2025

Nassau County, Florida

Financial Statements and Independent Auditor's Report

September 30, 2025

PURVIS GRAY
CERTIFIED PUBLIC ACCOUNTANTS

COUNTY-WIDE

2025

Nassau County, Florida

Financial Statements and Independent Auditor's Report

September 30, 2025

PURVIS GRAY
CERTIFIED PUBLIC ACCOUNTANTS

INTRODUCTORY SECTION

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORTS

NASSAU COUNTY, FLORIDA

SEPTEMBER 30, 2025

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AND
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NASSAU COUNTY, FLORIDA

SEPTEMBER 30, 2025

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NASSAU COUNTY, FLORIDA

LIST OF ELECTED AND APPOINTED OFFICIALS

Serving as of September 30, 2025

ELECTED OFFICIALS

Commissioner—District 2, Chairman.. A.M. "Hupp" Huppman

Commissioner—District 3, Vice Chairman ....Jeff Gray

Commissioner—District 1 .... John F. Martin

Commissioner—District 4 ....Alyson R. McCullough

Commissioner—District 5 .... Klynt A. Farmer

Clerk of the Circuit Court and Comptroller	**Mitch L. Keiter**
Tax Collector	**John M. Drew**
Sheriff	**Bill Leeper**
Property Appraiser	**A. Michael Hickox**
Supervisor of Elections	**Janet H. Adkins**

APPOINTED OFFICIALS

County Manager	**Taco Pope**
County Attorney	**Denise May**

FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

The Honorable Board of County Commissioners
and Constitutional Officers
Nassau County, Florida

Opinions
We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Nassau County, Florida (the County) as of and for the 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 the governmental activities, the business-type activities, 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 for the year then ended in accordance with accounting principles generally accepted in the United States of America.

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

Change in Accounting Principle
As discussed in Note 23 to the financial statements, in 2025 the County adopted new accounting guidance, Governmental Accounting Standards Board Statement No. 101, *Compensated Absences.* Our opinions are not modified with respect to this matter.

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

The Honorable Board of County Commissioners
and Constitutional Officers
Nassau County, Florida

INDEPENDENT AUDITOR'S REPORT

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

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

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

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

The Honorable Board of County Commissioners
and Constitutional Officers
Nassau County, Florida

INDEPENDENT AUDITOR'S REPORT

Required Supplementary Information

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

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The accompanying schedule of expenditures of federal awards and state financial assistance, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.550*, Rules of the Auditor General*, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

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

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

The Honorable Board of County Commissioners
and Constitutional Officers
Nassau County, Florida

INDEPENDENT AUDITOR'S REPORT

Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued a report dated March 13, 2026, on our consideration of the County's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grants. 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 internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Purvis Gray

March 13, 2026
Gainesville, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)

Management's Discussion and Analysis

This management's discussion and analysis of Nassau County's (the County) financial statements is designed to introduce the basic 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

- The assets of the County and deferred outflows of resources exceeded its liabilities and deferred inflows of resources at the close of fiscal year 2025 by $593,896,291 (net position). The net position is totally comprised of governmental activities since Nassau Amelia Utilities was sold during the year.

- The County had a change in net position of $27,786,560 for the fiscal year, compared to an excess of $44,333,103 in the prior year. General revenues increased by $12,708,698 including increases of $11,295,403 in property tax revenue and $2,010,028 in sales taxes. Investment earnings decreased by $1,005,968. Overall, program revenues increased by $11,966,948 due mostly to an increase in Grants and Contributions resulting from the West Side Regional Project. Program expenses had an overall increase of $11,059,250. A substantial portion of the increase in program expenses relates to general government $2,305,683, public safety $5,344,529 and physical environment $1,987,321.

- The General Fund reported an excess of revenues to expenditures of $20,972,959 compared to an excess of $24,402,213 in the prior fiscal year. General Fund tax revenues were up $8,912,821 due primarily to an increase in the County's taxable assessed value and substantial growth in the housing market. Net transfers-out increased by $2,224,452 from the prior year, which were to mainly fund capital projects. This resulted in a net decrease in the General Fund balance of $4,061,832 and an ending fund balance on September 30, 2025, of $72,370,529.

- The Water & Sewer proprietary fund reported a $17,238,535 decrease in net position during the year which resulted in a $0 net position at year-end. This resulted from the sale of Nassau Amelia Utilities in 2025.

- The American Beach Water and Sewer District proprietary fund reported a $12,263,319 decrease in net position during the year which resulted in a $0 net position at year-end. This resulted from the sale of Nassau Amelia Utilities in 2025.

- Outstanding long-term bonded debt and notes as of September 30, 2025, was $12,753,662, a reduction of $7,432,432 from the prior year, primarily due to the Business-Type debt of $4,575,000 being paid off in the sale of Nassau Amelia Utilities. Of this amount, $1,965,139 is considered due within one year.

Overview of the Financial Statements

This management's discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves. Below is a breakdown of Nassau County's fund types by count.

Fund Type	Number
General Fund	1
Debt Service Funds	2
Capital Projects Funds	9
Special Revenue Funds	35
Total Governmental Funds	**47**
Total Proprietary Funds	**2**
Total Custodial Funds	**13**

Government-Wide Financial Statements

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

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

Both of these financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, physical environment, public safety, court-related, transportation, economic environment, human services, and culture/recreation. The business-type activities consist of the water and sewer utilities.

The government-wide financial statements include not only the County itself (known as the primary government), but also the following legally separate component units: Nassau County Housing Finance Authority and Recreation and Water Conservation and Control District No. 1. These component units had no revenues or expenditures during the fiscal year ended September 30, 2025; therefore, financial statements were not prepared for these component units.

Fund Financial Statements

A fund is a grouping of related accounts used to maintain control over resources segregated for specific activities or objectives. The County, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: 1) governmental funds, 2) proprietary funds, and 3) fiduciary funds.

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

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

The County maintains forty-seven (47) individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, County Transportation Fund, Municipal Services Fund, Capital Projects Transportation Fund, and Capital Projects Fund, which are considered to be major funds. Data from the remaining governmental funds are combined into a single, aggregate presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The County adopts an annual appropriated budget for all of its major funds, as well as all non-major funds. Budget comparison schedules have been provided for these funds to demonstrate budgetary compliance.

The County maintains one type of proprietary fund type, an enterprise fund. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses one enterprise fund to account for the fiscal activities relating to water and sewer utilities and the American Beach Water & Sewer District. Proprietary funds provide the same type of information as the government-wide financial statements only in more detail. The proprietary fund financial statements provide separate information for the water and sewer utilities and American Beach Water & Sewer District.

Fiduciary funds are used to account for resources held for the benefit of parties within and outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs, except for those that are within the government. The accounting used for fiduciary funds is similar to proprietary funds.

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

Other Information
In addition to the basic financial statements and accompanying notes, this report presents certain required supplementary information concerning the County's comparison of budget and actual revenues and expenditures for its major funds. This report also presents certain other information concerning the County's combining non-major fund statements and schedules.

Government-Wide Financial Analysis
As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $593,896,291 at the close of the fiscal year ended September 30, 2025.

Management's Discussion and Analysis
(Continued)

At the end of the fiscal year 2025, the County reported a positive net position balance of $593,896,291 for its governmental activities and $0.00 for its business-type activities, due to the sale of Nassau Amelia Utilities (see Note 24 in the Notes to the Financial Statements).

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Current and Other Assets	$ 285,795,132	$ 293,465,794	$ 1,293,201	$ 10,008,638	$ 287,088,333	$ 303,474,432
Capital Assets	481,169,549	423,115,133	-	27,583,771	481,169,549	450,698,904
Total Assets	766,964,681	716,580,927	1,293,201	37,592,409	768,257,882	754,173,336
Deferred Outflow of Resources	37,999,555	40,086,033	-	219,752	37,999,555	40,305,785
Outstanding Obligations	162,556,444	177,373,537	-	4,817,259	162,556,444	182,190,796
Other Liabilities	19,524,089	21,931,730	1,293,201	3,471,685	20,817,290	25,403,415
Total Liabilities	182,080,533	199,305,267	1,293,201	8,288,944	183,373,734	207,594,211
Deferred Inflows of Resources	28,987,412	19,017,743	- -	21,363	28,987,412	19,039,106
Net Position:						
Net Investment in Capital Assets	461,586,676	403,716,302	-	20,798,232	461,586,676	424,514,534
Restricted	93,206,641	83,818,288	-	848,343	93,206,641	84,666,631
Unrestricted	39,102,974	50,809,360	-	7,855,279	39,102,974	58,664,639
Total Net Position	$ 593,896,291	$ 538,343,950	$ -	$ 29,501,854	$ 593,896,291	$ 567,845,804

As of the end of fiscal year 2025, the County's total net position of $593,896,291 includes $461,586,676 (77.7%) of net investments in capital assets such as land, buildings, infrastructure, improvements, and equipment, less any outstanding debt used to acquire those capital assets. The County uses these capital assets to provide services to the citizens; consequently, these assets are not available for future spending.

Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. An additional portion of the County's net position, $93,206,641 (15.7%), represents resources that are subject to external restriction on how they may be used.

Governmental Activities

Fiscal year 2025 governmental activities increased the County's net position by $57,288,414. Also included was a prior period adjustment of ($1,736,073) for the implementation of GASB 101 which brought the year-end net position to $593,896,291. Governmental activities revenues exceeded expenses by $57,222,645 in fiscal year 2025 compared to the prior year excess of $38,216,797. Factors contributing to this year-over-year change in net position include a $12,722,857 increase in general revenue and transfers, a $16,616,006 increase in governmental program revenues and a $10,336,121 increase in governmental program expenses.

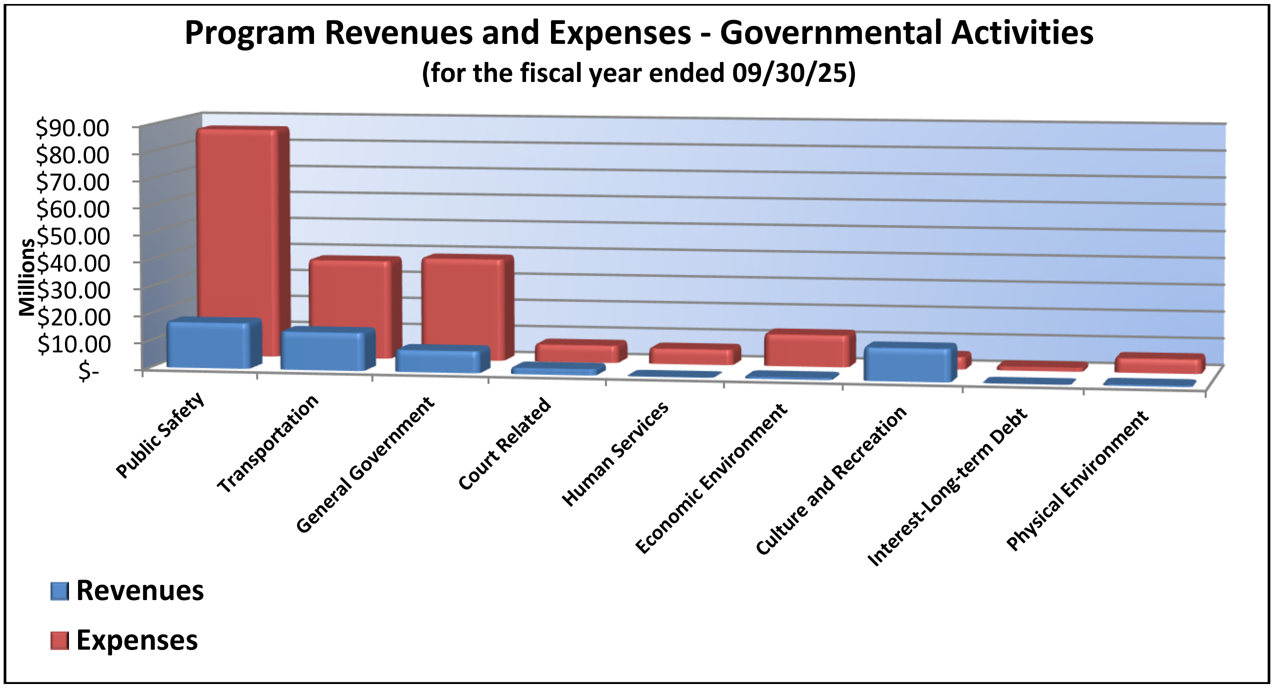
Management's Discussion and Analysis
(Continued)

Business Activities

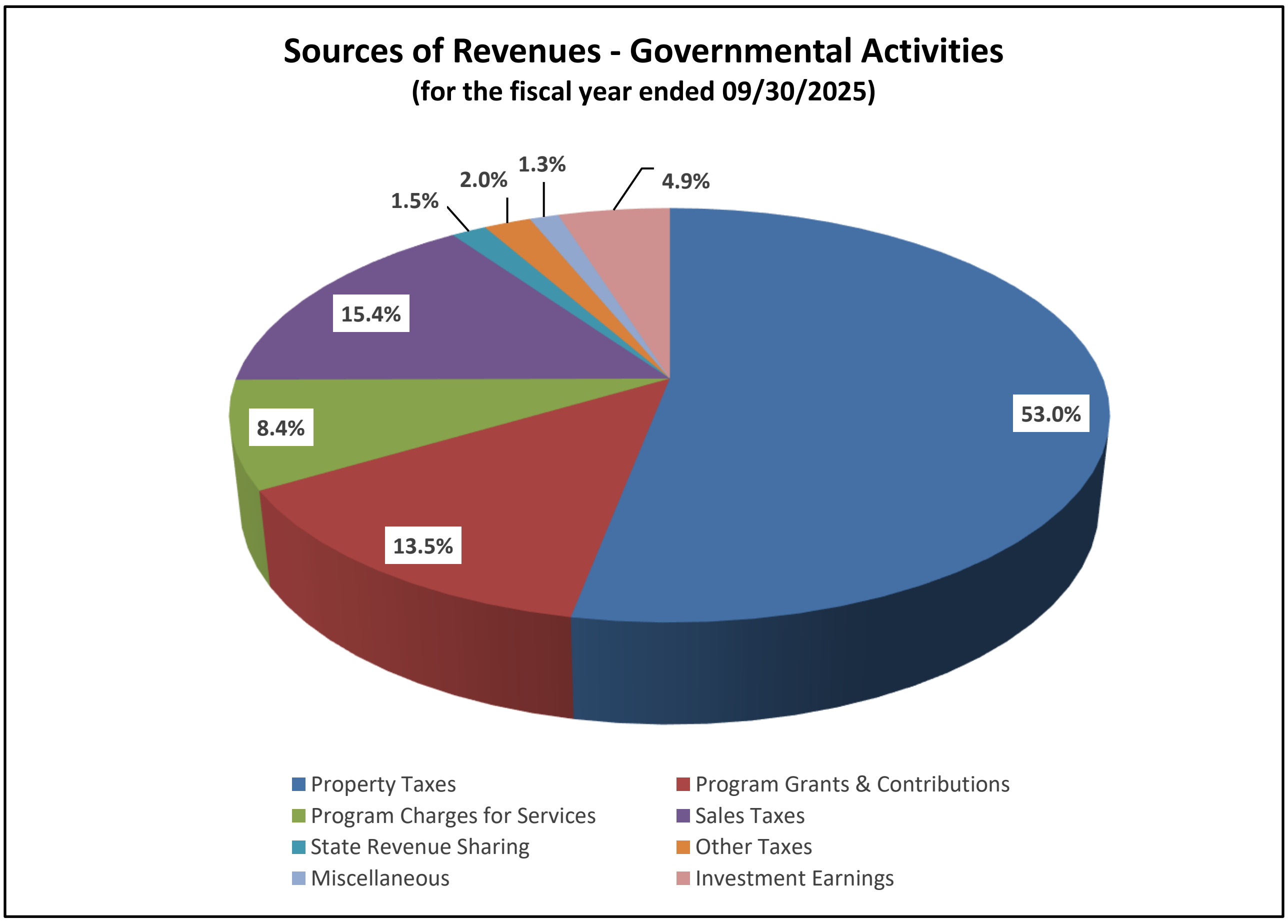
The County's proprietary funds which consist of the Water and Sewer fund and the American Beach fund provide the same type of information found in the government-wide financial statements, but in more detail. Due to the sale of Nassau Amelia Utilities in September of 2025, the net position in the Water and Sewer fund decreased from $3,338,701 to $0 and the net position in the American Beach fund decreased from $4,516,578 to $0.

Nassau County, Florida
Changes in Net Position

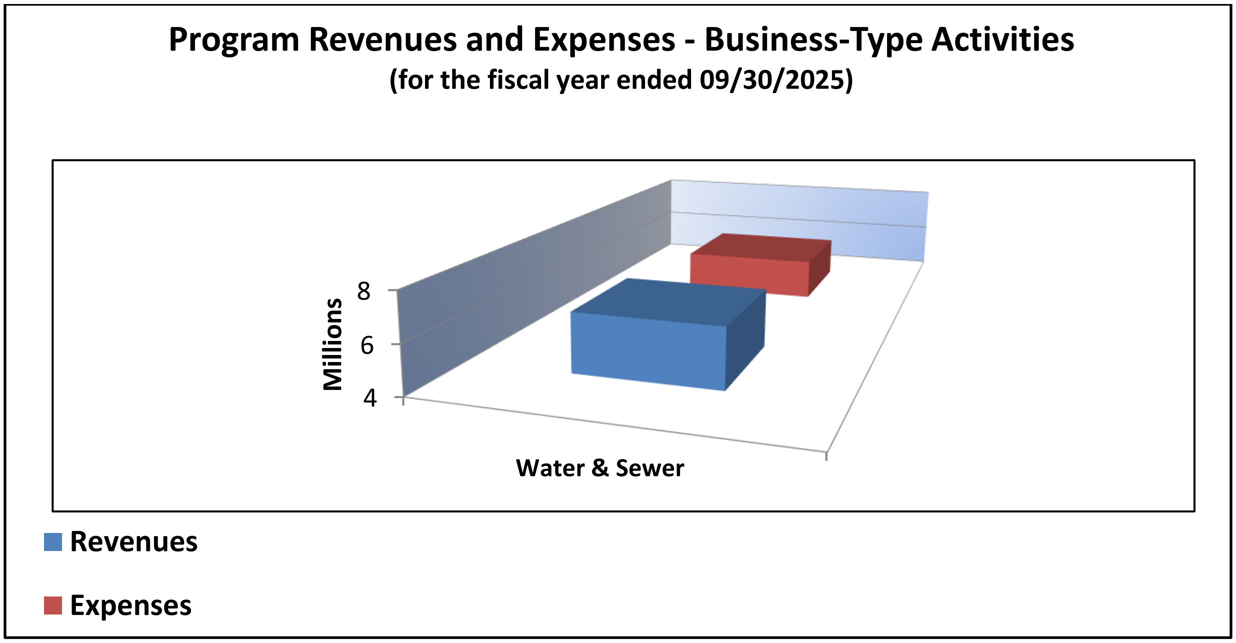
	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues						
Program Revenues:						
Charges for Services	$ 21,391,525	$ 21,473,685	$ 5,302,104	$ 6,136,897	$ 26,693,629	$ 27,610,582
Operating Grants and Contributions	6,013,247	7,455,824	-	-	6,013,247	7,455,824
Capital Grants and Contributions	28,281,807	10,141,004	1,170,164	4,984,489	29,451,971	15,125,493
General Revenues:						
Property Taxes	134,878,065	123,582,662	-	-	134,878,065	123,582,662
Other Taxes	48,206,383	45,920,936	-	-	48,206,383	45,920,936
Other Revenues	15,619,004	16,473,951	21,286	38,491	15,640,290	16,512,442
Total Revenues	254,390,031	225,048,062	6,493,554	11,159,877	260,883,585	236,207,939
Expenses						
General Government	38,218,865	35,913,182	-	-	38,218,865	35,913,182
Court Related	6,556,033	6,249,164	-	-	6,556,033	6,249,164
Public Safety	85,918,029	80,573,500	-	-	85,918,029	80,573,500
Physical Environment	5,453,897	3,466,576	-	-	5,453,897	3,466,576
Transportation	36,926,710	37,040,134	-	-	36,926,710	37,040,134
Economic Environment	11,961,265	11,982,932	-	-	11,961,265	11,982,932
Human Services	5,847,331	5,605,495	-	-	5,847,331	5,605,495
Culture/Recreation	4,724,214	4,433,528	-	-	4,724,214	4,433,528
Interest on Long-term Debt	1,561,042	1,566,754	-	-	1,561,042	1,566,754
Water and Sewer	-	-	5,766,700	5,043,571	5,766,700	5,043,571
Total Expenses	197,167,386	186,831,265	5,766,700	5,043,571	202,934,086	191,874,836
Excess of Revenue Over Expense	57,222,645	38,216,797	726,854	6,116,306	57,949,499	44,333,103
Add: Contributions	-	-	-	-	-	-
Add: Transfers	65,769	68,815	(30,228,708)	(68,815)	(30,162,939)	-
Change in Net Position	57,288,414	38,285,612	(29,501,854)	6,047,491	27,786,560	44,333,103
Net Position-						
Beginning of Year	538,343,950	500,058,338	29,501,854	23,454,363	567,845,804	523,512,701
Prior Period Adjustment	(1,736,073)	-	-	-	(1,736,073)	-
Net Position-End of Year	$ 593,896,291	$ 538,343,950	$ -	$ 29,501,854	$ 593,896,291	$ 567,845,804

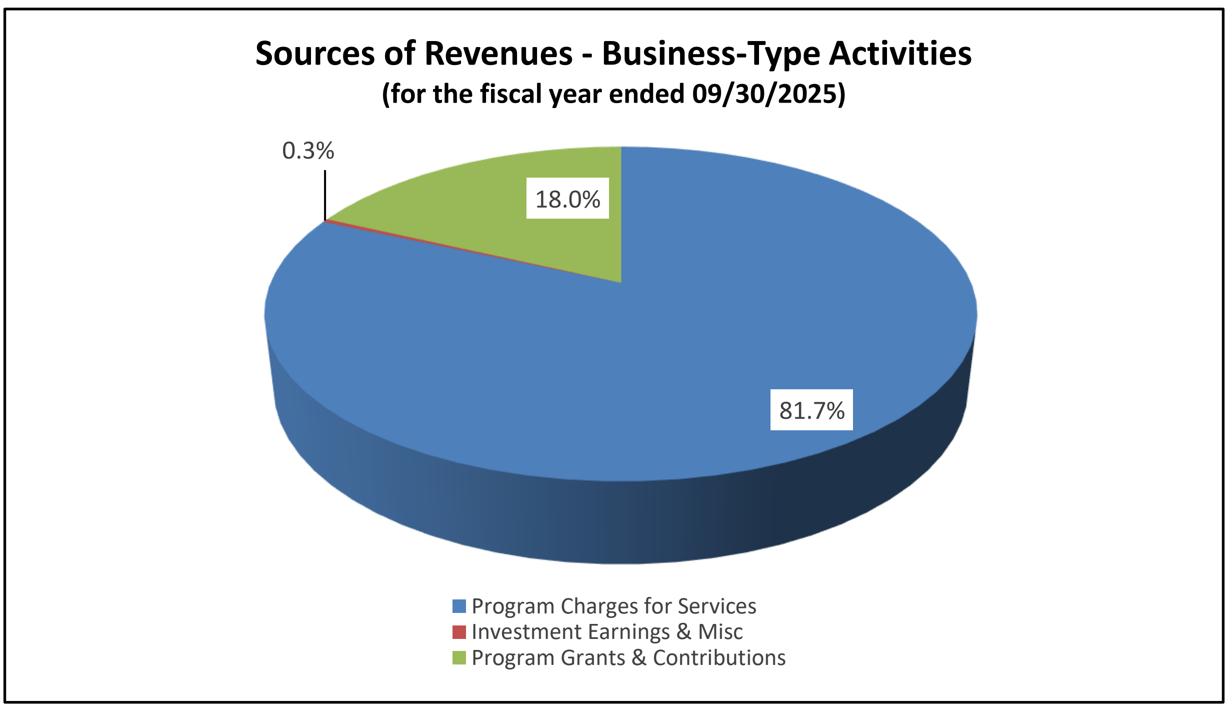


Program Revenues and Expenses - Governmental Activities
(for the fiscal year ended 09/30/25)
$90.00
$80.00
$70.00
$60.00
$50.00
$40.00
$30.00
$20.00
$10.00
$-
Millions
Public Safety
Transportation
General Government
Court Related
Human Services
Economic Environment
Culture and Recreation
Interest-Long-term Debt
Physical Environment
Revenues
Expenses



Sources of Revenues - Governmental Activities
(for the fiscal year ended 09/30/2025)
53.0%
13.5%
8.4%
15.4%
1.5%
2.0%
1.3%
4.9%
Property Taxes
Program Grants & Contributions
Program Charges for Services
Sales Taxes
State Revenue Sharing
Other Taxes
Miscellaneous
Investment Earnings





Analysis of the County's Fund Financials

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

As of the end of fiscal year 2025, the County's governmental funds reported combined ending fund balances of $258,932,716. This represents a decrease of $10,455,804 when compared to the prior year end balance. A portion of fund balance in the amount of $75,524,643 is internally designated by the County for a specific purpose or available to be spent at the County's discretion. The remainder of fund balance in the amount of $183,408,073 is non-spendable, restricted, or committed to indicate that it is not available for new spending because it has already been committed for: 1) inventories, 2) prepaid items, 3) grants, 4) state law, or 5) constrained by external third parties.

The general fund is the County's main operating fund. At the end of fiscal year 2025, the general fund had a total fund balance of $72,370,529, a decrease of $4,061,832 from the prior year. General fund revenues increased by $8,555,660 over the prior year, despite the County lowering the General Fund property tax millage rate for the fourth consecutive year (a 3.1% reduction over the prior year). Tax revenues grew by $8,912,821, attributable to continued population growth, an expanded tax base from new construction, strong taxable assessed value (up $1.7B over the prior year, or 12%) and one cent surtax ($1.3M increase over the prior year). There was a slight decrease in investment earnings of $884,624, primarily due to the softening of interest rates. Expenditures in the general fund increased year to year by $11,984,914. Major components of this increase included a $2,654,211 increase in general government expenditures, a $6,927,194 increase in public safety, driven primarily by inflationary pressures, wage and benefit increases, and additional personnel. Transfers-in of $4,715,178 (a $2,146,275 decrease from fiscal year 2024), as well as transfers-out of $31,487,353 (a $78,177 increase from fiscal year 2024), also contributed to a net decrease in fund balance of $4,061,832 and an ending fund balance of $72,370,529.

A majority of the fund balance in the general fund in the amount of $51,311,127 is internally designated by the County for a specific purpose or available to be spent at the County's discretion. The remainder of the fund balance in the amount of $21,059,402 is non-spendable, restricted, or committed. As a measure of the General Fund's liquidity, it may be useful to compare the unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents 12.2% of the total General Fund expenditures. Total fund balance represents 58.4% of that same amount.

At the end of fiscal year 2025, the transportation fund had a fund balance of $17,750,282, an increase of $1,673,990 when compared to the prior year fund balance. This was primarily due to a $7,214,830 deficiency of revenues to expenditures and an $8,610,728 excess between transfers-in and transfers-out for various road projects.

The municipal services fund had a total fund balance of $18,532,599 at the end of fiscal year 2025. The net decrease in fund balance of $1,451,319 was primarily due to a $3,406,695 excess of revenues over expenditures and a $5,945,319 net decrease between transfers-in and transfers-out. Other factors included increased personnel costs due to adding 18 new firefighter positions to staff Fire Station 10, and $1,465,405 in capital outlay to meet the needs of the expanding population.

The capital projects transportation fund had a fund balance of $35,598,047 at the end of the fiscal year, a decrease of $15,852,281 as compared to the prior year ending balance. Although transfers-in exceeded transfers-out by $7,165,743, the net decrease in fund balance was primarily due to capital outlay in the amount of $27,250,238.

The capital projects fund had a fund balance of $33,004,872 at the end of fiscal year 2025. This is a $5,069,104 increase from the prior year. Although expenditures exceeded revenues by $10,626,719, the net increase in fund balance was primarily due to transfers-in exceeding transfers-out by $15,695,823.

The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. On August 20, 2025, the Nassau County Board of County Commissioners approved Resolution 2025-111 authorizing the sale of Nassau Amelia Utilities. Nassau Amelia Utilities is comprised of both the Water and Sewer fund and American Beach fund. The County agreed to transfer all the utility's assets (less $300,000 to cover the County's estimated fees and costs in consummating the sale and $974,000 for repayment of an interfund loan) to Florida Government Utility Authority (FGUA) in exchange for the payment of all outstanding NAU debt at the time of closing. Therefore, both the Water and Sewer fund and American Beach fund had $0 net positions at year end.

	Unrestricted Net Position	
Fund	**2025**	**2024**
Water and Sewer	$ -	$ 3,338,701

	Unrestricted Net Position	
Fund	**2025**	**2024**
American Beach Water and Sewer District	$ -	$ 4,516,578

Budgetary Highlights

Budget and actual comparison schedules are provided as Required Supplementary Information for the general fund and all major special revenue funds with annually appropriated budgets. Budget and actual comparison schedules are also provided in the Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual for all non-major funds with annually appropriated budgets. The budget and actual comparison schedules show the original budget, the final revised budget, actual results, and variance with final budget columns.

After the original budget is approved, it may be revised for a variety of reasons such as unforeseen circumstances, corrections of errors, new bond or loan proceeds, new grant awards, and other revenues. During fiscal year 2025, supplemental appropriations to the General Fund (Board only) budget were approximately $15.8 million, or 8.1% of the original adopted budget.

- The major source of supplemental revenue was $12,763,974 in adjustments for unanticipated cash forward. Other supplemental general fund revenues include $2,795,926 in grant revenue, transfers-in $122,940, donations of $65,069 and JEA Interlocal Agreement $92,533.

- Major appropriations of the supplemental revenue include $5,507,796 to Reserves, $4,885,165 to Capital Expenses, $378,718 to Other Contractual Services and $1,589,032 to Professional Services.

- The significant revenue budgetary variances in the general fund resulted mainly from interest earnings, tax revenues and charges for services. Interest earnings were $3,684,446 greater than budgeted due to higher rates of return. Taxes exceeded the general fund budget by $1,714,402 which includes increases in both property taxes and one cent sales tax revenue. Also coming in $2,771,467 above projections were charges for services which includes rescue billing fees.

- The significant general fund budgetary expenditure variances are related to CIP projects and capital outlay that were budgeted but not expended in 2025.

Capital Assets

The County's investment in capital assets for its governmental and business-type activities as of September 30, 2025, amounted to $481,169,549 (net of accumulated depreciation). This investment in capital assets includes land, buildings, improvements, equipment, infrastructure, and construction in progress. Additional information on Nassau County's capital assets can be found in Note 5 in Notes to Financial Statements.

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

- Fire Station 10–Tributary at a cost of $4.2M (Developer Funded, $691,938 County contribution)
- Fire Station 70 replacement at a cost of $5.7M
- Henry Smith road resurfacing at a cost of $2.5M
- Westside Regional Park under construction with a total expected cost of $21.2M
- William Burgess extension under construction with a total expected project cost of $16.6M
- County Road 121 Phase 1 in progress with a total expected project cost of $17.3M

Capital Assets

	Governmental Activities		Business-type Activities		Total	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**
Land	104,814,940	90,566,535	-	167,966	104,814,940	90,734,501
Construction Work in Progress	57,851,211	36,487,351	-	14,356,302	57,851,211	50,843,653
Buildings & Improvements	72,954,273	43,611,358	-	367,020	72,954,273	43,978,378
Machinery & Equipment	38,306,182	31,734,685	-	462,368	38,306,182	32,197,053
Improvements Other than Bldg	1,831,535	1,496,028	-	-	1,831,535	1,496,028
Infrastructure	203,049,793	217,725,658	-	12,216,899	203,049,793	229,942,557
Lease Assets	636,736	252,872	-	13,216	636,736	266,088
SBITA Assets	1,724,879	1,240,646	-	-	1,724,879	1,240,646
Total	**481,169,549**	**423,115,133**	-	**27,583,771**	**481,169,549**	**450,698,904**

Management's Discussion and Analysis
(Concluded)

Long-Term Obligations

At the end of the fiscal year, the County had total outstanding bonds, notes, and other long-term obligations, including net pension liability, and other postemployment benefits in the amount of $162,556,444. The revenue bonds are collateralized by specific revenue sources while the remainder of the debt utilizes a covenant to budget and appropriate to pledge payment of the debt. The County's bonds payable decreased by $7,222,017 in fiscal year 2025 with a balance outstanding of $12,235,311 on September 30, 2025. The County had notes payable with a 2025 fiscal year-end balance of $518,351.

The County's outstanding obligations decreased by $19,634,352 in fiscal year 2025 primarily due to the sale of Nassau Amelia Utilities (NAU) which reflected a decrease in Business-Type Activities of $4,817,259. Additionally, there were several decreases in Governmental Activities, including the Notes Payable decreased by $210,415, the Revenue Bonds decreased by $2,647,017 and the Net Pension Liability decreased by $17,406,841. The Governmental Activity decreases were partially offset by a $1,717,139 increase in Compensated Absences, a $384,147 increase in Lease Liability, a $691,913 increase in Financed Purchase, a $462,064 increase in SBITA liability, a $756,367 increase in Other Postemployment Benefits, and a $1,435,550 increase in Landfill Closure/Post Closures. Additional information on Nassau County's long-term obligations and outstanding debt can be found in Note 9 in Notes to Financial Statements.

Long Term Obligations

	2025	2024
Governmental Activities:		
Notes Payable	518,351	728,766
Revenue Bonds	12,235,311	14,882,328
Compensated Absences	12,793,468	11,076,329
Lease Liability	643,971	259,824
Financed Purchase	2,586,204	1,894,291
SBITA Liability	1,541,912	1,079,848
Other Post-Employment Benefits	21,168,411	20,412,044
Landfill Closure/Post Closures	17,107,801	15,672,251
Net Pension Liability	93,961,015	111,367,856
Total Gov't Activities	162,556,444	177,373,537
Business-Type Activities:		
Revenue Bonds	-	4,575,000
Compensated Absences	-	35,307
Lease Liability	-	13,304
Other Post-Employment Benefits	-	77,288
Net Pension Liability	-	116,360
Total Business-Type Activities	-	4,817,259
Total Outstanding Liabilities	$ 162,556,444	$ 182,190,796

Request for Information

This financial report is designed to present users with a general overview of the County's finances and to demonstrate the County's accountability. If you have any questions concerning the information provided in this report, or need additional financial information, contact the Clerk of the Circuit Court and Comptroller's Financial Services Department at 76347 Veterans Way, Suite 456, Yulee, Florida 32097. Additional information concerning the County can be found on our website www.nassauclerk.com.

BASIC FINANCIAL STATEMENTS

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

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Assets			
Cash and Cash Equivalents	$ 49,953,792	$ 379,970	$ 50,333,762
Equity in Pooled Investments	217,235,653	-	217,235,653
Accounts Receivable, Net	741,599	815,048	1,556,647
Loans Receivable, Net	16,000	-	16,000
Due from Other Governments	11,020,853	-	11,020,853
Inventories	747,745	-	747,745
Prepaid Items	6,077,713	-	6,077,713
Other Current Assets	1,777	-	1,777
Cash and Cash Equivalents - Restricted	-	98,183	98,183
Capital Assets:			
Non-Depreciable	162,666,151	-	162,666,151
Depreciable, Net	318,503,398	-	318,503,398
Total Assets	766,964,681	1,293,201	768,257,882
Deferred Outflow of Resources			
Pension Related	29,583,144	-	29,583,144
OPEB Related	8,416,411	-	8,416,411
Total Deferred Outflow of Resources	37,999,555	-	37,999,555
Liabilities			
Accounts Payable	12,430,495	80,965	12,511,460
Other Current Liabilities	3,768,391	-	3,768,391
Retainage Payable	2,057,124	-	2,057,124
Due to Other Governments	477,245	1,114,053	1,591,298
Unearned Revenue	212,765	-	212,765
Deposits	283,397	98,183	381,580
Accrued Interest Payable	294,672	-	294,672
Non-Current Liabilities:			
Due Within One Year	9,941,935	-	9,941,935
Due in More Than One Year	152,614,509	-	152,614,509
Total Liabilities	182,080,533	1,293,201	183,373,734
Deferred Inflows of Resources			
Pension Related	17,850,459	-	17,850,459
OPEB Related	11,136,953	-	11,136,953
Total Deferred Inflow of Resources	28,987,412	-	28,987,412
Net Position			
Net Investment in Capital Assets	461,586,676	-	461,586,676
Restricted for:			
Debt Service	1,496,768	-	1,496,768
Impact Fees	21,805,430	-	21,805,430
Mobility Fees	14,361,328	-	14,361,328
Court-Related	1,804,398	-	1,804,398
Tourist Development	25,155,140	-	25,155,140
Building Department	2,265,243	-	2,265,243
Grants and Other Purposes	26,318,334	-	26,318,334
Unrestricted	39,102,974	-	39,102,974
Total Net Position	$ 593,896,291	$ -	$ 593,896,291

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

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

		Program Revenues			Net (Expense) Revenue and Changes in Net Position – Primary Government		
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-Type Activities**	**Total**
Primary Government							
Governmental Activities:							
General Government	$ 38,218,865	$ 7,840,994	$ 336,937	$ 11,160	$ (30,029,774)	$ -	$ (30,029,774)
Court-Related	6,556,033	1,710,323	742,108	-	(4,103,602)	-	(4,103,602)
Public Safety	85,918,029	5,878,750	1,913,854	9,196,511	(68,928,914)	-	(68,928,914)
Physical Environment	5,453,897	472,112	-	122,912	(4,858,873)	-	(4,858,873)
Transportation	36,926,710	4,006,036	2,015,170	8,150,229	(22,755,275)	-	(22,755,275)
Economic Environment	11,961,265	-	846,959	-	(11,114,306)	-	(11,114,306)
Human Services	5,847,331	24,660	32,145	76,105	(5,714,421)	-	(5,714,421)
Culture and Recreation	4,724,214	1,458,650	126,074	10,724,890	7,585,400	-	7,585,400
Interest on Long-Term Debt	1,561,042	-	-	-	(1,561,042)	-	(1,561,042)
Total Governmental Activities	197,167,386	21,391,525	6,013,247	28,281,807	(141,480,807)	-	(141,480,807)
Business-Type Activities:							
Water and Sewer	5,766,700	5,302,104	-	1,170,164	-	705,568	705,568
Total Business-Type Activities	5,766,700	5,302,104	-	1,170,164	-	705,568	705,568
Total Primary Government	$ 202,934,086	$ 26,693,629	$ 6,013,247	$ 29,451,971	(141,480,807)	705,568	(140,775,239)
		General Revenues					
		Property Taxes			134,878,065	-	134,878,065
		Sales Taxes			39,100,828	-	39,100,828
		State Revenue Sharing			3,895,992	-	3,895,992
		Fuel Taxes			4,468,432	-	4,468,432
		Utility Services Taxes			741,131	-	741,131
		Investment Earnings			12,383,679	21,286	12,404,965
		Miscellaneous			3,235,325	-	3,235,325
		Transfers			65,769	(65,769)	-
		Total General Revenues and Transfers			198,769,221	(44,483)	198,724,738
		Sale of Nassau Amelia Island Utility (NAU)			-	(30,162,939)	(30,162,939)
		Change in Net Position			57,288,414	(29,501,854)	27,786,560
		Net Position, Beginning of Year (as Originally Reported)			538,343,950	29,501,854	567,845,804
		Change in Accounting Principle (see Note 23)			(1,736,073)	-	(1,736,073)
		Net Position, Beginning of Year (as Restated)			536,607,877	29,501,854	566,109,731
		Net Position, End of Year			$ 593,896,291	$ -	$ 593,896,291

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

NASSAU COUNTY, FLORIDA
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	General Fund	County Transportation Fund	Municipal Services Fund
Assets			
Cash and Cash Equivalents	$ 8,289,849	$ 549,567	$ 340,502
Cash and Cash Equivalents - Restricted	978,928	-	-
Equity in Pooled Investments	61,485,077	19,279,159	18,144,066
Accounts Receivable			
(Net of Allowance for Uncollectibles)	634,392	2,116	17,394
Loans Receivable			
(Net of Allowance for Uncollectibles)	-	-	-
Due from Other Funds	1,004,190	66,440	178,147
Due from Other Governments	2,995,320	871,124	133,005
Other Current Assets	1,777	-	-
Inventories	518,945	228,800	-
Prepaid Expenditures	4,526,504	5,455	1,263,327
Total Assets	80,434,982	21,002,661	20,076,441
Liabilities and Fund Balances			
Liabilities			
Accounts Payable	2,343,087	2,764,498	510,901
Accrued Liabilities	3,738,968	-	-
Retainage Payable	135,797	-	-
Due to Other Funds	232,986	182,355	478,447
Due to Other Governments	213,847	13,452	30,816
Unearned Revenue	73,859	-	-
Deposits	6,700	1,000	-
Total Liabilities	6,745,244	2,961,305	1,020,164
Deferred Inflows of Resources	1,319,209	291,074	523,678
Fund Balances			
Non-Spendable	5,047,692	234,255	1,263,512
Restricted	4,167,568	-	45,249
Committed	11,844,142	6,672,208	3,854,141
Assigned	36,199,166	10,843,819	13,369,697
Unassigned	15,111,961	-	-
Total Fund Balances	72,370,529	17,750,282	18,532,599
Total Liabilities and Fund Balances	$ 80,434,982	$ 21,002,661	$ 20,076,441

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

Capital Projects - Transportation Fund	Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
$ 139,343	$ 69,526	$ 39,586,077	$ 48,974,864
-	-	-	978,928
40,075,422	34,127,101	44,124,828	217,235,653
-	-	87,697	741,599
-	-	16,000	16,000
-	-	328,514	1,577,291
6,786,652	-	234,752	11,020,853
-	-	-	1,777
-	-	-	747,745
-	-	282,427	6,077,713
47,001,417	34,196,627	84,660,295	287,372,423
4,968,856	332,241	1,510,912	12,430,495
-	-	29,423	3,768,391
957,781	859,514	104,032	2,057,124
-	-	683,503	1,577,291
-	-	219,130	477,245
-	-	138,906	212,765
-	-	275,697	283,397
5,926,637	1,191,755	2,961,603	20,806,708
5,476,733	-	22,305	7,632,999
-	-	282,427	6,827,886
-	-	79,860,003	84,072,820
35,598,047	33,004,872	1,533,957	92,507,367
-	-	-	60,412,682
-	-	-	15,111,961
35,598,047	33,004,872	81,676,387	258,932,716
$ 47,001,417	$ 34,196,627	$ 84,660,295	$ 287,372,423

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

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

Total Fund Balances of Governmental Funds		$ 258,932,716
Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds:		
Total Capital Assets	$ 1,049,430,580	
(Less: Accumulated Depreciation)	(568,261,031)	
		481,169,549
Certain receivables do not provide current financial resources and, therefore, are reported as deferred inflows of resources in the funds.		7,632,999
Certain pension and OPEB related amounts are being deferred and amortized over a period of years or are being deferred as contributions to the pension and OPEB plans made after the measurement date:		
Deferred Outflows Related to Pensions	29,583,144	
Deferred Outflows Related to OPEB	8,416,411	
Deferred Inflows Related to Pensions	(17,850,459)	
Deferred Inflows Related to OPEB	(11,136,953)	
		9,012,143
Long-term liabilities are not due and payable in the current period and, accordingly, are not reported as fund liabilities. Interest on long-term debt is generally not accrued in the governmental funds, but rather is recognized as an expenditure when due. All liabilities, both current and long-term, are reported in the statement of net position. Long-term liabilities at year-end consist of:		
Revenue Bonds Payable	(11,790,000)	
Premium on Bonds Payable	(445,311)	
Notes Payable	(518,351)	
Financed Purchase	(2,586,204)	
Leases Payable	(643,971)	
SBITA Liability	(1,541,912)	
Compensated Absences	(12,793,468)	
Accrued Interest Payable	(294,672)	
Post-Closure Landfill Liability	(17,107,801)	
Net OPEB Obligation	(21,168,411)	
Net Pension Liability	(93,961,015)	
		(162,851,116)
Total Net Position of Governmental Activities		$ 593,896,291

