistance to subrecipients during the fiscal year ended September 30, 2025.

HENDRY COUNTY, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COST

YEAR ENDED SEPTEMBER 30, 2025

Part I – Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	Yes
Significant deficiency(ies)?	Yes
Noncompliance material to financial statements noted?	No

Federal Awards and State Projects

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

Identification of major federal programs and state projects:

Major Federal Programs:	**ALN**
U.S. DEPARTMENT OF TRANSPORTATION–	
Airport Improvement Program	20.106

Major State Projects:	**CSFA No.**
STATE OF FLORIDA DEPARTMENT OF LAW ENFORCEMENT–	
Law Enforcement Salary Assistance for Fiscally Constrained Counties	71.067
STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION–	
County Incentive Grant Program (CIGP)	55.008
Aviation Grant Programs	55.004
STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION–	
Statewide Water Quality Restoration Projects	37.039
Small County Consolidated Grants	37.012

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

Dollar threshold used to determine Type A programs:

Federal programs	$ 1,000,000
State projects	$ 750,000

Auditee qualified as low-risk auditee? ___Yes __X__No

Part II – Financial Statement Findings

Finding: 2025-001-HC – Submission of Timely Audit Reports. We consider this a repeat finding from the three previous fiscal year findings 2024-001-HC, 2023-003-HC, and 2022-003-HC.

Finding Type: Significant Deficiency in Internal Control over Financial Reporting

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

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

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

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

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

Management's Response: Management's response is provided within the corrective action plan on page I-102.

Finding: 2025-002-HC – Schedule of Expenditures of Federal Awards and State Financial Assistance (the "Schedule"). We consider this a new finding.

Finding Type: Material Weakness in Internal Control over Financial Reporting

Criteria: The County should establish and maintain policies and procedures to provide reasonable assurance that Federal award and State financial assistance expenditures and related nonfinancial information are completely and accurately reported on the Schedule of Expenditures of Federal Awards and State Financial Assistance.

Condition: During our testing of internal controls over the preparation of the Schedule of Expenditures of Federal Awards and State Financial Assistance, we identified Federal award and State financial assistance expenditures of the Sheriff's Office that had not been included in the Schedule. As a result, the Schedule materially understated Federal award and State financial assistance expenditures and required revision.

Part II – Financial Statement Findings - Continued

Cause: The County's procedures for preparing the Schedule did not include effective controls to ensure that all Federal awards and State financial assistance administered by County departments and constitutional officers were identified and reported for inclusion in the Schedule.

Effect: The omitted expenditures materially understated the original Schedule and affected the major program determination process, requiring the Schedule to be revised and additional major programs to be selected for audit to achieve the audit coverage required by the Uniform Guidance and the Florida Single Audit Act.

Recommendation: We recommend the County establish and implement procedures to ensure all County departments and constitutional officers identify and report complete and accurate Federal award and State financial assistance information for inclusion in the Schedule. We also recommend the County implement review procedures to verify the completeness and accuracy of the information used to prepare the Schedule.

We also recommend that County personnel responsible for administering Federal awards and State financial assistance receive adequate training regarding Schedule reporting requirements and their responsibilities for reporting complete and accurate grant information.

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

Finding: 2025-003-HC – Supporting Documentation for Permit Fee Revenues. We consider this a new finding.

Finding Type: Significant Deficiency in Internal Control over Financial Reporting

Criteria: Internal controls over financial reporting should provide reasonable assurance that financial transactions are properly recorded and supported by sufficient documentation. Supporting documentation should be maintained in an organized and accessible manner to allow transactions to be substantiated and records to be readily available for review.

Condition: During testing of permit fee revenues, supporting documentation necessary to substantiate certain transactions selected for testing was not readily available and could not be provided within a reasonable period of time.

Cause: Procedures were not sufficient to ensure that supporting documentation for permit fee transactions was consistently maintained and readily retrievable.

Effect: The lack of readily available supporting documentation increases the risk that errors or irregularities related to permit fee revenues may not be detected and corrected timely and limits the ability to substantiate the accuracy and validity of recorded transactions.

Recommendation: We recommend the County strengthen its internal controls over permit fee revenues to ensure supporting documentation is properly maintained, organized, and readily available to substantiate recorded transactions.

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

Part II – Financial Statement Findings - Continued

Finding: 2025-004-HC – Classification of Impact Fee Revenues. We consider this a new finding.

Finding Type: Significant Deficiency in Internal Control over Financial Reporting

Criteria: Internal controls over financial reporting should provide reasonable assurance that financial transactions are properly recorded and classified in the accounting records in accordance with generally accepted accounting principles. Such controls should include procedures to ensure revenues are recorded in the appropriate accounts and reviewed for proper classification.

Condition: During audit testing, we identified that impact fee revenues were consistently recorded as permit fee revenues. This occurred for more than 30 transactions during the fiscal year and resulted in a material misclassification between impact fee revenue and permit fee revenue that required an adjusting journal entry.

Cause: Procedures were not sufficient to ensure that impact fee receipts were recorded to the appropriate revenue account and that misclassifications were identified through the review process.

Effect: Impact fee revenues were materially understated and permit fee revenues were materially overstated prior to audit adjustment. While the misclassification did not affect total revenues, the individual revenue classifications were materially misstated.

Recommendation: We recommend the County strengthen its internal controls over revenue classification to ensure impact fee revenues are recorded in the appropriate account. The County should also implement or strengthen periodic review procedures designed to identify and correct revenue classification errors on a timely basis.

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

Part III –Federal Award Findings and Questioned Costs

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

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

Part IV – State Project Findings and Questioned Costs

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

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

HENDRY COUNTY, FLORIDA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS AND CORRECTIVE ACTION PLAN

YEAR ENDED SEPTEMBER 30, 2025

Prior Year Findings:

Finding: 2024-001-HC – Submission of Timely Audit Reports
Finding Type: Significant Deficiency in Internal Control over Financial Reporting
Status: Uncorrected (see current year finding 2025-001-HC)

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

HENDRY COUNTY

Board of County Commissioners
P.O. Box 2340
LaBelle, Florida 33975-2340
863-675-5220

Jennifer Davis County Administrator | **Kimberley Barrineau** Clerk of the Courts | **Matt Raulerson** County Attorney

Corrective Action Plan

August 7, 2026

In response to the Independent Auditor's Financial Statement Findings the Hendry County Board of County Commissioners issues the following responses:

2025-001-HC - Submission of Timely Audit Reports

The County will establish and implement internal controls to ensure financial and non-financial information received from departments that are used to prepare the Schedules of Expenditures of Federal Awards and State Financial Assistance is complete and accurate. Additionally, the County will ensure that relevant personnel are properly trained to perform procedures to properly report expenditures. The County will ensure internal controls requiring departments receiving and expending grant funding to make documentation and information available to the County's Grant Director to ensure grants are completely and accurately reported.

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

The County will strengthen its internal controls over the preparation and review of the Schedule of Expenditures of Federal Awards and State Financial Assistance. Management will implement procedures requiring all County departments and Constitutional Officers administering grant programs to provide complete and timely grant documentation, including trial balances and supporting schedules, for use in preparing the Schedule.

The County will also implement supervisory review procedures to verify the completeness and accuracy of all Federal award and State financial assistance information prior to issuance of the Schedule. Additionally, County personnel responsible for grant administration and financial reporting will receive training regarding grant reporting requirements and their responsibilities for providing complete and accurate information.

Hendry County
"Sweet, Friendly...Country"

HENDRY COUNTY

Board of County Commissioners
P.O. Box 2340
LaBelle, Florida 33975-2340
863-675-5220

Jennifer Davis	**Kimberley Barrineau**	**Matt Raulerson**
County Administrator	**Clerk of the Courts**	**County Attorney**

2025-003-HC - Supporting Documentation for Permit Fee Revenues

The County will review and strengthen its procedures over the maintenance and retention of supporting documentation for permit fee revenues. Management will establish procedures to ensure documentation supporting financial transactions is organized, retained, and readily available for review.

The County will also reinforce supervisory review procedures designed to verify that supporting documentation is maintained in accordance with established policies and can be readily retrieved to substantiate recorded transactions.

2025-004-HC - Classification of Impact Fee Revenues

The County will strengthen its internal controls over revenue classification to ensure impact-fee revenues are recorded in the appropriate general ledger accounts. Management will implement additional review procedures over revenue postings to identify and correct classification errors on a timely basis.

The County will also provide additional guidance to personnel responsible for recording impact fee transactions regarding the proper accounting treatment and will incorporate periodic supervisory reviews of revenue classifications as part of the financial reporting process.

The Board of County Commissioners anticipates that the correction actions will be completed by September 30, 2026. Steve Clark, Finance Director, is the contact person.

Stephen W. Clark
SIGNED

FINANCE DIRECTOR
TITLE

8/07/2026
DATE

ASHLEY BROWN & SMITH
CERTIFIED PUBLIC ACCOUNTANTS

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366 E OLYMPIA AVE, PUNTA GORDA, FL 33950
AshleyBrownCPAS.com

Independent Auditor's Management Letter

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

Report on the Financial Statements

We have audited the financial statements of the Hendry County, Florida (the "County"), as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated August 14, 2026.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards;* Report of Independent Auditor on Compliance for Each Major Federal Awards Program and State Financial Assistance Project and on Internal Control Over Compliance Required by Uniform Guidance, and Chapter 10.550, Rules of the Auditor General; Schedule of Findings and Questioned Costs; and Report of Independent Accountant on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated August 14, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. The finding 2025-001-HC is a repeat finding of the prior year finding 2024-001-HC.

Official Title and Legal Authority

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

Financial Condition and Management

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

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial condition assessment procedures for the County. It is management's responsibility to monitor the County's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we had four recommendations to improve financial management as detailed in the accompanying schedule of findings and questioned costs at findings 2025-001-HC, 2025-002-HC, 2025-003-HC, and 2025-004-HC.

Property Assessed Clean Energy (PACE) Programs

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

Special District Component Units

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

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

a. The total number of district employees compensated in the last pay period of the district's fiscal year is 0.

b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the district's fiscal year is 1.

c. All compensation earned by or awarded to employees in the last pay period, whether paid or accrued, regardless of contingency is $0.

d. All compensation earned by or awarded to nonemployee independent contractors in the last month of the fiscal year, whether paid or accrued, regardless of contingency is $33,408.

e. Each construction project with a total cost of at least $65,000 approved by the district that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project is none.

f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the district amends a final adopted budget under Section 189.016(6), Florida Statutes, is $0.

Additional Matters

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

Purpose of this Letter

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

Ashley, Brown & Smith, CPA's, P.A.

Punta Gorda, Florida
August 14, 2026

ASHLEY & BROWN & SMITH
CERTIFIED PUBLIC ACCOUNTANTS

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

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

We have examined Hendry County, Florida's (the "County's") compliance with the local government investment policy requirements of 218.415, Florida Statutes, and E911 requirements of Sections 365.172 and 365.173, Florida Statutes, for the year ended September 30, 2025. Management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County's compliance based on our examination.

