



SANTA ROSA
COUNTY **FLORIDA**

Annual
COMPREHENSIVE
Financial Report
FOR THE FISCAL YEAR
ENDED SEPTEMBER 30,
2025





SANTA ROSA COUNTY, FLORIDA

**ANNUAL COMPREHENSIVE
FINANCIAL REPORT
FOR THE YEAR ENDED
SEPTEMBER 30, 2025**

**Jason D. English, Esq.
Clerk of the Circuit Court, County Court and Comptroller**

**Prepared By:
Clerk of the Circuit Court, County Court and Comptroller
Finance Department**

**Robert J. Miller
Senior Accountant**

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- Santa Rosa County Sheriff
- Santa Rosa County Supervisor of Elections
- Santa Rosa County Tax Collector





Introductory
section



JASON D. ENGLISH, ESQ.
CLERK OF THE CIRCUIT COURT & COMPTROLLER
SANTA ROSA COUNTY, FLORIDA

Clerk of the Circuit Court & Comptroller
Recorder of Deeds
Clerk and Accountant of the Board of County Commissioners
Custodian of County Funds
County Auditor

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April 30, 2026

To the Honorable Board of County Commissioners and the Citizens of Santa Rosa County:

State law requires that every general-purpose local government publish, within forty-five days after the completion of the audit report but no later than nine months after the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended September 30, 2025.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Warren Averett, LLC, Certified Public Accountants, have issued an unmodified ("clean") opinion on Santa Rosa County's financial statements for the year ended September 30, 2025. The independent auditor's report is located at the front of the financial section of this report.

Management's discussion and analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A complements this letter of transmittal and should be read in conjunction with it.

Profile of the Government

Santa Rosa County, established in 1842 by an act of the Florida Legislature, is located on the Northwest Florida Gulf Coast. The County currently occupies 1,012 square miles and serves an estimated population of 211,115. Santa Rosa County is empowered to levy a property tax on both real and personal property located within its boundaries.

Santa Rosa County is a Non-Charter County established under the Constitution and the Laws of the State of Florida. Santa Rosa County includes the Board of County Commissioners, the Clerk of the Courts, the Property Appraiser, the Sheriff, the Supervisor of Elections, and the Tax Collector.

The Board of County Commissioners serves as the legislative and policy setting body of Santa Rosa County as established under Section 125 of the Florida Statutes. As such, the Board enacts all legislation and authorizes programs and expenditures within the County. The Board appoints a professionally trained County Administrator who is responsible for policy and budget development and implementation.

The Board is composed of five members elected countywide. Each member must reside within the district for which seat he/she seeks election. Each year the Board organizes itself selecting a Chair and Vice-Chair from among its members to preside at Commission meetings.

The Clerk of Circuit Court performs a wide range of record keeping, information management and financial management functions in the judicial system and county government.

The Property Appraiser is primarily responsible for identifying, locating, and valuing all property within the county for ad valorem tax purposes. He is also responsible for administering exemptions, mapping all parcels, and classifying agricultural lands.

The Sheriff provides for the public safety of the citizens of Santa Rosa County through the enforcement of state criminal laws and county ordinances, preventing and reducing crime and violence through departmental and community-based programs.

The Supervisor of Elections administers the election of the elected officials within the county. She maintains the voter registration list, establishes polling places, and educates voters.

The Tax Collector collects and distributes taxes established by city, county, state, and other local governments.

Santa Rosa County provides a full range of services including police and fire protection; the construction and maintenance of streets and other infrastructure; water and sewer service on Navarre Beach; solid waste disposal and recycling; the Peter Prince Airport; Industrial Park facilities and recreational and cultural activities.

Local Economy

Santa Rosa County has long been considered a “bedroom community” of the larger Pensacola metropolitan statistical area. Knowing that residential growth does not sustain a healthy tax base, the County has aggressively been promoting the area as a good place to bring new and expanding businesses. The County has an Industrial Park to provide attractive inducements to businesses willing to invest capital and hire employees at above average wages. A second industrial park, Whiting Aviation Park, near Whiting Field provides access to a 6,000-foot runway.

Santa Rosa County has experienced an estimated 26.8% growth in population over the past 10 years, and the prospect for further growth is very good. The infrastructure to support that growth lags behind. To reduce that lag in infrastructure growth, the citizens of the County passed a local option sales tax in 2016 which the County has used to repave numerous roads and upgrade drainage systems throughout the County.

Tourism, a significant industry for the County, has surged over the last several years. Tourism has more than rebounded from its low point in 2020 caused by the coronavirus pandemic. The leisure and hospitality industry accounts for approximately 16.0% of the County’s workforce.

Long-Term Financial Planning and Relevant Financial Policies

Unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) in the general fund at year end was 25% of total general fund revenues. This amount is favorable and would cover approximately 3 months’ worth of expenditures and transfers out.

Major Initiatives

For the year, staff, following specific directives from the Board of County Commissioners and the County Administrator, was involved in a variety of projects throughout the year. These projects reflect the County’s commitment to ensuring that its citizens can live and work in a desirable environment.

In the current year, approximately 35 miles of roads were paved or resurfaced, and over 82,000 linear feet of drainage ditches were cleaned and maintained.

Also during the current year, the County continued construction on a 17,000-square-foot heavy equipment maintenance facility at the Central Landfill, spending approximately \$4 million during fiscal year 2025 and bringing the total spent to date near \$7 million.

Finally, construction began on the Whiting Aviation Park project which will consist of a taxiway and apron connection linking NAS Whiting Field to Whiting Aviation Park, with approximately \$2 million being spent during fiscal year 2025, bringing the total cost of the project to date over \$3 million.

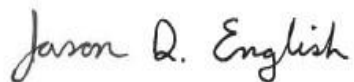
Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to Santa Rosa County, Florida for its annual comprehensive financial report for the fiscal year ended September 30, 2024. This was the twenty-second consecutive year that the government has achieved this prestigious award. To be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized annual comprehensive financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

An annual comprehensive financial report of this nature could not have been prepared on a timely basis without the dedicated efforts of the Finance Department who worked many hours on this project. I would like to thank them for their invaluable assistance in the preparation of this report.

I would also like to thank the Board of County Commissioners and their staff, and the other Constitutional Officers for their personal interest and dedicated support in planning and conducting the financial operations of the County in a responsible and progressive manner.

A handwritten signature in cursive script that reads "Jason D. English".

Jason D. English, Esq.
Clerk of Circuit Court and Comptroller



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**Santa Rosa County
Florida**

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2024

Christopher P. Morill

Executive Director/CEO

Board of County Commissioners

Kerry Smith
Chairman
Ray Eddington
Vice Chairman

Bobby Burkett
Rhett Rowell
Colten Wright

Elected Constitutional Officers

Jason D. English, Esq.
Clerk of the Courts and Comptroller

Gregory S. Brown II
Property Appraiser

Tappie Villane
Supervisor of Elections

Bob Johnson
Sheriff

Stan Colie Nichols
Tax Collector

County Management

Brad Baker
County Administrator

Tom Dannheisser
County Attorney

Jared Lowe
Assistant County Administrator

Janice Gilley
Administrative Services Director

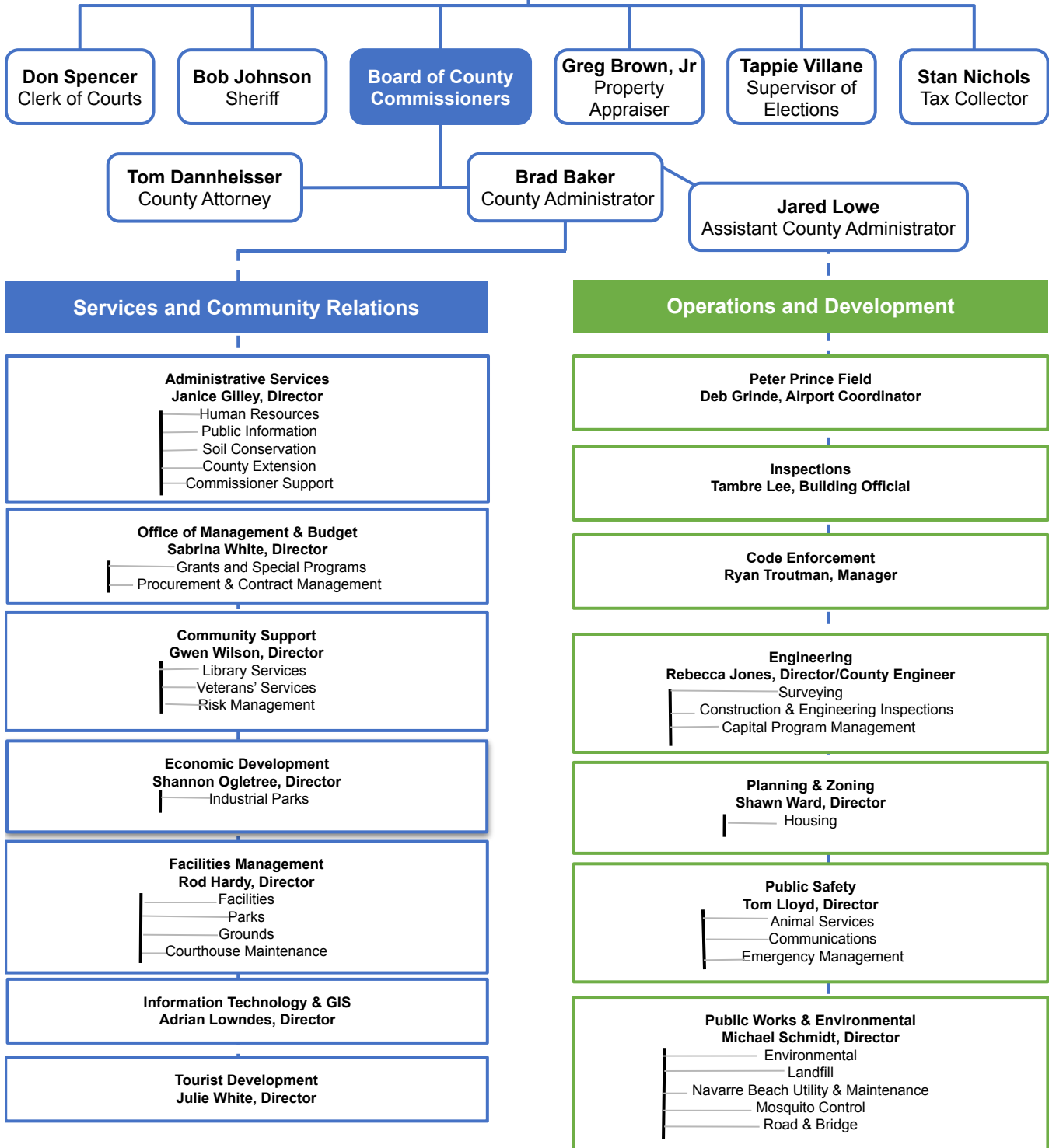
Sabrina White
Office of Management and Budget Director

Michael Schmidt
Director of Public Works and Environmental

Gwen Wilson
Community Support Director

Organization Chart

Santa Rosa County Residents







Financial
section

INDEPENDENT AUDITORS' REPORT

The Honorable Board of County Commissioners
Santa Rosa County, Florida

Report on the Audit of the Financial Statements

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 Santa Rosa County, Florida, (hereinafter referred to as "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, 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 the 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 Auditors' 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 ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, the budgetary comparison schedules for the general fund, road and bridge fund, grant fund, and American rescue plan fund, local option sales tax fund, schedule of the County's proportionate share of the net pension liability, the schedule of the County's contributions, and schedule of changes in the County's total OPEB liability and related ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the County's basic financial statements. The combining and individual fund financial statements and individual budgetary schedules 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 nonmajor fund financial statements 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 and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

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

Other Reporting Required by Government Auditing Standards

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

Warren Averett, LLC

Pensacola, Florida
April 30, 2026



**Management's
Discussion and
Analysis**

As management of Santa Rosa County (County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal year ended September 30, 2025. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which can be found on pages 8-10 of this report.

Financial Highlights

- **The assets and deferred outflows of resources of the County exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$400,781,867 (net position).** Of this amount, \$2,409,807 represents a deficit in unrestricted net position, which would normally be used to meet the government's ongoing obligations to citizens and creditors. In the current year, the balance in unrestricted net position decreased primarily due to the prioritization of capital projects as evidenced by the substantial increase in net investment in capital assets.
- The County's total net position increased by \$27,141,702; governmental activities increased by \$21,760,561 and business-type activities increased by \$5,381,141. In governmental activities, the increase in total net position was primarily due to a significant, ongoing commitment to development of county infrastructure, as evidenced by the approximately \$34 million increase in investment in capital assets. In business-type activities, the increase is primarily related to an investment in capital assets such as a new landfill maintenance facility and a new wastewater treatment plant.
- At the close of the current fiscal year, the County governmental funds reported combined fund balances of \$111,122,594, a decrease of \$13,004,981 in comparison with the prior year. Approximately 25% of this amount (\$27,888,397) is available for spending at the government's discretion (*unassigned fund balance*).
- At the end of the current fiscal year, unrestricted fund balance (the total of the committed, assigned, and unassigned components of fund balance) for the governmental funds were \$64,051,452, or approximately 40% of total general fund expenditures.
- The County's total outstanding long-term bonds and notes increased by \$26,584,696 during the current fiscal year primarily due to the issuance of a \$30,250,000 revenue note for the construction of the new East Milton wastewater treatment plant offset by normal debt service principal reductions.

Overview Of The Financial Statements

The County's basic financial statements consist of three components: 1) *Government-wide financial statements*, 2) *Fund financial statements*, and 3) *Notes to the financial statements*. This report also includes supplementary information intended to furnish additional detail to support the basic financial statements themselves.

Government-wide financial statements

The *Government-wide financial statements* are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The *statement of net position* presents financial information on all of the County's assets, liabilities and deferred inflows/outflows of resources, with the difference 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 County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide 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, public safety, physical environment, transportation, economic environment, human services, and culture and recreation. The business-type activities of the County include a water/sewer service, solid waste disposal, building inspections, and hangar rentals.

The government-wide financial statements can be found on pages 32-34 of this report.

Fund financial statements

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

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term 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 assessing 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 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 twenty-three 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, road and bridge fund, grants fund, local option sales tax fund, and American Rescue Plan fund, which are considered to be major funds. Data from the other eighteen governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements in the combining and individual fund statements and schedules section of this report.

The County adopts annual appropriated budgets for all but four of its governmental funds. Budgetary comparison schedules are provided as required supplementary information for the general fund, road and bridge fund, grants fund, local option sales tax fund, and American Rescue Plan fund.

The basic governmental fund financial statements can be found on pages 36-42 of this report.

Proprietary Funds

The County maintains two different types of proprietary funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its water/sewer service, solid waste disposal, building inspections, and hangar rentals. Internal services funds are an accounting device used to accumulate and allocate costs internally among the County's various functions. The County uses internal service funds to account for the management of its retained risks and for its fleet of vehicles. Because both services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

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 inspection services as well as solid waste disposal services which are considered to be major funds of the County. The internal service fund is presented in the proprietary fund financial statements.

The basic proprietary fund financial statements can be found on pages 43-47 of this report.

Fiduciary Funds

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

The County maintains thirteen custodial funds which report resources held by the County in a custodial capacity for individuals, private organizations and other governments.

The fiduciary fund financial statements can be found starting on page 49 of this report.

Notes to the financial statements

The notes provide additional information that is necessary to acquire a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 52-82 of this report.

Other information

In addition to the basic financial statements and accompanying notes, this report also presents *required supplementary information* concerning the County's progress in funding its obligation to provide pension and OPEB benefits to its employees. Required supplementary information can be found starting on page 86 of this report.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information. Combining and individual fund statements and schedules can be found starting on page 99 of this report.

Government-Wide Overall Financial Analysis

As noted earlier, net position over time, may serve as a useful indicator of a government's financial position. In the case of the County, assets and deferred outflows of resources exceeded liabilities plus deferred inflows by \$400.8 million as of September 30, 2025.

Santa Rosa County's Net Position

(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Assets						
Current and Other Assets	\$ 139,575	\$ 156,877	\$ 91,192	\$ 61,586	\$ 230,767	\$ 218,463
Capital Assets	358,294	328,250	47,332	39,504	405,626	367,754
Total assets	497,869	485,127	138,524	101,090	636,393	586,217
Deferred Outflows of Resources						
	28,920	33,227	1,284	1,513	30,204	34,740
Liabilities						
Long-term Liabilities						
Outstanding	161,145	176,455	56,023	26,019	217,168	202,474
Other Liabilities	23,986	28,466	2,975	1,545	26,961	30,011
Total liabilities	185,131	204,921	58,998	27,564	244,129	232,485
Deferred Inflows of Resources						
	20,632	14,168	1,053	664	21,685	14,832
Net position						
Net Investments in Capital Assets	310,558	276,249	45,008	36,531	355,566	312,780
Restricted	46,597	52,414	1,029	1,297	47,626	53,711
Unrestricted (Deficit)	(36,129)	(29,398)	33,720	36,547	(2,409)	7,149
Total net position	\$ 321,026	\$ 299,265	\$ 79,757	\$ 74,375	\$ 400,783	\$ 373,640

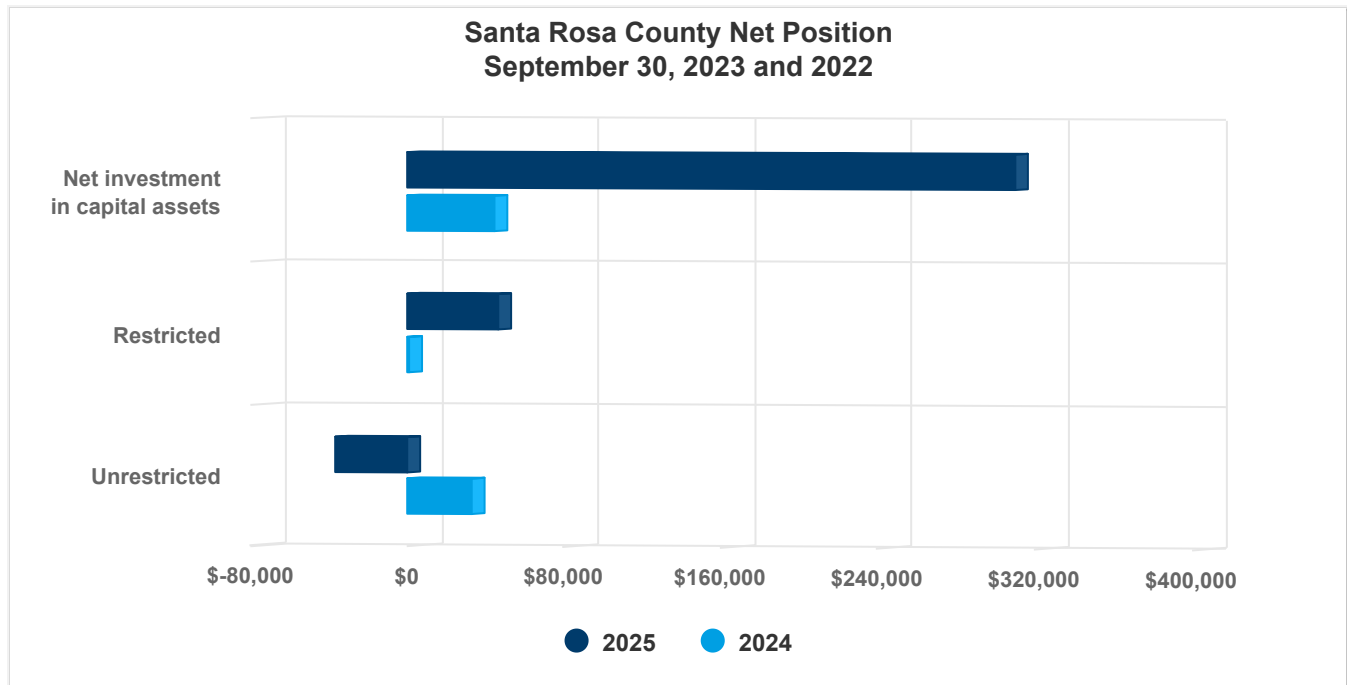
The largest portion of the County's net position (89%) reflects its investment in capital assets (e.g., land, buildings, equipment, improvements, construction in progress and infrastructure), less any related outstanding debt that was

used to acquire those assets. The County uses these capital assets to provide a variety of services to its 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 (12%) represents resources that are subject to external restrictions on how they may be used. The remaining deficit balance of (\$2,409,807) is unrestricted and represents the amount of excess net capital investment and restricted net position over total net position. The County's unrestricted net position decreased in the current year due in large part to the significant resources that were dedicated to capital investment through construction in progress.

See page 77 of this report which shows significant variations in the liability due to the discount rate assumptions.

At the end of the current fiscal year, the County is able to report positive balances in all reported categories of net position except governmental activities unrestricted net position due to significant recorded liabilities for pension and other postemployment benefits as required by GASB 68 and GASB 75 respectively as well as a large increase in the County's liability for compensated absences during the current fiscal year due to the implementation of GASB statement 101.



However, the County's overall net position increased by \$27,141,702 from operations. The reasons for this overall increase are discussed in the following sections for governmental activities and business-type activities.

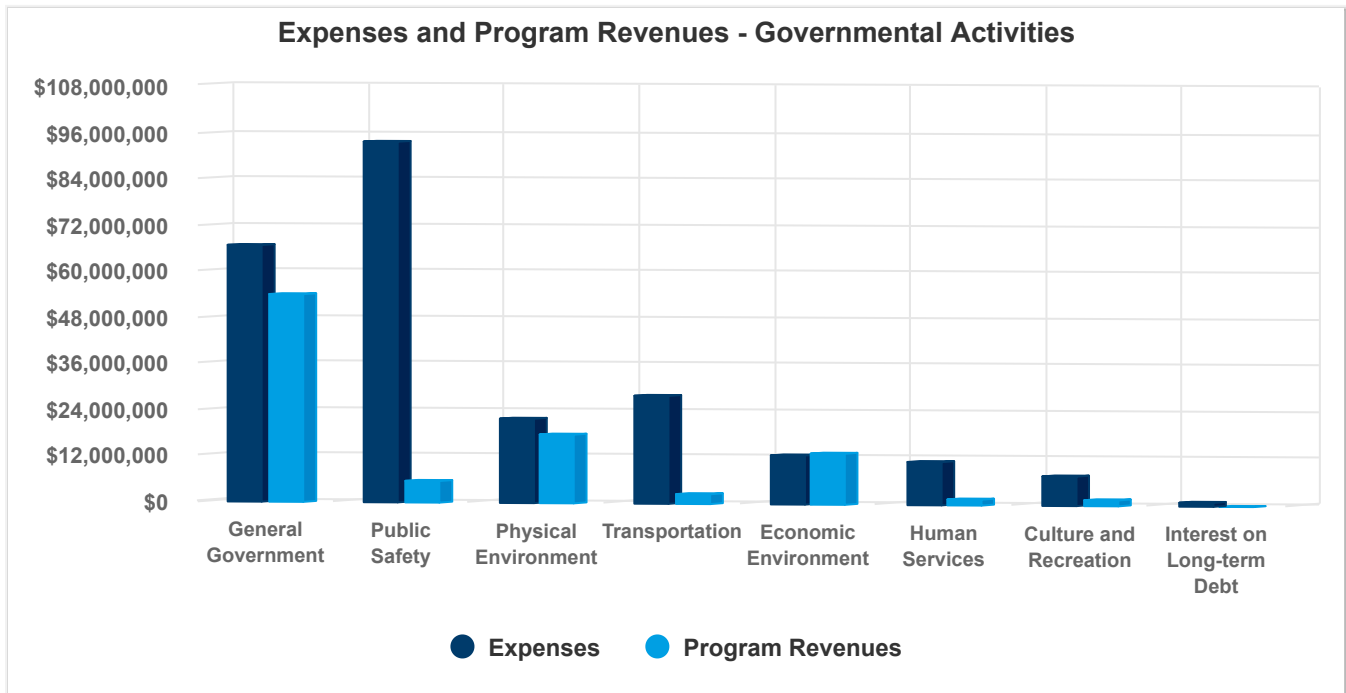
Governmental Activities

During the current fiscal year, net position for governmental activities increased by \$21,760,561 from the prior fiscal year, leaving an ending net position of \$321,025,815. An increase in property tax revenue as a result of increased property values and new construction, an increase in sales tax revenues due to increased spending and inflation, and an increase in tourist tax revenue due to promotional activities were primarily responsible for the increase in net position of governmental activities. Unspent local option sales taxes due to budgeted infrastructure projects not being completed were also contributing factors.

Santa Rosa County's Changes in Net Position

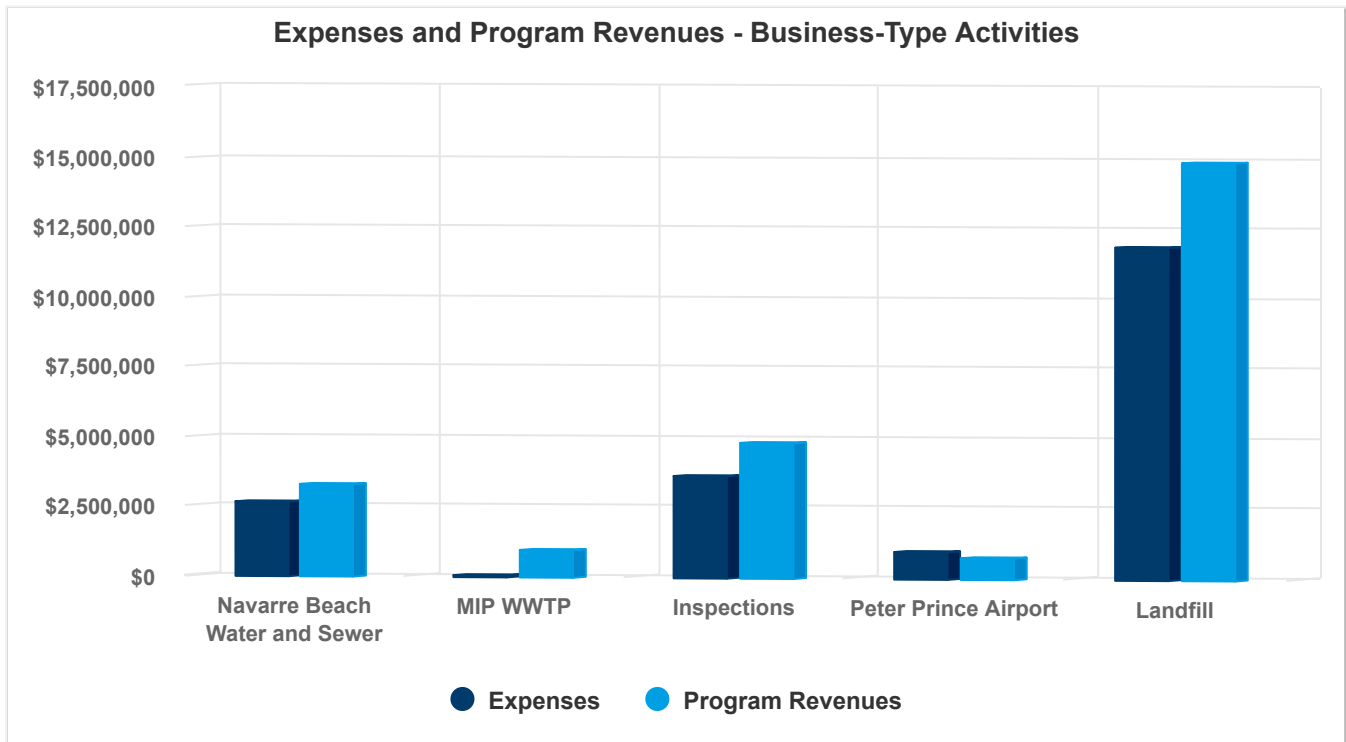
	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Revenues:						
Program revenues						
Charges for Services	\$ 41,007	\$ 38,725	\$ 23,278	\$ 23,585	\$ 64,285	\$ 62,310
Operating Grants and Contributions	19,832	26,010	-	-	19,832	26,010
Capital Grants and Contributions	35,446	15,213	1,492	2,609	36,938	17,822
General revenues						
Property Tax	100,763	94,757	-	-	100,763	94,757
Sales, Use and Fuel Tax	33,822	31,971	-	-	33,822	31,971
Communications Services	1,308	1,160	-	-	1,308	1,160
Grants and Contributions	23,325	23,372	-	-	23,325	23,372
Investment Earnings	5,174	6,848	2,668	3,023	7,842	9,871
Other	5,358	5,880	102	136	5,460	6,016
Total revenues	266,035	243,936	27,540	29,353	293,575	273,289
Expenses:						
General Government	66,876	61,123	-	-	66,876	61,123
Public Safety	93,635	87,366	-	-	93,635	87,366
Physical Environment	22,091	8,903	-	-	22,091	8,903
Transportation	27,992	21,505	-	-	27,992	21,505
Economic Environment	12,658	10,079	-	-	12,658	10,079
Human Services	11,344	9,026	-	-	11,344	9,026
Culture and Recreation	7,628	7,450	-	-	7,628	7,450
Interest on Long Term Debt	885	470	-	-	885	470
Water and Sewer	-	-	2,683	3,047	2,683	3,047
Wastewater Treatment Plant	-	-	86	-	86	-
Inspections	-	-	3,656	3,972	3,656	3,972
Airport	-	-	962	846	962	846
Landfill	-	-	11,857	11,337	11,857	11,337
Total expenses	243,109	205,922	19,244	19,202	262,353	225,124
Increase (Decrease) in Net Position Before Transfers	22,926	38,014	8,296	10,151	31,222	48,165
Transfers	2,480	2,752	(2,480)	(2,752)	-	-
Change in Net Position	25,406	40,766	5,816	7,399	31,222	48,165
Net Position, Beginning of Year	299,265	258,499	74,375	66,977	373,640	325,476
Adjustment for Change in Accounting Principle	(3,645)	-	(434)	-	(4,079)	-
Net Position, Beginning of Year, Restated	295,620	258,499	73,941	66,977	369,561	325,476
Net Position, End of Year	\$ 321,026	\$ 299,265	\$ 79,757	\$ 74,376	\$ 400,783	\$ 373,641

The following graph displays the Governmental Activities current program revenues and expenditures by function for fiscal year 2025.



Business-type Activities

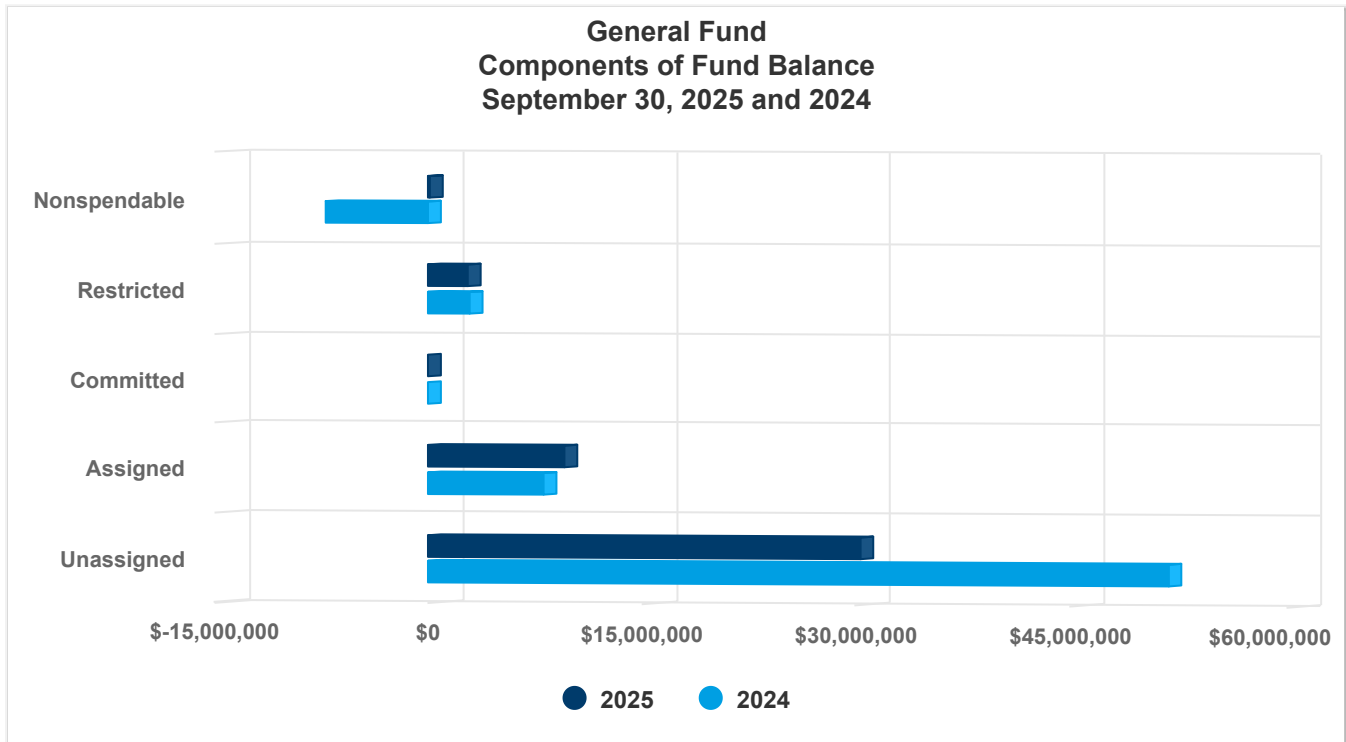
During the current fiscal year, net position for business-type activities increased by \$5,381,141 from the prior fiscal year leaving an ending net position of \$79,756,052. The increase is primarily attributable to an excess of landfill revenues over landfill expenses due to increased rates in order to prepare for expansion needs and landfill closure cost requirements.



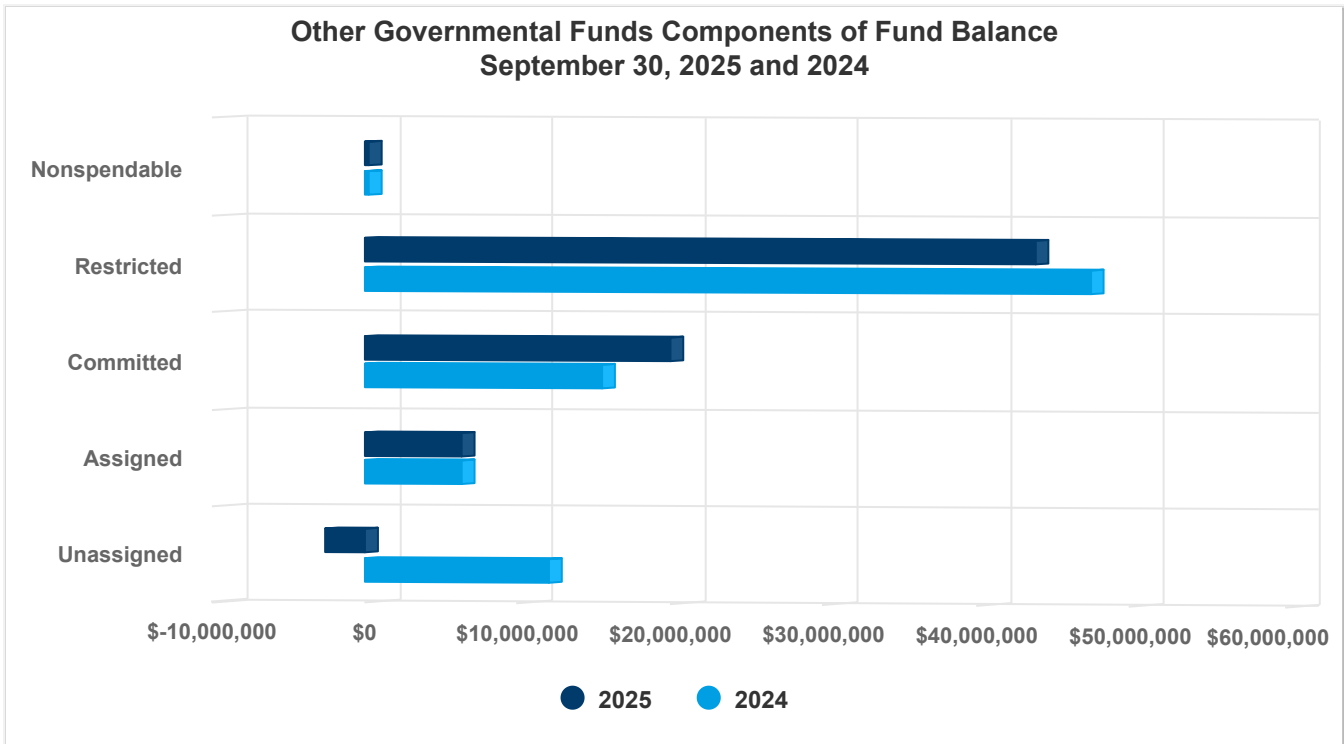
Financial Analysis of Governmental Funds

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 financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as they represent the portion of fund balance which has not yet been limited to use for a particular purpose by either external parties, the County itself, or a group or individual that has been delegated authority to assign resources for use for particular purposes by the County.

As of September 30, 2025, the County's governmental funds reported combined fund balances of \$111,122,594, a decrease of \$13,004,981 in comparison with the prior year. Approximately 25% of this amount (\$27,888,397) constitutes unassigned fund balance, which is available for spending at the government's discretion. The remainder of the fund balance is either nonspendable, restricted, committed, or assigned to indicate that it is 1) not in spendable form (\$474,210), 2) restricted for particular purposes (\$46,596,932), 3) committed for particular purposes (\$20,110,315), or 4) assigned for particular purposes (\$16,052,740).



The General fund is the primary operating fund of the County. At the end of the current fiscal year, the unassigned fund balance of the general fund was \$30,395,763, while the total fund balance decreased to \$43,048,278. As a measure of the general fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total general fund expenditures. Unassigned fund balance represents approximately 19% of total general fund expenditures, while total fund balance represents approximately 27% of that same amount.



The fund balance of the County’s general fund decreased by \$12,733,288 during the current fiscal year. This decrease primarily relates to transfers to the Other Capital Projects Fund to support the County’s ongoing commitment to infrastructure development.

The road and bridge fund, a major fund, had a \$850,132 decrease in fund balance during the current fiscal year which put the overall fund balance at \$3,818,758. The fund reports an assigned fund balance of \$3,530,636 and accounts for fuel and other taxes designated for road improvements. During the year, fund balance decreased primarily due to the completion of significant grant projects in fiscal year 2024 and the related reimbursements being recorded in the grants fund.