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

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

	General Fund	County Transportation Fund	Municipal Services Fund
Revenues			
Taxes	$ 119,517,166	$ 12,370,274	$ 25,826,832
Licenses and Permits	64,841	-	685,983
Intergovernmental Revenues	12,205,454	2,214,891	1,494,664
Charges for Services	6,319,279	28,055	1,055,128
Fines and Forfeitures	39,244	4,811	22,983
Investment Earnings	4,610,626	939,456	1,174,736
Miscellaneous	2,182,953	230,451	133,977
Total Revenues	144,939,563	15,787,938	30,394,303
Expenditures			
Current:			
General Government Services	30,588,097	4,521	3,710,578
Public Safety	63,319,740	-	16,265,918
Physical Environment	2,901,772	-	-
Transportation	-	20,130,471	-
Economic Environment	988,351	-	43,941
Human Services	3,204,010	-	2,388,513
Culture and Recreation	4,084,414	-	-
Court-Related Expenditures	3,395,450	-	-
Capital Outlay	14,211,857	2,867,776	4,342,539
Debt Service:			
Principal Retirement	1,124,008	-	224,329
Interest and Fiscal Charges	148,905	-	11,787
(Total Expenditures)	123,966,604	23,002,768	26,987,605
Excess (Deficiency) of Revenues Over (Under) Expenditures	20,972,959	(7,214,830)	3,406,698
Other Financing Sources (Uses)			
Reversion to State of Florida	-	-	-
Transfers in	4,715,178	10,326,299	178,112
Transfers (out)	(31,487,353)	(1,715,571)	(6,123,431)
SBITA's	1,150,106	-	-
Lease Proceeds	575,601	-	-
Financing Purchase Proceeds	-	-	1,083,556
Sale of Capital Assets	11,677	278,092	3,746
Total Other Financing Sources (Uses)	(25,034,791)	8,888,820	(4,858,017)
Net Change in Fund Balances	(4,061,832)	1,673,990	(1,451,319)
Fund Balances, Beginning of Year	76,432,361	16,076,292	19,983,918
Fund Balances, End of Year	$ 72,370,529	$ 17,750,282	$ 18,532,599

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

	Capital Projects - Transportation Fund	Capital Projects Fund	Non-Major Governmental Funds	Total Governmental Funds
	$ -	$ -	$ 13,506,524	$ 171,220,796
	-	-	10,485,869	11,236,693
	2,622,218	271,215	2,749,334	21,557,776
	-	-	2,504,766	9,907,228
	-	-	432,431	499,469
	1,609,996	1,111,290	2,933,964	12,380,068
	-	-	410,210	2,957,591
	4,232,214	1,382,505	33,023,098	229,759,621
	-	-	2,876,426	37,179,622
	-	-	1,885,556	81,471,214
	-	-	961,910	3,863,682
	-	-	157,402	20,287,873
	-	-	10,940,318	11,972,610
	-	-	135,590	5,728,113
	-	-	27,787	4,112,201
	-	-	2,553,214	5,948,664
	27,250,238	12,009,224	7,009,767	67,691,401
	-	-	2,015,916	3,364,253
	-	-	1,400,350	1,561,042
	27,250,238	12,009,224	29,964,236	243,180,675
	(23,018,024)	(10,626,719)	3,058,862	(13,421,054)
	-	-	(203,297)	(203,297)
	7,165,743	16,037,330	3,275,049	41,697,711
	-	(341,507)	(1,964,080)	(41,631,942)
	-	-	-	1,150,106
	-	-	-	575,601
	-	-	-	1,083,556
	-	-	-	293,515
	7,165,743	15,695,823	1,107,672	2,965,250
	(15,852,281)	5,069,104	4,166,534	(10,455,804)
	51,450,328	27,935,768	77,509,853	269,388,520
	$ 35,598,047	$ 33,004,872	$ 81,676,387	$ 258,932,716

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

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

Net Change in Fund Balances - Total Governmental Funds		$ (10,455,804)
Amounts Reported for Governmental Activities in the Statement of Activities are Different Because:		
Governmental funds report capital purchases as expenditures. However, in the statement of activities, the cost of those assets is depreciated over their estimated useful lives and reported as depreciation expense:		
Expenditures for Capital Assets	$ 67,367,168	
(Current Year Depreciation)	(27,924,086)	
Contributions of Capital Assets	18,891,878	
Gain (Loss) on Disposal of Capital Assets	(280,544)	
		58,054,416
Certain revenues reported in the statement of activities are not considered current financial resources and, therefore, are not reported as revenue in the governmental funds.		5,209,536
Debt Proceeds provide current financial resources to governmental funds; however, entering into a promissory note increases long-term liabilities in the statement of net position.		(2,809,263)
Repayment of long-term debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.		4,054,323
The changes in net pension liability and pension related deferred outflows and inflows of resources result in an adjustment to pension expense in the statement of activities, but not in the governmental fund statements.		4,575,267
The changes in the OPEB liability and OPEB related deferred outflows and inflows of resources result in an adjustment to OPEB expense in the statement of activities, but not in the governmental fund statements.		19,060
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:		
Change in Accrued Interest Payable	(14,672)	
Amortization of Premiums	74,248	
Change in Post-Closure Liability	(1,435,550)	
Change in Accrued Compensated Absences	16,853	
		(1,359,121)
Change in Net Position - Governmental Activities		$ 57,288,414

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

NASSAU COUNTY, FLORIDA
STATEMENT OF NET POSITION - PROPRIETARY FUND
SEPTEMBER 30, 2025

	Business-Type Activities - Enterprise Funds		
	Water and Sewer	American Beach Water and Sewer District	Total
Assets			
Current Assets:			
Cash and Cash Equivalents	$ 379,970	$ -	$ 379,970
Cash and Cash Equivalents - Restricted	98,183	-	98,183
Accounts Receivable, Net	815,048	-	815,048
Total Current Assets	1,293,201	-	1,293,201
Total Assets	1,293,201	-	1,293,201
Liabilities			
Current Liabilities:			
Accounts Payable	80,965	-	80,965
Due to Other Governments	1,114,053	-	1,114,053
Deposits	98,183	-	98,183
Total Current Liabilities	1,293,201	-	1,293,201
Total Liabilities	1,293,201	-	1,293,201
Net Position			
Net Investment in Capital Assets	-	-	-
Restricted for:			
Debt Service	-	-	-
Renewal and Replacement	-	-	-
Unrestricted	-	-	-
Total Net Position	$ -	$ -	$ -

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

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

	Business-Type Activities - Enterprise Funds		
	Water and Sewer	American Beach Water and Sewer District	Totals
Operating Revenues			
Charges for Services	$ 5,115,852	$ -	$ 5,115,852
Connection and Impact Fees	98,383	-	98,383
Other Income	87,869	-	87,869
Total Operating Revenues	5,302,104	-	5,302,104
Operating Expenses			
Contractual Services	1,320	-	1,320
Professional Services	2,656,267	5,000	2,661,267
Salaries and Benefits	128,089	-	128,089
Rentals and Leases	25,591	-	25,591
Utilities	413,799	-	413,799
Repairs and Maintenance	408,485	-	408,485
Depreciation	1,077,843	94,064	1,171,907
Other Expenses	159,422	127,632	287,054
Total Operating Expenses	4,870,816	226,696	5,097,512
Operating Income (Loss)	431,288	(226,696)	204,592
Non-Operating Revenues (Expenses)			
Interest Earnings	21,286	-	21,286
Interest and Other Debt Service Costs	(49,181)	-	(49,181)
Refund of Special Assessments	-	(620,007)	(620,007)
Sale of Utility System	(16,948,504)	(13,214,435)	(30,162,939)
Total Non-Operating Revenues (Expenses)	(16,976,399)	(13,834,442)	(30,810,841)
Income (Loss) Before Capital Grants and Transfers	(16,545,111)	(14,061,138)	(30,606,249)
Capital Grants and Transfers			
Capital Grants and Contributions	10,000	1,160,164	1,170,164
Transfers in	-	639,124	639,124
Transfers (out)	(703,424)	(1,469)	(704,893)
Total Capital Grants and Transfers	(693,424)	1,797,819	1,104,395
Change in Net Position	(17,238,535)	(12,263,319)	(29,501,854)
Total Net Position, Beginning of Year	17,238,535	12,263,319	29,501,854
Total Net Position, End of Year	$ -	$ -	$ -

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

NASSAU COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Business-Type Activities - Enterprise Funds		
	Water and Sewer	American Beach Water and Sewer District	Total
Cash Flows from Operating Activities			
Cash Received from Customers	$ 5,116,862	$ -	$ 5,116,862
Cash Payments to Vendors for Goods and Services	(3,429,502)	(132,632)	(3,562,134)
Cash Payments to Employees	(338,213)	-	(338,213)
Net Cash Provided by (Used in) Operating Activities	1,349,147	(132,632)	1,216,515
Non-Capital Financing Activities			
Due from/to Other Funds	971,684	(2,975,008)	(2,003,324)
Transfer in (out)	(703,424)	639,124	(64,300)
Net Cash Provided by (Used in) Non-Capital Financing Activities	268,260	(2,335,884)	(2,067,624)
Capital and Related Financing Activities			
Acquisition of Property, Plant and Equipment	(624,179)	(1,359,643)	(1,983,822)
Transfer of Cash to FGUA for NAU Sale	(3,024,345)	-	(3,024,345)
Refund of Special Assessments	-	(620,007)	(620,007)
Capital Grants	-	6,695,964	6,695,964
Construction Related Accounts Payable	-	(2,181,261)	(2,181,261)
Principal Payments on Bonds/Leases/SBITAs	(1,118,304)	(2,020,854)	(3,139,158)
Payment of Interest and Other Debt Costs	(49,181)	-	(49,181)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(4,816,009)	514,199	(4,301,810)
Investing Activities			
Interest Received	21,286	-	21,286
Sale of Investments	213,246	-	213,246
Net Cash Provided by (Used in) Investing Activities	234,532	-	234,532
Net Increase (Decrease) in Cash and Cash Equivalents	(2,964,070)	(1,954,317)	(4,918,387)
Cash and Cash Equivalents, Beginning of Year	3,442,223	1,954,317	5,396,540
Cash and Cash Equivalents, End of Year	$ 478,153	$ -	$ 478,153
<u>Reported in Statement of Net Position as</u>			
Cash and Cash Equivalents	$ 379,970	$ -	$ 379,970
Cash and Cash Equivalents - Restricted	98,183	-	98,183
Total	$ 478,153	$ -	$ 478,153

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

NASSAU COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Business-Type Activities - Enterprise Funds		
	Water and Sewer	American Beach Water and Sewer District	Total
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities			
Operating Income (Loss)	$ 431,288	$ (226,696)	$ 204,592
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Depreciation	1,077,843	94,064	1,171,907
Changes in Assets - Decrease (Increase):			
Decrease (Increase) in Accounts Receivable	(189,381)	-	(189,381)
Decrease (Increase) in Due from Other Funds	(2,496)	-	(2,496)
Decrease (Increase) in Inventory	37,622	-	37,622
Decrease (Increase) in Prepaid Expense	1,667	-	1,667
Decrease (Increase) in Deferred Outflows	40,194	-	40,194
Changes in Liabilities - Increase (Decrease):			
Increase (Decrease) in Accounts Payable	(605,499)	-	(605,499)
Increase (Decrease) in Due to Other Governments	801,592	-	801,592
Increase (Decrease) in Deposits	6,635	-	6,635
Increase (Decrease) in Compensated Absences	(35,307)	-	(35,307)
Increase (Decrease) in Net Pension Liability	(116,360)	-	(116,360)
Increase (Decrease) in Deferred Inflows	(21,363)	-	(21,363)
Increase (Decrease) in Other Postemployment Benefits	(77,288)	-	(77,288)
Net Cash Provided by (Used in) Operating Activities	$ 1,349,147	$ (132,632)	$ 1,216,515
Non-Cash Capital and Related Financing Items			
Sale of Nassau Amelia Island Utilities Transfer of Capital Assets	$ (17,079,183)	$ (11,287,644)	$ (28,366,827)
Direct pay-off of Debt by FGUA	3,470,000	-	3,470,000
Total Non-Cash Capital and Related Financing Items	$ (13,609,183)	$ (11,287,644)	$ (24,896,827)

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

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

	Total Custodial Funds
Assets	
Cash and Cash Equivalents	$ 7,927,221
Accounts Receivable	467,439
Due from Individuals	310,364
Due from Other Governments	5,813
Total Assets	8,710,837
Liabilities	
Accounts Payable and Accrued Liabilities	55,934
Due to Other Governments	2,131,134
Due to Bond Holders	770,154
Other Liabilities	9,664
Undistributed Collections	4,070,070
Total Liabilities	7,036,956
Net Position, Held in a Custodial Capacity to be Disbursed	$ 1,673,881

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

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

		Total Custodial Funds
Additions		
Property Taxes and Fees Collected	$	158,072,845
Licenses and Tag Fees Collected		17,667,973
Impact Fees Collected for Other Governments		3,591,057
Inmate Funds Collected		1,446,935
Fines, Forfeitures, and Fees Collected		5,692,325
Tax Deeds and Fees Collected		509,206
Support and Fees Collected		10,473
Special Assessments		648,825
Registry of the Court and Fees Collected		2,546,881
Recording Fees Collected		3,880,683
Bail Bonds and Fees Collected		254,092
Refunds, Unclaimed Funds, Redeposits, and Credit Card Payments		1,652,380
Tourist Development Fees Collected		12,009,121
Investment Earnings		29,016
Total Additions		208,011,812
Deductions		
Inmate Funds Disbursed		1,432,086
Fines, Forfeitures, and Fees Disbursed		5,667,559
Licenses and Tag Fees Disbursed		17,667,973
Property Taxes and Fees Disbursed		158,072,845
Tax Deeds and Fees Disbursed		411,963
Support and Fees Disbursed		10,473
Special Assessments Fees Disbursed		628,079
Registry of the Court and Fees Disbursed		2,596,745
Recording Fees Disbursed		3,995,086
Bail Bonds and Fees Disbursed		209,410
Refunds, Unclaimed Funds, Redeposits, and Credit Card Payments		1,652,082
Tourist Development Fees Disbursed		12,009,121
Impact Fees Disbursed		3,609,167
Total Deductions		207,962,589
Change in Net Position		49,223
Net Position, Beginning of Year		1,624,658
Total Net Position, End of Year	$	1,673,881

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

NASSAU COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
SEPTEMBER 30, 2025

Note 1 - Summary of Significant Accounting Policies

The accounting policies of Nassau County (the County) conform to accounting principles generally accepted in the United States of America as applied to governmental units. The significant accounting policies followed by the County are described below to enhance the usefulness of the financial statements to the reader.

A. Reporting Entity

Nassau County is a political subdivision of the State of Florida. It is composed of an elected Board of County Commissioners (the Board) and elected Constitutional Officers, who are governed by federal and state statutes, regulations, and County ordinances.

The Board and the offices of the Clerk of the Circuit Court (Clerk), Tax Collector, Sheriff, Property Appraiser, and Supervisor of Elections are operated as separate County agencies in accordance with applicable provisions of Florida Statutes. The office of the Tax Collector operates on a fee system, whereby the officer retains fees, commissions, and other revenues to pay all operating expenditures, including statutory compensation, any excess income is remitted to the Board or other taxing districts at the end of the fiscal year. The office of the Property Appraiser operates on a budget system, whereby appropriated funds are received from the Board and taxing authorities and all unexpended appropriations are required to be returned to the Board and taxing authorities at year-end. The offices of the Sheriff and Supervisor of Elections operate on a budget system, whereby County-appropriated funds are received from the Board, and any unexpended appropriations are required to be returned to the Board at the end of the fiscal year. The office of the Clerk of the Circuit Court operates on a combined fee and budget system. The budget system relates to the Clerk's function as the accountant and the Clerk of the Board, in accordance with the provisions of Section 125.17, Florida Statutes. Beginning July 1, 2013, the court-related operations of the Clerk are funded from fees and charges authorized under Chapter 2013-44, Laws of Florida. Any excess of revenues and other financing sources received over expenditures of the general fund are remitted to the Board at year-end. Any excess of revenues over court-related expenditures of the court fund are remitted to the State of Florida at year-end.

The accompanying financial statements present the County (primary government), and the component units for which the County is considered to be financially accountable. Also included are other entities for which the nature and significance of their relationship with the County are such that exclusion could cause the County's basic financial statements to be misleading or incomplete.

The Nassau County Housing Finance Authority (NCHFA) is a dependent special district, which functions for the benefit of the citizens of Nassau County and is considered a blended component unit of the County. The NCHFA had no revenues or expenditures during the fiscal year ended September 30, 2025. In addition, the NCHFA did not issue any bonds during the audit period, nor were there any bonds outstanding at year-end. Therefore, financial statements were not prepared for NCHFA and, accordingly, no financial data for NCHFA is presented in these financial statements.

The Recreation and Water Conservation and Control District No. 1 (RWCCD) is a dependent special district, which functions for the benefit of the citizens of the County and is considered a blended component unit of the County. The Board sits as the governing body. The RWCCD had no revenues or expenditures during the fiscal year ended September 30, 2025. In addition, the RWCCD did not issue any bonds during the audit period, nor were there any bonds outstanding at year-end. Therefore, financial statements were not prepared for RWCCD and, accordingly, no financial data for RWCCD is presented in these financial statements.

The American Beach Water Sewer District is a dependent special district, which functions for the benefit of the citizens of the County and is considered a blended component unit of the County. On September 2, 2025, the County passed Ordinance 2025-030 authorizing the dissolution of the American Beach Water and Sewer District. This relates to the sale of the County's water and sewer utility as discussed in Note 24.

Imagine Nassau, Inc., is a not-for-profit corporation for the primary purpose to work directly with the County to foster charitable and educational activities in the County through the fundraising of charitable contributions and grants for programs and services provided by the County: Parks and Recreation, Animal Services, Fire Rescue Services, and Nassau County Land Acquisition and Management Program. It has been determined that Imagine Nassau, Inc. should be included in the County's financial statements as a blended component unit.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all the non-fiduciary activities of the County.

These statements include separate columns for the governmental and business-type activities of the primary government and its component units. Generally, the effect of the interfund activity has been eliminated from these statements, unless interfund services were provided. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

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

C. Fund Accounting

The accounts of the County 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 comprises its assets; deferred outflows of resources; liabilities; deferred inflows of resources; fund balances, or net position, as appropriate; and revenues and expenditures or expenses, 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. The various funds are organized by governmental funds, proprietary funds, and fiduciary funds in the financial statements. The following funds are used by the County:

- **Governmental Funds**
  - **Major Governmental Funds**
    - The **General Fund—**is used to account for all revenues and expenditures applicable to the general operations of the County, which are not properly accounted for in other funds. The General Fund for the County includes the General Fund for the Board and each of the Constitutional Officers. The effect of interfund activity has been eliminated from these financial statements.
    - The **County Transportation Fund**—is used to account for the operation of the Road and Bridge Department. Financing is provided principally by ad valorem taxes and the County's share of state gasoline taxes.
    - The **Municipal Services Fund—**is used to account for activities benefiting only the unincorporated areas of the County. Financing is provided principally by ad valorem taxes and state revenue sharing.
    - The **Capital Projects - Transportation Fund—**is used to account for all financial resources used for the acquisition or construction of major transportation-related capital facilities and/or projects. Funding is provided from a variety of funding sources.
    - The **Capital Projects Fund**—is used to account for financial resources used for the acquisition or construction of major capital facilities and/or projects. Funding is provided from a variety of funding sources.
  - **Non-Major Governmental Funds**
    - **Special Revenue Funds—**are used to account for the proceeds of specific revenue sources other than major capital projects or to finance specified activities as required by law.
    - **Debt Service Funds—**are used to account for the accumulation of resources for, and the payment of, interest, principal, and related costs on general long-term debt.
    - **Capital Projects Funds—**are used to account for all financial resources used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds.
- **Major Proprietary Funds**
  - **Proprietary Funds—**are used to account for operations either: (1) that are financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (2) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

- ► **The Water and Sewer Fund—**accounts for water and wastewater services provided to approximately 3,300 customers on 4,800 acres located entirely in the County, situated north of the Duval County line and south of the City of Fernandina Beach.

- ► **American Beach Water Sewer District**—are used to account for the proceeds of specific revenue sources related to the planning, design, and construction of water and sewer facility located at American Beach.

■ **Fiduciary Funds**

- The custodial funds are fiduciary funds which are used to account for assets received and held by the County in the capacity of an agent for individuals, government agencies, and other public organizations.

D. Measurement Focus

■ **Government-Wide Financial Statements—**The government-wide financial statements are accounted for on an "economic resources" measurement focus. Accordingly, all assets, deferred outflows of resources and liabilities and deferred inflows of resources are included on their Statement of Net Position, and the reported net position (total reported assets plus deferred outflows of resources less total reported liabilities and deferred inflows of resources) provides an indication of the economic net worth of the funds. The statement of activities reports increases (revenues) and decreases (expenses) in total net position.

■ **Governmental Funds**—General, special revenue, debt service, and capital projects funds are accounted for on a "current financial resources" measurement focus. This means that only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources are generally included on the balance sheet. Accordingly, the reported fund balances are considered a measure of available, spendable, or appropriable resources. Governmental funds operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balances.

■ **Proprietary Funds—**The enterprise funds are accounted for on an "economic resources" measurement focus. Accordingly, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources are included on the statement of net position, and the reported net position provides an indication of the economic net worth of the funds. The operating statements for the proprietary funds report increases (revenues) and decreases (expenses) in total net position.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues are charges for services. Operating expenses include cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

■ **Fiduciary Funds**—Fiduciary funds are accounted for using the accrual basis of accounting. Per Governmental Accounting Standards Board (GASB) Statement No. 84, fiduciary funds will now report additions and deductions within the Statement of Changes in Fiduciary Net Position. Fiduciary fund assets and liabilities are reported using an economic resources measurement focus and accrual basis of accounting.

E. Basis of Accounting

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

The government-wide financial statements are accounted for using the accrual basis of accounting. Under this method, revenues are recognized when they are earned and expenses are recognized when they are incurred.

All governmental funds are accounted for using the modified accrual basis of accounting. Under this method, revenues are recognized in the accounting period when they become susceptible to accrual (i.e., when they become "measurable and available").

"Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The County considers revenues to be "available" if they are collected within sixty days after year-end.

Primary revenues, including special assessments, intergovernmental revenues, charges for services, rents, and interest, are treated as susceptible to accrual under the modified accrual basis. Other revenue sources are not considered measurable and available, and are not treated as susceptible to accrual. Expenditures are generally recognized under the accrual basis of accounting when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences, pensions, and other postemployment benefits are recorded only when payment is due.

The proprietary funds and fiduciary funds are accounted for using the accrual basis of accounting. Under this method, revenues are recognized when they are earned and expenses are recognized when they are incurred.

F. Cash and Cash Equivalents

For purposes of these financial statements, cash and cash equivalents are considered cash in bank, demand deposits, and short-term investments with maturities of less than three months.

For purposes of the statement of cash flows, the enterprise funds consider all highly liquid investments, including restricted assets, with a maturity of three months or less when purchased to be cash equivalents.

G. Deposits and Investments

The County's investment practices are governed by Section 218.415, Florida Statutes, and County Ordinance 2023-036. The County is currently invested in Interest-Bearing Demand Deposit accounts, U.S. Government Securities, and Local Government Investment Pools. See Note 2 for additional information on authorized deposits and investments.

H. Accounts Receivable

Accounts receivable are reported net of the allowance for uncollectibles on the balance sheet - governmental funds and statement of net position - proprietary funds. The allowances for uncollectible accounts are based upon aging schedules of related collection experiences of such receivables.

I. Interfund Balances

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" in the fund financial statements. Any residual balances outstanding between the governmental activities and the business-type activities are reported as "internal balances" in the government-wide financial statements.

J. Inventories and Prepaid Items

Inventories, consisting principally of expendable items held for consumption, are determined by physical count and are stated at cost based on the average-cost method. On the balance sheet - governmental funds, the prepaid and inventory balances reported are offset by a non-spendable fund balance classification which indicates these balances do not constitute "available spendable resources" even though it is a component of net current assets. The cost of governmental fund-type inventories is recorded as expenditure when consumed; therefore, the inventory asset amount is not available for appropriation.

Prepaid items are certain payments to vendors that reflect costs applicable to future accounting periods and are recorded, under the consumption method, as prepaid items in both government-wide and fund financial statements.

K. Unamortized Refunding Loss

Losses resulting from the refunding of debt are reported as deferred outflow of resources and recognized as a component of interest expense over the remaining life of the refunded debt or the new debt, whichever is shorter.

L. Fund Balance

Fund balance is reported in five components – non-spendable, restricted, committed, assigned, and unassigned:

- **Non-Spendable**—This component of fund balance consists of amounts that cannot be spent because: (a) they are not expected to be converted to cash, or (b) they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund.

- **Restricted**—This component of fund balance consists of amounts that are constrained either: (a) externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments), or (b) by law through constitutional provisions or enabling legislation.

- **Committed**—This component of fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (e.g., ordinance) of the County's governing authority, the Board. These committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (e.g., ordinance) employed to constrain those amounts.

- **Assigned**—This component of fund balance consists of amounts that are constrained by less-than-formal action of the County's governing body (e.g., resolution). The County's fund balance policy was adopted under the County's resolution No. 2023-128. Changes in assigned fund balance require prior approvals from the governing body through less-than-formal action (e.g., resolution), the County Manager and Budget Officer. In addition, residual balances in capital projects and debt service funds are considered assigned for the general purpose of the respective funds.

- **Unassigned—**This classification is used for: (a) negative unrestricted fund balances in any governmental fund, or (b) fund balances within the general fund that are not restricted, committed, or assigned.

- **Flow Assumption—** When both restricted and unrestricted resources are available for use, it is the County's policy to use restricted resources first, then unrestricted resources (committed, assigned, and unassigned) as they are needed. When unrestricted resources (committed, assigned, and unassigned) are available for use in any governmental fund, it is the County's policy to use committed resources first, then assigned, and then unassigned as needed.

M. Net Position

Net position of proprietary funds, governmental activities, and business-type activities are made up of three components. *Net investment in capital assets* represents net capital assets less related long-term liabilities, where unspent debt proceeds increase this amount. *Restricted net position* represents assets that are legally restricted for specific purposes. They include bond sinking and reserve funds; special revenues restricted by statute, ordinance, and bond proceeds; and other sources restricted for capital projects or improvements. The balance of net position is considered *unrestricted net position.*

N. Restricted Assets

Certain resources in the water and sewer enterprise fund are set aside for payment of capital reserves, renewal and replacement, and the utility system. These resources are classified as restricted cash and investments on the statement of net position because their use is limited. All cash and investments classified as restricted are the result of various bond indenture or other legal requirements. When both restricted and unrestricted resources are available for use, the County's practice is to use the restricted resources first, then unrestricted resources as they are needed.

O. Capital Assets and Long-Term Liabilities

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, traffic signals, stormwater drainage, and similar items) are reported in the applicable governmental or business-type activities column in the government-wide financial statements.

- **Governmental Funds**

  Purchases of capital assets are recorded as expenditures in the governmental funds when the assets are acquired. At year-end, the assets are capitalized at cost by the County in the statement of net position as part of the basic financial statements of the County.

  The capital assets used in the operations of the Board, Clerk of the Circuit Court, Tax Collector, Property Appraiser, and Supervisor of Elections are accounted for by the Board of County Commissioners because the Board holds legal title and is accountable for them under Florida law. In accordance with Florida Statutes, the Board also holds title and maintains all land and buildings used by the Sheriff.

  The Sheriff, pursuant to Chapter 274, Florida Statutes, is accountable for and thus maintains capital asset records pertaining to equipment used in operations.

Effective July 10, 2023, the Board approved a revised fixed asset capitalization policy which updated the capitalization thresholds and useful lives for various capital asset categories.

Capital Asset Category	Capitalization Threshold
Land	All
Buildings	$50,000
Building Improvements	$25,000
Improvements to Land Other than Buildings	$25,000
Machinery, Vehicles, and Equipment	$5,000
Works of Art, Historical Treasures, and Similar Assets	All
Infrastructure and Infrastructure Improvements	$50,000
Construction in Progress	Use Final Intended Asset Class Threshold
Software	$50,000
Easements or Right-of-Way	$10,000
Other Capital Assets	$50,000

Such assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair value on the date donated. Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

Land	Indefinite
Buildings	10-50 Years
Building Improvements	10-50 Years
Improvements to Land Other Than Buildings	10-30 Years
Machinery, Vehicles, and Equipment	3-20 Years
Works of Art, Historical Treasures, and Similar Assets	20-50 Years
Infrastructure and Infrastructure Improvements	10-50 Years
Construction in Progress	Use Final Intended Asset Class Useful Life
Software	Individually Evaluated
Easements or Right-of-Way	Individually Evaluated
Other Capital Assets	Individually Evaluated

Long-term debt and other long-term liabilities are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental funds recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Governmental long-term liabilities are financed from governmental funds for principal and interest.

- **Proprietary Enterprise Funds**
  Property and equipment purchased by the enterprise funds are capitalized by those funds. Depreciation on such assets is charged as an expense against each fund's operations. Depreciation has been provided over the estimated useful lives using the straight-line method. The estimated useful lives are the same as governmental activities above.

P. Deferred Inflows/Outflows of Resources

Deferred inflows of resources reported on applicable governmental fund types represent revenues, which are measurable but not available in accordance with the modified accrual basis of accounting. The deferred inflows will be recognized as revenue in the fiscal year they are earned or become available. Deferred outflows of resources represent consumption of net position that applies to future periods. Deferred outflows have a positive effect on net position, similar to assets.

Q. Compensated Absences

Annual, sick, bonus, and compensatory leave amounts accumulate and vest in accordance with the policies of the Board, Clerk of the Circuit Court, Tax Collector, Sheriff, Property Appraiser, Supervisor of Elections, and negotiated union contracts. It is the Board and Constitutional Officer's policy to permit employees to accumulate earned but unused vacation and sick leave benefits. Compensated absences are recognized as a liability to the extent the leave is attributable to services already rendered, accumulated, and is more likely than not to be paid or settled through time off or other means. In the government-wide and proprietary fund financial statements, a liability is recorded for compensated absences as these benefits are earned. In governmental fund financial statements, liabilities for compensated absences are recognized to the extent the amounts are due and payable at fiscal year-end, such as upon employee resignations, retirements, or other events that require payment of accumulated leave. The County uses a last-in, first-out (LIFO) flow assumption reflecting that employees use recently earned leave first.

Provisions of these policies and the union contracts specify how benefits are earned, accumulated, and when and to what extent they vest.

For governmental activities, compensated absences are generally liquidated by the General Fund, the County Transportation Fund, the Municipal Services Fund, and the Building Department.

It is the City's policy to permit employees to accumulate earned but unused vacation and sick leave benefits. Compensated absences are recognized as a liability to the extent the leave is attributable to services already rendered, accumulated, and is more likely than not to be paid or settled through time off or other means. In the government-wide and proprietary fund financial statements, a liability is recorded for compensated absences as these benefits are earned. In governmental fund financial statements, liabilities for compensated absences are recognized to the extent the amounts are due and payable at fiscal year-end, such as upon employee resignations, retirements, or other events that require payment of accumulated leave. The City uses a LIFO flow assumption reflecting that employees use recently earned leave first.

R. Other Postemployment Benefits

The County has recorded the liability in the government-wide statements and the enterprise funds for postemployment benefits other than pensions. For governmental activities, other postemployment benefits (OPEB) are generally liquidated by the General Fund, the County Transportation Fund, the Municipal Services Fund, and the Building Department. The financial reporting requirements for governments whose employees are provided with OPEB, include the recognition and measurement of liabilities, deferred outflows of resources, deferred inflows of resources, and expenses.

S. Net Pension Liability

In the government-wide and proprietary fund statements, the net pension liability represents the County's proportionate share of the net pension liability of the cost-sharing pension plans in which it participates. This liability represents a share of the present value of projected benefit payments to be provided through cost-sharing plans, less the amount of the cost-sharing plans' fiduciary net position. The County participates in both the Florida Retirement System (FRS) defined benefit pension plan and the Health Insurance Subsidy Program (HIS) defined benefit plan administered by the Florida Division of Retirement. The County allocated the net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense to the funds and functions/activities based on their respective contribution made to the pension plans for that fiscal year.

T. Property Taxes

Real property and tangible personal property are assessed by the Property Appraiser according to the property's just value on January 1st of each year. Section 200.071, Florida Statutes, authorizes the Board to levy ad valorem tax millage against real property and tangible personal property for the County, including dependent districts, not to exceed 10 mills, except for voted levies. The Board shall determine the amount of millage to be levied and shall certify such millage to the Property Appraiser. For the year ended September 30, 2025, the Board levied 6.8822 mills. An additional 2.2087 mills and 0.0960 was levied for the benefit of the Nassau County Municipal Services Taxing Unit and the Amelia Island Beach Renourishment Municipal Services Benefit Unit, respectively.

Property taxes are due and payable on March 31st of each year or as soon thereafter as the assessment rolls are charged to the Tax Collector by the Property Appraiser. Taxes on real property may be prepaid in four quarterly installments beginning not later than June 30th of the year in which assessed. Discounts are allowed for payment of property taxes before March 1st. Taxes become delinquent on April 1st following the year in which the taxes were assessed.

The Tax Collector collects taxes for the various taxing entities, including the Board. Delinquent taxes on real property are collected by selling tax certificates to individuals. If a tax certificate is not sold, the tax certificate is struck to the County. Attempts to collect delinquent taxes on tangible personal property are done by the issuance of warrants for the seizure and sale of such tangible personal property. Key dates in the property tax cycle (latest date where appropriate) are as follows:

January 1	Property Just Value Established for Assessment of Taxes
July 1	Assessment Roll Certified, Unless Extension Granted by the Florida Department of Revenue
93 Days Later	Millage Resolution Approved and Taxes Levied Thereafter as Tax Collector Received Tax Roll
30 Days Thereafter	Property Taxes Become Due and Payable (Maximum Discount)
April 1	Taxes Become Delinquent
Prior to June 1	Tax Certificates Sold

U. Leases

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

At the commencement of a lease, the County initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made at or before the lease commencement date, plus initial direct costs. Subsequently, the lease asset is amortized on a straight-line basis over its useful life.

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

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

V. Subscription-Based Technology Arrangements

The County recognizes a SBITA liability and an intangible right-to-use subscription asset (subscription asset) in the government-wide financial statements. At the commencement of the arrangement, the County initially measures the SBITA liability at the present value of payments expected to be made during the subscription term. Subsequently, the SBITA liability is reduced by the principal portion of the subscription payments made. The subscription asset is initially measured as the initial amount of the SBITA liability, adjusted for subscription payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the subscription asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to SBITAs include how the County determines: (1) the discount rate it uses to discount the expected subscription payments to present value, (2) subscription term, and (3) subscription payments.

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

- The subscription term includes the noncancellable period of the subscription. Subscription payments included in the measurement of the SBITA liability are composed of fixed payments.

W. Recent GASB Standards

- GASB Statement No. 103, *Financial Reporting Model Improvements,* will become effective for the year ending September 30, 2026. This statement will enhance the effectiveness of financial reporting for government entities. Key changes include standardization of sections in the Management's Discussion and Analysis, revised presentation of unusual or infrequent items, clearer definition of operating and non-operating revenues and expenses in proprietary funds, providing details of each major component unit, and new requirements for budgetary comparison schedules.

- GASB Statement No. 104, *Disclosure of Certain Capital Assets*, will become effective for the year ending September 30, 2026. This statement requires a government to disclose separate information about specific types of capital assets and establishes criteria for identifying and reporting capital assets held for sale. The objective of this statement is to enhance transparency and improve the usefulness of financial statements for stakeholders by providing more detailed information on these assets.

Note 2 - Cash and Investments

Deposits with Financial Institutions

Deposits are placed in banks that qualify as public depositories pursuant to the provisions of Chapter 280, Florida Statutes, the *Florida Security for Public Deposits Act*. Qualified public depositories are required by this law to pledge collateral with a market value equal to a percentage of the average daily balance of all public deposits in excess of any federal deposit insurance. In the event of default by a qualified public depository, all claims for public deposits would be satisfied by the State Treasurer from the proceeds of federal deposit insurance, pledged collateral of the public depository in default, and if necessary a pro rata assessment to the other qualified public depositories in the collateral pool. Therefore, all cash and time deposits held by banks are fully insured and collateralized.

Detail of the County's Cash and Investments

Description	Fair Value
Cash and Cash Equivalents	$ 58,359,166
Florida Government Investment Trust	53,505,693
Florida Fixed Income Trust	30,325,260
Money Market Accounts	9,916,630
U.S. Treasuries	123,488,070
Total Cash and Investments	$ 275,594,819

Reported in accompanying financial statements as follows:

	Governmental Funds	Proprietary Funds	Custodial Funds	Total
Cash and Cash Equivalents	$ 48,974,864	$ 379,970	$ 7,927,221	$ 57,282,055
Equity in Pooled Investments	217,235,653	-	-	217,235,653
Restricted Cash and Cash Equivalents	978,928	98,183	-	1,077,111
Total Cash and Investments	$ 267,189,445	$ 478,153	$ 7,927,221	$ 275,594,819

Investments

Interest and investment earnings are generally allocated to the various funds based upon each fund's equity balance in the pooled cash or the investment accounts.

The County's investment practices are governed by Section 218.415, Florida Statutes, and County Ordinance 2023-036. Authorized investments include the State Pool or similar intergovernmental investment pools, money market funds registered with the Securities and Exchange Commission, interest-bearing time deposits or savings accounts in qualified public depositories as defined in Section 280.02, Florida Statutes, direct obligations of the United States Treasury, federal agencies and instrumentalities, securities of, or interests in, any open-end or closed-end management-type investment company or investment trust, or other investments authorized by law or ordinance of the County.

The following items discuss the County's exposure to various risks of their investment portfolio.

Interest Rate Risk—The risk that changes in interest rates will adversely affect the fair value of an investment. The County has a formal investment policy for operating surplus funds that limits investment maturities to twelve months as a means of managing its exposure to fair value losses from increasing interest rates. Investments of bond reserves, construction funds, and other non-operating funds shall have a term appropriate to the need for funds and in accordance with debt covenants. The maturities of the underlying securities of a repurchase agreement will follow the requirements of a Master Repurchase Agreement in form approved by the Public Securities Association.

Maturities	Fair Value	1 Year or Less	1-5 Years
Type			
U.S. Treasury Notes	$ 123,488,070	$ 123,488,070	$ -
Money Market Funds	9,916,630	9,916,630	-
Florida Fixed Income Trust - (FL-FIT) Cash Pool	26,214,203	26,214,203	-
Florida Fixed Income Trust - (FL-FIT) Enhanced Cash Pool	4,111,057	-	4,111,057
Florida Fixed Income Trust Fund:			
Florida Government Investment Trust - Day to Day Fund	30,531,233	30,531,233	-
Florida Government Investment Trust - Short-Term Bond Fund	22,974,460	-	22,974,460
Total Investments	217,235,653	$ 190,150,136	$ 27,085,517
Demand Deposits	58,359,166		
Total Cash and Investments	$ 275,594,819		

Credit Risk—Generally, credit risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization.

The following table summarizes the County's investments as rated as of September 30, 2025:

Credit Ratings	Unrated	Moody's Aaa	Fitch AAAf	S&P AAAf
Type				
U.S. Treasury Notes	$ -	$ 123,488,070	$ -	$ -
Money Market Funds	9,916,630	-	-	-
Florida Fixed Income Trust - (FL-FIT) Cash Pool	-	-	26,214,203	-
Florida Fixed Income Trust - (FL-FIT) Enhanced Cash Pool			4,111,057	
Florida Government Investment Trust - Day to Day Fund	-	-	-	30,531,233
Florida Government Investment Trust - Short-Term Bond Fund	-	-	22,974,460	-
Total Investments	9,916,630	123,488,070	53,299,720	30,531,233
Demand Deposits	58,359,166	-	-	-
Total Cash and Investments	$ 68,275,796	$ 123,488,070	$ 53,299,720	$ 30,531,233

Custodial Credit Risk—For an investment, 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. The certificates of deposit and money market accounts are held in qualified public depositories or at levels below FDIC insurance thresholds.

In accordance with the provisions of Rule 62-701, *Florida Administrative Code*, the Board has established escrow accounts to provide proof of financial responsibility for the post-closure costs associated with the Old West Nassau and New West Nassau Landfills. The amounts in these escrow accounts are determined by engineering studies as required by the above rule, and are reported as cash and cash equivalents - restricted.

External Investment Pools—

Florida Trust
The County participates in the Florida Trust Short-Term Bond Fund. The fund was created in December 12, 1991, through the joint efforts of the Florida Court Clerks and Comptrollers and the Florida Association of Counties. The fund is rated AAAf by Standard & Poor's. The weighted average maturity at September 30, 2025, was 1.89 years. The fund is structured to maintain safety of principal and maximize available yield through a balance of quality and diversification. The County participates in the Florida Trust Day to Day Fund. The fund was created in 2019, through the joint efforts of the Florida Court Clerks and Comptrollers and the Florida Association of Counties. The fund is rated AAAm by Fitch Ratings. The weighted average maturity at September 30, 2025, was 32 days. The fund is structured to maintain safety of principal and maximize available yield through a balance of quality and diversification. Separately issued financial statements for the Florida Trust Short-Term Bond Fund and Day to Day Fund can be obtained from the Florida Trust website (https://www.floridatrustonline.com).

Florida Fixed Income Investment Trust (Florida FIT)
The County participates in the Florida Fixed Income Investment Trust Cash and Enhanced Cash Pool. The trust was organized as a Delaware statutory trust on March 1, 2019. The Trust was designed to provide eligible units of local governments with an investment vehicle to pool their surplus funds and to reinvest such funds in one or more investment portfolios under the direction and daily supervision of an investment advisor. The Florida FIT-Cash Pool and the FL-FIT Enhanced Cash Pool are currently rated AAAf/S1 by Fitch Ratings. The Florida FIT Cash Pool's weighted average maturity at September 30, 2025, was 85 days. The Florida FIT Enhanced Cash Pool's weighted average maturity at September 30, 2025 was 1.07 years. The funds are structured to maintain safety of principal and maximize available yield through a balance of quality and diversification. Separately issued financial statements for the funds can be obtained from the Florida FIT website (https://www.fl-fit.com).

Fair Value Measurements
The County categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The County's investments in certificates of deposits and money market accounts have remaining maturities at the time of purchase of one year or less, and are therefore reported at amortized cost. All four of the trust funds are external investment pools and are reported at Net Asset Value (NAV).