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

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

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

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

Ashley, Brown & Smith, CPA's, P.A.

Punta Gorda, Florida
August 14, 2026

Kimberley Barrineau
Clerk of Circuit Court and Comptroller
P.O. Box 1760
Labelle, Florida 33975
Telephone 863-675-5217
Fax 863-675-5299

AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared STEPHEN CLARK, who being duly sworn, deposes and says on oath that:

1. I am the CHIEF FINANCIAL OFFICER of Hendry County, Florida which is a local government entity of the State of Florida;

2. The governing body of Hendry County, Florida adopted ORDINANCE NO. 2024-06 implementing impact fees for Hendry County, Florida.

3. Hendry County, Florida has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

FURTHER AFFIANT SAYETH NAUGHT.

Stephen Clark
____
STEPHEN CLARK
Hendry County, Florida

STATE OF FLORIDA
COUNTY OF HENDRY
SWORN TO AN SUBSCRIBED before me this 12 day of August, 2026.

SHARON A CONGLETON
Notary Public - State of Florida
Commission # HH 337174
My Comm. Expires Mar 26, 2027
Bonded through National Notary Assn.

Sharon A Congleton
____
NOTARY PUBLIC
Sharon A Congleton
____
Print Name

Personally known X or produced identification _____
Type of identification produced: ________________________________
My commission expires: 3/26/27

HENDRY COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT

September 30, 2025

FINANCIAL STATEMENTS,
TOGETHER WITH REPORTS OF INDEPENDENT AUDITOR

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ASHLEY & BROWN & SMITH
CERTIFIED PUBLIC ACCOUNTANTS

PHONE: 941.639.6600 | FAX: 941.639.6115
366 E OLYMPIA AVE, PUNTA GORDA, FL 33950
AshleyBrownCPAS.com

Report of Independent Auditor

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

Report on the Financial Statements

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

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Clerk's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Clerk's ability to continue as a going concern for a reasonable period of time.

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

Emphasis of Matter

Basis of Presentation

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each fund of Hendry County, Florida that is attributable to the Clerk. They do not purport to, and do not, present fairly the financial position of Hendry County, Florida as of September 30, 2025, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the Unites States of America. Our opinions are not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 16 be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

Other Reporting Required by *Government Auditing Standards*

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

Ashley, Brown & Smith, CPA's, P.A.

Punta Gorda, Florida
August 14, 2026

FINANCIAL STATEMENTS

HENDRY COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
Balance Sheet - Governmental Funds
September 30, 2025

	General Fund	Documentary Stamps & Intangible Tax	Modernization Trust Fund	Total
ASSETS				
Cash	$ 847,749	$ -	$ 373,817	$ 1,221,566
Accounts Receivable, net	3,553	-	-	3,553
Due from other funds	51,247	-	-	51,247
Due from Other Governments	62,340	-	2,423	64,763
Prepaid Expenses	29,148	-	2,000	31,148
Total Assets	$ 994,037	$ -	$ 378,240	$ 1,372,277
LIABILITIES AND FUND BALANCES				
Liabilities				
Accounts Payable	$ 13,404	$ -	$ 200	$ 13,604
Accrued Liabilities	54,946	-	-	54,946
Due to BOCC	484,117	-	-	484,117
Due to Other Governments	441,570	-	-	441,570
Total Liabilities	994,037	-	200	994,237
Fund Balance				
Restricted	-	-	378,040	378,040
Total Liabilities and Fund Balance	$ 994,037	$ -	$ 378,240	$ 1,372,277

See accompanying notes.

HENDRY COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Governmental Funds
For the Fiscal Year Ended September 30, 2025

	General Fund	Documentary Stamps & Intangible Tax	Modernization Trust Fund	Total
Revenues				
Intergovernmental	$ 116,547	$ -	$ 143,088	$ 259,635
Charges for Services	1,418,010	6,795,648	-	8,213,658
Interest	45,207	-	-	45,207
Miscellaneous	74,044	-	-	74,044
Total Revenues	1,653,808	6,795,648	143,088	8,592,544
Expenditures				
General Government	1,731,856	6,795,648	72,776	8,600,280
Court Related	1,394,122	-	-	1,394,122
Total Expenditures	3,125,978	6,795,648	72,776	9,994,402
Excess of Revenues Over (Under) Expenditures	(1,472,170)	-	70,312	(1,401,858)
Other Financing Sources (Uses)				
Operating Transfers In	1,956,287	-	-	1,956,287
Operating Transfers Out	(484,117)	-	-	(484,117)
Total Other Financing Sources (Uses)	1,472,170	-	-	1,472,170
Excess of Revenues and Other Sources Over (Under) Expenditures and other sources	-	-	70,312	70,312
Fund Balance - October 1, 2024	-	-	307,728	307,728
Fund Balance - September 30, 2025	$ -	$ -	$ 378,040	$ 378,040

See accompanying notes.

HENDRY COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
Statement of Fiduciary Net Position - Custodial Funds
September 30, 2025

	Custodial Funds
ASSETS	
Cash and Cash Equivalents	$ 4,380,849
Due from Other Governments	3,425
Total Assets	4,384,274
LIABILITIES AND NET POSITION	
Due to Other Funds	51,247
Due to Other Goverments	292,689
Total Liabilities	343,936
NET POSITION	
Restricted for:	
Individuals, Organizations, and Other Governments	4,040,338
Total Net Position	$ 4,040,338

See accompanying notes.

HENDRY COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
Statement of Changes in Fiduciary Net Position
For the fiscal year ended September 30, 2025

	Total Custodial Funds
Additions	
Fees/fines Collected for Other Governments	$ 12,018,170
Deposits and Other Trust Activities	1,681,124
Total Additions	13,699,294
Deductions	
Fees/fines Disbursed for Other Governments	11,105,134
Deposits and Other Trust Activities Disbursed	1,698,472
Total Deductions	12,803,606
Change in Net Position	895,688
Beginning Net Position	3,144,650
Ending Net Position	$ 4,040,338

See accompanying notes.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

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

(a) Fund Accounting

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

Governmental Funds

General Fund

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

Special Revenue Funds

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

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

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

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

Fiduciary Funds

Custodial Funds

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

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

Governmental Funds

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

Fiduciary Funds

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

Basis of Accounting

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

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

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

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

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

Budgetary Process

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

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

Encumbrances

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

(c) Assets, Liabilities and Equity

Capital Assets

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

Compensated Absences

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

As of September 30, 2025, the Clerk had $231,993 in long-term compensated absences payable. This amount is reported in the government-wide financial statements of Hendry County, Florida.

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

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

Estimates

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

Fund Balances

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

Restricted fund balances are fund balance amounts that are constrained for specific purposes which are externally imposed by creditors, grantors, contributors, or laws or regulations or imposed by law through constitutional provisions or enabling legislation. As of September 30, 2025, the Clerk had $378,040 in restricted fund balance in the Modernization Trust Fund.

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

Committed fund balances are fund balances constrained for specific purposes imposed by the Clerk’s formal action of highest level of decision making authority. As of September 30, 2025, the Clerk had no committed fund balances.

Assigned fund balances are fund balances are constrained by the Clerk's intent to be used for specific purposes, but which are neither restricted nor committed. As of September 30, 2025, the Clerk had no

Unassigned fund balances represent the residual positive fund balance within the General Fund, which has not been assigned to other funds and has not been restricted, committed or assigned. In funds other than the General Fund, unassigned fund balances are limited to negative residual balances. As of September 30, 2025, the Clerk had no unassigned fund balances because all excess revenues within the general fund are required to be remitted to the Board.

NOTE 2 - CASH AND CASH INVESTMENTS

During the fiscal year, the Clerk maintained deposits in interest-bearing savings and checking accounts. At September 30, 2025, the bank balance of all accounts was $5,960,593 and the book balance of deposits was $5,601,880.

The Clerk had $535 of cash on hand at September 30, 2025.

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

The Clerk held no investments during the fiscal year.

NOTE 3 - RETIREMENT PLAN

Plan Description

The Clerk of the Circuit Court's employees participate in the Florida Retirement System (FRS). As provided by Chapters 12I and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan ("Pension Plan") and the Retiree Health Insurance Subsidy ("HIS Plan"). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan ("Investment Plan") alternative to the FRS Pension Plan, which is administered by the State Board of Administration.

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

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

NOTE 3 - RETIREMENT PLAN - (Continued)

Funding Policy

All enrolled members of the FRS Pension Plan are required to contribute 3.0% of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on statewide contribution rates. The employer contribution rates by job class for the periods from October 1, 2024 through June 30, 2025 and July 1, 2025 through September 30, 2025, respectively, were as follows: regular 13.63% and 14.03%; county elected officers 58.68% and 54.57%; senior management 34.52% and 33.24%; and DROP participants 21.13% and 22.02%. During the fiscal year ended September 30, 2025, the Clerk of the Circuit Court contributed to the plan an amount equal to 18.61% of covered payroll.

The HIS Plan provides a monthly benefit to assist retirees in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement. Eligible retirees and beneficiaries receive a monthly health insurance subsidy payment of $7 for each year of creditable service, with a minimum payment of $45 and a maximum payment of $225 per month.

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

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

The Clerk of the Circuit Court recognizes pension expenditures in an amount equal to amounts paid to the Pension Plan, the HIS Plan and the defined contribution plan, amounting to $214,514, $35,047, and $76,520 respectively, for the fiscal year ended September 30, 2025. The Clerk of the Circuit Court's payments after June 30, 2025, the measurement date used to determine the net pension liability associated with the Pension Plan and HIS Plan, amounted to $44,576, and $8,054, respectively. The Clerk of the Circuit Court is not legally required to and does not accumulate expendable available resources to liquidate the retirement obligation related to its employees. Accordingly, the net pension liability and associated deferred outflows and deferred inflows are presented on the government-wide financial statements of the County, following requirements of GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27, and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68, effective October 1, 2014.*

NOTE 3 - RETIREMENT PLAN - (Continued)

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

NOTE 4 - GENERAL LONG-TERM DEBT

The following changes in general long-term debt occurred during the year ended September 30, 2025:

Long-term debt payable at October 1, 2024	$ 164,828
Increase (decrease) in accrued compensated	67,165
Long-term debt payable at September 30, 2025	$ 231,993

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

NOTE 5 - INSURANCE

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

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

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

Charges to operating departments are based upon amounts believed by management to meet the required annual payout during the fiscal year and to pay for the estimated operating costs of the program and for premiums for third party carrier insurance plans. For the fiscal year ended September 30, 2025, the Clerk was charged $502,844.