The grants fund was considered a major governmental fund in fiscal year 2025, reporting a \$784,708 increase in fund balance, bringing the final fund balance to \$916,356. The increase in fund balance was primarily a result of grant reimbursements received related to expenditures recorded in the road and bridge fund.

The local option sales tax fund, another major governmental fund, had a \$227,771 increase in fund balance during the current fiscal year which put the overall fund balance at \$26,768,878. The primary reason for the increase in the fund was an increase in revenue from the prior year and not expending funds which were budgeted by year end. This was due to the timing of the projects, including several large road and stormwater drainage projects.

The American Rescue Plan fund also qualified as a major governmental fund in fiscal year 2025, reporting a \$522,094 increase in fund balance, bringing the final fund balance to \$2,595,511. The fund was established to account for appropriations from the Federal government under the American Rescue Plan Act and related expenditures. The increase in fund balance is due to investment earnings on the appropriated funds received in advance and held until they were spent.

The other capital projects fund, the remaining major governmental fund, reported a \$4,324,556 increase during the current fiscal year which put the overall fund balance at \$17,776,175. The primary reason for this increase was that funds that were transferred in for anticipated capital projects remained unspent at the end of the year due to the projects being uncompleted.

Financial Analysis of Proprietary Funds

The County’s proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail.

Unrestricted net position of the Milton Interchange Park Wastewater Treatment Plant (MIP WWTP) fund was \$17,199. The total increase in net position for the MIP WWTP fund was \$989,787. The increase in net position is primarily due to the transfer of pre-construction costs originally paid from the Other Capital Projects fund when the new proprietary fund was established.

Unrestricted net position of the Landfill fund was \$21,568,931. The total change in net position for the Landfill fund was \$3,102,647. As discussed in the business-type activities section, the increase in the landfill fund is attributable to an excess of revenues over expenses in preparation for required landfill closure costs.

General Fund Budgetary Highlights

Original budget compared to final budget. During the year, the General Fund's original expenditure budget was increased by \$35,316,425. There was also a need to make amendments to reallocate appropriations among departments when it became clearer which departments would actually be charged for certain expenditures. The largest amendments from the original budget related to general government for transfers to capital outlay for traffic capacity improvement projects and physical environment for a beach renourishment project on Navarre Beach.

Final budget compared to actual results. The General Fund under spent the final budget by \$15,998,790 or 8.0%. The primary reasons actual expenditures were less than the final budget were 1) funds budgeted for personnel, utilities and facility repairs were not expended in the current year and 2) funds set aside in reserves for contingencies remained unspent.

Santa Rosa County's General Fund Budget to Actual

	Original Budget	Final Budget	Change in Budget	Actual	Actual Variance from Budget
General Government	\$ 49,986,215	\$ 54,024,078	\$ 4,037,863	\$ 50,379,144	\$ (3,644,934)
Public Safety	80,686,024	82,914,397	2,228,373	76,322,285	(6,592,112)
Physical Environment	3,278,806	15,206,097	11,927,291	14,214,014	(992,083)
Transportation	3,340,847	3,192,147	(148,700)	2,693,233	(498,914)
Economic Environment	1,703,691	2,445,614	741,923	1,536,927	(908,687)
Human Services	8,531,191	13,107,304	4,576,113	11,160,505	(1,946,799)
Culture and Recreation	6,776,620	6,995,680	219,060	5,580,427	(1,415,253)
Transfers Out	10,519,550	22,254,052	11,734,502	22,254,044	(8)
Total	\$ 164,822,944	\$ 200,139,369	\$ 35,316,425	\$ 184,140,579	\$ (15,998,790)

Capital Assets and Debt Administration

Capital assets. The County's investment in capital assets for its governmental and business-type activities as of September 30, 2025, amounts to \$405,626,423 (net of accumulated depreciation). This investment in capital assets includes land, buildings, machinery, equipment, vehicles, park facilities, roads, highways, and the water treatment facility. The total increase in capital assets for the current fiscal year was approximately 10.3%.

Capital Assets at Year-end

(Net of Depreciation, in Thousands)

	Governmental Activities		Business-type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Land	\$ 43,260	\$ 41,471	\$ 2,018	\$ 1,306	\$ 45,278	\$ 42,777
Construction in progress	94,497	54,897	17,365	7,068	111,862	61,965
Buildings	50,992	56,888	4,735	5,128	55,727	62,016
Improvements other than building	139,150	145,715	18,933	20,683	158,083	166,398
Machinery, furniture and equip.	24,799	24,598	4,281	5,320	29,080	29,918
SBITA	5,597	4,682	-	-	5,597	4,682
Totals	\$ 358,295	\$ 328,251	\$ 47,332	\$ 39,505	\$ 405,627	\$ 367,756

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

- Ranchettes Drainage costs of \$3,287,894
- Woodbine Corridor costs of \$4,843,875
- Whiting Aviation Improvements costs of \$4,438,437 during the year
- Interchange Park project costs of \$7,005,994 during the year
- Navarre Bridge Fenders project begun with a cost during the year of \$2,033,741

Additional information on the County’s capital assets can be found in Note F on pages 64-65 of this report.

Long-term Debt. At the end of the current fiscal year, the County had total bonds and notes outstanding of \$68,351,470. Of this amount, \$65,746,471 is debt backed by various revenues of the County and \$2,604,999 is special assessment debt for which the County is liable in the event of default by the property owners subject to the assessment.

Outstanding Debt at Year-end (in Thousands)

	Governmental Activities		Business-type Activities		Totals	
	2025	2024	2025	2024	2025	2024
Revenue bonds	\$ 33,119	\$ 36,162	\$ -	\$ -	\$ 33,119	\$ 36,162
Notes payable	2,377	1,981	30,250	-	32,627	1,981
Special assessment notes	2,605	3,090	-	-	2,605	3,090
Totals	\$ 38,101	\$ 41,233	\$ 30,250	\$ -	\$ 68,351	\$ 41,233

The County’s total debt increased by \$26,584,696 (53%) during the current fiscal year. The primary reason for the increase was the issuance of the \$30,250,000 wastewater treatment plant loan offset by the normal payment of principal amounts of outstanding debt issues.

Additional information on the County’s long-term debt can be found in Note H on pages 69-73 of this report.

Economic Factors and Next Year’s Budgets and Rates

The following economic factors currently affect the County and were considered in developing the 2025-2026 fiscal year budget.

- The taxable assessed property values increased 8.7%.
- Sales tax revenues are expected to generate approximately \$15 million.
- Capital projects are expected to require use of reserves of approximately \$3 million.

Requests for Information

This financial report is designed to provide a general overview of the County’s finances for all those with an interest in the government’s finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Finance Manager, 6495 Caroline Street, Suite B, Milton, FL 32570.





**Basic Financial
Statements**

Statement of Net Position
September 30, 2025

	Governmental Activities	Business-type Activities	Total
Assets			
Cash and Cash Equivalents	\$ 108,417,287	\$ 57,096,044	\$ 165,513,331
Investments	2,362,135	32,180,822	34,542,957
Receivables, Net	28,256,712	1,979,593	30,236,305
Internal Balances	65,000	(65,000)	-
Inventory	411,930	-	411,930
Prepaid Items	62,280	-	62,280
Capital Assets, Net			
Nondepreciable	137,756,406	19,383,660	157,140,066
Depreciable	220,537,986	27,948,371	248,486,357
Total assets	497,869,736	138,523,490	636,393,226
Deferred Outflows Of Resources			
Deferred Outflows on Pension	23,155,892	881,929	24,037,821
Deferred Outflows on Health Insurance Subsidy	2,540,666	186,401	2,727,067
Deferred Outflows on OPEB	3,223,098	215,435	3,438,533
Total Deferred Outflows Of Resources	28,919,656	1,283,765	30,203,421
Liabilities			
Accounts Payable	11,443,021	1,657,703	13,100,724
Contracts Payable	486,943	443,680	930,623
Accrued Wages Payable	5,993,490	433,413	6,426,903
Interest Payable	259,368	2,092	261,460
Due to Other Governments	1,303,990	234,865	1,538,855
Deposits	216,940	203,412	420,352
Unearned Revenue	4,282,120	-	4,282,120
Noncurrent Liabilities			
Due Within One Year	10,938,169	1,502,211	12,440,380
Due in More Than One Year	150,207,201	54,520,364	204,727,565
Total Liabilities	185,131,242	58,997,740	244,128,982
Deferred Inflows Of Resources			
Deferred Inflows on Leases	47,017	-	47,017
Deferred Inflows on Pension	12,312,082	492,635	12,804,717
Deferred Inflows on Health Insurance Subsidy	5,117,451	356,714	5,474,165
Deferred Inflows on OPEB	3,155,785	204,114	3,359,899
Total Deferred Inflows Of Resources	20,632,335	1,053,463	21,685,798

Continued ...

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

Statement of Net Position – Continued

September 30, 2025

	Governmental Activities	Business-type Activities	Total
Net Position			
Net Investment in Capital Assets	310,557,763	45,007,556	355,565,319
Restricted for:			
Landfill Closure	-	1,029,423	1,029,423
Communications	130,504	-	130,504
Partners for Pets	40,273	-	40,273
Drivers Education	386,917	-	386,917
Boating Improvement	412,637	-	412,637
Domestic Violence	336,868	-	336,868
Opioid Settlement	1,479,010	-	1,479,010
Infrastructure Development	27,797,316	-	27,797,316
Law Enforcement Trust Fund	111,675	-	111,675
Crime Prevention	672,635	-	672,635
Federal Seizure Funds	273,342	-	273,342
Mosquito Control	7,045	-	7,045
Federal and State Grants	916,356	-	916,356
Tourist Development	6,350,651	-	6,350,651
State Housing Improvement Program	2,651,175	-	2,651,175
Disaster Relief	16,554	-	16,554
Fire Prevention and Control	852,769	-	852,769
Road and Sewer Construction	678,942	-	678,942
Canal Maintenance	552,592	-	552,592
Court Equipment and Technology	702,725	-	702,725
Records Modernization Trust Fund	1,440,836	-	1,440,836
Law Enforcement Training	167,679	-	167,679
Inmate Welfare Purchases	618,431	-	618,431
Unrestricted	(36,128,880)	33,719,073	(2,409,807)
Total net position	\$ 321,025,815	\$ 79,756,052	\$ 400,781,867

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

Statement of Activities
Year Ended September 30, 2025

	Program Revenues				Net (Expense) Revenue and Changes in Net Position		
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
Functions/Programs:							
Governmental Activities:							
General Government	\$ 66,875,854	\$ 31,641,751	\$ 8,186,496	\$ 14,021,422	\$ (13,026,185)	\$ -	\$ (13,026,185)
Public Safety	93,634,587	3,246,775	1,695,245	426,723	(88,265,844)	-	(88,265,844)
Physical Environment	22,090,716	4,212,761	1,492,465	12,104,424	(4,281,066)	-	(4,281,066)
Transportation	27,992,420	1,070,870	-	1,683,130	(25,238,420)	-	(25,238,420)
Economic Environment	12,657,854	-	5,852,012	7,209,811	403,969	-	403,969
Human Services	11,343,556	24,225	1,646,173	-	(9,673,158)	-	(9,673,158)
Culture and Recreation	7,627,922	810,413	959,790	-	(5,857,719)	-	(5,857,719)
Interest on Long-term Debt	884,699	-	-	-	(884,699)	-	(884,699)
Total Governmental Activities	243,107,608	41,006,795	19,832,181	35,445,510	(146,823,122)		(146,823,122)
Business-type Activities:							
Navarre Beach Water and Sewer	2,683,241	3,298,578	-	7,469	-	622,806	622,806
MIP WWTP	86,409	-	-	972,588	-	886,179	886,179
Inspections	3,656,450	4,817,501	-	-	-	1,161,051	1,161,051
Peter Prince Airport	962,025	453,993	-	342,169	-	(165,863)	(165,863)
Landfill	11,856,807	14,707,514	-	170,000	-	3,020,707	3,020,707
Total Business-type Activities	19,244,932	23,277,586	-	1,492,226		5,524,880	5,524,880
Total	262,352,540	64,284,381	19,832,181	36,937,736	(146,823,122)	5,524,880	(141,298,242)
General Revenues:							
Taxes							
Property Taxes					100,763,000	-	100,763,000
Sales, Use and Fuel Taxes					33,821,746	-	33,821,746
Communication Services Taxes					1,307,683	-	1,307,683
Grants and Contributions not Restricted to Specific Program					23,325,088	-	23,325,088
Unrestricted Investment Earnings					5,173,582	2,667,502	7,841,084
Miscellaneous					5,357,134	-	5,357,134
Gain on Sale of Assets					-	102,917	102,917
Transfers					2,480,000	(2,480,000)	-
Total General Revenues and Transfers					172,228,233	290,419	172,518,652
Change in Net Position					25,405,111	5,815,299	31,220,410
Net Position, Beginning of Year					299,265,254	74,374,911	373,640,165
Adjustment for Change in Accounting Principle					(3,644,550)	(434,158)	(4,078,708)
Net Position, Beginning of Year, Restated					295,620,704	73,940,753	369,561,457
Net Position, End of Year					\$ 321,025,815	\$ 79,756,052	\$ 400,781,867

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



Balance Sheet Governmental Funds September 30, 2025

	General	Road And Bridge	Grants	Local Option Sales Tax
Assets				
Cash and Cash Equivalents	\$ 29,700,539	\$ 1,218,148	\$ 516,130	\$ 27,057,819
Investments	1,580,605	-	-	-
Receivables, Net of Uncollectibles				
Accounts	333,671	44,752	0	0
Leases - Current	32,087	-	-	-
Interest	1,065	-	-	-
Due from Other Governments	5,263,472	4,310,417	14,105,293	824,050
Due from Other Funds	3,987,971	-	-	-
Advances to Other Funds	10,875,000	-	-	-
Inventory	123,808	288,122	-	-
Prepaid Expenditures	62,280	-	-	-
Leases - Noncurrent	32,339	-	-	-
Total Assets	\$ 51,992,837	\$ 5,861,439	\$ 14,621,423	\$ 27,881,869
Deferred Outflows				
Liabilities				
Accounts Payable	\$ 2,005,435	\$ 687,268	\$ 2,802,496	\$ 987,647
Contracts Payable	-	-	23,397	125,344
Accrued Wages Payable	5,245,951	570,413	4,174	-
Deposits	216,940	-	-	-
Unearned Revenue	141,774	-	-	-
Due to Other Funds	65,371	785,000	-	-
Due to Other Governments	1,222,071	-	-	-
Advances from Other Funds	-	-	10,875,000	-
Total Liabilities	8,897,542	2,042,681	13,705,067	1,112,991
Deferred Inflows				
Leases	47,017	-	-	-
Total Deferred Inflows	47,017	-	-	-
Fund Balances				
Nonspendable	186,088	288,122	-	-
Restricted	2,786,209	-	916,356	26,768,878
Committed	52,546	-	-	-
Assigned	9,627,672	3,530,636	-	-
Unassigned	30,395,763	-	-	-
Total Fund Balances	43,048,278	3,818,758	916,356	26,768,878
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 51,992,837	\$ 5,861,439	\$ 14,621,423	\$ 27,881,869

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

	American Rescue Plan	Other Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Cash and Cash Equivalents	\$ 8,242,899	\$ 18,984,617	\$ 17,411,408	\$ 103,131,560
Investments	-	-	-	1,580,605
Receivables, Net of Uncollectibles				
Accounts	0	0	975,571	1,353,994
Leases - Current	-	-	-	32,087
Interest	-	-	-	1,065
Due from Other Governments	-	-	2,151,829	26,655,061
Due from Other Funds	-	-	111,334	4,099,305
Advances to Other Funds	-	-	-	10,875,000
Inventory	-	-	-	411,930
Prepaid Expenditures	-	-	-	62,280
Leases - Noncurrent	-	-	-	32,339
	\$ 8,242,899	\$ 18,984,617	\$ 20,650,142	\$ 148,235,226
Liabilities				
Accounts Payable	\$ 1,306,543	\$ 1,160,137	\$ 941,602	\$ 9,891,128
Contracts Payable	289,897	48,305	-	486,943
Accrued Wages Payable	-	-	154,651	5,975,189
Deposits	-	-	-	216,940
Unearned Revenue	4,050,948	-	89,398	4,282,120
Due to Other Funds	-	-	3,183,934	4,034,305
Due to Other Governments	-	-	81,919	1,303,990
Advances from Other Funds	-	-	-	10,875,000
Total Liabilities	5,647,388	1,208,442	4,451,504	37,065,615
Deferred Inflows				
Leases	-	-	-	47,017
Total Deferred Inflows	-	-	-	47,017
Fund Balances				
Nonspendable	-	-	-	474,210
Restricted	-	-	16,125,489	46,596,932
Committed	-	17,776,175	2,281,594	20,110,315
Assigned	2,595,511	-	298,921	16,052,740
Unassigned	-	-	(2,507,366)	27,888,397
	2,595,511	17,776,175	16,198,638	111,122,594
Total Liabilities, Deferred Inflows, and Fund Balances	\$ 8,242,899	\$ 18,984,617	\$ 20,650,142	\$ 148,235,226

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

Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position September 30, 2025

Total Governmental Fund Balances		\$ 111,122,594
 <i>Amounts Reported for Governmental Activities in the Statement of Net Position Are Different Because:</i>		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds:		
Total Capital Assets, Net, See Note F	358,294,392	
Less: Internal Service Fund Capital Assets	<u>(6,393)</u>	358,287,999
 Deferred outflows of resources are presented in governmental activities on the Statement of Net Position, but are not reported in the governmental funds:		
Deferred Outflows On Pension	23,155,892	
Less: Internal Service Fund Deferred Outflows On Pensions	(47,408)	
Deferred Outflows On Health Insurance Subsidy	2,540,666	
Less: Internal Service Fund Deferred Outflows On Health Insurance Subsidy	(10,688)	
Deferred Outflows On OPEB	3,223,098	
Less: Internal Service Fund Deferred Outflows On OPEB	<u>(11,303)</u>	28,850,257
 Long term liabilities are not due and payable in the current period and therefore are not reported in the funds:		
Total Long-term Liabilities, See Note H	(63,111,930)	
Net Pension Liability, See Note K	(90,199,787)	
Net OPEB Liability, See Note N	(12,748,697)	
Add: Interest Payable Due to Interest Accruals	(259,368)	
Less: Enterprise Funds Net Pension Liability	4,132,861	
Less: Enterprise Funds Net OPEB Liability	782,183	
Less: Internal Service Fund Insurance Claims Payable	3,446,566	
Less: Internal Service Fund Compensated Absences	69,038	
Less: Internal Service Fund Other Postemployment Benefits Liability	47,974	
Less: Internal Service Fund Net Pension Liability	125,778	
Less: Internal Service Fund Net Health Insurance Subsidy Liability	<u>96,651</u>	(157,618,731)
 Deferred inflows of resources are presented in governmental activities on the Statement of Net Position, but are not reported in the governmental funds:		
Deferred Inflows On Pension	(12,312,082)	
Less: Internal Service Fund Deferred Inflows On Pensions	21,558	
Deferred Inflows On Health Insurance Subsidy	(5,117,451)	
Less: Internal Service Fund Deferred Inflows On Health Insurance Subsidy	16,771	
Deferred Inflows On OPEB	(3,155,785)	
Less: Internal Service Fund Deferred Inflows On OPEB	<u>11,565</u>	(20,535,424)
 Internal Service Funds are used by management to charge the costs of providing insurance coverage to individual funds and therefore, the assets and liabilities of the Internal Service Fund are included in governmental activities in the Statement of Net Position.		
		<u>919,120</u>
Net Position of Governmental Activities		\$ <u>321,025,815</u>

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



Statement of Revenues, Expenditures, and Changes In Fund Balances

Governmental Funds

Year Ended September 30, 2025

	General	Road And Bridge	Grants	Local Option Sales Tax
Revenues				
Taxes	\$ 103,422,186	\$ 9,038,445	\$ -	\$ 15,297,448
Permits, Fees and Special Assessments	938,042	-	-	-
Intergovernmental	29,751,287	5,733,820	27,307,070	-
Charges for Services	17,601,435	61,029	-	-
Fines and Forfeits	1,465,604	-	-	-
Miscellaneous	4,903,343	916,810	1,948	1,149,592
Total Revenues	158,081,897	15,750,104	27,309,018	16,447,040
Expenditures				
Current				
General Government	\$ 50,379,144	\$ -	\$ 14,794,316	\$ -
Public Safety	76,322,285	-	82,212	4,622,672
Physical Environment	14,214,014	-	6,131,546	557,874
Transportation	2,693,233	25,840,376	678,498	8,446,585
Economic Environment	1,536,927	-	4,760,238	-
Human Services	11,160,505	-	18,000	-
Culture and Recreation	5,580,427	-	92,500	2,342,478
Capital Outlay	-	-	-	-
Debt Service	-	-	-	-
Total Expenditures	161,886,535	25,840,376	26,557,310	15,969,609
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,804,638)	(10,090,272)	751,708	477,431
Other Financing Sources (Uses)				
Transfers In	12,061,041	9,240,140	33,000	-
Transfers Out	(22,254,044)	-	-	(249,660)
Issuance of Other Debt	1,264,353	-	-	-
Total Other Financing Sources (Uses)	(8,928,650)	9,240,140	33,000	(249,660)
Net Change in Fund Balances	(12,733,288)	(850,132)	784,708	227,771
Fund Balances, Beginning of Year	55,781,566	4,668,890	131,648	26,541,107
Adjustment for Change in Reporting Entity	-	-	-	-
Fund Balances, Beginning of Year Restated	55,781,566	4,668,890	131,648	26,541,107
Fund Balances, End of Year	\$ 43,048,278	\$ 3,818,758	\$ 916,356	\$ 26,768,878

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

	American Rescue Plan	Other Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Revenues				
Taxes	\$ -	\$ -	\$ 8,134,350	\$ 135,892,429
Permits, Fees and Special Assessments	-	-	14,033,641	14,971,683
Intergovernmental	8,020,513	-	7,891,679	78,704,369
Charges for Services	-	-	2,509,010	20,171,474
Fines and Forfeits	-	-	153,811	1,619,415
Miscellaneous	522,094	925,871	2,881,524	11,301,182
	8,542,607	925,871	35,604,015	262,660,552
Expenditures				
Current				
General Government	\$ 154,583	\$ 131,548	\$ 2,716,740	\$ 68,176,331
Public Safety	-	-	17,195,430	98,222,599
Physical Environment	7,865,930	-	659,622	29,428,986
Transportation	-	-	656,104	38,314,796
Economic Environment	-	-	6,802,675	13,099,840
Human Services	-	-	67,482	11,245,987
Culture and Recreation	-	-	-	8,015,405
Capital Outlay	-	9,490,444	-	9,490,444
Debt Service	-	-	4,750,172	4,750,172
Total Expenditures	8,020,513	9,621,992	32,848,225	280,744,560
Excess (Deficiency) of Revenues Over (Under) Expenditures	522,094	(8,696,121)	2,755,790	(18,084,008)
Other Financing Sources (Uses)				
Transfers In	-	13,759,397	6,426,847	41,520,425
Transfers Out	-	(738,720)	(17,267,631)	(40,510,055)
Issuance of Other Debt	-	-	2,804,304	4,068,657
Total Other Financing Sources (Uses)	-	13,020,677	(8,036,480)	5,079,027
Net Change in Fund Balances	522,094	4,324,556	(5,280,690)	(13,004,981)
Fund Balances, Beginning of Year	2,073,417	-	34,930,947	124,127,575
Adjustment for Change in Reporting Entity	-	13,451,619	(13,451,619)	-
Fund Balances, Beginning of Year Restated	2,073,417	13,451,619	21,479,328	124,127,575
Fund Balances, End of Year	\$ 2,595,511	\$ 17,776,175	\$ 16,198,638	\$ 111,122,594

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

Reconciliation of the Statement of Revenues, Expenditures And Changes In Fund Balances of Governmental Funds to the Statement of Activities For the Year Ended September 30, 2025

Net Change in Fund Balances - Total Governmental Funds **\$ (13,004,981)**

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

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. in the current period. These amounts are:

Current Period Investment in Capital Assets	52,134,241
Current Period Depreciation	(20,987,161)
Current Period Loss On Disposal of Capital Assets, Net of Proceeds	(1,099,492)

In the Statement of Activities, interest is accrued on outstanding loans, whereas in governmental funds, an interest expenditure is reported when due.

Change in Interest Payable	(48,723)
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Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. Also debt proceeds are an other financing source in the governmental funds, but the issuance increases long-term liabilities in the statement of net position.

Current Period Change in Compensated Absences	373,014
Current Period Note Payments	1,497,070
Current Period Special Assessment Note Payments	484,559
Current Period Revenue Bond Payments	3,042,800
Current Period Lease Payments	425,380
Current Period SBITA Payments	1,369,078
Current Period Debt Proceeds	(4,068,657)
Current Period Change in Pension Liability	13,906,618
Current Period Change in Health Insurance Subsidy	2,788,155
Current Period Increase in Other Post Employment Benefits Liability	(1,192,680)
Current Period Change in Deferred Outflow of Resources On Pensions	(4,479,431)
Current Period Change in Deferred Inflow of Resources On Pensions	(4,564,824)
Current Period Change in Deferred Outflow of Resources On Health Insurance Subsidy	(312,837)
Current Period Change in Deferred Inflow of Resources On Health Insurance Subsidy	(2,109,816)
Current Period Change in Deferred Outflow of Resources On OPEB	494,669
Current Period Change in Deferred Inflow of Resources On OPEB	188,539

Internal service funds are used by management to charge the costs of providing insurance coverage and therefore, the change in net position of the internal service fund is included in governmental activities in the Statement of Activities.

569,590

Change in Net Position of Governmental Activities **\$ 25,405,111**

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

Statement of Net Position Proprietary Funds September 30, 2025

	Business-type Activities				Governmental
	Major Funds		Nonmajor Enterprise Funds	Total Enterprise Funds	Activities
	MIP WWTP	Landfill			Internal Service Fund
Assets					
Current Assets					
Cash and Cash Equivalents	\$ -	\$ 24,719,337	\$ 15,396,145	\$ 40,115,482	\$ 5,285,727
Investments	-	-	-	-	781,530
Accounts Receivable, net	-	1,301,896	298,733	1,600,629	182,166
Interest	93,227	-	-	93,227	-
Due from Other Governments	-	-	285,737	285,737	-
Total Current Assets	93,227	26,021,233	15,980,615	42,095,075	6,249,423
Noncurrent Assets					
Restricted Cash and Cash Equivalents	10,040,794	6,939,768	-	16,980,562	-
Restricted Investments	20,000,000	12,180,822	-	32,180,822	-
Capital Assets, Net of Accumulated Depreciation	1,105,766	33,168,725	13,057,540	47,332,031	6,393
Total Noncurrent Assets	31,146,560	52,289,315	13,057,540	96,493,415	6,393
Total Assets	31,239,787	78,310,548	29,038,155	138,588,490	6,255,816
Deferred Outflows of Resources					
Deferred Outflows on Pension	-	375,256	506,673	881,929	47,408
Deferred Outflows on Health Insurance Subsidy	-	85,259	101,142	186,401	10,688
Deferred Outflows on OPEB	-	92,639	122,796	215,435	11,303
Total Deferred Outflows of Resources	-	553,154	730,611	1,283,765	69,399
Liabilities					
Current Liabilities					
Accounts Payable	-	1,503,115	154,588	1,657,703	1,551,893
Contracts Payable	-	443,680	-	443,680	-
Current Portion of Claims Payable	-	-	-	-	761,397
Accrued Wages Payable	-	208,967	224,446	433,413	18,301
Interest Payable	-	1,977	115	2,092	-
Due to Other Governments	-	-	234,865	234,865	-
Due to Other Funds	-	-	65,000	65,000	-
Compensated Absences - Current Portion	-	195,000	270,278	465,278	69,038
Leases Payable - Current	-	914,447	36,335	950,782	-
Deposits	-	199,012	4,400	203,412	-
Current Portion of Landfill Closure Costs	-	46,935	-	46,935	-
Current Portion of OPEB Liability	-	17,613	21,603	39,216	1,824
Total Current Liabilities	-	3,530,746	1,011,630	4,542,376	2,402,453
Noncurrent Liabilities					
Long Term Portion of Compensated Absences	-	358,469	195,000	553,469	-
Long Term Portion of Claims Payable	-	-	-	-	2,685,169
Long Term Portion of Landfill Closure Costs	-	18,044,232	-	18,044,232	-

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

	Business-type Activities				Governmental
	Major Funds			Total Enterprise Funds	Internal Service Fund
	MIP WWTP	Landfill	Nonmajor Enterprise Funds		
Note Payable - Noncurrent	30,250,000	-	-	30,250,000	-
Leases Payable - Noncurrent	-	658,759	138,076	796,835	-
Net Pension Liability	-	1,117,544	1,615,496	2,733,040	125,778
Net Health Insurance Subsidy Liability	-	599,171	800,650	1,399,821	96,651
Long Term Portion of OPEB Liability	-	327,191	415,776	742,967	46,150
Total Noncurrent Liabilities	30,250,000	21,105,366	3,164,998	54,520,364	2,953,748
Total Liabilities	30,250,000	24,636,112	4,176,628	59,062,740	5,356,201
Deferred Inflows of Resources					
Deferred Inflow on Pension	-	229,367	263,268	492,635	21,558
Deferred Inflow on Health Insurance Subsidy	-	160,011	196,703	356,714	16,771
Deferred Inflow on OPEB	-	88,019	116,095	204,114	11,565
Total Deferred Inflows of Resources	-	477,397	576,066	1,053,463	49,894
Net Position					
Net Investment in Capital Assets	972,588	31,151,839	12,883,129	45,007,556	6,393
Restricted for Landfill Closure	-	1,029,423	-	1,029,423	-
Unrestricted	17,199	21,568,931	12,132,943	33,719,073	912,727
Total Net Position	989,787	53,750,193	25,016,072	79,756,052	919,120

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

Statement of Revenues, Expenses, and Changes In Net Position - Proprietary Funds

Year Ended September 30, 2025

	Business-type Activities					Governmental
	Major Funds			Nonmajor Enterprise Funds	Total Enterprise Funds	Activities
	MIP WWTP	Inspections	Landfill			Internal Service Fund
Operating Revenues						
Permits, Fees and Special Assessments	\$ -	\$ -	\$ 450	\$ 4,806,793	\$ 4,807,243	\$ -
Charges for Services	-	-	14,707,064	3,763,279	18,470,343	1,603,353
Insurance Proceeds	-	-	-	-	-	1,580,119
Miscellaneous	-	-	-	-	-	5,300
Total Operating Revenues	-	-	14,707,514	8,570,072	23,277,586	3,188,772
Operating Expenses						
Personal Services	-	-	3,875,515	4,068,233	7,943,748	344,320
Contract Services	-	-	2,165,559	898,018	3,063,577	117,279
Supplies	-	-	92,928	299,747	392,675	31,265
Repairs and Maintenance	-	-	666,475	471,831	1,138,306	-
Utilities	-	-	69,557	122,555	192,112	-
Depreciation	-	-	1,509,507	1,113,188	2,622,695	3,346
Amortization	-	-	1,096,210	16,836	1,113,046	-
Travel and Per Diem	-	-	6,778	5,396	12,174	153
Insurance	-	-	130,000	63,800	193,800	2,717,748
Communications	-	-	1,344	12,727	14,071	304
Advertising	-	-	2,281	989	3,270	-
Fuel and Oil	-	-	357,571	46,167	403,738	-
Rentals	-	-	489,262	97,396	586,658	-
Landfill Closure and Maintenance	-	-	1,255,624	-	1,255,624	-
Claims and Changes in Estimates	-	-	-	-	-	1,035,956
Miscellaneous	-	-	15,540	81,953	97,493	21,836
Total Operating Expenses	-	-	11,734,151	7,298,836	19,032,987	4,272,207
Operating Income (Loss)	-	-	2,973,363	1,271,236	4,244,599	(1,083,435)
Non-operating Revenues (Expenses)						
Investment Income (Loss)	103,608	-	1,999,746	564,148	2,667,502	183,395
Interest Expense	-	-	(36,656)	(2,880)	(39,536)	-
Sale of Recycled Materials	-	-	93,156	-	93,156	-
Gain (Loss) on Disposal of Assets	-	-	13,685	(3,924)	9,761	-
Aid to Private Organizations	-	-	(86,000)	-	(86,000)	-
Amortization and Other Bond Costs	(86,409)	-	-	-	(86,409)	-
Total Non-operating Revenues (Expenses)	17,199	-	1,983,931	557,344	2,558,474	183,395
Income (Loss) Before Contributions and Transfers	17,199	-	4,957,294	1,828,580	6,803,073	(900,040)

	Business-type Activities					Governmental
	Major Funds			Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service
	MIP WWTP	Inspections	Landfill			Fund
Capital Contributions and Transfers						
Transfers In	-	-	-	-	-	1,469,630
Transfers Out	-	-	(1,800,000)	(680,000)	(2,480,000)	-
Capital Contribution	972,588	-	170,000	349,638	1,492,226	-
Total Capital Contributions and Transfers	972,588	-	(1,630,000)	(330,362)	(987,774)	1,469,630
Change in Net Position	989,787	-	3,327,294	1,498,218	5,815,299	569,590
Net Position, Beginning of Year	-	6,763,722	50,647,546	16,963,643	74,374,911	361,158
Adjustment for Change in Accounting Principle	-	-	(224,647)	(209,511)	(434,158)	(11,628)
Adjustment for Change in Reporting Entity	-	(6,763,722)	-	6,763,722	-	-
Adjusted Net Position, Beginning of Year	-	-	50,422,899	23,517,854	73,940,753	349,530
Net Position, End of Year	\$ 989,787	\$ -	\$ 53,750,193	\$ 25,016,072	\$ 79,756,052	\$ 919,120

Statement of Cash Flows
Proprietary Funds
Year Ended September 30, 2025

	Business-type Activities				Governmental
	Major Funds		Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service
	MIP WWTP	Landfill			Fund
Cash Flows From Operating Activities					
Cash Received From Customers	\$ -	\$ 14,996,380	\$ 8,725,253	\$ 23,721,633	\$ -
Cash Paid to Suppliers	-	(2,433,774)	(2,486,963)	(4,920,737)	(2,847,677)
Cash Paid to Employees	-	(3,932,912)	(4,201,068)	(8,133,980)	(339,160)
Net Cash Provided (Used) By Operating Activities	-	8,629,694	2,037,222	10,666,916	(1,227,989)
Cash Flows From Noncapital Financing Activities					
Transfers Out	-	(1,800,000)	(680,000)	(2,480,000)	-
Aid to Private Organizations	-	(86,000)	-	(86,000)	-
Net Cash Provided (Used) By Noncapital Financing Activities	-	(1,886,000)	(680,000)	(2,566,000)	1,469,630
Cash Flows From Capital and Related Financing Activities					
Proceeds From Sale of Assets	-	17,445	-	17,445	-
Capital Contribution	972,588	170,000	342,169	1,484,757	-
Purchases of Capital Assets	(1,105,766)	(9,036,020)	(1,421,854)	(11,563,640)	-
Proceeds From Capital Debt	30,250,000	-	-	30,250,000	-
Debt Issuance Costs	(86,409)	-	-	(86,409)	-
Interest Paid on Capital Debt	-	(37,752)	(2,765)	(40,517)	-
Principal Paid on Capital Debt	-	(1,089,485)	174,411	(915,074)	-
Net Cash Provided (Used) By Capital and Related Financing Activities	30,030,413	(9,975,812)	(908,039)	19,146,562	-
Cash Flows From Investing Activities					
Interest and Dividends	10,381	1,999,746	564,148	2,574,275	183,395
Net Sale (Purchase) of Investments	(20,000,000)	(531,365)	-	(20,531,365)	(34,093)
Net Cash Provided (Used) By Investing Activities	(19,989,619)	1,468,381	564,148	(17,957,090)	149,302
Net Increase (Decrease) in Cash and Cash Equivalents	10,040,794	(1,763,737)	1,013,331	9,290,388	390,943
Cash and Cash Equivalents at Beginning of Year	-	33,422,842	14,382,814	47,805,656	4,894,784
Cash and Cash Equivalents at End of Year	\$ 10,040,794	\$ 31,659,105	\$ 15,396,145	\$ 57,096,044	\$ 5,285,727

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

Statement of Cash Flows
Proprietary Funds
Year Ended September 30, 2025

	Continued				
	Business-type Activities				Governmental
	Major Funds		Nonmajor Enterprise Funds	Total Enterprise Funds	Internal Service
MIP WWTP	Landfill	Fund			
Reconciliation of operating income (loss) to net cash provided (used) by operating activities					
Operating Income (Loss)	\$ -	\$ 2,973,363	\$ 1,271,236	\$ 4,244,599	\$ (1,083,435)
Adjustments to reconcile operating income to net cash provided (used) by operating activities					
Expenses and Gains:					
Depreciation Expense	-	1,509,507	1,113,188	2,622,695	3,346
Amortization Expense	-	1,096,210	16,836	1,113,046	-
Landfill Closure Costs	-	1,255,624	-	1,255,624	-
Sale of Recycled Materials	-	93,156	-	93,156	-
Changes in Assets and Liabilities:					
Accounts Receivable	-	288,870	61,395	350,265	112,529
Due From Other Governments	-	-	93,785	93,785	-
Accounts Payable	-	1,236,021	(189,730)	1,046,291	42,090
Contracts Payable	-	322,823	-	322,823	-
Accrued Compensation	-	21,633	(1,289)	20,344	141
Compensated Absences	-	(79,030)	(131,544)	(210,574)	5,019
Due to Other Governments	-	-	32,632	32,632	-
Due to Other Funds	-	-	(135,000)	(135,000)	-
OPEB Liability	-	39,712	48,756	88,468	4,051
Deposits	-	9,440	(609)	8,831	-
Net Pension Liability	-	(330,667)	(357,598)	(688,265)	(27,804)
Net Health Insurance Subsidy	-	(100,998)	(109,224)	(210,222)	(8,492)
Deferred Outflows of Resources	-	106,675	122,360	229,035	10,125
Deferred Inflows of Resources	-	187,355	202,028	389,383	15,639
Net Cash Provided (Used) By Operating Activities	\$ -	\$ 8,629,694	\$ 2,037,222	\$ 10,666,916	\$ (1,227,989)
Noncash Investing, Capital and Financing Activities					
Initiation of new leases	-	-	(192,652)	(192,652)	-

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

**Statement of Fiduciary Net Position
Custodial Funds
September 30, 2025**

Assets

Cash and Cash Equivalents	\$	7,634,231
Investments		672,085
Miscellaneous Receivables		14,788
Total Assets	\$	8,321,104

Liabilities

Accounts Payable	\$	4,983
Due to Other Governments		1,835,867
Miscellaneous Liabilities		115,725
Total Liabilities	\$	1,956,575

Net Position

Restricted for:

Cash Bonds	\$	379,316
Court Registry		2,839,651
General Trust		3,010,415
Seizure		106,229
Flowers or Donations		28,918
Total Net Position	\$	6,364,529

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

Statement of Changes in Fiduciary Net Position Custodial Funds Year Ended September 30, 2025

Additions

Deposits in Court Registry	\$	5,755,435
Recording Fees		29,164,174
Deposits for Real Estate Auction		1,049,135
Deposits for Tax Deeds		1,106,857
Deposits for Restitution		241,926
Deposits for Bonds		695,675
Payments from State		20,000
Payments from Individuals		4,244,733
Unclaimed Funds		30,948
Child Support Purges and Levies		49,252
Cash Seized		70,102
Property Tax Collections for Other Governments		235,045,560
Other Taxes and Fees for Other Governments		2,992,241
License and Fees Collected for State		58,074,380
Other Fees Collected for Other Entities		6,873,190
Total Additions		<u>345,413,608</u>

Deductions

Release of Bonds		586,369
Refunds of Real Estate Auction Deposits		1,835,628
Tax Deed Deferred		409,216
Payments to State		90,719,954
Payments to Local Agencies		1,569,904
Payments for Witnesses		22,035
Payments to Victims		295,554
Refunds		181,327
Court Ordered Disbursements		6,347,646
Flower Fund		2,603
Purges and Levies Paid to Other Agencies		49,252
Payments to Law Enforcement Trust		107,728
Payments of Property Tax to Other Governments		235,045,560
Payments of Other Taxes and Fees to Other Governments		2,992,241
Payments to Other Entities		6,873,190
Total Deductions		<u>347,038,207</u>

Changes in Net Position		(1,624,599)
Net Position, Beginning of Year		7,989,128
Net Position, End of Year	\$	<u>6,364,529</u>

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

Notes To Financial Statements

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NOTE A – SUMMARY OF ACCOUNTING POLICIES

A summary of the significant accounting policies applied consistently in the preparation of the financial statements follows:

1. Reporting Entity

The Governmental Accounting Standards Board (GASB) has established standards for defining the financial reporting entity. In developing these standards, the GASB assumed that all governmental organizations are responsible to elected officials at the federal, state, or local level. Financial reporting by a state or local government should report the elected officials' accountability for those organizations. As concluded by the GASB, the financial reporting entity consists of (a) the primary government, (b) organizations for which the primary government is financially accountable, and (c) other organizations for which the nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Santa Rosa County, Florida (the County) is a political subdivision of the State of Florida created pursuant to Article 8, Section 1(e), of the Constitution of the State of Florida and Chapter 7 of the Florida Statutes. It is governed by a five-member Board of County Commissioners (the Board) elected from single-member districts. The Board has no powers other than those expressly vested in it by the Florida Statutes and its governmental powers cannot be delegated. The Board appoints an administrator to administer all policies emanating from its statutory powers and authority. In addition to the Board, there are five elected Constitutional Officers, pursuant to Article 8, Section 1(d) of the Constitution of the State of Florida: Clerk of Courts, Sheriff, Tax Collector, Property Appraiser and Supervisor of Elections.