Type Investment	Fair Value	Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Board Investments by Fair Value Level				
U.S. Treasury Notes	$ 123,488,070	$ -	$ 123,488,070	$ -
Total Investments Measure at FV	123,488,070	$ -	$ 123,488,070	$ -
Board Investments Measured at Amortized Cost	**Amortized Cost**			
Money Market Accounts	9,916,630			
Total Investments Measured at Amortized Cost	9,916,630			
Board Investments at Net Asset Value (NAV)	**NAV**			
Florida Fixed Income Trust - (FL-FIT) Cash Pool	26,214,203			
Florida Fixed Income Trust - (FL-FIT) Enhanced Cash Pool	4,111,057			
Florida Government Investment Trust - Day to Day Fund	30,531,233			
Florida Government Investment Trust - Short-Term Bond Fund	22,974,460			
Total Investments Measured at NAV	83,830,953			
Total Investments	$ 217,235,653			

Note 3 - Accounts Receivable

Accounts receivable (net of allowances for uncollectibles) at September 30, 2025, included the following:

	Receivable	Allowance	Net
Governmental Funds			
General Fund	$ 1,667,581	$ (1,033,189)	$ 634,392
County Transportation	2,116	-	2,116
Municipal Services	17,394	-	17,394
Non-Major Funds	87,697	-	87,697
Total Governmental Funds	$ 1,774,788	$ (1,033,189)	$ 741,599
Business-Type Funds			
Water and Sewer	$ 815,048	$ -	$ 815,048

Note 4 - Restricted Assets

Restricted assets in the proprietary funds at September 30, 2025, represent customer deposits for utility services. Restricted assets for the proprietary funds at September 30, 2025, were restricted for the following purposes:

Proprietary Funds	
Customer Deposits	$ 98,183
Total	$ 98,183

Note 5 - Capital Assets

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

	Balance 10/1/2024	Increases	(Decreases)	Balance 9/30/2025
Governmental Activities				
Capital Assets not Being Depreciated:				
Land	$ 90,566,535	$ 14,250,430	$ (2,025)	$ 104,814,940
Construction Work in Progress	36,487,351	42,992,140	(21,628,280)	57,851,211
Total Capital Assets not Being Depreciated	127,053,886	57,242,570	(21,630,305)	162,666,151
Capital Assets Being Depreciated:				
Buildings and Improvements	79,825,447	31,692,501	(455,802)	111,062,146
Machinery and Equipment	83,897,690	15,169,808	(1,564,766)	97,502,732
Improvements Other than Buildings	1,496,028	335,507	-	1,831,535
Leasehold Improvements	1,040,516	-	-	1,040,516
Infrastructure	669,919,524	1,721,232	-	671,640,756
Lease Assets - Buildings	297,058	559,644	(297,058)	559,644
Lease Assets - Equipment	184,075	-	-	184,075
Lease Assets - Infrastructure	189,914	15,957	-	205,871
SBITA Assets	2,072,480	1,150,106	(485,432)	2,737,154
Total Capital Assets Being Depreciated	838,922,732	50,644,755	(2,803,058)	886,764,429
Less Accumulated Depreciation:				
Buildings and Improvements	(36,527,377)	(2,187,788)	419,619	(38,295,546)
Machinery and Equipment	(52,163,005)	(8,355,975)	1,322,430	(59,196,550)
Leasehold Improvements	(727,228)	(125,615)	-	(852,843)
Infrastructure	(452,193,866)	(16,397,097)	-	(468,590,963)
Lease Assets - Buildings	(237,097)	(106,653)	297,058	(46,692)
Lease Assets - Equipment	(63,200)	(37,813)	-	(101,013)
Lease Assets - Infrastructure	(117,878)	(47,271)	-	(165,149)
SBITA Assets	(831,834)	(665,873)	485,432	(1,012,275)
Total Accumulated Deprecation	(542,861,485)	(27,924,085)	2,524,539	(568,261,031)
Total Capital Assets Being Depreciated, Net	296,061,247	22,720,670	(278,519)	318,503,398
Total Governmental Activities Capital Assets, Net	$ 423,115,133	$ 79,963,240	$ (21,908,824)	$ 481,169,549

	Balance 10/1/2024	Increases	CWIP Reclass	(Decreases)	Balance 9/30/2025
Business-Type Activities					
Capital Assets not Being Depreciated:					
Land	$ 167,966	$ -	$ -	$ (167,966)	$ -
Construction Work in Progress	14,356,302	-	(14,356,302)	-	-
Total Capital Assets not Being Depreciated	14,524,268	-	(14,356,302)	(167,966)	-
Capital Assets Being Depreciated:					
Buildings and Improvements	754,865	-	-	(754,865)	-
Infrastructure	26,968,311	1,981,253	14,356,302	(43,305,866)	-
Equipment	1,168,693	-	-	(1,168,693)	-
Lease Assets	60,790	-	-	(60,790)	-
Total Capital Assets Being Depreciated	28,952,659	1,981,253	14,356,302	(45,290,214)	-
Less Accumulated Depreciation:					
Buildings and Improvements	(387,845)	(18,186)	-	406,031	-
Infrastructure	(14,751,412)	(1,078,654)	-	15,830,066	-
Equipment	(706,325)	(75,066)	-	781,391	-
Lease Assets	(47,574)	-	-	47,574	-
Total Accumulated Deprecation	(15,893,156)	(1,171,906)	-	17,065,062	-
Total Capital Assets Being Depreciated, Net	13,059,503	809,347	14,356,302	(28,225,152)	-
Total Business-Type Activities Capital Assets, Net	$ 27,583,771	$ 809,347	$ -	$ (28,393,118)	$ -

Depreciation/Amortization expense was charged to functions/programs of the governmental and business-type activities as follows:

Governmental Activities	
General Government	$ 1,691,786
Public Safety	7,640,223
Physical Environment	172,232
Transportation	16,752,691
Human Services	135,153
Culture and Recreation	647,400
Court-Related	884,600
Total Depreciation Expense - Governmental Activities	$ 27,924,085
Business-Type Activities	
Water and Sewer	$ 1,171,906

Note 6 - Interfund Activity

Interfund balances at September 30, 2025, consisted of the following:

	Due To				
Due From	**General**	**County Transportation**	**Municipal Services**	**Non-Major Governmental**	**Total**
General Fund	$ -	$ 168,436	$ 478,415	$ 357,339	$ 1,004,190
County Transportation	-	-	-	66,440	66,440
Municipal Services Fund	-	-	-	178,147	178,147
Non-Major Governmental	232,986	13,919	32	81,577	328,514
Total	$ 232,986	$ 182,355	$ 478,447	$ 683,503	$ 1,577,291

The purpose for each of these interfund receivables and payables is to provide temporary loans for cash flow needs, primarily associated with reimbursable grant programs.

	Transfers In							
Transfers Out	**General**	**County Transportation**	**Municipal Services**	**Capital Projects Transportation**	**Capital Projects**	**Non-Major Government**	**American Beach**	**Total**
General	$ -	$ 10,326,299	$ 178,112	$ 5,966,193	$ 13,217,505	$ 1,799,244	$ -	$ 31,487,353
County Transportation	174,218	-	-	1,199,550	-	341,803	-	1,715,571
Municipal Services	3,303,606	-	-	-	2,819,825	-	-	6,123,431
Capital Projects	-	-	-	-	-	341,507	-	341,507
Non-Major Governmental	1,171,585	-	-	-	-	792,495	-	1,964,080
Water and Sewer	64,300	-	-	-	-	-	639,124	703,424
American Beach	1,469	-	-	-	-	-	-	1,469
Total	$ 4,715,178	$ 10,326,299	$ 178,112	$ 7,165,743	$ 16,037,330	$ 3,275,049	$ 639,124	$ 42,336,835

The $10,326,299 transfer from the general fund to county transportation was to assist the funding of pavement management program to repave and improve various roads throughout the County. The general fund transfers of $5,966,193 and $13,217,505 to the capital projects – transportation and the capital projects funds, respectively were to assist in the funding of current year capital projects as well as serve as reserves in those funds for upcoming capital projects in the County's 5 year capital project plan. The $3,303,606 of transfers from the municipal services fund to the General Fund were to help fund Sheriff's operations with the municipal services benefit unit (MSBU) and to pay the Tax Collector's commission. The 2,819,825 from the municipal services fund to the capital projects funds were to fund capital projects that are for the benefit of the MSBU. The purposes of the other miscellaneous transfers were to: (a) match for special revenue grant requirements, (b) other funds based on budgetary requirements, and (c) funds that are required by statute or budgetary authority to expend revenues from another fund that by statute or budgetary authority must collect revenues.

Note 7 - Leases

The County, as a lessee, has entered into lease agreements involving tower space for a communication system, building space for operations, and various equipment leases. The County recognizes a lease liability and an intangible right-to-use asset for these agreements. The total of the County's lease assets were recorded at a cost of $949,590, less accumulated amortization of $312,854.

Amount of Lease Assets by Major Classes of Underlying Asset

	As of Fiscal Year-End	
Asset Class	**Lease Asset Value**	**Accumulated Amortization**
Equipment	$ 184,075	$ (101,013)
Buildings	559,644	(46,692)
Infrastructure	205,871	(165,149)
Total Leases	$ 949,590	$ (312,854)

Principal and Interest Requirements to Maturity

	Governmental Activities		
Fiscal Year	**Principal Payments**	**Interest Payments**	**Total Payments**
2026	$ 184,502	$ 14,274	$ 198,776
2027	130,384	10,525	140,909
2028	131,301	7,068	138,369
2029	125,652	3,642	129,294
2030	72,132	793	72,925
Total	$ 643,971	$ 36,302	$ 680,273

Note 8 - Subscription-Based Information Technology Arrangements

The County has various information technology security software and various desktop, cloud-based, and server software subscription arrangements that require recognition under GASB Statement No. 96. The software amortization expense is included on the Statement of Revenues, Expenses and Changes in Fund Net Position related to the County's intangible assets, which are included in Note 5 as Intangible Right-to-Use Software Arrangements. The Board now recognizes a SBITA liability and an intangible right-to-use asset for the various software arrangements. The total of the County's subscription assets is recorded at a cost of $2,737,154 and accumulated amortization of $1,012,275 at September 30, 2025.

The future subscription payments under SBITA arrangements are as follows:

Principal and Interest Requirements to Maturity

	Governmental Activities		
Fiscal Year	**Principal Payments**	**Interest Payments**	**Total Payments**
2026	$ 586,130	$ 39,623	$ 625,753
2027	410,791	23,197	433,988
2028	346,921	13,171	360,092
2029	198,070	4,615	202,685
Total	$ 1,541,912	$ 80,606	$ 1,622,518

Note 9 - Long-Term Obligations

The following is a summary of changes in long-term obligations for the year ended September 30, 2025:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Governmental Activities					
Notes Payable	$ 728,766	$ -	$ (210,415)	$ 518,351	$ 155,711
Bonds Payable	14,362,769	-	(2,572,769)	11,790,000	1,735,000
Premium on Bonds Payable	519,559	-	(74,248)	445,311	74,428
Total Bonds and Notes Payable	15,611,094	-	(2,857,432)	12,753,662	1,965,139
Lease Liability	259,824	575,601	(191,454)	643,971	184,502
SBITA Liability	1,079,848	1,150,106	(688,042)	1,541,912	586,130
Financed Purchases	1,894,291	1,083,556	(391,643)	2,586,204	399,619
Compensated Absences	12,810,321 *	-	(16,853)	12,793,468	5,827,617
Other Postemployment Benefits	20,412,044	756,367	-	21,168,411	-
Net Pension Liability	111,367,856	-	(17,406,841)	93,961,015	-
Landfill Post-Closure	15,672,251	1,435,550	-	17,107,801	978,928
Total	$ 179,107,529	$ 5,001,180	$ (21,552,265)	$ 162,556,444	$ 9,941,935

* - Beginning balance of compensated absences has been restated due to the implementation of GASB 101, *Compensated Absences*

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Business-Type Activities					
Bonds Payable					
(Direct Placement Bonds)	$ 4,575,000	$ -	$ (4,575,000)	$ -	$ -
Lease Liability	13,304	-	(13,304)	-	-
Compensated Absences	35,307	-	(35,307)	-	-
Other Postemployment Benefits	77,288	-	(77,288)	-	-
Net Pension Liability	116,360	-	(116,360)	-	-
Total	$ 4,817,259	$ -	$ (4,817,259)	$ -	$ -

Governmental Activities

The County's governmental activities related bonds were offered for sale through a public offering and were not a direct borrowing or direct placements. A brief synopsis of long-term debt existing at September 30, 2025, follows:

2007 Public Improvement Revenue Refunding Bonds

The Board, in June 2007, issued the Public Improvement Revenue and Refunding Bonds, Series 2007, in the amount of $29,630,000. The purposes of the Series 2007 Bonds are to: (1) acquire and construct certain public improvements; (2) partially advance refund of the Board's outstanding Public Improvement Revenue Bonds, Series 2001; and (3) pay certain issuance costs of the Series 2007 Bonds, including the municipal bond insurance premium.

The Series 2007 Bonds are special obligations of the Board payable solely from amounts budgeted and appropriated by the Board from non-ad valorem tax revenues in accordance with the terms of the resolution. Annual principal and interest on the bonds are expected to require approximately 19% of such non-ad valorem tax revenue and are payable through 2031. Principal and interest payments for the current year totaled $2,322,000 and non-ad valorem tax revenues totaled $12,406,532. At year-end, pledged future revenues totaled $13,937,000, which was the amount of remaining principal and interest on the bonds. Other Board revenues are not available to finance this bond issue.

In addition, the bondholders do not have any authority to compel the Board to increase ad valorem taxes for financing this bond issue. Such bonds, bearing interest rates between 4.0% and 5.0% per annum, are dated June 12, 2007, and are in denominations of $5,000 each. A portion of such bonds mature annually beginning May 2008, with term maturities in May of 2023, 2025, 2027, and 2031.

Future principal and interest payments for this bond issue are as follows:

Year Ending September 30,	Principal	Interest	Total
2026	$ 1,735,000	$ 589,500	$ 2,324,500
2027	1,820,000	502,750	2,322,750
2028	1,910,000	411,750	2,321,750
2029	2,005,000	316,250	2,321,250
2030	2,105,000	216,000	2,321,000
2031	2,215,000	110,750	2,325,750
Total	$ 11,790,000	$ 2,147,000	$ 13,937,000

Note Payables
In July 2023, the Sheriff entered into a financed purchase agreement for Tasers. The agreement is a five year term and the imputed interest rate was 5.750%. Payments on this agreement are made annually each November.

Maturities of note payables are as follows:

Year Ending September 30,	Principal	Interest	Total
2026	$ 155,711	$ 30,603	$ 186,314
2027	172,357	21,410	193,767
2028	190,283	11,234	201,517
Total	$ 518,351	$ 63,247	$ 581,598

Financed Purchases
In fiscal year 2024, the County entered into a financing agreement with Motorola for the replacement of various radios and other related equipment. The agreement is a ten year term with an annual interest rate of 4.560%. Payments on this agreement are made annually each December.

In December 2024, the County entered into a financing agreement to purchase Stryker Medical equipment which consists of powered ambulance stretchers and other medical equipment. The agreement is for a five year term and the imputed interest rate was 2.22%. Payments on this agreement are made annually each April.

Maturities of the financed purchases are as follows:

Principal and Interest Requirements to Maturity

	Governmental Activities		
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2026	$ 399,619	$ 89,487	$ 489,106
2027	419,044	81,146	500,190
2028	427,765	72,425	500,190
2029	436,883	63,307	500,190
2030	218,623	42,688	261,311
2031-2033	684,270	66,410	750,680
Total	$ 2,586,204	$ 415,463	$ 3,001,667

Compensated Absences

Compensated Absences—Are recorded on the government-wide financial statements. Following is a summary of compensated absences by constitutional officer as of September 30, 2025:

	(as Restated) Beginning Balance	Net Change	Ending Balance
Board	$ 8,122,482	$ (121,713)	$ 8,000,769
Clerk	412,405	8,360	420,765
Sheriff	3,539,710	166,574	3,706,284
Tax Collector	207,552	(5,012)	202,540
Property Appraiser	374,184	(44,816)	329,368
Supervisor of Elections	153,988	(20,246)	133,742
Total	$ 12,810,321	$ (16,853)	$ 12,793,468

Note 10 - Bond Arbitrage Rebate

The County engaged an independent certified public accounting firm to compute the aggregate arbitrage rebate amount in accordance with the requirements of Section 148(f) of the Internal Revenue Code of 1986 for the following bond issues:

- $29,630,000 Nassau County, Florida, Public Improvement Revenue and Refunding, Series 2007.

The payment of arbitrage rebate is made sixty days after five years from the date of issuance of the bonds. Based on their calculations, the independent certified public accounting firm had determined that there is no rebate liability for the bond issues noted above.

Note 11 - Landfill Post-Closure Care Costs

State and federal laws require the County to fund landfill post-closure care costs once a landfill site stops accepting waste and to perform certain maintenance and monitoring functions at the landfill sites for twenty years if the landfill stopped receiving waste before October 9, 1993, and thirty years if the landfill stopped receiving waste after October 9, 1993. The County has three landfills that stopped receiving waste before October 9, 1993, and one that stopped receiving waste after October 9, 1993. The County does not currently operate an open landfill.

For the closed landfills, actual post-closure care cost incurred for each year is reported as a reduction of the post-closure liability, along with the change in required escrow balance until the required twenty-or-thirty-year post-closure care period is satisfied. The Board has accrued a total of $17,107,801 for post-closure care costs at September 30, 2025, for the two closed landfills. The liability is based on engineering estimates of annual post-closure care costs.

These post-closure care costs are based on estimates of what it would cost to perform all post-closure care using 2025 dollars. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The Board is required by state law to deposit into the escrow accounts, at the time of closing and each year thereafter, sufficient funds to cover the following year's long-term care costs. In addition, the Board must document specifically how it intends to finance the long-term care of the landfill as part of its closure plan. The Board is in compliance with these requirements with escrow balances that equaled the amounts required by state law (amounts required by state law are $978,928 as of September 30, 2025). At September 30, 2025, the actual escrow balances are as follows:

Landfills	
Old West Nassau Post-Closure	$ 51,290
New West Nassau Post-Closure	927,638
Total Escrow Balances	$ 978,928

Note 12 - Retirement Plans

The County participates in two defined benefit pension plans that are administered by the State of Florida, Department of Management Services, Division of Retirement. The plans provide retirement, disability, or death benefits to retirees or their designated beneficiaries. Chapter 121, Florida Statutes, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the plans. That report is available from the Florida Department of Management Services' website (www.dms.myflorida.com).

The FRS Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan with a Deferred Retirement Option Program (DROP) available for eligible employees. The FRS was established and is administered in accordance with Chapter 121, Florida Statutes. Retirees receive a lifetime pension benefit with joint and survivor payment options. FRS membership is compulsory for employees filling regularly established positions in a state agency, county agency, state university, state college, or district school board, unless restricted from FRS membership under Sections 121.053 or 121.122, Florida Statutes, or allowed to participate in a defined contribution plan in lieu of FRS membership. Participation by cities, municipalities, special districts, charter schools and metropolitan planning organizations is optional.

The HIS Program is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. To be eligible to receive a HIS benefit, a retiree under a state administered retirement system must provide proof of eligible health insurance coverage, which can include Medicare.

Benefits Provided

Benefits under the FRS pension plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings.

The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned.

Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by $7.50. The minimum payment is $45 and the maximum payment is $225 per month, pursuant to Section 112.363, Florida Statutes.

The contribution requirements of plan members and the employer are established and may be amended by the Florida Legislature. Employees are required to contribute 3.00% of their salary to the FRS Pension Plan. The employer's contribution rates as of September 30, 2025, were as follows:

	Year Ended June 30, 2025 Percent of Gross Salary		Year Ended June 30, 2026 Percent of Gross Salary	
Class	**Employee**	**Employer (2)**	**Employee**	**Employer (2)**
FRS, Regular	3.00	11.57	3.00	11.97
FRS, Special Risk Class	3.00	30.73	3.00	33.13
FRS, Elected County Officers	3.00	56.62	3.00	52.51
FRS, Senior Management Services	3.00	32.46	3.00	31.18
DROP – Applicable to Members from All of the Above Classes	0.00	19.13	0.00	20.02
FRS, Re-Employed Retiree	(1)	(1)	(1)	(1)

Notes: (1) Contribution rates are dependent upon retirement class in which re-employed. (2) These rates include the normal cost and unfunded actuarial liability contributions but do not include the contribution for Retiree Health Insurance Subsidy of 2.00% and the fee of 0.06% for administration of the FRS investment Plan and provision of education tools for both plans.

The County's contributions for the year ended September 30, 2025, were $14,678,338 to the FRS Pension Plan and $1,426,385 to the HIS Program.

Pension Liabilities and Pension Expense

In its financial statements for the year ended September 30, 2025, the County reported a liability for its proportionate share of the net pension liability of the FRS Pension Plan and its proportionate share of the net pension liability of the HIS Program. The net pension liabilities were measured as of June 30, 2025. The County's proportions of the net pension liabilities were based on its share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

	FRS	HIS	Investment Plan
Net Pension Liability	$ 73,886,264	$ 20,074,751	N/A
Proportion at:			
Current Measurement Date	0.238072989%	0.1566205492%	N/A
Prior Measurement Date	0.230044856%	0.1499372185%	N/A
Pension Expense	$ 10,183,071	$ 1,253,197	$ 3,026,771

Deferred Outflows/Inflows of Resources Related to Pensions

At September 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	FRS		HIS	
Description	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer Contributions After Measurement Date	$ 3,826,744	$ -	$ 359,133	$ -
Difference Between Expected and Actual Experience	7,891,831	-	119,833	31,845
Change of Assumptions	8,580,116	-	177,684	4,855,567
Changes of Proportion and Difference Between County Contributions and Proportionate Share of Contributions	6,264,102	507,683	2,363,701	102,600
Net Difference Between Projected and Actual Earnings on Pension Investments	-	12,336,057	-	16,707
Total	$ 26,562,793	$ 12,843,740	$ 3,020,351	$ 5,006,719

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year-end will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2026. Other pension-related amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Fiscal Year Ending	FRS Amount	HIS Amount
2026	$ 13,938,768	$ (245,350)
2027	(216,330)	(653,487)
2028	(1,870,704)	(615,594)
2029	(1,959,425)	(492,040)
2030	-	(339,030)
Thereafter	-	-
Total	$ 9,892,309	$ (2,345,501)

Actuarial Assumptions

The total pension liability for each of the defined benefit plans was measured as of June 30, 2025. The total pension liability for the FRS Pension Plan was determined by an actuarial valuation dated July 1, 2025 and the HIS Plan was determined by an actuarial valuation dated July 1, 2024.

The individual entry age normal actuarial cost method was used for each plan, along with the following significant actuarial assumptions:

	FRS	HIS
Inflation	2.40%	2.40%
Salary Increases	3.50%	3.50%
Investment Rate of Return	6.70%	N/A
Discount Rate	6.70%	5.20%

Mortality assumptions for the FRS Pension and HIS Plans were based on the PUB2010 base table varying by member category and sex, project generationally with Scale MP-2021.

For both plans, the actuarial assumptions 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 (1)	Annual Arithmetic Return	Annual (Geometric) Return	Standard Deviation
Cash	1%	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%
Assumed Inflation – Mean	N/A	N/A	2.4%	1.5%

Note: (1) As Outlined in the Plan's Investment Policy.

<u>Discount Rate</u>. The discount rate used to measure the total pension liability for the FRS Pension Plan was 6.70%. The 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 long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The discount rate used to measure the total pension liability for the HIS Pension Plan 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.

The HIS Pension plan discount rate increased from 3.93% from the prior year to 5.20% in the current year.

<u>Sensitivity of the County's Proportionate Share of the Net Position Liability to Changes in the Discount Rate</u>. The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the employer's proportionate share of the net pension liability if the discount rate was 1.00% higher or 1.00% lower than the current discount rate.

FRS – County:

	1% Decrease (5.70%)	Current Discount Rate (6.70%)	1% Increase (7.70%)
County's Proportionate Share of the Net Pension Liability	$ 145,000,654	$ 73,886,264	$ 14,264,989

HIS – County:

	1% Decrease (4.20%)	Current Discount Rate (5.20%)	1% Increase (6.20%)
County's Proportionate Share of the Net Pension Liability	$ 22,637,514	$ 20,074,751	$ 17,925,408

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

FRS – Defined Contribution Pension Plan

The County contributes to the FRS Investment Plan (Investment Plan), a defined contribution pension plan, for its eligible employees electing to participate in the Investment Plan. The Investment Plan is administered by the State Board of Administration (SBA), and is reported in the SBA's annual financial statements and in the State of Florida Annual Comprehensive Financial Report. Service retirement benefits are based upon the value of the member's account upon retirement.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined-benefit plan. County employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature.

The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Allocations to the investment member's accounts during the 2024-2025 fiscal year were as follows:

	Percent of Gross Salary	
Class	Employee	Employer
FRS, Regular	3.00	8.30
FRS, Special Risk Regular	3.00	16.00
FRS, Elected County Officers	3.00	13.34
FRS, Senior Management	3.00	9.67

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 FRS pension plan is transferred to the Investment Plan, the member must have the years of service required for FRS 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. 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 Investment Plan members. For the fiscal year ended September 30, 2025, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the County.

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

The County's Investment Plan pension expense totaled $3,026,771 for the fiscal year ended September 30, 2025.

Other Pension Disclosures

The County recognized pension expense for fiscal year 2025 as follows:

September 30, 2025

	FRS	HIS	FRS Inv. Plan	Total
Pension Expense	$ 10,183,071	$ 1,253,197	$ 3,026,771	$ 14,463,039

NPL, Deferred Outflows and Inflows

September 30, 2025

	FRS	HIS	Total
Net Pension Liability	$ 73,886,264	$ 20,074,751	$ 93,961,015
Deferred Outflows	25,562,793	3,020,351	28,583,144
Deferred Inflows	12,843,740	5,006,719	17,850,459

Note 13 - Deferred Compensation Plan

The County, in accordance with Section 112.215, Florida Statutes, maintains a deferred compensation plan pursuant to the provisions of Internal Revenue Code Section 457. The plan, available to all employees of the County, permits such employees to defer a portion of their salaries until future years. Participation in the plan is optional. The deferred compensation plan amount is not available for withdrawal by employee participants until termination, retirement, death, or unforeseeable emergency of such participants.

The County has contracted with a third-party for the establishment of custodial accounts to administer these funds for the exclusive benefit of participants and their beneficiaries. The County has no administrative involvement, and does not perform the investing function for this plan.

Note 14 - Other Postemployment Benefits (OPEB)

Plan Description

The OPEB Plan is a single-employer benefit plan administered by the County. The Plan does not accumulate assets for the plan. Retirees are charged whatever the insurance company charges for the type of coverage elected. However, the premiums charged by the insurance company are based on a blending of the experience among younger active employees and older retired employees.

Retirees and their dependents (except for life insurance) are permitted to remain covered under the County's respective medical and insurance plans as long as they pay a full premium applicable to coverage elected, subject to the direct subsidy in the following table. This conforms to the minimum required of Florida governmental employers per Chapter 112.08, Florida Statutes. The OPEB Plan does not issue a stand-alone report and is not included in the report of the System or other entity.

Percent of Direct Subsidy up to Subsidy Base Maximum			
Years of Service With Nassau County	**Hired Before 10/1/05 (Other than Sheriff)**	**Hired on or After 10/1/05 (Other than Sheriff)**	**Sheriff's Office (Regardless of Hire Date)**
At Least 6 Years	100%	0%	0%
15 Years	100%	50%	0%
20 Years	100%	65%	0%
25 Years	100%	80%	0/100%
30 or More Years	100%	100%	100%

Note: Sheriff's special risk employees subsidy starts at twenty-five years and other employees at thirty years.

Membership Information

The following table provides a summary of the number of participants in the plan as of September 30, 2024 (the latest valuation date).

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	89
Inactive Plan Members Entitled to but not yet Receiving Benefits	-
Active Plan Members	792
Total Plan Members	881

Funding Policy—For the OPEB Plan, contribution requirements of the County are established and may be amended through action from either the Board or Constitutional Officers. Currently, the County's OPEB Benefits are unfunded. The required contributions are based on pay-as-you-go financing requirements. There is no separate trust fund or equivalent arrangement into which the County would make contributions to advance-fund the obligation, as it does for its pension plan, the System. Therefore, ultimate subsidies which are provided over time are financed directly by general assets of the County, which are invested in very short-term income instruments. There are no assets being accumulated for the OPEB Plan.

Total OPEB Liability—The County's total OPEB liability of $21,168,411 was measured as of September 30, 2024, which is one year prior to the reporting date. The actuarial valuation date was September 30, 2024.

Changes in the Total OPEB Liability

Total OPEB Liability, Beginning of Year	$ 20,489,332
Service Cost	618,534
Interest on Total OPEB Liability	947,123
Difference between expected and Actual experience of the Total OPEB Liability	(3,245,783)
Changes of Assumptions and Other Inputs	3,662,499
Benefit Payments	(1,303,294)
Net Change in Total OPEB Liability	679,079
Total OPEB Obligation, End of Year	$ 21,168,411

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate
The following table presents the total OPEB liability of the County as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current rate:

	1% Decrease	Current Discount Rate 3.81%	1% Increase
Total OPEB Liability	$ 23,078,986	$ 21,168,411	$ 19,425,385

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates
The following table presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare cost trend rates that are one percentage point lower or one percentage point higher than the current healthcare cost trend rates:

	1% Decrease	Current Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability	$ 18,723,288	$ 21,168,411	$ 24,139,372

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB
For the fiscal year ended September 30, 2025, the County recognized OPEB expense of $910,228. At September 30, 2025, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	$ 2,693,805	$ 2,996,107
Changes in Assumptions and Other Inputs	4,711,604	8,140,846
Benefits Paid After Measurement Date	1,011,002	-
Total	$ 8,416,411	$ 11,136,953

Of the total amount reported as deferred outflows of resources related to OPEB, $1,011,002 resulting from benefits paid subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the total OPEB liability in the year ended September 30, 2026. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending September 30,	Amount
2026	$ (655,429)
2027	(655,429)
2028	(597,501)
2029	(550,693)
2030	(649,071)
Thereafter	(623,421)
Total	$ (3,731,544)

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of the valuation and the historical pattern of sharing benefit costs between the employer and plan members. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. For plans that are not funded, the discount rate should equal the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. For the purposes of the actuarial valuation, the municipal bond rate is 3.81% (based on the daily rate of Fidelity's "20-Year Municipal GO AA Index" closest to but not later than the measurement date). The discount rate was 4.63% in the prior year.

Actuarial Methods and Assumptions

Actuarial methods and assumptions include the following:

Actuarial Valuation Date:	September 30, 2024
Measurement Date:	September 30, 2024
Reporting Date:	September 30, 2025
Actuarial Cost Method:	Entry Age Normal Cost
Inflation Rate:	2.50%
Discount Rate:	3.81%
Projected Salary Increases:	Salary increase rates used for Regular Class and Special Risk Class members in the July 1, 2024 actuarial valuation of the FRS; 3.65%-8.5%, including inflation.
Retirement Age:	Retirement rates used for Regular Class and Special Risk Class members in the July 1, 2024, actuarial valuation of the FRS. They are based on the results of the statewide experience study covering the period 2018 through 2023.

Mortality:	Mortality tables used for Regular Class and Special Risk Class members in the July 1, 2024, actuarial valuation of the FRS. They are based on the results of a statewide experience study covering period 2018 through 2023. Adjusted Pub-2010 Mortality Tables with Generational Improvements using Scale MP-2021.
Healthcare Cost Trend Rate:	Based on the Getzen Model, with trend starting at 6.50% for 2025, followed by 6.25% for 2026, and gradually decreasing to an ultimate trend rate of 4.00%.
Aging Factors:	Based on the 2013 SOA Study "Health Care Costs – From Birth to Death".
Expenses:	Administrative expenses are included in the per capita health costs.

Note 15 - Fund Balance Classification

The following is a summary of the County's fund balance classifications and the purpose of each as of September 30, 2025, is as follows:

Non-Spendable Fund Balance		
Prepaid Expenses	$	2,321,753
Inventory		747,745
A/R - Dishonored Checks		651
Insurance to Allocate		3,757,737
Total Non-Spendable Fund Balance		6,827,886
Restricted Fund Balance		
General Government		126,422
General Government - Court-Related		5,825
Public Safety		1,994,080
Other Human Services		25,752
Physical Environment		8,681,587
Impact Fees		21,805,430
Law Library		113,675
Other Culture/Recreation		2,024,786
State Housing Initiative Program		2,168,469
Court Facilities		899,953
Criminal Justice		44,424
Tourist Development		25,155,141
Building Department		2,265,241
Transportation		14,366,329
Other Uses		172,006
Landfill		726,835
Clerk Public Records		1,263,427
Clerk Child Support		540,971
Sheriff - Capital Projects		1,672,600
Sheriff Inmate Commissary		19,867
Total Restricted Fund Balance		84,072,820

Committed Fund Balance	
General Government	$ 7,312,735
General Government – Court-Related	2,140,605
Culture/Recreation	16,961,424
Physical Environment	281,171
Public Safety	8,009,010
Human Services	7,783,362
Transportation	38,670,255
Other Uses	6,279,212
Reserves	5,036,462
Sheriff – Investigative Fund	33,131
Total Committed Fund Balance	92,507,367
Assigned Fund Balance	
General Government	2,835,866
Public Safety	644,766
Economic Development	1,068,432
Transportation	2,162,655
Culture and Recreation	1,937,627
Court-Related	67,243
Physical Environment	526,250
Reserves – Capital Projects	57,029
Reserves	42,809,909
Reserves - Capital Plan	8,218,072
Property Appraiser	84,833
Total Assigned Fund Balance	60,412,682
Unassigned Fund Balance	15,111,961
Total	$ 258,932,716

Minimum Fund Balance Reserve Policy

Taxing Funds

It is the goal of the County to maintain a minimum fund balance for each taxing fund at a minimum of 16.70% and not more than 20% of the total operating expenditures as reported in the previous year's audited financial statements. These funds may be used to protect the County against potential financial risk, ensure cash flow prior to receipt of budgeted revenue, for use in the event of a disaster or emergency and to protect the County's credit rating.

Emergency Fund Balance (General Fund Only)

The General Fund Emergency Fund Balance Policy is established for the purpose of providing funds for an urgent catastrophic event, major disaster (e.g. hurricane, pandemic, wildfires, terrorist attack, etc.), economic distress, uncertainty or opportunity conditions. The County's Emergency Fund Balance is established at a minimum of 10% and a maximum of 12% of the General Fund's Operating Expenditures.

Note 16 - Risk Management

The County is exposed to various risks of loss related to legal liability, theft of, damage to, and destruction of assets; accidental death and dismemberment, and on the job injury to employees. Many of these risks are transferred through the purchase of various insurance coverage. Settled claims from these risks have not exceeded insurance coverage for the past three years.

The financial liability of the County is limited to premiums paid and losses exceeding or not covered by insurance. The premiums are paid from various funds based on coverage required.

There has been no reduction in insurance coverages from the previous year.

Note 17 - Commitments and Contingencies

The County is a party to a number of lawsuits and claims arising out of the normal conduct of its activities. While the results of these lawsuits and claims against the County cannot be predicted with certainty, management does not expect that these matters will have a material adverse effect on the financial position of the County.

The following is a summary of major commitments of the County and contracts in progress as of September 30, 2025:

Project	Source of Payment	Paid to Date	Commitment Remaining
Animal Services Campus Design	Current Available Resources	$ 52,325	$ 3,167,675
Chester Road/Pages Dairy	Current Available Resources	6,460,212	4,343,470
Civic Campus Master Plan	Current Available Resources	1,072,699	1,163,297
CR121 Resurfacing	Current Available Resources	3,763,554	17,804,611
Fire Station 90	Current Available Resources	5,539,344	460,001
Pages Dairy Road Extension	Current Available Resources	-	1,372,818
West Side Regional Park	Current Available Resources	10,440,549	10,181,691
William Burgess Extension	Current Available Resources	10,871,712	8,995,424
William Burgess & Harts Rd Roundabout	Current Available Resources	831,051	768,949
Will Hardee/14th St	Current Available Resources	312,320	1,373,246
Total		$ 39,343,766	$ 49,631,182

Note 18 - Conduit Debt Obligations

The County has issued several series of industrial revenue bonds to furnish financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities considered to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities will transfer to the private sector entity served by the bond issuance. Neither the Board, the County, the state, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of September 30, 2025, there was one series of such bonds outstanding with a principal amount payable of $7,800,000. The issue amount and the September 30, 2025, outstanding balance is as follows:

Original Issuance	Year	9/30/25 Balance	Description
$ 11,150,000	2007	$7,800,000	AICC, Inc. and Nassau Care Centers—70 Bed Care Intermediate Care and Day Program Service Facilities

Note 19 - No Commitment Special Assessment Debt

To finance the costs of certain capital improvements benefiting property within the South Ameilia Island Shore Stabilization Municipal Services Benefits Unit, the County has issued the South Amelia Island Shore Stabilization Special Assessment Bonds, Series 2021. The bonds do not constitute a debt or pledge of the faith and credit of the County, and accordingly, has not been reported in the accompanying financial statements.

At September 30, 2025, the Special Assessment Bond outstanding totaled $3,552,560.

Note 20 - Tax Abatement

Pursuant to Section 125.045, Florida Statutes and Nassau County Ordinance 2012-32, the Economic Development Grant (EDG) incentive is available for companies with the goal to facilitate the development of capital investment and high-wage jobs in Nassau County. The incentives in the tiered program include a specified grant on the Board-only portion of their ad valorem taxes for a specified period of time after meeting or exceeding a specified number/wage level of new jobs, and/or new capital investment in Nassau County. As of September 30, 2025, the only existing EDG agreement potentially material in size (fiscal year abatement >$200,000) was with LignoTech Florida, LLC (LignoTech).

During the year, LignoTech submitted applications for reimbursement for the year 2024 which were approved by the County and paid out in May 2025 in the amount of $206,595. LignoTech may receive additional tax abatements if they meet the agreement requirements in future periods.

Note 21 - East Nassau County Planning Area (ENCPA) Mobility Network

The Nassau County 2030 Comprehensive Plan includes provision for the development of the ENCPA, comprised of approximately 24,000 acres, and a related mobility fee and tax increment district, which are designed to pay for transportation improvements within the ENCPA. The ENCPA Mobility Network is funded by two fee components: 1) a fee per residential unit or square foot of commercial/industrial development; and 2) a tax increment (TIF) calculation which allocates 12% of incremental property tax revenues generated since the 2015 Base Year Valuation within the ENCPA to subsidize the cost of transportation infrastructure within the ENCPA.

Developers of property within the ENCPA may elect to construct and dedicate transportation infrastructure and right of way to the County and request reimbursement for the value of such improvements from accumulated and future accumulation of ENCPA Mobility Network funds by filing a Reservation Agreement with the County. As of the most recent study, the cost of transportation infrastructure within the ENCPA is projected to be $199.3 million. As of September 30, 2025 there were no outstanding reservation agreements that remain unpaid. In October 2025, the Board approved a reservation agreement of 3.5 million.

Note 22 - Developer Agreements

The County sometimes enters into development agreements under which real property and improvements are transferred to the County, the fair value of which is in exchange for credits against future County impact fees. The County recognizes impact fee revenue in the statement of activities upon title transfer of property and improvements to the County. At September 30, 2025, the County has approximately $28.4 million of impact fee credits unused and outstanding for which revenue was recognized upon receipt of property and improvements.

Note 23 - Implementation of GASB 101, *Compensated Absences*

During the year ended September 30, 2025, the County implemented GASB Statement No. 101 *Compensated Absences* (GASB 101). This statement updates the recognition and measurement guidance for compensated absences by requiring that liabilities for compensated absences be recognized for leave that has not been used if the leave is attributable to services already rendered, the leave accumulates, and the leave is more likely than not to be used for time off or otherwise paid. The statement also requires that liabilities for compensated absences be recognized for leave that has been used but not yet paid and amends certain previously required disclosures. The restatements of beginning net position related to the implementation of GASB 101 are summarized below:

	Governmental Activities
Beginning Net Position, September 30, 2024	$ 538,343,950
Changes in Accounting Principles	(1,736,073)
Adjusted Beginning Net Position	$ 536,607,877

Note 24 - Sale of Nassau Amelia Island Utilities (NAU)

On August 20, 2025, the Board approved Resolution 2025-111 authorizing the sale of the Nassau Amelia Island Utilities (NAU). The County agreed to transfer all of the utility's assets (less $300,000 to cover the County's estimated fees and costs in consummating the sale and $974,000 for repayment of an interfund loan) to Florida Government Utility Authority (FGUA) in exchange for the payment of all outstanding NAU debt at the time of closing. The agreement allows the County to re-acquire the system 5 years after the date of closing or at a future date, with a requirement of 180 days' notice. The purchase price will be equal to the net outstanding indebtedness plus costs associated with the transfer. FGUA is required to make annual payments to the County based on 5% of the sum of FGUA's monthly operating revenue for water, wastewater, and reclaimed water service each fiscal year.

REQUIRED SUPPLEMENTARY INFORMATION

NASSAU COUNTY, FLORIDA
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Taxes	$ 116,620,559	$ 117,802,764	$ 119,517,166	$ 1,714,402
Licenses and Permits	77,175	77,175	64,841	(12,334)
Intergovernmental Revenues	10,763,726	13,788,484	12,205,454	(1,583,030)
Charges for Services	4,636,931	3,547,812	6,319,279	2,771,467
Fines and Forfeitures	34,405	34,405	39,244	4,839
Interest Earnings	900,000	926,180	4,610,626	3,684,446
Miscellaneous	1,065,320	1,744,425	2,182,953	438,528
Total Revenues	134,098,116	137,921,245	144,939,563	7,018,318
Expenditures				
Current:				
General Government Services	33,839,385	36,549,110	30,588,097	5,961,013
Public Safety	64,907,921	65,335,180	63,319,740	2,015,440
Physical Environment	3,387,931	4,090,332	2,901,772	1,188,560
Economic Environment	1,353,280	1,414,212	988,351	425,861
Human Services	3,298,707	3,478,272	3,204,010	274,262
Culture and Recreation	4,780,039	6,536,648	4,084,414	2,452,234
Court-Related Expenditures	3,226,103	4,097,384	3,395,450	701,934
Reserve for Contingency	50,000	50,000	-	50,000
Capital Outlay	6,428,349	25,554,094	14,211,857	11,342,237
Debt Service:				
Principal Retirement	424,280	480,384	1,124,008	(643,624) *
Interest and Fiscal Charges	86,880	126,507	148,905	(22,398) *
(Total Expenditures)	121,782,875	147,712,123	123,966,604	23,745,519
Excess (Deficiency) of Revenues Over (Under) Expenditures	12,315,241	(9,790,878)	20,972,959	30,763,837
Other Financing Sources (Uses)				
Transfers in	12,846,530	13,175,740	4,715,178	(8,460,562)
Transfers (out)	(23,051,257)	(43,282,391)	(31,487,353)	11,795,038
Leases (Lessee)	-	-	575,601	575,601
SBITA's	-	178,168	1,150,106	971,938
Sale of Capital Assets	-	-	11,677	11,677
Total Other Financing Sources (Uses)	(10,204,727)	(29,928,483)	(25,034,791)	4,893,692
Net Change in Fund Balances	2,110,514	(39,719,361)	(4,061,832)	35,657,529
Fund Balances at Beginning of Year	63,010,735	75,774,709	76,432,361	657,652
Fund Balances at End of Year	$ 65,121,249	$ 36,055,348	$ 72,370,529	$ 36,315,181

Note: Original and amended budgeted transfers in the County-wide General Fund are presented as consolidated after the elimination of intra-general fund budgeted transfers between the Board and Constitutional Officers.

* Actual expenditures for principal retirement and interest exceeded final budget due to SBITAs identified during the financial close-out process which was completed after the period to amend the budget. Not considered a compliance violation.