NOTE 6 - CONTINGENCIES

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

NOTE 7 - OTHER POST-EMPLOYMENT BENEFITS

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

REQUIRED SUPPLEMENTARY INFORMATION

HENDRY COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
GENERAL FUND
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	$ -	$ -	$ 116,547	$ 116,547
Charges for Services	1,438,886	1,438,886	1,418,010	(20,876)
Interest	-	-	45,207	45,207
Miscellaneous	46,660	46,660	74,044	27,384
Total Revenues	1,485,546	1,485,546	1,653,808	168,262
Expenditures				
General Government				
Personal Services	1,587,277	1,587,277	1,446,678	140,599
Operating Expenses	369,010	369,010	285,178	83,832
Court Related				
Personal Services	1,416,263	1,416,263	1,326,785	89,478
Operating Expenses	69,283	69,283	67,337	1,946
Total Expenditures	3,441,833	3,441,833	3,125,978	315,855
Excess of Expenditures over Revenues	(1,956,287)	(1,956,287)	(1,472,170)	484,117
Other Financing Sources (Uses)				
Operating Transfers In	1,956,287	1,956,287	1,956,287	-
Operating Transfers Out	-	-	(484,117)	(484,117)
Total Other Financing Sources (Uses)	1,956,287	1,956,287	1,472,170	(484,117)
Excess of Revenues and Other Sources Sources Over (Under) Expenditures and Other Uses	-	-	-	-
Fund Balance - October 1, 2024	-	-	-	-
Fund Balance - September 30, 2025	$ -	$ -	$ -	$ -

NOTE 1 - BUDGETARY INFORMATION

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

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

OTHER FINANCIAL INFORMATION

HENDRY COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
Combining Statement of Fiduciary Net Position
September 30, 2025

	Registry of Court	Operating Trust	Fine & Forfeiture	Christmas Club	Total Custodial Funds
ASSETS					
Cash and Cash Equivalents	$ 231,322	$ 3,267,160	$ 873,513	$ 8,854	$ 4,380,849
Due from Other Governments	-	3,425	-	-	3,425
Total Assets	231,322	3,270,585	873,513	8,854	4,384,274
LIABILITIES AND NET POSITION					
Due to Other Funds	-	-	51,247	-	51,247
Due to Other Goverments	63,614	145,897	83,178	-	292,689
Total Liabilities	63,614	145,897	134,425	-	343,936
NET POSITION					
Restricted for:					
Individuals, Organizations, and Other Governments	167,708	3,124,688	739,088	8,854	4,040,338
Total Net Position	$ 167,708	$ 3,124,688	$ 739,088	$ 8,854	$ 4,040,338

HENDRY COUNTY, FLORIDA
CLERK OF THE CIRCUIT COURT
Combining Statement of Changes in Fiduciary Net Position
For the fiscal year ended September 30, 2025

	Registry of Court	Operating Trust	Fine & Forfeiture	Christmas Club	Total Custodial Funds
Additions					
Fees/fines collected for other governments	$ -	$ 9,297,215	$ 2,720,955	$ -	$ 12,018,170
Deposits and other trust activities	1,669,344	-	-	11,780	1,681,124
Total Additions	1,669,344	9,297,215	2,720,955	11,780	13,699,294
Deductions					
Fees/fines disbursed for other governments	-	8,358,619	2,746,515	-	11,105,134
Deposits and other trust activities disbursed	1,685,581	-	-	12,891	1,698,472
Total Deductions	1,685,581	8,358,619	2,746,515	12,891	12,803,606
Change in net position	(16,237)	938,596	(25,560)	(1,111)	895,688
Beginning net position	183,945	2,186,092	764,648	9,965	3,144,650
Ending net position	$ 167,708	$ 3,124,688	$ 739,088	$ 8,854	$ 4,040,338

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Report of Independent Auditor on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Hendry County, Florida, Clerk of the Circuit Court, (the "Clerk") as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, and have issued our report thereon dated August 14, 2026, for the purpose of compliance with Section 218.39(2), Florida Statutes, and Chapter 10.550, Rules of the Auditor General-Local Governmental Entity Audits.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

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

Ashley, Brown & Smith, CPA's, P.A.

Punta Gorda, Florida
August 14, 2026

ASHLEY & BROWN & SMITH
CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Management Letter

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

Report on the Financial Statements

We have audited the financial statements of the Hendry County, Florida, Clerk of the Circuit Court (the "Clerk"), as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated August 14, 2026.

Auditor's Responsibility

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

Other Reporting Requirements

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

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Management

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

Additional Matters

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

Purpose of the Letter

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

Ashley, Brown & Smith, CPA's, P.A.

Punta Gorda, Florida
August 14, 2026

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Report of Independent Accountant on Compliance With Local Government Investment Policies, Article V Requirements and Depository Requirements of Sections 218.415, 28.35, 28.36 and 61.181, *Florida Statutes*

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

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

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

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

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

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

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

Ashley, Brown & Smith, CPA's, P.A.

Punta Gorda, Florida
August 14, 2026

HENDRY COUNTY, FLORIDA
PROPERTY APPRAISER

SEPTEMBER 30, 2025

FINANCIAL STATEMENTS
TOGETHER WITH REPORTS OF INDEPENDENT AUDITORS

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ASHLEY & BROWN & SMITH
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Independent Auditor's Report

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

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Hendry County, Florida, Property Appraiser (the "Property Appraiser"), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Property Appraiser's special purpose financial statements as listed in the table of contents.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Property Appraiser's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Property Appraiser's ability to continue as a going concern for a reasonable period of time.

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

Emphasis of Matter

Basis of Presentation

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each fund of Hendry County, Florida that is attributable to the Property Appraiser. They do not purport to, and do not, present fairly the financial position of Hendry County, Florida as of September 30, 2025, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Required Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated June 30, 2026, on our consideration of the Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Property Appraiser's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in consideration of the Property Appraiser's internal control over financial reporting and compliance.

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida
June 30, 2026

FINANCIAL STATEMENTS

HENDRY COUNTY, FLORIDA
PROPERTY APPRAISER
Balance Sheet - Governmental Funds
September 30, 2025

	General Fund	Special Revenue Fund	Total Governmental Funds
ASSETS			
Cash	$ 476,065	$ 240,094	$ 716,159
Total Assets	$ 476,065	$ 240,094	$ 716,159
LIABILITIES AND FUND EQUITY			
Liabilities			
Due to board of county commissioners	$ 447,259	$ -	$ 447,259
Accounts payable	275	-	275
Accrued liabilities	28,531	-	28,531
Total liabilities	476,065	-	476,065
Fund equity			
Fund balance			
Assigned	-	240,094	240,094
Total fund equity	-	240,094	240,094
Total liabilities and fund equity	$ 476,065	$ 240,094	$ 716,159

See accompanying notes

HENDRY COUNTY, FLORIDA
PROPERTY APPRAISER
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds
For the fiscal year ended September 30, 2025

	General Fund	Special Revenue Fund	Total Governmental Funds
REVENUES			
Charges for services	$ 1,881,611	$ 138,830	$ 2,020,441
Miscellaneous	16,340	1,225	17,565
Total revenues	1,897,951	140,055	2,038,006
EXPENDITURES			
Governmental expenditures			
Personal services	1,240,613	71,000	1,311,613
Operating expenditures	203,392	54,000	257,392
Capital outlay	6,687	-	6,687
Total expenditures	1,450,692	125,000	1,575,692
Excess of revenues over expenditures	447,259	15,055	462,314
Other financing sources (uses)			
Transfers out	(447,259)	-	(447,259)
Total other financing sources (uses)	(447,259)	-	(447,259)
Excess of revenues and other sources over expenditures and other uses	-	15,055	15,055
Fund balance, October 1, 2024	-	225,039	225,039
Fund balance, September 30, 2025	$ -	$ 240,094	$ 240,094

See accompanying notes

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

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

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

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

Fund Accounting

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

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

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

Basis of Accounting

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

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgetary Requirements

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

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

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

1. On or before June 1 of each year the Property Appraiser shall concurrently submit an annual budget to the Florida Department of Revenue and to the Board of County Commissioners. Budgetary control is established at the functional level.

2. On or before August 15 the Department shall make its final budget amendments or changes to the budget and shall provide notice thereof to the Property Appraiser and the Board of County Commissioners.

3. The budget for the General Fund is adopted on a basis consistent with generally accepted governmental accounting principles.

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

Encumbrances

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

Compensated Absences

During the year ended September 30, 2025, the Property Appraiser implemented GASB Statement No. 101, Compensated Absences. The implementation did not have a material effect on beginning fund balance or previously reported long-term obligations.

GASB Statement No. 101, *Compensated Absences,* requires that a liability be recognized for compensated absences attributable to services already rendered, provided the leave accumulates and is more likely than not to be used for time off or otherwise paid or settled. The liability is measured using the employee’s pay rate as of the financial statement date. The liability shown in the County's basic financial statements has been accrued in accordance with this criteria.

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

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Compensated Absences (Continued)

The liability shown in the County's financial statement includes accumulated annual leave and applicable sick leave earned by employees as of September 30, 2025. At September 30, 2025, the Property Appraiser had $65,090 in long-term compensated absences payable.

Estimates

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

Fund Balances

- Assigned - Assigned fund balances are constrained by the Property Appraiser's intent to be used for specific purposes, but are neither restricted nor committed.

- Unassigned - Fund balance that has not been reported in any other classification.

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

NOTE 2 - CASH AND INVESTMENTS

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

At September 30, 2025, the book balance of deposits was $716,159 for the Property Appraiser and the bank balance was $700,788.

The Property Appraiser held no investments during the fiscal year.

NOTE 3 - GENERAL FIXED ASSETS

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

NOTE 4 - GENERAL LONG-TERM DEBT

Changes in General Long-Term Debt

Changes in the general long-term debt of the Property Appraiser for the year ended September 30, 2025, are summarized below:

	Compensated Absences
General long-term debt at October 1, 2024	$ 28,074
Increase in accrued compensated absences	154,399
Decrease in accrued compensated absences	(117,383)
General long-term debt at September 30, 2025	$ 65,090
Noncurrent portion of compensated absences	$ 11,716

NOTE 5 - RETIREMENT PLAN

The Property Appraiser's employees participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan ("Pension Plan") and the Retiree Health Insurance Subsidy ("HIS Plan"). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan ("Investment Plan") alternative to the FRS Pension Plan, which is administered by the State Board of Administration.

As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments (where applicable), and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida Legislature. Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July l, 2011, Regular class members who retire at or after age 62 with at least six years of credited service, or 30 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested regular class members with less than 30 years of service may retire before age 62 and are entitled to a retirement benefit payable monthly also equal to 1.6% of their final average compensation for each year of credited service based on the five highest years of salary, with a 5% reduction for each year under age 62.

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

NOTE 5 - RETIREMENT PLAN (CONTINUED)

Funding Policy

All enrolled members of the FRS Pension Plan are required to contribute 3.0% of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on statewide contribution rates. The employer contribution rates by job class for the periods from October 1, 2024 through June 30, 2025 and July 1, 2025 through September 30, 2025, respectively, were as follows: regular 13.63% and 14.03%; county elected officers 58.68% and 54.57%; senior management 34.52% and 33.24%; and DROP participants 21.13% and 22.02%. During the fiscal year ended September 30, 2025, the Property Appraiser contributed to the plan an amount equal to 23.47% of covered payroll.