These financial statements include the operating activities of the Board, Clerk of Courts, Sheriff, Tax Collector, Property Appraiser and Supervisor of Elections.

Dependent Special Districts

Blackwater Soil & Water Conservation District - The Blackwater Soil & Water Conservation District (Blackwater) was created by the Florida Legislature in 1942 pursuant to Florida Statute Section 582. Santa Rosa County was established as the local governing authority and is Blackwater's only source of funding. Blackwater does not meet the criteria as a legally separate entity in that it cannot buy, sell, own, lease and mortgage property in its own name. The activities of Blackwater are included in these financial statements as a department of the County within the General Fund.

Pace Property Finance Authority - The Pace Property Finance Authority (Authority) was created in 1990 by County Resolution No. 90-12 pursuant to Chapter 617 of the Florida Statutes. In accordance with Florida Statutes Section 189.403, the Authority qualifies as a dependent special district. Additionally, the Authority is a component unit of the County. However, the Authority meets the criteria for inclusion in more than one reporting entity - Pace Water System as well as the County. In these cases, judgment must be exercised by management of the reporting entities as to which reporting entity the organization should be included. The Authority has the same elected governing body as the Pace Water System. Additionally, both the Authority and Pace Water System own portions of a single water/sewer system; thus, their capital assets are part of an interconnected system. Finally, the Authority's debt was issued solely to finance the Pace water/sewer system improvements. Based on these facts, management has decided to include the Authority in the combined financial statements of Pace Water System rather than as a component unit of the County.

Santa Rosa County Health Facilities Authority - The Santa Rosa County Health Facilities Authority (Authority) was created in 1982 by County Ordinance No. 82-02 pursuant to Section 154, Florida Statutes. In accordance with Florida Statutes Section 189.403, the Authority qualifies as a dependent special district. Additionally, the Authority is a component unit of the County. The County appoints the five (5) members of the Authority. Additionally, the County may abolish the Authority at any time by ordinance or resolution as long as all bonded indebtedness incurred by the Authority has been paid. The Authority exists solely to assist health facilities within the County with the acquisition, construction, financing, and refinancing of projects through issuance of conduit debt. All bonds issued by the Authority were subsequently defeased through issuance of new debt culminating with the issuance of \$58 million in new bonds in 2003. The debt outstanding is a limited obligation of the Authority and not a general obligation of the Authority or the County. The Authority is not obligated to pay the principal and interest on the bonds except from the

NOTE A – SUMMARY OF ACCOUNTING POLICIES – Continued

revenues of the Authority pursuant to its loan agreement with Gulf Breeze Hospital. The Authority has no financial activity and the bonds issued under the Authority's name are recorded in the books of the hospital.

Santa Rosa County Housing Finance Authority - The Santa Rosa County Housing Finance Authority (Authority) was created in 1984 by County Resolution No. 84-18 pursuant to Chapter 78-89, Laws of Florida codified as Chapter 159, Part IV, Section 159.601 through 159.623. In accordance with Florida Statutes Section 189.403, the Authority qualifies as a dependent special district. Additionally, based on the criteria outlined above, the Authority is a component unit of Santa Rosa County. The Santa Rosa County Board of County Commissioners, through various resolutions and interlocal agreements with the Escambia County Housing Finance Authority (ECHFA), has authorized ECHFA to allow qualified residents of Santa Rosa County to apply for and obtain preferential mortgages from proceeds generated by bonds issued by ECHFA. Accordingly, there is no financial activity related to the Santa Rosa County Housing Finance Authority to be reflected in these financial statements.

2. Basis of Presentation - Fund Accounting

The accounting system is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The County groups its funds into two broad fund categories as either governmental or proprietary in nature. Governmental funds include the general, special revenue, debt service and capital project funds. Proprietary funds include enterprise funds and an internal service fund.

3. Basis of Accounting**Government-Wide Financial Statements**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all the non-fiduciary activities of the primary government. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which primarily rely on fees and charges for support. Fiduciary funds are excluded from the government-wide financial statements.

The government-wide statements are prepared using the economic resources measurement focus and the accrual basis of accounting. This is the same approach used in the preparation of the proprietary fund financial statements but differs from the manner in which governmental fund financial statements are prepared. Therefore, the governmental fund financial statements include a reconciliation with brief explanations to better identify the relationship between the government-wide statements and the governmental fund financial statements.

The government-wide Statement of Activities presents a comparison between expenses and program revenues for each segment of the business-type activities of the County and for each governmental program. Direct expenses are those that are specifically associated with a service, program or department and are therefore clearly identifiable to a particular function. Program revenues include charges paid by the recipients of the goods or services offered by the programs and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues not classified as program revenues are presented as general revenues. The comparison of program revenues and expenses identifies the extent to which each program or business segment is self-financing or draws from the general revenues of the County.

Net position should be reported as restricted when constraints placed on net position use are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or imposed by law through constitutional provisions or enabling legislation. The net position restricted for other purposes result from special revenue funds and the restrictions on their use. In a fund with both restricted and unrestricted positions, qualified expenses are considered to be paid first from restricted net position then from unrestricted net position. The government-wide statement of net position reports \$47,626,355 of restricted net position, of which \$29,069,123 is restricted by enabling legislation.

Fund Financial Statements

The Fund financial statements, as presented herein, focus primarily on the major funds of the governmental and proprietary categories. Each major fund is presented in a separate column. Nonmajor funds are aggregated and

NOTE A – SUMMARY OF ACCOUNTING POLICIES – Continued

presented in a single column. The internal service fund is presented in a single column on the face of the proprietary fund statements.

Governmental Funds

All governmental funds are accounted for using the modified accrual basis of accounting and the current financial resources measurement focus. Under this basis revenues are recognized in the accounting period in which they become measurable and available. Expenditures are recognized in the accounting period in which the fund liability is incurred, if measurable.

The major governmental funds are:

- General Fund – This is the County's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund.
- Road and Bridge Special Revenue Fund – Accounts for that portion of state fuel taxes and fees designated for road improvement projects.
- Grants Special Revenue Fund - Accounts for state and federal funding not associated with any other fund.
- Local Option Sales Tax Special Revenue Fund – Accounts for 1-cent local option sales surtax designated for capital improvement projects.
- American Rescue Plan Special Revenue Fund – Accounts for appropriations from the Federal government of funds under the American Rescue Plan Act.
- Other Capital Projects Fund – accounts for the purchase or construction of other capital facilities which are not financed by proprietary funds or trust funds.

Revenue Recognition

In applying the susceptible to accrual concept under the modified accrual basis, the following revenue sources are deemed both measurable and available (i.e., collectible within the current year or within one month of year-end and available to pay obligations of the current period – except for certain grant revenues which are recognized as revenues in the same period the grant expenditures occur). This includes investment earnings, property taxes, special assessments, and fines and forfeitures. Certain state-levied locally shared taxes including motor vehicle license tax and fuel taxes are considered derived non-exchange transactions. These types of transactions are subject to income recognition when the underlying transaction occurs. Reimbursements due for federally funded projects are accrued as revenue at the time the expenditures are made, or when received in advance, deferred until expenditures are made.

Other revenues, including licenses and permits, certain charges for services and miscellaneous revenues, are recorded as revenue when received in cash because they are generally not measurable until actually received.

Expenditure Recognition

The measurement focus of governmental fund accounting is on decreases in net financial resources (expenditures) rather than expenses. Most expenditures are measurable and are recorded when the related fund liability is incurred. However, principal and interest on governmental long-term debt, which has not matured, are recognized when paid. Allocations of costs, such as depreciation and amortization, are not recognized in the governmental funds.

Proprietary Funds

All proprietary funds use the accrual basis of accounting and the economic resources measurement focus. These funds account for operations that are primarily financed by user charges. Revenues are recognized when earned and expenses are recognized when incurred. Allocations of costs, such as depreciation, are recorded in proprietary funds. Unbilled utility service receivables are recorded at each year-end.

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 of all the County's enterprise funds and internal service fund are charged to customers for sales and services. Operating expenses for enterprise

NOTE A – SUMMARY OF ACCOUNTING POLICIES – Continued

funds and internal service funds include the 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.

The major proprietary funds are:

- MIP WWTP Fund - Accounts for the construction and eventual operation of a new wastewater treatment plant located in the Milton Interchange Park and servicing the unincorporated areas of East Milton.
- Landfill Fund - Accounts for the operation of the solid waste disposal facilities of the County.

The County's only internal service fund is the Self Insurance Fund. This fund accounts for the risk management activities of the Board and the other elected officials. Costs are billed to the departments and other elected officials at the actual and estimated costs of providing insurance coverage. At year-end, uncovered costs are billed to the departments, if necessary. Billings in excess of costs are credited to the departments. The policy of the County is not to eliminate interfund activity, i.e. the estimated insurance costs billed to the departments, in the government-wide statement of activities, so as to better reflect the true operating costs of those departments.

Fiduciary Funds

Custodial funds are used to account for monies held on behalf of individuals and companies that use the County as a depository as well as for property taxes, fines, court costs, licenses and fees collected on behalf of other governments. The County has thirteen custodial fiduciary funds.

4. Budgets and Budgetary Accounting

Florida Statutes Chapters 129 and 200 govern the preparation, adoption, and administration of the County's annual budget. The budget must be balanced, i.e., the estimated revenues plus beginning fund balance brought forward must equal appropriations and be prepared on a basis consistent with generally accepted accounting principles (GAAP) as applicable to governmental units. The Board may, at any time within a fiscal year, amend a budget for that year as follows:

Appropriations for expenditures in any fund may be decreased and other appropriations in the same fund correspondingly increased by motion recorded in the minutes. The budget officer may authorize certain inter-departmental and interdepartmental budget amendments, provided that the total appropriation of the fund is not changed. All annual appropriations lapse at fiscal year end.

Budgets are required for all governmental funds except:

Special Revenue Funds:

Sheriff's Grants
 Sheriff's Second Dollar
 Sheriff's Prisoner Recreation
 Sheriff's Local Option Sales Tax

Accordingly, the County does not adopt annual appropriated budgets for the above listed special revenue funds.

Budgets are not initially authorized but subsequently amended for the following funds:

Special Revenue Funds:

Disaster
 Grants

5. Cash and Cash Equivalents

For purposes of the statements of cash flows, all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased are considered to be cash equivalents.

6. Investments

Investments in U.S. Treasury bills, government backed securities and the Florida Local Government Investment Trust Fund are recorded at fair value. As permitted by GASB Statement No. 72, bank certificates of deposit and short-term money market investments are reported at amortized cost rather than fair value.

NOTE A – SUMMARY OF ACCOUNTING POLICIES – Continued

7. Inventory

Inventory consists of gas, oil, automotive parts, road signs, culverts, and various other items used by the road department and insecticides used by mosquito control operations. Inventory is valued at cost (first in, first out). The cost is recorded as an expenditure at the time the inventory is purchased.

In the fund level statements, reported inventories are equally offset by a nonspendable fund balance since such amounts will not convert to cash even though they are a component of net current assets.

8. Accounting for Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the acquisition date.

The cost of normal maintenance and repairs that does not add to the value of an asset or materially extends an asset's life is not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. The County does not capitalize interest expense on borrowings used to finance construction of capital assets, as the capitalizable interest, after netting of interest earnings, is normally insignificant.

Property, plant and equipment of the County is depreciated using the straight-line method over the following estimated useful lives:

Buildings	20 - 50 years
Water Distribution System	20 years
Improvements	10 - 20 years
Equipment	3 - 10 years
Infrastructure	40 years

9. Compensated Absences

It is the policy of the County to permit employees to accumulate a limited amount of earned but unused leave benefits which will be paid to employees upon separation from service. Unpaid compensated absences are recorded as a liability when the benefits are earned in the government-wide and proprietary fund financial statements. The valuation of accrued leave benefits is calculated in accordance with GASB Statement No. 101.

10. Property Taxes

Real and personal property valuations are determined each year as of January 1 by the Property Appraiser's office. Florida Statutes require that all property be assessed at 100 percent of just value.

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 percent are allowed for early payment in November through February, respectively. The Tax Collector advertises as required by statute and sells tax certificates for unpaid taxes on real property. Certificates not sold are considered "County Held Certificates." Persons owning land upon which a tax certificate has been sold may redeem the land by paying the face amount of the tax certificate, plus interest and other costs.

Property taxes levied on property valuations as of January 1, 2025 and expected to be collected during the period November 2025 through March 2026 are as follows:

General Fund	\$ 70,827,160
Law Enforcement MSTU	\$ 32,284,285

These taxes, although measurable, are not recognized as revenue at September 30, 2025, since they are not considered to be collectible within the current period or soon enough thereafter to be used to pay current period liabilities.

NOTE A – SUMMARY OF ACCOUNTING POLICIES – Continued**11. Landfill Closure Costs**

Under the terms of current state and federal regulations, the County is required to place a final cover on closed landfill areas, and to perform certain monitoring and maintenance functions for a period of up to thirty years after closure. The County recognizes these costs of closure and post-closure maintenance over the active life of each landfill area, based on landfill capacity used during the period.

12. Allowance for Uncollectible Amounts

Accounts receivable for the County are reported net of allowance for doubtful accounts. The allowance for doubtful accounts represents those accounts which are deemed uncollectible based upon past collection history.

13. Fund Balance

Fund balance is divided into five classifications based primarily on the extent to which the County is bound to observe constraints imposed upon the use of the resources in the governmental funds. The classifications are as follows:

Nonspendable — The nonspendable fund balance category includes amounts that cannot be spent because they are not in spendable form, or legally or contractually required to be maintained intact. The not in spendable form criterion includes items that are not expected to be converted to cash. It also includes the long-term amount of interfund loans.

Restricted — Fund balance is reported as restricted when constraints placed on the use of resources are either externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments or is imposed by law through constitutional provisions or enabling legislation. Enabling legislation authorizes the County to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. Legal enforceability means that the County can be compelled by an external party—such as citizens, public interest groups, or the judiciary to use resources created by enabling legislation only for the purposes specified by the legislation.

Committed — The committed fund balance classification includes amounts that can be used only for the specific purposes imposed by formal action (ordinance) of the County. Those committed amounts cannot be used for any other purpose unless the County removes or changes the specified use by taking the same type of action (ordinance) it employed to previously commit those amounts. In contrast to fund balance that is restricted by enabling legislation, committed fund balance classification may be redeployed for other purposes with appropriate due process. Constraints imposed on the use of committed amounts are imposed by the Board, separate from the authorization to raise the underlying revenue; therefore, compliance with these constraints are not considered to be legally enforceable. Committed fund balance also incorporates contractual obligations to the extent that existing resources in the fund have been specifically committed for use in satisfying those contractual requirements.

Assigned — Amounts in the assigned fund balance classification are intended to be used by the County for specific purposes but do not meet the criteria to be classified as restricted or committed. In governmental funds other than the General Fund, assigned fund balances represent the intended use established by the Board for the remaining amounts that are not restricted or committed. In the General Fund, assigned amounts represent intended uses established by the Board.

Unassigned — Unassigned fund balance is the residual classification for the General Fund and includes all spendable amounts not contained in the other classifications. In other governmental funds, the unassigned classification is used only to report a deficit balance resulting from overspending for specific purposes for which amounts had been restricted, committed, or assigned.

The County applies restricted resources first when expenditures are incurred for purposes for which either restricted or unrestricted (committed, assigned, and unassigned) amounts are available. Similarly, within unrestricted fund balance, committed amounts are reduced first followed by assigned, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

14. Leases

Lessee: The County is a lessee for noncancellable leases of equipment, office space and land. The County recognizes a lease liability and an intangible right-to-use lease asset (lease asset) in the government-wide financial statements.

NOTE A – SUMMARY OF ACCOUNTING POLICIES – Continued

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

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

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

- The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of fixed payments and purchase option price that the County is reasonably certain to exercise. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

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.

Payments due under the lease contracts include fixed payments plus, for many of the County's leases, variable payments. For office space leases that include variable payments, those include payments for the County's proportionate share of the building's property taxes, insurance, and common area maintenance. For office equipment leases for which the County has elected not to separate lease and non-lease components, maintenance services are provided by the lessor at a fixed cost and are included in the fixed lease payments for the single, combined lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- amounts expected to be payable by the County under residual value guarantees
- the exercise price of a purchase option if the County is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the County exercising that option.

Lease payments to be made under reasonably certain extension options are also included in the measurement of the liability. Extension and termination options are included in a number of property and equipment leases across the County. These are used to maximize operational flexibility in terms of managing the assets used in the County's operations. The majority of extension and termination options held are exercisable only by the County and not by the respective lessor.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case, the County's incremental borrowing rate is used, being the rate that the County would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

Variable payments that depend on an index or a rate (such as the Consumer Price Index or a market interest rate), initially measured using the index or rate as of the commencement of the lease term.

Lessor: The County is a lessor for noncancellable leases of tower space. The County recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, the County initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the

NOTE A – SUMMARY OF ACCOUNTING POLICIES – Continued

principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how the County determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts.

- The County uses its estimated incremental borrowing rate as the discount rate for leases.
- The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

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

15. Subscription Based Information Technology Arrangements (SBITA)

The County has entered into SBITAs for various terms under certain agreements that meet the definition of a SBITA under GASB Statement No. 96. The County recognizes a SBITA liability and an intangible right to use SBITA asset (SBITA asset) in the government-wide financial statements. SBITA assets are reported with other capital assets and SBITA liabilities are reported with long-term debt on the statement of net position.

At the commencement of a SBITA, the County initially measures the SBITA liability at the present value of payments expected to be made during the SBITA term and records that amount as other financing sources and capital outlay expenditures in the Statement of Revenues, Expenditures, and Changes in Fund Balance. Subsequently, the SBITA liability is reduced by the principal portion of payments made which are recorded as debt service expenditures in the Statement of Revenues, Expenditures, and Changes in Fund Balance as they are incurred.

The SBITA asset is initially measured as the initial amount of the SBITA liability, adjusted for payments made at or before the SBITA commencement date, plus certain initial direct costs. Subsequently, the SBITA asset is amortized on a straight-line basis over its useful life.

NOTE B – CASH AND INVESTMENTS

At September 30, 2025, the banks held deposits of \$164,728,375 (before outstanding checks and deposits in transit) consisting of amounts held in checking, savings, money market or time deposit accounts. All deposits with financial institutions were 100% insured by federal depository insurance or by collateral pursuant to the Public Depository Security Act of the State of Florida.

The County's cash and cash equivalents consist of cash and short-term investments with original maturities of three months or less from the date of acquisition.

Pursuant to Florida Statutes Section 218.415, the County adopted an investment policy which outlines the County's investment responsibilities, objectives, and policies. The County's investment policy authorizes the County to invest in the following:

- a. The Local Government Surplus Funds Trust Fund (SBA) (Maximum of 75%)*;
- b. Florida Local Government Investment Trust (FLGIT) (State Investment Trust) (100% allowed)*;
- c. Qualified money market mutual funds (Maximum of 50%)*;
- d. U.S. Treasury bills, notes and bonds (100% allowed);
- e. Obligations guaranteed by the U.S. Government as to principal and interest such as obligations of the Government National Mortgage Association (GNMA) (Maximum of 5%)*;
- f. Non-callable Government Agency securities (Maximum of 25%)*:
 - i. Federal Farm Credit Bank (FFCB),
 - ii. Federal Home Loan Mortgage Corporation (FHLMC),
 - iii. Federal Home Loan Bank (FHLB),
 - iv. Federal National Mortgage Association (FNMA).

This classification of government agency securities does not include any mortgage debt of any government agency;
- g. Time deposits and savings accounts in banks or savings and loan associations doing business in Florida (Maximum of 50%)*;
- h. Repurchase agreements for investments authorized in categories d, e, or f above. (Maximum of 40%)*

*To limit the County's concentration of credit risk these are the maximum percentages of the County's total portfolio that can be in each type of investment.

Interest rate risk is limited by no security having a maturity exceeding 2 years. The weighted average to maturity for the portfolio shall be less than 365 days or 1 year. Investments placed with the FLGIT, which typically invests in instruments with maturities of less than 5 years, are exempt from this limitation. The average maturity of investments held in the FLGIT as of September 30, 2025 is 2.10 years.

The FLGIT, also known as Florida Trust, is a local government investment pool created by the Florida Association of Court Clerks and Comptrollers, and the Florida Association of Counties for the purpose of providing public entities with an investment program by providing investment vehicles for funds that can be invested in short- to intermediate-term securities and have returns generally greater than the national average for money market instruments. The fair values of the County's positions in the pool are the same as the value of the pool shares. The Florida Trust offers two separately rated, open-ended, professionally managed funds available only to public entities in Florida.

The Investment Trust:

A short-term bond fund with an investment portfolio structured to maintain safety of principal and maximize available yield through a balance of quality and diversification. As of September 30, 2025, the Investment Trust managed \$720 million and had a price per share of \$30.03 and a Fitch rating of AA+af. This short-term bond fund invests

NOTE B – CASH AND INVESTMENTS – Continued

in U.S. Treasuries and Agency Securities, Mortgages, Commercial Paper, Asset-Backed Securities, and A rated Corporate Securities.

The Day to Day Fund:

The Florida Trust Day to Day Fund is a money market product created in response to demand to provide a fiscally conservative diversification option for Florida local governments. Fund features include same day transactions and online account management. The fund is AAAM-rated by Fitch and is governed by the same board and advisory committee that oversees the Investment Trust.

Bank of New York:

At year-end, the County held unspent funds related to the Milton Interchange Park Wastewater Treatment Plant project invested with the Bank of New York. These funds were invested primarily in state and local government series U.S. Treasury securities.

The County’s investments as defined by GASB Statement No. 72 Fair Value Measurement and Application are reported at fair value based on level 1 inputs for quoted prices for identical investments in active markets.

Schedule of Cash and Investments at September 30, 2025

	<u>Carrying Amount</u>
Investments:	
FLGIT Investment Trust Fund	\$ 14,542,957
Bank of New York	20,000,000
Total Investments	<u>34,542,957</u>
Cash:	
Cash in Bank	63,234,118
Day to Day Trust	102,274,538
Petty Cash	4,675
Total Cash	<u>165,513,331</u>
Total Cash and Investments	<u>\$ 200,056,288</u>

Restricted cash and investments typically consist of funds set aside for construction projects or for the payment of debt and funds set aside to ensure assets producing the pledged revenues are repaired and replaced as needed. These assets are restricted since their use is limited by the applicable bond indentures. Other restricted assets consist of funds restricted to the payment of future landfill closure costs.

Restricted cash and investments by category and by fund are as follows:

	<u>MIP WWTP Fund</u>	<u>Landfill Fund</u>
WWTP Construction	\$ 30,040,794	\$ -
Landfill escrow	0	19,120,590
Total	<u>\$ 30,040,794</u>	<u>\$ 19,120,590</u>

NOTE C – DUE FROM OTHER GOVERNMENTAL UNITS

At September 30, 2025, amounts due from other governmental units were as follows:

	General Fund	Road and Bridge Fund	Grants Fund	Local Option Sales Tax Fund	Nonmajor Governmental Funds	Nonmajor Enterprise Funds	Total
Federal Government - Grants	\$ 152,533	\$ 1,743,900	\$ 6,506,610	\$ -	\$ 795,108	\$ -	\$ 9,198,151
State of Florida - Grants	3,604,367	1,391,380	7,598,683	-	109,341	285,737	12,989,508
State of Florida - Taxes	994,546	1,175,137	-	824,050	473,198	-	3,466,931
Local Taxes	512,026	-	-	-	2,791	-	514,817
Other	-	-	-	-	771,391	-	771,391
Total	\$ 5,263,472	\$ 4,310,417	\$ 14,105,293	\$ 824,050	\$ 2,151,829	\$ 285,737	\$ 26,940,798

NOTE D – INTERFUND TRANSACTIONS

Interfund transactions for the year ended September 30, 2025 were as follows:

	Interfund Receivable	Interfund Payable	Interfund Transfers in	Interfund Transfers Out
General Fund	\$ 14,862,971	\$ 65,371	\$ 12,061,041	\$ 22,254,044
Road & Bridge Fund	-	785,000	9,240,140	-
Grants Fund	-	10,875,000	33,000	-
Local Option Sales Tax Fund	-	-	-	249,660
Other Capital Projects Fund	-	-	13,759,397	738,720
Nonmajor Governmental Funds	111,334	3,183,934	6,426,847	17,267,631
Landfill Fund	-	-	-	1,800,000
Nonmajor Enterprise Funds	-	65,000	-	680,000
Self Insurance Fund	-	-	1,469,630	-
Total	\$ 14,974,305	\$ 14,974,305	\$ 42,990,055	\$ 42,990,055

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, (2) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due, and (3) move unrestricted revenues collected in the general fund to finance various programs in accordance with budgetary authorizations. The major interfund transfers during the fiscal year were transfers from the Electric Franchise Fee Fund to the General Fund and Road and Bridge Fund where the revenues are expended, from the Disaster Fund to the General Fund to return funds originally provided by the General Fund, from the General Fund to the Road and Bridge Fund and the Other Capital Outlay Fund to fund construction and maintenance projects, and from the General Fund to the Debt Service Fund to provide for debt service.

Interfund balances result from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made. The major interfund balance is payable from the Grants Fund to the General Fund as a result of the need to advance fund grant projects until reimbursement from granting agencies is received.

NOTE E – RECEIVABLES

	Accounts	Allowance	Leases	Interest	Intergov- ernmental	Total
Governmental						
General	\$ 333,671	\$ -	\$ 64,426	\$ 1,065	\$ 5,263,472	\$ 5,662,634
Road & Bridge	44,752	-	-	-	4,310,417	4,355,169
Grants	-	-	-	-	14,105,293	14,105,293
Local Option Sales Tax	-	-	-	-	824,050	824,050
Nonmajor Governmental	975,571	-	-	-	2,151,829	3,127,400
Self Insurance	182,166	-	-	-	-	182,166
Subtotal	1,536,160	-	64,426	1,065	26,655,061	28,256,712
Business-type						
MIP WWTP	-	-	-	93,227	-	93,227
Landfill	1,301,896	-	-	-	-	1,301,896
Nonmajor Enterprise	303,537	(4,804)	-	-	285,737	584,470
Subtotal	1,605,433	(4,804)	-	93,227	285,737	1,979,593
Total	\$ 3,141,593	\$ (4,804)	\$ 64,426	\$ 94,292	\$ 26,940,798	\$ 30,236,305

NOTE F – CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2025 was as follows (in thousands):

	Beginning Balance	Additions	Transfers	Deletions	Ending Balance
Governmental Activities					
Capital Assets Not Being Depreciated:					
Land	\$ 41,471	\$ 1,789	\$ -	\$ -	\$ 43,260
Construction in Progress	54,897	41,208	(1,608)	-	94,497
Total Capital Assets Not Being Depreciated	96,368	42,996	(1,608)	-	137,756
Capital Assets Being Depreciated/Amortized					
Buildings	116,834	-	-	-	116,834
Improvements Other Than Buildings	243,910	801	(8)	5	244,698
Machinery and Equipment	81,122	6,162	628	2,727	85,185
Buildings, Right of Use	706	-	-	219	487
Equipment, Right of Use	2,137	21	-	148	2,010
IT Equipment, Right of Use	295	-	-	166	129
Vehicles, Right of Use	133	103	-	-	236
SBITA, Right of Use	5,626	2,052	-	-	7,678
Total Capital Assets Being Depreciated/Amortized:	450,763	9,138	620	3,264	457,257
Less Accumulated Depreciation/Amortization For:					
Buildings	60,279	5,786	-	-	66,065
Improvements Other Than Buildings	98,195	7,355	-	1	105,548
Machinery and Equipment	58,331	6,257	(12)	2,607	61,969
Buildings, Right of Use	373	109	-	219	264
Equipment, Right of Use	519	244	-	148	615
IT Equipment, Right of Use	200	76	-	166	110
Vehicles, Right of Use	39	28	-	-	67
SBITA, Right of Use	944	1,136	-	-	2,081
Total Capital Asset Accumulated Depreciation/Amortization:	218,881	20,991	(12)	3,141	236,719
Total Capital Assets Being Depreciated, Net	231,882	(11,853)	632	123	220,538
Governmental Activities Capital Assets, Net	\$ 328,250	\$ 31,144	\$ (976)	\$ 123	\$ 358,295
Business Type Activities					
Capital Assets Not Being Depreciated:					
Land	\$ 1,306	\$ 712	\$ -	\$ -	\$ 2,018
Construction in Progress	7,068	9,325	973	-	17,365
Total Capital Assets Not Being Depreciated	8,374	10,037	973	-	19,383
Capital Assets Being Depreciated/Amortized					
Buildings	8,629	-	-	-	8,629
Improvements Other Than Buildings	48,192	9	-	-	48,201
Machinery and Equipment	5,810	353	15	175	6,003
Equipment, Right of Use	4,103	-	-	368	3,735
Vehicles, Right of Use	451	193	-	-	643
Total Capital Assets, Being Depreciated/Amortized:	67,185	555	15	543	67,212
Less Accumulated Depreciation For:					
Buildings	3,501	393	-	-	3,894
Improvements Other Than Buildings	27,509	1,759	-	-	29,268
Machinery and Equipment	3,062	470	12	171	3,373
Equipment, Right of Use	1,673	984	-	368	2,289
Vehicles, Right of Use	310	129	-	-	439
Total Capital Assets Accumulated Depreciation/Amortization:	36,054	3,735	12	539	39,263
Total Capital Assets Being Depreciated, Net	31,131	(3,180)	3	4	27,949
Business Type Activities Capital Assets, Net	\$ 39,505	\$ 6,857	\$ 976	\$ 4	\$ 47,332

NOTE F – CAPITAL ASSETS – Continued

Depreciation Expense Was Charged to Functions As Follows:

Governmental Activities:

General Government	\$ 7,480,764
Public Safety	3,782,560
Physical Environment	1,334,246
Transportation	6,124,986
Economic Environment	248,966
Human Services	155,137
Culture and Recreation	1,863,849
Total Governmental Activities Depreciation Expense	\$ 20,990,508

Business-type Activities:

Landfill	2,605,717
Navarre Beach	522,010
Inspections	46,801
Peter Prince Field	561,214
Total Business-type Activities Depreciation Expense	\$ 3,735,741

Construction and Other Contractual Commitments

The following is a summary of major construction and other contractual commitments outstanding as of September 30, 2025:

<u>Projects</u>	<u>Spent-to-date</u>	<u>Remaining Commitment</u>
Governmental Activities:		
Road and Bridge Construction	\$ 61,210,141	\$ 16,735,013
Drainage Projects	\$ 22,004,981	\$ 1,297,598
Total	\$ 83,215,122	\$ 18,032,611
Business-type Activities		
Taxiway Reconstruction	\$ 2,733,597	\$ 124,256
Landfill Maintenance Facility	\$ 6,899,497	\$ 403,720
Landfill Disposal Site Expansion	\$ 3,837,567	\$ 5,649,075
Milton Interchange Park WWTP	\$ 1,105,766	\$ 30,000,000
Total	\$ 14,576,427	\$ 36,177,051

NOTE G – LEASES

Leasing arrangements - Lease payable

The County is obligated under leases covering certain office space, machinery and IT equipment that expire at various dates during the next ten years.

The County has entered into various lease agreements as lessee primarily for office space, land, vehicles, and office equipment. Most leases have initial terms of up to 20 years, and contain one or more renewal options, generally for three- or 5-year periods. We have generally included these renewal periods in the lease term when it is reasonably certain that we will exercise the renewal option. The County's leases generally do not include termination options for either party to the lease or restrictive financial or other covenants. Certain real estate leases require additional payments for common area maintenance, real estate taxes and insurance, which are expensed as incurred as variable lease payments. For the County's transportation equipment leases, variable payments include those for property taxes and mileage. For office space leases that include variable payments, those include payments for the County's proportionate share of the building's property taxes, insurance, and common area maintenance. The County's lease arrangements do not contain any material residual value guarantees. As the interest rate implicit in the County's leases is not readily determinable, the County utilizes its incremental borrowing rate to discount the lease payments.

The statement of net position shows the following amounts (in thousands) relating to leases:

Right-of-use assets	Governmental	Business Type	Total
	Activities	Activities	
Buildings	\$ 223	\$ -	\$ 223
Equipment	1,396	1,447	2,843
IT Equipment	19	-	19
Vehicles	169	204	373
	<u>\$ 1,807</u>	<u>\$ 1,651</u>	<u>\$ 3,458</u>

Lease payable	Governmental	Business Type	Total
	Activities	Activities	
Current	\$ 324	\$ 950	\$ 1,274
Non-current	1,570	797	2,367
	<u>\$ 1,894</u>	<u>\$ 1,747</u>	<u>\$ 3,641</u>

The future principal and interest lease payments as of June 30, 2025, were as follows (in thousands):

Fiscal year	Governmental		Business Type	
	Activities		Activities	
	Principal	Interest	Principal	Interest
2026	\$ 324	\$ 34	\$ 951	\$ 25
2027	290	28	581	11
2028	264	23	154	3
2029	290	18	41	2
2030	252	13	20	-
2031-2035	474	13	-	-
Total	<u>\$ 1,894</u>	<u>\$ 129</u>	<u>\$ 1,747</u>	<u>\$ 41</u>

NOTE G – LEASES

Leasing arrangements - SBITA payable

The County is obligated under subscription-based information technology arrangements (SBITA) covering certain software that expire at various dates during the next ten years.

The County has entered into various SBITA agreements primarily for software products. Most SBITA have initial terms of up to 5 years, and contain one or more renewal options, generally for one-, three-, or 5-year periods. We have generally included these renewal periods in the lease term when it is reasonably certain that we will exercise the renewal option. The County’s SBITA generally do not include termination options for either party to the agreement or restrictive financial or other covenants. Certain agreements require additional payments for maintenance which are expensed as incurred as variable SBITA payments. The County’s SBITA do not contain any material residual value guarantees. As the interest rate implicit in the County’s leases is not readily determinable, the County utilizes its incremental borrowing rate to discount the lease payments.

The statement of net position shows the following amounts (in thousands) relating to SBITA:

Right-of-use assets	Governmental Activities	Business Type Activities	Total
SBITA	\$ 4,456	\$ -	\$ 4,456
	<u>\$ 4,456</u>	<u>\$ -</u>	<u>\$ 4,456</u>
SBITA payable	Governmental Activities	Business Type Activities	Total
Current	\$ 1,066	\$ -	\$ 1,066
Non-current	4,081	-	4,081
	<u>\$ 5,147</u>	<u>\$ -</u>	<u>\$ 5,147</u>

The future principal and interest SBITA payments as of September 30, 2025, were as follows (in thousands):

Fiscal year	Governmental Activities		Business Type Activities	
	Principal	Interest	Principal	Interest
2026	\$ 1,066	\$ 104	\$ -	\$ -
2027	\$ 1,034	\$ 81	\$ -	\$ -
2028	\$ 1,060	\$ 58	\$ -	\$ -
2029	\$ 846	\$ 35	\$ -	\$ -
2030	\$ 647	\$ 20	\$ -	\$ -
2031-2035	\$ 494	\$ 9	\$ -	\$ -
Total	\$ 5,147	\$ 307	\$ -	\$ -

NOTE G – LEASES – Continued
Leasing arrangements - Lease receivable

The County leases out its buildings and land. Most leases have initial terms of up to 20 years, and contain one or more renewal options, generally for three- or 5-year periods. We have generally included these renewal periods in the lease term when it is reasonably certain that we will exercise the renewal option. The County's lease arrangements do not contain any material residual value guarantees. As the interest rate implicit in the County's leases is not readily determinable, the County utilizes its incremental borrowing rate to discount the lease payments.