NASSAU COUNTY, FLORIDA
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - COUNTY TRANSPORTATION FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Taxes	$ 12,104,722	$ 12,104,722	$ 12,370,274	$ 265,552
Intergovernmental Revenues	2,774,020	2,929,874	2,214,891	(714,983)
Charges for Services	-	-	28,055	28,055
Fines and Forfeitures	-	-	4,811	4,811
Interest Earnings	100,000	100,000	939,456	839,456
Miscellaneous	135,963	135,963	230,451	94,488
Total Revenues	15,114,705	15,270,559	15,787,938	517,379
Expenditures				
Current:				
General Government Services	75,000	69,533	4,521	65,012
Transportation	21,498,618	26,712,709	20,130,471	6,582,238
Capital Outlay	2,668,481	4,583,006	2,867,776	1,715,230
(Total Expenditures)	24,242,099	31,365,248	23,002,768	8,362,480
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,127,394)	(16,094,689)	(7,214,830)	8,879,859
Other Financing Sources (Uses)				
Transfers in	9,551,519	10,301,519	10,326,299	24,780
Transfers (out)	(424,125)	(1,715,571)	(1,715,571)	-
Sale of General Capital Assets	-	-	278,092	278,092
Total Other Financing Sources (Uses)	9,127,394	8,585,948	8,888,820	302,872
Net Change in Fund Balances	-	(7,508,741)	1,673,990	9,182,731
Fund Balances at Beginning of Year	14,231,191	15,933,912	16,076,292	142,380
Fund Balances at End of Year	$ 14,231,191	$ 8,425,171	$ 17,750,282	$ 9,325,111

NASSAU COUNTY, FLORIDA
SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - MUNICIPAL SERVICES FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Taxes	$ 25,510,429	$ 25,510,429	$ 25,826,832	$ 316,403
Licenses and Permits	562,003	545,463	685,983	140,520
Intergovernmental Revenues	2,606,659	2,606,659	1,494,664	(1,111,995)
Charges for Services	1,236,922	1,236,922	1,055,128	(181,794)
Fines and Forfeitures	3,015	3,015	22,983	19,968
Interest Earnings	200,000	200,000	1,174,736	974,736
Miscellaneous	900	73,088	133,977	60,889
Total Revenues	30,119,928	30,175,576	30,394,303	218,727
Expenditures				
Current:				
General Government Services	3,180,383	6,323,737	3,710,578	2,613,159
Public Safety	16,364,467	16,779,498	16,265,918	513,580
Economic Environment	122,682	122,682	43,941	78,741
Human Services	2,541,799	2,672,850	2,388,513	284,337
Capital Outlay	3,697,213	9,824,806	4,342,539	5,482,267
Debt Service:				
Principal Retirement	-	216,711	224,329	(7,618)
Interest and Fiscal Charges	-	11,084	11,787	(703)
(Total Expenditures)	25,906,544	35,951,368	26,987,605	8,963,763
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,213,384	(5,775,792)	3,406,698	9,182,490
Other Financing Sources (Uses)				
Transfers in	40,000	40,000	178,112	138,112
Transfers (out)	(3,305,562)	(6,125,875)	(6,123,431)	2,444
Financed Purchase	-	1,083,556	1,083,556	-
Total Other Financing Sources (Uses)	(3,265,562)	(5,002,319)	(4,858,017)	144,302
Net Change in Fund Balances	947,822	(10,778,111)	(1,451,319)	9,326,792
Fund Balances at Beginning of Year	15,429,179	18,080,525	19,983,918	1,903,393
Fund Balances at End of Year	$ 16,377,001	$ 7,302,414	$ 18,532,599	$ 11,230,185

NASSAU COUNTY, FLORIDA
NOTE TO SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Budgets and Budgetary Accounting

Budgets were adopted by the Nassau County, Florida (the County) Board of County Commissioners (the Board) for all Board funds. The Tax Collector and the Property Appraiser adopt budgets independently of the Board. The Sheriff, Supervisor of Elections, and the Clerk of the Circuit Court (to the extent of his function as ex officio Clerk of the Board) prepare budgets for their general operations, which are submitted to and approved by the Board.

The County-wide General Fund is comprised of the following six sub-funds: Board of County Commissioners, Clerk of the Circuit Court, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector. In order to comply with generally accepted accounting principles (GAAP), the actual intrafund activity has been consolidated in order to eliminate inflated amounts in the aggregate financial statements of the County-wide General Fund.

Chapter 129, Florida Statutes, provides that it is unlawful to make expenditures that exceed the total amount budgeted for each fund. The Board adopted a level of control within a major expenditure category (personal services, operating, and capital) and within a department. Chapter 129, Florida Statutes, also governs the manner in which the budget may be legally amended once it is approved. Intrafund budget transfers within a major expenditure category and within a department may be initiated by department director or authorized designee, the County Manager or the Budget Officer and approved by the Budget Officer or designee up to $100,000. Transfers of this nature in excess of $100,000 require Board approval. Intrafund budget transfers within the same fund may be initiated by the department director or authorized designee, the County Manager or the Budget Officer and approved by the Budget Officer or designee up to $100,000. Transfers of this nature in excess of $100,000 require Board approval. Intrafund budget transfers from reserves in the General Fund, County Transportation Fund, and Municipal Fund require the Budget Officer, County Manager, and Board Approval. Transfers from reserves in the other governmental funds may be approved up to $25,000 by the Budget Officer and approved by the County Manager. Transfers of this nature in excess of $25,000 require Board approval. Budget Amendments must be approved by the Budget Officer, County Manager, and the Board. Budget Amendments shall be in accordance with the advertising and public hearing requirements set forth in Florida Statute 129.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed by the County, as an extension of the statutorily required budgetary process under Florida Statutes. The County maintained a computerized encumbrance system, which is a part of the computerized accounting system. All appropriations lapse at year-end, except those that the County intends to honor.

Budgets are adopted on the modified accrual basis of accounting, which is consistent with GAAP. The only exception to the GAAP basis is in the enterprise funds where depreciation, amortization of bond costs, and change in post-closure costs are not budgeted, while capital outlay expenditures are budgeted and are reclassified into capital assets. These are then eliminated from the results of operations for financial reporting purposes in the enterprise funds.

The annual budgets serve as legal authorization for expenditures. The legal level of budgetary control is the expenditure category level. All budget amendments, which change the legally adopted total appropriation for a fund, are approved by the Board or Constitutional Officer, as applicable.

NASSAU COUNTY, FLORIDA
NOTE TO SCHEDULES OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2025

If, during the fiscal year, additional revenues become available for appropriations in excess of those estimated in the budget, the Board or Constitutional Officer, by resolution, may make supplemental appropriations for the year up to the amount of such excess. During the fiscal year ended September 30, 2025, various supplemental appropriations were approved by the Board or Constitutional Officer in accordance with Florida Statutes. The following funds received supplemental appropriations during the year ended September 30, 2025:

Governmental Funds	
General Fund	$ 15,833,047
Special Revenue Funds	7,863,463
Capital Projects Funds	46,130,008
Total	$ 69,826,518

NASSAU COUNTY, FLORIDA
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Total OPEB Liability	**2025**	**2024**	**2023**	**2022**
Service Cost	$ 618,534	$ 568,433	$ 792,947	$ 731,009
Interest on the Total OPEB Liability	947,123	890,507	466,695	497,317
Changes of Benefit Terms	-	375,877	-	-
Difference Between Expected and Actual Experience	(3,245,783)	-	2,734,133	-
Changes of Assumptions and Other Inputs	3,662,499	(364,496)	(3,687,972)	366,877
Benefit Payments	(1,303,294)	(1,302,693)	(1,002,859)	(962,015)
Net Change in Total OPEB Liability	679,079	167,628	(697,056)	633,188
Total OPEB Liability - Beginning	20,489,332	20,321,704	21,018,760	20,385,572
Total OPEB Liability - Ending	$ 21,168,411	$ 20,489,332	$ 20,321,704	$ 21,018,760
Covered-Employee Payroll	$ 52,135,548	$ 55,650,607	$ 42,441,209	$ 46,833,469
Total OPEB Liability as a Percentage of Covered-Employee Payroll	40.60%	36.82%	47.88%	44.88%

Notes to the Schedule
10 years of data will be presented as available.
No assets are being accumulated in a trust to pay for the benefits.

Valuation Date: September 30, 2024
Measurement Date: September 30, 2024
Roll Forward Procedures: The Total OPEB liability was rolled forward twelve months from the Valuation Date to the Measurement Date using standard actuarial techniques.

Note: Covered Payroll presented above for the 2024 measurement year, is an estimate based on data submitted for the September 30, 2024 valuation. GASB Statement No. 75 defined Covered-Employee Payroll as the payroll of employees that are provided with OPEB through the OPEB plan, including employees terminating during the measurement period.

The following assumption changes have been reflected in the Schedule of Changes in the Total OPEB Liability for the measurement period ending:

September 30, 2024: The discount rate was changed from 4.63% as of the beginning of the measurement period to 3.81%
September 30, 2023: The discount rate was changed from 4.40% as of the beginning of the measurement period to 4.63%

The following benefit changes have been reflected in the Schedule of Changes in the Total OPEB Liability for the measurement period ending September 30, 2024:

Per capita costs and premiums were updated on information provided.
The healthcare cost trend assumption was updated.
Rates of mortality, withdrawal, disability, salary increase, retirement and DROP entry for all membership classes were updated to align with changes adopted by the Florida Retirement System in its July 1, 2024 Actuarial Valuation.

2021	2020	2019	2018
$ 1,155,802	$ 886,271	$ 936,087	$ 1,048,668
767,173	936,424	851,315	762,264
-	-	-	-
760,056	-	627,352	-
(8,462,896)	2,527,629	(1,089,112)	(852,311)
(1,151,940)	(1,192,756)	(1,106,072)	(1,117,724)
(6,931,805)	3,157,568	219,570	(159,103)
27,317,377	24,159,809	23,940,239	24,099,342
$ 20,385,572	$ 27,317,377	$ 24,159,809	$ 23,940,239
$ 37,936,430	$ 37,693,430	$ 32,405,785	$ 34,941,733
53.74%	72.47%	74.55%	68.51%

NASSAU COUNTY, FLORIDA
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE OF
OF THE NET PENSION LIABILITY
FLORIDA RETIREMENT SYSTEM AND HEALTH INSURANCE SUBSIDY PENSION PLANS
SEPTEMBER 30, 2025

FLORIDA RETIREMENT SYSTEM PENSION PLAN

	September 30, 2025	September 30, 2024	September 30, 2023	September 30, 2022
Nassau County's Proportion of the FRS Net Pension Plan	0.238072989%	0.230044856%	0.219834217%	0.210368984%
Nassau County's Proportion Share of the FRS Net Pension Plan	$ 73,886,264	$ 88,992,169	$ 87,596,978	$ 78,274,167
Nassau County's Covered Payroll (FYE 6/30)	$ 69,995,250	$ 63,470,638	$ 57,517,048	$ 51,989,217
Nassau County's Proportionate Share of the FRS Net Pension Liability as a Percentage of its Covered Payroll	105.56%	140.21%	152.30%	150.56%
FRS Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	87.26%	83.70%	82.38%	82.89%

Note: (1) The amounts shown above as reported on the date indicated, have a measurement date three months prior. Covered-employee payroll is for the year shown.

HEALTH INSURANCE SUBSIDY PENSION PLAN

	September 30, 2025	September 30, 2024	September 30, 2023	September 30, 2022
Nassau County's Proportion of the HIS Net Pension Plan	0.15662055%	0.14993722%	0.14514412%	0.14262822%
Nassau County's Proportion Share of the HIS Net Pension Plan	$ 20,074,751	$ 22,492,047	$ 23,050,822	$ 15,106,606
Nassau County's Covered Payroll (FYE 6/30)	$ 69,995,250	$ 63,470,638	$ 57,517,048	$ 51,989,217
Nassau County's Proportionate Share of the HIS Net Pension Liability as a Percentage of its Covered Payroll	28.68%	35.44%	40.08%	29.06%
HIS Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	6.36%	4.80%	4.12%	4.81%

Note: (1) The amounts shown above as reported on the date indicated, have a measurement date three months prior. Covered-employee payroll is for the year shown.

FLORIDA RETIREMENT SYSTEM PENSION PLAN

September 30, 2021	September 30, 2020	September 30, 2019	September 30, 2018	September 30, 2017	September 30, 2016
0.200629743%	0.205551903%	0.192962199%	0.182113027%	0.186608807%	0.174464593%
$ 15,155,296	$ 89,089,224	$ 66,453,495	$ 54,853,388	$ 55,197,633	$ 44,052,447
$ 48,119,629	$ 44,305,301	$ 39,858,133	$ 36,538,795	$ 35,221,567	$ 32,521,989
31.50%	201.08%	166.73%	150.12%	156.72%	135.45%
96.40%	78.85%	82.61%	84.26%	83.89%	84.88%

HEALTH INSURANCE SUBSIDY PENSION PLAN

September 30, 2021	September 30, 2020	September 30, 2019	September 30, 2018	September 30, 2017	September 30, 2016
0.13589396%	0.12762941%	0.11915289%	0.11846251%	0.110442831%	0.104032153%
$ 16,669,438	$ 15,583,344	$ 13,332,016	$ 11,837,933	$ 11,809,057	$ 12,124,517
$ 48,119,629	$ 44,305,301	$ 39,858,133	$ 36,538,795	$ 35,221,567	$ 32,521,989
34.64%	35.17%	33.45%	32.40%	33.53%	37.28%
3.56%	3.00%	2.63%	2.15%	1.64%	9.70%

NASSAU COUNTY, FLORIDA
SCHEDULE OF THE COUNTY'S CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM AND HEALTH INSURANCE SUBSIDY PENSION PLANS
SEPTEMBER 30, 2025

FLORIDA RETIREMENT SYSTEM PENSION PLAN

	2025	2024	2023	2022
Contractually Required Contribution	$ 14,678,338	$ 13,306,506	$ 11,152,983	$ 9,442,732
FRS Contribution in Relation to the Contractually Required Contribution	14,678,338	13,306,506	11,152,983	9,442,732
FRS Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -
Nassau County's Covered Payroll (FYE 9/30)	$ 71,319,250	$ 65,113,804	$ 58,938,185	$ 53,827,349
FRS Contributions as a Percentage of Covered Payroll	20.58%	20.44%	18.92%	17.54%

HEALTH INSURANCE SUBSIDY PENSION PLAN

	2025	2024	2023	2022
Contractually Required Contribution	$ 1,426,385	$ 1,302,276	$ 1,029,338	$ 893,534
HIS Contribution in Relation to the Contractually Required Contribution	1,426,385	1,302,276	1,029,338	893,534
HIS Contribution Deficiency (Excess)	$ -	$ -	$ -	$ -
Nassau County's Covered Payroll (FYE 9/30)	$ 71,319,250	$ 65,113,804	$ 58,938,185	$ 53,827,349
HIS Contributions as a Percentage of Covered Payroll	2.00%	2.00%	1.75%	1.66%

FLORIDA RETIREMENT SYSTEM PENSION PLAN

2021	2020	2019	2018	2017	2016
$ 7,928,227	$ 6,932,819	$ 6,228,511	$ 5,395,176	$ 4,839,874	$ 4,390,275
7,928,227	6,932,819	6,228,511	5,395,176	4,839,874	4,390,275
$ -	$ -	$ -	$ -	$ -	$ -
$ 48,792,831	$ 44,668,675	$ 41,236,506	$ 37,449,919	$ 35,056,145	$ 32,521,989
16.25%	15.52%	15.10%	14.41%	13.81%	13.50%

HEALTH INSURANCE SUBSIDY PENSION PLAN

2021	2020	2019	2018	2017	2016
$ 809,961	$ 741,500	$ 684,526	$ 621,018	$ 582,630	$ 539,064
809,961	741,500	684,526	621,018	582,630	539,064
$ -	$ -	$ -	$ -	$ -	$ -
$ 48,792,831	$ 44,668,675	$ 41,236,506	$ 37,449,919	$ 35,056,145	$ 32,521,989
1.66%	1.66%	1.66%	1.66%	1.66%	1.66%

OTHER INFORMATION

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

Grant Agency/Grant Title	Assistance Listing Number	Contract/Grant Number	Expenditures
United States Department of Justice			
Direct:			
Office of Community Oriented Policing Services	16.710	15JCOPS-23-GG-04972-UHPX	$ 308,936
Equitable Sharing Program - Treasury	16.922	N/A	301,629
Indirect:			
Passed Through Office of the Attorney General of Florida:			
Victims of Crimes Act (VOCA)	16.575	VOCA-C-2024-NAS CO BOCC -00230	33,443
Passed Through Florida Department of Law Enforcement:			
Edward Byrne Memorial Justice Assistance- JAG grant	16.738	15PBJA-23-GG-02972-MUMU	48,493
Total United States Department of Justice			692,501
United States Department of Transportation			
Indirect:			
Passed Through Florida Department of Transportation:			
Highway Planning and Construction	20.205	437336-1-58-01/437336-1-68-02	746,701
Highway Planning and Construction	20.205	437335-1-58-01/437335-1-68-02	1,481,245
Highway Planning and Construction	20.205	443248-1-38-02	174,610
Subtotal Expenditures - AL No. 20.205			2,402,556
Total United States Department of Transportation			2,402,556
United States Department of the Treasury			
Indirect:			
Passed Through Florida Office of the Governor:			
Coronavirus State and Local Fiscal Recovery Funds	21.027		45,757
Total United States Department of the Treasury			45,757
United States Department of Health and Human Services			
Indirect:			
Passed Through National Assoc. of County and City Health Officials:			
Medical Reserves Corps	93.008	6 HITEP 200045-03-03	41
Passed Through Florida Department of Revenue:			
Child Support Enforcement	93.563	CSOC45	151,972
Total United States Department of Health and Human Services			152,013
United States Department of Homeland Security			
Indirect:			
Passed Through Florida Division of Emergency Management:			
Disaster Grant - Public Assistance - FEMA	97.036	Z4284	3,802
Disaster Grant - Public Assistance - FEMA	97.036	Z4757	37,033
Disaster Grant - Public Assistance - FEMA	97.036	Z4983	259,760
Subtotal Expenditures - AL No. 97.036			300,595
Emergency Management Performance Grant (EMPG)	97.042	G0545	59,064
Port Security	97.056	EMW-2022-PU-00123-S01	196,430
Port Security	97.056	EMW-2023-PU-00020-S01	310,799
Port Security	97.056	EMV-2024-PU-05150	477,921
Subtotal Expenditures - AL No. 97.056			985,150
Total United States Department of Homeland Security			1,344,809

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

Grant Agency/Grant Title	Assistance Listing Number	Contract/Grant Number	Expenditures
United States Environmental Protection Agency			
Indirect:			
Passed Through Florida Department of Environmental Protection:			
Water Infrastructure Improvements for the Nation Small and Underserved Communities Grant Program	66.442	WIIN	
Drinking Water State Revolving Fund	66.468	DSRF4	$ 429,036
Solid Waste Infrastructure for Recycling	66.920	03D04624	464,811
Total United States Environmental Protection Agency			893,847
Total Federal Awards			$ 5,531,483

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

Grant Agency/Grant Title	State CSFA Number	Contract/Grant Number	Expenditures
Executive Office of the Governor			
Emergency Management Programs	31.063	AD449	$ 77,762
Total Executive Office of the Governor			77,762
Florida Department of Environmental Protection			
Small County Consolidated Waste Grants	37.012	SC524	93,750
Resilient Florida Program	37.098	23PLN22	236,147
Thomas Creek Land Acquisition	37.098	23FRP08	941,948
Subtotal Expenditures - CSFA 37.098			1,178,095
Total Department of Environmental Protection			1,271,845
Florida Housing Finance Corporation			
State Housing Initiatives Partnership Program	40.901	21/22	81,345
State Housing Initiatives Partnership Program	40.901	22/23	620,211
State Housing Initiatives Partnership Program	40.901	23/24	569,466
State Housing Initiatives Partnership Program	40.901	24/25	19,631
Subtotal Expenditures - CSFA 40.901			1,290,653
Total Florida Housing Finance Corporation			1,290,653
Florida Department of State			
State Aid to Libraries Grant Program	45.030	24-ST-36	24,712
Florida Department of Transportation			
Small County Outreach Program (SCOP)	55.009	438178-1-54-01	494,289
Small County Outreach Program (SCOP)	55.009	438204-1-54-01	87,563
Subtotal Expenditures - CSFA 55.009			581,852
Local Transportation Projects	55.038		758,692
Local Transportation Projects	55.039		747,940
Local Transportation Projects	55.039		2,038,332
Local Transportation Projects	55.039		152,353
Local Transportation Projects	55.039		320,774
Local Transportation Projects	55.039		16,726
Subtotal Expenditures - CSFA 55.039			3,276,125
Total Florida Department of Transportation			4,616,669
Florida Department of Law Enforcement			
Nassau County K-9 Unit Regional Training Facility- Phase 3	71.147	TJ014	281,107
Rapid DNA Technology Pilot Program	71.113	J3010	180,250
Drone Replacement Program	71.092	3X069	22,367
Online Sting Operations Grant	71.148	OS001	60,209
Total Department of Law Enforcement			543,933
Florida Department of Management Services			
Next Generation 911-Wireless NG911 State Grant Program	72.003	S22-23-01-42	23,310
Next Generation 911-Wireless NG911 State Grant Program	72.003	S22-23-01-42	42,565
Nex Generation Core Services Implementation Project	72.021	DMS-P1-24-07-11	68,031
Florida Local Government Cybersecurity	72.016	DMS-24/25-135	264,000
Total Florida Department of Management Services			397,906
Florida Department of Juvenile Justice			
Sheriff Work Ethics and Training - Youth Intervention	80.029		57,013
Sheriff Work Ethics and Training - Youth Intervention	80.029		21,020
Total Florida Department of Juvenile Justice			78,033
Total State Financial Assistance			$ 8,301,513
Total Federal Awards and State Financial Assistance			$ 13,832,996

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

Note 1 - Basis of Presentation

The accompanying schedule of expenditures of federal awards and state financial assistance includes the federal and state award activity of Nassau County, Florida, and is presented on the modified accrual basis of accounting.

During the year ended September 30, 2025, FEMA approved $300,595 of eligible expenditures that were incurred in a prior year and are included in the accompanying schedule of expenditures of federal awards and state financial assistance.

Nassau County did not elect to use the 15% de minimis indirect cost rate in Section 200.44, Indirect (F&A) Costs, of the Uniform Guidance.

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

The Honorable Board of County Commissioners
and Constitutional Officers
Nassau County, Florida

Report on Compliance for Each Major Federal Award and State Project

Opinion on Each Major Federal Program and State Project

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

In our opinion, the County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs and state projects for the year ended September 30, 2025.

Basis for Opinion on Each Major Federal Program and State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; 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, Audit Requirements for Federal Awards* (Uniform Guidance), and Chapter 10.550, *Rules of the Auditor General.* 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.

The Honorable Board of County Commissioners
and Constitutional Officers
Nassau County, Florida

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

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 non-compliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance, and Chapter 10.550, *Rules of the Auditor General* will always detect material non-compliance when it exists. The risk of not detecting material non-compliance 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. Non-compliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the County's compliance with the requirements of each major federal program and state project as a whole.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material non-compliance, 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, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

The Honorable Board of County Commissioners
and Constitutional Officers
Nassau County, Florida

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

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, non-compliance 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 a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material non-compliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

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

County's Response to Findings

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

Purpose

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

Purvis Gray

March 13, 2026
Gainesville, Florida

NASSAU COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS -
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Summary of Auditor's Results

1. The independent auditor's report expresses an unmodified opinion on the financial statements of Nassau County, Florida (the County).

2. The audit disclosed no material weaknesses but did disclose a significant deficiency in internal control over financial reporting and on compliance and other matters based on an audit of the financial statements in accordance with *Government Auditing Standards.*

3. There were no instances of non-compliance material to the financial statements identified during the audit of the financial statements required to be reported in the 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*.

4. The audit disclosed no material weaknesses nor significant deficiencies in internal control over major federal programs or state projects that are required to be reported in the schedule of findings and questioned costs.

5. The report on compliance for the major federal programs and state projects expresses an unmodified opinion.

6. The audit disclosed findings that are required to be reported in accordance with the *Uniform Guidance* and Chapter 10.557, *Rules of the Auditor General* as noted below.

7. The programs tested as major federal program and state financial assistance projects included:

Federal Programs	**Assistance Listing No.**
Highway Planning and Construction	20.205
State Projects	**CSFA No.**
Thomas Creek Land Acquisition/Resilient Florida	37.098
Local Transportation Projects (Florida Shared-Use Non-Motorized Trail Network Program)	55.038
Local Transportation Projects	55.039
State Housing Initiatives Partnership Program (SHIP)	40.901

8. The threshold for distinguishing Type A and B programs was $1,000,000 for federal programs and $750,000 for state projects.

9. The County did not qualify as low-risk auditee for federal grant programs.

Financial Statement Findings

Other than Finding 2025-001, reported below, financial statement findings, if any, are reported in the individual reports of the Board and the Constitutional Officers.

Findings and Questioned Costs for Major Federal Programs and State Projects

The audit disclosed no findings for a state project to be reported under Chapter 10.550, *Rules of the Auditor General*.

Status of Prior Audit Findings

The prior year finding (2024-001) required to be reported in accordance with the *Uniform Guidance* and Chapter 10.550, *Rules of the Auditor General*, was corrected.

NASSAU COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
YEAR ENDED SEPTEMBER 30, 2025

Financial Statement Findings

2025-001 – Significant Deficiency – Grant Accounting

Condition—During our testing of grants we noted a large grant receivable that had to be reversed due to the County incorrectly recording the County's match as a receivable. The County's match is a requirement of the grant and is not recoverable from the grantor.

Effect—This resulted in an overstatement of accounts receivable and deferred inflows of resources by $990k. In addition, this amount was added to the Schedule of Federal Awards (SEFA), and if not discovered by audit procedures, could have misstated the SEFA and potentially resulted in an inaccurate determination of the County's major programs.

Recommendation—We recommend that all significant grant revenues and expenditures booked to the accounting records be reviewed prior to preparation of the SEFA and commencement of the annual financial statement audit.

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

The Honorable Board of County Commissioners
and Constitutional Officers
Nassau 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 remaining funds information of Nassau County, Florida (the County) as of and for the 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 March 13, 2026.

Report on Internal Control Over Financial Reporting

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

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

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and, therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs as an item that we consider to be a significant deficiency.

The Honorable Board of County Commissioners
and Constitutional Officers
Nassau County, Florida

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 STANDARD*

Report on Compliance and Other Matters

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

County's Response to Findings

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

Purpose of this Report

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

Purvis Gray

March 13, 2026
Gainesville, Florida

INDEPENDENT ACCOUNTANT'S REPORT ON
COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Board of County Commissioners
and Constitutional Officers
Nassau County, Florida

We have examined Nassau County, Florida's (the County) compliance with Section 218.415, Florida Statutes, as of and for the year ended September 30, 2025, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County's compliance based on our examination.

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

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

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.

Pursuant to Chapter 119, Florida Statutes, this letter is a public record and its distribution is not limited. Auditing standards accepted in the United States of America requires us to indicate that this letter is intended solely for the information and use of management and the Florida Auditor General, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

March 13, 2026
Gainesville, Florida

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 365.172(10) AND SECTION 365.173(2)(d), FLORIDA STATUTES

The Honorable Board of County Commissioners
and Constitutional Officers
Nassau County, Florida

We have examined Nassau County, Florida's (the County) compliance with Section 365.172(10) Florida Statutes, *Authorized Expenditures of E911 Fee*, and Section 365.173(2)(d) Florida Statutes, *Distribution and Use of (E911) Funds*, as of and for the year ended September 30, 2025, as required by Section 10.556(10)(b), *Rules of the Auditor General*. Management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County's compliance based on our examination.

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

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

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.

This report 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, the Board of County Commissioners of Nassau County, Florida, and its management, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

March 13, 2026
Gainesville, Florida

MANAGEMENT LETTER

The Honorable Board of County Commissioners
and Constitutional Officers
Nassau County, Florida

Report on the Financial Statements
We have audited the financial statements of Nassau County, Florida (the County) as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated March 13, 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 of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and Chapter 10.550, *Rules of the Auditor General.*

Other Reporting Requirements
We have issued our Independent Auditor's Report on Internal Control Over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control Over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Reports on an Examination Conducted in Accordance with American Institute of Certified Public Accountants Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated March 13, 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. All prior year findings and recommendations have been addressed.

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 was established by the Constitution of the State of Florida, Article VIII, Section 1(d). The County includes component units as described in Note 1 of the financial statements.

The Honorable Board of County Commissioners
and Constitutional Officers
Nassau County, Florida

MANAGEMENT LETTER

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General,* requires us to apply appropriate procedures and communicate the results of our determination as to whether or not the County met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific conditions 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 the review of financial information provided by the same.

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

Special District Component Units

Section 10.554(1)(i)5.c., *Rules of the Auditor General,* requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statement 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. Specific information for the American Beach Water and Sewer District is disclosed in the individual management letter of the Board of County Commissioners.

Property Assessed Clean Energy (PACE) Programs

As required by Section 10.554(1)(i)6.a., *Rules of the Auditor General*, the County is required to include a statement as to whether a PACE program authorized pursuant to Section 163.081 or Section 163.082, Florida Statutes, did operate within the County's geographical boundaries during the fiscal year.

As required by Section 10.554(1)(i)6.b., *Rules of the Auditor General*, if a PACE program was operating within the geographical areas of the County, the County is required to include a list of all program administrators and third-party administrators that administered the program. The Florida PACE Funding Agency was operating within the County's geographical boundaries.

As required by Section 10.554(1)(i)6.c., *Rules of the Auditor General*, if a PACE Program was operating within the geographical areas of the County, the County is required to include the full names and contact information of each such program administrator and third party-administrator. The Florida PACE Funding Agency, Executive Director Wendi Leach, 6650 Professional Pkwy, STE 102, Sarasota Florida 34240, phone number 850-400-PACE.

The Honorable Board of County Commissioners
and Constitutional Officers
Nassau County, Florida

MANAGEMENT LETTER

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General,* requires us to communicate non-compliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that have occurred, or are likely to have occurred, that has an effect on the financial statements that is less than material but more than inconsequential. 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 the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, the 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.

Purvis Gray

March 13, 2026
Gainesville, Florida

Management Response to 2025-001 Audit Finding

We acknowledge and concur with the findings and recommendations outlines in the audit. Currently, the Clerk Finance department reviews all grants and determines any adjusting journal entries that need to be done at year-end. In the future, we will have the Nassau County Grants Coordinator review all adjusting journal entries to ensure she concurs. This type of action would surely have prevented the accrual of a grant match at year-end.

BOARD OF COUNTY
COMMISSIONERS

2025

Nassau County Board of County Commissioners

Financial Statements and Independent Auditor's Report

September 30, 2025

Purvis Gray
CERTIFIED PUBLIC ACCOUNTANTS

INTRODUCTORY SECTION

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

NASSAU COUNTY BOARD
OF COUNTY COMMISSIONERS
NASSAU COUNTY, FLORIDA
SEPTEMBER 30, 2025

TABLE OF CONTENTS

NASSAU COUNTY, FLORIDA
BOARD OF COUNTY COMMISSIONERS

LIST OF ELECTED AND APPOINTED OFFICIALS

Serving as of September 30, 2025

ELECTED OFFICIALS

Commissioner—District 2, Chairman.. A.M. "Hupp" Huppmann

Commissioner—District 3, Vice-Chairman..Jeff Gray

Commissioner—District 1 .... John F. Martin

Commissioner—District 4 ....Alyson R. McCullough

Commissioner—District 5 .... Klynt A. Farmer

APPOINTED OFFICIALS

County Manager .... Taco Pope

County Attorney .... Denise May

INDEPENDENT AUDITOR'S REPORT

The Honorable Board of County Commissioners
Nassau County, Florida

Opinions
We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Nassau County Board of County Commissioners, Nassau County, Florida (the Board) as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Board'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 Board, as of September 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions
We conducted our audit in accordance with auditing standards generally accepted in the United States of America 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 Board, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

Incomplete 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 the *Rules of the Auditor General* of the State of Florida (the Rules). In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, and the aggregate remaining fund information, only for that portion of the major funds, and the aggregate remaining fund information, of Nassau County, Florida (the County) that is attributable to the Board. They do not purport to, and do not, present fairly the financial position of the County as of September 30, 2025, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to these matters.

The Honorable Board of County Commissioners
Nassau County, Florida

INDEPENDENT AUDITOR'S REPORT

Responsibilities of Management for the Financial Statements

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

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Board'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 Board'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 Board'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.

The Honorable Board of County Commissioners
Nassau County, Florida

INDEPENDENT AUDITOR'S REPORT

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

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

Other Reporting Required by *Government Auditing Standards*
In accordance with *Government Auditing Standards*, we have also issued our report dated March 13, 2026, on our consideration of the Board'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 under the heading 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*. 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 Board's internal control over financial reporting and compliance.

Purvis Gray

March 13, 2026
Gainesville, Florida

FINANCIAL STATEMENTS

NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS
BALANCE SHEET - GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	General	County Transportation	Municipal Services
Assets			
Cash and Cash Equivalents	$ 2,575,200	$ 549,567	$ 340,502
Cash and Cash Equivalents - Restricted	978,928	-	-
Equity in Pooled Investments	61,485,077	19,279,159	18,144,066
Accounts Receivable, (Net of Allowance for Uncollectibles)	622,270	2,116	17,394
Loans Receivable, (Net of Allowance for Uncollectibles)	-	-	-
Due from Other Funds	718,312	-	-
Due from Constitutional Officers	3,125,625	66,440	178,147
Due from Other Governments	2,511,289	871,124	133,005
Inventories	518,945	228,800	-
Prepaid Expenditures	4,516,491	5,455	1,263,327
Total Assets	77,052,137	21,002,661	20,076,441
Liabilities			
Accounts Payable	1,911,092	2,764,498	510,901
Accrued Liabilities	1,133,736	-	-
Retainage Payable	135,797	-	-
Due to Other Funds	-	168,436	478,415
Due to Constitutional Officers	127,041	13,919	32
Due to Other Governments	132,866	13,452	30,816
Deposits	6,700	1,000	-
Total Liabilities	3,447,232	2,961,305	1,020,164
Deferred Inflows of Resources			
Unavailable Revenues	1,319,209	291,074	523,678
Fund Balances			
Non-Spendable	5,035,902	234,255	1,263,512
Restricted	4,167,568	-	45,249
Committed	11,844,142	6,672,208	3,854,141
Assigned	36,114,333	10,843,819	13,369,697
Unassigned	15,123,751	-	-
Total Fund Balances	72,285,696	17,750,282	18,532,599
Total Liabilities and Deferred Inflows of Resources and Fund Balances	$ 77,052,137	$ 21,002,661	$ 20,076,441

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

Capital Projects - Transportation	Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
$ 139,343	$ 69,526	$ 35,356,114	$ 39,030,252
-	-	-	978,928
40,075,422	34,127,101	44,124,828	217,235,653
-	-	59,002	700,782
-	-	16,000	16,000
-	-	-	718,312
-	-	175,313	3,545,525
6,786,652	-	98,997	10,401,067
-	-	-	747,745
-	-	272,427	6,057,700
47,001,417	34,196,627	80,102,681	279,431,964
4,968,856	332,241	1,492,575	11,980,163
-	-	-	1,133,736
957,781	859,514	104,032	2,057,124
-	-	71,461	718,312
-	-	-	140,992
-	-	222	177,356
-	-	275,697	283,397
5,926,637	1,191,755	1,943,987	16,491,080
5,476,733	-	22,305	7,632,999
-	-	272,427	6,806,096
-	-	76,363,136	80,575,953
35,598,047	33,004,872	1,500,826	92,474,236
-	-	-	60,327,849
-	-	-	15,123,751
35,598,047	33,004,872	78,136,389	255,307,885
$ 47,001,417	$ 34,196,627	$ 80,102,681	$ 279,431,964

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

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

	General	County Transportation	Municipal Services
Revenues			
Taxes	$ 119,517,166	$ 12,370,274	$ 25,826,832
Licenses and Permits	64,841	-	685,983
Intergovernmental Revenues	11,733,422	2,214,891	1,494,664
Charges for Services	4,124,881	28,055	1,055,128
Fines and Forfeitures	39,244	4,811	22,983
Investment Earnings	4,577,607	939,456	1,174,736
Miscellaneous	1,649,828	230,451	133,977
Total Revenues	141,706,989	15,787,938	30,394,303
Expenditures			
Current:			
General Government Services	16,248,799	4,521	3,710,578
Public Safety	22,151,976	-	16,265,918
Physical Environment	2,901,772	-	-
Transportation	-	20,130,471	-
Economic Environment	830,344	-	43,941
Human Services	3,204,010	-	2,342,756
Culture and Recreation	4,084,414	-	-
Court-Related Expenditures	1,559,631	-	-
Capital Outlay	8,244,988	2,867,776	4,388,296
Debt Service:			
Principal Retirement	525,548	-	224,329
Interest and Fiscal Charges	104,099	-	11,787
(Total Expenditures)	59,855,581	23,002,768	26,987,605
Excess (Deficiency) of Revenues Over (Under) Expenditures	81,851,408	(7,214,830)	3,406,698
Other Financing Sources (Uses)			
Transfers from Constitutional Officers	3,209,250	44,780	178,112
Transfers to Constitutional Officers	(58,919,657)	(174,218)	(3,303,606)
Transfers in	998,742	10,281,519	-
Transfers (out)	(31,873,686)	(1,541,353)	(2,819,825)
Leases (Lessee)	575,601	-	-
Financing Purchase Proceeds	-	-	1,083,556
Sale of General Capital Assets	11,677	278,092	3,746
Total Other Financing Sources (Uses)	(85,998,073)	8,888,820	(4,858,017)
Net Change in Fund Balances	(4,146,665)	1,673,990	(1,451,319)
Fund Balances at Beginning of Year	76,432,361	16,076,292	19,983,918
Fund Balances at End of Year	$ 72,285,696	$ 17,750,282	$ 18,532,599

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

Capital Projects - Transportation	Capital Projects	Non-Major Governmental Funds	Total Governmental Funds
$ -	$ -	$ 13,506,524	$ 171,220,796
-	-	10,485,869	11,236,693
2,622,218	271,215	1,393,564	19,729,974
-	-	1,037,169	6,245,233
-	-	109,344	176,382
1,609,996	1,111,290	2,933,961	12,347,046
-	-	76,061	2,090,317
4,232,214	1,382,505	29,542,492	223,046,441
-	-	2,830,926	22,794,824
-	-	741,118	39,159,012
-	-	961,910	3,863,682
-	-	157,402	20,287,873
-	-	10,940,318	11,814,603
-	-	135,590	5,682,356
-	-	27,787	4,112,201
-	-	289,912	1,849,543
27,250,238	12,009,224	6,470,013	61,230,535
-	-	2,015,916	2,765,793
-	-	1,400,350	1,516,236
27,250,238	12,009,224	25,971,242	175,076,658
(23,018,024)	(10,626,719)	3,571,250	47,969,783
-	-	131,440	3,563,582
-	(341,507)	(1,306,912)	(64,045,900)
7,165,743	16,037,330	2,757,429	37,240,763
-	-	(941,599)	(37,176,463)
-	-	-	575,601
-	-	-	1,083,556
-	-	-	293,515
7,165,743	15,695,823	640,358	(58,465,346)
(15,852,281)	5,069,104	4,211,608	(10,495,563)
51,450,328	27,935,768	73,924,781	265,803,448
$ 35,598,047	$ 33,004,872	$ 78,136,389	$ 255,307,885

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

NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS
STATEMENT OF NET POSITION - PROPRIETARY FUND
SEPTEMBER 30, 2025

	Business-Type Activities - Enterprise Funds		
	Water and Sewer	American Beach Water and Sewer District	Total
Assets			
Current Assets:			
Cash and Cash Equivalents	$ 379,970	$ -	$ 379,970
Cash and Cash Equivalents - Restricted	98,183	-	98,183
Accounts Receivable	815,048	-	815,048
Total Current Assets	1,293,201	-	1,293,201
Total Assets	1,293,201	-	1,293,201
Liabilities			
Current Liabilities:			
Accounts Payable	80,965	-	80,965
Due to Other Governments	1,114,053	-	1,114,053
Deposits	98,183	-	98,183
Total Current Liabilities	1,293,201	-	1,293,201
Total Liabilities	1,293,201	-	1,293,201
Net Position			
Unrestricted	-	-	-
Net Position	$ -	$ -	$ -

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

NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Business-Type Activities - Enterprise Funds		
	Water and Sewer	American Beach Water and Sewer District	Totals
Operating Revenues			
Charges for Services	$ 5,115,852	$ -	$ 5,115,852
Connection and Impact Fees	98,383	-	98,383
Other Income	87,869	-	87,869
Total Operating Revenues	5,302,104	-	5,302,104
Operating Expenses			
Contractual Services	1,320	-	1,320
Professional Services	2,656,267	5,000	2,661,267
Salaries and Benefits	128,089	-	128,089
Rentals and Leases	25,591	-	25,591
Utilities	413,799	-	413,799
Repairs and Maintenance	408,485	-	408,485
Depreciation	1,077,843	94,064	1,171,907
Other Expenses	159,422	127,632	287,054
(Total Operating Expenses)	4,870,816	226,696	5,097,512
Operating Income	431,288	(226,696)	204,592
Non-Operating Revenues (Expenses)			
Interest Earnings	21,286	-	21,286
Interest and Other Debt Service Costs	(49,181)	-	(49,181)
Refund of Special Assessments	-	(620,007)	(620,007)
Sale of Capital Assets	1,139	-	1,139
Sale of Utility System	(16,949,643)	(13,214,435)	(30,164,078)
Total Non-Operating Revenues (Expenses)	(16,976,399)	(13,834,442)	(30,810,841)
Income Before Transfers	(16,545,111)	(14,061,138)	(30,606,249)
Capital Grants and Transfers			
Capital Grants	10,000	1,160,164	1,170,164
Transfers to Constitutional Officers	-	(1,469)	(1,469)
Transfers in	-	639,124	639,124
Transfers (out)	(703,424)	-	(703,424)
Total Transfers	(693,424)	1,797,819	1,104,395
Change in Net Position	(17,238,535)	(12,263,319)	(29,501,854)
Net Position, Beginning of Year	17,238,535	12,263,319	29,501,854
Total Net Position, End of Year	$ -	$ -	$ -

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

NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Business-Type Activities - Enterprise Funds		
	Water and Sewer	American Beach Water and Sewer District	Totals
Cash Flows from Operating Activities			
Cash Received from Customers	$ 5,116,862	$ -	$ 5,116,862
Cash Payments to Vendors for Goods and Services	(3,429,502)	(132,632)	(3,562,134)
Cash Payments to Employees	(338,213)	-	(338,213)
Net Cash Provided by (Used in) Operating Activities	1,349,147	(132,632)	1,216,515
Non-Capital Financing Activities			
Due from/to Other Funds	971,684	(2,974,180)	(2,002,496)
Transfers (to) from Other Funds	(703,424)	639,124	(64,300)
Transfers (to) from Constitutional Officers	-	(828)	(828)
Net Cash Provided by (Used in) Non-Capital Financing Activities	268,260	(2,335,884)	(2,067,624)
Capital and Related Financing Activities			
Acquisition of Property, Plant and Equipment	(624,179)	(1,359,643)	(1,983,822)
Transfer of Cash to FGUA for NAU Sale	(3,024,345)	-	(3,024,345)
Refund of Special Assessments	-	(620,007)	(620,007)
Capital Grants	-	6,695,964	6,695,964
Construction Related Accounts Payable	-	(2,181,261)	(2,181,261)
Principal Payments on Bonds	(1,105,000)	(2,020,854)	(3,125,854)
Principal Payments on Leases	(13,304)	-	(13,304)
Payment of Interest	(49,181)	-	(49,181)
Net Cash Provided by (Used in) Capital and Related Financing Activities	(4,816,009)	514,199	(4,301,810)
Investing Activities			
Interest Received	21,286	-	21,286
Sale of Investments	213,246	-	213,246
Net Cash Provided by (Used in) Investing Activities	234,532	-	234,532
Net Increase (Decrease) in Cash and Cash Equivalents	(2,964,070)	(1,954,317)	(4,918,387)
Cash and Cash Equivalents, Beginning of Year	3,442,223	1,954,317	5,396,540
Cash and Cash Equivalents, End of Year	$ 478,153	$ -	$ 478,153
<u>Reported in Statement of Net Position as:</u>			
Cash and Cash Equivalents	$ 379,970	$ -	$ 379,970
Cash and Cash Equivalents - Restricted	98,183	-	98,183
Total	$ 478,153	$ -	$ 478,153

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

NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Business-Type Activities - Enterprise Funds		
	Water and Sewer	**American Beach Water and Sewer District**	**Totals**
Reconciliation of Operating Income (Loss) to Net Cash Provided by (Used in) Operating Activities			
Operating Income (Loss)	$ 431,288	$ (226,696)	$ 204,592
Adjustments to Reconcile Net Income (Loss) to Net Cash Provided by (Used in) Operating Activities:			
Depreciation	1,077,843	94,064	1,171,907
Changes in Assets - Decrease (Increase):			
Decrease (Increase) in Accounts Receivable	(189,381)	-	(189,381)
Decrease (Increase) in Due from Other Funds	(2,496)	-	(2,496)
Decrease (Increase) in Inventory	37,622	-	37,622
Decrease (Increase) in Prepaid Expense	1,667	-	1,667
Decrease (Increase) in Deferred Outflows	40,194	-	40,194
Changes in Liabilities - Increase (Decrease):			
Increase (Decrease) in Accounts Payable	(605,499)	-	(605,499)
Increase (Decrease) in Due to Other Governments	801,592	-	801,592
Increase (Decrease) in Deposits	6,635	-	6,635
Increase (Decrease) in OPEB Liability	(77,288)	-	(77,288)
Increase (Decrease) in Net Pension Liability	(116,360)	-	(116,360)
Increase (Decrease) in Deferred Inflows	(21,363)	-	(21,363)
Increase (Decrease) in Compensated Absences	(35,307)	-	(35,307)
Net Cash Provided by (Used in) Operating Activities	$ 1,349,147	$ (132,632)	$ 1,216,515
Non-Cash Items			
Sale of Nassau Amelia Island Utilities:			
Transfer of Capital Assets	$ (17,079,183)	$ (11,287,644)	$ (28,366,827)
Direct Pay-off of Debt by FGUA	3,470,000	-	3,470,000
Net Non-Cash Items	$ (13,609,183)	$ (11,287,644)	$ (24,896,827)

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

NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2025

	SAISSA	School Board Impact fees	SAISSA 2021	Total
Assets				
Cash and Equivalents - Restricted	$ 108,390	$ 390,622	$ 656,618	$ 1,155,630
Due from Constitutional Officers	-	-	5,146	5,146
Total Assets	108,390	390,622	661,764	1,160,776
Liabilities				
Due to Others	108,390	-	661,764	770,154
Due to Other Governments	-	390,622	-	390,622
Total Liabilities	108,390	390,622	661,764	1,160,776
Net Position, Held in a Custodial Capacity to be Disbursed	$ -	$ -	$ -	$ -

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

NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	SAISSA	School Board Impact fees	SAISSA 2021	Total
Additions				
Impact Fees Collected for Other Governments	$ -	$ 3,591,057	$ -	$ 3,591,057
Special Assessments	-	-	643,679	643,679
Transfer in from Constitutional Office	-	-	5,146	5,146
Investment Earnings	-	18,110	10,906	29,016
Total Additions	-	3,609,167	659,731	4,268,898
Deductions				
Impact Fees Distributed to Other Governments	-	3,609,167	-	3,609,167
Special Assessments Disbursed on Behalf of Others	-	-	628,079	628,079
Transfer out to Constitutional Officer	-	-	31,652	31,652
Total Deductions	-	(3,609,167)	(659,731)	(4,268,898)
Change in Net Position	-	-	-	-
Net Position, Beginning of Year	-	-	-	-
Net Position, End of Year	$ -	$ -	$ -	$ -

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

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

The significant accounting policies followed by the Nassau County Board of County Commissioners, Nassau County, Florida (the Board) are described below to enhance the usefulness of the fund financial statements to the reader.