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

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

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

The Property Appraiser recognizes pension expenditures in an amount equal to amounts paid to the Pension Plan, the HIS Plan, and the defined contribution plan, amounting to $67,527, $16,202, and $106,383, respectively, for the fiscal year ended September 30, 2025. The Property Appraiser's payments after June 30, 2025, the measurement date used to determine the net pension liability associated with the Pension Plan and HIS Plan, amounted to $16,217 and $3,770, respectively. The Property Appraiser is not legally required to and does not accumulate expendable available resources to liquidate the retirement obligation related to its employees. Accordingly, the net pension liability and associated deferred outflows and deferred inflows are presented on the government-wide financial statements of the County, following requirements of GASB Statement No. 68, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27, and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68, effective October 1, 2014.

NOTE 5 - RETIREMENT PLAN (CONTINUED)

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

NOTE 6 - RISK MANAGEMENT

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

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

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

Charges to operating departments are based upon amounts believed by management to meet the required annual payout during the fiscal year and to pay for the estimated operating costs of the program and for premiums for third-party carrier insurance plans. For the fiscal year ended September 30, 2025, the Property Appraiser was charged $232,999.

NOTE 7 - OTHER POST-EMPLOYMENT BENEFITS

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

NOTE 8 - SUBSCRIPTION BASED INFORMATION TECHNOLOGY ARRANGEMENT

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

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

REQUIRED SUPPLEMENTARY INFORMATION

HENDRY COUNTY, FLORIDA
PROPERTY APPRAISER
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
For the fiscal year ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES				
Charges for services	$ 1,874,885	$ 1,881,611	$ 1,881,611	$ -
Miscellaneous	-	-	16,340	16,340
Total revenues	1,874,885	1,881,611	1,897,951	16,340
EXPENDITURES				
Governmental expenditures				
Personal services	1,587,795	1,594,521	1,240,613	353,908
Operating expenditures	243,090	251,090	203,392	47,698
Capital outlay	-	6,687	6,687	-
Non-operating	44,000	29,313	-	29,313
Total expenditures	1,874,885	1,881,611	1,450,692	430,919
Excess of revenues over (under) expenditures	-	-	447,259	447,259
Other financing sources (uses)				
Transfers out	-	-	(447,259)	(447,259)
Total other financing sources (uses)	-	-	(447,259)	(447,259)
Excess of revenues and other sources over expenditures and other uses	-	-	-	-
Fund balance, October 1, 2024	-	-	-	-
Fund balance, September 30, 2025	$ -	$ -	$ -	$ -

SUPPLEMENTARY REPORTS

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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*

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

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

Report on Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

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

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

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida
June 30, 2026

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Management Letter

Honorable Dena R. Pittman
Property Appraiser
Hendry County, Florida

Report on the Financial Statements

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

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards; and Independent Accountant's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedules, which are dated June 30, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. Corrective actions for 2024-001 Journal Entries have been implemented.

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Property Appraiser had no component units as of September 30, 2025.

Financial Management

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

Additional Matters

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

Purpose of this Letter

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

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida
June 30, 2026

ASHLEY & BROWN SMITH
CERTIFIED PUBLIC ACCOUNTANTS

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Report of Independent Accountant on Compliance with Local Government Investment Policies

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

We have examined the Hendry County, Florida, Property Appraiser's (the "Property Appraiser") compliance with Section 218.415, Florida Statutes, Local Government Investment Policies, for the year ended September 30, 2025. Management is responsible for the Property Appraiser's compliance with those requirements. Our responsibility is to express an opinion on the Property Appraiser's compliance based on our examination.

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

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

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

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

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

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida
June 30, 2026

HENDRY COUNTY, FLORIDA

SHERIFF

September 30, 2025

FINANCIAL STATEMENTS,
TOGETHER WITH REPORTS OF INDEPENDENT AUDITOR

Table of Contents

ASHLEY & BROWN & SMITH
CERTIFIED PUBLIC ACCOUNTANTS

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Report of Independent Auditor

To the Honorable Steve Whidden,
Sheriff
Hendry County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Hendry County, Florida, Sheriff, (the "Sheriff") as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Sheriff's special purpose financial statements, as listed in the table of contents.

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

Emphasis of Matter

Basis of Presentation

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each fund of Hendry County, Florida that is attributable to the Sheriff. They do not purport to, and do not, present fairly the financial position of Hendry County, Florida as of September 30, 2025, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison information on page 17 be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated July 28, 2026 on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.

Ashley, Brown & Smith, CPA's, P.A.

Punta Gorda, Florida
July 28, 2026

FINANCIAL STATEMENTS

HENDRY COUNTY, FLORIDA
SHERIFF
Balance Sheet - Governmental Funds
September 30, 2025

	General	Commissary	Non-Major Governmental	Total Governmental Funds
ASSETS				
Cash	$ 282,841	$ 1,240,894	$ 36,775	$ 1,560,510
Accounts Receivable	16,994	24,397	-	41,391
Due from BOCC	173,965			
Due from Other Governments	799,464	-	-	799,464
Total Assets	$ 1,273,264	$ 1,265,291	$ 36,775	$ 2,401,365
LIABILITIES AND FUND EQUITY				
Liabilities				
Accounts Payable	$ 695,493	$ 116,871	$ -	$ 812,364
Accrued Liabilities	571,112	-	-	571,112
Unearned Revenue	6,659	-	-	6,659
Total Liabilities	1,273,264	116,871	-	1,390,135
Fund Equity				
Fund Balance				
Restricted	-	1,148,420	-	1,148,420
Assigned	-	-	36,775	36,775
Unassigned	-	-	-	-
Total Fund Equity	-	1,148,420	36,775	1,185,195
Total Liabilities and Fund Equity	$ 1,273,264	$ 1,265,291	$ 36,775	$ 2,575,330

See accompanying notes.

HENDRY COUNTY, FLORIDA
SHERIFF
Statement of Revenues, Expenditures, and
Changes in Fund Balance - Governmental Funds
For the Fiscal Year Ended September 30, 2025

	General Fund	Commissary	Non-Major Governmental	Total Governmental Funds
Revenues				
Intergovernmental	$ 1,902,074	$ -	$ -	$ 1,902,074
Charges for Services	1,322,554	300,889	30,915	1,654,358
Miscellaneous	306,961	37,289	757	345,007
Total Revenues	3,531,589	338,178	31,672	3,901,439
Due from Other Governments				
Law Enforcement				
Personnel Services	14,795,281	-	-	14,795,281
Operating Expenditures	2,550,372	-	32,350	2,582,722
Capital Outlay	1,335,824	-	-	1,335,824
Debt Service				
Principal	745,978	-	-	745,978
Interest	37,087	-	-	37,087
Corrections				
Personnel Services	4,572,520	199,078	-	4,771,598
Operating Expenditures	626,866	140,192	-	767,058
Capital Outlay	207,230	101,532	-	308,762
Judicial				
Personnel Services	678,828	-	-	678,828
Operating Expenditures	461,948	-	-	461,948
Total Expenditures	26,011,934	440,802	32,350	26,485,086
Excess of Revenues Over (Under) Expenditures	(22,480,345)	(102,624)	(678)	(22,583,647)
Other Financing Sources and (Uses)				
Proceeds from Sale of Capital Assets	27,138	-	-	27,138
Operating Transfers in from BOCC	21,404,113	-	-	21,404,113
Proceeds from Leases	1,049,094	-	-	1,049,094
Total Other Financing Sources (Uses)	22,480,345	-	-	22,480,345
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	-	(102,624)	(678)	(103,302)
Fund Balance - October 1, 2024	-	1,251,044	37,453	1,288,497
Fund Balance - September 30, 2025	$ -	$ 1,148,420	$ 36,775	$ 1,185,195

See accompanying notes.

HENDRY COUNTY, FLORIDA
SHERIFF
Statement of Fiduciary Net Position
September 30, 2025

	Total Custodial Funds
ASSETS	
Cash	$ 700,835
Total assets	700,835
LIABILITIES	
Due to Other Governments	217,556
Due to Individuals	251,477
Total Liabilities	469,033
NET POSITION	
Restricted for:	
Individuals, Organizations, and Other Governments	231,802
Total Net Position	$ 231,802

HENDRY COUNTY, FLORIDA
SHERIFF
Statement of Changes in Fiduciary Net Position
For the Fiscal Year Ended September 30, 2025

	Total Custodial Funds
ADDITIONS:	
Deposits and Other Trust Activities	$ 69,383
Fees/fines Collected for Other Governments	267,270
Total Additions	336,653
DEDUCTIONS:	
Deposits and Other Trust Activities Disbursed	179,943
Fees/fines Disbursed for Other Governments	39,535
Total Deductions	219,478
Change in Fiduciary Net Position	117,175
Fiduciary Net Position - Beginning	114,627
Fiduciary Net Position - Ending	$ 231,802

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

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

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

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

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

(a) Fund Accounting

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

Governmental Funds

General Fund

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

Special Revenue Funds

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

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

Fiduciary Funds

Custodial Fund

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

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

Governmental Funds

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

Basis of Accounting

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

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

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

Budgetary Process

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

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

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

Encumbrances

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

(c) Assets, Liabilities, and Equity

Capital Assets

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

Compensated Absences

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

Fund Balances

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

Restricted fund balances are fund balance amounts that are constrained for specific purposes which are externally imposed by creditors, grantors, contributors, or laws or regulations or imposed by law through constitutional provisions or enabling legislation.

As of September 30, 2025, the Sheriff had $1,148,420 in restricted fund balance in the Commissary Special Revenue. This amount is restricted to purchases of items for the benefit of the inmates at Hendry County Jail.

Committed fund balances are fund balances constrained for specific purposes imposed by the Sheriff's formal action of highest level of decision making authority. As of September 30, 2025, the Sheriff had no committed fund balances.

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

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

Fund Balances, Continued

Unassigned fund balances represent the residual positive fund balance within the General Fund, which has not been assigned to other funds and has not been restricted, committed or assigned. In funds other than the General Fund, unassigned fund balances are limited to negative residual balances. As of September 30, 2025, the Sheriff had no unassigned fund balance because all excess revenues within the general fund are required to be remitted to the Board and there were no negative residual balances in the special revenue funds.

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

Estimates

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

NOTE 2 - CASH AND INVESTMENTS

Cash

At September 30, 2025, the carrying amount of the Sheriff's deposits was $2,261,645 and the bank balance was $2,512,479. These deposits were entirely covered during the year and at year-end by federal depository insurance or by collateral pursuant to the Public Depository Act of the State of Florida (Florida Statute Chapter 280). All Sheriff depositories are banks designated as qualified depositories by the State Treasurer.