Although the County is exposed to changes in the residual value at the end of the current leases, the County typically enters into new operating leases and therefore will not immediately realize any reduction in residual value at the end of these leases.

Minimum lease payments receivable on leases of investment properties are as follows (in thousands):

	Governmental Activities		Business Type Activities	
	Principal	Interest	Principal	Interest
2026	\$ 32	\$ 1	\$ -	\$ -
2027	\$ 33	\$ 1	\$ -	\$ -
2028	\$ -	\$ -	\$ -	\$ -
2029	\$ -	\$ -	\$ -	\$ -
2030	\$ -	\$ -	\$ -	\$ -
Total	\$ 65	\$ 2	\$ -	\$ -

The total amount of inflows of resources relating to leases recognized in the current fiscal year are as follows:

	Governmental Activities	Business Type Activities	Total
Lease revenue	\$ 38	\$ -	\$ 38
Interest revenue	\$ 2	\$ -	\$ 2

NOTE H – LONG-TERM DEBT

1. Changes in Long-Term Debt

Special assessment notes are fully secured by annual assessments made against property owners of the specific area that benefited from the proceeds of the notes. The County has no legal obligation to levy ad valorem taxes or cover the notes in case of default by the property owners. The County does, however, maintain a moral commitment to cover the debt payments until such time as the property owners can make the payments.

The following is a summary of changes in long-term debt for the year.

	Balance October 1, 2024	Additions	Deductions	Balance September 30, 2025	Amount Due Within One Year
Governmental Activities:					
Compensated Absences	\$ 11,247,855	\$ 12,891,920	\$ 9,615,365	\$ 14,524,410	\$ 4,169,038
Claims Payable	3,747,763	1,002,210	1,303,407	3,446,566	761,397
Revenue Bonds	36,162,200	-	3,042,800	33,119,400	3,096,200
General Obligation Notes	589,927	1,893,377	1,189,927	1,293,377	302,679
Revenue Notes	1,390,837	-	307,143	1,083,694	260,359
Special Assessment Notes	3,089,558	-	484,559	2,604,999	428,167
Leases	2,195,641	123,133	425,380	1,893,394	323,962
SBITA	4,463,021	2,052,147	1,369,078	5,146,090	1,065,583
Total	\$ 62,886,802	\$ 17,962,787	\$ 17,737,659	\$ 63,111,930	\$ 10,407,385
Business-type Activities:					
Compensated Absences	\$ 795,163	\$ 1,176,790	\$ 953,206	\$ 1,018,747	\$ 465,278
Landfill Closure Costs	16,835,543	1,255,624	-	18,091,167	46,935
Revenue Notes	-	30,250,000	-	30,250,000	-
Leases	2,662,692	192,651	1,107,726	1,747,617	950,782
Total	\$ 20,293,398	\$ 32,875,065	\$ 2,060,932	\$ 51,107,531	\$ 1,462,995

Compensated absences are liquidated by the general and other governmental funds incurring the expenditure. Claims liabilities are liquidated in the internal service fund.

2. Descriptions of Notes

The County has revenue bonds, general obligation notes, revenue notes and special assessment notes payable outstanding at year end. There are no lines of credit issued for the County. The note payable for the Bernath Place MSBU has clauses making outstanding amounts payable immediately upon default. Otherwise, there are no significant termination events with finance-related consequences or subjective acceleration clauses contained in the County debt issues. All of the County notes payable have been issued as direct borrowings or direct placements.

Bonds and Notes Payable At September 30, 2025 Are Comprised of the Following:

General Government - Revenue Bonds Payable

\$35,000,000 bond payable to bank for the construction of new judicial center. The bond is due in 15 annual payments of \$2,000,000 to 2,635,300 plus interest paid semiannually at 1.77% with final payment due in 2036, secured by a pledge of non-ad valorem revenues. \$ 26,594,400

\$9,100,000 bond payable to bank for the construction of new connector road. The bond is due in 10 annual payments of \$845,000 to 980,000 plus interest paid semiannually at 1.686% with final payment due in 2032, secured by a pledge of non-ad valorem revenues. 6,525,000

NOTE H – LONG-TERM DEBT – Continued
General Government - General Obligation Notes Payable

\$1,893,377 note payable to vendor for the acquisition of equipment for the Sheriff's office. The note calls for a down payment in the amount of \$600,000 and then is due in four annual installments of \$359,846 due in fiscal years 2026 through 2029. 1,293,377

General Government - Revenue Notes Payable

\$1,825,000 note payable to bank for the acquisition and construction of improvements and equipment for Benny Russell park. The note is due in 40 quarterly payments of \$3,150 to 57,671 including interest at 2.25% with final payment due in 2030, secured by a pledge of non-ad valorem revenues. 1,032,175

\$500,000 special assessment note payable to seller for the acquisition of property in the Santa Rosa County Fire Protection MSBU. The note is due in 60 monthly payments of \$8,746 to \$8,764 including interest at 2% with final payment due in 2026, secured by a pledge of non-ad valorem revenues. 51,520

General Government - Special Assessment Notes Payable

\$1,102,518 special assessment note payable to bank for the acquisition and installation of fire control equipment in the Santa Rosa County Fire Protection MSBU. The note is due in 8 annual payments of \$152,062 including interest at 2.24% with final payment due in 2028. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest. 436,497

\$700,000 special assessment note payable to bank for the acquisition and installation fire control equipment in the Santa Rosa County Fire Protection MSBU. The note is due in 60 quarterly payments of \$9,134 to \$14,526 plus interest at 3.14% with final payment due in 2025. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest. 14,526

\$710,500 special assessment note payable to bank for the acquisition and installation of fire control equipment in the Santa Rosa County Fire Protection MSBU. The note is due in 96 monthly payments of \$8,132 including interest at 2.33% with final payment due in 2028. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest. 306,555

\$1,500,000 special assessment note payable to bank for the construction of certain infrastructure improvements in the Bernath Place MSBU. The note is due in 80 quarterly payments of \$25,651 including interest at 3.237% with final payment due in 2040. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest. 1,197,664

\$383,000 special assessment note payable to bank for the construction of certain infrastructure improvements in the Little Duck Circle MSBU. The note is due in 32 quarterly payments of \$13,060 including interest at 2.15% with final payment due in 2026. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest. 26,850

\$1,221,000 special assessment note payable to bank for the construction of certain infrastructure improvements in the Ponderosa Drive MSBU. The note is due in 56 quarterly payments of \$25,961 including interest at 2.494% with final payment due in 2032. Annual assessments will be made against property owners sufficient to retire the maturing principal and interest. 622,907

Total General Government Notes Payable **\$ 38,101,470**

Proprietary Fund Type - Revenue Note Payable

\$30,250,000 revenue note payable to bank for the construction of the Milton Interchange Park wastewater treatment plant which will service the park in addition to the East Milton area. The note is due in 9 annual installments ranging from \$250,000 to \$1,100,000 plus interest paid semiannually at 3.66%, with a final payment of \$24,430,000 due in 2036, secured by the net revenues of the new Santa Rosa Wastewater Treatment Plant at Milton Interchange Park. **\$ 30,250,000**

NOTE H – LONG-TERM DEBT – Continued**3. Pledged Revenues**

Santa Rosa County has pledged certain revenues to repay certain bonds and notes outstanding at September 30, 2025. The following table reports the revenues, sometimes net of related operating expenses, pledged for each debt issue, the amount of such revenues received in the current year, the current year principal and interest paid on the debt, the approximate percentage of each revenue which is pledged to meet the debt obligation, the date through which the revenue is pledged under the debt agreement, and the total pledged future revenues for each debt, which is the amount of the remaining principal and interest on the bonds and notes at September 30, 2025.

NOTE H – LONG-TERM DEBT – Continued

Governmental Activities	Revenue Pledged	Current Year Total Revenue	Pledged Outstanding Principal & Interest	Estimated Revenue Percentage Pledged	Principal & Interest Paid	Maturity Calendar Year
Special Assessment Notes						
Fire Protection MSBU Revenue Note, Series 2020	Special Assessments	152,065	456,197	100%	152,065	2028
Fire Protection MSBU Revenue Note, Series 2010-b	Special Assessments	59,124	14,640	100%	59,124	2025
Bernath Place MSBU Revenue Note, Series 2020	Special Assessments	102,603	1,515,292	100%	102,603	2040
Little Duck Circle MSBU Revenue Note, Series 2018	Special Assessments	52,241	27,060	100%	52,241	2026
Ponderosa Drive MSBU Revenue Note, Series 2018	Special Assessments	103,844	677,306	100%	103,844	2032
Fire Protection MSBU Revenue Note, Series 2021	Special Assessments	97,584	318,708	100%	97,584	2028
Revenue Notes						
Benny Russell Project Capital Improvement Revenue Note, Series 2020	Non-Ad Valorem Revenues	230,685	1,092,273	100%	230,685	2030
Fire Protection Revenue Note, Series 2021	Non-Ad Valorem Revenues	105,166	51,826	100%	105,166	2026
Total Notes - Governmental Activities		\$ 903,312	\$ 4,153,302		\$ 903,312	
Revenue Bonds						
Courthouse Project Capital Improvement Revenue Refunding Bond, Series 2021	Non-Ad Valorem Revenues	\$ 2,662,964	\$ 29,501,264	100%	2,662,964	2040
Pea Ridge Connector Project Capital Improvement Revenue Bond, Series 2021	Non-Ad Valorem Revenues	\$ 987,346	\$ 6,972,634	100%	987,346	2032
Total Bonds - Governmental Activities		\$ 3,650,310	\$ 36,473,898		\$ 3,650,310	
Business-type Activities						
Revenue Notes						
MIP WWTP Project Capital Improvement Revenue Note, Series 2025	Net WWTP Revenues	\$ -	\$ 48,350,579	0%	-	2035

NOTE H – LONG-TERM DEBT – Continued

4. Debt Service Requirements

The annual requirements to amortize all notes outstanding at September 30, 2025 are as follows:

Governmental activities:

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	4,087,405	729,682	4,528,813
2027	4,076,564	647,035	4,433,022
2028	4,160,211	563,285	4,433,430
2029	4,021,494	477,845	4,140,016
2030	3,661,115	395,639	4,056,754
2031-2035	15,007,928	1,067,175	16,075,103
2036-2040	3,086,753	84,452	3,171,205
Total	\$ 38,101,470	\$ 3,965,113	\$ 42,066,583

Business-type activities:

<u>Year Ended September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2026	250,000	1,571,538	1,821,538
2027	300,000	1,098,000	1,398,000
2028	385,000	1,087,020	1,472,020
2029	500,000	1,072,929	1,572,929
2030	615,000	1,054,629	1,669,629
2031-2035	4,940,000	4,837,788	9,777,788
2036-2040	6,405,000	3,804,570	10,209,570
2041-2045	7,675,000	2,541,985	10,216,985
2046-2050	9,180,000	1,032,120	10,212,120
Total	\$ 30,250,000	\$ 18,100,579	\$ 48,350,579

NOTE I – LANDFILL CLOSURE AND POSTCLOSURE CARE COSTS

State and federal laws and regulations require the County to place a final cover on its landfill sites when the landfill stops accepting waste and to perform certain maintenance and monitoring functions at sites for thirty years after closure. Although closure and postclosure care costs are paid only near or after the date that a landfill stops accepting waste, the County reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The reported as landfill closure and postclosure care liability (current and noncurrent) at September 30, 2025, represents the cumulative amount reported to date based on the following percentage usage of the estimated capacity of each of the County's landfills:

Central Class I Landfill	37%
Central Class III Landfill (New)	76%
Central Class III Landfill (Old)	Closed 10/98

The estimated cost of post closure care for the Central Class III (Old) landfill has been recognized in prior years with any changes in estimates being recorded in the current year. The County will recognize the remaining estimated cost of closure and postclosure care for the Central Class I and Class III (New) landfills in the amount of \$18.0 million as their remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2025. The estimated remaining lives of the Central Class I and Class III landfills are 17 and 3 years, respectively. Cost of closure and life estimates are based on the areas currently in use, and not on potential areas of expansion. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

The County is required by state and federal laws and regulations to make annual contributions to a trust to finance closure and postclosure care. At September 30, 2025, the County held cash and investments of to cover the escrow requirement of \$19,120,590. These cash and investments are reported as restricted assets in these financial statements. The County expects that future inflation costs will be paid from interest earnings on these restricted cash and investments and from charges to future landfill users or future tax revenue.

NOTE J – COMMITMENTS AND CONTINGENCIES

1. Litigation

The County is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the County's attorney the resolution of these matters will not have a material adverse effect on the financial condition of the County.

2. Federal and State Grants

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

3. East Milton Wastewater Treatment Plant

The County has committed to the construction and operation of a new wastewater treatment plant located in East Milton, which will provide sewer service to the Milton Interchange industrial park as well as the broader East Milton service area. Long-term debt with a face value of \$30,250,000 has been issued to fund the project which is currently estimated to cost approximately \$31,000,000.

NOTE K – PENSION AND HEALTH INSURANCE SUBSIDY

1. Retirement Plan

Participation – Employees of the County participate in the Florida Retirement System, a cost-sharing multiple-employer retirement system, established by Chapter 121, Florida Statutes. Participation is compulsory for full-time and part-time employees working in regularly established positions. Elected officials may elect not to participate in the system. Eligible employees may elect to participate in the Deferred Retirement Option Program (DROP), deferring receipt of retirement benefits while continuing employment with a Florida Retirement System employer.

Benefit Provisions – The Florida retirement system offers two retirement plans – the FRS Pension Plan and the FRS Investment Plan. An employee may participate in only one of the plans. Both plans, effective July 1, 2011, are funded monthly by a combination of employer and employee contributions.

The FRS Pension Plan is a defined benefit plan which provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Normal retirement benefits are available to employees who retire at age 62 or 65 (depending on hire date) with 6 or 8 (depending on hire date) or more years of service, or to those employees who have at least 30 or 33 (depending on hire date) years of creditable service, regardless of age. Retirement age and years of service requirements may vary depending on membership class. Early retirement is available after 6 years of service with a 5% reduction of benefits for each year prior to the normal retirement age. Retirement benefits are based upon age, average compensation, and years-of-service credit where average compensation is computed as the average of an individual's five (if enrolled prior to July 1, 2011) or eight (if enrolled on or after July 1, 2011) highest years of earnings.

The FRS Investment Plan is a defined contribution plan in which participants are vested after one year of service. The employer makes contributions each month based on a percentage of the employees gross salary and membership class. The contribution percentage is the same whether participating in the Pension Plan or Investment Plan. Members in the Investment Plan decide how their funds are allocated between various investment accounts and the funds are portable upon termination if the participant is vested. Members in the investment plan are not eligible for participation in the Deferred Retirement Option Program (DROP).

For DROP participants, the deferred monthly benefit plus interest compounded monthly, accrues for the specified period of the DROP participation. Upon retirement, the participant receives the total accumulated DROP benefits and begins to receive current benefits at the previously determined rate.

Contributions – Chapter 121 requires the employer to pay contributions based upon state-wide rates established by the State of Florida. Employees contribute 3% of their salary. During 2025, the County contributed an average of 13.73% of each qualified regular employee's gross salary, 57.65% percent of the elected officials salary, 33.39% of each special risk employee's salary, and 21.35% for each DROP participant. The County's contributions to the Pension Plan, funded on a pay-as-you-go basis, were equal to the actuarially determined contribution requirements for the year. The County's contributions to the Investment Plan were equal to the legislatively mandated contribution

NOTE K – PENSION AND HEALTH INSURANCE SUBSIDY – Continued

rates, which are equal to a percentage of the members gross monthly salary based on membership class. Contributions to the Investment plan totaled \$3,535,661, \$2,987,256, and \$2,235,270 for the years ended September 30, 2025, 2024 and 2023, respectively. Contributions to the Pension plan totaled \$13,606,142, \$12,467,952, and \$10,709,166 for the years ended September 30, 2025, 2024 and 2023, respectively.

Financial Report of the Plan – The Florida Retirement System issues a stand-alone financial report. A copy can be obtained by contacting the State of Florida, Division of Retirement, Tallahassee, Florida.

Health Insurance Subsidy Pension Plan

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

Benefits Provided. For the fiscal year ended September 30, 2025, eligible retirees and beneficiaries received a monthly HIS payment of \$7.50 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$45 and a maximum HIS payment of \$225 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

Contributions. The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2025, the contribution rate was 2.00% of payroll pursuant to section 112.363, Florida Statutes. The County contributed 100% of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The County’s contributions to the HIS Plan totaled \$1,502,156, \$1,385,520, and \$937,281 for the fiscal years ended September 30, 2025, 2024 and 2023, respectively.

2. Pension Liabilities, Pension Expense, Deferred Outflows of Resources, and Deferred Inflows of Resources Related to Pensions

At September 30, 2025, the County reported a liability of \$90,199,787 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2025, and the total pension liability used to calculate the net pension liability was determined from an actuarial valuation as of July 1. The County’s proportion of the net pension liability was based on the County’s 2024-25 fiscal year contributions relative to the 2024-25 fiscal year contributions of all participating members. At June 30, 2025, the County’s change in proportion was an increase from its proportion measured as of June 30, 2024. In previous years, the County’s pension liabilities have been liquidated primarily by the General Fund and the Road and Bridge Fund. The following table presents the information on the County’s proportionate share of the FRS and HIS:

	FRS	HIS	Total
Proportionate share of Net Pension Liability at September 30, 2025	\$ 68,657,360	\$ 21,542,427	\$ 90,199,787
County’s proportion at June 30, 2025	0.2212246469%	0.1680711598%	
County’s proportion at June 30, 2024	0.2152790163%	0.1636513225%	
Change in proportion during current year	0.0059456306%	0.0044198372%	

NOTE K – PENSION AND HEALTH INSURANCE SUBSIDY – Continued

For the fiscal year ended September 30, 2025, the County recognized a reduction of pension expense of \$5,072,477 for FRS and \$392,991 for HIS. In addition, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	FRS		HIS		County Total Deferred Outflow
	Deferred Outflows	Deferred Inflows	Deferred Outflows	Deferred Inflows	(Deferred Inflow)
Differences Between Expected and Actual Experience	\$ 7,333,329	\$ -	\$ 128,594	\$ 34,172	\$ 7,427,751
Change of Assumptions	7,972,902	-	190,677	5,210,561	2,953,018
Net Difference Between Projected and Actual Earnings On Pension Plan Investments	-	11,463,039	-	17,930	(11,480,969)
Changes in Proportion and Differences Between County Contributions and Proportionate Share of Contributions	5,074,940	1,341,678	2,026,643	211,502	5,548,403
County Contributions Subsequent to the Measurement Date	3,656,650	-	381,153	-	4,037,803
Total	\$ 24,037,821	\$ 12,804,717	\$ 2,727,067	\$ 5,474,165	\$ 8,486,006

The deferred outflows of resources related to pensions, totaling \$4,037,803, resulting from County contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended September 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending September 30,	FRS		HIS		County Total Deferred Outflow
					(Deferred Inflow)
2026	\$ 12,282,820	\$ (485,375)			11,797,445
2027	(630,398)	(824,097)			(1,454,495)
2028	(2,115,206)	(734,435)			(2,849,641)
2029	(1,960,761)	(642,287)			(2,603,048)
2030	-	(442,058)			(442,058)
Thereafter	-	-			-
Total	\$ 7,576,455	\$ (3,128,252)			\$ 4,448,203

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

FRS

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

HIS

Inflation	2.40%
Salary increases	3.50%, average, including inflation
Discount rate	5.20%
Investment rate of return	N/A

NOTE K – PENSION AND HEALTH INSURANCE SUBSIDY – Continued

Mortality rates were based on the Generational PUB-2010 with Projection Scale MP-2018.

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

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

Asset Class	Target Allocation	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.2%	3.2%	1.1%
Fixed Income	29.0%	5.5%	5.4%	4.0%
Global Equity	45.0%	8.5%	6.9%	18.3%
Real Estate (Property)	12.0%	8.4%	7.1%	16.8%
Private Equity	11.0%	12.4%	8.8%	28.4%
Strategic Investments	2.0%	6.5%	6.1%	8.7%
Total	100%			
Assumed Inflation - Mean			2.4%	1.5%

* As outlined in the Plan’s investment policy

Discount Rate – The discount rate used to measure the total FRS pension liability was 6.70%. The FRS Plan’s fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. For the HIS plan, the discount rate used to measure the total pension liability was 5.20%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the County’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

– The following presents the County’s proportionate share of the net pension liability calculated using the discount rate for the respective plans, as well as what the County’s proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

FRS Net Pension Liability			HIS Net Pension Liability		
Current			Current		
1% Decrease (5.70%)	Discount Rate (6.70%)	1% Increase (7.70%)	1% Decrease (4.20%)	Discount Rate (5.20%)	1% Increase (6.20%)
\$ 134,739,009	\$ 68,657,360	\$ 13,255,461	\$ 24,292,554	\$ 21,542,427	\$ 19,235,944

Detailed information about the pension plan’s fiduciary net position is available in the separately issued FRS financial report.

NOTE L – FUND BALANCES

Fund balance is classified as nonspendable, restricted, committed, assigned and/or unassigned based primarily on the extent to which the County is bound to observe constraints imposed upon the use of the resources in the governmental funds. The constraints placed on fund balance for the major governmental funds and all other governmental funds are presented below.

Fund Balances	Major Funds						Nonmajor Governmental Funds	Total
	General Fund	Road and Bridge Fund	Grants Fund	Lost Fund	American Rescue Plan	Other Capital Projects		
Nonspendable								
Inventory	\$ 123,808	\$ 288,122	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 411,930
Prepays	62,280	-	-	-	-	-	-	62,280
Restricted For:								
Communications	130,504	-	-	-	-	-	-	130,504
Partners for Pets	40,273	-	-	-	-	-	-	40,273
Drivers Education	386,917	-	-	-	-	-	-	386,917
Boating Improvement	412,637	-	-	-	-	-	-	412,637
Domestic Violence	336,868	-	-	-	-	-	-	336,868
Opioid Settlement	1,479,010	-	-	-	-	-	-	1,479,010
Infrastructure Development	-	-	-	26,768,878	-	-	1,028,438	27,797,316
Law Enforcement Trust Fund	-	-	-	-	-	-	111,675	111,675
Crime Prevention	-	-	-	-	-	-	672,635	672,635
Federal Seizure Funds	-	-	-	-	-	-	273,342	273,342
Mosquito Control	-	-	-	-	-	-	7,045	7,045
Federal and State Grants	-	-	916,356	-	-	-	-	916,356
Tourist Development	-	-	-	-	-	-	6,350,651	6,350,651
State Housing Improvement Program	-	-	-	-	-	-	2,651,175	2,651,175
Disaster Relief	-	-	-	-	-	-	16,554	16,554
Fire Prevention and Control	-	-	-	-	-	-	852,769	852,769
Road and Sewer Construction	-	-	-	-	-	-	678,942	678,942
Canal Maintenance	-	-	-	-	-	-	552,592	552,592
Court Equipment and Technology	-	-	-	-	-	-	702,725	702,725
Records Modernization Trust Fund	-	-	-	-	-	-	1,440,836	1,440,836
Law Enforcement Training	-	-	-	-	-	-	167,679	167,679
Inmate Welfare Purchases	-	-	-	-	-	-	618,431	618,431
Committed To:								
Animal Service Education	52,546	-	-	-	-	-	-	52,546
Court Innovations	-	-	-	-	-	-	664,741	664,741
Transportation, Recreation and Economic Development	-	-	-	-	-	-	1,616,853	1,616,853
Capital Construction Projects	-	-	-	-	-	17,776,175	-	17,776,175
Assigned To:								
Road and Bridge Construction and Maintenance	-	3,530,636	-	-	-	-	-	3,530,636
Debt Service	-	-	-	-	-	-	273,156	273,156
Berm Restoration	9,412,672	-	-	-	-	-	-	9,412,672
Law Library	-	-	-	-	-	-	25,765	25,765
Navarre Beach Community Center	215,000	-	-	-	-	-	-	215,000
Federal Grants	-	-	-	-	2,595,511	-	-	2,595,511
Unassigned	30,395,763	-	-	-	-	-	(2,507,366)	27,888,397
Total	\$ 43,048,278	\$ 3,818,758	\$ 916,356	\$ 26,768,878	\$ 2,595,511	\$ 17,776,175	\$ 16,198,638	\$ 111,122,594

NOTE M – RISK MANAGEMENT

The County is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. In 1986 the County established a Self-Insurance Fund (an internal service fund) to account for and finance its uninsured risks of loss. Under this program the County is self-insured with respect to the following exposures:

- Workers Compensation
- Auto Physical Damage
- Auto Liability
- Construction and Road Equipment
- Portable Communication Equipment

The County is covered by outside insurance for the following exposures:

- Boats
- Employee Fidelity
- Buildings and Contents, \$5,000 deductible
- General Liability, \$25,000 deductible
- Public Officials Liability, \$25,000 deductible

Conventional insurance remains in effect for buildings, contents and Sheriffs general, automobile and professional liability. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. The Board of County Commissioners and other County elected officials participate in the program and make payments to the Self Insurance Fund based on historical estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses. The claims liability of \$3,446,566 is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated.

Liabilities for incurred losses to be settled by fixed or reasonably determined payments over a long period of time are reported at their present value using an expected future investment yield assumption of 3.9 — 7 percent. These liabilities are reported at their present value of \$160,229 at September 30, 2025.

Changes in the Fund’s claims liability amount in fiscal years 2024 and 2025 were as follows:

Period	Beginning-of-Fiscal-year Liability	Current-year Claims and Changes in Estimates	Claim Payments	Balance At Fiscal Year-end
2023 - 2024	\$ 3,428,417	\$ 1,791,913	\$ 1,472,567	\$ 3,747,763
2024 - 2025	\$ 3,747,763	\$ 1,002,210	\$ 1,303,407	\$ 3,446,566

The following table presents a summary of the claims payable liability at year end:

Current claims payable	\$ 738,683
Current claims-structured settlements	22,714
Total claims payable, current	761,397
Long-term claims payable	2,547,654
Long-term claims-structured settlements	137,515
Total claims payable, long-term	2,685,169
Total claims payable	\$ 3,446,566

NOTE M – RISK MANAGEMENT – Continued

The County is a member of the Florida Association of Counties Trust, a pooled liability program providing general liability coverage and public officials' liability coverage, excluding the Sheriff. The County pays an annual premium as a participant of the pooled liability program. During 1994, the first year of participation, the County paid an extraordinary loss fund payment of \$249,886. The liability coverage is not designed to be assessable; however, should the pool fail to meet its obligations, the County may be required to contribute additional funds or cover its own obligations. No accrual for future assessments has been recorded in the financial statements as such assessments do not appear probable based on past experience of the pool, and experience of the pool subsequent to the County's fiscal year end through the date of these financial statements. In the event the County elected to terminate its participation in the pool, the extraordinary loss fund payment would be refunded to the County, given adequate funding of the pool.

NOTE N – POST EMPLOYMENT HEALTH CARE BENEFITS

Plan Description – Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees who retire from the County and eligible dependents, may continue to participate in the County's purchased health and hospitalization insurance coverage (the Plan) at the same group rate as for active employees and participating retirees are required to reimburse the County 100% of the health insurance premium a month in advance. The Plan is a single-employer plan. The County subsidizes the premium rates paid by the retirees by allowing them to participate in the plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. The County also provides an insurance subsidy for employees with at least 10 years (8 years elected) creditable service. The subsidy pays \$5 per year of service limited to the individual's premium payment up to a maximum of \$150 per month. No stand-alone financial report is issued.

Funding Policy – The County has not advance-funded or established a funding methodology for the annual Other Postemployment Benefit (OPEB) costs or the net OPEB liability. For the 2025 fiscal year, 342 retirees and eligible dependents received postemployment health care benefits. The County provided required contributions of \$382,445 toward the annual OPEB cost, comprised of benefit payments made on behalf of retirees insurance net of retiree contributions totaling \$643,546. Required contributions are based on projected pay-as-you-go financing. In previous years, the County's OPEB liabilities have been liquidated primarily by the General Fund and the Road and Bridge Fund.

Total OPEB Liability – The following table shows the changes in the Country's total OPEB liability:

Change in Total OPEB Liability

	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Total OPEB Liability (a) - (b)
Balance As of September 30, 2023 for FYE 2024	\$ 11,463,498	\$ -	\$ 11,463,498
Service Cost	455,424	-	455,424
Interest	542,992	-	542,992
Changes in Benefit Terms	-	-	-
Experience Losses/(gains)	(367,607)	-	(367,607)
Contributions	-	382,445	(382,445)
Benefit Payments	(382,445)	(382,445)	-
Changes in Assumptions	1,036,835	-	1,036,835
Net Changes in OPEB Liability	1,285,199	-	1,285,199
Balance As of September 30, 2024 for FYE 2025	\$ 12,748,697	\$ -	\$ 12,748,697

Funded status

0.00%

NOTE N – POST EMPLOYMENT HEALTH CARE BENEFITS – Continued

OPEB Expense – The following table shows the components of the County’s OPEB expense:

Service Cost	\$	455,424
Interest		542,992
Changes in Benefit Terms		-
Differences Between Expected and Actual Experience in Current Fiscal Year Recognized in Current Year		(36,761)
From Past Years Recognized in Current Year		181,328
Total		144,567
Changes in Assumptions in Current Fiscal Year Recognized in Current Year		103,684
From Past Years Recognized in Current Year		(315,232)
Total		(211,548)
Total OPEB Expense	\$	931,435

Sensitivity of Total OPEB Liability

The following table presents the County’s Total OPEB liability, as well as what the County’s Total OPEB liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

<u>Discount Rate</u>	<u>1% Decrease (2.88%)</u>	<u>Current Discount Rate (3.88%)</u>	<u>1% Increase (4.88%)</u>
Total OPEB Liability	\$ 14,204,163	\$ 12,748,697	\$ 11,490,232

The following table presents the County’s Total OPEB liability, as well as what the County’s Total OPEB liability would be if it were calculated using a health care cost trend rate that is 1-percentage point lower or 1-percentage point higher than the current rate:

<u>Ultimate Trend</u>	<u>1% Decrease (3.04%)</u>	<u>Current Medical Trend (4.04%)</u>	<u>1% Increase (5.04%)</u>
Total OPEB Liability	\$ 12,373,867	\$ 12,748,697	\$ 13,193,657

Deferred Inflows/Outflows of Resources related to OPEB – For the fiscal year ended September 30, 2025, the County recognized an OPEB expense of \$931,435. In addition, the County reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ 1,978,309	\$ 721,747
Change of Assumptions	1,460,224	2,638,152
Total	\$ 3,438,533	\$ 3,359,899

The deferred outflows of resources related to OPEB, totaling \$0, resulting from County contributions to the OPEB Plan subsequent to the measurement date, will be recognized as a reduction of the net OPEB liability in the fiscal year ended September 30, 2026. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in expense as follows:

NOTE N – POST EMPLOYMENT HEALTH CARE BENEFITS – Continued

<u>Fiscal Year Ending September 30,</u>	<u>Amount</u>
2026	\$ (66,984)
2027	(27,327)
2028	(27,327)
2029	78,150
2030	(19,397)
Thereafter	141,519
Total	<u>\$ 78,634</u>

Actuarial Methods and Assumptions – Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment and termination, mortality, and the healthcare cost trends.

Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. Projections of benefits for financial reporting purposes are based on the substantive plan provisions, as understood by the employer and participating members, and include the type of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and participating 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.

The County's OPEB actuarial valuation as of October 1, 2024, used the entry age normal actuarial cost method to estimate the net OPEB liability as of September 30, 2025 as required by GASB Statement 75. The discount rate used to determine the liability under GASB 75 is based on an index rate for 20-year tax exempt general obligation municipal bonds with an average rating of AA/Aa or higher. This rate was 3.88% as of September 30, 2024. The inflation rate assumption is 2.4%. The salary scale assumption used was the Florida Retirement System salary scale assumption of 3.50%.

The required schedules of changes in net OPEB liability and plan fiduciary net position, immediately following the notes, presents multi year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the net OPEB liability.

NOTE O – UNEARNED REVENUE

The American Rescue Plan grant does not require the County to hold unspent funds in a separate bank account. The unspent monies are not earned so they are not a component of net position at the fund or government-wide level. Since the terms of the grant require the funds to be expended within a set number of years and unspent funds are not considered restricted assets of the government unit, the County does not consider presentation of the unspent monies as restricted assets necessary as of September 30, 2025.

NOTE P – ACCOUNTING CHANGES

For the fiscal year ended September 30, 2025, the County implemented GASB Statement No. 101, Compensated Absences. Under this new standard, the County revised its calculation for compensated absences based on a "more likely than not" to be paid-out criterion, resulting in an increase to the countywide liability of \$4,078,708. As a result, the beginning net position has been restated to reflect this change in accounting principle.

For the year ended September 30, 2025, the County has reclassified the Other Capital Projects Fund from a non-major fund to a major fund since it met the criteria for major fund reporting. As a result, the beginning fund balance of \$13,451,619 was reclassified from the Nonmajor Governmental Fund column into a separate column for the Other Capital Projects Fund.

NOTE P – ACCOUNTING CHANGES - Continued

Likewise, the County also reclassified the Inspections Enterprise Fund from a major fund to a non-major fund since it no longer meets the criteria for major fund reporting. As a result, the Inspections Fund is presented in a “ghost column” in the Statement of Revenues, Expenses, and Changes in Net Position to show the reclassification of its beginning net position of \$6,763,722 to the Nonmajor Enterprise Funds column.