Reporting Entity

Nassau County (the County) is a political subdivision of the State of Florida. It is composed of an elected Board of County Commissioners and elected Constitutional Officers, who are governed by federal and state statutes, regulations, and County ordinances. The Board is operated as a separate County agency in accordance with applicable provisions of Florida Statutes. The Nassau County Clerk of the Circuit Court is the clerk and accountant of the Board in accordance with the provisions of Section 125.17, Florida Statutes.

The Nassau County Housing Finance Authority (NCHFA) is a dependent special district, which functions for the benefit of the citizens of the County and is considered a blended component unit of the County. The NCHFA had no revenues or expenditures during the fiscal year ended September 30, 2025. In addition, the NCHFA did not issue any bonds during the audit period, nor were there any bonds outstanding at year-end. Therefore, financial statements were not prepared for NCHFA and, accordingly, no financial data for NCHFA is presented in these financial statements.

The Recreation and Water Conservation and Control District No. 1 (RWCCD) is a dependent special district, which functions for the benefit of the citizens of the County and is considered a blended component unit of the County. The RWCCD had no revenues or expenditures during the fiscal year ended September 30, 2025. In addition, the RWCCD did not issue any bonds during the audit period, nor were there any bonds outstanding at year-end. Therefore, financial statements were not prepared for RWCCD and, accordingly, no financial data for RWCCD is presented in these financial statements.

The American Beach Water Sewer District is a dependent special district, which functions for the benefit of the citizens of the County and is considered a blended component unit of the County.

Imagine Nassau is a non-profit entity that exclusively benefits the County and is considered a blended component unit of the County.

The Board is an integral part of the County, which is the primary government for financial reporting purposes.

Basis of Presentation

The Board's financial statements are special-purpose financial statements, which have been prepared solely for the purpose of complying with the *Rules of the Auditor General* of the State of Florida (the Rules). These special-purpose financial statements are the fund financial statements required by generally accepted accounting principles.

However, these fund statements do not constitute a complete presentation because, in conformity with the Rules, the Board has not presented the government-wide financial statements, reconciliations to the government-wide financial statements, or management's discussion and analysis. Also, certain notes to the financial statements may supplement, rather than duplicate, the notes included in the County-wide financial statements.

Fund Accounting

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 comprises its assets; deferred outflows of resources; liabilities; deferred inflows of resources; fund balances or net position, as appropriate, revenues and expenditures or expenses, 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. The following funds are used by the Board:

- **Governmental Funds**
  - **Major Governmental Funds**
    - The **General Fund—**is used to account for all revenues and expenditures applicable to the general operations of the Board, which are not properly accounted for in other funds.
    - The **County Transportation Trust Fund—**is used to account for the operation of the Road and Bridge Department. Financing is provided principally by ad valorem taxes and the County's share of state gasoline taxes.
    - The **Municipal Services Fund—**is used to account for activities benefiting only the unincorporated areas of the County. Financing is provided principally by ad valorem taxes, the half-cent sales tax, and State Revenue Sharing.
    - The **Capital Projects - Transportation Fund—**is used to account for all financial resources used for the acquisition or construction of major transportation-related capital facilities and/or projects. Funding is provided from a variety of funding sources.
    - The **Capital Projects Fund—**is used to account for financial resources used for the acquisition or construction of major capital facilities and/or projects. Funding is provided from a variety of funding sources.
  - **Non-Major Governmental Funds**
    - **Special Revenue Funds—**are used to account for the proceeds of specific revenue sources other than major capital projects or to finance specified activities as required by law.
    - **Debt Service Funds—**are used to account for the accumulation of resources for, and the payment of, interest, principal, and related costs on general long-term debt.
    - **Capital Projects Funds—**are used to account for all financial resources used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds.
- **Major Proprietary Funds**
  - **Proprietary Funds—**are used to account for operations either: (1) that are financed and operated in a manner similar to private business enterprises where the intent of the Board is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (2) where the Board has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

► **Water and Sewer Fund** accounts for water and wastewater services provided to approximately 3,300 customers on 4,800 acres located entirely in the County, situated north of the Duval County line and south of the City of Fernandina Beach.

► **American Beach Water Sewer District Funds—**are used to account for the proceeds of specific revenue sources related to the planning, design, and construction of water and sewer facilities located at American Beach.

■ **Fiduciary Funds**

- **The South Amelia Island Shore Stabilization Association (SAISSA) Fund**—is used to account for assets held by the Board as agent for the SAISSA representing property owners within the geographical boundaries of the South Amelia Island Shore Stabilization Municipal Service Benefit Unit.

- **School Board Impact Fees**—account for assets held by the County for fees collected for School Board Impact fees.

- **The South Amelia Island Shore 2021 Special Assessment (SAISSA) Fund**—is used to account for assets held by the Board as agent for the SAISSA 2021 assessment representing property owners within the geographical boundaries of the South Amelia Island Shore Stabilization Municipal Service Benefit Unit.

Measurement Focus

■ **Governmental Funds**—general, special revenue, debt service, and capital projects funds are accounted for on a "current financial resources" measurement focus. This means that only current assets, deferred outflows of resources, current liabilities, and deferred inflows of resources are generally included on the balance sheet. Accordingly, the reported fund balances (assets plus deferred outflows, less liabilities, less deferred inflows) are considered a measure of available, spendable, or appropriable resources. Governmental funds operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in fund balances.

■ **Proprietary Funds**—the enterprise funds are accounted for on an "economic resources" measurement focus. Accordingly, all assets, deferred outflows of resources, liabilities, and deferred inflows of resources are included on the statement of net position, and the reported net position (total reported assets plus deferred outflows, less total reported liabilities, less deferred inflows) provide an indication of the economic net worth of the funds. The operating statements for the proprietary funds report increases (revenues) and decreases (expenses) in total net position.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues are charges for services. Operating expenses include cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

- **Fiduciary Funds**—Custodial funds are accounted for using the accrual basis of accounting. Per Governmental Accounting Standards Board (GASB) Statement No. 84, fiduciary funds report additions and deductions within the Statement of Changes in Fiduciary Net Position. Fiduciary fund assets and liabilities are reported using an "economic resources" measurement focus and accrual basis of accounting.

Basis of Accounting
Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the fund financial statements. In addition, 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. Under this method, revenues are recognized in the accounting period when they become susceptible to accrual (i.e., when they become "measurable and available"). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Board considers revenues to be "available" if they are collected within sixty days after year-end.

Primary revenues, including special assessments, intergovernmental revenues, charges for services, rents, and interest are treated as susceptible to accrual under the modified accrual basis. Other revenue sources are not considered measurable and available and are not treated as susceptible to accrual. Expenditures are generally recognized under the accrual basis of accounting when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and other postemployment benefits, are recorded only when payment is due.

The proprietary funds are accounted for using the accrual basis of accounting. Under this method, revenues are recognized when they are earned and expenses are recognized when they are incurred.

Cash and Cash Equivalents
For purposes of these financial statements, cash and cash equivalents are considered cash in bank, demand deposits, and short-term investments with maturities of less than three months.

For purposes of the statement of cash flows, the enterprise funds consider all highly liquid investments, including restricted assets, with a maturity of three months or less when purchased to be cash equivalents.

Deposits and Investments
As authorized in Florida Statute 218.415, the Board has adopted a written investment policy, which governs authorized investments. A description of the authorized investments is detailed in Note 2.

All investments are stated at fair value, except for money markets and certificates of deposit which are recorded at amortized cost. Investment fair values are based on quoted market prices. Investments in mutual funds and Local Government Surplus Funds Trust Fund (the State Pool), which are external investment pools, are stated at share price, which is substantially the same as fair value.

Accounts Receivable
Accounts receivable are reported net of the allowance for uncollectibles on the balance sheet - governmental funds and statement of net position - proprietary funds. The allowances for uncollectible accounts receivables are based upon aging schedules and the related collection experiences of such receivables.

Interfund Balances
Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds" in the fund financial statements.

Inventories and Prepaid Items
Inventories, consisting principally of expendable items held for consumption, are determined by physical count and are stated at cost based on the average-cost method. The costs of inventories in governmental fund types are recorded as expenditures when consumed; therefore, the inventory asset amount is not available for appropriation.

Prepaid items are certain payments to vendors and the Constitutional Officers that reflect costs applicable to future accounting periods and are recorded as prepaid items in fund financial statements. The costs of prepaid items in the governmental fund types are recorded as expenditures when consumed.

On the governmental funds balance sheet, the prepaid and inventory balances reported are offset by a non-spendable fund balance classification, which indicated these balances do not constitute "available spendable resources" even though they are a component of net current assets.

Unamortized Refunding Loss
Losses resulting from the refunding of debt are reported as deferred outflow of resources and recognized as a component of interest expense over the remaining life of the refunded debt or the new debt, whichever is shorter.

Fund Balance
Fund balance is reported in five components – non-spendable, restricted, committed, assigned, and unassigned:

- **Non-Spendable**—This component of fund balance consists of amounts that cannot be spent because: (a) they are not expected to be converted to cash, or (b) they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund.

- **Restricted**—This component of fund balance consists of amounts that are constrained either: (a) externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments), or (b) by law through constitutional provisions or enabling legislation.

- **Committed**—This component of fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (e.g., ordinance) of the organization's governing authority, the Board. These committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (e.g., ordinance) employed to constrain those amounts.

- **Assigned**—This component of fund balance consists of amounts that are constrained by a less-than-formal action of the Board's governing authority, or by an individual or body to whom the governing authority has delegated this responsibility. In addition, residual balances in capital projects and debt service funds are considered assigned for the general purpose of the respective fund.

- **Unassigned**—This classification is used for: (a) negative unrestricted fund balances in any governmental fund, or (b) fund balances within the general fund that are not restricted, committed, or assigned.

- **Flow Assumption**—When both restricted and unrestricted resources are available for use, it is the Board's policy to use restricted resources first, then unrestricted resources (committed, assigned, and unassigned) as they are needed. When unrestricted resources (committed, assigned, and unassigned) are available for use in any governmental fund, it is the Board's policy to use committed resources first, then assigned, and then unassigned as needed.

Net Position

Net position of the proprietary funds are made up of three components. *Net investment in capital assets* represents net capital assets less related long-term liabilities, where unspent debt proceeds increase this amount. *Restricted net position* represent assets that are legally restricted for specific purposes. They include bond sinking and reserve funds; special revenues restricted by statute, ordinance, and bond proceeds; and other sources restricted for capital projects or improvements. The balance of net position is considered *unrestricted net position.*

Restricted Assets

Certain resources in the general fund and the water and sewer enterprise fund are set aside for payment of the landfill post-closure and monitoring costs, capital reserves, renewal and replacement, and the utility system. These resources are classified as restricted cash and investments on the balance sheet - governmental funds and statement of net position - proprietary funds because their use is limited. All cash and investments classified as restricted are the result of various bond indenture or other legal requirements. When both restricted and unrestricted resources are available for use, the Board's practice is to use the restricted resources first, then unrestricted resources as they are needed.

Capital Assets and Long-Term Liabilities

- **Governmental Funds**

  Purchases of capital assets are recorded as expenditures in the governmental funds when the assets are acquired. At year-end, the assets are capitalized at cost by the Board in the statement of net position as part of the basic financial statements of the County.

  The capital assets used in the operations of the Board, Clerk of the Circuit Court, Tax Collector, Property Appraiser, and Supervisor of Elections are accounted for by the Board because the Board holds legal title and is accountable for them under Florida law. In accordance with Florida Statutes, the Board also holds title and maintains all land and buildings used by the Sheriff.

  The Sheriff, pursuant to Chapter 274, Florida Statutes, is accountable for, and thus maintains, capital asset records pertaining to equipment used in operations; therefore, those assets are not presented in these fund financial statements.

Governmental funds recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuance are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Due to the current financial resources measurement focus, the accompanying governmental fund financial statements do not report capital assets or long-term liabilities. Such amounts are instead reported in the separately-issued government-wide financial statements of the County as a whole.

Proprietary Enterprise Funds

Property and equipment purchased by the enterprise funds are capitalized by those funds. Depreciation on such assets is charged as an expense against each fund's operations. Depreciation has been provided over the estimated useful lives using the straight-line method.

The Board's capitalization thresholds and useful lives for various capital asset categories are as follows:

Capital Asset Category	Capitalization Threshold
Land	All
Buildings	$50,000
Building Improvements	$25,000
Improvements to Land Other than Buildings	$25,000
Machinery, Vehicles, and Equipment	$5,000
Works of Art, Historical Treasures, and Similar Assets	All
Infrastructure and Infrastructure Improvements	$50,000
Construction in Progress	Use Final Intended Asset Class Threshold
Software	$50,000
Easements or Right-of-Way	$10,000
Other Capital Assets	$50,000

Such assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at their estimated fair value on the date donated. Property, plant and equipment are depreciated using the straight-line method over the following estimated useful lives:

Land	Indefinite
Buildings	10-50 Years
Building Improvements	10-50 Years
Improvements to Land Other Than Buildings	10-30 Years
Machinery, Vehicles, and Equipment	3-20 Years
Works of Art, Historical Treasures, and Similar Assets	20-50 Years
Infrastructure and Infrastructure Improvements	10-50 Years
Construction in Progress	Use Final Intended Asset Class Useful Life
Software	Individually Evaluated
Easements or Right-of-Way	Individually Evaluated
Other Capital Assets	Individually Evaluated

Deferred Inflows/Outflows of Resources

Deferred inflows of resources reported on applicable governmental fund types represent revenues which are measurable but not available in accordance with the modified accrual basis of accounting. The deferred inflows will be recognized as revenue in the fiscal year they are earned or become available. Deferred outflows of resources represent consumption of net position that is applicable to a future reporting period. Deferred outflows have a positive effect on net position, similar to assets.

Compensated Absences

Annual, sick, bonus, and compensatory leave amounts accumulate and vest in accordance with the policies of the Board and negotiated union contracts. Provisions of these policies and the union contracts specify how benefits are earned, accumulate, and when and to what extent they vest.

Use of Estimates
The preparation of financial statements in conformity of generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

Other Postemployment Benefits (OPEB)
The Board allows retirees and their dependents to remain covered under the County's respective medical and insurance plans as required by Florida Statutes. The Board also provides a direct subsidy to retirees based on the number of years of service. The financial reporting requirements for governments whose employees are provided with OPEB include the recognition and measurement of liabilities, deferred outflows of resources, deferred inflows of resources, and expenses. These liabilities are only recorded in the government-wide full accrual statements, and in the Board's enterprise funds. Further details of the net OPEB liability, annual OPEB expense, actuarial assumptions, sensitivity analysis, and the other required disclosures can be found in the County-wide annual financial report.

Retirement Plans
The Board participates in the Florida Retirement System (FRS) defined benefit plan and Health Insurance Subsidy (HIS) defined benefit plan administered by the Florida Division of Retirement. As a participating employer, the Board implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*, which requires employers participating in cost-sharing, multiple-employer defined benefit pension plans to report the employers' proportionate share of the net pension liabilities and related pension amounts of the defined benefit pension plans. These liabilities are only recorded in the government-wide full accrual financial statements, and in the Board's enterprise fund. Further details of the FRS plan net position liability, annual pension expense, actuarial assumptions, sensitivity analysis, and the other required disclosures can be found in the County-wide annual financial report.

Property Taxes
Real property and tangible personal property are assessed by the Property Appraiser according to the property's just value on January 1 of each year. Section 200.071, Florida Statutes, authorizes the Board to levy ad valorem tax millage against real property and tangible personal property for the County, including dependent districts, not to exceed 10 mills, except for voted levies. The Board shall determine the amount of millage to be levied and shall certify such millage to the Property Appraiser. For the year ended September 30, 2025, the Board levied 6.8822 mills. An additional 2.2087 mills and 0.0960 mills were levied for the benefit of the Nassau County Municipal Services Taxing Unit and the Amelia Island Beach Renourishment Municipal Services Benefit Unit (MSBU), respectively.

Property taxes are due and payable on March 31 of each year or as soon thereafter as the assessment rolls are charged to the Tax Collector by the Property Appraiser. Taxes on real property may be prepaid in four quarterly installments beginning no later than June 30 of the year in which assessed. Discounts are allowed for payment of property taxes before March 1. Taxes become delinquent on April 1 following the year in which the taxes were assessed.

The Tax Collector collects taxes for the various taxing entities, including the Board. Delinquent taxes on real property are collected by selling tax certificates to individuals. If a tax certificate is not sold, the tax certificate is struck to the County. Attempts to collect delinquent taxes on tangible personal property are done by the issuance of warrants for the seizure and sale of such tangible personal property. Key dates in the property tax cycle (latest date where appropriate) are as follows:

January 1	Property Just Value Established for Assessment of Taxes
July 1	Assessment Roll Certified, Unless Extension Granted by the Florida Department of Revenue
93 Days Later	Millage Resolution Approved and Taxes Levied Thereafter as Tax Collector Received Tax Roll
30 Days Thereafter	Property Taxes Become Due and Payable (Maximum Discount)
April 1	Taxes Become Delinquent
Prior to June 1	Tax Certificates Sold

Note 2 - Cash and Investments

Deposits with Financial Institutions
All of the Board's deposits are held in qualified public depositories pursuant to the provisions of Florida Statutes, Chapter 280, the *Florida Security for Public Deposits Act*. Qualified public depositories are required by this law to pledge collateral with a market value equal to a percentage of the average daily balance of all public deposits in excess of any federal deposit insurance. In the event of default by a qualified public depository, all claims for public deposits would be satisfied by the State Treasurer from the proceeds of federal deposit insurance, pledged collateral of the public depository in default and, if necessary, a pro rata assessment to the other qualified public depositories in the collateral pool. Therefore, all cash and time deposits held by banks are fully insured and collateralized.

Investments
The Board's investment practices are governed by Section 218.415, Florida Statutes, and County Ordinance 2023-036. Authorized investments include the State Pool or similar intergovernmental investment pools, money market funds registered with the Securities and Exchange Commission, interest-bearing time deposits or savings accounts in qualified public depositories as defined in Section 280.02, Florida Statutes, direct obligations of the United States Treasury, federal agencies and instrumentalities, securities of, or interests in, any open-end or closed-end management-type investment company or investment trust, or other investments authorized by law or ordinance of the County.

Interest and investment earnings are generally allocated to the various funds based upon each fund's equity balance in the pooled cash or the investment accounts.

The following are details of the cash and investments held by the Board at year-end:

Description	Fair Value
Cash and Cash Equivalents	$ 41,642,962
Florida Government Investment Trust	53,505,693
Florida Fixed Income Trust	30,325,260
Money Market Accounts	9,916,630
U.S. Treasuries	123,488,070
Total Cash and Investments	$ 258,878,615

Reported in accompanying financial statements as follows:

	Governmental Funds	Proprietary Fund	Fiduciary Fund	Total
Cash and Cash Equivalents	$ 39,030,251	$ 379,970	$ -	$ 39,410,221
Restricted Cash and Cash Equivalents	978,928	98,183	1,155,630	2,232,741
Equity in Pooled Investments	217,235,653	-	-	217,235,653
Total Cash and Investments	$ 257,244,832	$ 478,153	$ 1,155,630	$ 258,878,615

The following items discuss the Board's exposure to various risks of their investment portfolio:

■ *Interest Rate Risk*—The risk that changes in interest rates will adversely affect the fair value of an investment. The Board has a formal investment policy for operating surplus funds that limits investment maturities to twelve months as a means of managing its exposure to fair value losses from increasing interest rates. Investments of bond reserves, construction funds, and other non-operating funds shall have a term appropriate to the need for funds and in accordance with debt covenants. The maturities of the underlying securities of a repurchase agreement will follow the requirements of a Master Repurchase Agreement in form approved by the Public Securities Association.

Investment maturities at September 30, 2025:

Maturities	Fair Value	1 Year or Less	1-5 Years	
Type				
U.S. Treasury Notes	$ 123,488,070	$ 123,488,070	$ -	
Money Market Funds	9,916,630	9,916,630	-	
Florida Government Investment Trust - Short-Term Bond Fund	22,974,460	-	22,974,460	*
Florida Government Investment Trust - Day to Day Fund	30,531,233	30,531,233	-	**
Florida Fixed Income Trust - Cash Pool	26,214,203	26,214,203	-	***
Florida Fixed Income Trust - Enhanced Cash Pool	4,111,057	4,111,057	-	****
Total Investments	217,235,653	$ 194,261,193	$ 22,974,460	
Demand Deposits	41,642,962			
Total Cash and Investments	$ 258,878,615			

* Based on WAM of 1.89 years
** Based on WAM of 32 days
*** Based on WAM of 71 days
**** Based on WAM of 1.05 years

■ *Credit Risk*—Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. The following table summarizes the Board's investments as rated as of September 30, 2025:

Credit Ratings	Unrated	Moody's Aaa	Fitch AAAf
Type			
U.S. Treasury Notes	$ -	$ 123,488,070	$ -
Money Market Funds	9,916,630	-	-
Florida Government Investment Trust Short-Term Bond Fund	-	-	22,974,460
Florida Government Investment Trust - Day to Day Fund	-	-	30,531,233
Florida Fixed Income Trust - Cash Pool	-	-	26,214,203
Florida Fixed Income Trust - Enhanced Cash Pool	-	-	4,111,057
Total Investments	9,916,630	123,488,070	83,830,953
Demand Deposits	41,642,962	-	-
Total Cash and Investments	$ 51,559,592	$ 123,488,070	$ 83,830,953

- *Custodial Credit Risk*—For an investment, 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. The certificates of deposit are held in qualified public depositories or at levels below FDIC insurance thresholds.

Fair Value Measurements

The Board categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

The following table summarizes the Board's investments for which fair values are determined as of September 30, 2025:

Type Investment	Fair Value	Active Markets for Identical Assets (Level 1)	Significant Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Board Investments by Fair Value Level				
U.S. Treasury Bills/Notes	$ 123,488,070	$ -	$ 123,488,070	$ -
Total Investments Measure at FV	123,488,070	$ -	$ 123,488,070	$ -
Board Investments Measured at Amortized Cost	**Amortized Cost**			
Money Market Accounts	9,916,630			
Total Investments Measured at Amortized Cost	9,916,630			
Board Investments at Net Asset Value (NAV)	**NAV**			
Florida Government Investment Trust - Short-Term Bond Fund	22,974,460			
Florida Government Investment Trust - Day to Day Fund	30,531,233			
Florida Fixed Income Trust - Cash Pool	26,214,203			
Florida Fixed Income Trust - Enhanced Cash Pool	4,111,057			
Total Investments Measured at NAV	83,830,953			
Total Investments	$ 217,235,653			

Note 3 - Accounts Receivable

Accounts receivable (net of allowances for uncollectibles) at September 30, 2025, included the following:

	Receivable	Allowance	Net
Governmental Funds			
General Fund	$ 1,655,459	$ (1,033,189)	$ 622,270
County Transportation	2,116	-	2,116
Municipal Services	17,394	-	17,394
Non-Major	59,002	-	59,002
Total Governmental Funds	$ 1,733,971	$ (1,033,189)	$ 700,782
Business-Type Funds			
Water and Sewer	$ 815,048	$ -	$ 815,048

Note 4 - Restricted Assets

Restricted assets in the general fund and the proprietary funds at September 30, 2025, represent monies required to be restricted for landfill post-closure costs and customer deposits. Assets are also restricted in accordance with ordinances and Florida Statutes. Restricted assets for the general fund and the proprietary funds at September 30, 2025, were restricted for the following purposes:

Customer Deposits	$ 98,183
Landfill Post-Closure Costs	978,928
Total	$ 1,077,111

Reported in accompanying financial statements as follows:

Account	Reported Amount
Current: Restricted Cash and Cash Equivalents - General Fund	$ 978,928
Current: Restricted Cash and Cash Equivalents - Business-Type Activities	98,183
Total Restricted Assets	$ 1,077,111

Note 5 - Capital Assets

Governmental funds are on the current financial resources measurement focus and, therefore, capital assets are not presented in the accompanying fund level statements. Such amounts are instead reported in the government-wide financial statements of the County. Proprietary funds are accounted for on the economic resources measurement focus and are, therefore, included in the accompanying proprietary fund financial statements. As noted in Note 16, capital assets were transferred due to the sale of Nassau Amelia Island Utilities (NAU).

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

	Beginning Balance	Increases	Reclass	Decreases	Ending Balance
Business-Type Activities					
Capital Assets not Being Depreciated:					
Land	$ 167,966	$ -	$ -	$ (167,966)	$ -
Construction Work in Progress	14,356,304	-	(14,356,304)	-	-
Total Not Being Depreciated	14,524,270	-	(14,356,304)	(167,966)	-
Capital Assets Being Depreciated:					
Buildings and Improvements	754,865	-	-	(754,865)	-
Infrastructure	26,968,311	1,981,251	14,356,304	(43,305,866)	-
Equipment	1,168,693	-	-	(1,168,693)	-
Leased Assets	60,790	-	-	(60,790)	-
Total Being Depreciated	28,952,659	1,981,251	14,356,304	(45,290,214)	-
Less Accumulated Depreciation for:					
Buildings and Improvements	(387,845)	(18,186)	-	406,031	-
Infrastructure	(14,751,411)	(1,078,654)	-	15,830,065	-
Equipment	(706,326)	(75,066)	-	781,392	-
Leased Assets	(47,574)	-	-	47,574	-
Total Accumulated Depreciation	(15,893,156)	(1,171,906)	-	17,065,062	-
Total Being Depreciated, Net	13,059,503	809,345	14,356,304	(28,225,152)	-
Total Business-Type Capital Assets, Net	$ 27,583,773	$ 809,345	$ -	$ (28,393,118)	$ -

Note 6 - Interfund Activity

Interfund balances at September 30, 2025, consisted of the following:

Due to/from other funds:

Receivable Fund	Payable Fund	Total
General	Municipal Service	$ 478,415
General	County Transportation	168,436
General	Non-Major	71,461
Total		$ 718,312

The purpose for each of these interfund receivables and payables is to provide temporary loans for cash flow needs, primarily associated with reimbursable grant programs. In addition to the interfund balances, there was also $3,550,671 due from the Constitutional Officers, and $140,470 due to the Constitutional Officers.

Interfund transfers:

	Transfers In							
Transfers Out	**General**	**County Transportation**	**Municipal Services**	**Capital Project Transportation**	**Capital Projects**	**Non-Major Government**	**American Beach**	**Total**
General	$ -	$ 10,281,519	$ -	$ 5,966,193	$ 13,217,505	$ 2,408,469	$ -	$ 31,873,686
County Transportation	-	-	-	1,199,550	-	341,803	-	1,541,353
Municipal Services	-	-	-	-	2,819,825	-	-	2,819,825
Non-Major Governmental	934,442	-	-	-	-	7,157	-	941,599
Water and Sewer	64,300	-	-	-	-	-	639,124	703,424
Total	$ 998,742	$ 10,281,519	$ -	$ 7,165,743	$ 16,037,330	$ 2,757,429	$ 639,124	$ 37,879,887

In addition to the interfund transfers, there were transfers out to the Constitutional Officers of $64,079,021 and transfers in from the Constitutional Officers of $3,568,728.

The purposes for these interfund transfers include transfers to: (a) Constitutional Officers; (b) match for special revenue grant requirements; (c) other funds based on budgetary requirements; and (d) funds that are required by statute or budgetary authority to expend revenues from another fund that by statute or budgetary authority must collect revenues.

Note 7 - Long-Term Obligations

Long-term debt is not recorded in the governmental funds on the accompanying financial statements; however, it will be recorded on the County-wide financial statements. Long-term debt is recorded in the proprietary funds and reflected in the accompanying financial statements. As noted in Note 16, long-term debt was paid off related to the sale of Nassau Amelia Island Utilities (NAU).

The following is a summary of changes in proprietary long-term obligations for the year ended September 30, 2025:

	Balance 10/1/24	Additions	Reductions	Balance 9/30/25	Due Within One Year
Business-Type Activities					
Bonds Payable					
(Direct Placement)	$ 4,575,000	$ -	$ (4,575,000)	$ -	$ -
Compensated Absences	35,307	-	(35,307)	-	-
Other Postemployment Benefits	77,288	-	(77,288)	-	-
Net Pension Liability	116,360	-	(116,360)	-	-
Lease Liability	13,304	-	(13,304)	-	-
Total Business-Type Activities					
Long-Term Liabilities	$ 4,817,259	$ -	$ (4,817,259)	$ -	$ -

Note 8 - Fund Balance Classification and Minimum Fund Balance Policy

The following is a summary of the Board's fund balance classifications and the purpose of each as of September 30, 2025:

Non-Spendable Fund Balance	
Prepaid Expenses	$ 2,299,978
Inventory	747,745
A/R - Dishonored Checks	651
Insurance to Allocate	3,757,722
Total Non-Spendable Fund Balance	6,806,096
Restricted Fund Balance	
General Government	126,422
General Government - Court-Related	5,825
Public Safety	1,994,079
Other Human Services	25,752
Physical Environment	8,681,587
Impact Fees	21,805,430
Law Library	113,675

Other Culture/Recreation	$	2,024,786
State Housing Initiative Program		2,168,469
Court Facilities		899,953
Criminal Justice		44,424
Tourist Development		25,155,141
Building Department		2,265,241
Transportation		14,366,328
Capital Projects		172,006
Landfill		726,835
Total Restricted Fund Balance		80,575,953
Committed Fund Balance		
General Government		9,370,383
General Government - Court-Related		82,957
Culture/Recreation		16,961,424
Physical Environment		281,171
Public Safety		8,009,011
Human Services		7,783,362
Transportation		38,670,254
Other Uses		6,279,212
Reserves		5,036,462
Total Committed Fund Balance		92,474,236
Assigned Fund Balance		
General Government		2,835,866
Public Safety		644,766
Economic Development		1,068,432
Transportation		2,162,655
Culture and Recreation		1,937,627
Court-Related		67,243
Physical Environment		526,250
Other Uses		57,029
Reserves		42,809,909
Reserves - Capital Plan		8,218,072
Total Assigned Fund Balance		60,327,849
Unassigned Fund Balance		15,123,751
Total	$	255,307,885

Minimum Fund Balance Reserve Policy

Taxing Funds

It is the goal of the County to maintain a minimum fund balance for each taxing fund at a minimum of 16.70% and not more than 20% of the total operating expenditures as reported in the previous year's audited financial statements. These funds may be used to protect the County against potential financial risk, ensure cash flow prior to receipt of budgeted revenue, for use in the event of a disaster or emergency and to protect the County's credit rating.

Emergency Fund Balance (General Fund Only)
The General Fund Emergency Fund Balance Policy is established for the purpose of providing funds for an urgent catastrophic event, major disaster (e.g. hurricane, pandemic, wildfires, terrorist attack, etc.), economic distress, uncertainty or opportunity conditions. The County's Emergency Fund Balance is established at a minimum of 10% and a maximum of 12% of the General Fund's Operating Expenditures.

Note 9 - Risk Management

The Board is exposed to various risks of loss related to legal liability; theft of, damage to, and destruction of assets; accidental death and dismemberment; and on the job injury to employees. Many of these risks are transferred through the purchase of various insurance coverage. Settled claims from these risks have not exceeded insurance coverage for the past three years.

The financial liability of the Board is limited to premiums paid and losses exceeding or not covered by insurance. The premiums are paid from various funds based on coverage required.

There has been no reduction in insurance coverages from the previous year.

Note 10 - Commitments and Contingencies

The Board is a party to a number of lawsuits and claims arising out of the normal conduct of its activities. While the results of these lawsuits and claims against the Board cannot be predicted with certainty, management does not expect that these matters will have a material adverse effect on the financial position of the County.

Note 11 - Conduit Debt Obligations

The Board has issued several series of industrial revenue bonds to furnish financial assistance to private sector entities for the acquisition and construction of industrial and commercial facilities considered to be in the public interest. The bonds are secured by the property financed and are payable solely from payments received on the underlying mortgage loans. Upon repayment of the bonds, ownership of the acquired facilities will transfer to the private sector entity served by the bond issuance. Neither the Board, the County, the state, nor any political subdivision thereof is obligated in any manner for repayment of the bonds. Accordingly, the bonds are not reported as liabilities in the accompanying financial statements.

As of September 30, 2025, there was one series of such bonds outstanding with a principal amount payable of $7,800,000. The issue amount and the September 30, 2025, outstanding balance is as follows:

Original Issuance	Year	9/30/25 Balance	Description
$ 11,150,000	2007	$ 7,800,000	AICC, Inc. and Nassau Care Centers—70 Bed Care Intermediate Care and Day Program Service Facilities

Note 12 - No Commitment Special Assessment Debt

To finance the costs of certain capital improvements benefitting property within the South Ameilia Island Shore Stabilization MSBU, the County has issued the South Amelia Island Shore Stabilization Special Assessment Bonds, Series 2021. The bonds do not constitute a debt or pledge of the faith and credit of the County, and accordingly, have not been reported in the accompanying financial statements.

At September 30, 2025, the Special Assessment Bond outstanding totaled $3,552,560.

Note 13 - Tax Abatement

Pursuant to Section 125.045, Florida Statutes and Nassau County Ordinance 2012-32, the Economic Development Grant (EDG) incentive is available for companies with the goal to facilitate the development of capital investment and high-wage jobs in Nassau County. The incentives in the tiered program include a specified grant on the Board-only portion of their ad valorem taxes for a specified period of time after meeting or exceeding a specified number/wage level of new jobs, and/or new capital investment in Nassau County. As of September 30, 2025, the only existing EDG agreement potentially material in size (fiscal year abatement >$200,000) was with LignoTech Florida, LLC (LignoTech).

During the year, LignoTech submitted applications for reimbursement for the year 2024 which were approved by the County and paid out in May 2025 in the amount of $206,595. LignoTech may receive additional tax abatements if they meet the agreement requirements in future periods.

Note 14 - East Nassau County Planning Area (ENCPA) Mobility Network

The Nassau County 2030 Comprehensive Plan includes provision for the development of the ENCPA, comprised of approximately 24,000 acres, and a related mobility fee and tax increment district, which are designed to pay for transportation improvements within the ENCPA. The ENCPA Mobility Network is funded by two fee components: 1) a fee per residential unit or square foot of commercial/industrial development; and 2) a tax increment (TIF) calculation which allocates 12% of incremental property tax revenues generated since the 2015 Base Year Valuation within the ENCPA to subsidize the cost of transportation infrastructure within the ENCPA.

Developers of property within the ENCPA may elect to construct and dedicate transportation infrastructure and right of way to the County and request reimbursement for the value of such improvements from accumulated and future accumulation of ENCPA Mobility Network funds by filing a Reservation Agreement with the County. As of the most recent study, the cost of transportation infrastructure within the ENCPA is projected to be $199.3 million. As of September 30, 2025 there were no outstanding reservation agreements that remain unpaid. In October 2025, the Board approved a reservation agreement of 3.5 million.

Note 15 - Developer Agreements

The County sometimes enters into development agreements under which real property and improvements are transferred to the County, the fair value of which is in exchange for credits against future County impact fees. The County recognizes impact fee revenue in the Statement of Activities (in the Government-Wide Financial Statements) upon title transfer of property and improvements to the County. At September 30, 2025, the County has approximately $28.4 million of impact fee credits unused and outstanding for which revenue was recognized upon receipt of property and improvements.

Note 16 - Sale of Nassau Amelia Island Utilities (NAU)

On August 20, 2025, the Board approved Resolution 2025-111 authorizing the sale of NAU. The County agreed to transfer all of the utility's assets (less $300,000 to cover the County's estimated fees and costs in consummating the sale and $974,000 for repayment of an interfund loan) to Florida Government Utility Authority (FGUA) in exchange for the payment of all outstanding NAU debt at the time of closing. The agreement allows the County to re-acquire the system 5 years after the date of closing or at a future date, with a requirement of 180 days' notice. The purchase price will be equal to the net outstanding indebtedness plus costs associated with the transfer. FGUA is required to make annual payments to the County based on 5% of the sum of FGUA's monthly operating revenue for water, wastewater, and reclaimed water service each fiscal year.

REQUIRED SUPPLEMENTARY INFORMATION

NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Taxes	$ 116,620,559	$ 116,620,559	$ 119,517,166	$ 2,896,607
Licenses and Permits	77,175	77,175	64,841	(12,334)
Intergovernmental Revenues	10,520,526	13,316,452	11,733,422	(1,583,030)
Charges for Services	2,772,364	2,772,364	4,124,881	1,352,517
Fines and Forfeitures	34,405	34,405	39,244	4,839
Interest Earnings (Loss)	850,000	862,000	4,577,607	3,715,607
Miscellaneous	1,053,064	1,210,666	1,649,828	439,162
Total Revenues	131,928,093	134,893,621	141,706,989	6,813,368
Expenditures				
Current:				
General Government Services	17,930,260	21,170,915	16,248,799	4,922,116
Public Safety	22,245,008	24,342,750	22,151,976	2,190,774
Physical Environment	3,387,931	4,090,332	2,901,772	1,188,560
Economic Environment	1,184,055	1,256,205	830,344	425,861
Human Services	3,298,707	3,318,529	3,204,010	114,519
Culture and Recreation	4,780,039	6,536,648	4,084,414	2,452,234
Court-Related Expenditures	1,280,251	2,261,565	1,559,631	701,934
Capital Outlay	5,098,343	20,611,637	8,244,988	12,366,649
Debt Service:				
Principal Retirement	174,931	174,931	525,548	(350,617)
Interest and Fiscal Charges	86,380	86,380	104,099	(17,719)
(Total Expenditures)	59,465,905	83,849,892	59,855,581	23,994,311
Excess (Deficiency) of Revenues Over (Under) Expenditures	72,462,188	51,043,729	81,851,408	30,807,679
Other Financing Sources (Uses)				
Transfers from Constitutional Officers	500,000	500,000	3,209,250	2,709,250
Transfers to Constitutional Officers	(58,407,626)	(60,394,146)	(58,919,657)	1,474,489
Transfers in	893,802	1,004,742	998,742	(6,000)
Transfers (out)	(13,337,850)	(31,873,686)	(31,873,686)	-
Leases (Lessee)	-	-	575,601	575,601
Sale of Capital Assets	-	-	11,677	11,677
Total Other Financing Sources (Uses)	(70,351,674)	(90,763,090)	(85,998,073)	4,765,017
Net Change in Fund Balances	2,110,514	(39,719,361)	(4,146,665)	35,572,696
Fund Balances at Beginning of Year	63,010,735	75,774,709	76,432,361	657,652
Fund Balances at End of Year	$ 65,121,249	$ 36,055,348	$ 72,285,696	$ 36,230,348

NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - COUNTY TRANSPORTATION FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Taxes	$ 12,104,722	$ 12,104,722	$ 12,370,274	$ 265,552
Intergovernmental Revenues	2,774,020	2,929,874	2,214,891	(714,983)
Charges for Services	-	-	28,055	28,055
Fine and Forfeitures	-	-	4,811	4,811
Interest Earnings	100,000	100,000	939,456	839,456
Miscellaneous	135,963	135,963	230,451	94,488
Total Revenues	15,114,705	15,270,559	15,787,938	517,379
Expenditures				
Current:				
General Government	75,000	69,533	4,521	65,012
Transportation	21,498,618	26,712,709	20,130,471	6,582,238
Capital Outlay	2,668,481	4,583,006	2,867,776	1,715,230
(Total Expenditures)	24,242,099	31,365,248	23,002,768	8,362,480
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,127,394)	(16,094,689)	(7,214,830)	8,879,859
Other Financing Sources (Uses)				
Transfers from Constitutional Officers	-	-	44,780	44,780
Transfers to Constitutional Officers	(174,125)	(174,218)	(174,218)	-
Transfers in	9,551,519	10,301,519	10,281,519	(20,000)
Transfers (out)	(250,000)	(1,541,353)	(1,541,353)	-
Sale of General Capital Assets	-	-	278,092	278,092
Total Other Financing Sources (Uses)	9,127,394	8,585,948	8,888,820	302,872
Net Change in Fund Balances	-	(7,508,741)	1,673,990	9,182,731
Fund Balances at Beginning of Year	14,231,191	15,933,912	16,076,292	142,380
Fund Balances at End of Year	$ 14,231,191	$ 8,425,171	$ 17,750,282	$ 9,325,111

NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL - MUNICIPAL SERVICES FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Taxes	$ 25,510,429	$ 25,510,429	$ 25,826,832	$ 316,403
Licenses and Permits	562,003	545,463	685,983	140,520
Intergovernmental Revenues	2,606,659	2,606,659	1,494,664	(1,111,995)
Charges for Services	1,236,922	1,236,922	1,055,128	(181,794)
Fines and Forfeitures	3,015	3,015	22,983	19,968
Interest Earnings	200,000	200,000	1,174,736	974,736
Miscellaneous	900	73,088	133,977	60,889
Total Revenues	30,119,928	30,175,576	30,394,303	218,727
Expenditures				
Current:				
General Government Services	3,180,383	6,323,737	3,710,578	2,613,159
Public Safety	16,364,467	16,779,498	16,265,918	513,580
Transportation	-	-	-	-
Economic Environment	122,682	122,682	43,941	78,741
Human Services	2,541,799	2,672,850	2,342,756	330,094
Capital Outlay	3,697,213	9,824,806	4,388,296	5,436,510
Debt Service:				
Principal Retirement	-	216,711	224,329	(7,618)
Interest and Fiscal Charges	-	11,084	11,787	(703)
(Total Expenditures)	25,906,544	35,951,368	26,987,605	8,963,763
Excess (Deficiency) of Revenues Over (Under) Expenditures	4,213,384	(5,775,792)	3,406,698	9,182,490
Other Financing Sources (Uses)				
Transfers from Constitutional Officers	40,000	40,000	178,112	138,112
Transfers to Constitutional Officers	(3,305,562)	(3,306,050)	(3,303,606)	2,444
Transfers (out)	-	(2,819,825)	(2,819,825)	-
Financed Purchase	-	1,083,556	1,083,556	-
Total Other Financing Sources (Uses)	(3,265,562)	(5,002,319)	(4,858,017)	144,302
Net Change in Fund Balances	947,822	(10,778,111)	(1,451,319)	9,326,792
Fund Balances at Beginning of Year	15,429,179	18,080,525	19,983,918	1,903,393
Fund Balances at End of Year	$ 16,377,001	$ 7,302,414	$ 18,532,599	$ 11,230,185

NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS
NOTE TO SCHEDULES OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Budgets and Budgetary Accounting

Budgets were adopted by the Nassau County, Florida Board of County Commissioners (the Board) for all Board funds. The Tax Collector and the Property Appraiser adopt budgets independently of the Board. The Sheriff, the Supervisor of Elections, and the Clerk of the Circuit Court (to the extent of his function as ex officio Clerk of the Board and amounts above his fee structure as Clerk of the Circuit Court) prepare budgets for their general operations, which are submitted to and approved by the Board.