Investments

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

NOTE 3 - GENERAL FIXED ASSETS

Changes in general fixed assets are as follows:

	Beginning Balance 10/1/2024	Increases	Decreases	Ending Balance 9/30/2025
Capital assets not depreciated:				
Construction in progress	$ 23,177	$ 286,730	$ -	$ 309,907
Total capital assets not depreciated:	23,177	286,730	-	309,907
Capital assets depreciated and amortized:				
Equipment	7,267,455	207,230	(814,674)	6,660,011
Right-to-use assets	2,649,346	1,049,094	(1,912,202)	1,786,238
Total capital assets depreciated and amortized	9,916,801	1,256,324	(2,726,876)	8,446,249
Less: Accumulated depreciation and amortization				
Equipment	(4,893,623)	(680,800)	806,833	(4,767,590)
Right-to-use assets	(1,975,084)	(543,867)	1,094,325	(1,424,626)
Total Accumulated depreciation and amortization	(6,868,707)	(1,224,667)	1,901,158	(6,192,216)
Capital assets, net	$ 3,071,271	$ 318,387	$ (825,718)	$ 2,563,940

NOTE 4 - ACCUMULATED COMPENSATED ABSENCES

Employees earn vacation and sick leave based upon length of employment. The Sheriff's financial obligation for unused compensated absences is reported as a liability in the Statement of Net Position of the County. That liability consists of the following components:

	Beginning Balance 10/1/2024, Restated	Net Change	Ending Balance 9/30/2025
Accumulated Compensated Absences	$ 1,670,656	$ 661,953	$ 2,332,609

The amount recorded represents vested annual vacation and sick leave to employees in varying amounts. Employees may carryover a maximum of 300 vacaton hours and unlimited sick leave hours. Upon retirement from employment, one-quarter of the balance of sick leave hours will be paid to employees with greater than 3 years of continuous service to the Sheriff's office.

The County adopted GASB Statement No. 101, Compensated Absences, during the year ended September 30, 2025, which resulted in the restatement of compensated absences.

NOTE 5 - COMMITMENTS AND CONTINGENCIES

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

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

NOTE 6- LEASES

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

As of fiscal year ended September 30, 2025, the Sheriff's right-of-use lease asset and related accumulated amortization was $1,786,238 and $1,424,626, respectively. The related lease liability at fiscal year ended September 30, 2025 was $1,777,755. Refer to Note 3 Capital Assets for a summary of changes in the right-of-use lease assets by major underlying asset class.

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

Year Ending September 30,	Principal	Interest	Total
2026	$ 532,111	$ 94,005	$ 626,116
2027	452,156	69,328	521,484
2028	422,826	44,380	467,206
2029	266,252	21,451	287,703
2030	104,410	3,908	108,318
Totals	$ 1,777,755	$ 233,072	$ 2,010,827

NOTE 7 - RETIREMENT PLAN

Plan Description

The Sheriff's employees participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Service, Division of Retirement, including the FRS Pension Plan ("Pension Plan") and the Retiree Health Insurance Subsidy ("HIS Plan"). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan ("Investment Plan") alternative to the FRS Pension Plan, which is administered by the State Board of Administration.

NOTE 7 - RETIREMENT PLAN - (CONTINUED)

Plan Description, Continued

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

Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July l, 2011, Regular class members who retire at or after age 62 with at least six years of credited service, or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service.

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

Funding Policy

All enrolled members of the FRS Pension Plan are required to contribute 3.0% of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on statewide contribution rates. The employer contribution rates by job class for the periods from October 1, 2024 through June 30, 2025 and July 1, 2025 through September 30, 2025, respectively, were as follows: regular 13.63% and 14.03%; senior management 34.52% and 33.24%; special risk regular 32.79% and 35.19%; special risk administration 39.82% and 39.48%; and DROP participants 21.13% and 22.02%. During the fiscal year ended September 30, 2025, the Sheriff contributed to the plan an amount equal to 30.04% of covered payroll.

The HIS Plan provides a monthly benefit to assist retirees in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement. Eligible retirees and beneficiaries receive a monthly health insurance subsidy payment of $7 for each year of creditable service, with a minimum payment of $45 and a maximum payment of $225 per month. The HIS Plan is funded by required contributions from FRS participating employees as set forth by Florida Legislature, based on a percentage of gross compensation for all active FRS members.

NOTE 7 - RETIREMENT PLAN - (CONTINUED)

Funding Policy, Continued

For those members who elect participation in the Investment plan, rather than the Pension Plan, vesting occurs at one year of service. These participants receive a contribution for self-direction in an investment product with a third party administrator selected the State Board of Administration.

Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.) as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved instrument choices. Costs of administering the plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll by forfeited benefits of plan members.

The Sheriff recognizes pension expenditures in an amount equal to amounts paid to the Pension Plan, the HIS Plan, and the defined contribution plan, amounting to $2,603,387, $238,264, and $737,504, respectively, for the fiscal year ended September 30, 2025. The Sheriff's payments after June 30, 2025, the measurement date used to determine net pension liability associated with the Pension Plan and the HIS Plan, amounted to $731,752 and $63,471, respectively.

The Sheriff is not legally required to and does not accumulate expendable available resources to liquidate the retirement obligation related to its employees. Accordingly, the net pension liability and associated deferred outflows and deferred inflows are presented on the government-wide financial statements of the County, following requirements of GASB No. 68, Accounting and Financial Reporting for Pensions- an amendment of GASB No. 27, and GASB No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date- an amendment of GASB No. 68, effective October 1, 2014.

The State of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the State of Florida, P.O. Box 9000, Tallahassee, Florida 32315-9000, or from the Website: www.dms.myflorida.com/retirement.

NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS

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

NOTE 9 - RELATED PARTY TRANSACTIONS

The Sheriff is a constitutional county officer whose appropriations are approved by the Board of County Commissioners. The Board has agreed to provide certain operating expenditures for the Sheriff. The Board paid all property and casualty insurance and workers' compensation premiums for the Sheriff.

NOTE 10 - RISK MANAGEMENT

The Sheriff is exposed to various risk of loss related to torts; theft of, or damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Sheriff is a member of a public entity risk pool which is a cooperative group of governmental entities joining together to finance an exposure, liability, or risk.

The pool provides coverage for, liability, public officials liability automobile physical damage, general liability, and automobile liability. The costs of the property and casualty insurance and workers' compensation are accounted for in the General Fund of the Board of County Commissioners.

REQUIRED SUPPLEMENTARY INFORMATION

HENDRY COUNTY, FLORIDA
SHERIFF
Schedule of Revenues, Expenditures and Changes in Fund Balances
Budget and Actual - General Fund
For the Fiscal Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Intergovernmental	$ -	$ 2,086,084	$ 1,902,074	$ (184,010)
Charges for Services	-	1,543,354	1,322,554	(220,800)
Miscellaneous	-	55,361	306,961	251,600
Total Revenues	-	3,684,799	3,531,589	(153,210)
Expenditures				
Law Enforcement				
Personnel Services	11,744,027	15,113,363	14,795,281	318,082
Operating Expenditures	2,600,560	2,831,447	2,550,372	281,075
Capital Outlay	837,676	949,390	1,335,824	(386,434)
Debt Service	333,400	333,400	783,065	(449,665)
Contingency	30,000	30,000	-	30,000
Total Law Enforcement	15,545,663	19,257,600	19,464,542	(206,942)
Corrections				
Personnel Services	4,098,931	4,098,931	4,572,520	(473,589)
Operating Expenditures	868,925	868,925	626,866	242,059
Capital Outlay	28,500	28,500	207,230	(178,730)
Contingency	20,000	20,000	-	20,000
Total Corrections	5,016,356	5,016,356	5,406,616	(390,260)
Judicial				
Personal Services	484,975	484,975	678,828	(193,853)
Operating Expenditures	6,092	6,092	461,948	(455,856)
Total Judicial	491,067	491,067	1,140,776	(649,709)
Total Expenditures	21,053,086	24,765,023	26,011,934	(1,246,911)
Excess of Revenues Over (Under) Expenditures	(21,053,086)	(21,080,224)	(22,480,345)	(1,400,121)
Other Financing Sources (Uses)				
Proceeds From Sale of Capital Assets	-	27,138	27,138	-
Operating Transfers In	21,053,086	21,053,086	21,404,113	351,027
Proceeds from Leases	-	-	1,049,094	1,049,094
Total Other Financing Sources (Uses)	21,053,086	21,080,224	22,480,345	1,400,121
Excess of Revenues and Other Sources Over (Under) Expenditures and Other Uses	-	-	-	-
Fund Balance - October 1, 2024	-	-	-	-
Fund Balance - September 30, 2025	$ -	$ -	$ -	$ -

OTHER FINANCIAL INFORMATION

HENDRY COUNTY, FLORIDA
SHERIFF
Combining Balance Sheet
Non-Major Governmental Funds
September 30, 2025

	Training	Equitable Sharing Program	Gun Range	Total Non-Major Governmental Funds
Cash	30,299.00	2,877	3,599	36,775
Total Assets	$ 30,299	$ 2,877	$ 3,599	$ 36,775
LIABILITIES AND FUND EQUITY				
Fund Equity				
Fund Balance				
Assigned	30,299	2,877	3,599	36,775
Total Fund Equity	30,299	2,877	3,599	36,775
Total Liabilities and Fund Equity	$ 30,299	$ 2,877	$ 3,599	$ 36,775

HENDRY COUNTY, FLORIDA
SHERIFF
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Non-Major Governmental Funds
For the Year Ended September 30, 2025

	Training	Equitable Sharing Program	Gun Range	Total Non-Major Governmental Funds
Revenues				
Charges for Services	$ 5,548	$ -	$ 25,367	$ 30,915
Miscellaneous	558	57	142	757
Total Revenues	6,106	57	25,509	31,672
Expenditures				
Operating Expenses	4,142	-	28,208	32,350
Total Expenditures	4,142	-	28,208	32,350
Excess of Revenues Over (Under) Expenditures	1,964	57	(2,699)	(678)
Fund Balances - October 1, 2024	28,335	2,820	6,298	37,453
Fund Balances - September 30, 2025	$ 30,299	$ 2,877	$ 3,599	$ 36,775

SUPPLEMENTARY REPORTS

ASHLEY & BROWN & SMITH
CERTIFIED PUBLIC ACCOUNTANTS

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Report of Independent Auditor on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

To the Honorable Steve Whidden,
Sheriff
Hendry County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Hendry County, Florida, Sheriff, (the "Sheriff") as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Sheriff's special purpose financial statements, and have issued our report thereon dated July 28, 2026.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies and therefore, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of current year findings as item 2025-001 that we consider to be a significant deficiency and item 2025-002 that we consider to be a material weakness.

Report on Compliance and Other Matters

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

Purpose of this Report

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

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

Ashley, Brown & Smith, CPA's, P.A.

Punta Gorda, Florida
July 28, 2026

ASHLEY & BROWN & SMITH
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Independent Auditor's Management Letter

To the Honorable Steve Whidden,
Sheriff
Hendry County, Florida

Report on the Financial Statements

We have audited the financial statements of the Hendry County, Florida, Sheriff, as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated July 28, 2026.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Report of Independent Auditor on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards;* and Independent Accountant's Examination Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated July 28, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

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

Financial Management

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we had two recommendations to improve financial management as detailed in the accompanying schedule of current year findings and responses at findings 2025-001 and 2025-002.