	Reporting Units Affected by Adjustments to and Restatements of Beginning Balances							
	Governmental Funds		Proprietary Funds				Government-Wide	
	Other Capital Projects	Nonmajor Governmental	Inspections	Landfill	Nonmajor Enterprise	Internal Service	Governmental Activities	Business-Type Activities
9/30/24, as previously reported	\$ -	\$ 34,930,947	\$ 6,763,722	\$ 50,647,546	\$ 16,963,643	\$ 361,158	\$ 299,265,254	\$ 74,374,911
Change from nonmajor to major fund	13,451,619	(13,451,619)						
Change from major to nonmajor fund			(6,763,722)		6,763,722			
Change in accounting principle (GASB 101)				(224,647)	(209,511)	(11,628)	(3,644,550)	(434,158)
9/30/24, as adjusted or restated	\$ 13,451,619	\$ 21,479,328	\$ -	\$ 50,422,899	\$ 23,517,854	\$ 349,530	\$ 295,620,704	\$ 73,940,753





**Required
Supplemental
Information**



Schedule of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual General Fund Year ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Taxes	\$ 102,120,500	\$ 102,120,500	\$ 103,422,186	\$ 1,301,686
Permits, Fees and Special Assessments	781,000	781,000	938,042	157,042
Intergovernmental	21,460,190	32,881,300	29,751,287	(3,130,013)
Charges for Services	19,256,977	22,505,788	17,601,435	(4,904,353)
Fines and Forfeits	1,502,075	1,502,075	1,465,604	(36,471)
Miscellaneous	2,138,826	3,131,473	4,903,343	1,771,870
Total Revenues	147,259,568	162,922,136	158,081,897	(4,840,239)
Expenditures				
Current				
General Government	49,986,215	54,024,078	50,379,144	3,644,934
Public Safety	80,686,024	82,914,397	76,322,285	6,592,112
Physical Environment	3,278,806	15,206,097	14,214,014	992,083
Transportation	3,340,847	3,192,147	2,693,233	498,914
Economic Environment	1,703,691	2,445,614	1,536,927	908,687
Human Services	8,531,191	13,107,304	11,160,505	1,946,799
Culture and Recreation	6,776,620	6,995,680	5,580,427	1,415,253
Total Expenditures	154,303,394	177,885,317	161,886,535	15,998,782
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,043,826)	(14,963,181)	(3,804,638)	11,158,543
Other Financing Sources (Uses)				
Transfers In	4,436,000	12,061,056	12,061,041	(15)
Transfers Out	(10,519,550)	(22,254,052)	(22,254,044)	8
Issuance of Other Debt	-	-	1,264,353	1,264,353
Total Other Financing Sources (Uses)	(6,083,550)	(10,192,996)	(8,928,650)	1,264,346
Net Change in Fund Balances	(13,127,376)	(25,156,177)	(12,733,288)	12,422,889
Fund Balances, Beginning of Year	13,127,376	25,156,177	55,781,566	30,625,389
Fund Balances, End of Year	\$ -	\$ -	\$ 43,048,278	\$ 43,048,278

**Schedule of Revenues, Expenditures And
Changes In Fund Balance - Budget And Actual
Road And Bridge Fund
Year ended September 30, 2025**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Taxes	\$ 8,454,000	\$ 8,454,000	\$ 9,038,445	\$ 584,445
Intergovernmental	3,678,000	5,302,373	5,733,820	431,447
Charges for Services	-	-	61,029	61,029
Miscellaneous	925,000	925,000	916,810	(8,190)
Total Revenues	13,057,000	14,681,373	15,750,104	1,068,731
Expenditures				
Current				
Transportation	22,605,368	30,835,465	25,840,376	4,995,089
Total Expenditures	22,605,368	30,835,465	25,840,376	4,995,089
Excess (Deficiency) of Revenues Over (Under) Expenditures	(9,548,368)	(16,154,092)	(10,090,272)	6,063,820
Other Financing Sources (Uses)				
Transfers In	7,280,000	9,240,140	9,240,140	-
Total Other Financing Sources (Uses)	7,280,000	9,240,140	9,240,140	-
Net Change in Fund Balances	(2,268,368)	(6,913,952)	(850,132)	6,063,820
Fund Balances, Beginning of Year	2,268,368	6,913,952	4,668,887	(2,245,065)
Fund Balances, End of Year	\$ -	\$ -	\$ 3,818,755	\$ 3,818,755

Schedule of Revenues, Expenditures And Changes In Fund Balance - Budget And Actual Grants Fund

Year ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 75,738	\$ 90,058,491	\$ 27,307,070	\$ (62,751,421)
Miscellaneous	-	-	1,948	1,948
Total Revenues	75,738	90,058,491	27,309,018	(62,749,473)
Expenditures				
Current				
General Government	75,738	37,178,399	14,794,316	22,384,083
Public Safety	-	523,075	82,212	440,863
Physical Environment	-	36,921,852	6,131,546	30,790,306
Transportation	-	1,079,455	678,498	400,957
Economic Environment	-	13,698,710	4,760,238	8,938,472
Human Services	-	18,000	18,000	-
Culture and Recreation	-	672,000	92,500	579,500
Total Expenditures	75,738	90,091,491	26,557,310	63,534,181
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(33,000)	751,708	784,708
Other Financing Sources (Uses)				
Transfers In	-	33,000	33,000	-
Total Other Financing Sources (Uses)	-	33,000	33,000	-
Net Change in Fund Balances	-	-	784,708	784,708
Fund Balances, Beginning of Year	-	-	131,648	131,648
Fund Balances, End of Year	\$ -	\$ -	\$ 916,356	\$ 916,356

**Schedule of Revenues, Expenditures And
Changes In Fund Balance - Budget And Actual
Local Option Sales Tax Fund
Year Ended September 30, 2025**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Taxes	\$ 15,000,000	\$ 15,000,000	\$ 15,297,448	\$ 297,448
Miscellaneous	100,000	100,000	1,149,592	1,049,592
Total Revenues	15,100,000	15,100,000	16,447,040	1,347,040
Expenditures				
Current				
General Government	-	69,861	-	69,861
Public Safety	4,755,000	8,681,280	4,622,672	4,058,608
Physical Environment	2,750,000	8,221,676	557,874	7,663,802
Transportation	6,500,000	21,582,060	8,446,585	13,135,475
Culture and Recreation	824,108	6,807,648	2,342,478	4,465,170
Total Expenditures	14,829,108	45,362,525	15,969,609	29,392,916
Excess (Deficiency) of Revenues Over (Under) Expenditures	270,892	(30,262,525)	477,431	30,739,956
Other Financing Sources (Uses)				
Transfers Out	(270,892)	(249,660)	(249,660)	-
Total Other Financing Sources (Uses)	(270,892)	(249,660)	(249,660)	-
Net Change in Fund Balances	-	(30,512,185)	227,771	30,739,956
Fund Balances, Beginning of Year	-	30,512,185	26,541,107	(3,971,078)
Fund Balances, End of Year	\$ -	\$ -	\$ 26,768,878	\$ 26,768,878

**Schedule of Revenues, Expenditures And
 Changes In Fund Balance - Budget And Actual
 American Rescue Plan Fund
 Year ended September 30, 2025**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ -	\$ -	\$ 8,020,513	\$ 8,020,513
Miscellaneous	-	-	522,094	522,094
Total Revenues	-	-	8,542,607	8,542,607
Expenditures				
Current				
General Government	-	1,242,075	154,583	1,087,492
Physical Environment	-	11,913,685	7,865,930	4,047,755
Total Expenditures	-	13,155,760	8,020,513	5,135,247
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(13,155,760)	522,094	13,677,854
Other Financing Sources (Uses)				
Net Change in Fund Balances	-	(13,155,760)	522,094	13,677,854
Fund Balances, Beginning of Year	-	13,155,760	2,073,417	(11,082,343)
Fund Balances, End of Year	\$ -	\$ -	\$ 2,595,511	\$ 2,595,511

**Schedule of Proportionate Share of Net Pension Liability
Florida Retirement System
Last 10 Fiscal Years***

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Santa Rosa County's Proportion of the Net Pension Liability (Asset)	0.2212246%	0.2152790%	0.2095483%	0.2037317%	0.1923068%	0.2046801%	0.1955403%	0.1830653%	0.1807210%	0.1798519%
Santa Rosa County's Proportionate Share of the Net Pension Liability (Asset)	\$68,657,360	\$83,280,048	\$83,498,374	\$75,804,558	\$14,526,590	\$88,711,393	\$67,341,361	\$55,140,232	\$53,456,063	\$45,412,751
Santa Rosa County's Covered Payroll	\$75,599,388	\$70,295,421	\$64,563,032	\$56,156,589	\$53,020,919	\$51,902,491	\$47,286,528	\$42,962,825	\$41,063,802	\$39,821,770
Santa Rosa County's Proportionate Share of the Net Pension Liability (Asset) As a Percentage of Its Covered Payroll	90.82%	118.47%	129.33%	134.99%	27.40%	170.92%	142.41%	128.34%	130.18%	114.04%
Plan Fiduciary Net Position As a Percentage of the Total Pension Liability	87.26%	83.70%	82.38%	82.89%	96.40%	78.85%	82.61%	84.26%	83.89%	84.88%

**Schedule of Contributions
 Florida Retirement System
 Last 10 Fiscal Years***

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually Required Contribution	\$ 13,208,637	\$ 12,190,462	\$ 10,080,622	\$ 8,693,601	\$ 7,326,057	\$ 6,800,614	\$ 6,063,160	\$ 5,217,215	\$ 4,704,612	\$ 4,385,976
Contributions in Relation to the Contractually Required Contribution	<u>\$(13,208,637)</u>	<u>\$(12,190,462)</u>	<u>\$(10,080,622)</u>	<u>\$(8,693,601)</u>	<u>\$(7,326,057)</u>	<u>\$(6,800,614)</u>	<u>\$(6,063,160)</u>	<u>\$(5,217,215)</u>	<u>\$(4,704,612)</u>	<u>\$(4,385,976)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Santa Rosa County's Covered Payroll	\$ 77,328,138	\$ 71,896,925	\$ 66,005,697	\$ 58,590,788	\$ 53,243,045	\$ 52,745,830	\$ 48,472,434	\$ 43,196,946	\$ 41,328,034	\$ 39,966,760
Contributions As a Percentage of Covered Payroll	17.08%	16.96%	15.27%	14.84%	13.76%	12.89%	12.51%	12.08%	11.38%	10.97%

**Schedule of Proportionate Share of Net Pension Liability
Health Insurance Subsidy Program
Last 10 Fiscal Years***

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Santa Rosa County's Proportion of the Net Pension Liability (Asset)	0.1680712%	0.1636513%	0.1604894%	0.1474479%	0.1470628%	0.1451438%	0.1385028%	0.1298831%	0.1270599%	0.1272274%
Santa Rosa County's Proportionate Share of the Net Pension Liability (Asset)	\$21,542,427	\$24,549,297	\$25,487,855	\$16,406,474	\$18,039,464	\$17,721,820	\$15,497,077	\$13,746,976	\$13,585,836	\$14,827,824
Santa Rosa County's Covered Payroll	\$75,599,388	\$70,295,421	\$64,563,032	\$56,156,589	\$53,020,919	\$51,902,491	\$47,286,528	\$42,962,825	\$41,063,802	\$39,821,770
Santa Rosa County's Proportionate Share of the Net Pension Liability (Asset) As a Percentage of Its Covered Payroll	28.50%	34.92%	39.48%	29.22%	34.02%	34.14%	32.77%	32.00%	33.08%	37.24%
Plan Fiduciary Net Position As a Percentage of the Total Pension Liability	6.36%	4.80%	4.12%	4.81%	3.56%	3.00%	2.63%	2.15%	1.64%	0.97%

**Schedule of Contributions
 Health Insurance Subsidy Program
 Last 10 Fiscal Years***

	<u>2025</u>	<u>2024</u>	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
Contractually Required Contribution	\$ 1,502,156	\$ 1,385,520	\$ 1,055,728	\$ 937,281	\$ 864,436	\$ 836,395	\$ 769,092	\$ 704,358	\$ 672,437	\$ 652,122
Contributions in Relation to the Contractually Required Contribution	<u>\$ (1,502,156)</u>	<u>\$ (1,385,520)</u>	<u>\$ (1,055,728)</u>	<u>\$ (937,281)</u>	<u>\$ (864,436)</u>	<u>\$ (836,395)</u>	<u>\$ (769,092)</u>	<u>\$ (704,358)</u>	<u>\$ (672,437)</u>	<u>\$ (652,122)</u>
Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Santa Rosa County's Covered Payroll	\$77,328,138	\$71,896,925	\$66,005,697	\$58,590,788	\$53,243,045	\$52,745,830	\$48,472,434	\$43,196,946	\$41,328,034	\$39,966,760
Contributions As a Percentage of Covered Payroll	1.94%	1.93%	1.60%	1.60%	1.62%	1.59%	1.59%	1.63%	1.63%	1.63%

Schedule of Changes In Total Liability And Related Ratios Other Post-Employment Benefit Plan Last 10 Fiscal Years*

Total OPEB Liability	2025	2024	2023	2022	2021	2020	2019	2018
Service Cost	\$ 455,424	\$ 376,135	\$ 455,930	\$ 419,411	\$ 409,784	\$ 314,183	\$ 330,066	\$ 344,631
Interest Cost	542,992	366,146	175,425	179,284	220,418	252,494	256,104	228,459
Changes in Benefit Terms	-	2,862,992	-	-	-	-	-	-
Differences Between Expected and Actual Experience	(367,607)	-	2,826,154	-	(319,155)	-	(722,727)	-
Changes of Assumptions	1,036,835	(286,419)	(2,847,435)	215,095	(506,981)	975,488	(332,063)	(356,889)
Benefit Payments	(382,445)	(353,722)	(243,925)	(241,483)	(259,373)	(238,969)	(273,218)	(264,000)
Net Change in Total Opeb Liability	1,285,199	2,965,132	366,149	572,307	(455,307)	1,303,196	(741,838)	(47,799)
Total OPEB Liability - Beginning of Year	11,463,498	8,498,366	8,132,217	7,559,910	8,015,217	6,712,021	7,453,859	7,501,658
Total OPEB Liability - End of Year	\$ 12,748,697	\$ 11,463,498	\$ 8,498,366	\$ 8,132,217	\$ 7,559,910	\$ 8,015,217	\$ 6,712,021	\$ 7,453,859
Contributions - Employer	\$ 382,445	\$ 353,722	\$ 243,925	\$ 241,483	\$ 259,373	\$ 238,969	\$ 273,218	\$ 264,000
Benefit Payments	(382,445)	(353,722)	(243,925)	(241,483)	(259,373)	(238,969)	(273,218)	(264,000)
Net Change in Fiduciary Net Position	-	-	-	-	-	-	-	-
Fiduciary Net Position - Beginning of Year	-	-	-	-	-	-	-	-
Fiduciary Net Position - End of Year	-	-	-	-	-	-	-	-
Net OPEB Liability	12,748,697	11,463,498	8,498,366	8,132,217	7,559,910	8,015,217	6,712,021	7,453,859
Fiduciary Net Position As a % of Total OPEB Liability	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Covered-employee Payroll	\$ 71,896,925	\$ 66,005,697	\$ 58,590,788	\$ 53,243,045	\$ 52,745,830	\$ 48,472,434	\$ 43,196,946	\$ 41,328,034
Net OPEB Liability As a % of Covered-employee Payroll	17.73%	17.37%	14.50%	15.27%	14.33%	16.54%	15.54%	18.04%
Expected Average Remaining Service Years of All Participants	10	10	10	11	11	10	10	9

*Data was unavailable prior to 2018

NOTES TO REQUIRED SUPPLEMENTAL INFORMATION

September 30, 2025

Budgetary Information

Florida Statutes Chapters 129 and 200 govern the preparation, adoption, and administration of the County’s annual budget. The budget must be balanced, i.e., the estimated revenues plus beginning fund balance brought forward must equal appropriations and be prepared on a basis consistent with generally accepted accounting principles (GAAP) as applicable to governmental units. The County may, at any time within a fiscal year, amend a budget for that year as follows:

Appropriations for expenditures in any fund may be decreased and other appropriations in the same fund correspondingly increased by motion recorded in the minutes. The budget officer may authorize certain inter-departmental and interdepartmental budget amendments, provided that the total appropriation of the fund is not changed. All annual appropriations lapse at fiscal year-end.

Other Post-Employment Benefits

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.

Benefit changes: None
 Changes of assumptions: The discount rate was changed as follows:

<u>Discount Rate</u>	
9/30/24	4.63%
9/30/25	3.88%



**Combining Individual
Fund Statements And
Schedules**

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Fine and Forfeiture Fund – accounts for fines, forfeitures and various other assessments used for law enforcement purposes.

State Matching Program Fund – accounts for state and local funding used for mosquito and other arthropod control.

Enhanced 911 Telephone System Fund – accounts for funds used to maintain the 911 telephone system.

Electric Franchise Fee Fund – accounts for funds from the Electric Franchise fee.

Local Option Tourist Tax Fund – accounts for tax revenues to be used for tourist development activities.

Impact Fees Fund – accounts for impact fees collected to provide for new infrastructure.

SHIP (State Housing Initiative Partnership) Fund – accounts for state funds received to provide housing assistance to low and middle income families.

Disaster Fund – accounts for federal, state and local funding relating to recovery from natural disasters.

MSBU (Municipal Service Benefit Unit) Fund – accounts for special assessments levied against property owners for capital improvements or services rendered for benefit of the affected areas.

Clerk's Courts Technology Fund – accounts for the court technology related activities of the Clerk of the Court.

Clerk's RMTF (Records Modernization Trust Fund) – accounts for fees received that are legally restricted for the modernization of the public records maintained by the Clerk's office.

Clerk's Child Support Title IV-D accounts – for activities related to Title IV-D child support cases. The funding provides assistance to the plaintiff and enforcement of collections through the Office of Child Support Enforcement.

Sheriff's Grants Fund – accounts for federal and state grants received by the Sheriff's department for specific programs. Not budgeted.

Sheriff's Second Dollar Fund – accounts for shared fine revenues which are legally restricted for law enforcement training purposes. Not budgeted.

Sheriff's Jail Commissary Fund – accounts for jail commissary and vending machine revenues that are restricted to providing recreational facilities and equipment for prisoners. Not budgeted.

Sheriff's Local Option Sales Tax Fund – accounts for appropriations from the half-cent local option sales tax revenues which are restricted for capital-related purchases and construction projects. Not budgeted.

Debt Service Fund

Debt Service Fund – accounts for the funds used to pay down debt related to governmental funds

Combining Balance Sheet Nonmajor Governmental Funds September 30, 2025

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Total Nonmajor Governmental Funds</u>
Assets			
Cash and Cash Equivalents	\$ 17,207,701	\$ 203,707	\$ 17,411,408
Receivables, Net of Uncollectibles			
Accounts	975,571	-	975,571
Due from Other Governments	2,151,829	-	2,151,829
Due from Other Funds	16,234	95,100	111,334
Total Assets	<u>\$ 20,351,335</u>	<u>\$ 298,807</u>	<u>\$ 20,650,142</u>
Liabilities			
Accounts Payable	915,951	25,651	941,602
Accrued Wages Payable	154,651	-	154,651
Unearned Revenue	89,398	-	89,398
Due to Other Funds	3,183,934	-	3,183,934
Due to Other Governments	81,919	-	81,919
Total Liabilities	<u>4,425,853</u>	<u>25,651</u>	<u>4,451,504</u>
Fund Balances			
Restricted	16,125,489	-	16,125,489
Committed	2,281,594	-	2,281,594
Assigned	25,765	273,156	298,921
Unassigned	(2,507,366)	-	(2,507,366)
Total Fund Balances	<u>15,925,482</u>	<u>273,156</u>	<u>16,198,638</u>
Total Liabilities and Fund Balances	<u>\$ 20,351,335</u>	<u>\$ 298,807</u>	<u>\$ 20,650,142</u>

Combining Statement of Revenues, Expenditures, And Changes In Fund Balances - Nonmajor Governmental Funds

Year Ended September 30, 2025

	Special Revenue	Debt Service	Capital Projects Fund	Total Nonmajor Governmental Funds
Revenues				
Taxes	\$ 8,134,350	\$ -	\$ -	\$ 8,134,350
Permits, Fees and Special Assessments	14,033,641	-	-	14,033,641
Intergovernmental	7,891,679	-	-	7,891,679
Charges for Services	2,509,010	-	-	2,509,010
Fines and Forfeits	153,811	-	-	153,811
Miscellaneous	2,801,497	80,027	-	2,881,524
Total Revenues	35,523,988	80,027	-	35,604,015
Expenditures				
Current				
General Government	2,716,740	-	-	2,716,740
Public Safety	17,195,430	-	-	17,195,430
Physical Environment	659,622	-	-	659,622
Transportation	656,104	-	-	656,104
Economic Environment	6,802,675	-	-	6,802,675
Human Services	67,482	-	-	67,482
Debt Service	-	4,750,172	-	4,750,172
Total Expenditures	28,098,053	4,750,172	-	32,848,225
Excess (Deficiency) of Revenues Over (Under) Expenditures	7,425,935	(4,670,145)	-	2,755,790
Other Financing Sources (Uses)				
Transfers In	1,677,277	4,749,570	-	6,426,847
Transfers Out	(17,267,631)	-	-	(17,267,631)
Issuance of Other Debt	2,804,304	-	-	2,804,304
Total Other Financing Sources (Uses)	(12,786,050)	4,749,570	-	(8,036,480)
Net Change in Fund Balances	(5,360,115)	79,425	-	(5,280,690)
Fund Balances, Beginning of Year	21,285,597	193,731	13,451,619	34,930,947
Adjustment for Change in Reporting Entity	-	-	(13,451,619)	(13,451,619)
Fund Balances, Beginning of Year Restated	21,285,597	193,731	-	21,479,328
Fund Balances, End of Year	\$ 15,925,482	\$ 273,156	\$ -	\$ 16,198,638

**Combining Balance Sheet
Nonmajor Special Revenue Funds
September 30, 2025**

	Fine and Forfeiture	State Match	Enhanced 911	Electric Franchise Fee	Local Option Tourist Tax	Impact Fees	SHIP Program	Disaster	MSBU
Assets									
Cash and Cash Equivalents	\$ 191,286	\$ 305	\$ 223,554	\$ 746,406	\$ 6,527,898	\$ 1,039,814	\$ 2,862,744	\$ 16,554	\$ 2,088,355
Receivables, Net of Uncollectibles									
Accounts	-	-	-	870,447	-	55,624	-	-	320
Due from Other Governments	136,053	16,870	296,877	-	-	-	-	36,670	2,790
Due from Other Funds	-	-	-	-	-	-	-	-	-
Total Assets	\$ 327,339	\$ 17,175	\$ 520,431	\$ 1,616,853	\$ 6,527,898	\$ 1,095,438	\$ 2,862,744	\$ 53,224	\$ 2,091,465
Liabilities									
Accounts Payable	\$ 142,179	\$ -	\$ 45,585	\$ -	\$ 105,799	\$ -	\$ 211,569	\$ -	\$ 49,991
Accrued Wages Payable	23,281	-	51,971	-	71,448	-	-	-	-
Unearned Revenue	-	-	-	-	-	-	-	-	-
Due to Other Funds	158,500	10,130	693,500	-	-	67,000	-	36,670	449,133
Due to Other Governments	-	-	-	-	-	-	-	-	-
Total Liabilities	323,960	10,130	791,056	-	177,247	67,000	211,569	36,670	499,124
Fund Balances									
Restricted	1,057,652	7,045	-	-	6,350,651	1,028,438	2,651,175	16,554	2,084,303
Committed	664,741	-	-	1,616,853	-	-	-	-	-
Assigned	25,765	-	-	-	-	-	-	-	-
Unassigned	(1,744,779)	-	(270,625)	-	-	-	-	-	(491,962)
Total Fund Balances	3,379	7,045	(270,625)	1,616,853	6,350,651	1,028,438	2,651,175	16,554	1,592,341
Total Liabilities and Fund Balances	\$ 327,339	\$ 17,175	\$ 520,431	\$ 1,616,853	\$ 6,527,898	\$ 1,095,438	\$ 2,862,744	\$ 53,224	\$ 2,091,465

Clerk's Court Tech	Clerk's RMTF	Clerk's Title IV-D	Sheriff's Grants	Sheriff's Second Dollar	Sheriff's Jail Commissary	Sheriff's LOST	Total Special Revenue
\$ 750,643	\$ 1,440,836	\$ -	\$ 291,268	\$ 167,679	\$ 630,712	\$ 229,647	\$ 17,207,701
-	-	-	-	-	49,180	-	975,571
-	-	37,509	1,392,937	-	-	232,123	2,151,829
-	-	-	16,234	-	-	-	16,234
\$ 750,643	\$ 1,440,836	\$ 37,509	\$ 1,700,439	\$ 167,679	\$ 679,892	\$ 461,770	\$ 20,351,335
\$ 1,381	\$ -	\$ -	\$ 352,871	\$ -	\$ 6,576	\$ -	\$ 915,951
7,026	-	-	-	-	925	-	154,651
-	-	-	89,398	-	-	-	89,398
-	-	37,509	1,215,762	-	53,960	461,770	3,183,934
39,511	-	-	42,408	-	-	-	81,919
47,918	-	37,509	1,700,439	-	61,461	461,770	4,425,853
702,725	1,440,836	-	-	167,679	618,431	-	16,125,489
-	-	-	-	-	-	-	2,281,594
-	-	-	-	-	-	-	25,765
-	-	-	-	-	-	-	(2,507,366)
702,725	1,440,836	-	-	167,679	618,431	-	15,925,482
\$ 750,643	\$ 1,440,836	\$ 37,509	\$ 1,700,439	\$ 167,679	\$ 679,892	\$ 461,770	\$ 20,351,335

**Combining Statement of Revenues, Expenditures, And Changes In Fund Balances
Nonmajor Special Revenue Funds
Year Ended 2025, 2025**

	Fine and Forfeiture	State Match	Enhanced 911	Electric Franchise Fee	Local Option Tourist Tax	Impact Fees	SHIP Program	Disaster	MSBU
Revenues									
Taxes	\$ -	\$ -	\$ -	\$ -	\$ 5,404,577	\$ -	\$ -	\$ -	\$ -
Permits, Fees and Special Assessments	-	-	-	8,794,752	-	1,026,128	-	-	4,212,761
Intergovernmental	2,376	67,479	413,440	-	-	-	1,537,879	101,231	2,747
Charges for Services	954,852	-	963,391	-	-	-	-	-	-
Fines and Forfeits	153,811	-	-	-	-	-	-	-	-
Miscellaneous	12,533	3,241	72,743	8,985	235,649	14,848	1,672,617	7,324	29,203
Total Revenues	1,123,572	70,720	1,449,574	8,803,737	5,640,226	1,040,976	3,210,496	108,555	4,244,711
Expenditures									
Current									
General Government	2,080,387	-	-	-	-	-	-	-	-
Public Safety	83,750	-	1,872,766	-	-	-	-	-	3,590,429
Physical Environment	-	-	-	-	-	-	-	-	659,622
Transportation	-	-	-	-	-	513,623	-	-	142,481
Economic Environment	-	-	-	-	5,206,057	-	1,596,618	-	-
Human Services	-	67,482	-	-	-	-	-	-	-
Total Expenditures	2,164,137	67,482	1,872,766	-	5,206,057	513,623	1,596,618	-	4,392,532
Excess (Deficiency) of Revenues Over (Under) Expenditures	(1,040,565)	3,238	(423,192)	8,803,737	434,169	527,353	1,613,878	108,555	(147,821)
Other Financing Sources (Uses)									
Transfers In	320,000	-	-	-	-	-	125	-	1,357,152
Transfers Out	-	(245,130)	-	(8,710,000)	(185,038)	-	(260,498)	(7,329,054)	(537,911)
Issuance of Other Debt	-	-	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	320,000	(245,130)	-	(8,710,000)	(185,038)	-	(260,373)	(7,329,054)	819,241
Net Change in Fund Balances	(720,565)	(241,892)	(423,192)	93,737	249,131	527,353	1,353,505	(7,220,499)	671,420
Fund Balances, Beginning of Year	723,944	248,937	152,567	1,523,116	6,101,520	501,085	1,297,670	7,237,053	920,921
Fund Balances, End of Year	\$ 3,379	\$ 7,045	\$ (270,625)	\$ 1,616,853	\$ 6,350,651	\$ 1,028,438	\$ 2,651,175	\$ 16,554	\$ 1,592,341

<u>Clerk's Court Tech</u>	<u>Clerk's RMTF</u>	<u>Clerk's Title IV-D</u>	<u>Sheriff's Grants</u>	<u>Sheriff's Second Dollar</u>	<u>Sheriff's Jail Commissary</u>	<u>Sheriff's LOST</u>	<u>Total Special Revenue</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,729,773	\$ 8,134,350
-	-	-	-	-	-	-	14,033,641
467,693	123,074	268,833	5,475,444	22,250	-	-	7,891,679
-	-	-	-	-	-	-	2,509,010
-	-	-	-	-	-	-	153,811
-	-	-	-	20	744,334	-	2,801,497
467,693	123,074	268,833	5,475,444	22,270	744,334	2,729,773	35,523,988
367,520	-	268,833	-	-	-	-	2,716,740
-	-	-	5,475,444	13,971	624,993	5,534,077	17,195,430
-	-	-	-	-	-	-	659,622
-	-	-	-	-	-	-	656,104
-	-	-	-	-	-	-	6,802,675
-	-	-	-	-	-	-	67,482
367,520	-	268,833	5,475,444	13,971	624,993	5,534,077	28,098,053
100,173	123,074	-	-	8,299	119,341	(2,804,304)	7,425,935
-	-	-	-	-	-	-	1,677,277
-	-	-	-	-	-	-	(17,267,631)
-	-	-	-	-	-	2,804,304	2,804,304
-	-	-	-	-	-	2,804,304	(12,786,050)
100,173	123,074	-	-	8,299	119,341	-	(5,360,115)
602,552	1,317,762	-	-	159,380	499,090	-	21,285,597
\$ 702,725	\$ 1,440,836	\$ -	\$ -	\$ 167,679	\$ 618,431	\$ -	\$ 15,925,482

Budgetary Comparison Schedule (GAAP Basis)
Fine And Forfeiture Fund
Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ -	\$ -	\$ 2,376	\$ 2,376
Charges for Services	1,392,000	1,392,000	954,852	(437,148)
Fines and Forfeits	10,000	10,000	153,811	143,811
Miscellaneous	10,000	10,000	12,533	2,533
Total Revenues	1,412,000	1,412,000	1,123,572	(288,428)
Expenditures				
Current				
General Government	1,811,113	2,328,103	2,080,387	247,716
Public Safety	115,000	132,000	83,750	48,250
Total Expenditures	1,926,113	2,460,103	2,164,137	295,966
Excess (Deficiency) of Revenues Over (Under) Expenditures	(514,113)	(1,048,103)	(1,040,565)	7,538
Other Financing Sources (Uses)				
Transfers In	-	320,000	320,000	-
Total Other Financing Sources (Uses)	-	320,000	320,000	-
Net Change in Fund Balances	(514,113)	(728,103)	(720,565)	7,538
Fund Balances, Beginning of Year	514,113	728,103	723,944	(4,159)
Fund Balances, End of Year	\$ -	\$ -	\$ 3,379	\$ 3,379

Budgetary Comparison Schedule (GAAP Basis)
State Match Fund
 Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 38,892	\$ 67,482	\$ 67,479	\$ (3)
Miscellaneous	-	-	3,241	3,241
Total Revenues	38,892	67,482	70,720	3,238
Expenditures				
Current				
Human Services	38,892	67,482	67,482	-
Total Expenditures	38,892	67,482	67,482	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	3,238	3,238
Other Financing Sources (Uses)				
Transfers Out	-	(245,130)	(245,130)	-
Total Other Financing Sources (Uses)	-	(245,130)	(245,130)	-
Net Change in Fund Balances	-	(245,130)	(241,892)	3,238
Fund Balances, Beginning of Year	-	245,130	248,937	3,807
Fund Balances, End of Year	\$ -	\$ -	\$ 7,045	\$ 7,045

Budgetary Comparison Schedule (GAAP Basis)
Enhanced 911 Program Fund
Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 331,932	\$ 640,310	\$ 413,440	\$ (226,870)
Charges for Services	905,000	905,000	963,391	58,391
Miscellaneous	\$ -	\$ -	\$ 72,743	\$ 72,743
Total Revenues	1,236,932	1,545,310	1,449,574	(95,736)
Expenditures				
Current				
Public Safety	1,649,537	2,127,395	1,872,766	254,629
Total Expenditures	1,649,537	2,127,395	1,872,766	254,629
Excess (Deficiency) of Revenues Over (Under) Expenditures	(412,605)	(582,085)	(423,192)	158,893
Net Change in Fund Balances	(412,605)	(582,085)	(423,192)	158,893
Fund Balances, Beginning of Year	412,605	582,085	152,566	(429,519)
Fund Balances, End of Year	\$ -	\$ -	\$ (270,626)	\$ (270,626)

Budgetary Comparison Schedule (GAAP Basis)
Electric Franchise Fee Fund
Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Permits, Fees and Special Assessments	\$ 8,000,000	\$ 8,000,000	\$ 8,794,752	\$ 794,752
Miscellaneous	10,000	10,000	8,985	(1,015)
Total Revenues	8,010,000	8,010,000	8,803,737	793,737
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	8,010,000	8,010,000	8,803,737	793,737
Other Financing Sources (Uses)				
Transfers Out	(8,710,000)	(8,710,000)	(8,710,000)	-
Total Other Financing Sources (Uses)	(8,710,000)	(8,710,000)	(8,710,000)	-
Net Change in Fund Balances	(700,000)	(700,000)	93,737	793,737
Fund Balances, Beginning of Year	700,000	700,000	1,523,116	823,116
Fund Balances, End of Year	\$ -	\$ -	\$ 1,616,853	\$ 1,616,853

Budgetary Comparison Schedule (GAAP Basis)
Local Option Tourist Tax Fund
Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Taxes	\$ 4,900,000	\$ 4,900,000	\$ 5,404,576	\$ 504,576
Miscellaneous	30,000	30,000	235,648	205,648
Total Revenues	4,930,000	4,930,000	5,640,224	710,224
Expenditures				
Current				
Economic Environment	4,876,057	6,451,907	5,206,057	1,245,850
Total Expenditures	4,876,057	6,451,907	5,206,057	1,245,850
Excess (Deficiency) of Revenues Over (Under) Expenditures	53,943	(1,521,907)	434,167	1,956,074
Other Financing Sources (Uses)				
Transfers Out	(185,038)	(185,038)	(185,038)	-
Total Other Financing Sources (Uses)	(185,038)	(185,038)	(185,038)	-
Net Change in Fund Balances	(131,095)	(1,706,945)	249,129	1,956,074
Fund Balances, Beginning of Year	131,095	1,706,945	6,101,520	4,394,575
Fund Balances, End of Year	\$ -	\$ -	\$ 6,350,649	\$ 6,350,649

Budgetary Comparison Schedule (Gaap Basis)
Impact Fees Fund
 Year Ended September 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues				
Permits, Fees and Special Assessments	\$ -	\$ 1,000,000	\$ 1,026,128	\$ 26,128
Miscellaneous	-	-	14,848	14,848
Total Revenues	<u>-</u>	<u>1,000,000</u>	<u>1,040,976</u>	<u>40,976</u>
Expenditures				
Current				
Transportation	\$ -	\$ 1,513,623	\$ 513,623	\$ 1,000,000
Total Expenditures	<u>-</u>	<u>1,513,623</u>	<u>513,623</u>	<u>1,000,000</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	(513,623)	527,353	1,040,976
Net Change in Fund Balances	-	(513,623)	527,353	1,040,976
Fund Balances, Beginning of Year	-	513,623	501,085	(12,538)
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,028,438</u>	<u>\$ 1,028,438</u>

Budgetary Comparison Schedule (GAAP Basis)
SHIP Program Fund
Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ 350,000	\$ 1,941,095	\$ 1,537,879	\$ (403,216)
Miscellaneous	300,000	2,327,850	1,672,617	(655,233)
Total Revenues	650,000	4,268,945	3,210,496	(1,058,449)
Expenditures				
Current				
Economic Environment	799,000	5,707,683	1,596,618	4,111,065
Total Expenditures	799,000	5,707,683	1,596,618	4,111,065
Excess (Deficiency) of Revenues Over (Under) Expenditures	(149,000)	(1,438,738)	1,613,878	3,052,616
Other Financing Sources (Uses)				
Transfers In	-	125	125	-
Transfers Out	(301,000)	(260,498)	(260,498)	-
Total Other Financing Sources (Uses)	(301,000)	(260,373)	(260,373)	-
Net Change in Fund Balances	(450,000)	(1,699,111)	1,353,505	3,052,616
Fund Balances, Beginning of Year	450,000	1,699,111	1,297,669	(401,442)
Fund Balances, End of Year	\$ -	\$ -	\$ 2,651,174	\$ 2,651,174

Budgetary Comparison Schedule (GAAP Basis)
Disaster Fund
 Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Intergovernmental	\$ -	\$ 87,953	\$ 101,231	\$ 13,278
Miscellaneous	-	4,050	7,325	3,275
Total Revenues	-	92,003	108,556	16,553
Expenditures				
Excess (Deficiency) of Revenues Over (Under)				
Expenditures	-	92,003	108,556	16,553
Other Financing Sources (Uses)				
Transfers Out	-	(7,329,054)	(7,329,054)	-
Total Other Financing Sources (Uses)	-	(7,329,054)	(7,329,054)	-
Net Change in Fund Balances	-	(7,237,051)	(7,220,498)	16,553
Fund Balances, Beginning of Year	-	7,237,051	7,237,053	2
Fund Balances, End of Year	\$ -	\$ -	\$ 16,555	\$ 16,555

Budgetary Comparison Schedule (GAAP Basis)
MSBU (Municipal Service Benefit Unit) Fund
Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Permits, Fees and Special Assessments	\$ 4,295,500	\$ 4,295,490	\$ 4,212,761	\$ (82,730)
Intergovernmental	-	2,747	2,747	(1)
Miscellaneous	9,766	9,766	29,203	19,437
Total Revenues	4,305,266	4,308,003	4,244,711	(63,294)
Expenditures				
Current				
Public Safety	3,174,050	4,633,165	3,590,429	1,042,736
Physical Environment	649,396	649,396	659,622	(10,226)
Transportation	170,364	793,789	142,481	651,308
Total Expenditures	3,993,810	6,076,350	4,392,532	1,683,818
Excess (Deficiency) of Revenues Over (Under) Expenditures	311,456	(1,768,347)	(147,821)	1,620,526
Other Financing Sources (Uses)				
Transfers In	148,130	1,357,160	1,357,152	(8)
Transfers Out	(521,106)	(537,926)	(537,911)	15
Total Other Financing Sources (Uses)	(372,976)	819,234	819,241	7
Net Change in Fund Balances	(61,520)	(949,113)	671,420	1,620,533
Fund Balances, Beginning of Year	61,520	949,113	920,919	(28,194)
Fund Balances, End of Year	\$ -	\$ -	\$ 1,592,339	\$ 1,592,339

Budgetary Comparison Schedule (GAAP Basis)
Clerk's Courts Technology Fund
 Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Charges for Services	\$ 382,000	\$ 442,000	\$ 467,693	\$ 25,693
Total Revenues	382,000	442,000	467,693	25,693
Expenditures				
Current				
General Government	382,000	442,000	367,374	74,626
Total Expenditures	382,000	442,000	367,374	74,626
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	100,319	100,319
Net Change in Fund Balances	-	-	100,319	100,319
Fund Balances, Beginning of Year	-	-	602,552	602,552
Fund Balances, End of Year	\$ -	\$ -	\$ 702,871	\$ 702,871

**Budgetary Comparison Schedule (GAAP Basis)
Clerk's RMTF (Record Modernization Trust Fund)
Year Ended September 30, 2025**

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Charges for Services	\$ 114,800	\$ 114,800	\$ 123,074	\$ 8,274
Total Revenues	114,800	114,800	123,074	8,274
Expenditures				
Current				
General Government	114,800	114,800	-	114,800
Total Expenditures	114,800	114,800	-	114,800
Excess (Deficiency) of Revenues Over (Under) Expenditures	-	-	123,074	123,074
Net Change in Fund Balances	-	-	123,074	123,074
Fund Balances, Beginning of Year	-	-	1,317,762	1,317,762
Fund Balances, End of Year	\$ -	\$ -	\$ 1,440,836	\$ 1,440,836

Budgetary Comparison Schedule (GAAP Basis)
Clerk's Child Support Title IV-D Fund
 Year Ended September 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues				
Intergovernmental	\$ 175,000	\$ 307,000	\$ 268,833	\$ (38,167)
Total Revenues	<u>175,000</u>	<u>307,000</u>	<u>268,833</u>	<u>(38,167)</u>
Expenditures				
Current				
General Government	175,000	307,000	268,833	38,167
Total Expenditures	<u>175,000</u>	<u>307,000</u>	<u>268,833</u>	<u>38,167</u>
Net Change in Fund Balances	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Budgetary Comparison Schedule (GAAP Basis)
Debt Service Fund
Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Miscellaneous	\$ -	\$ -	\$ 80,027	\$ 80,027
Total Revenues	<u>-</u>	<u>-</u>	<u>80,027</u>	<u>80,027</u>
Expenditures				
Debt Service	4,553,020	4,749,570	4,750,171	(601)
Total Expenditures	<u>4,553,020</u>	<u>4,749,570</u>	<u>4,750,171</u>	<u>(601)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(4,553,020)	(4,749,570)	(4,670,144)	79,426
Other Financing Sources (Uses)				
Transfers In	4,553,020	4,749,570	4,749,570	-
Total Other Financing Sources (Uses)	<u>4,553,020</u>	<u>4,749,570</u>	<u>4,749,570</u>	<u>-</u>
Net Change in Fund Balances	-	-	79,426	79,426
Fund Balances, Beginning of Year	-	-	193,730	193,730
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 273,156</u>	<u>\$ 273,156</u>

Budgetary Comparison Schedule (GAAP Basis)
Other Capital Projects Fund
 Year Ended September 30, 2025

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues				
Miscellaneous	\$ -	\$ -	\$ 925,871	\$ 925,871
Total Revenues	<u>-</u>	<u>-</u>	<u>925,871</u>	<u>925,871</u>
Expenditures				
Current				
General Government	-	4,553,821	131,548	4,422,273
Capital Outlay	5,000,000	21,081,506	9,490,444	11,591,062
Total Expenditures	<u>5,000,000</u>	<u>25,635,327</u>	<u>9,621,992</u>	<u>16,013,335</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,000,000)	(25,635,327)	(8,696,121)	16,939,206
Other Financing Sources (Uses)				
Transfers In	5,000,000	13,759,397	13,759,397	-
Transfers Out	-	(738,720)	(738,720)	-
Total Other Financing Sources (Uses)	<u>5,000,000</u>	<u>13,020,677</u>	<u>13,020,677</u>	<u>-</u>
Net Change in Fund Balances	-	(12,614,650)	4,324,556	16,939,206
Fund Balances, Beginning of Year Restated	-	12,614,650	13,451,619	(836,969)
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 17,776,175</u>	<u>\$ 17,776,175</u>

NONMAJOR ENTERPRISE FUNDS

Navarre Beach Fund – accounts for the operation and maintenance of the water and sewer utility system of Navarre Beach.