Chapter 129, Florida Statutes, provides that it is unlawful to make expenditures that exceed the total amount budgeted for each fund. The Board adopted a level of control within a major expenditure category (personal services, operating, and capital) and within a department. Chapter 129, Florida Statutes, also governs the manner in which the budget may be legally amended once it is approved. Intrafund budget transfers within a major expenditure category and within a department may be initiated by department director or authorized designee, the County Manager or the Budget Officer and approved by the Budget Officer or designee up to $100,000. Transfers of this nature in excess of $100,000 require Board approval. Intrafund budget transfers within the same fund may be initiated by the department director or authorized designee, the County Manager or the Budget Officer, and approved by the Budget Officer or designee up to $100,000. Transfers of this nature in excess of $100,000 require Board approval. Intrafund budget transfers from reserves in the General Fund, County Transportation Fund, and Municipal Fund require the Budget Officer, County Manager, and Board approval. Transfers from reserves in the other governmental funds may be approved up to $25,000 by the Budget Officer and approved by the County Manager. Transfers of this nature in excess of $25,000 require Board approval. Budget Amendments must be approved by the Budget Officer, County Manager, and the Board. Budget Amendments shall be in accordance with the advertising and public hearing requirements set forth in Florida Statute 129.

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed by the Board as an extension of the statutorily required budgetary process under Florida Statutes. The Board maintained a computerized encumbrance system, which is a part of the computerized accounting system. All appropriations lapse at year-end, except those that the Board intends to honor.

Budgets are adopted on the modified accrual basis of accounting, which is consistent with accounting principles generally accepted in the United States of America (GAAP). The only exception to the GAAP basis is in the enterprise funds where depreciation, amortization of bond costs, and change in post-closure costs are not budgeted; while capital outlay expenditures are budgeted and are reclassified into capital assets. These are then eliminated from the results of operations for financial reporting purposes in the enterprise funds.

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

NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS
NOTE TO SCHEDULES OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED SEPTEMBER 30, 2025

If during the fiscal year, additional revenues become available for appropriations in excess of those estimated in the budget, the Board, by resolution, may make supplemental appropriations for the year up to the amount of such excess. During the fiscal year ended September 30, 2025, various supplemental appropriations were approved by the Board in accordance with Florida Statutes. The following funds received supplemental appropriations during the year ended September 30, 2025:

Governmental Funds	
General Fund	$ 15,833,047
Special Revenue Funds	7,863,463
Capital Projects Funds	46,130,008
Total	$ 69,826,518

SUPPLEMENTARY INFORMATION

COMBINING NON-MAJOR GOVERNMENTAL FUNDS

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Special revenue funds are used to account for revenues derived from specific sources to be used for specific types of activities.

- **Law Enforcement Training**—to account for criminal justice education degree programs and training courses. Financing is provided by the imposition of a court cost surcharge.
- **Sheriff Donations—**to account for law enforcement projects funded with donations.
- **Law Enforcement Trust**—to account for law enforcement-related projects funded by the proceeds from confiscated property forfeitures.
- **Nassau County Anti-Drug Enforcement**—to account for activities associated with the Nassau County, Florida's (the County) drug enforcement and drug education programs. Financing is provided principally by Federal drug grants.
- **Court Facility Fees**—to account for the operation and maintenance of the County court facilities. Financing is provided by a court service charge.
- **Law Library Trust**—to account for the costs associated with furnishing and maintaining the County's law library. Funding is provided from a surcharge on civil court filings.
- **Criminal Justice Trust**—to account for the reimbursement of expenditures incurred by the County in providing for the services of the State Attorney and Public Defender. Funding is provided by a surcharge on felony, misdemeanor, and criminal traffic cases.
- **Legal Aid Trust**—to account for expenditures incurred in providing legal aid to the County residents. Funding is provided for by a service charge on the filing of circuit and county civil court proceedings.
- **Special Drug/Alcohol Rehabilitation**—to account for expenditures associated with the County's drug and alcohol rehabilitative programs. Funding is provided by a fine imposed for alcohol/drug-related offenses.
- **Drivers Ed Safety Trust**—to account for driver education programs in public and non-public schools. Funding is provided by a surcharge on civil traffic penalties.
- **911 Operations and Maintenance**—to account for the expenditures associated with providing a uniform addressing system for 911 equipment. Funding is principally provided from telephone user charges.
- **EMS County Awards HRS**—to account for expenditures associated with EMS prehospital care. Funding is provided by Florida State grants.
- **Amelia Island Beach Renourishment**—to account for beach renourishment, restoration, erosion control, and storm protection projects outside the South Amelia Island Shore Stabilization MSBU boundaries.
- **Amelia Island Tourist Development**—to account for revenues and expenditures relating to development of tourism in the County through the assessment of a tourist tax.
- **South Amelia Island Shore Stabilization MSBU 2021—**to account for revenues and expenditures relating to the Amelia Island Beach Restoration, local improvement, and maintenance costs.
- **Local Affordable Housing Trust (SHIP)**—to account for funds received from the State to be used to assist eligible low-income individuals to buy or construct new housing or rehabilitate older homes.

NON-MAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

- **South Amelia Island Shore Stabilization MSBU 2011**—to account for revenues and expenditures relating to the Amelia Island Beach Restoration, local improvement, and maintenance cost.
- **Building Department**—to account for funds received for various fees charged to be used to fund the building, zoning, and planning department.
- **Amelia Concourse MSBU**—to account for funds received from the Amelia Concourse assessment allocated to the administrative charges associated with the levy of the special assessments.
- **Firefighter Education Trust**—to account for surcharges on civil penalties for non-criminal, non-moving traffic violations of Section 316.1945(1)(b)(2) or (5), Florida Statutes.
- **F.S. Special Revenues Fund**—to account for State/other restricted revenues from general revenues.
- **Imagine Nassau—**to account for the activity of Imagine Nassau, Inc., a not-for-profit corporation which its primary purpose is to work directly with the County to foster charitable and educational activities in the County through fundraising.

Debt Service Funds

Debt service funds are used to account for the accumulation of resources for, and the payment of, long-term debt principal and interest.

- **Optional Gas Tax 2000**—to account for debt service requirements to retire the local option gas tax revenue bonds, Series 2000, dated September 12, 2000. The bonds are payable solely from and secured by a lien upon and a pledge of the County's local option gas tax. The bonds mature on March 1, 2025.
- **County Complex**—to account for debt service requirements to retire the public improvement revenue bonds, Series 2001, of the County, dated May 1, 2001, and Series 2007, of the County, dated June 1, 2007. The bonds are payable solely from non ad valorem budgeted revenues. The bonds mature on May 2031.

Capital Projects Funds

The capital projects funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds and trust funds.

- **36 MB NC Mobility Fee Fund**—is used to account for the construction or improving of the County Transportation System. Funding is provided from fees on new construction within specific mobility zones.
- **365 County Complex**—to account for the development of County building projects at the County Complex. Financing for the completed Courthouse Annex and Detention Center was primarily provided by the 2001 Public Improvement Revenue Bonds.
- **36 EN ENCPA Mobility Network Fund**—to account for the construction or improvement of the County Transportation System within the East Nassau Community Planning Area. Funding is provided from the collection of mobility fees from development within the ENCPA and through tax incremental revenues.
- **Capital Projects – Impact Fees**—to account for the County's expenditures associated with capital expansion. Funding is provided from fees on new construction.
- **Comprehensive Impact Fee Ordinance Fund**—to account for the County's expenditures associated with capital expansions. Funding is provided from impact fees on new construction.

NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS
COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	Special Revenue Funds		
	Law Enforcement Training	**Sheriff Donations**	**Law Enforcement Trust**
Assets			
Cash and Cash Equivalents	$ 274,959	$ 3,288	$ 382,808
Equity in Pooled Investments	-	-	52,511
Accounts Receivable	-	-	-
Loans Receivable			
(Net of Allowance for Uncollectibles)	-	-	-
Prepaids	-	-	-
Due from Constitutional Officers	1,491	-	-
Due from Other Governments	-	-	-
Total Assets	276,450	3,288	435,319
Liabilities and Deferred Inflows of Resources and Fund Balance			
Liabilities			
Accounts Payable	-	-	-
Retainage Payable	-	-	-
Due to Other Funds	-	-	-
Due to Other Governments	-	-	-
Deposits	-	-	-
Total Liabilities	-	-	-
Deferred Inflows of Resources	-	-	-
Fund Balances			
Non-Spendable	-	-	-
Restricted	276,450	3,288	435,319
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total Fund Balances	276,450	3,288	435,319
Total Liabilities and Deferred Inflows of Resources and Fund Balances	$ 276,450	$ 3,288	$ 435,319

Special Revenue Funds

Nassau County Anti-Drug Enforcement	Court Facility Fees	Law Library Trust	Criminal Justice Trust	Legal Aid Trust	Special Drug/Alcohol Rehabilitation	Drivers Ed Safety Trust
$ 17,367	$ 879,009	$ 112,586	$ 45,852	$ 24,542	$ (137)	$ 21,162
-	10,126	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
100	10,819	1,219	2,437	1,219	137	1,812
48,493	-	-	-	-	-	-
65,960	899,954	113,805	48,289	25,761	-	22,974
18,093	-	-	2,587	25,761	-	-
-	-	-	-	-	-	-
-	-	130	1,279	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
18,093	-	130	3,866	25,761	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
47,867	899,954	113,675	44,423	-	-	22,974
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
47,867	899,954	113,675	44,423	-	-	22,974
$ 65,960	$ 899,954	$ 113,805	$ 48,289	$ 25,761	$ -	$ 22,974

NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS
COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	Special Revenue Funds		
	911 Operations and Maintenance	EMS County Awards HRS	Amelia Island Beach Renourishment
Assets			
Cash and Cash Equivalents	$ 753,590	$ 6,305	$ 1,270,325
Equity in Pooled Investments	-	-	2,558,513
Accounts Receivable	-	-	-
Loans Receivable			
(Net of Allowance for Uncollectibles)	-	-	-
Prepaids	-	-	-
Due from Constitutional Officers	128,017	-	3,423
Due from Other Governments	50,244	-	-
Total Assets	931,851	6,305	3,832,261
Liabilities and Deferred Inflows of Resources and Fund Balance			
Liabilities			
Accounts Payable	42,565	-	-
Retainage Payable	-	-	-
Due to Other Funds	-	-	-
Due to Other Governments	-	-	-
Deposits	-	-	-
Total Liabilities	42,565	-	-
Deferred Inflows of Resources	-	6,305	-
Fund Balances			
Non-Spendable	-	-	-
Restricted	889,286	-	3,832,261
Committed	-	-	-
Assigned	-	-	-
Unassigned	-	-	-
Total Fund Balances	889,286	-	3,832,261
Total Liabilities and Deferred Inflows of Resources and Fund Balances	$ 931,851	$ 6,305	$ 3,832,261

Special Revenue Funds					
Amelia Island Tourist Development	**South Amelia Island Shore Stabilization MSBU - 2021**	**Local Affordable Housing Trust (SHIP)**	**South Amelia Island Shore Stabilization MSBU - 2011**	**Building Department**	**Amelia Concourse MSBU**
$ 3,666,784	$ 422,115	$ 2,366,728	$ 608,196	$ 1,646,661	$ 1,087,048
22,380,157	35,270	-	-	1,006,606	-
32,294	-	-	-	-	-
-	-	16,000	-	-	-
268,033	-	-	-	4,394	-
-	-	-	-	-	957
-	-	-	-	-	-
26,347,268	457,385	2,382,728	608,196	2,657,661	1,088,005
924,095	-	198,260	28,746	44,130	21,933
-	-	-	-	-	-
-	-	-	-	67,975	-
-	-	-	-	222	-
-	-	-	-	275,697	-
924,095	-	198,260	28,746	388,024	21,933
-	-	16,000	-	-	-
268,033	-	-	-	4,394	-
25,155,140	457,385	2,168,468	579,450	2,265,243	1,066,072
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
25,423,173	457,385	2,168,468	579,450	2,269,637	1,066,072
$ 26,347,268	$ 457,385	$ 2,382,728	$ 608,196	$ 2,657,661	$ 1,088,005

NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS
COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	Special Revenue Funds			
	Firefighter Education Trust	F.S. Special Revenues Fund	Imagine Nassau	Total Special Revenue Funds
Assets				
Cash and Cash Equivalents	$ 3	$ 1,921,526	$ 4,055	$ 15,514,772
Equity in Pooled Investments	-	-	-	26,043,183
Accounts Receivable	-	-	-	32,294
Loans Receivable				-
(Net of Allowance for Uncollectibles)	-	-	-	16,000
Prepaids	-	-	-	272,427
Due from Constitutional Officers	-	23,682	-	175,313
Due from Other Governments	-	260	-	98,997
Total Assets	3	1,945,468	4,055	42,152,986
Liabilities and Deferred Inflows of Resources and Fund Balance				
Liabilities				
Accounts Payable	-	4,268	-	1,310,438
Retainage Payable	-	-	-	-
Due to Other Funds	-	2,077	-	71,461
Due to Other Governments	-	-	-	222
Deposits	-	-	-	275,697
Total Liabilities	-	6,345	-	1,657,818
Deferred Inflows of Resources	-	-	-	22,305
Fund Balances				
Non-Spendable	-	-	-	272,427
Restricted	-	1,939,123	-	40,196,378
Committed	3	-	4,055	4,058
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	3	1,939,123	4,055	40,472,863
Total Liabilities and Deferred Inflows of Resources and Fund Balances	$ 3	$ 1,945,468	$ 4,055	$ 42,152,986

Debt Service Funds			Capital Projects Funds		
Optional Gas Tax 2000	**County Complex**	**Total Debt Service Funds**	**36MB NC Mobility Fee Fund**	**365 County Complex**	**36EN ENCPA Mobility Network Fund**
$ 1,382,334	$ -	$ 1,382,334	$ 12,755,793	$ -	$ 1,356,213
114,434	-	114,434	222,614	-	-
-	-	-	26,708	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,496,768	-	1,496,768	13,005,115	-	1,356,213
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	13,005,115	-	1,356,213
1,496,768	-	1,496,768	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,496,768	-	1,496,768	13,005,115	-	1,356,213
$ 1,496,768	$ -	$ 1,496,768	$ 13,005,115	$ -	$ 1,356,213

NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS
COMBINING BALANCE SHEET - NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	Capital Projects Funds			
	Capital Projects Impact Fees	**Comprehensive Impact Fee Ordinance**	**Total Capital Project Funds**	**Total Non-Major Governmental Funds**
Assets				
Cash and Cash Equivalents	$ 1,850,094	$ 2,496,908	$ 18,459,008	$ 35,356,114
Equity in Pooled Investments	-	17,744,597	17,967,211	44,124,828
Accounts Receivable	-	-	26,708	59,002
Loans Receivable				
(Net of Allowance for Uncollectibles)	-	-	-	16,000
Prepaids	-	-	-	272,427
Due from Constitutional Officers	-	-	-	175,313
Due from Other Governments	-	-	-	98,997
Total Assets	1,850,094	20,241,505	36,452,927	80,102,681
Liabilities and Deferred Inflows of Resources and Fund Balance				
Liabilities				
Accounts Payable	5,915	176,222	182,137	1,492,575
Retainage Payable	-	104,032	104,032	104,032
Due to Other Funds	-	-	-	71,461
Due to Other Governments	-	-	-	222
Deposits	-	-	-	275,697
Total Liabilities	5,915	280,254	286,169	1,943,987
Deferred Inflows of Resources	-	-	-	22,305
Fund Balances				
Non-Spendable	-	-	-	272,427
Restricted	1,844,179	19,961,251	36,166,758	76,363,136
Committed	-	-	-	1,500,826
Assigned	-	-	-	-
Unassigned	-	-	-	-
Total Fund Balances	1,844,179	19,961,251	36,166,758	78,136,389
Total Liabilities and Deferred Inflows of Resources and Fund Balances	$ 1,850,094	$ 20,241,505	$ 36,452,927	$ 80,102,681

NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Special Revenue Funds		
	Law Enforcement Training	**Sheriff Donations**	**Law Enforcement Trust**
Revenues			
Taxes	$ -	$ -	$ -
Licenses and Permits	-	-	-
Intergovernmental Revenues	-	-	88,546
Charges for Services	8,499	-	-
Fines and Forfeitures	8,876	-	38,018
Investment Earnings (Loss)	5,073	63	9,350
Miscellaneous	-	-	2,766
Total Revenues	22,448	63	138,680
Expenditures			
Current:			
General Government Services	-	-	-
Public Safety	-	-	-
Physical Environment	-	-	-
Transportation	-	-	-
Economic Environment	-	-	-
Human Services	-	-	-
Culture and Recreation	-	-	-
Court-Related Expenditures	-	-	-
Capital Outlay	-	-	-
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
(Total Expenditures)	-	-	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	22,448	63	138,680
Other Financing Sources (Uses)			
Transfers from Constitutional Officers	-	-	-
Transfers to Constitutional Officers	-	-	(301,629)
Transfers in	-	-	-
Transfers (out)	-	-	-
Total Other Financing Sources (Uses)	-	-	(301,629)
Net Change in Fund Balances	22,448	63	(162,949)
Fund Balances at Beginning of Year	254,002	3,225	598,268
Fund Balances at End of Year	$ 276,450	$ 3,288	$ 435,319

Special Revenue Funds						
Nassau County Anti-Drug Enforcement	**Court Facility Fees**	**Law Library Trust**	**Criminal Justice Trust**	**Legal Aid Trust**	**Special Drug/Alcohol Rehabilitation**	**Drivers Ed Safety Trust**
$ -	$ -	$ -	$ -	$ -	$ -	$ -
-	-	-	-	-	-	-
48,493	85,718	-	-	-	-	-
-	136,920	16,574	33,148	16,574	2,540	-
1,483	-	-	-	-	-	22,721
897	18,134	2,220	1,196	-	-	252
-	4	-	-	-	-	-
50,873	240,776	18,794	34,344	16,574	2,540	22,973
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	103,043	2,540	30,007
-	-	-	-	-	-	-
-	35,688	9,862	78,222	-	-	-
-	21,978	-	-	-	-	-
-	-	-	-	-	-	-
-	-	-	-	-	-	-
-	57,666	9,862	78,222	103,043	2,540	30,007
50,873	183,110	8,932	(43,878)	(86,469)	-	(7,034)
-	-	-	-	-	-	-
(48,493)	-	-	-	-	-	-
-	-	-	7,157	86,469	-	-
-	-	(7,157)	-	-	-	-
(48,493)	-	(7,157)	7,157	86,469	-	-
2,380	183,110	1,775	(36,721)	-	-	(7,034)
45,487	716,844	111,900	81,144	-	-	30,008
$ 47,867	$ 899,954	$ 113,675	$ 44,423	$ -	$ -	$ 22,974

NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Special Revenue Funds		
	911 Operations and Maintenance	**EMS County Awards HRS**	**Amelia Island Beach Renourishment**
Revenues			
Taxes	$ -	$ -	$ 623,565
Licenses and Permits	-	-	-
Intergovernmental Revenues	133,906	-	-
Charges for Services	580,095	-	-
Fines and Forfeitures	-	-	-
Investment Earnings (Loss)	18,402	-	146,931
Miscellaneous	-	-	12,840
Total Revenues	732,403	-	783,336
Expenditures			
Current:			
General Government Services	-	-	-
Public Safety	67,375	-	-
Physical Environment	-	-	52,266
Transportation	-	-	-
Economic Environment	-	-	-
Human Services	-	-	-
Culture and Recreation	-	-	-
Court-Related Expenditures	-	-	-
Capital Outlay	219,182	-	-
Debt Service:			
Principal Retirement	-	-	-
Interest and Fiscal Charges	-	-	-
(Total Expenditures)	286,557	-	52,266
Excess (Deficiency) of Revenues Over (Under) Expenditures	445,846	-	731,070
Other Financing Sources (Uses)			
Transfers from Constitutional Officers	128,017	-	3,423
Transfers to Constitutional Officers	(562,295)	-	(12,396)
Transfers in	-	-	-
Transfers (out)	-	-	-
Total Other Financing Sources (Uses)	(434,278)	-	(8,973)
Net Change in Fund Balances	11,568	-	722,097
Fund Balances at Beginning of Year	877,718	-	3,110,164
Fund Balances at End of Year	$ 889,286	$ -	$ 3,832,261

Special Revenue Funds					
Amelia Island Tourist Development	**South Amelia Island Shore Stabilization MSBU - 2021**	**Local Affordable Housing Trust (SHIP)**	**South Amelia Island Shore Stabilization MSBU - 2011**	**Building Department**	**Amelia Concourse MSBU**
$ 11,976,489	$ -	$ -	$ -	$ -	$ -
-	-	-	289,223	2,975,307	173,511
-	155,454	846,959	-	-	-
-	-	-	-	31,115	-
-	-	-	-	-	-
1,002,120	7,623	52,632	13,317	120,793	28,575
37,860	-	-	-	18,539	-
13,016,469	163,077	899,591	302,540	3,145,754	202,086
-	-	-	-	2,820,344	-
-	-	-	-	622,034	-
493,267	-	-	260,848	-	155,529
-	-	-	-	-	-
9,649,665	-	1,290,653	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
250,217	-	-	-	-	-
-	-	-	-	127,472	-
-	-	-	-	14,725	-
10,393,149	-	1,290,653	260,848	3,584,575	155,529
2,623,320	163,077	(391,062)	41,692	(438,821)	46,557
-	-	-	-	-	-
(361,084)	-	-	(13,305)	-	(7,710)
-	-	-	-	-	-
-	-	-	-	(811,502)	-
(361,084)	-	-	(13,305)	(811,502)	(7,710)
2,262,236	163,077	(391,062)	28,387	(1,250,323)	38,847
23,160,937	294,308	2,559,530	551,063	3,519,960	1,027,225
$ 25,423,173	$ 457,385	$ 2,168,468	$ 579,450	$ 2,269,637	$ 1,066,072

NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Special Revenue Funds			
	Firefighter Education Trust	**F.S. Special Revenues Fund**	**Imagine Nassau**	**Total Special Revenue Funds**
Revenues				
Taxes	$ -	$ -	$ -	$ 12,600,054
Licenses and Permits	-	-	-	3,438,041
Intergovernmental Revenues	-	34,488	-	1,393,564
Charges for Services	-	211,704	-	1,037,169
Fines and Forfeitures	-	38,246	-	109,344
Investment Earnings (Loss)	-	37,479	-	1,465,057
Miscellaneous	-	(2)	4,055	76,062
Total Revenues	-	321,915	4,055	20,119,291
Expenditures				
Current:				
General Government Services	-	-	-	2,820,344
Public Safety	-	44,310	-	733,719
Physical Environment	-	-	-	961,910
Transportation	-	-	-	-
Economic Environment	-	-	-	10,940,318
Human Services	-	-	-	135,590
Culture and Recreation	-	7,004	-	7,004
Court-Related Expenditures	-	166,140	-	289,912
Capital Outlay	-	99,730	-	591,107
Debt Service:				
Principal Retirement	-	5,747	-	133,219
Interest and Fiscal Charges	-	805	-	15,530
(Total Expenditures)	-	323,736	-	16,628,653
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(1,821)	4,055	3,490,638
Other Financing Sources (Uses)				
Transfers from Constitutional Officers	-	-	-	131,440
Transfers to Constitutional Officers	-	-	-	(1,306,912)
Transfers in	-	-	-	93,626
Transfers (out)	-	-	-	(818,659)
Total Other Financing Sources (Uses)	-	-	-	(1,900,505)
Net Change in Fund Balances	-	(1,821)	4,055	1,590,133
Fund Balances at Beginning of Year	3	1,940,944	-	38,882,730
Fund Balances at End of Year	$ 3	$ 1,939,123	$ 4,055	$ 40,472,863

Debt Service Funds			Capital Projects Funds		
Optional Gas Tax 2000	County Complex	Total Debt Service Funds	36MB NC Mobility Fee Fund	365 County Complex	36EN ENCPA Mobility Network Fund
$ 906,470	$ -	$ 906,470	$ -	$ -	$ -
-	-	-	2,904,924	-	1,073,278
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
39,048	-	39,048	284,089	869	26,351
-	-	-	-	-	-
945,518	-	945,518	3,189,013	869	1,099,629
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	102,674	-	54,728
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	2,048,128
232,697	1,650,000	1,882,697	-	-	-
712,820	672,000	1,384,820	-	-	-
945,517	2,322,000	3,267,517	102,674	-	2,102,856
1	(2,322,000)	(2,321,999)	3,086,339	869	(1,003,227)
-	-	-	-	-	-
-	-	-	-	-	-
-	2,322,000	2,322,000	-	-	341,803
-	-	-	-	(122,940)	-
-	2,322,000	2,322,000	-	(122,940)	341,803
1	-	1	3,086,339	(122,071)	(661,424)
1,496,767	-	1,496,767	9,918,776	122,071	2,017,637
$ 1,496,768	$ -	$ 1,496,768	$ 13,005,115	$ -	$ 1,356,213

NASSAU COUNTY BOARD OF COUNTY COMMISSIONERS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Capital Projects Funds			
	Capital Projects Impact Fees	**Comprehensive Impact Fee Ordinance**	**Total Capital Project Funds**	**Total Non-Major Governmental Funds**
Revenues				
Taxes	$ -	$ -	$ -	$ 13,506,524
Licenses and Permits	-	3,069,626	7,047,828	10,485,869
Intergovernmental Revenues	-	-	-	1,393,564
Charges for Services	-	-	-	1,037,169
Fines and Forfeitures	-	-	-	109,344
Investment Earnings (Loss)	-	1,118,547	1,429,856	2,933,961
Miscellaneous	-	(1)	(1)	76,061
Total Revenues	-	4,188,172	8,477,683	29,542,492
Expenditures				
Current:				
General Government Services	-	10,582	10,582	2,830,926
Public Safety	-	7,399	7,399	741,118
Physical Environment	-	-	-	961,910
Transportation	-	-	157,402	157,402
Economic Environment	-	-	-	10,940,318
Human Services	-	-	-	135,590
Culture and Recreation	-	20,783	20,783	27,787
Court-Related Expenditures	-	-	-	289,912
Capital Outlay	358,746	3,472,032	5,878,906	6,470,013
Debt Service:				
Principal Retirement	-	-	-	2,015,916
Interest and Fiscal Charges	-	-	-	1,400,350
(Total Expenditures)	358,746	3,510,796	6,075,072	25,971,242
Excess (Deficiency) of Revenues Over (Under) Expenditures	(358,746)	677,376	2,402,611	3,571,250
Other Financing Sources (Uses)				
Transfers from Constitutional Officers	-	-	-	131,440
Transfers to Constitutional Officers	-	-	-	(1,306,912)
Transfers in	-	-	341,803	2,757,429
Transfers (out)	-	-	(122,940)	(941,599)
Total Other Financing Sources (Uses)	-	-	218,863	640,358
Net Change in Fund Balances	(358,746)	677,376	2,621,474	4,211,608
Fund Balances at Beginning of Year	2,202,925	19,283,875	33,545,284	73,924,781
Fund Balances at End of Year	$ 1,844,179	$ 19,961,251	$ 36,166,758	$ 78,136,389

OTHER INFORMATION

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

The Honorable Board of County Commissioners
Nassau 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 Nassau County Board of County Commissioners, Nassau County, Florida (the Board) as of and for the year ended September 30, 2025, and the related notes to the financial statements, and have issued our report thereon dated March 13, 2026.

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

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

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

The Honorable Board of County Commissioners
Nassau County, Florida

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*

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Board's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of non-compliance 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 Board'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 Board's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Purvis Gray

March 13, 2026
Gainesville, Florida

INDEPENDENT ACCOUNTANT'S REPORT ON
COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Board of County Commissioners
Nassau County, Florida

We have examined the Nassau County Board of County Commissioners', Nassau County, Florida (the Board) compliance with Section 218.415, Florida Statutes, as of and for the year ended September 30, 2025, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the Board's compliance with those requirements. Our responsibility is to express an opinion on the Board'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 Board complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Board complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material non-compliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

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

In our opinion, the Board 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 Legislative Auditing Committee, members of the Florida Senate and Florida House of Representatives, the Florida Auditor General, federal, state or other granting agencies, the Board of County Commissioners and management, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

March 13, 2026
Gainesville, Florida

MANAGEMENT LETTER

The Honorable Board of County Commissioners
Nassau County, Florida

Report on the Financial Statements
We have audited the financial statements of the Nassau County Board of County Commissioners, Nassau County, Florida (the Board) as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated March 13, 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 the American Institute of Certified Public Accountants *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated March 13, 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. Corrective actions have been taken to address 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 Board was established by the Constitution of the State of Florida, Article VIII, Section 1(d). The Board includes component units as described in Note 1 of 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.

The Honorable Board of County Commissioners
Nassau County, Florida

MANAGEMENT LETTER

Special District Component Units

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

Specific Information

The specific information below has not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on it. As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, *Rules of the Auditor General*, the American Beach Water and Sewer District reported:

a. The total number of Board employees compensated in the last pay period of the Board's fiscal year as 0.
b. The total number of independent contractors to whom non-employee compensation was paid in the last month of the Board's fiscal year as 0.
c. All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency as $0.
d. All compensation earned by or awarded to non-employee independent contractors, whether paid or accrued, regardless of contingency as $0.
e. Each construction project with a total cost of at least $65,000 approved by the Board that is scheduled to begin on or after October 1 of the fiscal year being reported, together with the total expenditures for such project as:

Main Improvement Project	$ 429,036
Sewer Improvement Project	$ 45,157

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 Board amends a final adopted budget under Section 189.016(6), Florida Statutes is $1,902,542.

The Nassau County Housing Finance Authority and the Recreation and Water Conservation and Control District No. 1 had no employees or financial activity.

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General,* requires us to communicate non-compliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that have occurred, or are likely to have occurred, that has an effect on the financial statements that is less than material but more than inconsequential. In connection with our audit, we did not have any such findings.

The Honorable Board of County Commissioners
Nassau County, Florida

MANAGEMENT LETTER

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 Florida House of Representatives, the Florida Auditor General, federal, state or other granting agencies, the Board of County Commissioners and management, and is not intended to be, and should not be, used by anyone other than these specified parties.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of our audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Purvis Gray

March 13, 2026
Gainesville, Florida

CLERK OF THE
CIRCUIT COURT

2025

Nassau County Clerk of the Circuit Court
Nassau County, Florida

Financial Statements and Independent Auditor's Report

September 30, 2025

PURVIS GRAY
CERTIFIED PUBLIC ACCOUNTANTS

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

NASSAU COUNTY CLERK OF THE CIRCUIT COURT
NASSAU COUNTY, FLORIDA

SEPTEMBER 30, 2025

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mitch L. Keiter
Nassau County Clerk of the Circuit Court
Nassau County, Florida

Report on the Financial Statements

Opinions
We have audited the financial statements of each major fund and the aggregate remaining fund information of the Nassau County, Florida Clerk of the Circuit Court (the Clerk) as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Clerk's 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, and the respective budgetary comparison for each major fund for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

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

Emphasis of Matter

Incomplete 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 the *Rules of the Auditor General* of the State of Florida (the Rules). In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, and the aggregate remaining fund information, only for that portion of the major funds, and the aggregate remaining fund information, of Nassau County, Florida that is attributable to the Clerk. They do not purport to, and do not, present

INDEPENDENT AUDITOR'S REPORT

fairly the financial position of Nassau County, Florida as of September 30, 2025, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to these matters.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS 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, individually or in the aggregate, they could reasonably be expected to influence the judgment made by a reasonable user made on the basis of these financial statements.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to these 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.

INDEPENDENT AUDITOR'S REPORT

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

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

Supplementary Information

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 3, 2026, on our consideration of the Clerk's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clerk's internal control over financial reporting and compliance.

Purvis Gray

February 3, 2026
Gainesville, Florida

FINANCIAL STATEMENTS

NASSAU COUNTY CLERK OF THE CIRCUIT COURT
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	Major Funds				Non-Major Fund	
	General Fund	Court Fund	Public Records Modernization Trust Fund	Child Support Fund	Jury Services	Total Governmental Funds
Assets						
Cash	$ 235,767	$ 289,957	$ 1,253,900	$ 493,739	$ -	$ 2,273,363
Due from Board of County Commissioners	19,849	-	-	-	-	19,849
Due from Other Funds	151,353	134,229	27,027	5,509	-	318,118
Due from Other Governments	50,490	-	-	48,591	15,994	115,075
Prepaid Expenses	9,998	-	10,000	-	-	19,998
Total Assets	467,457	424,186	1,290,927	547,839	15,994	2,746,403
Liabilities and Fund Balances						
Liabilities						
Accounts Payable	90,748	124	17,500	103	-	108,475
Due to Board of County Commissioners	138,287	1,466	-	-	63	139,816
Due to Other Funds	-	64,781	-	6,765	15,931	87,477
Due to Other Governments	625	218,909	-	-	-	219,534
Unearned Revenue	-	138,906	-	-	-	138,906
Other Accrued Liabilities	237,797	-	-	-	-	237,797
Total Liabilities	467,457	424,186	17,500	6,868	15,994	932,005
Fund Balances						
Non-Spendable:						
Prepaid Expenses	9,998	-	10,000	-	-	19,998
Restricted:						
Records Modernization	-	-	1,263,427	-	-	1,263,427
Child Support	-	-	-	540,971	-	540,971
Unassigned	(9,998)	-	-	-	-	(9,998)
Total Fund Balances	-	-	1,273,427	540,971	-	1,814,398
Total Liabilities and Fund Balances	$ 467,457	$ 424,186	$ 1,290,927	$ 547,839	$ 15,994	$ 2,746,403

See accompanying notes to financial statements.

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

	Major Funds				Non-Major Fund	
	General Fund	Court Fund	Public Records Modernization Trust Fund	Child Support Fund	Jury Services	Total Governmental Funds
Revenues						
Intergovernmental Revenue	$ -	$ 492,852	$ -	$ 180,020	$ 64,887	$ 737,759
Charges for Services	630,295	1,175,273	292,324	-	-	2,097,892
Judgments and Fines	-	323,087	-	-	-	323,087
Miscellaneous Revenue	10,087	6,562	-	-	-	16,649
Total Revenues	640,382	1,997,774	292,324	180,020	64,887	3,175,387
Expenditures						
Current:						
General Government:						
Personnel Services	3,411,609	-	-	-	-	3,411,609
Operating Expenditures	912,578	-	71,000	-	-	983,578
Economic Environment:						
Personnel Services	147,668	-	-	-	-	147,668
Operating Expenditures	10,339	-	-	-	-	10,339
Court-Related:						
Personnel Services	-	1,764,674	-	150,631	52,722	1,968,027
Operating Expenditures	-	29,803	226,468	1,341	12,165	269,777
Debt Service:						
Principal	65,570	-	-	-	-	65,570
Interest	3,950	-	-	-	-	3,950
Capital Outlay	65,487	-	6,317	-	-	71,804
(Total Expenditures)	(4,617,201)	(1,794,477)	(303,785)	(151,972)	(64,887)	(6,932,322)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,976,819)	203,297	(11,461)	28,048	-	(3,756,935)
Other Financing Sources (Uses)						
Reversion to State of Florida	-	(203,297)	-	-	-	(203,297)
Transfers in from Board of County Commissioners	4,114,380	-	-	-	-	4,114,380
Transfers (out) to Board of County Commissioners	(137,561)	-	-	-	-	(137,561)
Total Other Financing Sources (Uses)	3,976,819	(203,297)	-	-	-	3,773,522
Net Change in Fund Balances	-	-	(11,461)	28,048	-	16,587
Fund Balances, Beginning of Year	-	-	1,284,888	512,923	-	1,797,811
Fund Balances, End of Year	$ -	$ -	$ 1,273,427	$ 540,971	$ -	$ 1,814,398

See accompanying notes to financial statements.

NASSAU COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	General Fund			
	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Charges for Services	$ 539,700	$ 631,455	$ 630,295	$ (1,160)
Miscellaneous Revenue	8,000	8,972	10,087	1,115
Total Revenues	547,700	640,427	640,382	(45)
Expenditures				
Current:				
General Government:				
Personnel Services	3,476,308	3,411,609	3,411,609	-
Operating Expenditures	1,009,896	982,098	912,578	69,520
Economic Environment:				
Personnel Services	151,787	147,668	147,668	-
Operating Expenditures	17,438	10,339	10,339	-
Debt Service:				
Principal	-	-	65,570	(65,570)
Interest	-	-	3,950	(3,950)
Capital Outlay	-	65,487	65,487	-
(Total Expenditures)	(4,655,429)	(4,617,201)	(4,617,201)	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,107,729)	(3,976,774)	(3,976,819)	(45)
Other Financing Sources (Uses)				
Transfers in from Board of County Commissioners	4,107,729	4,114,336	4,114,380	44
Transfers (out) to Board of County Commissioners	-	(137,562)	(137,561)	1
Total Other Financing Sources (Uses)	4,107,729	3,976,774	3,976,819	45
Net Change in Fund Balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	$ -	$ -	$ -	$ -

Notes to Schedule
The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

See accompanying notes to financial statements.

NASSAU COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Court Fund			
	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Intergovernmental Revenue	$ 406,064	$ 406,064	$ 492,852	$ 86,788
Charges for Services	993,636	993,636	1,175,273	181,637
Judgments and Fines	421,059	421,059	323,087	(97,972)
Miscellaneous Revenue	-	1,019	6,562	5,543
Total Revenues	1,820,759	1,821,778	1,997,774	175,996
Expenditures				
Current:				
Court-Related:				
Personnel Services	1,758,946	1,764,716	1,764,674	42
Operating Expenditures	61,813	57,062	29,803	27,259
(Total Expenditures)	(1,820,759)	(1,821,778)	(1,794,477)	27,301
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	203,297	203,297
Other Financing Sources (Uses)				
Reversion to State of Florida	-	-	(203,297)	(203,297)
Net Change in Fund Balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	$ -	$ -	$ -	$ -

Notes to Schedule

Pursuant to Section 28.36, Florida Statutes, the budget is subject to the *General Appropriations Act* of the Florida Legislature, and is prepared on a basis that does not differ materially from generally accepted accounting principles. The fund is the legal level of control. All excess revenues over expenditures is required by Statute to be reverted to the Clerk of Court Trust Fund.

NASSAU COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Public Records Modernization Trust Fund			
	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Charges for Services	$ 256,471	$ 256,471	$ 292,324	$ 35,853
Total Revenues	256,471	256,471	292,324	35,853
Expenditures				
Current:				
General Government:				
Operating Expenditures	-	-	71,000	(71,000)
Court-Related:				
Operating Expenditures	1,440,897	1,419,567	226,468	1,193,099
Capital Outlay	-	21,330	6,317	15,013
(Total Expenditures)	(1,440,897)	(1,440,897)	(303,785)	1,137,112
Net Change in Fund Balances	(1,184,426)	(1,184,426)	(11,461)	1,172,965
Fund Balances, Beginning of Year	1,184,426	1,184,426	1,284,888	100,462
Fund Balances, End of Year	$ -	$ -	$ 1,273,427	$ 1,273,427

Notes to Schedule
The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

NASSAU COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Child Support Fund			
	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Intergovernmental	$ 145,532	$ 145,532	$ 180,020	$ 34,488
Total Revenues	145,532	145,532	180,020	34,488
Expenditures				
Current:				
Court-Related:				
Personnel Services	150,504	155,087	150,631	4,456
Operating Expenditures	507,951	503,368	1,341	502,027
(Total Expenditures)	(658,455)	(658,455)	(151,972)	506,483
Net Change in Fund Balances	(512,923)	(512,923)	28,048	540,971
Fund Balances, Beginning of Year	512,923	512,923	512,923	-
Fund Balances, End of Year	$ -	$ -	$ 540,971	$ 540,971

Notes to Schedule
The budget is prepared on a basis that does not differ materially from generally accepted accounting principles. Its preparation, adoption, and amendment is governed by Florida Statutes. The fund is the legal level of control.

See accompanying notes to financial statements.

NASSAU COUNTY CLERK OF THE CIRCUIT COURT
STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2025

Assets	
Cash	$ 2,339,221
Accounts Receivable	467,439
Due from Other Governments	592
Total Assets	2,807,252
Liabilities	
Accounts Payable	3,988
Due to Board of County Commissioners	45,584
Due to Other Funds	230,641
Due to Other Governments	897,087
Other Liabilities	1,654
Total Liabilities	1,178,954
Net Position, Held in a Custodial Capacity to be Disbursed	$ 1,628,298

See accompanying notes to financial statements.

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

Additions	
Fines and Forfeitures and Fees Collected	$ 5,622,643
Tax Deeds and Fees Collected	509,206
Support and Fees Collected	10,473
Registry of the Court and Fees Collected	2,546,881
Recording Fees Collected	3,880,683
Bail Bonds and Fees Collected	254,092
Total Additions	12,823,978
Deductions	
Fines and Forfeitures and Fees Distributions	5,597,877
Tax Deeds and Fees Distributions	411,963
Support and Fees Distributions	10,473
Registry of the Court and Fees Distributions	2,596,745
Recording Fees Distributions	3,963,434
Bail Bonds and Fees Distributions	209,410
Total Deductions	12,789,902
Change in Net Position	34,076
Net Position, Beginning	1,594,222
Net Position, Ending	$ 1,628,298

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

The accounting policies of the Nassau County, Florida Clerk of the Circuit Court (the Clerk) conform to generally accepted accounting principles (GAAP), as applicable to governments. The following is a summary of significant accounting principles and policies used in the preparation of these financial statements:

Reporting Entity

Nassau County, Florida (the County) is a political subdivision of the State of Florida. It is governed by an elected Board of County Commissioners (the Board).

The Clerk is an elected official of the County pursuant to the Constitution of the State of Florida, Article VIII, Section 1(d). The Clerk is a part of the primary government of the County. The Clerk is responsible for the administration and operation of the Clerk's office, and the Clerk's financial statements do not include the financial statements of the Board or the other Constitutional Officers of the County.