Additional Matters

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

Purpose of the Letter

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

Ashley, Brown & Smith, CPA's, P.A.

Punta Gorda, Florida
July 28, 2026

HENDRY COUNTY, FLORIDA
SHERIFF
Schedule of Current Year Findings
For the Year Ended September 30, 2025

Finding 2025-001 - Journal Entries (Significant Deficiency)

Condition: The Sheriff's Office is responsible for establishing and maintaining internal controls over the proper preparation, support, review, and recording of journal entries in the general ledger.

Criteria: Journal entries are an important accounting function used to record transactions, correct previously recorded transactions, and make adjustments that affect financial reporting. Effective internal controls over journal entries should provide for adequate supporting documentation and review and approval by an individual other than the preparer.

Cause: During our audit, we noted that one individual is responsible for initiating, preparing, posting, and finalizing adjusting journal entries. For the adjusting journal entries selected for testing, supporting documentation was not provided to substantiate the purpose and basis for the entries. Management indicated that adjusting journal entries are reviewed monthly by another individual; however, evidence of such review and approval was not maintained.

Effect: Adequate segregation of duties and independent review of journal entries are important controls to prevent or detect errors and unauthorized transactions. Without supporting documentation and evidence of independent review and approval, there is an increased risk that erroneous or unauthorized journal entries could be recorded and not detected in a timely manner.

Recommendation: We recommend that the Sheriff's Office strengthen its internal controls over journal entries by requiring each adjusting journal entry to be supported by appropriate documentation and independently reviewed and approved by a qualified individual other than the preparer. Evidence of the review and approval should be documented and retained. Management should also consider producing a monthly report of all journal entries posted to the general ledger and comparing the report to the approved journal entries to ensure that all entries posted were properly supported, approved, and recorded.

Finding 2025-002 - Financial Reporting (Material Weakness)

Condition: The Sheriff's Office is responsible for establishing and maintaining internal controls over financial reporting to ensure that account balances are properly recorded and classified in accordance with generally accepted accounting principles.

During our audit, inquiry and testing of grant revenues reported on the trial balance identified approximately $222,000 that had been improperly recorded as grant revenue. As a result, an adjusting journal entry was required to remove the amount from grant revenue. The misclassification was not identified through the Sheriff's Office's financial reporting and year-end closing processes prior to the audit.

Criteria: Effective internal controls over financial reporting should include procedures to review and reconcile significant account balances and ensure transactions are properly recorded and classified prior to the preparation of the financial

Cause: The Sheriff's Office's year-end financial reporting and review procedures were not sufficient to identify the misclassification of amounts recorded as grant revenue prior to the audit.

Effect: The lack of an effective review process resulted in a material misstatement of grant revenue that was not detected by the Sheriff's Office's internal controls. Without adequate review and reconciliation procedures, material misstatements in the financial records may not be prevented or detected and corrected on a timely basis.

Recommendation: We recommend that the Sheriff's Office strengthen its financial reporting and year-end closing procedures to include a documented review and reconciliation of significant revenue accounts. Grant revenue balances should be reconciled to supporting grant records and reviewed to ensure amounts are properly recorded and classified prior to the preparation of the financial statements.

July 28, 2026

In response to the Independent Auditor's Financial Statement Findings, the Hendry County, Florida, Sheriff (the "Sheriff") issues the following responses:

2025-001 - Journal Entries

The Sheriff's Office will strengthen internal controls over adjusting journal entries by requiring each entry to include appropriate supporting documentation identifying the purpose, accounts, and amount of the entry. Each adjusting journal entry will be independently reviewed and approved by a qualified individual other than the preparer, and evidence of the review and approval will be retained with the supporting documentation. Management will also ensure that a monthly report of journal entries posted to the general ledger is reviewed and reconciled to approved journal entry documentation.

2025-002 - Financial Reporting

The Sheriff's Office will strengthen its financial reporting and year-end closing procedures by implementing documented reconciliations and supervisory review of significant revenue accounts, including grant revenue. Grant revenue balances will be reconciled to grant agreements, reimbursement requests, cash receipts, expenditure records, and other supporting schedules to verify that amounts are valid, recorded in the proper accounting period, and properly classified.

SIGNED: Kevin Nelson

TITLE: Chief Deputy

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Report of Independent Accountant on Compliance With Local Government Investment Policies

To the Honorable Steve Whidden,
Sheriff
Hendry County, Florida

We have examined the Hendry County, Florida, Sheriff's (the "Sheriff") compliance with Section 218.415, Florida Statutes, Local Government Investment Policies, for the year ended September 30, 2025. Management is responsible for the Sheriff's compliance with the specified requirements. Our responsibility is to express an opinion on the Sheriff's compliance based on our examination.

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

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

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

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

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

Ashley, Brown & Smith, CPA's, P.A.

Punta Gorda, Florida
July 28, 2026

HENDRY COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS

SEPTEMBER 30, 2025

FINANCIAL STATEMENTS
TOGETHER WITH REPORTS OF INDEPENDENT AUDITORS

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ASHLEY & BROWN SMITH
CERTIFIED PUBLIC ACCOUNTANTS

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Independent Auditor's Report

To the Honorable Sherry Taylor,
Supervisor of Elections
Hendry County, Florida

We have audited the accompanying financial statements of the general fund of the Hendry County, Florida, Supervisor of Elections (the "Supervisor of Elections"), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' 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 general fund of the Supervisor of Elections as of September 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Supervisor of Elections' internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Supervisor of Elections' ability to continue as a going concern for a reasonable period of time.

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

Emphasis of Matter

Basis of Presentation

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each fund of Hendry County, Florida that is attributable to the Supervisor of Elections. They do not purport to, and do not, present fairly the financial position of Hendry County, Florida as of September 30, 2025, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Required Supplementary Information, continued

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

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated June 30, 2026, on our consideration of the Supervisor of Elections' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Supervisor of Elections' internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in consideration the Supervisor of Elections' internal control over financial reporting and compliance.

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida
June 30, 2026

FINANCIAL STATEMENTS

HENDRY COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
Balance Sheet - Governmental Funds
September 30, 2025

	General Fund
ASSETS	
Cash	$ 122,352
Total assets	$ 122,352
LIABILITIES	
Accounts Payable	$ 3,361
Due to Board of County Commissioners	118,991
Total liabilities	$ 122,352

See accompanying notes

HENDRY COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Funds
For the fiscal year ended September 30, 2025

	General Fund
REVENUES	
Miscellaneous	$ 16,854
Total revenues	16,854
EXPENDITURES	
Governmental expenditures	749,034
Excess of revenues under expenditures	(732,180)
Other financing sources (uses)	
Operating transfers in	851,171
Operating transfers out	(118,991)
Total other financing sources (uses)	732,180
Excess of revenues and other sources over expenditures and other uses	-
Fund balance, October 1, 2024	-
Fund balance, September 30, 2025	$ -

See accompanying notes

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

The Supervisor of Elections is an elected Constitutional Officer of Hendry County ("County"), a political subdivision of the State of Florida. The position of Supervisor of Elections was established by Article VIII, Section 1 (d) of the State of Florida Constitution. The general powers and responsibilities of the Supervisor of Elections are specified in Chapters 97 through 106, Florida Statutes. The Supervisor of Elections is charged with the conduct of elections within the County, except certain independent special district elections separately provided for by special acts. The operations are financed by appropriations made by the Board of County Commissioners pursuant to the approved budget.

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

Fund Accounting

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

The following fund is used by the Supervisor of Elections:

> General Fund - This fund is used to account for all revenues and expenditures applicable to the general operations of the Supervisor of Elections. All general operating revenues which are not restricted or designated as to use by outside sources are recorded in the General Fund.

Basis of Accounting

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

The modified accrual basis of accounting is followed by the General Fund. The modification in such method from the accrual basis is that revenues are recorded when they become measurable and available to finance operations of the current year. Expenditures are generally recognized when the related fund liability is incurred, if measurable, except expenditures for debt service, and other long-term obligations which are recognized when paid.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Budgetary Requirements

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

1. On or before June 1 of each year the Supervisor of Elections shall submit to the Board of County Commissioners a tentative budget for the ensuing fiscal year. Budgetary control is established at the fund level.

2. Public hearings are held by the Board to obtain taxpayer comments and possible adjustments by the Board.

3. The Board of County Commissioners may amend, modify, increase, or reduce any or all items of expenditures in the proposed budget submitted by the Supervisor of Elections by giving written notice of its actions, after approval of the budget.

4. Prior to October 1, the budget is legally enacted by the Board.

Encumbrances

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

Compensated Absences

During the year ended September 30, 2025, the Supervisor implemented GASB Statement No. 101, Compensated Absences. The implementation did not have a material effect on beginning fund balance or previously reported long-term obligations.

The Supervisor of Elections permits employees to accumulate a limited amount of earned but unused vacation and sick leave. Upon separation from service, employees are compensated for accumulated vacation leave and, in certain cases, a portion of accumulated sick leave. For the fiscal year ended September 30, 2025, the amount of accrued compensated absences was $34,534.

NOTE 2 - CASH AND INVESTMENTS

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

As of September 30 2025, the carrying amount of the Supervisor of Elections' deposits was $122,352 and the bank balance was $132,512.

The Supervisor of Elections held no investments during the fiscal year.

NOTE 3 - AMOUNT TO BE REMITTED TO BOARD OF COUNTY COMMISSIONERS

Funding for the operations of the Supervisor of Elections, accounted for in the General Fund, is provided by the Hendry County Board of County Commissioners. The amount of such funding is estimated in the budgeting process and by Statute, any excess of revenues and transfers over expenditures in the General Fund are returned to the Board of County Commissioners. Such excess, if any, is reflected as an operating transfer out in the accompanying financial statements.

NOTE 4 - GENERAL FIXED ASSETS

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

NOTE 5 - GENERAL LONG-TERM DEBT

Changes in General Long-Term Debt

Changes in the general long-term debt of the Supervisor of Elections for the year ended September 30, 2025, are summarized below:

	Compensated Absences
General long-term debt at October 1, 2024	$ 13,118
Increase in accrued compensated absences	32,283
Decrease in accrued compensated absences	(10,867)
General long-term debt at September 30, 2025	$ 34,534
Noncurrent portion of compensated absences	$ 31,081

NOTE 6 - RETIREMENT PLAN

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

Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida Legislature. Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service, or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested regular class members with less than 30 years of service may retire before age 62 and are entitled to a retirement benefit payable monthly also equal to 2.0% of their final average compensation for each year of credited service based on the five highest years of salary, with a 5% reduction for each year under age 62. Substantial changes were made to the Pension Plan during fiscal year 2011, affecting new members enrolled on or after July 1, 2011 by extending the vesting requirement to eight years of credited service and increasing normal retirement to age 65 or 33 years of service regardless of age. Also, the final average compensation for these members is based on the eight highest years of salary.