Inspections Fund – accounts for the license, permit and inspection fees, and related expenses for the provision of inspection services to residents of the unincorporated areas of Santa Rosa County.

Peter Prince Fund – accounts for the operations of the Peter Prince Airport.

Combining Statement of Net Position Nonmajor Enterprise Funds September 30, 2025

	Navarre Beach	Inspections	Peter Prince Field	Total Nonmajor Enterprise Funds
Assets				
Current Assets				
Cash and Cash Equivalents	\$ 4,808,315	\$ 10,536,018	\$ 51,812	\$ 15,396,145
Accounts Receivable, net	297,808	-	925	298,733
Due from Other Governments	-	-	285,737	285,737
Total Current Assets	5,106,123	10,536,018	338,474	15,980,615
Noncurrent Assets				
Capital Assets, Net of Accumulated Depreciation	3,389,205	287,035	9,381,300	13,057,540
Total Noncurrent Assets	3,389,205	287,035	9,381,300	13,057,540
Total Assets	8,495,328	10,823,053	9,719,774	29,038,155
Deferred Outflows of Resources				
Deferred Outflows on Pension	101,548	405,125	-	506,673
Deferred Outflows on Health Insurance Subsidy	24,624	76,518	-	101,142
Deferred Outflows on OPEB	22,861	99,305	630	122,796
Total Deferred Outflows of Resources	149,033	580,948	630	730,611
Liabilities				
Current Liabilities				
Accounts Payable	94,816	11,576	48,196	154,588
Accrued Wages Payable	41,513	179,858	3,075	224,446
Interest Payable	-	115	-	115
Due to Other Governments	-	231,812	3,053	234,865
Due to Other Funds	-	-	65,000	65,000
Compensated Absences - Current Portion	71,083	198,141	1,054	270,278
Leases Payable - Current	-	36,335	-	36,335
Deposits	3,000	-	1,400	4,400
Current Portion of OPEB Liability	3,762	17,556	285	21,603
Total Current Liabilities	214,174	675,393	122,063	1,011,630
Noncurrent Liabilities				
Long Term Portion of Compensated Absences	-	195,000	-	195,000
Leases Payable - Noncurrent	-	138,076	-	138,076
Net Pension Liability	346,100	1,269,396	-	1,615,496
Net Health Insurance Subsidy Liability	184,061	616,589	-	800,650
Long Term Portion of OPEB Liability	93,038	322,375	363	415,776
Total Noncurrent Liabilities	623,199	2,541,436	363	3,164,998
Total Liabilities	837,373	3,216,829	122,426	4,176,628
Deferred Inflows of Resources				
Deferred Inflow on Pension	46,766	216,502	-	263,268
Deferred Inflow on Health Insurance Subsidy	35,371	161,332	-	196,703
Deferred Inflow on OPEB	22,717	93,120	258	116,095
Total Deferred Inflows of Resources	104,854	470,954	258	576,066
Net Position				
Net Investment in Capital Assets	3,389,205	112,624	9,381,300	12,883,129
Unrestricted	4,312,929	7,603,594	216,420	12,132,943
Total Net Position	7,702,134	7,716,218	9,597,720	25,016,072

Combining Statement of Revenues, Expenses, And Changes In Net Position Nonmajor Enterprise Funds Year Ended September 30, 2025

	Navarre Beach	Inspections	Peter Prince Field	Total Nonmajor Enterprise Funds
Operating Revenues				
Permits, Fees and Special Assessments	\$ -	\$ 4,806,793	\$ -	\$ 4,806,793
Charges for Services	3,298,578	10,708	453,993	3,763,279
Total Operating Revenues	3,298,578	4,817,501	453,993	8,570,072
Operating Expenses				
Personal Services	756,564	3,257,127	54,542	4,068,233
Contract Services	581,431	37,428	279,159	898,018
Supplies	224,071	74,899	777	299,747
Repairs and Maintenance	420,332	10,173	41,326	471,831
Utilities	98,993	-	23,562	122,555
Depreciation	522,010	29,964	561,214	1,113,188
Amortization	-	16,836	-	16,836
Travel and Per Diem	840	4,556	-	5,396
Insurance	13,450	50,350	-	63,800
Communications	10,750	1,434	543	12,727
Advertising	-	989	-	989
Fuel and Oil	10,130	36,037	-	46,167
Rentals	31,827	65,569	-	97,396
Miscellaneous	12,843	68,208	902	81,953
Total Operating Expenses	2,683,241	3,653,570	962,025	7,298,836
Operating Income (Loss)	615,337	1,163,931	(508,032)	1,271,236
Non-operating Revenues (Expenses)				
Investment Income (Loss)	171,621	391,081	1,446	564,148
Interest Expense	-	(2,880)	-	(2,880)
Gain (Loss) on Disposal of Assets	-	(3,924)	-	(3,924)
Total Non-operating Revenues (Expenses)	171,621	384,277	1,446	557,344
Income (Loss) Before Contributions and Transfers	786,958	1,548,208	(506,586)	1,828,580
Capital Contributions and Transfers				
Transfers Out	(250,000)	(400,000)	(30,000)	(680,000)
Capital Contribution	7,469	-	342,169	349,638
Total Capital Contributions and Transfers	(242,531)	(400,000)	312,169	(330,362)
Change in Net Position	544,427	1,148,208	(194,417)	1,498,218
Net Position, Beginning of Year	7,171,344	-	9,792,299	16,963,643
Adjustment for Change in Accounting Principle	(13,637)	(195,712)	(162)	(209,511)
Adjustment for Change in Reporting Entity	-	6,763,722	-	6,763,722
Adjusted Net Position, Beginning of Year	7,157,707	6,568,010	9,792,137	23,517,854
Net Position, End of Year	\$ 7,702,134	\$ 7,716,218	\$ 9,597,720	\$ 25,016,072

Combining Statement Of Cash Flows Nonmajor Enterprise Funds Year Ended September 30, 2025

	Navarre Beach	Inspections	Peter Prince Field	Total Nonmajor Enterprise Funds
Cash Flows From Operating Activities				
Cash Received From Customers	\$ 3,293,657	\$ 4,828,657	\$ 602,939	\$ 8,725,253
Cash Paid to Suppliers	(1,399,610)	(404,419)	(682,934)	(2,486,963)
Cash Paid to Employees	(752,292)	(3,393,461)	(55,315)	(4,201,068)
Net Cash Provided (Used) By Operating Activities	1,141,755	1,030,777	(135,310)	2,037,222
Cash Flows From Noncapital Financing Activities				
Transfers Out	(250,000)	(400,000)	(30,000)	(680,000)
Net Cash Provided (Used) By Noncapital Financing Activities	(250,000)	(400,000)	(30,000)	(680,000)
Cash Flows From Capital and Related Financing Activities				
Capital Contribution	-	-	342,169	342,169
Purchases of Capital Assets	(998,876)	(192,652)	(230,326)	(1,421,854)
Interest Paid on Capital Debt	-	(2,765)	-	(2,765)
Principal Paid on Capital Debt	-	174,411	-	174,411
Net Cash Provided (Used) By Capital and Related Financing Activities	(998,876)	(21,006)	111,843	(908,039)
Cash Flows From Investing Activities				
Interest and Dividends	171,621	391,081	1,446	564,148
Net Cash Provided (Used) By Investing Activities	171,621	391,081	1,446	564,148
Net Increase (Decrease) in Cash and Cash Equivalents	64,500	1,000,852	(52,021)	1,013,331
Cash and Cash Equivalents at Beginning of Year	4,743,815	9,535,166	103,833	14,382,814
Cash and Cash Equivalents at End of Year	\$ 4,808,315	\$ 10,536,018	\$ 51,812	\$ 15,396,145
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) By Operating Activities				
Operating Income (Loss)	\$ 615,337	\$ 1,163,931	\$ (508,032)	\$ 1,271,236
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) By Operating Activities				
Expenses and Gains:				
Depreciation Expense	522,010	29,964	561,214	1,113,188
Amortization Expense	-	16,836	-	16,836
Changes in Assets and Liabilities:				
Accounts Receivable	(4,921)	11,155	55,161	61,395
Due From Other Governments	-	-	93,785	93,785
Accounts Payable	23,133	(10,617)	(202,246)	(189,730)
Accrued Compensation	1,852	(3,290)	149	(1,289)
Compensated Absences	2,420	(133,043)	(921)	(131,544)
Due to Other Governments	-	32,318	314	32,632
Due to Other Funds	-	-	(135,000)	(135,000)
OPEB Liability	8,463	39,645	648	48,756
Deposits	(600)	-	(9)	(609)
Net Pension Liability	(64,562)	(293,036)	-	(357,598)
Net Health Insurance Subsidy	(19,720)	(89,504)	-	(109,224)
Deferred Outflows of Resources	21,880	101,111	(631)	122,360
Deferred Inflows of Resources	36,463	165,307	258	202,028
Net Cash Provided (Used) By Operating Activities	\$ 1,141,755	\$ 1,030,777	\$ (135,310)	\$ 2,037,222
Noncash Investing, Capital and Financing Activities				
Initiation of new leases	-	(192,652)	-	(192,652)

CUSTODIAL FUNDS

Clerk's Court Registry Fund – accounts for funds deposited pursuant to court order pending the outcome of legal action and are distributed by order of the court.

Clerk's Fine and Cost Fund – Traffic and other fines are collected by the Clerk and remitted to the various governmental agencies.

Clerk's Intangible Tax Fund – The Clerk collects intangible tax and remits to the Department of Revenue.

Clerk's State Documentary Stamp Fund – The Clerk collects documentary stamps tax as an agent for the State of Florida and remits the revenue, less commission, to the Department of Revenue.

Clerk's Suspense Fund – The Clerk collects fees for marriage licenses, spousal abuse and restitution. Also the Clerk Collects money for the State co-educational trust fund and attorneys fees. Distributions on payments and remittances are made as appropriate to the various agencies or individuals.

Clerk's Tax Redemption Fund – accounts for tax deed application fees and tax deed bids and makes distributions on payments as appropriate.

Clerk's Ordinary Witness Fund – accounts for the funds collected and paid to witnesses.

Clerk's Bail Bond Fund – accounts for the collection and disbursement of bond monies posted by individuals upon arrest. These monies are held by the Clerk until final disposition instructions are received from the court.

Clerk's Flower Trust Fund – accounts for the collection and disbursement of funds donated by employees to purchase flowers for certain occasions.

Sheriff's Suspense Fund – accounts for the collection of monies obtained from the Sheriffs sale of abandoned and confiscated property, various court levies, writs of execution, and miscellaneous receipts and the subsequent disbursements to individuals, state agencies, and the Board of County Commissioners.

Sheriff's Seizure Fund – accounts for cash confiscated by the Sheriff's department which is held pending disposition.

Sheriff's Flower Fund – accounts for the collection and disbursement of funds donated by employees to purchase flowers for certain occasions.

Tax Collector's Tax Fund – accounts for receipts of various types of taxes, licenses, and fees collected on behalf of state, county, and municipal governmental agencies.

Combining Statement of Fiduciary Net Position Custodial Funds September 30, 2025

	<u>Court Registry</u>	<u>Fine and Cost</u>	<u>Intangible Tax</u>	<u>State Documentary Stamp</u>	<u>Clerk Suspense</u>	<u>Tax Redemption</u>	<u>Ordinary Witness</u>
Assets							
Cash and Cash							
Equivalents	\$ 2,839,651	\$ 232,225	\$ 49,089	\$ 234,733	\$ 75,677	\$ 2,411,137	\$ 7,989
Investments	-	-	-	-	-	-	-
Miscellaneous							
Receivables	-	-	-	-	-	-	-
Total Assets	\$ 2,839,651	\$ 232,225	\$ 49,089	\$ 234,733	\$ 75,677	\$ 2,411,137	\$ 7,989
Liabilities							
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ 2,257	\$ -	\$ 67
Due to Other							
Governments	-	-	-	-	-	-	-
Miscellaneous Liabilities	-	-	-	-	-	-	-
Total Liabilities	-	-	-	-	2,257	-	67
Net Position							
Restricted for:							
Cash Bonds	-	-	-	-	-	-	-
Court Registry	2,839,651	-	-	-	-	-	-
General Trust	-	232,225	49,089	234,733	73,420	2,411,137	7,922
Seizure	-	-	-	-	-	-	-
Flowers or Donations	-	-	-	-	-	-	-
Total Net Position	\$ 2,839,651	\$ 232,225	\$ 49,089	\$ 234,733	\$ 73,420	\$ 2,411,137	\$ 7,922

<u>Bail Bonds</u>	<u>Clerk Flower Trust</u>	<u>Sheriff Suspense</u>	<u>Sheriff Seizure</u>	<u>Sheriff Flower</u>	<u>Tax Fund</u>	<u>Total Custodial Funds</u>
\$ 379,316	\$ 1,889	\$ 83,885	\$ 109,729	\$ 28,918	\$ 1,179,993	\$ 7,634,231
-	-	-	-	-	672,085	672,085
-	-	-	-	-	14,788	14,788
\$ 379,316	\$ 1,889	\$ 83,885	\$ 109,729	\$ 28,918	\$ 1,866,866	\$ 8,321,104
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,659	\$ 4,983
-	-	-	-	-	1,835,867	1,835,867
-	-	83,885	3,500	-	28,340	115,725
-	-	83,885	3,500	-	1,866,866	1,956,575
379,316	-	-	-	-	-	379,316
-	-	-	-	-	-	2,839,651
-	1,889	-	-	-	-	3,010,415
-	-	-	106,229	-	-	106,229
-	-	-	-	28,918	-	28,918
\$ 379,316	\$ 1,889	\$ -	\$ 106,229	\$ 28,918	\$ -	\$ 6,364,529

Combining Statement of Changes in Fiduciary Net Position Custodial Funds

Year Ended September 30, 2025

	Court Registry	Fine and Cost	Intangible Tax	State Documentary Stamp	Clerk Suspense	Tax Redemption	Ordinary Witness
Additions							
Deposits in Court Registry	\$ 5,755,435	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Recording Fees	94,866	-	4,179,677	24,889,631	-	-	-
Deposits for Real Estate Auction	1,049,135	-	-	-	-	-	-
Deposits for Tax Deeds	-	-	-	-	-	1,106,857	-
Deposits for Restitution	-	-	-	-	241,926	-	-
Deposits for Bonds	-	-	-	-	-	-	-
Payments from State	-	-	-	-	-	-	20,000
Payments from Individuals	-	3,317,548	-	-	922,674	-	-
Unclaimed Funds	-	-	-	-	-	-	-
Child Support Purges and Levies	-	-	-	-	-	-	-
Cash Seized	-	-	-	-	-	-	-
Property Tax Collections for Other Governments	-	-	-	-	-	-	-
Other Taxes and Fees for Other Governments	-	-	-	-	-	-	-
License and Fees Collected for State	-	-	-	-	-	-	-
Other Fees Collected for Other Entities	-	-	-	-	-	-	-
Total Additions	\$ 6,899,436	\$ 3,317,548	\$ 4,179,677	\$ 24,889,631	\$ 1,164,600	\$ 1,106,857	\$ 20,000
Deductions							
Release of Bonds	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Refunds of Real Estate Auction Deposits	1,479,772	-	-	-	-	355,856	-
Tax Deed Deferred	-	-	-	-	-	409,216	-
Payments to State	108,155	1,953,498	4,266,359	25,524,955	792,607	-	-
Payments to Local Agencies	-	1,413,177	20,436	121,974	14,317	-	-
Payments for Witnesses	-	-	-	-	-	-	22,035
Payments to Victims	-	-	-	-	295,554	-	-
Refunds	-	-	-	-	41,130	140,197	-
Court Ordered Disbursements	6,347,646	-	-	-	-	-	-
Flower Fund	-	-	-	-	-	-	-
Purges and Levies Paid to Other Agencies	-	-	-	-	-	-	-
Payments to Law Enforcement Trust	-	-	-	-	-	-	-
Payments of Property Tax to Other Governments	-	-	-	-	-	-	-
Payments of Other Taxes and Fees to Other Governments	-	-	-	-	-	-	-
Payments to Other Entities	-	-	-	-	-	-	-
Total Deductions	\$ 7,935,573	\$ 3,366,675	\$ 4,286,795	\$ 25,646,929	\$ 1,143,608	\$ 905,269	\$ 22,035
Changes in Net Position	(1,036,137)	(49,127)	(107,118)	(757,298)	20,992	201,588	(2,035)
Net Position, Beginning of Year	3,875,788	281,352	156,207	992,031	52,428	2,209,549	9,957
Net Position, End of Year	\$ 2,839,651	\$ 232,225	\$ 49,089	\$ 234,733	\$ 73,420	\$ 2,411,137	\$ 7,922

<u>Bail Bonds</u>	<u>Clerk Flower Trust</u>	<u>Sheriff Suspense</u>	<u>Sheriff Seizure</u>	<u>Sheriff Flower</u>	<u>Tax Fund</u>	<u>Total Custodial Funds</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,755,435
-	-	-	-	-	-	29,164,174
-	-	-	-	-	-	1,049,135
-	-	-	-	-	-	1,106,857
-	-	-	-	-	-	241,926
695,675	-	-	-	-	-	695,675
-	-	-	-	-	-	20,000
-	808	-	-	3,703	-	4,244,733
-	-	-	30,948	-	-	30,948
-	-	49,252	-	-	-	49,252
-	-	-	70,102	-	-	70,102
-	-	-	-	-	235,045,560	235,045,560
-	-	-	-	-	2,992,241	2,992,241
-	-	-	-	-	58,074,380	58,074,380
-	-	-	-	-	6,873,190	6,873,190
\$ 695,675	\$ 808	\$ 49,252	\$ 101,050	\$ 3,703	\$ 302,985,371	\$ 345,413,608
\$ 586,369	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 586,369
-	-	-	-	-	-	1,835,628
-	-	-	-	-	-	409,216
-	-	-	-	-	58,074,380	90,719,954
-	-	-	-	-	-	1,569,904
-	-	-	-	-	-	22,035
-	-	-	-	-	-	295,554
-	-	-	-	-	-	181,327
-	-	-	-	-	-	6,347,646
-	913	-	-	1,690	-	2,603
-	-	49,252	-	-	-	49,252
-	-	-	107,728	-	-	107,728
-	-	-	-	-	235,045,560	235,045,560
-	-	-	-	-	2,992,241	2,992,241
-	-	-	-	-	6,873,190	6,873,190
\$ 586,369	\$ 913	\$ 49,252	\$ 107,728	\$ 1,690	\$ 302,985,371	\$ 347,038,207
109,306	(105)	-	(6,678)	2,013	-	(1,624,599)
270,010	1,994	-	112,907	26,905	-	7,989,128
\$ 379,316	\$ 1,889	\$ -	\$ 106,229	\$ 28,918	\$ -	\$ 6,364,529





Statistical
section

Statistical section

This part of Santa Rosa County's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures and required supplementary information says about the government's overall financial health.

131 **Financial Trends**

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

137 **Revenue Capacity**

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

141 **Debt Capacity**

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

144 **Demographic and Economic Information**

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

147 **Operating Information**

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

Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive financial reports for the relevant year.

Net Position By Category
Last Ten Fiscal Years
(Unaudited)
(accrual basis of accounting)

	Fiscal Year				
	2016	2017	2018	2019	2020
Governmental Activities					
Net Investment in Capital Assets	\$ 139,306,062	\$ 138,455,254	\$ 143,546,487	\$ 160,555,326	\$ 185,355,064
Restricted	14,142,440	18,257,036	16,813,623	18,026,667	23,951,628
Unrestricted	3,139,025	3,552,425	8,509,671	(6,037,439)	(22,567,012)
Governmental Activities Net Position	156,587,527	160,264,715	168,869,781	172,544,554	186,739,680
Business-type Activities					
Net Investment in Capital Assets	14,179,449	14,826,919	17,650,472	25,192,457	26,540,665
Restricted	8,639,599	10,035,008	521,014	-	-
Unrestricted	(512,914)	1,665,310	5,250,192	4,218,096	10,584,302
Business-type Activities Net Position	22,306,134	26,527,237	23,421,678	29,410,553	37,124,967
Primary Government					
Net Investment in Capital Assets	153,485,511	153,282,173	161,196,959	185,747,783	211,895,729
Restricted	22,782,039	28,292,044	17,334,637	18,026,667	23,951,628
Unrestricted	2,626,111	5,217,735	13,759,863	(1,819,343)	(11,982,710)
Primary Government Net Position	\$ 178,893,661	\$ 186,791,952	\$ 192,291,459	\$ 201,955,107	\$ 223,864,647
	Fiscal Year				
	2021	2022	2023	2024	2025
Governmental Activities					
Net Investment in Capital Assets	\$ 188,258,381	\$ 219,040,140	\$ 248,714,869	\$ 276,248,583	\$ 310,557,763
Restricted	40,641,717	37,057,762	41,587,554	52,413,752	46,596,932
Unrestricted	(9,488,131)	(15,760,694)	(31,803,097)	(29,397,081)	(36,128,880)
Governmental Activities Net Position	219,411,967	240,337,208	258,499,326	299,265,254	321,025,815
Business-type Activities					
Net Investment in Capital Assets	30,061,433	34,174,122	33,077,614	36,531,227	45,007,556
Restricted	3,393,954	2,901,540	1,600,705	1,297,147	1,029,423
Unrestricted	21,255,869	25,061,247	32,298,386	36,546,537	33,719,073
Business-type Activities Net Position	54,711,256	62,136,909	66,976,705	74,374,911	79,756,052
Primary Government					
Net Investment in Capital Assets	218,319,814	253,214,262	281,792,483	312,779,810	355,565,319
Restricted	44,035,671	39,959,302	43,188,259	53,710,899	47,626,355
Unrestricted	11,767,738	9,300,553	495,289	7,149,456	(2,409,807)
Primary Government Net Position	\$ 274,123,223	\$ 302,474,117	\$ 325,476,031	\$ 373,640,165	\$ 400,781,867

Changes In Net Position - Expenses

Last Ten Fiscal Years

(Unaudited)
 (accrual basis of accounting)

Expenses	Fiscal Year				
	2016	2017	2018	2019	2020
Governmental Activities:					
General Government	\$ 34,534,581	\$ 37,755,441	\$ 34,666,832	\$ 44,503,615	\$ 47,658,998
Public Safety	47,580,239	53,019,105	56,939,023	67,942,448	77,119,442
Physical Environment	16,540,405	2,998,450	5,972,999	13,076,260	10,306,476
Transportation	12,053,535	18,934,987	16,294,559	12,129,579	14,885,818
Economic Environment	3,585,571	4,199,033	4,719,843	5,923,430	3,950,617
Human Services	5,209,959	5,057,580	4,757,808	5,268,916	5,996,196
Culture and Recreation	4,430,637	4,936,498	5,603,068	5,884,463	7,343,967
Interest On Long-term Debt	851,086	(426,343)	145,914	104,063	142,169
Total Governmental Activities	124,786,013	126,474,751	129,100,046	154,832,774	167,403,683
Business-type Activities:					
Navarre Beach Water and Sewer	2,019,652	2,189,343	2,263,432	2,466,621	2,541,597
Inspections	-	-	2,069,711	2,048,065	2,473,657
Peter Prince Airport	439,498	1,693,306	550,774	575,137	849,076
Landfill	4,072,679	4,696,121	11,583,634	6,825,399	7,636,450
Total Business-type Activities	6,531,829	8,578,770	16,467,551	11,915,222	13,500,780
Total Government Expenses	\$ 131,317,842	\$ 135,053,521	\$ 145,567,597	\$ 166,747,996	\$ 180,904,463

Expenses	Fiscal Year				
	2021	2022	2023	2024	2025
Governmental Activities:					
General Government	\$ 46,740,092	\$ 55,214,059	\$ 61,512,610	\$ 61,123,331	\$ 66,875,854
Public Safety	74,022,556	74,526,545	91,840,336	87,365,924	93,634,587
Physical Environment	2,887,030	2,047,991	6,474,752	8,903,072	22,090,716
Transportation	19,401,797	18,913,783	19,790,081	21,504,855	27,992,420
Economic Environment	5,404,978	7,105,266	8,903,948	10,079,105	12,657,854
Human Services	7,016,076	6,716,570	7,353,874	9,025,763	11,343,556
Culture and Recreation	4,716,703	6,532,472	6,907,795	7,450,019	7,627,922
Interest On Long-term Debt	715,958	894,182	931,699	469,831	884,699
Total Governmental Activities	160,905,190	171,950,868	203,715,095	205,921,900	243,107,608
Business-type Activities:					
Navarre Beach Water and Sewer	2,070,412	2,230,911	3,409,812	3,046,818	2,683,241
MIP WWTP	-	-	-	-	86,409
Inspections	2,402,559	3,297,751	4,044,542	3,972,022	3,656,450
Peter Prince Airport	547,568	1,715,758	843,637	845,755	962,025
Landfill	2,683,431	9,569,297	8,930,717	11,336,587	11,856,807
Total Business-type Activities	7,703,970	16,813,717	17,228,708	19,201,182	19,244,932
Total Government Expenses	\$ 168,609,160	\$ 188,764,585	\$ 220,943,803	\$ 225,123,082	\$ 262,352,540

* Inspections was implemented as a separate business-type activity starting FY 2018

Changes In Net Position - Program Revenues

Last Ten Fiscal Years

(Unaudited)
(accrual basis of accounting)

Program Revenues	Fiscal Year				
	2016	2017	2018	2019	2020
Governmental Activities:					
Charges for Services:					
General Government	\$ 20,165,926	\$ 21,197,918	\$ 21,841,976	\$ 21,834,143	\$ 21,871,252
Public Safety	7,526,515	6,896,820	3,244,589	5,112,437	5,465,077
Physical Environment	4,680,733	4,905,470	4,795,879	6,253,640	4,576,373
Transportation	47,551	89,554	1,930	61,917	1,339
Human Services	37,259	40,752	41,886	40,422	39,828
Culture and Recreation	488,274	494,203	497,209	548,804	428,720
Operating Grants and Contributions	12,902,748	3,682,161	5,828,954	8,214,191	30,483,218
Capital Grants and Contributions	3,091,704	819,579	4,137,239	6,127,420	14,337,999
Total Governmental Activities Program Revenues	48,940,710	38,126,457	40,389,662	48,192,974	77,203,806
Business-type Activities:					
Charges for Services:					
Navarre Beach Water and Sewer	2,124,356	2,163,525	2,242,090	2,377,243	2,273,197
Inspections	-	-	2,799,768	3,252,216	4,404,116
Peter Prince Airport	297,943	297,426	299,295	305,168	300,817
Landfill	7,965,978	9,503,609	9,677,360	11,399,817	12,597,507
Capital Grants and Contributions	67,154	1,080,363	33,819	329,652	812,540
Total Business-type Activities	10,455,431	13,044,923	15,052,332	17,664,096	20,388,177
Total Government Program Revenues	\$ 59,396,141	\$ 51,171,380	\$ 55,441,994	\$ 65,857,070	\$ 97,591,983
Net (Expense)/revenue					
Governmental Activities	\$ (75,845,303)	\$ (88,348,294)	\$ (88,710,384)	\$ (106,639,800)	\$ (90,199,877)
Business-type Activities	3,923,602	4,466,153	(1,415,219)	5,748,874	6,887,397
Total Government Net Expense	\$ (71,921,701)	\$ (83,882,141)	\$ (90,125,603)	\$ (100,890,926)	\$ (83,312,480)
Program Revenues	Fiscal Year				
	2021	2022	2023	2024	2025
Governmental Activities:					
Charges for Services:					
General Government	\$ 25,333,440	\$ 26,239,308	\$ 28,851,463	\$ 29,632,789	31,641,751
Public Safety	4,119,687	3,170,146	2,479,133	4,115,787	3,246,775
Physical Environment	4,580,401	5,285,967	5,017,290	4,150,630	4,212,761
Transportation	-	26	-	-	1,070,870
Human Services	33,908	45,021	37,067	29,711	24,225
Culture and Recreation	673,632	726,625	844,400	796,067	810,413
Operating Grants and Contributions	29,194,878	11,784,991	22,103,542	26,010,398	19,832,181
Capital Grants and Contributions	12,146,602	14,752,521	9,491,865	15,213,393	35,445,510
Total Governmental Activities Program Revenues	76,082,548	62,004,605	68,824,760	79,948,775	96,284,486
Business-type Activities:					
Charges for Services:					
Navarre Beach Water and Sewer	2,500,689	2,720,600	3,170,483	3,282,933	3,298,578
Inspections	5,308,350	5,094,953	4,342,104	5,022,046	4,817,501
Peter Prince Airport	324,930	367,227	376,758	409,635	453,993
Landfill	16,961,961	15,767,594	14,335,352	14,870,150	14,707,514
Capital Grants and Contributions	801,537	1,132,211	148,860	2,609,485	1,492,226
Total Business-type Activities	25,897,467	25,082,585	22,373,557	26,194,249	24,769,812
Total Government Program Revenues	\$ 101,980,015	\$ 87,087,190	\$ 91,198,317	\$ 106,143,024	\$ 121,054,298
Net (Expense)/revenue					
Governmental Activities	\$ (84,822,642)	\$ (109,946,263)	\$ (134,890,335)	\$ (125,973,125)	\$ (146,823,122)
Business-type Activities	18,193,497	8,268,868	5,144,849	6,993,067	5,524,880
Total Government Net Expense	\$ (66,629,145)	\$ (101,677,395)	\$ (129,745,486)	\$ (118,980,058)	\$ (141,298,242)

* Inspections was implemented as a separate business-type activity starting FY 2018

Changes In Net Position - General Revenues And Other Changes Last Ten Fiscal Years (Unaudited) (accrual basis of accounting)

	Fiscal Year				
	2016	2017	2018	2019	2020
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Taxes					
Property Taxes	\$ 49,251,991	\$ 49,696,434	\$ 51,841,396	\$ 56,284,626	\$ 60,822,610
Sales, Use and Fuel Taxes	9,220,510	15,431,701	22,250,020	23,346,073	21,602,823
Communication Services Taxes	1,264,504	1,179,568	1,246,878	1,135,739	1,168,514
Unrestricted Grants and Contributions	14,929,576	15,654,668	15,716,188	17,227,434	17,065,719
Unrestricted Investment Earnings	309,686	539,578	1,235,761	1,760,570	899,130
Miscellaneous	1,696,967	8,988,712	2,497,875	10,111,508	3,050,125
Transfers	-	534,822	2,063,351	444,116	(213,923)
Total Governmental Activities	76,673,234	92,025,483	96,851,469	110,310,066	104,394,998
Business-type Activities:					
Unrestricted Investment Earnings	91,861	139,703	243,890	708,723	520,265
Miscellaneous	11,044	61,301	35,852	30,111	520
Gain On Sale of Assets	85,312	69,882	67,771	(54,717)	92,309
Transfers	-	(515,937)	(2,063,351)	(444,116)	213,923
Total Business-type Activities	188,217	(245,051)	(1,715,838)	240,001	827,017
Total Government	\$ 76,861,451	\$ 91,780,432	\$ 95,135,631	\$ 110,550,067	\$ 105,222,015
Change in Net Position					
Governmental Activities	\$ 827,931	\$ 3,677,189	\$ 8,141,085	\$ 3,670,266	\$ 14,195,121
Business-type Activities	4,111,819	4,221,102	(3,131,057)	5,988,875	7,714,414
Total Government	\$ 4,939,750	\$ 7,898,291	\$ 5,010,028	\$ 9,659,141	\$ 21,909,535

	Fiscal Year				
	2021	2022	2023	2024	2025
General Revenues and Other Changes in Net Position					
Governmental Activities:					
Taxes					
Property Taxes	\$ 65,623,243	\$ 72,945,764	\$ 83,601,586	\$ 94,756,558	\$ 100,763,000
Sales, Use and Fuel Taxes	25,981,294	29,508,769	32,700,174	31,970,635	33,821,746
Communication Services Taxes	1,143,101	1,256,011	1,278,164	1,159,573	1,307,683
Unrestricted Grants and Contributions	20,968,519	23,135,579	23,801,882	23,372,297	23,325,088
Unrestricted Investment Earnings	138,790	743,432	5,694,217	6,847,976	5,173,582
Miscellaneous	4,017,359	2,563,372	3,365,140	5,880,324	5,357,134
Transfers	730,120	718,577	2,611,290	2,751,690	2,480,000
Total Governmental Activities	118,602,426	130,871,504	153,052,453	166,739,053	172,228,233
Business-type Activities:					
Unrestricted Investment Earnings	37,949	(178,172)	2,168,134	3,023,456	2,667,502
Miscellaneous	5,120	4,683	20,273	51,560	-
Gain On Sale of Assets	79,840	48,851	117,829	81,813	102,917
Transfers	(730,120)	(718,577)	(2,611,290)	(2,751,690)	(2,480,000)
Total Business-type Activities	(607,211)	(843,215)	(305,054)	405,139	290,419
Total Government	\$ 117,995,215	\$ 130,028,289	\$ 152,747,399	\$ 167,144,192	\$ 172,518,652
Change in Net Position					
Governmental Activities	\$ 33,779,784	\$ 20,925,241	\$ 18,162,118	\$ 40,765,928	\$ 25,405,111
Business-type Activities	17,586,286	7,425,653	4,839,795	7,398,206	5,815,299
Total Government	\$ 51,366,070	\$ 28,350,894	\$ 23,001,913	\$ 48,164,134	\$ 31,220,410

Changes In Fund Balances All Governmental Fund Types Last Ten Fiscal Years

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues										
Taxes	\$59,737,006	\$66,307,703	\$75,338,294	\$80,766,438	\$83,593,948	\$92,747,638	103,710,544	117,579,924	\$127,886,766	\$135,892,429
Permits, Fees and Special Assessments ⁽¹⁾	13,747,389	14,185,289	11,769,439	13,460,617	11,864,624	12,575,209	13,268,892	13,934,310	13,491,087	14,971,683
Intergovernmental	31,201,335	20,450,515	25,909,785	30,676,851	52,779,178	55,273,767	44,494,937	55,325,589	64,223,027	78,704,369
Charges for Services	14,661,408	14,913,717	13,851,454	15,378,297	15,500,924	16,935,410	16,808,519	17,255,179	19,576,506	20,171,474
Fines and Forfeitures	1,412,344	1,444,898	1,347,679	1,444,555	1,589,074	1,584,110	1,536,455	1,801,925	1,832,534	1,619,415
Miscellaneous	3,166,862	3,479,581	4,184,541	6,263,474	4,105,854	4,225,597	4,600,920	10,111,683	13,301,654	11,301,182
Total Revenues	<u>123,926,344</u>	<u>120,781,703</u>	<u>132,401,192</u>	<u>147,990,232</u>	<u>169,433,602</u>	<u>183,341,731</u>	<u>184,420,267</u>	<u>216,008,610</u>	<u>240,311,574</u>	<u>262,660,552</u>
Expenditures										
Current										
General Government	28,320,515	30,187,666	29,643,720	39,202,349	41,469,829	50,614,457	54,644,540	54,261,611	61,075,045	68,176,331
Public Safety	43,704,141	48,958,472	55,091,743	61,523,944	68,909,625	78,191,141	71,607,244	81,571,562	85,564,666	98,222,599
Physical Environment	16,356,077	2,835,197	6,303,950	12,833,590	11,074,990	5,080,242	3,897,554	11,595,200	12,643,560	29,428,986
Transportation	13,640,571	15,923,262	19,313,501	17,189,151	22,375,506	16,366,281	25,384,035	28,061,139	28,840,568	38,314,796
Economic Environment	3,427,798	4,203,529	4,581,029	5,757,690	4,694,136	5,288,003	7,244,328	8,623,521	10,352,680	13,099,840
Human Services	5,003,386	5,046,765	4,746,285	5,258,684	5,956,334	7,082,636	6,741,713	7,029,548	8,730,747	11,245,987
Culture and Recreation	2,916,554	3,307,556	4,480,244	4,469,669	5,662,522	4,859,727	4,885,120	5,379,049	7,233,489	8,015,405
Capital Outlay	12,644,982	1,770	2,417,398	2,665,420	8,743,442	33,945,647	15,566,184	13,456,989	8,710,122	9,490,444
Debt Service										
Principal	1,773,560	1,428,549	1,968,707	1,100,079	1,275,559	1,354,109	3,489,161	3,749,308	3,819,566	4,031,052
Interest	196,066	156,236	154,384	117,288	119,595	512,528	935,646	867,562	789,233	719,120
Total Expenditures	<u>127,983,650</u>	<u>112,049,002</u>	<u>128,700,961</u>	<u>150,117,864</u>	<u>170,281,538</u>	<u>203,294,771</u>	<u>194,395,525</u>	<u>214,595,489</u>	<u>227,759,676</u>	<u>280,744,560</u>
Excess of Revenues Over (Under) Expenditures	(4,057,306)	8,732,701	3,700,231	(2,127,632)	(847,936)	(19,953,040)	(9,975,258)	1,413,121	12,551,898	(18,084,008)
Other Financing Sources (Uses)										
Transfers in	13,448,087	12,237,875	20,409,367	20,776,838	27,004,305	33,616,202	36,048,024	31,119,628	49,560,550	41,520,425
Transfers Out	(13,398,087)	(11,703,053)	(20,744,047)	(21,288,432)	(28,191,228)	(32,886,082)	(35,329,447)	(28,808,338)	(48,008,860)	(40,510,055)
New Debt Issue	5,279,240	-	1,604,000	273,965	5,302,518	12,035,500	20849	3,625,388	4,972,129	4,068,657
Total Other Financing Sources (Uses)	<u>5,329,240</u>	<u>534,822</u>	<u>1,269,320</u>	<u>(237,629)</u>	<u>4,115,595</u>	<u>12,765,620</u>	<u>739,426</u>	<u>5,936,678</u>	<u>6,523,819</u>	<u>5,079,027</u>
Net Change in Fund Balances	<u>1,271,934</u>	<u>9,267,523</u>	<u>4,969,551</u>	<u>(2,365,261)</u>	<u>3,267,659</u>	<u>(7,187,420)</u>	<u>(9,235,832)</u>	<u>7,349,799</u>	<u>19,075,717</u>	<u>(13,004,981)</u>
Debt Service As a Percentage of Noncapital Expenditures	2%	2%	2%	1%	1%	1%	3%	3%	3%	2%

⁽¹⁾ The state mandated chart of accounts was modified to move special assessments from Miscellaneous to a newly named category Permits, Fees and Special Assessments.