The Clerk funds his non-court operations as a Budget Officer and a Fee Officer pursuant to Florida Statutes, Chapters 28, 129, and 218, respectively. As a Budget Officer, the operations of the Clerk are funded by the County general fund. The receipts from the County general fund are recorded as other financing sources on the Clerk's general fund financial statements. Any excess of revenues and other financing sources received over expenditures of the general fund are remitted to the County general fund at year-end. The court-related operations of the Clerk are funded from fees and charges authorized under Chapter 2013-44, Laws of Florida and are reported in the court fund. Such provisions may be amended at any time by further action from the Florida Legislature. At year-end, any excess of revenues over court-related expenditures of the court fund are remitted to the State of Florida pursuant to Florida Statute 28.37.

Basis of Presentation

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

The financial transactions of the Clerk are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. These funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. GAAP sets forth minimum criteria (percentage of assets, liabilities, revenues, and expenditures of each fund category) for the determination of major funds. Major funds are reported separately in the basic financial statements of the Clerk.

- ■ **Governmental Funds**
  - ● **Major Funds**
    - ► **General Fund**—The general fund is the general operating fund of the Clerk. It is used to account for all financial resources, except for those required to be accounted for in another fund.
    - ► **Court Fund**—The court fund was established to account for court-related revenues and expenditures and is required to be reported separately from the Clerk's general fund activities.
    - ► **Public Records Modernization Trust Fund**—This fund accounts for proceeds of specific revenues that are legally restricted for expenditures of the public records program.
    - ► **Child Support Fund**—This fund accounts for proceeds of specific revenues that are restricted for expenditures of the child support program.
  - ● **Non-Major Governmental Fund**
    - ► **Jury Services Fund**—This fund accounts for proceeds of specific revenues that are restricted for expenditures related to jury services.

- ■ **Fiduciary Funds**
  - ● **Custodial Funds**—Custodial funds are used to account for assets held in a custodial capacity.

Measurement Focus/Basis of Accounting
All governmental funds are accounted for on a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of "available spendable resources" during a period. 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. Revenues are recognized when they become measurable and available as net current assets. Revenues are considered to be available when they are collectable within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considered revenues to be available if they are collected within 31 days of the end of the current fiscal period. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

The custodial funds are accounted for using an economic resource measurement focus and accrual basis of accounting requiring a resource flow statement. Liabilities are recognized when an event occurs that compels the Clerk to disburse fiduciary resources, which is when a demand for resources has been made or when no further action, approval, or condition is required to be taken or not by the beneficiary to release the assets.

Budgetary Requirement
Governmental fund revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget was adopted for the general fund, the public records fund, and child support. All budget amounts presented in the accompanying financial statements have been adjusted for legally authorized amendments of the annual budget for the year. A budget was adopted for the court fund and approved by the Legislative Budget Commission pursuant to Florida Statute 28.35. Budgets are prepared on the modified accrual basis of accounting.

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

Capital Assets
Tangible personal property is recorded as expenditures in the governmental fund at the time an asset is acquired. Assets acquired by the Clerk are capitalized at cost in the capital asset accounts of the County. The Clerk maintains custodial responsibility for the capital assets used by his office.

Accrued Compensated Absences
The Clerk maintains a policy of granting employees annual leave based upon the number of years of employment. At December 31 of each year, employees can carry over up to a maximum of 75 hours of paid annual leave. Any unused vacation leave accrued over the 75 hours at the end of the calendar year will be forfeited. Any exception would require the Clerk's or designee's approval.

In addition, sick leave is accumulated at the rate of 3.75 hours per pay period for a maximum of 400 hours as of December 31 of each year. Any hours over 400 will be paid out each year. There will be no payment in lieu of unused sick leave at the time of separation effective July 1, 2010, and thereafter. The Clerk reserves the right to use a combination of overtime pay and/or compensatory time for compensating overtime worked. The Clerk's policy for usage of leave hours assumes a last-in, first-out flow assumption. The Clerk's compensated absences liability is measured using estimates of amounts that are expected to be either used or settled in cash in the future and is based on historical trends. These amounts are reported in the government-wide financial statements of the County.

Unearned Revenue
In accordance with requirements of the Clerk of Court Operations Corporation (CCOC), the Clerk reports unearned revenue for court-related fines and fees collected in September of 2025, which are to be used as advance funding for the Clerk's Court operations in the following fiscal year.

Workers' Compensation and Group Health Insurance
For the Clerk's non-court employees, the Board provided workers' compensation and group health insurance coverages. The premiums for such coverages were paid by the Board and recorded on its records and, consequently, are not recorded on the Clerk's records. For the Clerk's Court employees, the Clerk provides workers' compensation and group health insurance coverages. The premiums for such coverages were paid by the Clerk and recorded on his records.

Risk Management
The Clerk 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 the public; or damage to property of others. The Clerk participates in the risk management program through the Board, which uses commercial insurance to cover the following types of risk:

- Workers' Compensation
- Automobile Liability
- Public Officials' Liability
- Personal Property Damage
- General Liability

Workers' compensation coverage is provided under a retrospectively rated policy. Premiums are accrued based on the ultimate cost to-date of the Board's experience for this type of risk.

Fund Balance Reporting
The Clerk has implemented the provisions of Governmental Accounting Standards Board (GASB) issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54), as required. The purpose of GASB 54 is to improve the consistency and usefulness of fund balance information to the financial statement user. The statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which the organization is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – non-spendable, restricted, committed, assigned, and unassigned:

- **Non-Spendable—**This component of fund balance consists of amounts that cannot be spent because: (a) they are not expected to be converted to cash, or (b) they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund. The Clerk does not have any non-spendable funds.

- **Restricted—**This component of fund balances consists of amounts that are constrained either: (a) externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments), or (b) by law through constitutional provisions or enabling legislation.

- **Committed—**This component of fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (e.g., policy, ordinance, or resolution) of the Clerk's governing authority.

- **Assigned—**This component of fund balance consists of amounts that are constrained by a less-than-formal action of the Clerk's governing authority, or by an individual or body to whom the governing authority has delegated this responsibility. The Clerk has not delegated the responsibility to assign fund balances to any individual or body.

- **Unassigned—**This classification is used for: (a) negative unrestricted fund balances in any governmental fund, or (b) fund balances within the general fund that are not restricted, committed, or assigned.

When both restricted and unrestricted resources are available for use, it is the Clerk's policy to use restricted resources first, then unrestricted resources (committed, assigned, and unassigned) as they are needed. When unrestricted resources (committed, assigned, and unassigned) are available for use, it is the Clerk's policy to use committed resources first, then assigned, and then unassigned as needed.

Use of Estimates
The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the amounts reported and disclosed in the accompanying financial statements and notes. Actual results could differ from estimates.

Leases and Subscription-Based Information Technology Agreements (SBITAs)
The Clerk enters into leases and SBITAs, as needed, for equipment and software. At the commencement of a lease or SBITA, the Clerk initially measures the present value of payments expected to be made during the term of the agreement and records this amount as capital outlay expenditures and other finance source revenues. Subsequently, payments under the agreements are recorded as debt service principal and interest expenditures based on the discount rate that was used to measure the present value. Because of the current financial resources management focus, the accompanying fund financial statements do not report related right-of-use assets or long-term liabilities, and such amounts are instead reported in the government-wide financial statements of the County.

Adoption of New Accounting Pronouncements
During the year ended September 30, 2025, the Clerk adopted GASB Statement No. 101, *Compensated Absences*, and No. 102, *Certain Risk Disclosures*. GASB Statement No. 101 establishes a model for recognizing all types of compensated absences, including vacation leave, sick leave, paid time off, and other compensated absences. This statement replaces the guidance previously issued in GASB Statement No. 16, *Accounting for Compensated Absences*. Under GASB Statement No. 101, a liability is recognized when the leave is earned and attributed to services already rendered, rather than when it is paid or becomes vested; accumulates; or carries over beyond the current fiscal year; and more likely than not to be used for time off or otherwise paid out in cash or settled through non-cash means. There was no impact to the Clerk's fund level financial statements as a result of this accounting pronouncement. Compensated absences liabilities are presented in the County-wide financial statements.

GASB Statement No. 102 intends to improve financial reporting by providing users of the financial statements with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. There was no impact to the Clerk's financial statements as a result of the adoption of this statement.

Note 2 - Cash and Investments

On September 30, 2025, the carrying amount of the Clerk's deposits was $4,606,434 and the bank balance was $5,066,284. The Clerk also held $6,150 in change funds on September 30, 2025. Deposits in banks and thrift institutions are collateralized as public funds through a state procedure provided for in Chapter 280, Florida Statutes. Financial institutions qualifying as public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits times the depository's collateral pledging level. 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, Florida Statutes, no public depositor shall be liable for any loss thereof. All the cash funds of the Clerk are deposited in accordance with Florida Statutes 280 and 218.415, and Nassau County Resolution 95-144.

Investments
The Clerk's investment practices are governed by Chapters 28.33 and 218.415, Florida Statutes. The Clerk is authorized to invest in certificates of deposit, money market certificates, obligations of the U.S. Treasury, and the Local Government Surplus Funds Trust Fund (the State Board of Administration). There were no investments as of September 30, 2025.

Note 3 - Interfund Receivables and Payables

Interfund receivables and payables at September 30, 2025, are as follows:

	Due from Other Funds	Due to Other Funds
General Fund	$ 151,353	$ -
Special Revenue Funds		
Court Fund	134,229	64,781
Public Records Modernization Trust Fund	27,027	-
Child Support Fund	5,509	6,765
Jury Services	-	15,931
Custodial Funds		
Civil Trust Fund	-	92,285
Recording Trust Fund	-	88,877
Criminal Trust Fund	-	4,496
Special Trust Fund	-	38,965
Domestic Relations Fund	-	6,018
Total	$ 318,118	$ 318,118

Interfund balances generally result from funds being deposited in one fund but not remitted to another fund until the subsequent month. All interfund balances are expected to be liquidated within three months.

Note 4 - Pension and Postemployment Benefits Other Than Pension Benefits

Florida Retirement System (FRS) Pension Benefits
The Clerk participates in the FRS to provide retirement benefits to its employees. A detailed plan description and any liability for employees of the Clerk are included in the financial statements of the County.

Postemployment Benefits Other Than Pensions
The Clerk participates in the plan established by the Board to provide other postemployment benefits to retirees of the Board and Constitutional Officers. A detailed plan description and any liability for employees of the Clerk is included in the financial statements of the County.

SUPPLEMENTARY INFORMATION

CUSTODIAL FUNDS

Civil Trust—This fund accounts for the receipt and disbursement of filing fees, service charges, and bonds relating to civil actions.

Recording Trust—This fund accounts for the receipt and disbursement of fees and service charges for official records.

Criminal Trust—This fund accounts for the receipt and disbursement of criminal fines and fees.

Special Trust—This fund accounts for the receipt and disbursement of traffic and misdemeanor fines, court costs, fees, and service charges.

Jury and Witness—This fund accounts for the receipt and expenditure of funds pertaining to the Juror Services department.

Domestic Relations—This fund accounts for the collection and disbursement of court-ordered child support payments and fees.

Registry of the Court—This fund accounts for the collection and disbursement of deposits required by court legal actions.

Bail Bonds—Accounts for funds received from defendants of criminal and traffic arrests required to assure that the defendant will meet the requirement to appear in court. Disposition of these bond funds is made as ordered by the court.

NASSAU COUNTY CLERK OF THE CIRCUIT COURT
COMBINING STATEMENT OF FIDUCIARY NET POSITION
ALL CUSTODIAL FUNDS
SEPTEMBER 30, 2025

	Civil Trust	Recording Trust	Criminal Trust	Special Trust	Jury and Witness	Domestic Relations	Registry of the Court	Bail Bonds	Total
Assets									
Cash	$ 640,441	$ 1,094,673	$ 151,289	$ 130,082	$ -	$ 5,860	$ 179,592	$ 137,284	$ 2,339,221
Accounts Receivable	-	467,338	-	101	-	-	-	-	467,439
Due from Other Governments	-	59	-	-	-	533	-	-	592
Total Assets	640,441	1,562,070	151,289	130,183	-	6,393	179,592	137,284	2,807,252
Liabilities									
Accounts Payable	2,521	354	51	11	-	-	-	1,051	3,988
Due to Board of County Commissioners	-	19,902	2,447	23,235	-	-	-	-	45,584
Due to Other Funds	92,285	88,877	4,496	38,965	-	6,018	-	-	230,641
Due to Other Governments	38,451	811,831	8,291	37,688	-	375	-	451	897,087
Other Liabilities	1,445	59	50	100	-	-	-	-	1,654
Total Liabilities	134,702	921,023	15,335	99,999	-	6,393	-	1,502	1,178,954
Net Position, Held in a Custodial Capacity to be Disbursed	$ 505,739	$ 641,047	$ 135,954	$ 30,184	$ -	$ -	$ 179,592	$ 135,782	$ 1,628,298

NASSAU COUNTY CLERK OF THE CIRCUIT COURT
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
ALL CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Civil Trust	Recording Trust	Criminal Trust	Special Trust	Jury and Witness	Domestic Relations	Registry of the Court	Bail Bonds	Total
Additions									
Fines and Forfeitures and Fees Collected	$ 2,241,337	$ -	$ 365,370	$ 3,010,326	$ 5,610	$ -	$ -	$ -	$ 5,622,643
Tax Deeds and Fees Collected	-	509,206	-	-	-	-	-	-	509,206
Support and Fees Collected	-	-	-	-	-	10,473	-	-	10,473
Registry of the Court and Fees Collected	-	-	-	-	-	-	2,546,881	-	2,546,881
Recording Fees Collected	-	3,880,683	-	-	-	-	-	-	3,880,683
Bail Bonds and Fees Collected	-	-	-	-	-	-	-	254,092	254,092
Total Additions	2,241,337	4,389,889	365,370	3,010,326	5,610	10,473	2,546,881	254,092	12,823,978
Deductions									
Fines and Forfeitures and Fees Distributions	2,222,479	-	363,118	3,006,670	5,610	-	-	-	5,597,877
Tax Deeds and Fees Distributions	-	411,963	-	-	-	-	-	-	411,963
Support and Fees Distributions	-	-	-	-	-	10,473	-	-	10,473
Registry of the Court and Fees Distributions	-	-	-	-	-	-	2,596,745	-	2,596,745
Recording Fees Distributions	-	3,963,434	-	-	-	-	-	-	3,963,434
Bail Bonds and Fees Distributions	-	-	-	-	-	-	-	209,410	209,410
Total Deductions	2,222,479	4,375,397	363,118	3,006,670	5,610	10,473	2,596,745	209,410	12,789,902
Change in Net Position	18,858	14,492	2,252	3,656	-	-	(49,864)	44,682	34,076
Net Position, Beginning of Year	486,881	626,555	133,702	26,528	-	-	229,456	91,100	1,594,222
Net Position, End of Year	$ 505,739	$ 641,047	$ 135,954	$ 30,184	$ -	$ -	$ 179,592	$ 135,782	$ 1,628,298

OTHER REPORTS

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

The Honorable Mitch L. Keiter
Nassau County Clerk of the Circuit Court
Nassau County, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Nassau County, Florida Clerk of the Circuit Court (the Clerk) as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Clerk's financial statements, and have issued our report thereon dated February 3, 2026.

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

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

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

The Honorable Mitch L. Keiter
Nassau County Clerk of the Circuit Court
Nassau County, Florida

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*

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

Purpose of this Report

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

Purvis Gray

February 3, 2026
Gainesville, Florida

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

The Honorable Mitch L. Keiter
Nassau County Clerk of the Circuit Court
Nassau County, Florida

We have examined Nassau County, Florida Clerk of the Circuit Court's (the Clerk) compliance with the requirements of Section 218.415, Florida Statutes, as of and for the year ended September 30, 2025, as required by Section 10.556(10)(a), *Rules of the Auditor General*. 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.

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

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

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

In our opinion, the Clerk complied, in all material respects, with the requirements of Section 218.415, Florida Statutes, *Local Government Investment Policies*, for the year ended September 30, 2025.

This report 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, the Clerk, its management, and the Board of County Commissioners of Nassau County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

February 3, 2026
Gainesville, Florida

**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE
WITH SECTIONS 28.35 AND 28.36, FLORIDA STATUTES**

The Honorable Mitch L. Keiter
Nassau County Clerk of the Circuit Court
Nassau County, Florida

We have examined Nassau County, Florida Clerk of the Circuit Court's (the Clerk) compliance with the requirements of Sections 28.35, Florida Statutes, *Florida Clerks of Court Operations Corporation*, and 28.36, Florida Statutes, *Budget Procedure*, as of and for the year ended September 30, 2025, as required by Section 10.556(10)(c), *Rules of the Auditor General*. 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.

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

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

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

In our opinion, the Clerk complied, in all material respects, with the requirements of Section 28.35, Florida Statutes, *Florida Clerks of Court Operations Corporation*, and Section 28.36, Florida Statutes, *Budget Procedure*, for the year ended September 30, 2025.

This report 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, the Clerk, its management, and the Board of County Commissioners of Nassau County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray
February 3, 2026
Gainesville, Florida

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 61.181, FLORIDA STATUTES

The Honorable Mitch L. Keiter
Nassau County Clerk of the Circuit Court
Nassau County, Florida

We have examined Nassau County, Florida Clerk of the Circuit Court's (the Clerk) compliance with the requirements of Section 61.181, Florida Statutes, *Depository for Alimony Transactions, Support, Maintenance, and Support Payments; Fees,* as of and for the year ended September 30, 2025, as required by Section 10.556(10)(d), *Rules of the Auditor General*. 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.

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

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

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

In our opinion, the Clerk complied, in all material respects, with the requirements Section 61.181, Florida Statutes, *Depository for Alimony Transactions, Support, Maintenance, and Support Payments; Fees*, for the year ended September 30, 2025.

This report 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, the Clerk, its management, and the Board of County Commissioners of Nassau County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

February 3, 2026
Gainesville, Florida

MANAGEMENT LETTER

The Honorable Mitch L. Keiter
Nassau County Clerk of the Circuit Court
Nassau County, Florida

Report on the Financial Statements
We have audited the financial statements of each major fund and the aggregate remaining fund information of the Nassau 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 February 3, 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 Florida Auditor General*.

Other Reporting Requirements
We have issued our Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Reports on our examinations conducted in accordance with American Institute of Certified Public Accountants *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated February 3, 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 significant findings and recommendations made in the preceding annual financial audit report. There were no such recommendations made in the preceding annual financial report.

Official Title and Legal Authority
Section 10.554(1)(i)4., *Rules of the Auditor General,* requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Clerk was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Clerk.

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

The Honorable Mitch L. Keiter
Nassau County Clerk of the Circuit Court
Nassau County, Florida

MANAGEMENT LETTER

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

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

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of our audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Purvis Gray

February 3, 2026
Gainesville, Florida

SHERIFF

2025

Nassau County Sheriff
Nassau County, Florida

Financial Statements and Independent Auditor's Report

September 30, 2025

PURVIS GRAY
CERTIFIED PUBLIC ACCOUNTANTS

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORTS

NASSAU COUNTY SHERIFF
NASSAU COUNTY, FLORIDA

SEPTEMBER 30, 2025

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INDEPENDENT AUDITOR'S REPORT

The Honorable Bill Leeper
Nassau County Sheriff
Nassau County, Florida

Report on the Audit of the Financial Statements

Opinions
We have audited the financial statements of each major fund and the aggregate remaining fund information of the Nassau 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 basic financial statements, as listed in the table of contents.

In our opinion, the accompanying 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 for the Sheriff as of September 30, 2025, and the respective changes in financial position thereof, and the respective budgetary comparison for each major fund, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

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

Emphasis of Matter

Incomplete 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 the *Rules of the Auditor General* of the State of Florida (the Rules). In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, and the aggregate remaining fund information, only for that portion of the major funds, and the aggregate remaining fund information, of Nassau County, Florida that is attributable to the Sheriff. They do not purport to, and do not, present

INDEPENDENT AUDITOR'S REPORT

fairly the financial position of Nassau County, Florida as of September 30, 2025, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to these matters.

Responsibilities of Management for the Financial Statements

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS 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, individually or in the aggregate, they could reasonably be expected to influence the judgment made by a reasonable user on the basis of these financial statements.

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

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

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

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

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

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

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

Other Financial Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sheriff's basic financial statements. The other financial information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the other financial information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 3, 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, rules, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.

Purvis Gray

February 3, 2026
Gainesville, Florida

FINANCIAL STATEMENTS

NASSAU COUNTY SHERIFF
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025

	Major Funds					
	General Fund	Inmate Commissary	Federal Inmate	Capital Projects	Other Governmental Funds	Total Governmental Funds
Assets						
Cash in Bank	$ 2,827,753	$ 1,644,911	$ 345,321	$ 19,867	$ 177,890	$ 5,015,742
Cash on Hand	500	-	-	-	4,378	4,878
Accounts Receivable	35,418	28,695	-	-	-	64,113
Due from Other Funds	19,629	10,184	-	-	35	29,848
Due from Board of County Commissioners	120,620	-	-	-	-	120,620
Due from Other Governments	52,601	-	48,416	-	500	101,517
Other Current Assets	1,777	-	-	-	-	1,777
Total Assets	3,058,298	1,683,790	393,737	19,867	182,803	5,338,495
Liabilities and Fund Balances						
Liabilities						
Accounts Payable	276,636	-	-	-	612	277,248
Due to Board of County Commissioners	640,002	-	380,299	-	128,017	1,148,318
Due to Other Funds	35	1,748	2,508	-	11,992	16,283
Other Current Liabilities	2,141,625	9,442	10,930	-	9,051	2,171,048
Total Liabilities	3,058,298	11,190	393,737	-	149,672	3,612,897
Fund Balances						
Non-Spendable	1,777	-	-	-	-	1,777
Restricted:						
Inmate Welfare	-	1,672,600	-	-	-	1,672,600
Capital Projects	-	-	-	19,867	-	19,867
Committed:						
Investigative	-	-	-	-	33,131	33,131
Unassigned	(1,777)	-	-	-	-	(1,777)
Total Fund Balances	-	1,672,600	-	19,867	33,131	1,725,598
Total Liabilities and Fund Balances	$ 3,058,298	$ 1,683,790	$ 393,737	$ 19,867	$ 182,803	$ 5,338,495

See accompanying notes to financial statements.

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

	Major Funds					
	General Fund	Inmate Commissary	Federal Inmate	Capital Projects	Other Governmental Funds	Total Governmental Funds
Revenues						
Intergovernmental	$ 217,672	$ -	$ 618,011	$ -	$ -	$ 835,683
Miscellaneous	510,494	295,762	-	-	5,324	811,580
Total Revenues	728,166	295,762	618,011	-	5,324	1,647,263
Expenditures						
Current:						
Court-Related:						
Personnel Services	1,789,133	-	-	-	-	1,789,133
Operating Expenditures	46,686	-	-	-	-	46,686
Public Safety:						
Personnel Services	32,240,446	135,849	157,476	-	185,768	32,719,539
Operating Expenditures	8,489,093	77,551	30,336	-	557,458	9,154,438
Capital Outlay	3,949,108	-	49,900	483,537	-	4,482,545
Debt Service:						
Principal	305,453	-	-	-	-	305,453
Interest	40,127	-	-	-	-	40,127
(Total Expenditures)	(46,860,046)	(213,400)	(237,712)	(483,537)	(743,226)	(48,537,921)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(46,131,880)	82,362	380,299	(483,537)	(737,902)	(46,890,658)
Other Financing Sources (Uses)						
SBITA Obligation	178,168	-	-	-	-	178,168
Transfers in from Board of County Commissioners	46,666,806	-	-	341,507	863,924	47,872,237
Transfers (out) to Board of County Commissioners	(713,094)	-	(380,299)	-	(128,017)	(1,221,410)
Total Other Financing Sources (Uses)	46,131,880	-	(380,299)	341,507	735,907	46,828,995
Net Change in Fund Balance	-	82,362	-	(142,030)	(1,995)	(61,663)
Fund Balance, Beginning of Year	-	1,590,238	-	161,897	35,126	1,787,261
Fund Balance, End of Year	$ -	$ 1,672,600	$ -	$ 19,867	$ 33,131	$ 1,725,598

See accompanying notes to financial statements.

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

	General Fund			
	Budgeted Amounts			Variance With Final Budget Positive (Negative)
	Original	Final	Actual Amounts	
Revenues				
Intergovernmental	$ -	$ 217,672	$ 217,672	$ -
Miscellaneous	-	510,494	510,494	-
Total Revenues	-	728,166	728,166	-
Expenditures				
Current:				
Court-Related:				
Personnel Services	1,885,514	1,789,133	1,789,133	-
Operating Expenditures	60,338	46,686	46,686	-
Public Safety:				
Personnel Services	34,745,991	32,240,446	32,240,446	-
Operating Expenditures	7,654,031	8,489,093	8,489,093	-
Capital Outlay	1,135,298	3,949,108	3,949,108	-
Debt Service:				
Principal	249,349	305,453	305,453	-
Interest	500	40,127	40,127	-
(Total Expenditures)	(45,731,021)	(46,860,046)	(46,860,046)	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(45,731,021)	(46,131,880)	(46,131,880)	-
Other Financing Sources (Uses)				
SBITA Obligation	-	178,168	178,168	-
Transfers in from Board of County Commissioners	46,004,743	46,666,806	46,666,806	-
Transfers (out) to Board of County Commissioners	(273,722)	(713,094)	(713,094)	-
Total Other Financing Sources (Uses)	45,731,021	46,131,880	46,131,880	-
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	$ -	$ -	$ -	$ -

See accompanying notes to financial statements.

NASSAU COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - INMATE COMMISSARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Inmate Commissary Fund			
	Budgeted Amounts			Variance With Final Budget
	Original	Final	Actual Amounts	Positive (Negative)
Revenues				
Miscellaneous	$ 328,000	$ 295,762	$ 295,762	$ -
Total Revenues	328,000	295,762	295,762	-
Expenditures				
Current:				
Public Safety:				
Personnel Services	135,410	135,849	135,849	-
Operating Expenditures	-	77,551	77,551	-
Contingency	1,782,828	1,672,600	-	1,672,600
(Total Expenditures)	(1,918,238)	(1,886,000)	(213,400)	1,672,600
Net Change in Fund Balance	(1,590,238)	(1,590,238)	82,362	1,672,600
Fund Balance, Beginning of Year	1,590,238	1,590,238	1,590,238	-
Fund Balance, End of Year	$ -	$ -	$ 1,672,600	$ 1,672,600

See accompanying notes to financial statements.

NASSAU COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL - FEDERAL INMATE FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Federal Inmate			
	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Intergovernmental	$ 511,000	$ 618,011	$ 618,011	$ -
Total Revenues	511,000	618,011	618,011	-
Expenditures				
Current:				
Public Safety:				
Personnel Services	161,094	157,476	157,476	-
Operating Expenditures	17,700	30,336	30,336	-
Capital Outlay	-	49,900	49,900	-
(Total Expenditures)	(178,794)	(237,712)	(237,712)	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	332,206	380,299	380,299	-
Other Financing Sources (Uses)				
Transfers (out) to Board of County Commissioners	(332,206)	(380,299)	(380,299)	-
Total Other Financing Sources (Uses)	(332,206)	(380,299)	(380,299)	-
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	$ -	$ -	$ -	$ -

See accompanying notes to financial statements.

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

	Custodial Funds
Assets	
Cash	$ 120,572
Total Assets	120,572
Liabilities	
Accounts Payable	51,946
Other Current Liabilities	8,010
Due to Other Funds	13,565
Due to Board of County Commissioners	2,048
Total Liabilities	75,569
Fiduciary Net Position	$ 45,003

See accompanying notes to financial statements.

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

	Custodial Funds
Additions	
Inmate Funds Collected	$ 1,446,935
Fines, Forfeitures, and Fees Collected	69,682
Total Additions	1,516,617
Deductions	
Inmate Funds Disbursed	1,432,086
Fines, Forfeitures, and Fees Disbursed	69,682
Total Deductions	1,501,768
Change in Net Position	14,849
Net Position, Beginning of Year	30,154
Net Position, End of Year	$ 45,003

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

NASSAU COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

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

Reporting Entity
Nassau County, Florida (the County) is a political subdivision of the State of Florida. It is governed by an elected Board of County Commissioners (the Board).

The Sheriff is an elected official of the County, pursuant to the Constitution of the State of Florida, Article VIII, Section 1(d). The Sheriff is a part of the primary government of the County. The Sheriff is responsible for the administration and operation of the Sheriff's office, and the Sheriff's financial statements do not include the financial statements of the Board or the other Constitutional Officers of the County.

The operations of the Sheriff are primarily funded by the Board. The receipts from the Board are recorded as other financing sources on the Sheriff's financial statements. Any excess of revenues and other financing sources received over expenditures are remitted to the Board at year-end.

Basis of Presentation
The accompanying financial statements include all the funds and accounts of the Sheriff's office but are not a complete presentation of the County as a whole. Except for this matter, they are otherwise in conformity with GAAP. The accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557, *Rules of the Auditor General, Local Governmental Entity Audits.*

The financial transactions of the Sheriff are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. These funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations. GAAP sets forth minimum criteria (percentage of assets, liabilities, revenues, and expenditures of each fund category) for the determination of major funds. Major funds are reported separately in the basic financial statements of the Sheriff.

- **Governmental Funds**
  - **Major Funds**
    - **General Fund**—The general fund is the general operating fund of the Sheriff. It is used to account for all financial resources, except for those required to be accounted for in another fund.
    - **Inmate Commissary Fund**—This fund accounts for commissions received from pay telephones and commissary profits used for the benefit of inmates.
    - **Federal Inmate Fund**— Accounts for revenues and associated expenditures of housing federal inmates at the Nassau County Jail.
    - **Capital Projects Fund**—This fund accounts for the transfers from the Board related to the construction of facilities for the benefit of the Sheriff's Office operations.

- **Other Governmental Funds**
  - ► **Special Revenue Funds**—Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. The Sheriff reports three non-major special revenue funds in the financial statements under the following titles: Sheriff's Investigative Fund, Equitable Sharing Fund, and 911 Operations Fund.

■ **Fiduciary Funds**

- **Custodial Funds**—The custodial funds are fiduciary funds, which are used to account for assets received and held by the Sheriff in the capacity of a trustee or as an agent for individuals, government agencies, and other public organizations.

Measurement Focus/Basis of Accounting

All governmental funds are accounted for on a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of "available spendable resources" during a period. 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. Revenues are recognized when they become measurable and available as net current assets. Revenues are considered to be available when they are collectable within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considered revenues to be available if they are collected within 31 days of the end of the current fiscal period, except for grant revenues, which are considered to be available if collected within 60 days. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

The custodial funds are accounted for using an economic resource measurement focus and accrual basis of accounting requiring a resource flow statement. Liabilities are recognized when an event occurs that compels the Sheriff to disburse fiduciary resources, which is when a demand for resources has been made or when no further action, approval, or condition is required to be taken by the beneficiary to release the assets.

Budgetary Requirement

Governmental fund revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with Florida Statutes. The Inmate Commissary Fund and the Sheriff's Investigative Fund expenditures are restricted by statute; therefore, these budgets are not approved by the Board.

All budget amounts presented for the General Fund in the accompanying financial statements have been adjusted for legally authorized amendments of the annual budget for the year. Budgets are prepared on the modified accrual basis of accounting. The Sheriff's annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total annual budget appropriations at the individual fund level.

Capital Assets and Long-Term Liabilities
Because of the current financial resources measurement focus, the accompanying fund financial statements do not report capital assets or long-term liabilities. Such amounts are instead reported in the government-wide financial statements of the County.

Accrued Compensated Absences
The Sheriff maintains a policy of granting employees Paid Time Off Leave (PTO Leave), which is accrued biweekly at an hourly rate determined by months of services with the Sheriff. PTO Leave may be used for annual, personal, or sick leave purposes. An employee can receive payment for such accumulated PTO Leave, up to a limit determined by months of services with the Sheriff upon termination of employment.

The Sheriff also allows employees to accumulate compensatory time earned. Compensatory time earned is calculated biweekly and is limited to an accrual of 40 hours. An employee can receive payment for unused compensatory time upon termination of employment or at the discretion of the Sheriff.

The Sheriff's policy for usage of leave hours assumes a last-in, first-out flow assumption. The Sheriff's compensated absences liability is measured using estimates of amounts that are expected to be either used or settled in cash in the future and is based on historical trends. These amounts are reported in the government-wide financial statements of the County.

Workers' Compensation and Group Health Insurance
The Board provides the Sheriff and his employees with workers' compensation and group health insurance coverage. Accidental death coverage for Law Enforcement Officers is also provided by the Board. The premiums for such coverage are paid by the Board and recorded on its records and, consequently, are not recorded on the Sheriff's records.

Fund Balance Reporting
The Sheriff implemented the provisions of Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as required. The purpose of GASB Statement No. 54 is to improve the consistency and usefulness of fund balance information to the financial statement user. The statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which the organization is bound to honor constraints on the specific purpose for which amounts in the funds can be spent. Fund balance is reported in five components – non-spendable, restricted, committed, assigned, and unassigned.

- ***Non-Spendable***—This component of fund balance consists of amounts that cannot be spent because: (a) they are not expected to be converted to cash; or (b) they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund.

- ***Restricted***—This component of fund balance consists of amounts that are constrained either: (a) externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments); or (b) by law through constitutional provisions or enabling legislation.

- ***Committed***—This component of fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (e.g., ordinance or resolution) of the County's governing board. These committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (e.g., ordinance or resolution) it employed previously to constrain those amounts.

- ***Assigned***—This component of fund balance consists of amounts that are constrained by a less-than-formal action of the Sheriff, or by an individual or body to whom the Sheriff has delegated this responsibility. By definition, fund balances are also assigned to the extent that they are needed to finance a subsequent year's budget deficit.

- ***Unassigned***—This classification is used for: (a) negative unrestricted fund balances in any governmental fund; or (b) fund balances within the General Fund that are not restricted, committed, or assigned.

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

Adoption of New Accounting Pronouncements

During the year ended September 30, 2025, the Sheriff adopted GASB Statements No. 101, *Compensated Absences*, and No. 102, *Certain Risk Disclosures*. GASB Statement No. 101 establishes a model for recognizing all types of compensated absences, including vacation leave, sick leave, paid time off, and other compensated absences. This statement replaces the guidance previously issued in GASB Statement No. 16, *Accounting for Compensated Absences*. Under GASB Statement No. 101, a liability is recognized when the leave is earned and attributed to services already rendered, rather than when it is paid or becomes vested; accumulates; or carries over beyond the current fiscal year; and more likely than not to be used for time off or otherwise paid out in cash or settled through non-cash means. As a result of the implementation of this pronouncement, there was no impact to the Sheriff's fund level financial statements; however, a restatement of the prior year balances will be reported in the County-wide financial statements. Compensated absences liabilities are presented in the County-wide financial statements.

GASB Statement No. 102 intends to improve financial reporting by providing users of the financial statements with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. There was no impact to the Sheriff's financial statements as a result of the adoption of this statement.

Note 2 - Cash

Cash Deposits

At September 30, 2025, the carrying amount of the Sheriff's deposits was $5,136,314 and the bank balance was $7,442,718. Cash on hand was $4,878. Deposits in banks are collateralized as public funds through a state procedure provided for in Chapter 280, Florida Statutes. Financial institutions qualifying as public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits times the depository's collateral pledging level. 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. All of the cash deposits of the Sheriff are placed with qualified financial institutions, which means they are insured or collateralized.

Note 3 - Interfund Balances and Transfers

The following interfund balances arose through the normal course of operations and are expected to be repaid within one year:

	Due from Other Funds	Due to Other Funds
General Fund	$ 19,629	$ 35
Inmate Commissary	10,184	1,748
911 Operations	35	11,992
Federal Inmate	-	2,508
Inmate Trust	-	12,314
Individual Depositors/Suspense	-	1,251
Total	$ 29,848	$ 29,848

Note 4 - Risk Management

The Sheriff 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 the public; or damage to property of others.

The Sheriff participates in two Florida Sheriff's Self-Insurance Funds for risk related to professional liability and automobile risks. The funding agreements provide that each fund will be self-sustaining through member premiums and that the Sheriff's liability fund will reinsure through commercial companies. Aggregate coverage provided by the liability fund is $10,000,000 for professional liability and $10,000,000 for public officials' coverage. Coverage limits for automobile risks are a combined $500,000 per accident for bodily injury and property damage.

In addition, the Sheriff has obtained an excess loss reimbursement policy to cover catastrophic inmate medical claims.

Note 5 - Commitments and Contingencies

The Sheriff is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operations. In the opinion of management, based on the advice of legal counsel, the ultimate disposition of these lawsuits and claims will not have a material adverse effect on the financial condition of the Sheriff.

Note 6 - **Pension and Postemployment Benefits Other Than Pension Benefits**

Florida Retirement System Pension Benefits

The Sheriff participates in the Florida Retirement System to provide pension benefits to its employees. A detailed plan description and any liability for employees of the Sheriff are included in the financial statements of the County.

Postemployment Benefits Other Than Pensions

The Sheriff participates in the plan established by the Board to provide other postemployment benefits to retirees of the Board and Constitutional Officers. A detailed plan description and any liability for employees of the Sheriff is included in the financial statements of the County.

OTHER FINANCIAL INFORMATION

NON-MAJOR GOVERNMENTAL FUNDS

Sheriff Investigative—Accounts for monies used in accordance with Section 925.055, Florida Statutes.

Equitable Sharing—Accounts for federal forfeiture proceeds distributed to local law enforcement agencies that assist in federally led investigations. These funds are administered by the Nassau County Board of County Commissioners.

911 Operations—Accounts for the proceeds of telephone charges collected for the operation of the 911 emergency response system.

NASSAU COUNTY SHERIFF
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2025

	Sheriff Investigative	Equitable Sharing	911 Operations	Total Other Governmental Funds
Assets				
Cash in Bank	$ 28,253	$ -	$ 149,637	$ 177,890
Cash on Hand	4,378	-	-	4,378
Due from Other Funds	-	-	35	35
Due from Other Governments	500	-	-	500
Total Assets	33,131	-	149,672	182,803
Liabilities				
Accounts Payable	-	-	612	612
Due to Other Funds			11,992	11,992
Due to Board of County Commissioners	-	-	128,017	128,017
Other Current Liabilities	-	-	9,051	9,051
Total Liabilities	-	-	149,672	149,672
Fund Balances				
Committed:				
Investigative	33,131	-	-	33,131
Total Fund Balances	33,131	-	-	33,131
Total Liabilities and Fund Balances	$ 33,131	$ -	$ 149,672	$ 182,803

NASSAU COUNTY SHERIFF
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Sheriff Investigative	Equitable Sharing	911 Operations	Total Other Governmental Funds
Revenues				
Miscellaneous	$ 4,985	$ -	$ 339	$ 5,324
Total Revenues	4,985	-	339	5,324
Expenditures				
Current:				
Public Safety:				
Personnel Services	-	-	185,768	185,768
Operating Expenditures	6,980	301,629	248,849	557,458
(Total Expenditures)	(6,980)	(301,629)	(434,617)	(743,226)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,995)	(301,629)	(434,278)	(737,902)
Other Financing Sources (Uses)				
Transfers in from Board of County Commissioners	-	301,629	562,295	863,924
Transfers (out) to Board of County Commissioners	-	-	(128,017)	(128,017)
Total Other Financing Sources (Uses)	-	301,629	434,278	735,907
Net Change in Fund Balance	(1,995)	-	-	(1,995)
Fund Balance, Beginning of Year	35,126	-	-	35,126
Fund Balance, End of Year	$ 33,131	$ -	$ -	$ 33,131

CUSTODIAL FUNDS

Individual Depositors/Suspense—Accounts for fees charged for the service of process in civil cases. These non-refundable fees are set by Section 30.231, Florida Statutes. On a monthly basis, these fees are deposited to the General Fund of the Board of County Commissioners. Accounts for the receipt and disbursement of funds received for various purposes, such as faulty equipment for inspection and purge money for child support. Disbursement of these funds is made in accordance with the purpose of the receipt.

Inmate Trust—Accounts for inmates' personal cash receipts and disbursements. Individual inmate account records are maintained. This fund makes disbursements requested by inmates to the extent of their available funds.

NASSAU COUNTY SHERIFF
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2025

	Individual Depositors/ Suspense	Inmate Trust	Total
Assets			
Cash	$ 10,611	$ 109,961	$ 120,572
Total Assets	10,611	109,961	120,572
Liabilities			
Accounts Payable	-	51,946	51,946
Other Current Liabilities	8,010	-	8,010
Due to Other Funds	1,251	12,314	13,565
Due to Board of County Commissioners	1,350	698	2,048
Total Liabilities	10,611	64,958	75,569
Net Position	$ -	$ 45,003	$ 45,003

NASSAU COUNTY SHERIFF
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Individual Depositors/ Suspense	Inmate Trust	Total
Additions			
Inmate Funds Collected	$ -	$ 1,446,935	$ 1,446,935
Fines, Forfeitures, and Fees Collected	69,682	-	69,682
Total Additions	69,682	1,446,935	1,516,617
Deductions			
Inmate Funds Disbursed	-	1,432,086	1,432,086
Fines, Forfeitures, and Fees Disbursed	69,682	-	69,682
Total Deductions	69,682	1,432,086	1,501,768
Change in Net Position	-	14,849	14,849
Net Position, Beginning of Year	-	30,154	30,154
Net Position, End of Year	$ -	$ 45,003	$ 45,003

OTHER REPORTS

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

The Honorable Bill Leeper
Nassau County Sheriff
Nassau County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the 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 Nassau County, Florida Sheriff (the Sheriff) as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements, and have issued our report thereon dated February 3, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

The Honorable Bill Leeper
Nassau County Sheriff
Nassau County, Florida

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*

Report on Compliance and Other Matters

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

Purpose of This Report

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

Purvis Gray

February 3, 2026
Gainesville, Florida

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE
WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Bill Leeper
Nassau County Sheriff
Nassau County, Florida

We have examined Nassau County, Florida Sheriff's (the Sheriff) compliance with Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2025, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the Sheriff's compliance with those requirements. Our responsibility is to express an opinion on the Sheriff's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Sheriff complied, in all material respects, with the 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 judgment, including an assessment of the risks of material non-compliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

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

In our opinion, the Sheriff complied, in all material respects, with the aforementioned requirements during the fiscal year ended September 30, 2025.

This report 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, the Sheriff, its management, and the Board of County Commissioners of Nassau County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

February 3, 2026
Gainesville, Florida

MANAGEMENT LETTER

The Honorable Bill Leeper
Nassau County Sheriff
Nassau County, Florida

Report on the Financial Statements
We have audited the financial statements of the Nassau County, Florida Sheriff (the Sheriff) as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated February 3, 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 Financial Statements Performed in Accordance with *Government Auditing Standards;* and Independent Accountant's Report on an examination conducted in accordance with the American Institute of Certified Public Accountants *Professional Standards,* AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated February 3, 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 findings or 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 Sheriff was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Sheriff.

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

The Honorable Bill Leeper
Nassau County Sheriff
Nassau County, Florida

MANAGEMENT LETTER

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

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

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of our audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Purvis Gray

February 3, 2026
Gainesville, Florida

TAX COLLECTOR

2025

Nassau County Tax Collector
Nassau County, Florida

Financial Statements and Independent Auditor's Report

September 30, 2025

PURVIS GRAY
CERTIFIED PUBLIC ACCOUNTANTS

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

NASSAU COUNTY TAX COLLECTOR
NASSAU COUNTY, FLORIDA

SEPTEMBER 30, 2025

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The Honorable John Drew
Nassau County Tax Collector
Nassau County, Florida

Report on the Audit of the Financial Statements

Opinions
We have audited the financial statements of the general fund and the aggregate remaining fund information of the Nassau 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, as listed in the table of contents.