Funding Policy

All enrolled members of the FRS Pension Plan are required to contribute 3.0% of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on statewide contribution rates. The employer contribution rates by job class for the periods from October 1, 2024 through June 30, 2025 and July 1, 2025 through September 30, 2025, respectively, were as follows: regular 13.63% and 14.03% and senior management 34.52% and 33.24%. During the fiscal year ended September 30, 2025, the Supervisor of Elections contributed to the plan an amount equal to 30.98% of covered payroll.

The HIS Plan provides a monthly benefit to assist retirees in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement. Eligible retirees and beneficiaries receive a monthly health insurance subsidy payment of $7 for each year of creditable service, with a minimum payment of $45 and a maximum payment of $225 per month. The HIS Plan is funded by required contributions from FRS participating employees as set forth by Florida Legislature, based on a percentage of gross compensation for all active FRS members.

NOTE 6 - RETIREMENT PLAN (CONTINUED)

Funding Policy

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

Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll by forfeited benefits of plan members. The Supervisor of Elections does not participate in the Investment Plan.

The Supervisor of Elections recognizes pension expenditures in an amount equal to amounts paid to the Pension Plan, the HIS Plan and the defined contribution plan amounting to $89,256, $5,123, and $10,207, respectively, for the fiscal year ended September 30, 2025. The Supervisor of Elections' payments after June 30, 2025, the measurement date used to determine the net pension liability associated with the Pension Plan and HIS Plan, amounted to $20,421 and $2,826 respectively. The Supervisor of Elections is not legally required to and does not accumulate expendable available resources to liquidate the retirement obligation related to its employees. Accordingly, the net pension liability and associated deferred outflows and deferred inflows are presented on the government-wide financial statements of the County, following requirements of GASB Statement No. 68, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27, and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68, effective October 1, 2014.

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

NOTE 7 - RISK MANAGEMENT

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

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

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

Charges to operating departments are based upon amounts believed by management to meet the required annual payout during the fiscal year and to pay for the estimated operating costs of the program and for premiums for third party carrier insurance plans. For fiscal year ended September 30, 2025, the Supervisor was charged $64,913.

NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS

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

REQUIRED SUPPLEMENTARY INFORMATION

HENDRY COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
For the fiscal year ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES				
Intergovernmental revenues	$ -	$ -	$ -	$ -
Miscellaneous	-	-	16,854	16,854
Total revenues	-	-	16,854	16,854
EXPENDITURES				
Governmental expenditures	826,380	826,380	749,034	77,346
Excess of revenues over (under) expenditures	(826,380)	(826,380)	(732,180)	94,200
Other financing sources (uses)				
Operating transfers in	826,380	826,380	851,171	24,791
Operating transfers out	-	-	(118,991)	118,991
Total other financing sources (uses)	826,380	826,380	732,180	(94,200)
Excess of revenues and other sources over expenditures and other uses	-	-	-	-
Fund balance, October 1, 2024	-	-	-	-
Fund balance, September 30, 2025	$ -	$ -	$ -	$ -

SUPPLEMENTARY REPORTS

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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*

To the Honorable Sherry Taylor,
Supervisor of Elections
Hendry County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards issued by the Comptroller General of the United States, the financial statements of the general fund of the Hendry County, Florida, Supervisor of Elections (the "Supervisor of Elections"), as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' financial statements, and have issued our report thereon dated June 30, 2026.

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2025-001 and 2025-002 that we consider to be significant deficiencies.

Report on Compliance and Other Matters

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

Supervisor of Elections' Response to Findings

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

Purpose of this Report

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

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

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida
June 30, 2026

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Management Letter

Honorable Sherry Taylor,
Supervisor of Elections
Hendry County, Florida

Report on the Financial Statements

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

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards; and Independent Accountant's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedules, which are dated June 30, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Tabulation of Uncorrected Audit Findings	
Current Year Finding #	FY 2024 Finding #
2025-001	2024-001

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Supervisor of Elections had no component units as of September 30, 2025.

Financial Management

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we had two recommendations to improve financial management as detailed in the accompanying schedule of current year findings and responses at findings 2025-001 and 2025-002.

Additional Matters

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

Purpose of this Letter

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

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida
June 30, 2026

Significant Deficiency
Finding 2025-001 - (Prior Year 2024-001) Journal Entries

Criteria: The Supervisor of Elections management is responsible for establishing and maintaining internal controls for the proper recording of all journal entries recorded in the general ledger.

Condition: As part of our audit, we performed procedures and reviewed internal controls over journal entries recorded in the general ledger. Journal entries are an important accounting function. They are used not only to record certain transactions, but also to correct original postings and modify financial reporting. Adjustments to the financial records should be recorded through journal entries, as they provide a clear, consistent and auditable trail of changes.

Cause: Based on our inquiries and procedures, we noted that staff is manually modifying existing transactions in the accounting system rather than processing formal adjusting journal entries.

Effect: When changes are made directly to transactions instead of through journal entries, it can make it harder to maintain a clear audit trail and understand the reasoning behind certain adjustments. Using journal entries not only provides better visibility but also helps reinforce internal controls. To support proper segregation of duties, it's important that journal entries are reviewed and approved by someone other than the person who prepared them. That review should include reviewing supporting documentation to ensure the entry is accurate and complete.

Recommendation: We recommend that the Supervisor of Elections implement a more consistent use of formal journal entries for financial adjustments, supported by proper documentation and review by someone other than the person who prepared it and who is qualified to perform the review.

Significant Deficiency
Finding 2025-002 - Budgetary Control

Criteria: The Supervisor of Elections management is responsible for establishing and maintaining internal controls to monitor financial activity against the legally adopted budget.

Condition: During our audit, we noted that the Supervisor's Office received transfers from the Board of County Commissioners (the "BOCC") totaling $851,171. However, the BOCC's adopted budget for the fiscal year ended September 30, 2025 reflected budgeted Supervisor of Elections appropriations of $826,380, resulting in a difference of $24,791. No budget amendment or other documentation was provided to support the additional amount received.

Cause: The Supervisor's Office did not have adequate procedures in place to ensure that the amount the BOCC awarded was accurately distributed to them.

Effect: The lack of effective budget monitoring increases the risk that financial activity may differ from the adopted or amended budget without timely detection, documentation, or approval. Although the transfer amount was reviewed and processed by the BOCC's office, the Supervisor of Elections is responsible for independently verifying that amounts received agree to the County's approved budget or other supporting authorization.

Recommendation: We recommend that management strengthen its budget monitoring procedures by comparing the transfers received from the BOCC' to the approved budget.

SHERRY TAYLOR
SUPERVISOR OF ELECTIONS
Hendry County
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Corrective Action Plan

June 30, 2026

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

Management Response to **Finding 2025-001 – (Prior Year 2024-001) Journal Entries**

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

Management Response to **Finding 2025-002 – Budgetary Control**

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

Sherry Taylor
Honorable Sherry Taylor
Supervisor of Elections

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Report of Independent Accountant on Compliance with Local Government Investment Policies

To the Honorable Sherry Taylor,
Supervisor of Elections
Hendry County, Florida

We have examined the Hendry County, Florida, Supervisor of Elections' (the "Supervisor of Elections") compliance with Section 218.415, Florida Statutes, Local Government Investment Policies, for the year ended September 30, 2025. Management is responsible for the Supervisor of Election's compliance with those requirements. Our responsibility is to express an opinion on the Supervisor of Election's compliance based on our examination.

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

Our examination does not provide a legal determination on the Supervisor of Elections' compliance with specified requirements.

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

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

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

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida
June 30, 2026

HENDRY COUNTY, FLORIDA
TAX COLLECTOR

SEPTEMBER 30, 2025

FINANCIAL STATEMENTS
TOGETHER WITH REPORTS OF INDEPENDENT AUDITORS

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Independent Auditor's Report

To the Honorable Amy Collins
Tax Collector
Hendry County, Florida

We have audited the accompanying financial statements of each major fund, the aggregate remaining fund information, and the fiduciary fund information of the Hendry County, Florida, Tax Collector (the "Tax Collector"), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Tax Collector's special purpose financial statements as listed in the table of contents.

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

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Tax Collector's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Tax Collector's ability to continue as a going concern for a reasonable period of time.

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

Emphasis of Matter

Basis of Presentation

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with Rules of the Auditor General of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each fund of Hendry County, Florida that is attributable to the Tax Collector. They do not purport to, and do not, present fairly the financial position of Hendry County, Florida as of September 30, 2025, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

Required Supplementary Information, continued

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

Other Reporting Required by *Government Auditing Standards*

In accordance with Government Auditing Standards, we have also issued our report dated June 30, 2026, on our consideration of the Tax Collector's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Tax Collector's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in consideration the Tax Collector' internal control over financial reporting and compliance.

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida
June 30, 2026

FINANCIAL STATEMENTS

HENDRY COUNTY, FLORIDA
Tax Collector
Balance Sheet - Governmental Fund
September 30, 2025

		General Fund
ASSETS		
Cash	$	461,863
Due from other governments		54,953
Prepaid expenses		4,798
Total Assets	$	521,614
LIABILITIES		
Accounts payable	$	6,513
Accrued liabilities		37,202
Due to other governments		477,899
Total liabilities	$	521,614

See accompanying notes.

HENDRY COUNTY, FLORIDA
Tax Collector
Statement of Revenues, Expenditures and Changes in Fund Balance - Governmental Fund
For the fiscal year ended September 30, 2025

	General Fund
REVENUES	
Charges for services	$ 2,699,606
Miscellaneous	25,632
Total revenues	2,725,238
EXPENDITURES	
Governmental expenditures	
Personal services	1,852,675
Operating expenditures	453,973
Capital outlay	11,480
Total expenditures	2,318,128
Excess of revenues over expenditures	407,110
Other financing sources (uses)	
Issuance of subscription agreements	70,789
Operating transfers out	(477,899)
Total other financing sources (uses)	(407,110)
Excess of revenues and other sources over expenditures and other uses	-
Fund balance, October 1, 2024	-
Fund balance, September 30, 2025	$ -

See accompanying notes.

HENDRY COUNTY, FLORIDA
Tax Collector
Statement of Fiduciary Net Position- Custodial Funds
September 30, 2025

	Custodial Funds
ASSETS	
Cash	$ 1,247,621
Total Assets	1,247,621
LIABILITIES	
Due to other governments	111,212
Due to individuals	1,136,409
Total liabilities	1,247,621
NET POSITION	
Restricted for:	
Individuals, organizations, and other governments	-
Total net position	$ -

See accompanying notes.