Franchise fees were reclassified from Taxes to Permits and Fees

**Just And Taxable Value of Real And Personal Property
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Real Property	Personal Property	Real Property Exemptions	Personal Property Exemptions	Less: Tax Exempt Property	Real Property Taxable Value	Personal Property Taxable Value	Total Just Value	Total Taxable Assessed Value	Total Direct Tax Rate
2016	\$ 12,499,933,594	\$ 661,823,887	\$ 4,740,517,328	\$ 51,988,439	\$ 4,792,505,767	\$ 7,759,416,266	\$ 609,835,448	\$ 13,161,757,481	\$ 8,369,251,714	\$ 6.0953
2017	\$ 13,127,940,336	\$ 680,101,947	\$ 4,967,098,700	\$ 48,847,262	\$ 5,015,945,962	\$ 8,160,841,636	\$ 631,254,685	\$ 13,808,042,283	\$ 8,792,096,321	\$ 6.0953
2018	\$ 14,345,023,878	\$ 747,289,282	\$ 4,746,010,616	\$ 75,186,719	\$ 4,821,197,335	\$ 9,599,013,262	\$ 672,102,563	\$ 15,092,313,160	\$ 10,271,115,825	\$ 6.0953
2019	\$ 15,536,241,039	\$ 780,898,125	\$ 5,898,391,227	\$ 91,223,721	\$ 5,989,614,948	\$ 9,637,849,812	\$ 689,674,404	\$ 16,317,139,164	\$ 10,327,524,216	\$ 6.0953
2020	\$ 16,961,974,463	\$ 823,083,072	\$ 6,503,125,337	\$ 85,395,842	\$ 6,588,521,179	\$ 10,458,849,126	\$ 737,687,230	\$ 17,785,057,535	\$ 11,196,536,356	\$ 6.0953
2021	\$ 19,081,193,231	\$ 860,667,436	\$ 7,600,043,926	\$ 89,767,155	\$ 7,689,811,081	\$ 11,481,149,305	\$ 770,900,281	\$ 19,941,860,667	\$ 12,252,049,586	\$ 6.0953
2022	\$ 24,122,956,215	\$ 972,826,231	\$ 10,976,491,508	\$ 87,497,571	\$ 11,063,989,079	\$ 13,146,464,707	\$ 885,328,660	\$ 25,095,782,446	\$ 14,031,793,367	\$ 6.0953
2023	\$ 27,218,029,329	\$ 1,023,220,426	\$ 12,040,789,136	\$ 111,212,623	\$ 12,152,001,759	\$ 15,177,240,193	\$ 912,007,803	\$ 28,241,249,755	\$ 16,089,247,996	\$ 6.0953
2024	\$ 29,238,249,444	\$ 1,114,551,016	\$ 12,615,799,492	\$ 90,831,763	\$ 12,706,631,255	\$ 16,622,449,952	\$ 1,023,719,253	\$ 30,352,800,460	\$ 17,646,169,205	\$ 6.0953
2025	\$ 31,528,139,385	\$ 1,136,862,727	\$ 13,378,158,057	\$ 100,738,248	\$ 13,478,896,305	\$ 18,149,981,328	\$ 1,036,124,479	\$ 32,665,002,112	\$ 19,186,105,807	\$ 5.9550

Source: Property Appraiser, Santa Rosa County

Property Tax Rates Direct And Overlapping Governments Last Ten Fiscal Years (Unaudited)

Year	Santa Rosa County Operating Millage				Overlapping Rates									Total Millage
	General Fund	Sheriff	Fine & Forfeiture Fund	Total County	School Board Operating Millage	City of Gulf Breeze Operating Millage	City of Milton Operating Millage	City of Jay Operating Millage	Avalon-Mulat Fire District Millage	Midway Fire District Millage	Pace Fire District Millage	NW Florida Water Management Millage		
2016	6.0953	-	-	6.0953	6.8400	1.9723	3.2373	2.0000	2.0000	1.8500	-	0.0366	24.0315	
2017	6.0953	-	-	6.0953	6.8400	1.9723	3.2373	2.0000	2.0000	1.8500	-	0.0353	24.0302	
2018	6.0953	-	-	6.0953	6.2990	1.9723	3.2373	2.5000	2.0000	2.2000	-	0.0338	24.3377	
2019	6.0953	-	-	6.0953	6.0910	1.9723	3.2373	2.5000	2.0000	2.2000	1.4800	0.0327	25.6086	
2020	6.0953	-	-	6.0953	6.0500	1.9723	3.0841	2.5000	2.0000	2.2000	1.4800	0.0311	25.4182	
2021	6.0953	-	-	6.0953	5.9040	1.9723	2.9900	3.8000	2.0000	2.3818	1.4800	0.0294	26.6528	
2022	6.0953	-	-	6.0953	5.5600	1.9723	2.9900	3.8000	2.0000	2.4818	1.5300	0.0261	26.4555	
2023	6.0953	-	-	6.0953	5.4460	1.9723	2.9900	3.8000	2.0000	2.4818	1.5300	0.0234	26.3388	
2024	6.0953	-	-	6.0953	5.3980	1.9723	2.9900	3.8000	-	-	-	0.0218	20.2774	
2025	3.8850	2.0700	-	5.9550	5.4140	1.9723	4.1180	5.1700	-	-	-	0.0207	22.6500	

Source: Property Appraiser, Santa Rosa County

Principal Taxpayers Current Year And Nine Years Ago (Unaudited)

Taxpayer	2025			2016		
	Assessed Valuation	Rank	Percentage of Total Assessed Valuation	Assessed Valuation	Rank	Percentage of Total Assessed Valuation
Florida Power & Light/Gulf Power	\$ 298,010,050	1	1.55%	\$ 136,255,518	1	1.63%
Florida Gas Transmission	\$ 77,654,499	2	0.40%	\$ 81,431,656	3	0.97%
Bellsouth Telecomm	\$ 62,562,341	3	0.33%	\$ 59,799,498	4	0.71%
Taminco Us	\$ 58,793,949	4	0.31%	\$ 25,928,089	6	0.31%
Walmart Stores East	\$ 52,065,755	5	0.27%	\$ 33,906,389	5	0.41%
DHIC - Woodlands LLC	\$ 50,758,180	6	0.26%			
Breitburn Operating LP	\$ 44,740,462	7	0.23%	\$ 124,661,072	2	1.49%
Brookview Navarre Beach	\$ 40,042,528	8	0.21%			
Branch Navarre MF Assoc LP	39529706	9	0.21%			
8375 Navarre Beach Holdings	\$ 39,260,698	10	0.20%			
Santa Rosa Energy				\$ 20,457,620	7	0.24%
Escambia River Elec Coop				\$ 18,437,740	8	0.22%
Andrews Institute Medical Park				\$ 17,390,382	9	0.21%
SF III Pensacola LLC				\$ 14,141,130	10	0.17%
Total Assessed	\$ 19,186,105,807			\$ 8,369,251,714		

Source: Property Appraiser, Santa Rosa County

Property Tax Levies And Collections
All Governmental Fund Types
Last Ten Fiscal Years
(Unaudited)

Year	Total Tax Levy	Current and Prior Years Adjustments	Outstanding Delinquent Taxes	Discounts Allowed	Current Tax Collections	Percent of Current Tax Collections to Total Levy	Total Tax Collection	Percent of Total Tax Collection to Total Levy	Percent of Delinquent Taxes to Tax Levy
2016	\$ 49,217,480	\$ 23,618	\$ 43,820	\$ 1,687,131	\$ 47,091,704	95.68%	\$ 48,778,836	99.11%	0.09%
2017	\$ 51,164,884	\$ 2,450	\$ 27,116	\$ 1,768,619	\$ 49,122,581	96.01%	\$ 50,891,200	99.47%	0.05%
2018	\$ 53,680,748	\$ 1,473	\$ 28,909	\$ 1,880,853	\$ 51,692,210	96.30%	\$ 53,573,063	99.80%	0.05%
2019	\$ 58,620,914	\$ 1,413	\$ 412,688	\$ 2,026,716	\$ 56,030,367	95.58%	\$ 58,057,083	99.04%	0.70%
2020	\$ 63,128,171	\$ 25,827	\$ 254,041	\$ 2,205,184	\$ 60,560,940	95.93%	\$ 62,766,125	99.43%	0.40%
2021	\$ 68,585,495	\$ 33,900	\$ 389,366	\$ 2,422,956	\$ 65,739,273	95.85%	\$ 68,162,229	99.38%	0.57%
2022	\$ 74,733,486	\$ 102,226	\$ 310,645	\$ 2,666,465	\$ 71,858,602	96.15%	\$ 74,525,068	99.72%	0.42%
2023	\$ 86,856,566	\$ 110,926	\$ 518,918	\$ 3,073,403	\$ 83,375,171	95.99%	\$ 86,448,574	99.53%	0.60%
2024	\$ 98,236,043	\$ 96,395	\$ 240,359	\$ 3,466,892	\$ 94,625,187	96.32%	\$ 98,092,079	99.85%	0.24%
2025	\$ 105,198,022	\$ 39,283	\$ 184,064	\$ 3,687,383	\$ 101,365,858	96.36%	\$ 105,053,241	99.86%	0.17%

Source: Tax Collector, Santa Rosa County

Ratios of Outstanding Debt By Type
Last Ten Fiscal Years
(Unaudited)

Year	General Obligation Debt	Governmental Activities				Business-type Activities			Total	Percentage of Personal Income	Per Capita
		Revenue- Backed Debt	Special Assessment Debt	Leases	SBITA	Revenue Debt	Leases				
2016	\$ 4,564,519	\$ 832,801	\$ 1,688,055	\$ -	\$ -	\$ 2,580,741	\$ -	\$ 9,666,116	0.139%	\$ 57.88	
2017	\$ 3,837,034	\$ 740,509	\$ 1,079,284	\$ -	\$ -	\$ 2,102,521	\$ -	\$ 7,759,348	0.104%	\$ 45.42	
2018	\$ 3,096,555	\$ 58,348	\$ 2,137,218	\$ -	\$ -	\$ 1,606,035	\$ -	\$ 6,898,156	0.086%	\$ 39.44	
2019	\$ 2,342,849	\$ 24,074	\$ 2,100,118	\$ -	\$ -	\$ 1,090,588	\$ -	\$ 5,557,629	0.071%	\$ 31.06	
2020	\$ 1,575,683	\$ 2,700,000	\$ 4,215,549	\$ -	\$ -	\$ 1,090,588	\$ -	\$ 9,581,820	0.113%	\$ 51.89	
2021	\$ 794,815	\$ 46,288,897	\$ 4,478,912	\$ -	\$ -	\$ 555,568	\$ -	\$ 52,118,192	0.549%	\$ 271.57	
2022	\$ -	\$ 44,137,723	\$ 4,023,240	\$ 594,680	\$ 653,493	\$ -	\$ 2,163,411	\$ 51,572,547	0.487%	\$ 262.01	
2023	\$ 1,033,305	\$ 40,849,429	\$ 3,562,632	\$ 2,652,168	\$ 442,428	\$ -	\$ 2,185,782	\$ 50,725,744	0.445%	\$ 255.55	
2024	\$ 589,927	\$ 37,553,037	\$ 3,089,558	\$ 2,195,641	\$ 4,463,021	\$ -	\$ 2,662,691	\$ 50,553,875	0.409%	\$ 243.07	
2025	\$ 1,293,377	\$ 34,203,094	\$ 2,604,999	\$ 1,893,394	\$ 5,146,090	\$ 30,250,000	\$ 1,747,617	\$ 77,138,571	0.581%	\$ 365.39	

**Ratios of General Obligation Debt
 Last Ten Fiscal Years
 (Unaudited)**

Year	Governmental Activities		Percentage of Actual Taxable Value of Property ⁽²⁾	Per Capita ⁽¹⁾
	General Obligation Debt			
2016	\$ 4,564,519		0.055%	\$ 27.33
2017	\$ 3,837,034		0.044%	\$ 22
2018	\$ 3,096,555		0.030%	\$ 18
2019	\$ 2,342,849		0.023%	\$ 13
2020	\$ 1,575,683		0.014%	\$ 9
2021	\$ 794,815		0.006%	\$ 4.14
2022	\$ -		0.000%	\$ -
2023	\$ 1,033,305		0.006%	\$ 5.21
2024	\$ 589,927		0.003%	\$ 2.84
2025	\$ 1,293,377		0.007%	\$ 6.13

⁽¹⁾ US Bureau of Economic and Business Research

⁽²⁾ Property Appraiser, Santa Rosa County

Pledged Revenue Coverage

Last Ten Fiscal Years (Unaudited)

Revenue Bonds

Year	Gross Revenues ⁽¹⁾	Less: Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2016	\$ 7,276,083	\$ -	\$ 7,276,083	\$ 578,589	\$ 6,381	1244%
2017	\$ 7,714,651	\$ -	\$ 7,714,651	\$ -	\$ -	0%
2018	\$ 7,484,101	\$ -	\$ 7,484,101	\$ -	\$ -	0%
2019	\$ 8,585,746	\$ -	\$ 8,585,746	\$ -	\$ -	0%
2020	\$ 9,092,163	\$ -	\$ 9,092,163	\$ -	\$ -	0%
2021	\$ 52,249,063	\$ -	\$ 52,249,063	\$ -	\$ 318,083	16426%
2022	\$ 66,979,566	\$ -	\$ 66,979,566	\$ 2,000,000	\$ 761,393	2426%
2023	\$ 80,267,048	\$ -	\$ 80,267,048	\$ 2,942,800	\$ 711,837	2196%
2024	\$ 84,583,492	\$ -	\$ 84,583,492	\$ 2,995,000	\$ 660,004	2314%
2025	\$ 86,666,940	\$ -	\$ 86,666,940	\$ 3,042,800	\$ 607,509	2374%

Notes Payable

Year	Gross Revenues ⁽²⁾	Less: Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2016	\$ 2,884,659	\$ 1,472,189	\$ 1,412,470	\$ 549,133	\$ 159,339	199%
2017	\$ 3,041,022	\$ 1,634,259	\$ 1,406,763	\$ 570,512	\$ 138,171	199%
2018	\$ 3,223,716	\$ 1,802,065	\$ 1,421,651	\$ 592,381	\$ 116,619	201%
2019	\$ 3,511,284	\$ 1,938,442	\$ 1,572,842	\$ 548,720	\$ 72,661	253%
2020	\$ 3,324,165	\$ 2,144,205	\$ 1,179,960	\$ 569,293	\$ 53,385	189%
2021	\$ 54,758,103	\$ 1,566,257	\$ 53,191,846	\$ 583,623	\$ 54,658	8334%
2022	\$ 66,979,566	\$ -	\$ 66,879,566	\$ 238,674	\$ 39,507	24042%
2023	\$ 80,267,048	\$ -	\$ 80,267,048	\$ 345,493	\$ 48,030	20397%
2024	\$ 84,583,492	\$ -	\$ 84,583,492	\$ 301,392	\$ 34,460	25185%
2025	\$ 86,666,940	\$ -	\$ 86,666,940	\$ 307,143	\$ 28,708	25805%

Special Assessment Notes

Year	Gross Revenues ⁽³⁾	Less: Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2016	\$ 772,276	\$ -	\$ 772,276	\$ 680,682	\$ 78,340	102%
2017	\$ 727,529	\$ -	\$ 727,529	\$ 592,839	\$ 44,387	114%
2018	\$ 641,896	\$ -	\$ 641,896	\$ 470,195	\$ 27,468	129%
2019	\$ 789,091	\$ -	\$ 789,091	\$ 210,380	\$ 21,284	341%
2020	\$ 2,448,261	\$ -	\$ 2,448,261	\$ 553,212	\$ 63,642	397%
2021	\$ 1,081,138	\$ 11,705	\$ 1,069,433	\$ 447,137	\$ 127,974	186%
2022	\$ 1,163,728	\$ -	\$ 1,163,728	\$ 455,670	\$ 120,551	202%
2023	\$ 1,195,305	\$ 29,220	\$ 1,166,085	\$ 460,609	\$ 107,693	205%
2024	\$ 1,203,929	\$ 28,237	\$ 1,175,692	\$ 473,074	\$ 94,769	207%
2025	\$ 1,220,111	\$ 103,264	\$ 1,116,847	\$ 484,559	\$ 82,903	197%

⁽¹⁾ Sales taxes until 2020, non-ad valorem revenues from 2021

⁽²⁾ Electric Franchise Fees until 2020, non-ad valorem revenues from 2021

⁽³⁾ Special Assessments

Demographic Statistics

Last Ten Fiscal Years

(Unaudited)

Fiscal Year	Population ⁽¹⁾	Personal Income ⁽²⁾ (Thousands)	Per Capita Personal Income ⁽²⁾	Unemployment Rate ⁽³⁾
2016	167,009	\$ 6,943,907	\$ 41,869	4.6%
2017	170,835	\$ 7,477,766	\$ 42,909	3.2%
2018	174,887	\$ 7,985,954	\$ 44,527	2.9%
2019	178,928	\$ 7,841,227	\$ 44,615	2.7%
2020	184,653	\$ 8,474,829	\$ 45,981	4.1%
2021	191,911	\$ 9,494,221	\$ 49,472	2.7%
2022	196,834	\$ 10,585,339	\$ 53,778	2.3%
2023	198,494	\$ 11,401,495	\$ 57,440	2.5%
2024	207,983	\$ 12,351,070	\$ 59,385	3.4%
2025	211,115	\$ 13,277,656 *	\$ 62,893 *	4.4%

* Projected

⁽¹⁾ US Census Bureau

⁽²⁾ US Bureau of Economic Analysis

⁽³⁾ US Bureau of Labor Statistics

**Principal Employers
Current Year And Nine Years Ago
(Unaudited)**

Employer	2025			2016		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Federal Military	3,327	1	3.80%			
Santa Rosa County School District	3,148	2	3.60%	2,750	1	3.67%
Federal Government	1,682	3	1.92%	2,101	2	2.80%
Wal-Mart Stores	1,500	4	1.71%	1,300	3	1.73%
State Government	1,330	5	1.52%	1,290	4	1.72%
Santa Rosa County Government	1,157	6	1.32%	949	5	1.27%
Publix	1,071	7	1.22%	350	9	0.47%
Baptist Healthcare Systems	647	8	0.74%	545	6	0.73%
Santa Rosa Medical Center	502	9	0.57%	400	7	0.53%
Vertex Aerospace	494	10	0.56%			
Blackwater River Correctional Facility				380	8	0.51%
Mediacom				300	10	0.40%
Total	14,858		17%	10,365		14%
Total Employment			87,537			74,934

Source: Santa Rosa County Economic Development Office

County Employees By Function
Last Ten Fiscal Years
(Unaudited)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
General Government	261	268	280	290	301	308	330	335	342	333
Public Safety	451	450	444	486	508	509	527	524	537	535
Physical Environment	60	58	63	64	64	50	53	51	53	71
Transportation	108	107	105	105	103	103	117	129	133	127
Economic Environment	7	12	9	9	9	13	12	13	14	16
Human Services	25	24	22	21	21	24	24	28	29	29
Culture and Recreation	37	37	41	39	38	45	45	45	47	46
Total	949	956	964	1,014	1,044	1,052	1,108	1,125	1,155	1,157

Source: Departmental reports.

Operating Indicators By Function
Last Ten Fiscal Years
(Unaudited)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Public Safety										
Law Enforcement										
Service Calls	144,727	149,702	139,233	142,655	125,022	124,798	128,533	130,727	125,341	123,005
DUI Arrests	273	352	331	269	247	225	269	883	247	233
Jail Inmates	7,746	7,807	7,383	7,431	5,612	6,364	6,369	6,706	1,413	669
Physical Environment										
Transportation										
Economic Environment										
Human Services										
Animal Services										
Service Calls	6,520	6,970	6,572	5,206	4,120	4,455	5,160	5,030	6,042	435
Adoptions	570	583	511	926	1,196	1,448	1,853	1,919	1,857	1,440
Animal Visits to Shelter	6,137	6,038	5,990	4,050	2,826	3,250	3,521	3,791	3,525	3,062
Culture and Recreation										
Libraries										
Items Circulated	405,000	398,597	401,333	411,656	311,742	378,037	490,022	584,980	630,352	529,623
Registered Borrowers	52,343	57,568	63,238	69,206	72,488	74,064	84,859	67,596	78,848	84,152

Indicators are not available for the general government function.

Source: Departmental reports

Capital Asset Statistics By Function

Last Ten Fiscal Years (Unaudited)

	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Public Safety										
Sheriff's Officers Vehicles	275	293	296	281	326	310	370	321	444	458
Fire Districts	15	15	15	15	15	15	15	15	15	15
Physical Environment										
Landfills	2	2	2	2	2	2	2	2	2	2
Transfer Stations	1	1	1	1	1	1	1	1	1	1
Water Taps	2,152	2,171	2,190	2,220	2,247	2,255	2,282	2,299	2,314	2,329
Sewer Taps	2,139	2,158	2,177	2,207	2,234	2,242	2,269	2,286	2,301	2,316
Transportation										
Airports	1	1	1	1	1	1	1	1	1	1
Airport Hangars	16	16	16	16	16	23	23	23	23	23
Economic Environment										
Industrial Parks	2	2	2	2	2	2	2	2	2	2
Human Services										
Animal Services Vehicles	11	11	10	11	9	10	8	11	11	10
Culture and Recreation										
Libraries	5	6	6	6	6	6	6	6	6	6
Items in Library Collection	148,288	155,149	156,773	156,152	156,111	164,258	214,287	194,880	154,241	146,628
Parks	56	56	56	56	56	56	56	56	56	56

Indicators Are Not Available for the General Government Function.

Source: Departmental Reports



COMPLIANCE SECTION

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

Federal Grantor / Pass-Through Grantor / Program Title	Assistance Listing Number	Contract / Grant Number	Expenditures	Passed Through to Subrecipients
U.S. Department of Agriculture				
Passed Through Florida Department of Agriculture and Consumer Services Cooperative Forestry Assistance	10.664	VFA Munson FD	\$ 2,748	\$ -
Passed Through Natural Resources Conservation Service Soil and Water Conservation Program	10.902	NR244209XXXXCO10	55,406	-
U.S. Department of Commerce				
Passed Through Florida Department of Environmental Protection Coastal Zone Management Administration Awards	11.419	CZ718	15,000	-
Passed Through Pensacola and Perdido Bay Estuary Program Habitat Conservation	11.463	NA23NMF4630079	585,180	-
U.S. Department of Defense				
Direct Program Community Investment	12.600	CIP2088-23-01	436,828	-
U.S. Department of the Interior				
Passed Through Natural Resources Conservation Service Natural Resource Damage Assessment and Restoration	15.658	N1220CPT0011021	72	-
U.S. Department of Justice				
Passed Through Florida Office of the Attorney General Crime Victim Assistance	16.575	VOCA-2024-00054	144,708	-
Direct Program Edward Byrne Memorial Justice Assistance Grant Program	16.738	C-6N217	113,319	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	15PBJA-23-GG-03246-JAGX	17,984	-
			131,303	-
U.S. Department of Transportation				
Direct Program Airport Improvement Program	20.106	3-12-0052-021-2023	40,508	-
Highway Safety Cluster				
Passed Through Florida Department of Transportation National Priority Safety Programs	20.616	DD-2025-00375	100,000	-
U.S. Department of the Treasury				
Direct Program Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States	21.015	1 RDCGR210100-01-00	909	-
Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States	21.015	1 RDCGR210153-01-01	6,000,000	6,000,000
			6,000,909	6,000,000
Direct Program Coronavirus State and Local Fiscal Recovery Funds	21.027	SLT-1712	8,020,514	-
Passed Through Florida Department of Environmental Protection Coronavirus State and Local Fiscal Recovery Funds	21.027	22FRP90	20,770	-
			8,041,284	-
Passed Through FloridaCommerce Coronavirus Capital Project Fund	21.029	BB246	72,847	-
Direct Program Local Assistance and Tribal Consistency Fund	21.032	SRC 2022 & 2023	100,000	-

See notes to Schedule of Expenditures of Federal Awards and State Financial Assistance.

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

Federal Grantor / Pass-Through Grantor / Program Title	Assistance Listing Number	Contract / Grant Number	Expenditures	Passed Through to Subrecipients
National Endowment for the Humanities				
Passed Through Florida Department of Humanities Promotion of the Humanities Federal/State Partnership	45.129	GR_0325_5523_2917	\$ 3,000	\$ -
U.S. Environmental Protection Agency (EPA)				
Direct Program				
Geographic Programs - Gulf of America Program	66.475	01D08220	117	-
Geographic Programs - Gulf of America Program	66.475	02D19622	1,055	327
			<u>1,172</u>	<u>327</u>
Gulf Ecosystem Restoration Council				
Passed Through Florida Department of Environmental Protection Gulf Coast Ecosystem Restoration Council Comprehensive Plan Component Program	87.051	RES16	488,521	-
Gulf Coast Ecosystem Restoration Council Oil Spill Impact Program	87.052	GNSP22FL0036-01-00	111,127	26,200
Gulf Coast Ecosystem Restoration Council Oil Spill Impact Program	87.052	GNSP22FL0036-01-01	1,458,802	1,458,802
			<u>1,569,929</u>	<u>1,485,002</u>
United States Election Assistance Commission				
Passed Through Florida Division of Elections HAVA Election Security Grants	90.404	24.e.an.000.055	11,160	-
U.S. Department of Health and Human Services				
Passed Through Florida Department of Revenue				
Child Support Services	93.563	CDC57	268,833	-
Child Support Services	93.563	CSU57	9,484	-
Child Support Services	93.563	CSU57	4,343	-
			<u>282,660</u>	<u>-</u>
Executive Office of the President				
Passed Through Office of National Drug Policy				
High Intensity Drug Trafficking Areas Program	95.001	HID725G0534-00 G24GC0007A	188,670	159,123
U.S. Department of Homeland Security				
Passed Through Florida Division of Emergency Management Flood Mitigation Assistance	97.029	B0074	128,625	-
Passed Through Florida Division of Emergency Management				
Disaster Grants - Public Assistance SALLY	97.036	Z2563	4,857,419	-
Disaster Grants - Public Assistance-Countywide Debris Removal	97.036	Z4194 DR-4794	260,601	-
Disaster Grants - Public Assistance-2014 Flood	97.036	DR-4177	89,782	-
			<u>5,207,802</u>	<u>-</u>
Passed Through Florida Division of Emergency Management				
Hazard Mitigation Grant	97.039	H0854 RANCHETTE	3,305,578	-
Hazard Mitigation Grant	97.039	H0877 WATERSHED PLAN	112,500	-
Hazard Mitigation Grant	97.039	H1067 ASHMORE	1,316,630	-
			<u>4,734,708</u>	<u>-</u>
Passed Through Volunteer Florida				
Emergency Management Performance Grant	97.042	G0508	72,747	-
Emergency Management Performance Grant	97.042	24-01	10,000	-
			<u>82,747</u>	<u>-</u>
Passed Through Florida Division of Emergency Management				
Homeland Security Grant Program	97.067	R0897	28,657	-
Homeland Security Grant Program	97.067	R0911	36,574	-
			<u>65,231</u>	<u>-</u>
TOTAL FEDERAL AWARDS			<u>\$ 28,491,018</u>	<u>\$ 7,644,452</u>

See notes to Schedule of Expenditures of Federal Awards and State Financial Assistance.

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

<u>State Grantor / Pass-Through Grantor / Project Title</u>	<u>CSFA No.</u>	<u>Contract / Grant Number</u>	<u>Expenditures</u>	<u>Passed Through to Subrecipients</u>
<u>Executive Office of the Governor</u>				
Emergency Management Programs	31.063	A0470	\$ 68,400	\$ -
Emergency Management Programs	31.063	A0584	26,452	-
			<u>94,852</u>	<u>-</u>
Emergency Management Projects - Hazards Analysis	31.067	T0375	10,629	-
<u>Florida Department of Environmental Protection</u>				
Beach Management Funding Assistance Program	37.003	23SR1	3,526,560	-
<u>Florida Department of Commerce</u>				
Division of Housing and Community Development	40.038	HL139	68,599	-
Division of Housing and Community Development	40.038	HL256	1,500,000	-
			<u>1,568,599</u>	<u>-</u>
Economic Development Partnerships	40.040	DRG S0262	250,000	-
Economic Development Tax Refund, Tax Credit, and Grant Program	40.043	G0114	2,501,610	-
<u>Florida Housing Finance Corporation</u>				
State Housing Initiative Partnership (SHIP) Program	40.901	N/A	1,857,116	-
<u>Florida Department of Agriculture and Consumer Services</u>				
Mosquito Control	42.003	FDACS#31686	67,479	-
Agriculture Education And Promotional Facility	42.047	30303	19,652	-
<u>Florida Department of Financial Services</u>				
Grants and Aids-Local Government Fire Service Grants	43.009	FM892	13,283	-
<u>Florida Department State and Secretary of State</u>				
State Aid to Libraries	45.030	25-ST-75	37,138	-
<u>Florida Department of Education and Commissioner of Education</u>				
Coach Aaron Feis Guardian Program	48.140	89G-90210-5D001	4,087	-
<u>Florida Department of Transportation</u>				
Aviation Grant Program	55.004	G2T15	184,261	-
Aviation Grant Program	55.004	G2Z75	6,412	-
Aviation Grant Program	55.004	G2K10	110,988	-
			<u>301,661</u>	<u>-</u>
Small County Outreach Program (SCOP)-Highway Operations	55.009	G2E02	1,061,035	-
Small County Outreach Program (SCOP)-Highway Operations	55.009	G2N06	330,345	-
			<u>1,391,380</u>	<u>-</u>
Transportation Regional Incentive Program (TRIP)	55.026	G2E73	115,944	-
Transportation Regional Incentive Program (TRIP)	55.026	G2M48	347,690	-
			<u>463,634</u>	<u>-</u>
Local Transportation Projects	55.039	G2P74	583,905	-
Local Transportation Projects	55.039	G2T55	250,000	-
			<u>833,905</u>	<u>-</u>

See notes to Schedule of Expenditures of Federal Awards and State Financial Assistance.

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

<u>State Grantor / Pass-Through Grantor / Project Title</u>	<u>CSFA No.</u>	<u>Contract / Grant Number</u>	<u>Expenditures</u>	<u>Passed Through to Subrecipients</u>
<u>Florida Department of Health</u>				
County Grant Awards-Community Public Health	64.005	C2457	\$ 12,664	\$ -
<u>Florida Department of Law Enforcement</u>				
State Assistance for Fentanyl Eradication (S.A.F.E.)	71.122	2023-SAFE-SF-007	46,035	-
Online Sting Operations Grant Operations	71.148	OS013	60,247	-
Santa Rosa County Sheriff's Administrative Complex	71.151	TJ005	561,047	-
<u>Florida Department of Management Services</u>				
Prepaid Next Generation 911 (NG911) State Grant Program	72.003	S17-21-02-66	83,148	-
Prepaid Next Generation 911 (NG911) State Grant Program	72.003	S17-21-02-67	124,769	-
Prepaid Next Generation 911 (NG911) State Grant Program	72.003	S20-21-12-25	129,384	-
			<u>337,301</u>	<u>-</u>
<u>Florida Fish and Wildlife Conservation Commission</u>				
Artificial Reef Grants Program	77.007	FWC-21366	900,000	-
TOTAL STATE FINANCIAL ASSISTANCE			<u>\$ 14,858,879</u>	<u>\$ -</u>
TOTAL FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE			<u>\$ 43,349,897</u>	<u>\$ 7,644,452</u>

See notes to Schedule of Expenditures of Federal Awards and State Financial Assistance.

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

1. BASIS OF PRESENTATION

The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance (the Schedule) includes the federal and state grant activity of Santa Rosa County, Florida (the County), under programs of the federal and state government for the year ended September 30, 2025. The information in this Schedule is presented in accordance with the requirements of Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance), and Chapter 10.550, *Rules of the State of Florida Auditor General*. Therefore, some amounts presented in this Schedule may differ from amounts presented in or used in the preparation of the basic financial statements.

2. SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance and Chapter 10.550, *Rules of the State of Florida Auditor General*, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The County elected to utilize the 15% de minimis indirect cost rate allowed under the Uniform Guidance.

3. EXPENDITURES INCURRED IN PRIOR FISCAL YEAR

Expenditures of \$350,383 reported for assistance listing number (ALN) 97.036 in the accompanying Schedule were incurred in a prior fiscal year and obligated by FEMA in the current fiscal year.

4. CONTINGENCY

The grant revenue accounts are subject to audit and adjustment. If any expenditures are disallowed by the grantor agencies as a result of such audit, any claim for reimbursement to the grant agencies would become a liability of the County. In the opinion of management, all grant expenditures are in compliance with the terms of the grant agreements and applicable federal and state laws and regulations.

**INDEPENDENT AUDITORS' 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
Santa Rosa 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 governmental activities, business-type activities, each major fund and the aggregate remaining fund information of Santa Rosa County, Florida, (hereinafter referred to as "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 April 30, 2026.

Report on Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or 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. We identified a deficiency in internal control, described in the accompanying schedule of findings and questioned costs as item 2025-001 that we consider to be a material weakness.

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

Management's Response to Findings

Government Auditing Standards requires the auditor to perform limited procedures on the County's response to the finding identified in our audit and described in the accompanying schedule of findings and question 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 entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Pensacola, Florida
April 30, 2026

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

Board of County Commissioners
Santa Rosa County, Florida

Report on Compliance for Each Major Federal Program and State Project

Opinion on Each Major Federal Program and State Project

We have audited Santa Rosa County, Florida’s (hereinafter referred to as “County”) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement*, and the requirements described in the Department of Financial Services’ *State Projects Compliance Supplement*, that could have a direct and material effect on each of the County’s major federal programs and state projects for the year ended September 30, 2025. The County’s major federal programs and state projects are identified in the summary of auditors’ 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; 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 State of Florida Auditor General*. Our responsibilities under those standards, the Uniform Guidance and Chapter 10.550, *Rules of the State of Florida Auditor General*, are further described in the Auditors’ Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the County's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, the Uniform Guidance and Chapter 10.550, *Rules of the State of Florida Auditor General*, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about 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 State of Florida Auditor General*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the County's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the County's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the State of Florida Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of the County's internal control over compliance. Accordingly, no such opinion is expressed.

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

Report on Internal Control over Compliance

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

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

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

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

Report on Schedule of Expenditures of Federal Awards and State Financial Assistance Required by the Uniform Guidance and Chapter 10.550, *Rules of the State of Florida Auditor General*

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of 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. We issued our report thereon dated April 30, 2026 which contained unmodified opinions on those financial statements. Our audit was performed for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for the purpose of additional analysis as required by the Uniform Guidance and Chapter 10.550, *Rules of the State of Florida Auditor General*, and is 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 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 Financial Assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.

Warren Averett, LLC

Pensacola, Florida
April 30, 2026

**SANTA ROSA COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

I. SUMMARY OF AUDITORS' RESULTS

FINANCIAL STATEMENTS

Type of auditors' report issued: Unmodified
Internal control over financial reporting:
Material weakness(es) identified? yes no
Significant deficiency (ies) identified that are
not considered to be material weakness(es)? yes none reported
Noncompliance material to financial statements
noted? yes no

FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE

Internal control over major programs and projects:
Material weakness(es) identified? yes no
Significant deficiency (ies) identified that are
not considered to be material weakness(es)? yes none reported
Type of auditor's report issued on compliance
for major programs and projects: Unmodified
Any audit findings disclosed that are required
to be reported in accordance with the Uniform
Guidance or Chapter 10.557, *Rules of
the State of Florida Auditor General*? yes no

IDENTIFICATION OF MAJOR PROGRAMS AND PROJECTS

Federal Programs

Federal Assistance Listing No. 21.015 Resources and Ecosystems Sustainability, Tourist Opportunities, and Revived Economies of the Gulf Coast States

Federal Assistance Listing No. 87.052 Gulf Coast Ecosystem Restoration Council Oil Spill Impact Program

Federal Assistance Listing No. 97.036 Disaster Grants - Public Assistance (Presidentially Declared Disasters)

Dollar threshold used to distinguish
between type A and type B programs: \$1,000,000

Auditee qualified as low-risk auditee? yes no

**SANTA ROSA COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

I. SUMMARY OF AUDITOR RESULTS (CONTINUED)

State Projects

CSFA No. 37.003 Beach Management Funding Assistance Program
CSFA No. 40.038 Division of Housing and Community Development
CSFA No. 40.043 Economic Development Tax Refund, Tax Credit, and Grant Program
CSFA No. 55.009 Small County Outreach Program
CSFA No. 55.039 Local Transportation Projects
CSFA No. 77.007 Artificial Reef Grants Program

Dollar threshold used to distinguish
between type A and type B projects: \$750,000

II. FINANCIAL STATEMENT FINDING

Finding required to be reported in accordance with *Government Auditing Standards*:

FINDING 2025-001 GRANT REVENUE RECOGNITION (RECURRING) – MATERIAL WEAKNESS

Criteria

The County's internal control over financial reporting is designed to allow for management and employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, a material misstatement on a timely basis. Pursuant to GASB Statement No. 33, recipients of expenditure-driven grants should recognize revenue as qualifying expenditures are incurred.

Condition

Supporting documentation for grant revenues and expenditures did not reconcile to the accounting records and to the Schedule of Expenditures of Federal Awards and State Financial Assistance (SEFA).

Cause

Reconciliation of grant activities for financial reporting purposes was not prepared and reviewed on a timely basis by appropriately experienced and trained personnel. While the County has a written policy for grant administration activities, that policy does not provide the guidance necessary to facilitate financial reporting of grant activities in accordance with U.S. general accepted accounting procedures as well as preparation of the SEFA required by the Uniform Guidance.

Effect

Adjustments were required to properly reconcile grant activity for financial reporting purposes and to prepare the SEFA.

Repeat Finding

This is a repeat finding.

**SANTA ROSA COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Recommendation

Management should review grant policies and procedures with key personnel to ensure the process for estimating the year-end grant accrual balance allows for matching grant revenues with related qualifying expenditures. These policies should reflect who is responsible for preparing and reviewing the reconciling schedule of grant activities for financial reporting purposes as well as preparation of the SEFA.

View of Responsible Officials

See accompanying corrective action plan.

III. FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no findings which were required to be reported in accordance with the Uniform Guidance.

IV. STATE PROJECT FINDINGS AND QUESTIONED COSTS

There were no findings which were required to be reported in accordance with Chapter 10.557, *Rules of the State of Florida Auditor General*.

V. OTHER ISSUES

See Summary Schedule of Prior Audit Findings for status of prior year audit findings.