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

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

Emphasis of Matter

Incomplete 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 the *Rules of the Auditor General* of the State of Florida (the Rules). In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the general fund and the aggregate remaining fund information, only for that portion of the general fund and the aggregate remaining fund information, of Nassau County that is attributable to the Tax Collector. They do not purport to, and do

The Honorable John Drew
Nassau County Tax Collector
Nassau County, Florida

INDEPENDENT AUDITOR'S REPORT

not, present fairly the financial position of Nassau County as of September 30, 2025, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to these matters.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 Tax Collector's ability to continue as a going concern for twelve months beyond the financial statement date, including any known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS 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, individually or in the aggregate, they could reasonably be expected to influence the judgment made by a reasonable user made on the basis of these financial statements.

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to these 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.

The Honorable John Drew
Nassau County Tax Collector
Nassau County, Florida

INDEPENDENT AUDITOR'S REPORT

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

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 3, 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, rules, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Tax Collector's internal control over financial reporting and compliance.

Purvis Gray

February 3, 2026
Gainesville, Florida

FINANCIAL STATEMENTS

NASSAU COUNTY TAX COLLECTOR
BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2025

Assets	
Cash	$ 2,031,634
Due from Custodial Fund	80,484
Accounts Receivable	7,281
Total Assets	2,119,399
Liabilities and Fund Balance	
Liabilities	
Accounts Payable	49,008
Other Current Liabilities	169,982
Due to Custodial Fund	75
Due to Board of County Commissioners	1,747,848
Due to Other Governments	78,627
Unearned Revenue	73,859
Total Liabilities	2,119,399
Fund Balance	-
Total Liabilities and Fund Balance	$ 2,119,399

See accompanying notes to financial statements.

NASSAU COUNTY TAX COLLECTOR
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Revenues	
Charges for Services	$ 1,420,110
Interest Income	22,449
Miscellaneous	251
Total Revenues	1,442,810
Expenditures	
Current:	
General Government:	
Personnel Services	3,642,916
Operating Expenditures	773,053
Debt Service Expenditures:	
Principal	226,081
Interest	685
Capital Outlay	1,110,265
(Total Expenditures)	(5,753,000)
(Deficiency) of Revenues (Under) Expenditures	(4,310,190)
Other Financing Sources (Uses)	
Transfers in from Board of County Commissioners	5,087,909
Transfers (out) to Board of County Commissioners	(1,746,047)
SBITA Obligation	968,328
Total Other Financing Sources (Uses)	4,310,190
Net Change in Fund Balance	-
Fund Balance, Beginning of Year	-
Fund Balance, End of Year	$ -

See accompanying notes to financial statements.

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

	General Fund			
	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Charges for Services	$ 1,182,205	$ 1,182,205	$ 1,420,110	$ 237,905
Interest Income	50,000	50,000	22,449	(27,551)
Miscellaneous	2,000	2,000	251	(1,749)
Total Revenues	1,234,205	1,234,205	1,442,810	208,605
Expenditures				
Current:				
General Government:				
Personnel Services	3,891,753	3,934,100	3,642,916	291,184
Operating Expenditures	1,112,400	1,101,541	773,053	328,488
Debt Service Expenditures:				
Principal	-	-	226,081	(226,081)
Interest	-	-	685	(685)
Capital Outlay	184,708	283,255	1,110,265	(827,010)
(Total Expenditures)	(5,188,861)	(5,318,896)	(5,753,000)	(434,104)
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,954,656)	(4,084,691)	(4,310,190)	(225,499)
Other Financing Sources (Uses)				
Transfers in from Board of County Commissioners	4,212,533	4,212,533	5,087,909	875,376
Transfers (out) to Board of County Commissioners	(257,877)	(127,842)	(1,746,047)	(1,618,205)
SBITA Obligation	-	-	968,328	968,328
Total Other Financing Sources (Uses)	3,954,656	4,084,691	4,310,190	225,499
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	$ -	$ -	$ -	$ -

See accompanying notes to financial statements.

NASSAU COUNTY TAX COLLECTOR
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUND
SEPTEMBER 30, 2025

	Custodial Fund
Assets	
Cash	$ 4,311,798
Due from General Fund	75
Due from Individuals	310,364
Total Assets	4,622,237
Liabilities	
Due to General Fund	80,484
Due to Board of County Commissioners	1,074
Due to Other Governments	470,029
Undistributed Collections	4,070,070
Total Liabilities	4,621,657
Net Position	
Restricted for:	
Individuals, Organizations, and Other Governments	$ 580

See accompanying notes to financial statements.

NASSAU COUNTY TAX COLLECTOR
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

	Custodial Fund
Additions	
Licenses and Tag Fees Collected	$ 17,667,973
Property Taxes and Fees Collected	158,072,845
Refunds, Unclaimed Funds, Redeposits, and Credit Card Payments Collected	1,652,380
Tourist Development Fees Collected	12,009,121
Total Additions	189,402,319
Deductions	
Licenses and Tag Fees Disbursed	17,667,973
Property Taxes and Fees Disbursed	158,072,845
Refunds, Unclaimed Funds, Redeposits, and Credit Card Payments Disbursed	1,652,082
Tourist Development Fees Disbursed	12,009,121
Total Deductions	189,402,021
Change in Net Position	298
Net Position, Beginning	282
Net Position, Ending	$ 580
	-

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

The accounting policies of the office of the Nassau County, Florida Tax Collector (the Tax Collector) conform to generally accepted accounting principles (GAAP) as applicable to governments. The following is a summary of significant accounting principles and policies used in the preparation of the accompanying financial statements.

Reporting Entity

Nassau County, Florida (the County) is a political subdivision of the State of Florida. It is governed by an elected Board of County Commissioners (the Board).

The Tax Collector is an elected official of the County pursuant to the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Tax Collector. The Tax Collector is a part of the primary government of the County. The Florida Department of Revenue approves the Tax Collector's operating budget, the Tax Collector is responsible for the administration and operation of the Tax Collector's office, and the Tax Collector's financial statements do not include the financial statements of the Board or the other Constitutional Officers of Nassau County, Florida.

The Tax Collector operates as a Fee Officer. Upon approval of the operating budget, revenues are collected from fees and from commissions earned for the collection of taxes and special assessments for the various Nassau County taxing authorities pursuant to Section 192.091(2), Florida Statutes. Any excess revenues received over expenditures made are remitted at year-end to the taxing districts.

For financial reporting purposes, the Tax Collector is deemed to be a part of the primary government of the County and, therefore, is included as such in the County's annual financial report.

Basis of Presentation

The accompanying financial statements include all funds and accounts of the Tax Collector's office, but are not intended to be a complete presentation of the County as a whole. Except for this matter, they are otherwise in conformity with GAAP. The accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557(4), *Rules of the Auditor General, Local Governmental Entity Audits*.

The financial transactions of the Tax Collector are recorded in individual funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. These funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The Tax Collector reports the following fund types:

- **Governmental Fund**
  - **Major Fund**
    - **General Fund**—The general fund is the general operating fund of the Tax Collector. It is used to account for all financial resources, except for those required to be accounted for in another fund.

- **Fiduciary Fund**
  - **Custodial Fund**—The custodial fund is used to account for assets held by the Tax Collector as an agent for individuals, private organizations, and other governments. 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.

Fund Balance

The Tax Collector follows the provisions of Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions,* to classify fund balances for governmental funds into specifically defined classifications. The classifications comprise a hierarchy based primarily on the extent to which the Tax Collector is bound to honor constraints on the specific purposes for which amounts in the funds can be spent.

The fund balance classifications specified in GASB Statement No. 54 are as follows:

Non-Spendable Fund Balance—Non-spendable fund balances are amounts that cannot be spent because they are either: (a) not in spendable form; or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance—Restricted fund balances are restricted when constraints placed on the use of resources are either: (a) externally imposed by creditors, grantors, contributors, or laws or regulations of other governments; or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance—Committed fund balances are amounts that can only be used for specific purposes as a result of constraints imposed by formal action of the Tax Collector's highest level of decision making authority, which is a policy of the Tax Collector. Committed amounts cannot be used for any other purpose unless the Tax Collector removes those constraints by taking the same type of action.

Assigned Fund Balance—Assigned fund balances are amounts that are constrained by the Tax Collector's intent to be used for specific purposes but are neither restricted nor committed. Intent is expressed by: (a) the Tax Collector; or (b) a body or official to which the Tax Collector has delegated the authority to assign amounts to be used for specific purposes.

Unassigned Fund Balance—Unassigned fund balance is the residual classification for the general fund. The Tax Collector's policy is to expend resources in the following order: unassigned, restricted, committed, and assigned.

Measurement Focus/Basis of Accounting

All governmental funds are accounted for on a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of "available spendable resources" during a period. 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. Revenues are recognized when they become measurable and available as net current assets. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Tax Collector considered revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

The Custodial Fund is accounted for using an economic resource measurement focus and accrual basis of accounting requiring a resource flow statement. Liabilities are recognized when an event occurs that compels the Tax Collector to disburse fiduciary resources, which is when a demand for resources has been made or when no further action, approval, or condition is required to be taken or not by the beneficiary to release the assets.

Budgetary Requirement
The revenues and expenditures accounted for in the budgetary fund are controlled by a formal integrated budgetary accounting system in accordance with Florida Statutes. An annual budget is approved by the Florida Department of Revenue for the general fund. Budget to actual comparisons are provided in the financial statements for the general fund, where the Tax Collector has legally adopted an annual budget. All budget amounts presented in the accompanying financial statements have been adjusted for legally authorized amendments of the annual budget for the year.

Budgets are prepared on the modified accrual basis of accounting.

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

Capital Assets and Long-Term Liabilities
Because of the current financial resources measurement focus, the accompanying fund financial statements do not report capital assets or long-term liabilities. Such amounts are instead reported in the government-wide financial statements of the County.

Leases
The Tax Collector is a lessee for various lease agreements involving office space and equipment. At the commencement of a lease, the Tax Collector initially measures the present value of payments expected to be made during the lease term and records this amount as capital outlay expenditures and other finance sources. Subsequently, the lease payments are recorded as debt service principal and interest expenditures based on the discount rate that was used to measure the present value. Because of the current financial resources measurement focus, the accompanying fund financial statements do not report lease assets or liabilities, and such amounts are instead reported in the government-wide financial statements of the County.

Subscription-Based Information Technology Arrangements (SBITA)
The Tax Collector has various SBITAs. At the commencement of a SBITA, the Tax Collector initially measures the present value of payments expected to be made during the SBITA term and records this amount as capital outlay expenditures and other finance sources. Subsequently, the SBITA payments are recorded as debt service principal and interest expenditures based on the discount rate that was used to measure the present value. Based on current financial resources measurement focus, the accompanying fund financial statements do not report SBITA assets or liabilities, and such amounts are instead reported in the government-wide financial statements of the County.

Compensated Absences
The Tax Collector maintains the following policy for sick leave. Sick leave is accumulated at the rate of four hours per pay period. Upon making application to draw benefits through the Florida Retirement System, an eligible employee is entitled to be paid for accumulated sick leave at the current rate of pay, not to exceed 720 hours.

The Tax Collector's policy for usage of leave hours assumes a last-in, first-out flow assumption, and expectation of future payout or usage is based upon historical trend data. The Tax Collector's compensated absences liability is not reflected in the fund-level financial statements, but is presented at the government-wide level in the County's annual financial report.

Property Tax Collections
Chapter 197, Florida Statutes, governs property tax collections.

- *Current Taxes*—All property taxes become due and payable on November 1 and are delinquent on April 1 of the following year. Discounts of 4%, 3%, 2%, and 1% are allowed for early payment in November through February, respectively.

- *Unpaid Taxes - Sale of Tax Certificates*—The Tax Collector advertises, as required by Florida Statutes, then sells tax certificates on all real property for unpaid taxes. Certificates not purchased are issued to the County. Any person owning real property upon which a tax certificate has been sold may reacquire the real property by paying the Tax Collector the face amount of the tax certificate plus interest and other costs.

- *Tax Deeds*—The owner of a tax certificate may, after two years when the taxes have been delinquent (after April 1), file an application for tax deed sale. The County, as a certificate owner, may exercise similar procedures two years after taxes have been delinquent (after April 1). Tax deeds are issued to the highest bidder for the property, which is sold at public auction. The Clerk of the Circuit Court administers these sales.

Unearned Revenue
Unearned revenue represents the biennial service fees attributable to future years.

Use of Estimates
The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make various estimates. Actual results could differ from those estimates.

Accounting Changes - Implementation of New GASB Statements

During the year ended September 30, 2025, the Tax Collector adopted GASB Statements No. 101, *Compensated Absences*, and No. 102, *Certain Risk Disclosures*. GASB Statement No. 101 updates the recognition and measurement guidance for compensated absences, achieved by aligning the recognition and measurement under a unified model and by amending certain previously required disclosures. As a result of the adoption of this statement, the Tax Collector assessed its calculation of compensated absences for compliance with provisions of the statement. As discussed in the *Compensated Absences* disclosure above, the Tax Collector has determined, based on the nature of the compensated absence liability flow assumption and an analysis of historical usage and payout trends, that its previous calculation methodology for compensated absences was not in compliance with the provisions of GASB Statement No. 101. As a result, a restatement of the prior year balances will be presented in the County's financial statements. There is no effect in the Tax Collector's fund-level financial statements.

GASB Statement No. 102 intends to improve financial reporting by providing users of the financial statements with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. There was no impact to the Tax Collector's financial statements as a result of the adoption of this statement.

Note 2 - Cash

At September 30, 2025, the carrying amount of the Tax Collector's cash on hand and on deposit was $6,343,432 and the bank balances were $6,182,886. Deposits in banks and savings and loan institutions are collateralized as public funds through a state procedure provided for in Chapter 280, Florida Statutes. Financial institutions qualifying as public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits times the depository's collateral pledging level. 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. All of the cash deposits of the Tax Collector are placed with qualified financial institutions and are considered to be fully insured.

The Tax Collector's investment practices are governed by Sections 219.075 and 218.415, Florida Statutes. The Tax Collector was authorized to invest in certificates of deposit, obligations of the U.S. Treasury, money market funds, and repurchase agreements.

Note 3 - Pension and Postemployment Benefits Other Than Pension Benefits

Florida Retirement System Pension Benefits

The Tax Collector participates in the Florida Retirement System to provide pension benefits to its employees. A detailed plan description and any liability for employees of the Tax Collector are included in the financial statements of the County.

Postemployment Benefits Other Than Pensions

The Tax Collector participates in the plan established by the Board to provide other postemployment benefits to retirees of the Board and Constitutional Officers. A detailed plan description and any liability for employees of the Tax Collector are included in the financial statements of the County.

Note 4 - Interfund Receivables and Payables

Interfund receivables and payables at September 30, 2025, are as follows:

	Due from Other Funds	Due to Other Funds
General Fund	$ 80,484	$ 75
Fiduciary:		
Custodial Fund	75	80,484
Totals	$ 80,559	$ 80,559

Interfund balances primarily comprise the statutory fee portion of collections within the fiduciary fund to be distributed to the general fund as revenues to support operations.

Note 5 - Risk Management

The Tax Collector is exposed to various risks of loss related to legal liability, theft of, damage to, and destruction of assets, accidental death and dismemberment, and on-the-job injury to employees. Many of these risks are transferred through various insurance coverage purchased by the Board on behalf of the Tax Collector and other county-affiliated entities. Settled claims from these risks have not exceeded insurance coverage for the past three years.

The financial liability of the Tax Collector is limited to premiums paid and losses exceeding or not covered by insurance. The premiums are paid from various funds based on coverage required.

There has been no reduction in insurance coverages from the previous year.

The Tax Collector is also protected under sovereign immunity up to a maximum of $200,000 per person and $300,000 per occurrence for claims against the Tax Collector involving negligence, including automobile and general liability. Negligence claims in excess of the statutory limits set forth in Section 768.28, Florida Statutes, can only be recovered through an act of the State of Florida Legislature.

Note 6 - Commitments and Contingencies

From time to time, the office of the Tax Collector is involved as a defendant in certain litigation and claims arising from the ordinary course of operations. In the opinion of management, the range of potential liabilities will not materially affect the operations of the Tax Collector's office or the combined financial position of the County, which would be required to fund any claim payments.

Note 7 - Other Disclosures

During the current fiscal year, actual expenditures exceeded budgeted amounts due to the recognition of $968,328 in capital outlay associated with a new SBITA in accordance with GASB Statement No. 96. The related capital outlay was required to be recognized for financial reporting purposes and was not specifically anticipated during the budgeting process. The variance is non-recurring in nature and does not reflect additional discretionary spending or failure of budgetary control, as the agreement was not identified as a SBITA subject to reporting under GASB Statement No. 96 until after the statutory deadlines for submission of budget amendments and excess fee remittance had passed.

OTHER REPORTS

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

The Honorable John Drew
Nassau County Tax Collector
Nassau County, Florida

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the general fund and the aggregate remaining fund information of the Nassau County, Florida Tax Collector (the Tax Collector) as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Tax Collector's basic financial statements, and have issued our report thereon dated February 3, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

The Honorable John Drew
Nassau County Tax Collector
Nassau County, Florida

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*

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

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

Purvis Gray

February 3, 2026
Gainesville, Florida

PURVIS GRAY

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE
WITH SECTION 218.415, FLORIDA STATUTES

The Honorable John Drew
Nassau County Tax Collector
Nassau County, Florida

We have examined the Nassau County, Florida Tax Collector's (the Tax Collector) compliance with Section 218.415, Florida Statutes, during the fiscal 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 requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Tax Collector complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material non-compliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

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

In our opinion, the Tax Collector complied, in all material respects, with the aforementioned requirements during the fiscal year ended September 30, 2025.

This report 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, the Tax Collector, its management, and the Board of County Commissioners of Nassau County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

February 3, 2026
Gainesville, Florida

MANAGEMENT LETTER

The Honorable John Drew
Nassau County Tax Collector
Nassau County, Florida

Report on the Financial Statements
We have audited the financial statements of the general fund and the aggregate remaining fund information of the Nassau 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 February 3, 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 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 the American Institute of Certified Public Accountants *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated February 3, 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 findings or 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 was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Tax Collector.

The Honorable John Drew
Nassau County Tax Collector
Nassau County, Florida

MANAGEMENT LETTER

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 non-compliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that has occurred, or is likely to have occurred, that has an effect on the financial statements that is less than material, but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter
Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and Florida House of Representatives, the Florida Auditor General, the Tax Collector, its management, and the Board of County Commissioners of Nassau County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of our audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Purvis Gray

February 3, 2026
Gainesville, Florida

PROPERTY APPRAISER

2025

Nassau County Property Appraiser
Nassau County, Florida

Financial Statements and Independent Auditor's Report

September 30, 2025

PURVIS GRAY
CERTIFIED PUBLIC ACCOUNTANTS

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT

NASSAU COUNTY PROPERTY APPRAISER
NASSAU COUNTY, FLORIDA

SEPTEMBER 30, 2025

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INDEPENDENT AUDITOR'S REPORT

The Honorable Kevin J. Lilly
Nassau County Property Appraiser
Nassau County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the general fund of the Nassau 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, as listed in the table of contents.

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

Basis for Opinions

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

Emphasis of Matter

Incomplete 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 the *Rules of the Auditor General* of the State of Florida (the Rules). In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the general fund, only for that portion of the general fund, of Nassau County, Florida that is attributable to the Property Appraiser. They do not purport to, and do not, present fairly the financial position of Nassau County, Florida as

INDEPENDENT AUDITOR'S REPORT

of September 30, 2025, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to these matters.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of 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 the 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 known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS 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, individually or in the aggregate, they could reasonably be expected to influence the judgment made by a reasonable user made on the basis of these financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to these 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.

The Honorable Kevin J. Lilly
Nassau County Property Appraiser
Nassau County, Florida

INDEPENDENT AUDITOR'S REPORT

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 3, 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, rules, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Property Appraiser's internal control over financial reporting and compliance.

Purvis Gray

February 3, 2026
Gainesville, Florida

FINANCIAL STATEMENTS

NASSAU COUNTY PROPERTY APPRAISER
BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2025

Assets	
Cash	$ 196,716
Total Assets	196,716
Liabilities and Fund Balance	
Liabilities	
Due to Board of County Commissioners	110,154
Due to Other Governments	1,729
Total Liabilities	111,883
Fund Balance	
Assigned	84,833
Total Fund Balance	84,833
Total Liabilities and Fund Balance	$ 196,716

See accompanying notes to financial statements.

NASSAU COUNTY PROPERTY APPRAISER
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Revenues	
Intergovernmental Revenue	$ 243,200
Charges for Services	140,933
Miscellaneous	2,256
Interest Income	14,180
Total Revenues	400,569
Expenditures	
Current:	
General Government:	
Personnel Services	2,742,849
Operating Expenditures	663,864
Public Safety:	
Personnel Services	96,039
Operating Expenditures	342,186
Debt Service:	
Principal	1,356
Interest	44
Capital Outlay	37,659
(Total Expenditures)	(3,883,997)
(Deficiency) of Revenues (Under) Expenditures	(3,483,428)
Other Financing Sources (Uses)	
Transfers in from Board of County Commissioners	3,655,415
Transfers in from Constitutional Officers	23,000
Transfers (out) to Board of County Commissioners	(110,154)
Total Other Financing Sources (Uses)	3,568,261
Net Change in Fund Balance	84,833
Fund Balance, Beginning of Year	-
Fund Balance, End of Year	$ 84,833

See accompanying notes to financial statements.

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

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Intergovernmental Revenue	$ 243,200	$ 243,200	$ 243,200	$ -
Charges for Services	142,662	140,933	140,933	-
Interest Income	-	14,180	14,180	-
Miscellaneous	2,256	2,256	2,256	-
Total Revenues	388,118	400,569	400,569	-
Expenditures				
Current:				
General Government:				
Personnel Services	2,879,593	2,889,488	2,742,849	146,639
Operating Expenditures	853,272	867,452	663,864	203,588
Public Safety:				
Personnel Services	130,296	130,296	96,039	34,257
Operating Expenditures	132,595	132,595	342,186	(209,591)
Debt Service:				
Principal	-	-	1,356	(1,356)
Interest	-	-	44	(44)
Capital Outlay	-	-	37,659	(37,659)
Contingency	50,000	50,000	-	50,000
(Total Expenditures)	(4,045,756)	(4,069,831)	(3,883,997)	185,834
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,657,638)	(3,669,262)	(3,483,428)	185,834
Other Financing Sources (Uses)				
Transfers in from Board of County Commissioners	3,634,638	3,646,262	3,655,415	9,153
Transfers in from Constitutional Officers	23,000	23,000	23,000	-
Transfers (out) to Board of County Commissioners	-	-	(110,154)	(110,154)
Total Other Financing Sources (Uses)	3,657,638	3,669,262	3,568,261	(101,001)
Net Change in Fund Balance	-	-	84,833	84,833
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	$ -	$ -	$ 84,833	$ 84,833

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

NASSAU COUNTY PROPERTY APPRAISER
NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

The following is a summary of significant accounting principles and policies used in the preparation of the accompanying financial statements.

Reporting Entity

Nassau County, Florida (the County) is a political subdivision of the State of Florida. It is governed by an elected Board of County Commissioners (the Board).

The Nassau County, Florida Property Appraiser (the Property Appraiser) is an elected official of the County pursuant to the Constitution of the State of Florida, Article VIII, Section 1(d). There are no component units related to the Property Appraiser. The Property Appraiser is a part of the primary government of the County. The Florida Department of Revenue approves the Property Appraiser's total operating budget, the Property Appraiser is responsible for the administration and operation of the Property Appraiser's office, and the Property Appraiser's financial statements do not include the financial statements of the Board or the other Constitutional Officers of the County.

The operations of the Property Appraiser are funded by the Board, the St. Johns River Water Management District, the Amelia Island Mosquito Control District, and the Florida Inland Navigation District. The receipts from the Board are recorded as other financing sources on the Property Appraiser's financial statements.

For financial reporting purposes, the Property Appraiser is deemed to be a part of the primary government of the County and, therefore, is included as such in the County's annual financial report.

Basis of Presentation

The accompanying financial statements include all funds and accounts of the Property Appraiser's office but are not intended to be a complete presentation of the County as a whole. Except for this matter, they are otherwise in conformity with accounting principles generally accepted in the United States of America. The accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557(4), *Rules of the Auditor General Local Governmental Entity Audits*.

The financial transactions of the Property Appraiser are recorded in one individual fund. This fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures.

The Property Appraiser reports the following fund type:

- **Governmental Fund**
  - **Major Fund**
    - **General Fund**—The general fund is the general operating fund of the Property Appraiser. It is used to account for all financial resources, except for those required to be accounted for in another fund.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the general fund financial statements and refers 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. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available to finance expenditures of the current period. The Property Appraiser considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Expenditures are recorded when the liability is incurred, except for accumulated sick and vacation pay, which are not recorded until paid.

Measurement Focus

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

Budgetary Requirement

General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget is approved by the Florida Department of Revenue for the general fund. Budget to actual comparisons are provided in the financial statements for the general fund, where the Property Appraiser has legally adopted an annual budget. All budget amounts presented in the accompanying financial statements have been adjusted for legally authorized amendments of the annual budget for the year.

Budgets are prepared on the modified accrual basis of accounting.

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

Capital Assets

Tangible personal property is recorded as expenditures in the general fund at the time an asset is acquired. Assets acquired by the Property Appraiser are capitalized at cost in the capital asset accounts of the County. The Property Appraiser maintains custodial responsibility for the capital assets used by his office.

Compensated Absences

The Property Appraiser maintains a policy of granting employees annual leave based upon the number of years of employment. An employee can receive payment for such accumulated annual leave upon termination of employment in good standing up to a maximum of 300 hours. In addition, the Property Appraiser maintains the following policy for sick leave. Sick leave is accumulated at the rate of one day per month. Upon appointment or election to county-wide office, death, or voluntarily resignation (or retirement), with two weeks’ prior written notice, an employee will be paid for accumulated sick leave up to a maximum payout of 400 hours calculated based upon years of service and a percentage of pay. The Property Appraiser's policy for usage of leave hours assumes a last-in, first-out flow assumption. The Property Appraiser's compensated absences liability is measured using estimates of amounts that are expected to be either used or settled in cash in the future and is based on historical trends. These amounts are reported in the government-wide financial statements of the County.

Fund Balance Reporting

The Property Appraiser implemented the provisions of Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, as required. The purpose of GASB Statement No. 54 is to improve the consistency and usefulness of fund balance information to the financial statement user. The statement establishes fund balance classifications that comprise a hierarchy based primarily on the extent to which the organization is bound to honor constraints on the specific purpose for which amounts can be spent. Fund balance is reported in five components: non-spendable, restricted, committed, assigned, and unassigned.

- **Non-Spendable**—This component of fund balance consists of amounts that cannot be spent because: (a) they are not expected to be converted to cash; or (b) they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund. The Property Appraiser does not have any non-spendable funds.

- **Restricted**—This component of fund balance consists of amounts that are constrained either: (a) externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments); or (b) by law through constitutional provisions or enabling legislation.

- **Committed**—This component of fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (e.g., ordinance or resolution) of the County's governing board. These committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (e.g., ordinance or resolution) it employed previously to constrain those amounts.

- **Assigned**—This component of fund balance consists of amounts that are constrained by a less-than-formal action of the Property Appraiser, or by an individual or body to whom the Property Appraiser has delegated this responsibility. By definition, fund balances are also assigned to the extent that they are needed to finance a subsequent year's budget deficit. The Property Appraiser's assigned fund balance totaled $84,833 as of September 30, 2025. These funds were approved by the Board to be retained by the Property Appraiser's office to be used for aerial survey expenses.

- **Unassigned**—This classification is used for: (a) negative unrestricted fund balances in any governmental fund; or (b) fund balances within the general fund that are not restricted, committed, or assigned.

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

Subscription-Based Information Technology Agreements (SBITAs)
The Property Appraiser enters into SBITAs, as needed, for software. At the commencement of a SBITA, the Property Appraiser initially measures the present value of payments expected to be made during the term of the agreement and records this amount as capital outlay expenditures and other finance source revenues. Subsequently, payments under the agreements are recorded as debt service principal and interest expenditures based on the discount rate that was used to measure the present value. Because of the current financial resources management focus, the accompanying fund financial statements do not report related right-of-use assets or long-term liabilities, and such amounts are instead reported in the government-wide financial statements of the County.

Adoption of New Accounting Pronouncements
During the year ended September 30, 2025, the Property Appraiser adopted GASB Statements No. 101, *Compensated Absences*, and No. 102, *Certain Risk Disclosures*. GASB Statement No. 101 establishes a model for recognizing all types of compensated absences, including vacation leave, sick leave, paid time off, and other compensated absences. This statement replaces the guidance previously issued in GASB Statement No. 16, *Accounting for Compensated Absences*. Under GASB Statement No. 101, a liability is recognized when the leave is earned and attributed to services already rendered, rather than when it is paid or becomes vested; accumulates; or carries over beyond the current fiscal year; and more likely than not to be used for time off or otherwise paid out in cash or settled through non-cash means. As a result of the implementation of this pronouncement, there was no impact to the Property Appraiser's fund level financial statements; however, a restatement of the prior year balances will be reported in the County-wide financial statements. Compensated absences liabilities are presented in the County-wide financial statements.

GASB Statement No. 102 intends to improve financial reporting by providing users of the financial statements with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. There was no impact to the Property Appraiser's financial statements as a result of the adoption of this statement.

Note 2 - Cash

At September 30, 2025, bank balances totaled $551,538, and the carrying amount of the Property Appraiser's deposits was $196,716, including $100 in petty cash. Deposits in banks, savings, and loan institutions are collateralized as public funds through a state procedure provided for in Chapter 280, Florida Statutes. Financial institutions qualifying as public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits times the depository's collateral pledging level. 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. All of the cash deposits of the Property Appraiser are placed with qualified financial institutions, which means they are insured or collateralized.

Note 3 - Pension and Postemployment Benefits Other Than Pension Benefits

Florida Retirement System (FRS) Pension Benefits
The Property Appraiser participates in the FRS to provide retirement benefits to its employees. A detailed plan description and any liability for employees of the Property Appraiser are included in the financial statements of the County.

Postemployment Benefits Other Than Pensions

The Property Appraiser participates in the plan established by the Board to provide other postemployment benefits to retirees of the Board and Constitutional Officers. A detailed plan description of any liability for employees of the Property Appraiser is included in the financial statements of the County.

OTHER REPORTS

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

The Honorable Kevin J. Lilly
Nassau County Property Appraiser
Nassau 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 Nassau County, Florida Property Appraiser (the Property Appraiser) as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Property Appraiser's basic financial statements, and have issued our report thereon dated February 3, 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) 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 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 Property Appraiser's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

The Honorable Kevin J. Lilly
Nassau County Property Appraiser
Nassau County, Florida

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*

Report on Compliance and Other Matters

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

Purpose of this Report

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

Purvis Gray

February 3, 2026
Gainesville, Florida

PURVIS GRAY

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE
WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Kevin J. Lilly
Nassau County Property Appraiser
Nassau County, Florida

We have examined Nassau County, Florida Property Appraiser's (the Property Appraiser) compliance with the requirements of Section 218.415, Florida Statutes, as of and for the year ended September 30, 2025, as required by Section 10.556(10)(a), *Rules of the Auditor General*. 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 requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Property Appraiser complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material non-compliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

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

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 Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Property Appraiser, its management, and the Board of County Commissioners of Nassau County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

February 3, 2026
Gainesville, Florida

MANAGEMENT LETTER

The Honorable Kevin J. Lilly
Nassau County Property Appraiser
Nassau County, Florida

Report on the Financial Statements
We have audited the financial statements of the general fund of the Nassau 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 February 3, 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 American Institute of Certified Public Accountants *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 February 3, 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 findings or recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority
Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Property Appraiser was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Property Appraiser.

The Honorable Kevin J. Lilly
Nassau County Property Appraiser
Nassau County, Florida

MANAGEMENT LETTER

Financial Condition and 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 non-compliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that has occurred or is likely to have occurred, that has an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter
Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Property Appraiser, its management, and the Board of County Commissioners of Nassau County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of our audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Purvis Gray

February 3, 2026
Gainesville, Florida

SUPERVISOR OF
ELECTIONS

2025

Nassau County Supervisor of Elections
Nassau County, Florida

Financial Statements and Independent Auditor's Report

September 30, 2025

PURVIS GRAY
CERTIFIED PUBLIC ACCOUNTANTS

FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORTS

NASSAU COUNTY SUPERVISOR OF ELECTIONS
NASSAU COUNTY, FLORIDA

SEPTEMBER 30, 2025

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INDEPENDENT AUDITOR'S REPORT

The Honorable Janet H. Adkins
Nassau County Supervisor of Elections
Nassau County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the general fund of the Nassau 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, as listed in the table of contents.

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

Basis for Opinions

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

Emphasis of Matter

Incomplete 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 the *Rules of the Auditor General* of the State of Florida (the Rules). In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of the general fund, only for that portion of the general fund, of Nassau County that is attributable to the Supervisor of Elections. They do not purport to, and do not, present fairly the financial position of Nassau County as of September 30, 2025, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to these matters.

The Honorable Janet H. Adkins
Nassau County Supervisor of Elections
Nassau County, Florida

INDEPENDENT AUDITOR'S REPORT

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 the 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 known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and, therefore, is not a guarantee that an audit conducted in accordance with GAAS 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, individually or in the aggregate, they could reasonably be expected to influence the judgment made by a reasonable user made on the basis of these financial statements.

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to these 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.

The Honorable Janet H. Adkins
Nassau County Supervisor of Elections
Nassau County, Florida

INDEPENDENT AUDITOR'S REPORT

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 3, 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, rules, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Supervisor of Elections' internal control over financial reporting and compliance.

Purvis Gray

February 3, 2026
Gainesville, Florida

FINANCIAL STATEMENTS

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

Assets	
Cash	$ 422,279
Accounts Receivable	4,841
Prepaid Expenses	15
Total Assets	427,135
Liabilities and Fund Balance	
Liabilities	
Accounts Payable	15,603
Due to the Board of County Commissioners	355,704
Accrued Salaries and Benefits	55,828
Total Liabilities	427,135
Fund Balance	
Non-Spendable	15
Unassigned	(15)
Total Fund Balance	-
Total Liabilities and Fund Balance	$ 427,135

See accompanying notes to financial statements.

NASSAU COUNTY SUPERVISOR OF ELECTIONS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025

Revenues	
Intergovernmental Revenue	$ 11,160
Charges for Services	3,060
Miscellaneous Revenue	10,037
Total Revenues	24,257
Expenditures	
Current:	
General Government:	
Personnel Services	1,426,038
Operating Expenditures	765,869
Capital Outlay	804,350
(Total Expenditures)	(2,996,257)
(Deficiency) of Revenues (Under) Expenditures	(2,972,000)
Other Financing Sources (Uses)	
Transfers in from Board of County Commissioners	3,349,078
Transfers (out) to Board of County Commissioners	(354,078)
Transfers (out) to Property Appraiser	(23,000)
Total Other Financing Sources (Uses)	2,972,000
Net Change in Fund Balance	-
Fund Balance, Beginning of Year	-
Fund Balance, End of Year	$ -

See accompanying notes to financial statements.

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

	Budgeted Amounts		Actual	Variance With Final Budget Positive
	Original	Final	Amounts	(Negative)
Revenues				
Intergovernmental Revenue	$ -	$ 11,160	$ 11,160	$ -
Charges for Services	-	3,060	3,060	-
Miscellaneous Revenue	-	10,037	10,037	-
Total Revenues	-	24,257	24,257	-
Expenditures				
Current:				
General Government:				
Personnel Services	1,678,498	1,426,038	1,426,038	-
Operating Expenditures	1,007,405	765,869	765,869	-
Capital Outlay	10,000	804,350	804,350	-
(Total Expenditures)	(2,695,903)	(2,996,257)	(2,996,257)	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(2,695,903)	(2,972,000)	(2,972,000)	-
Other Financing Sources (Uses)				
Transfers in from Board of County Commissioners	2,718,903	3,349,078	3,349,078	-
Transfers (out) to Board of County Commissioners	-	(354,078)	(354,078)	-
Transfers (out) to Property Appraiser	(23,000)	(23,000)	(23,000)	-
Total Other Financing Sources (Uses)	2,695,903	2,972,000	2,972,000	-
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	$ -	$ -	$ -	$ -

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

Note 1 - Summary of Significant Accounting Policies

The following is a summary of significant accounting principles and policies used in the preparation of the accompanying financial statements.

Reporting Entity

Nassau County, Florida (the County) is a political subdivision of the State of Florida. It is governed by an elected Board of County Commissioners (the Board).

The Nassau County, Florida Supervisor of Elections (the Supervisor of Elections) is an elected official of the County, pursuant to the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Supervisor of Elections. The Supervisor of Elections is a part of the primary government of the County. The Board approves the Supervisor of Elections' total operating budget, and the Clerk of the Court is responsible for accounting for the Supervisor of Elections' transactions. The Supervisor of Elections is responsible for the administration and operation of the Supervisor of Elections' office, and the Supervisor of Elections' financial statements do not include the financial statements of the Board or the other Constitutional Officers of the County.

The operations of the Supervisor of Elections are funded by the Board. The receipts from the Board are recorded as other financing sources on the Supervisor of Elections' financial statements.

For financial reporting purposes, the Supervisor of Elections is deemed to be a part of the primary government of the County and, therefore, is included as such in the County's annual financial report.

Basis of Presentation

The accompanying financial statements include all funds and accounts of the Supervisor of Elections' office but are not intended to be a complete presentation of the County as a whole. Except for this matter, they are otherwise in conformity with accounting principles generally accepted in the United States of America (GAAP). The accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557(4), *Rules of the Auditor General, Local Governmental Entity Audits*.

The financial transactions of the Supervisor of Elections are recorded in one individual fund. This fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures.

The Supervisor of Elections reports the following fund type:

- **Governmental Fund**
  - **Major Fund**
    - **General Fund**—The general fund is the general operating fund of the Supervisor of Elections. It is used to account for all financial resources, except for those required to be accounted for in another fund.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the general fund financial statements and refers 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. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available to finance expenditures of the current period. The Supervisor of Elections considers revenues to be available if they are collected within thirty days of the end of the current fiscal period. Expenditures are recorded when the liability is incurred, except for accumulated sick and vacation pay, which are not recorded until paid.

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

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

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

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

Capital Assets
Tangible personal property is recorded as expenditures in the general fund at the time an asset is acquired. Assets acquired by the Supervisor of Elections are capitalized at cost in the capital asset accounts of the County. The Supervisor of Elections maintains custodial responsibility for the capital assets used by the office.

Compensated Absences
The Supervisor of Elections' policy for granting employees vacation leave is based upon the number of years of employment. An employee is entitled to receive payment for such accumulated leave upon separation in good standing.

In addition, the Supervisor of Elections' policy provides that employees earn sick leave at the rate of four hours every two weeks up to a maximum of ninety days, seven hundred twenty (720) hours. Any employee who has accumulated the maximum of unused sick leave in one year shall be paid for any unused sick leave above the ninety days, seven hundred twenty (720) hours. Said payment shall be made on the first (1^{st}) pay day of December each year. If an employee retires into the Florida Retirement System, he or she is eligible to receive payment for up to seven hundred twenty (720) hours of unused sick leave. The Supervisor of Elections' policy for usage of leave hours assumes a last-in, first-out flow assumption. The Supervisor of Elections' compensated absences liability is measured using estimates of amounts that are expected to be either used or settled in cash in the future and is based on historical trends. These amounts are reported in the government-wide financial statements of the County.

Workers' Compensation and Group Health Insurance
The Board provided the Supervisor of Elections and her employees with workers' compensation and group health insurance coverages. The premiums for such coverages were paid by the Board and recorded on its records and, consequently, are not recorded on the Supervisor of Elections' records.

Use of Estimates
The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the amounts reported and disclosed in the accompanying financial statements and notes. Actual results could differ from estimates.

Adoption of New Accounting Pronouncement
During the year ended September 30, 2025, the Supervisor of Elections adopted GASB Statements No. 101, *Compensated Absences*, and No. 102, *Certain Risk Disclosures*. GASB Statement No. 101 establishes a model for recognizing all types of compensated absences, including vacation leave, sick leave, paid time off, and other compensated absences. This statement replaces the guidance previously issued in GASB Statement No. 16, *Accounting for Compensated Absences*. Under GASB Statement No. 101, a liability is recognized when the leave is earned and attributed to services already rendered, rather than when it is paid or becomes vested; accumulates; or carries over beyond the current fiscal year; and more likely than not to be used for time off or otherwise paid out in cash or settled through non-cash means. There was no impact to the Supervisor of Elections' fund level financial statements as a result of this accounting pronouncement. Compensated absences liabilities are presented in the County-wide financial statements.

GASB Statement No. 102 intends to improve financial reporting by providing users of the financial statements with timely information regarding certain concentrations or constraints and related events that have occurred or have begun to occur that make a government vulnerable to a substantial impact. There was no impact to the Supervisor of Elections' financial statements as a result of the adoption of this statement.

Note 2 - Cash

At September 30, 2025, the carrying amount of the Supervisor of Elections' cash balance, as recorded on the Board's records, was $422,279. Deposits in banks and savings and loan institutions are collateralized as public funds through a state procedure provided for in Chapter 280, Florida Statutes. Financial institutions qualifying as public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits times the depository's collateral pledging level. 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. All of the cash deposits are placed with qualified financial institutions, which means they are insured or collateralized.

Note 3 - Pension and Postemployment Benefits Other Than Pension Benefits

Florida Retirement System (FRS) Pension Benefits

The Supervisor of Elections participates in the FRS to provide retirement benefits to its employees. A detailed plan description and any liability for employees of the Supervisor of Elections are included in the financial statements of the County.

Postemployment Benefits Other Than Pensions

The Supervisor of Elections participates in the plan established by the Board to provide other postemployment benefits to retirees of the Board and Constitutional Officers. A detailed plan description of any liability for employees of the Supervisor of Elections is included in the financial statements of the County.

OTHER REPORTS

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

The Honorable Janet H. Adkins
Nassau County Supervisor of Elections
Nassau County, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States, the financial statements of the general fund of the Nassau County, Florida Supervisor of Elections (the Supervisor of Elections) as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' basic financial statements, and have issued our report thereon dated February 3, 2026.

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

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

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

The Honorable Janet H. Adkins
Nassau County Supervisor of Elections
Nassau County, Florida

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*

Report on Compliance and Other Matters

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

Purpose of this Report

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

Purvis Gray

February 3, 2026
Gainesville, Florida

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE
WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Janet H. Adkins
Nassau County Supervisor of Elections
Nassau County, Florida

We have examined Nassau County, Florida Supervisor of Elections' (the Supervisor of Elections) compliance with the requirements of Section 218.415, Florida Statutes, as of and for the year ended September 30, 2025, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the Supervisor of Elections' compliance with those requirements. Our responsibility is to express an opinion on the Supervisor of Elections' compliance based on our examination.

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

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

Our examination does not provide a legal determination on the Supervisor of Elections' compliance with specified requirements.

In our opinion, the Supervision 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 Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Supervisor of Elections, its management, and the Board of County Commissioners of Nassau County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

February 3, 2026
Gainesville, Florida

MANAGEMENT LETTER

The Honorable Janet H. Adkins
Nassau County Supervisor of Elections
Nassau County, Florida

Report on the Financial Statements
We have audited the financial statements of the general fund of the Nassau County, Florida Supervisor of Elections (the Supervisor of Elections) as of and for the year ended September 30, 2025, and have issued our report thereon dated February 3, 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 American Institute of Certified Public Accountants *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 February 3, 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 findings or 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 Supervisor of Elections was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Supervisor of Elections.

The Honorable Janet H. Adkins
Nassau County Supervisor of Elections
Nassau County, Florida

MANAGEMENT LETTER

Financial Condition and 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 non-compliance with provisions of contracts or grant agreements, or fraud, waste, or abuse, that has occurred or is likely to have occurred, that has an effect on the financial statements that is less than material but warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter
Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Supervisor of Elections, its management, and the Board of County Commissioners of Nassau County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of our audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.

Purvis Gray

February 3, 2026
Gainesville, Florida