HENDRY COUNTY, FLORIDA
Tax Collector
Statement of Changes in Fiduciary Net Position- Custodial Funds
For the fiscal year ended September 30, 2025

	Custodial Funds
ADDITIONS	
Property taxes, fees, fines collected for other governments	$ 109,557,176
Licenses and tax fees collected for other governments	9,178,885
Deposits and other trust activities	36,699
Total additions	118,772,760
DEDUCTIONS	
Property taxes, fees, fines disbursed for other governments	109,557,176
Licenses and tax fees disbursed for other governments	9,178,885
Deposits and other trust activities disbursed	36,699
Total deductions	118,772,760
Change in net position	-
Net position, beginning, October 1, 2024	-
Net position, ending, September 30, 2025	$ -

See accompanying notes.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Financial Reporting Entity

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

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

Fund Accounting

The accounts of the Tax Collector are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for using a separate set of self-balancing accounts which comprise its assets, liabilities, fund equities, revenues, and expenditures. Government resources are allocated to, and accounted for, in individual funds, based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The Tax Collector utilizes the following governmental funds:

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

Custodial Funds - Custodial Funds are used to account for assets held by public officials in a trustee capacity or as a custodian for individuals, private organizations, other governments and/or other funds. Custodial funds are used to report fiduciary activities that are not required to be reported in pension (and other employee benefit) trust funds, investment trust funds, or private-purpose trust funds.

Measurement Focus

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

Custodial Funds are accounted for using an economic resource measurement focus requiring a resource flow statement.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Basis of Accounting

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

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

Budgetary Requirements

Chapter 195, Florida Statutes, governs the preparation, adoption and amendment process of the Tax Collector's annual budget. A budget is only required to be prepared for the General Fund. The Tax Collector's budget and amendments are prepared independently of the Board of County Commissioners and are approved by the State of Florida Department of Revenue. A copy of the approved budget is provided to the Board of County Commissioners.

The budget for the General Fund is prepared on the modified accrual basis of accounting. The annual budget serves as the legal authorization for expenditures. The level of control for appropriations is exercised at the functional level.

Encumbrances

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

Compensated Absences

The Tax Collector's employees accumulate annual paid time off (PTO), to be used for sick and vacation, based on the number of years of continuous service and other criteria.

The liability shown in the County's financial statement has been accrued in accordance with this criteria. At September 30, 2025, the Tax Collector had $83,907 in long-term compensated absences payable.

Statement of Government Accounting Standards Board Number 101, Compensated Absences, requires the compensated absences liability is recognized for leave that is attributable to services already rendered, accumulates, and is more likely than not to be used for time off or otherwise paid or settled. The liability is to be measured using the salary rate in effect as of September 30, 2025.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Estimates

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

NOTE 2 - CASH AND INVESTMENTS

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

At September 30, 2025, the book balance of deposits and cash on hand was $1,709,484 for the Tax Collector and the bank balance of deposits was $2,679,777.

The Tax Collector held no investments during the fiscal year.

NOTE 3 - GENERAL FIXED ASSETS

Acquisitions of tangible personal property are recorded as expenditures in the General Fund at the time of purchase. These assets are reported to the Hendry County, Florida, Board of County Commissioners and are recorded in the government-wide financial statements of the Board. In addition, office space used in the Tax Collector's operations is provided at no cost by the Board of County Commissioners.

NOTE 4 - GENERAL LONG-TERM DEBT

Changes in General Long-Term Debt

Changes in the general long-term debt of the Tax Collector for the year ended September 30, 2025, are summarized below:

	Compensated Absences
General long-term debt at October 1, 2024	$ 61,972
Increase in accrued compensated absences	92,397
Decrease in accrued compensated absences	(70,462)
General long-term debt at September 30, 2025	$ 83,907

NOTE 5 - SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

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

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

NOTE 6 - RETIREMENT PLAN

The Tax Collector's employees participate in the Florida Retirement System (FRS). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan ("Pension Plan") and the Retiree Health Insurance Subsidy ("HIS Plan"). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan ("Investment Plan") alternative to the FRS Pension Plan, which is administered by the State Board of Administration.

As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the State of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments (where applicable), and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida Legislature. Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service, or 30 years of service regardless of age, are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested regular class members with less than 30 years of service may retire before age 62 and are entitled to a retirement benefit payable monthly also equal to 1.6% of their final average compensation for each year of credited service based on the five highest years of salary, with a 5% reduction for each year under age 62. Substantial changes were made to the Pension Plan during fiscal year 2011, affecting new members enrolled on or after July 1, 2011, by extending the vesting requirement to eight years of credited service and increasing normal retirement to age 65 or 33 years of service regardless of age. Also, the final average compensation for these members is based on the eight highest years of salary.

NOTE 6 - RETIREMENT PLAN (CONTINUED)

Funding Policy

All enrolled members of the FRS Pension Plan are required to contribute 3.0% of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on statewide contribution rates. The employer contribution rates by job class for the periods from October 1, 2024 through June 30, 2025 and July 1, 2025 through September 30, 2025, respectively, were as follows: regular 13.63% and 14.03%; county elected officers 58.68% and 54.57%; senior management 34.52% and 33.24%; and DROP participants 21.13% and 22.02%. During the fiscal year ended September 30, 2025, the Tax Collector contributed to the plan an amount equal to 19.82% of covered payroll.

The HIS Plan provides a monthly benefit to assist retirees in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement. Eligible retirees and beneficiaries receive a monthly health insurance subsidy payment of $5 for each year of creditable service, with a minimum payment of $45 and a maximum payment of $225 per month. The HIS Plan is funded by required contributions from FRS participating employees as set forth by Florida Legislature, based on a percentage of gross compensation for all active FRS members.

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

The Tax Collector recognizes pension expenditures in an amount equal to amounts paid to the Pension Plan, the HIS Plan and the defined contribution plan, amounting to $174,458, $23,041, and $30,890, respectively, for the fiscal year ended September 30, 2025. The Tax Collector's payments after June 30, 2025, the measurement date used to determine the net pension liability associated with the Pension Plan and HIS Plan, amounted to $62,948, and $8,221, respectively. The Tax Collector is not legally required to and does not accumulate expendable available resources to liquidate the retirement obligation related to its employees. Accordingly, the net pension liability and associated deferred outflows and deferred inflows are presented on the government-wide financial statements of the County, following requirements of GASB Statement No. 68, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27, and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date - an amendment of GASB Statement No. 68, effective October 1, 2014.

NOTE 6 - RETIREMENT PLAN (CONTINUED)

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

NOTE 7 - RISK MANAGEMENT

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

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

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

Charges to operating departments are based upon amounts believed by management to meet the required annual payout during the fiscal year and to pay for the estimated operating costs of the program and for premiums for third party carrier insurance plans. For fiscal year ended September 30, 2025, the Tax Collector was charged $333,051.

NOTE 8 - OTHER POST-EMPLOYMENT BENEFITS

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

REQUIRED SUPPLEMENTARY INFORMATION

HENDRY COUNTY, FLORIDA
Tax Collector
Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual
For the fiscal year ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance from Final Budget Positive (Negative)
REVENUES				
Charges for services	$ 2,244,625	$ 2,447,994	$ 2,699,606	$ 251,612
Miscellaneous	-	-	25,632	25,632
Total revenues	2,244,625	2,447,994	2,725,238	277,244
EXPENDITURES				
Governmental expenditures				
Personal services	1,996,162	2,027,573	1,852,675	174,898
Operating expenditures	248,463	408,941	453,973	(45,032)
Capital outlay	-	11,480	11,480	-
Total expenditures	2,244,625	2,447,994	2,318,128	129,866
Excess of revenues over (under) expenditures	-	-	407,110	407,110
Other financing sources (uses)				
Issuance of subscription agreements	-	-	70,789	70,789
Operating transfers out	-	-	(477,899)	(477,899)
Total other financing sources (uses)	-	-	(407,110)	(407,110)
Excess of revenues and other sources over/ (under) expenditures and other uses	$ -	$ -	-	$ -
Fund balance, October 1, 2024			-	
Fund balance, September 30, 2025			$ -	

SUPPLEMENTARY REPORTS

HENDRY COUNTY, FLORIDA
Tax Collector
Combining Statement of Fiduciary Net Position - All Custodial Funds
September 30, 2025

	Tax Collection and Redemption	Tag and License	Waste Collection	Employee Concession	Total Custodial Funds
ASSETS					
Cash	$ 1,135,785	$ 52,182	$ 59,030	$ 624	$ 1,247,621
Total assets	$ 1,135,785	$ 52,182	$ 59,030	$ 624	$ 1,247,621
LIABILITIES					
Due to other governments	$ -	$ 52,182	$ 59,030	$ -	$ 111,212
Due to individuals	1,135,785	-	-	624	1,136,409
Total liabilities	1,135,785	52,182	59,030	624	1,247,621
NET POSITION					
Restricted for:					
Individual, organizations, and other governments	-	-	-	-	-
Total net position	$ -	$ -	$ -	$ -	$ -

HENDRY COUNTY, FLORIDA
Tax Collector
Combining Statement of Changes in Fiduciary Net Position - All Custodial Funds
For the Fiscal Year Ended September 30, 2025

	Tax Collection and Redemption	Tag and License	Waste Collection	Employee Concession	Total Custodial Funds
ADDITIONS					
Property taxes, fees, fines collected for other governments	$ 109,495,246	$ -	$ 61,930	$ -	$ 109,557,176
Licenses and tag fees collected for other governments	-	9,178,885	-	-	9,178,885
Deposits and other trust activities	-	-	-	36,699	36,699
Total additions	109,495,246	9,178,885	61,930	36,699	118,772,760
DEDUCTIONS					
Property taxes, fees, fines disbursed for other governments	109,495,246	-	61,930	-	109,557,176
Licenses and tag fees disbursed for other governments	-	9,178,885	-	-	9,178,885
Deposits and other trust activities disbursed	-	-	-	36,699	36,699
Total deductions	109,495,246	9,178,885	61,930	36,699	118,772,760
Change in net position	-	-	-	-	-
Net position, beginning	-	-	-	-	-
Net position, ending	$ -	$ -	$ -	$ -	$ -

ASHLEY & BROWN SMITH
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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*

To the Honorable Amy Collins
Tax Collector
Hendry County, Florida

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

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Tax Collector's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion 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 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 determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards.*

Purpose of this Report

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

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

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida
June 30, 2026

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Management Letter

Honorable Amy Collins
Tax Collector
Hendry County, Florida

Report on the Financial Statements
We have audited the financial statements of the Hendry County, Florida, Tax Collector (the "Tax Collector"), as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated June 30, 2026.

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

Other Reporting Requirements
We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards; and Independent Accountant's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports and schedule, which are dated June 30, 2026, should be considered in conjunction with this management letter.

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

Official Title and Legal Authority
Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Tax Collector had no component units as of September 30, 2025.

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

Additional Matters

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

Purpose of this Letter

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

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida
June 30, 2026

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Report of Independent Accountant on
Compliance with Local Government Investment Policies

To the Honorable Amy Collins
Tax Collector
Hendry County, Florida

We have examined the Hendry County, Florida, Tax Collector's (the "Tax Collector") compliance with Section 218.415, Florida Statutes, Local Government Investment Policies, for the year ended September 30, 2025. Management is responsible for the Tax Collector's compliance with those requirements. Our responsibility is to express an opinion on the Tax Collector's compliance based on our examination.

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

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

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

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

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

Ashley, Brown & Smith, CPAs

Punta Gorda, Florida
June 30, 2026