**SANTA ROSA COUNTY, FLORIDA
SUMMARY SCHEDULE OF PRIOR YEAR FINDINGS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

FINANCIAL STATEMENT FINDINGS

FINDING 2024-001 GRANT REVENUE RECOGNITION

Condition

During 2024 audit procedures, supporting documentation for grant revenues and expenditures did not reconcile to the accounting records and to the SEFA.

Current Status

A similar finding was noted during the 2025 audit procedures. See Finding 2025-001.



**SANTA ROSA COUNTY
BOARD OF COMMISSIONERS**

Administrative Offices | 6495 Caroline Street, Suite M | Milton, Florida 32570-4592
Office: 850.983.1877 | Fax: 850.983.1856 | www.santarosa.fl.gov

BOBBY BURKETT, District 1
KERRY SMITH, District 2
RHETT ROWELL, District 3
RAY EDDINGTON, District 4
COLTEN WRIGHT, District 5

BRAD BAKER, County Administrator
JARED LOWE, Asst. County Administrator
SABRINA WHITE, Asst. County Administrator
THOMAS V. DANNHEISSER, County Attorney

**CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

The County respectfully submits the following corrective action plan for the year ended September 30, 2025.

Name and address of independent public accounting firm:

Warren Averett, LLC
350 W Cedar Street, Suite 400
Pensacola, Florida 32502

The finding from the schedule of findings and questioned costs for the year ended September 30, 2025, is discussed below. The finding is numbered consistently with the number assigned in the schedule of findings and questioned costs.

Name of Contact Person for Completing Corrective Action Plan:

Robert Miller, Senior Accountant
(850) 983-1963
millerr@santarosaclerks.com

Expected date of completion is September 30, 2026.

FINDING 2025-001 GRANT REVENUE RECOGNITION (RECURRING)

Management's Response:

We appreciate the opportunity to respond to the Single Audit Report for the fiscal year ending September 30, 2025.

After reviewing the report, we are pleased to note that the County was found in full compliance with the requirements outlined in both the OMB Compliance Supplement and the State of Florida Department of Financial Services' State Projects Compliance Supplement. These standards are essential in ensuring the accuracy and integrity of our major federal programs and state projects each fiscal year.

To support continued compliance, we will maintain and strengthen the following efforts:

- Continue following the comprehensive Compliance Policies and Procedures detailed in the Grant Manual, including regular reviews of expenditures and revenues in accordance with GASB Statement No. 33. These policies were approved by the Board on February 10, 2025.
- Maintain the Grant Management database in OpenGov and continue providing training to all grant managers to support streamlined reporting and to improve the identification of any discrepancies or irregularities between revenues and expenditures.



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**CORRECTIVE ACTION PLAN
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

- Implement and maintain the new Aclarian financial system which, when paired with OpenGov, will significantly enhance our ability to accurately record and track revenues. This integration will strengthen alignment between revenue recognition, expenditure reporting, and grant compliance requirements.

We have no objections to the material weakness identified in the Single Audit Report for the fiscal year ending September 30, 2025. We look forward to continuing our collaboration with the Clerk Comptroller to further strengthen our policies, procedures, and internal controls.

**INDEPENDENT ACCOUNTANTS' REPORT ON EXAMINATION OF
COMPLIANCE REQUIREMENTS IN ACCORDANCE WITH CHAPTER 10.550,
RULES OF THE STATE OF FLORIDA AUDITOR GENERAL**

The Honorable Board of County Commissioners
Santa Rosa County, Florida

We have examined Santa Rosa County, Florida's, (hereinafter referred to as the "the County") compliance with the following requirements for the year ended September 30, 2025:

- (1) Florida Statute 218.415 in regard to investments.
- (2) Florida Statute 288.8018 in regard to the Deepwater Horizon Oil Spill receipts and expenditures.
- (3) Florida Statutes 365.172 and 365.173 in regard to use of E-911 revenues and expenditures.

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

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

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

In our opinion, the County has 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 County, the State of Florida Auditor General, and the State of Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.



Pensacola, Florida
April 30, 2026

**INDEPENDENT AUDITORS' REPORT ON THE SCHEDULE OF RECEIPTS AND
EXPENDITURES OF FUNDS RELATED TO THE DEEPWATER HORIZON OIL SPILL**

The Honorable Board of County Commissioners
Santa Rosa County, Florida

We have audited the financial statements of the governmental activities, the business type activities, each major fund, and the aggregate remaining fund information of Santa County, Florida as of April 30, 2026, which contained an unmodified opinion on those financial statements.

The Schedule of Receipts and Expenditures of Funds related to the Deepwater Horizon Oil Spill, as listed in the table of contents, is presented for the purpose of additional analysis as required by Florida Statute 288.8018 and the Rules of the State of Florida Auditor General Chapter 10.557(3)(f), 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 financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America.

In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Warren Averett, LLC

Pensacola, Florida
April 30, 2026

**SANTA ROSA COUNTY, FLORIDA
SCHEDULE OF RECEIPTS AND EXPENDITURES OF
FUNDS RELATED TO THE DEEPWATER HORIZON OIL SPILL
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2025**

Source	Received in the 2024-25 Fiscal Year	Expended in the 2024-25 Fiscal Year
Triumph Gulf Coast Inc.		
Project #209 - NWFL @ 1-10	\$ 436,223	\$ 132,316
Project #240 - Santa Rosa Industrial Park East	275,611	6,387
Project #251 - Milton Interchange Park	5,709,614	6,706,545
Project #331 - Bagdad Distribution	4,364,000	65,600
U.S. Department of the Interior		
Natural Resource Damage Assessment and Restoration N1220CPT0011021	72	289
Gulf Ecosystem Restoration Council		
Gulf Coast Ecosystem Restoration Council Comprehensive Plan Component Prog RES16	-	373,791
TOTAL:	\$ 10,785,520	\$ 7,284,928

This includes funds related to the Deepwater Horizon Oil Spill that are considered Federal Awards not audited as a major program or State financial assistance not audited as a major project. These expenditures are reported on the Schedule of Expenditures of Federal Awards and State Financial Assistance under Assistance Listing #15.658 and #87.051.

This does not include funds related to the Deepwater Horizon Oil Spill that are Federal awards audited as a major program or State financial assistance audited as a major project. The Schedule of Expenditures of Federal Awards and State Financial Assistance includes ALN #21.015 expenditures of federal awards of \$6,000,909 and ALN #87.052 expenditures of federal awards of \$1,569,929 that are audited as major programs and related to the Deepwater Horizon Oil Spill.

This schedule is prepared on the cash basis of accounting.

See independent auditors' report on the previous page.

MANAGEMENT LETTER

The Honorable Board of County Commissioners
Santa Rosa County, Florida

Report on the Financial Statements

We have audited the financial statements Santa Rosa County, Florida (hereinafter referred to as the "County"), as of and for the year ended September 30, 2025, and have issued our report thereon dated April 30, 2026.

Auditors' Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditors' Report on Internal Control Over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountants' Report on Examination of Compliance Requirements in Accordance with Chapter 10.550, *Rules of the State of Florida Auditor General*. Disclosures in those reports and schedule, which are dated April 30, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the State of Florida 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. See finding 2025-001 in the accompanying schedule of findings and questioned costs. This finding has been repeated in a similar finding identified in finding 2024-001 (FY24), finding 2023-001 (FY23), finding 2022-001 (FY22) and finding 2021-001 (FY 21).

Financial Condition and Management

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

Financial Condition and Management - Continued

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the State of Florida Auditor General*, we applied financial condition assessment procedures. 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 same.

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

Property Assessed Clean Energy (PACE) Programs

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

Specific Information

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, *Rules of the State of Florida Auditor General*, the Districts referenced below reported:

Blackwater Soil and Water Conservation District - The operations of the District are included within the General Fund.

- a. The total number of District employees compensated in the last pay period of the District's fiscal year was four.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal year was 0.
- c. All compensation earned by or awarded to employees, whether paid or accrued regardless of contingency was \$472,782.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency was \$0.
- e. The District does not have any construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1 of the fiscal year being reported.
- f. A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes, as included in the Schedule of Revenues, Expenditures, and Changes in Fund Balance- Budget to Actual – General Fund as reported in the table of contents.

Santa Rosa County Health Facilities Authority- The Authority reported no operations during the fiscal year.

- a. The total number of District employees compensated in the last pay period of the District's fiscal year was 0.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal year was 0.
- c. All compensation earned by or awarded to employees, whether paid or accrued regardless of contingency was \$0.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency was \$0.
- e. The District does not have any construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1 of the fiscal year being reported.
- f. There was not a budget adopted for the District during the fiscal year.

Santa Rosa County Housing Finance Authority - The Authority reported no operations during the fiscal year.

- a. The total number of District employees compensated in the last pay period of the District's fiscal year was 3.
- b. The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal year was 0.
- c. All compensation earned by or awarded to employees, whether paid or accrued regardless of contingency was \$283,516.
- d. All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency was \$0.
- e. The District does not have any construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1 of the fiscal year being reported.
- f. There was not a budget adopted for the District during the fiscal year.

The specific information reported in the previous paragraph 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.

Special District Component Units

Section 10.554(1)(i)5.d, *Rules of the State of Florida Auditor General*, requires that we determine whether or not a special district that is a component unit of the County provided the financial information necessary for proper reporting of the component unit, within the audited financial statements of the County in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we determined that all special district component units provided the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Additional Matters

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

Purpose of 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 State of Florida Auditor General, Federal and other granting agencies, and applicable management and is not intended to be and should not be used by anyone other than these specified parties.

Warren Averett, LLC

Pensacola, Florida
April 30, 2026

**SANTA ROSA COUNTY, FLORIDA
CLERK OF COURT AND COMPTROLLER**

FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

**SANTA ROSA COUNTY, FLORIDA
CLERK OF COURT AND COMPTROLLER
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SEPTEMBER 30, 2025**

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INDEPENDENT AUDITORS' REPORT

Honorable Jason English – Clerk of Court and Comptroller
Santa Rosa County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Office of Clerk of Court and Comptroller of Santa Rosa County, Florida (hereinafter referred to as “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 for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to the 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 Auditors’ Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Clerk, and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above have been prepared for the purpose of complying with the *Rules of the Auditor General*, 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 aggregate remaining fund information, only for that portion of the major funds, and the aggregate remaining fund information, of Santa Rosa County, Florida, that are attributable to the Clerk. They do not purport to, and do not, present fairly the financial position of Santa Rosa 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Clerk's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

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

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

Required Supplementary Information

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

Supplementary Information

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

Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 30, 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, grant agreements and other matters included under the heading: Independent Auditors' 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 the 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. The 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.

Warren Averett, LLC

Pensacola, Florida
January 30, 2026

**SANTA ROSA COUNTY, FLORIDA
CLERK OF COURT AND COMPTROLLER
BALANCE SHEET – ALL GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025**

	Major Funds			Non-Major	Total
	General	Courts	Records	Child	
		Technology	Modernization	Support	
			Trust	Title IV-D	
ASSETS					
Cash and cash equivalents	\$ 2,529,416	\$ 750,643	\$ 1,440,836	\$ -	\$ 4,720,895
Accounts receivable, net	3,887	-	-	-	3,887
Due from other funds	84,221	-	-	-	84,221
Due from other governmental units	57,404	-	-	37,509	94,913
TOTAL ASSETS	\$ 2,674,928	\$ 750,643	\$ 1,440,836	\$ 37,509	\$ 4,903,916
LIABILITIES					
Accounts payable	\$ 35,266	\$ 1,381	\$ -	\$ -	\$ 36,647
Accrued wages and salaries	377,214	7,026	-	-	384,240
Due to BOCC	1,003,035	-	-	-	1,003,035
Due to other funds	46,712	-	-	37,509	84,221
Due to other governmental units	1,191,771	39,511	-	-	1,231,282
Deposits	20,930	-	-	-	20,930
TOTAL LIABILITIES	2,674,928	47,918	-	37,509	2,760,355
FUND BALANCES					
Restricted for records modernization	-	-	1,440,836	-	1,440,836
Restricted for court equipment and technology	-	702,725	-	-	702,725
TOTAL FUND BALANCES	-	702,725	1,440,836	-	2,143,561
TOTAL LIABILITIES AND FUND BALANCES	\$ 2,674,928	\$ 750,643	\$ 1,440,836	\$ 37,509	\$ 4,903,916

See notes to the financial statements.

**SANTA ROSA COUNTY, FLORIDA
CLERK OF COURT AND COMPTROLLER
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – ALL GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<u>Major Funds</u>			<u>Non-Major</u>	<u>Total</u>
	<u>General</u>	<u>Courts Technology</u>	<u>Records Modernization Trust</u>	<u>Child Support Title IV-D</u>	
REVENUES					
Intergovernmental	\$ 466,977	\$ -	\$ -	\$ 268,833	\$ 735,810
Charges for services	4,439,821	467,693	123,074	-	5,030,588
Fines and forfeitures	1,094,345	-	-	-	1,094,345
Miscellaneous	124,285	-	-	-	124,285
Total revenues	<u>6,125,428</u>	<u>467,693</u>	<u>123,074</u>	<u>268,833</u>	<u>6,985,028</u>
EXPENDITURES					
Current:					
General government:					
Financial and administrative:					
Personal services	4,377,189	-	-	-	4,377,189
Operating	1,778,395	-	-	-	1,778,395
Capital outlay	185,815	-	-	-	185,815
Judicial:					
Personal services	4,040,825	270,830	-	268,833	4,580,488
Operating	61,576	92,443	-	-	154,019
Debt service:					
Principal	174,027	4,101	-	-	178,128
Interest	15,901	146	-	-	16,047
Total expenditures	<u>10,633,728</u>	<u>367,520</u>	<u>-</u>	<u>268,833</u>	<u>11,270,081</u>
(Deficiency) excess of revenue over (under) expenditures	(4,508,300)	100,173	123,074	-	(4,285,053)
OTHER FINANCING SOURCES (USES)					
BOCC appropriation	6,105,667	-	-	-	6,105,667
BOCC unspent revenues	(1,009,035)	-	-	-	(1,009,035)
Payments to Clerks of the Court Trust Fund	(588,332)	-	-	-	(588,332)
Total other financing sources	<u>4,508,300</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>4,508,300</u>
NET CHANGE IN FUND BALANCES	-	100,173	123,074	-	223,247
FUND BALANCES, BEGINNING	-	602,552	1,317,762	-	1,920,314
FUND BALANCES, ENDING	<u>\$ -</u>	<u>\$ 702,725</u>	<u>\$ 1,440,836</u>	<u>\$ -</u>	<u>\$ 2,143,561</u>

See notes to the financial statements.

**SANTA ROSA COUNTY, FLORIDA
CLERK OF COURT AND COMPTROLLER
STATEMENT OF FIDUCIARY NET POSITION – CUSTODIAL FUNDS
SEPTEMBER 30, 2025**

ASSETS

Cash and cash equivalents	<u>\$ 6,231,706</u>
TOTAL ASSETS	6,231,706
Accounts payable	<u>2,324</u>
TOTAL LIABILITIES	<u>\$ 2,324</u>

NET POSITION

Restricted for:	
Cash bonds	\$ 379,316
Court registry	2,839,651
General trust	<u>3,010,415</u>
TOTAL NET POSITION	<u><u>\$ 6,229,382</u></u>

See notes to the financial statements.

**SANTA ROSA COUNTY, FLORIDA
CLERK OF COURT AND COMPTROLLER
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

ADDITIONS

Deposits in court registry	\$ 5,755,435
Recording fees	29,164,174
Deposits for real auction	1,049,135
Deposits for tax deeds	1,106,857
Deposits for restitution	241,926
Deposits for bonds	695,675
Payments from State	20,000
Payments from individuals	4,241,030
TOTAL ADDITIONS	<u>42,274,232</u>

DEDUCTIONS

Release of bonds	586,369
Refunds of real auction deposits	1,835,628
Tax deed deferred	409,216
Payments to State	32,645,574
Payment to local agencies	1,569,904
Payments for witnesses	22,035
Payments to victims	295,554
Refunds	181,327
Court-ordered disbursements	6,347,646
Flower fund	913
TOTAL DEDUCTIONS	<u>43,894,166</u>
CHANGES IN NET POSITION	(1,619,934)
NET POSITION, BEGINNING	<u>7,849,316</u>
NET POSITION, ENDING	<u><u>\$ 6,229,382</u></u>

See notes to the financial statements.

**SANTA ROSA COUNTY, FLORIDA
CLERK OF COURT AND COMPTROLLER
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the financial statements follows:

Reporting Entity

The Office of the Clerk of Court and Comptroller of Santa Rosa County, Florida (the Clerk), was established as a constitutional office of Santa Rosa County, Florida (the County), by Article VIII, Section 1(d) of the Constitution of the State of Florida. The Clerk is an elected official of the County and serves as Clerk of the Circuit Court (duties described in Chapter 28, *Florida Statutes*), Clerk of the County Court (duties described in Chapter 34, *Florida Statutes*), and Clerk and Accountant to the Santa Rosa County Board of County Commissioners (the BOCC). In this capacity, the Clerk is required to keep the minutes of the county commission, keep the accounts of the County, invest County funds and perform such other duties as provided by law. The Clerk's office is funded by appropriations from the BOCC and by fees charged for providing court-related services. Although the Clerk is operationally autonomous from the BOCC, it does not hold sufficient corporate powers to be considered a legally separate entity for financial reporting purposes. Therefore, the Clerk is considered part of the County's primary government.

The Clerk's individual financial statements do not purport to reflect the financial position or the results of operations of the primary government of the County taken as a whole. The combined financial statements of the primary government of the County, include the individual statements of the following elected officials and those of separately administered organizations that are controlled by or are dependent upon the county:

Board of County Commissioners
Clerk of the Circuit Court and County Comptroller
Sheriff
Tax Collector
Property Appraiser
Supervisor of Elections

Financial activities of other component units that form the reporting entity of the primary government of the County are not included in these financial statements.

Fund Accounting

The accounting system of the Clerk's office is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and financial resources, together with all related liabilities and residual equities or balances and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

**SANTA ROSA COUNTY, FLORIDA
CLERK OF COURT AND COMPTROLLER
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

The funds utilized by the Clerk are as follows:

Governmental Funds

These funds utilize a modified accrual basis of accounting. The measurement focus is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources rather than upon net income determination).

The Clerk reports the following major governmental funds:

General Fund is used to account for all financial resources of the Clerk not accounted for and reported in other funds.

Courts Technology Fund is a special revenue fund used to account for the court-related technology needs of the Clerk.

Records Modernization Trust Fund is a special revenue fund used to account for monies collected according to Chapter 28.24, *Florida Statutes*, to be used exclusively for equipment, personnel training and technical assistance in modernizing the official records system, and to pay for equipment and start-up costs necessitated by a statewide recording system.

The non-major governmental fund of the Clerk is as follows:

Title IV-D Fund is a special revenue fund used to account for activities related to Title IV-D child support cases. The funding provides assistance to the plaintiff and enforcement of collections through the Office of Child Support Enforcement.

Fiduciary Funds

The Clerk uses custodial funds to account for assets being held in a custodial capacity for individuals, private organizations and/or other governments.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. The basis of accounting relates to the timing of the measurement 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 both measurable and available as net current assets. The Clerk considers receivables collected within 60 days after year end to be available and recognizes them as revenues of the current year. Expenditures are recognized when the related fund liability is incurred. Custodial funds use the accrual basis of accounting.

Cash and Cash Equivalents

The Clerk's cash and cash equivalents consist of cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

**SANTA ROSA COUNTY, FLORIDA
CLERK OF COURT AND COMPTROLLER
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Accounting for Capital Assets

Capital assets (vehicles, equipment and other tangible property and certain intangible property costing at least \$5,000, with a useful life of more than one year) are recorded as expenditures at the time of purchase. These assets are capitalized at cost and are accounted for in the County's government-wide financial statements.

Compensated Absences

The Clerk records a compensated absences liability for leave that 1) can be carried forward to future reporting periods; 2) was earned based on service that the employee has already provided; and 3) is more likely than not to be used, paid, or otherwise settled with the Clerk. The compensated absences liability is measured using the pay rates in effect as of the financial statement date, including directly and incrementally associated salary-related employer taxes and benefits. Changes to pay rates will be recognized in future periods as those changes occur. The Clerk uses a first-in, first-out (FIFO) flow assumption for calculating the portion of the liability due within one year. The liability is reported within the statement of net position in the County's government-wide financial statements.

Unspent Revenue

Annually, the Clerk must remit to the BOCC any unspent revenues attributable to non-court-related functions. Additionally, the Clerk must calculate and remit to the Department of Revenue Clerks of Courts Trust Fund the unspent revenues attributable to state-funded, court-related functions. These amounts are reported as due to other governmental units at year end.

Fund Balances

Fund balances are classified either as non-spendable or as restricted, committed, assigned or unassigned based on the extent to which there are external and internal constraints on the spending of these fund balances.

Change in Accounting Principle

Effective October 1, 2024, the Clerk adopted the provisions of GASB Statement No. 101, *Compensated Absences* (GASBS 101). This pronouncement establishes a unified model for recognition and measurement of liabilities associated with compensated absences, including vacation, sick leave and other paid time off. GASBS 101 is expected to result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation and can be applied consistently to different types of leave offered by governmental employers.

As part of the implementation process, the Clerk has evaluated whether leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means by assessing relevant factors, such as the Clerk's employment policies related to compensated absences; historical information about the use, payment or forfeiture of compensated absences; and known information that would indicate that historical information may not be representative of future trends or patterns. Since this liability is only reported in the County's government-wide statement of net position, the implementation of this standard had no impact on the Clerk's financial statements.

**SANTA ROSA COUNTY, FLORIDA
CLERK OF COURT AND COMPTROLLER
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

2. CASH

At September 30, 2025, the banks reported deposits before outstanding checks of approximately \$11 million, all of which were held by a financial institution designated as a qualified public depository by the State Treasurer. All deposits were fully insured through a combination of federal depository insurance and participation of the financial institution in the multiple financial institution collateral pool as specified in Chapter 280, *Florida Statutes*. Accordingly, risk of loss due to bank failure is not significant.

3. PENSION AND RETIREMENT PLAN

Substantially, all full-time employees of the Clerk are covered by the Florida Retirement System (FRS). The FRS was established in 1970 by Chapter 121, *Florida Statutes*, and is administered by the Florida Department of Management Services, Division of Retirement. Changes to the FRS can be made only by an act of the Florida Legislature. Rules governing the operation and administration of the system may be found in Chapter 60S of the Florida Administrative Code. The FRS issues a financial report that includes financial statements and required supplementary information. The report may be obtained at www.myfrs.com or by writing to FRS, 2639-C North Monroe Street, Tallahassee, Florida, 32399.

The FRS offers two retirement plans – the FRS Pension Plan and the FRS Investment Plan. An employee may participate in only one of the plans. Both plans, effective July 1, 2011, are funded monthly by a combination of employer and employee contributions.

The FRS Pension Plan is a multiple employer, cost-sharing defined benefit plan, which provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. For employees who were enrolled in the plan prior to July 1, 2011, normal retirement benefits are available at age 62 with six or more years of service or to those employees who have at least 30 years of creditable service, regardless of age. Early retirement is available after six years of service with a 5% reduction of benefits for each year prior to the normal retirement age.

For employees enrolling in the plan for the first time on or after July 1, 2011, normal retirement benefits are available at age 65 with eight or more years of service or to those employees who have at least 33 years of creditable service, regardless of age. Early retirement is available after eight years of service with a 5% reduction of benefits for each year prior to the normal retirement age.

Retirement age and years of service requirements also vary depending on membership class. Retirement benefits are based upon age, average compensation and years-of-service credit where average compensation is computed as the average of the members highest five (if enrolled prior to July 1, 2011) or eight (if enrolled on or after July 1, 2011) fiscal years of earnings.

The FRS Investment Plan is a defined contribution plan funded monthly by employer and employee contributions based on salary and membership class. Employer contributions vest after one year of service, whereas employee contributions vest immediately. Members in the Investment Plan decide how their funds are allocated between various investment accounts, and the vested funds are portable upon termination.

**SANTA ROSA COUNTY, FLORIDA
CLERK OF COURT AND COMPTROLLER
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

The final retirement benefit is equal to the vested contributions plus investment earnings less expenses and losses allocated to the member’s account. Members in the Investment Plan are not eligible for participation in the Deferred Retirement Option Program (DROP).

DROP is available for members of the FRS Pension Plan, who are vested and elect to participate in DROP within one year after reaching normal retirement age. Under this program, a member effectively retires while continuing to be employed for up to eight years. While in DROP, the member’s deferred monthly retirement benefits accumulate, earning interest and cost-of-living increases. When the DROP period is over, the participant terminates covered employment and begins receiving their predetermined monthly retirement benefit, as well as the accrued DROP benefit. Disability retirees are not eligible to participate in DROP, and DROP participants do not qualify for disability retirement.

Prior to July 2011, the plans were noncontributory for employees with all contributions being the participating FRS employer’s responsibility. Effective July 1, 2011, participating employees contribute 3% of their gross salaries each pay period to the plan. Participating employer contributions are based upon rates established by the State of Florida.

Blended contribution rates for the fiscal years ended September 30, 2025, 2024 and 2023, were as follows:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
<u>Regular Class:</u>			
Members not qualifying for other classes	13.73%	13.59%	23.33%
<u>Special Risk Class:</u>			
Members qualifying for special risk	33.39%	32.70%	29.04%
<u>Senior Management Class:</u>			
Members of senior management who do not elect the optional annuity retirement program	34.20%	34.52%	32.31%
<u>Elected Officials Class:</u>			
Certain elected county officials	57.65%	58.68%	57.42%
<u>Deferred Retirement Option Program (DROP):</u>			
Members enrolled in DROP from FRS	21.35%	21.13%	19.23%

The Clerk’s contributions to the Pension Plan, funded on a pay-as-you-go basis, were equal to the actuarially determined contributions for each year. Contributions to the Investment Plan were equal to the legislatively mandated contribution rates. Contributions to both plans totaled \$952,199, \$845,129, and \$783,957, for the years ended September 30, 2025, 2024 and 2023, respectively.

**SANTA ROSA COUNTY, FLORIDA
CLERK OF COURT AND COMPTROLLER
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Net Pension Liability – Proportionate Share

The Clerk has a net FRS pension liability determined in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. This long-term liability is only reported in the County-wide financial statements and is not a current liability of the governmental funds. All required disclosures and schedules may be found in the County’s Comprehensive Annual Financial Report of Santa Rosa County, Florida.

4. OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLAN

The BOCC offers postemployment health care benefits (OPEB) to all retired employees of the Clerk’s Office and their dependents. Participating retirees are required to reimburse the BOCC for 100% of the premium cost, which is netted against the premium payment, so that no net expense is initially recorded in the Board’s financial statements. However, these retirees are receiving an “implicit subsidy” because the premium is a group rate, which includes active, lower-cost employees. This implicit subsidy has a cost; however, this annual cost and the total OPEB liability are measured as the portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service. The total OPEB liability and other required disclosures have been calculated for the County as a whole and not separately for the Clerk’s Office. Accordingly, these calculations and disclosures can be found in the County’s Comprehensive Annual Financial Report.

5. FUND BALANCES

Fund balances consist of the following:

Non-spendable fund balances include amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact. The Clerk does not have any non-spendable fund balances.

The remaining fund balances are classified as follows, depending on the Clerk’s ability to control their spending:

Restricted fund balances can only be used for specific purposes, which are externally imposed by creditors, grantors, contributors, laws or regulations, or are imposed by law through constitutional provisions or enabling legislation.

Committed fund balances can only be used for specific purposes imposed internally by the Clerk’s formal action of highest level of decision-making authority. At year end, the Clerk had no committed fund balances.

Assigned fund balances are fund balances intended to be used for specific purposes, but which do not meet the more formal criterion to be considered either restricted or committed. At year end, the Clerk had no assigned fund balances.

**SANTA ROSA COUNTY, FLORIDA
CLERK OF COURT AND COMPTROLLER
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Unassigned fund balances represent the residual positive fund balance within the General Fund, which has not been assigned to other funds and has not been restricted, committed or assigned. In funds other than the General Fund, unassigned fund balances are limited to negative residual balances. At year end, the Clerk had no unassigned fund balances because all unspent revenues of the General Fund are required to be returned to the BOCC, and there were no negative residual balances in the special revenue funds.

6. CLAIMS AND CONTINGENCIES

The Clerk is involved from time to time in routine civil litigation incidental to the ordinary course of operations. In the opinion of management and legal counsel, there are no lawsuits or claims outstanding, which might materially affect the financial position of the Clerk's Office.

7. 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 natural disasters. The BOCC maintains a Self-Insurance Fund (an internal service fund) to account for and finance its uninsured risks of loss.

Under this program, the County is self-insured with respect to the following exposures:

- Workers Compensation
- Auto Physical Damage
- Auto Liability
- Construction and Road Equipment
- Portable Communication Equipment

The County is covered by outside insurance for the following exposures:

- Building and Contents – \$5,000 deductible
- Boats
- Employee Fidelity
- General Liability – \$25,000 deductible
- Public Officials' Liability – \$25,000 deductible

Conventional insurance remains in effect for buildings and contents. There also were no significant reductions in insurance coverage from the prior year, and settled claims resulting from conventional insurance risks have not exceeded coverage in any of the past three fiscal years. The County is a member of the Florida Association of Counties Trust, a pooled liability program providing general liability coverage and public official's liability coverage. The Clerk participates in the program and makes payments to the Self-Insurance Fund based on historical estimates of amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses.

REQUIRED SUPPLEMENTARY INFORMATION

**SANTA ROSA COUNTY, FLORIDA
CLERK OF COURT AND COMPTROLLER
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL – GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	General Fund			Variance with Final Budget Positive (Negative)
	Original Budget	Final Budget	Actual	
REVENUES				
Intergovernmental	\$ 411,000	\$ 412,769	\$ 466,977	\$ 54,208
Charges for services	3,962,070	4,056,120	4,439,821	383,701
Fines and forfeitures	1,118,075	1,118,075	1,094,345	(23,730)
Miscellaneous	87,635	87,635	124,285	36,650
Total revenues	5,578,780	5,674,599	6,125,428	450,829
EXPENDITURES				
Current:				
General government:				
Financial and administrative:				
Personal services	4,855,342	4,596,540	4,377,189	219,351
Operating	938,538	1,323,634	1,778,395	(454,761)
Capital outlay	96,000	72,280	185,815	(113,535)
Judicial:				
Personal services	5,667,986	4,689,071	4,040,825	648,246
Operating	143,665	1,118,349	61,576	1,056,773
Capital outlay	-	6,000	-	6,000
Debt service:				
Principal	-	-	174,027	(174,027)
Interest	-	-	15,901	(15,901)
Total expenditures	11,701,531	11,805,874	10,633,728	1,172,146
Deficiency of revenues under expenditures	(6,122,751)	(6,131,275)	(4,508,300)	1,622,975
OTHER FINANCING SOURCES (USES)				
BOCC appropriation	6,122,751	6,131,275	6,105,667	(25,608)
BOCC unspent revenues	-	-	(1,009,035)	(1,009,035)
Payments to Clerks of the Court Trust Fund	-	-	(588,332)	(588,332)
Total other financing sources	6,122,751	6,131,275	4,508,300	(1,622,975)
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCES, BEGINNING	-	-	-	-
FUND BALANCES, ENDING	\$ -	\$ -	\$ -	\$ -

See notes to required supplementary information.

**SANTA ROSA COUNTY, FLORIDA
CLERK OF COURT AND COMPTROLLER
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL –MAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Special Revenue Fund Courts Technology Fund				Special Revenue Fund Records Modernization Trust Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget (Negative) Positive	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
REVENUES								
Charges for services	\$ 382,000	\$ 442,000	\$ 467,693	\$ 25,693	\$ 114,800	\$ 114,800	\$ 123,074	\$ 8,274
Total revenues	382,000	442,000	467,693	25,693	114,800	114,800	123,074	8,274
EXPENDITURES								
Current:								
Judicial:								
Personal services	285,228	285,228	270,830	14,398	-	-	-	-
Operating	96,772	156,772	92,443	64,329	-	-	-	-
Capital outlay	-	-	-	-	114,800	114,800	-	114,800
Debt service:								
Principal	-	-	4,101	(4,101)	-	-	-	-
Interest	-	-	146	(146)	-	-	-	-
Total expenditures	382,000	442,000	367,520	74,480	114,800	114,800	-	114,800
Excess (deficiency) of revenues over (under)expenditures	-	-	100,173	(48,787)	-	-	123,074	(106,526)
FUND BALANCES, BEGINNING	779,820	779,820	602,552	146,718	804,903	804,903	1,317,762	512,859
FUND BALANCES, ENDING	<u>\$ 779,820</u>	<u>\$ 779,820</u>	<u>\$ 702,725</u>	<u>\$ 97,931</u>	<u>\$ 804,903</u>	<u>\$ 804,903</u>	<u>\$ 1,440,836</u>	<u>\$ 406,333</u>

See notes to required supplementary information.

**SANTA ROSA COUNTY, FLORIDA
CLERK OF COURT AND COMPTROLLER
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2025**

BUDGET AND BUDGETARY ACCOUNTING

The Clerk establishes annual budgets for its general fund and special revenue funds pursuant to Section 218.35, *Florida Statutes*. The Clerk's budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America. The legal level of budgetary control is the fund level.

SUPPLEMENTARY INFORMATION

**COMBINING FUND
FINANCIAL STATEMENTS**

**SANTA ROSA COUNTY, FLORIDA
CLERK OF COURT AND COMPTROLLER
COMBINING STATEMENT OF FIDUCIARY NET POSITION –
CUSTODIAL FUNDS
SEPTEMBER 30, 2025**

	<u>Court Registry</u>	<u>Fines and Costs</u>	<u>Intangible Tax</u>	<u>State Documentary Stamp</u>	<u>Suspense</u>	<u>Tax Redemption</u>	<u>Ordinary Witness</u>	<u>Bail Bonds</u>	<u>Flower Trust Fund</u>	<u>Total</u>
ASSETS										
Cash and cash equivalents	\$2,839,651	\$ 232,225	\$ 49,089	\$ 234,733	\$ 75,677	\$ 2,411,137	\$ 7,989	\$ 379,316	\$ 1,889	\$ 6,231,706
TOTAL ASSETS	2,839,651	232,225	49,089	234,733	75,677	2,411,137	7,989	379,316	1,889	6,231,706
LIABILITIES										
Accounts payable	-	-	-	-	2,257	-	67	-	-	2,324
TOTAL LIABILITIES	-	-	-	-	2,257	-	67	-	-	2,324
NET POSITION										
Restricted for:										
Cash bonds	-	-	-	-	-	-	-	379,316	-	379,316
Court registry	2,839,651	-	-	-	-	-	-	-	-	2,839,651
General trust	-	232,225	49,089	234,733	73,420	2,411,137	7,922	-	1,889	3,010,415
TOTAL NET POSITION	<u>\$2,839,651</u>	<u>\$ 232,225</u>	<u>\$ 49,089</u>	<u>\$ 234,733</u>	<u>\$ 73,420</u>	<u>\$ 2,411,137</u>	<u>\$ 7,922</u>	<u>\$ 379,316</u>	<u>\$ 1,889</u>	<u>\$ 6,229,382</u>

See independent auditors' report.

**SANTA ROSA COUNTY, FLORIDA
CLERK OF COURT AND COMPTROLLER
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION –
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Custodial Funds									
	Court Registry	Fines and Costs	Intangible Tax	State Documentary Stamp	Suspense	Tax Redemption	Ordinary Witness	Bail Bonds	Flower Trust Fund	Total
ADDITIONS										
Deposits in court registry	\$ 5,755,435	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,755,435
Recording fees	94,866	-	4,179,677	24,889,631	-	-	-	-	-	29,164,174
Deposits for real estate auction	1,049,135	-	-	-	-	-	-	-	-	1,049,135
Deposits for tax deeds	-	-	-	-	-	1,106,857	-	-	-	1,106,857
Deposits for restitution	-	-	-	-	241,926	-	-	-	-	241,926
Deposits for bonds	-	-	-	-	-	-	-	695,675	-	695,675
Payments from State	-	-	-	-	-	-	20,000	-	-	20,000
Payments from individuals	-	3,317,548	-	-	922,674	-	-	-	808	4,241,030
TOTAL ADDITIONS	6,899,436	3,317,548	4,179,677	24,889,631	1,164,600	1,106,857	20,000	695,675	808	42,274,232
DEDUCTIONS										
Release of bonds	-	-	-	-	-	-	-	586,369	-	586,369
Refunds of real estate auction deposits	1,479,772	-	-	-	-	355,856	-	-	-	1,835,628
Tax deed deferred	-	-	-	-	-	409,216	-	-	-	409,216
Payments to State	108,155	1,953,498	4,266,359	25,524,955	792,607	-	-	-	-	32,645,574
Payments to local agencies	-	1,413,177	20,436	121,974	14,317	-	-	-	-	1,569,904
Payments for witnesses	-	-	-	-	-	-	22,035	-	-	22,035
Payments to victims	-	-	-	-	295,554	-	-	-	-	295,554
Refunds	-	-	-	-	41,130	140,197	-	-	-	181,327
Court ordered disbursements	6,347,646	-	-	-	-	-	-	-	-	6,347,646
Flower fund	-	-	-	-	-	-	-	-	913	913
TOTAL DEDUCTIONS	7,935,573	3,366,675	4,286,795	25,646,929	1,143,608	905,269	22,035	586,369	913	43,894,166
CHANGES IN NET POSITION	(1,036,137)	(49,127)	(107,118)	(757,298)	20,992	201,588	(2,035)	109,306	(105)	(1,619,934)
NET POSITION, BEGINNING	3,875,788	281,352	156,207	992,031	52,428	2,209,549	9,957	270,010	1,994	7,849,316
NET POSITION, ENDING	\$ 2,839,651	\$ 232,225	\$ 49,089	\$ 234,733	\$ 73,420	\$ 2,411,137	\$ 7,922	\$ 379,316	\$ 1,889	\$ 6,229,382

See independent auditors' report.

**INDEPENDENT AUDITORS' 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**

Honorable Jason English – Clerk of Court and Comptroller
Santa Rosa 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 Office of Clerk of Court and Comptroller of Santa Rosa County, Florida (hereinafter referred to as “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 January 30, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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



Pensacola, Florida
January 30, 2026

**INDEPENDENT ACCOUNTANTS' REPORT ON EXAMINATION OF
COMPLIANCE REQUIREMENTS PERFORMED IN ACCORDANCE WITH
CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

Honorable Jason English – Clerk of Court and Comptroller
Santa Rosa County, Florida

We have examined the Office of Clerk of Court and Comptroller of Santa Rosa County, Florida's (hereinafter referred to as the "Clerk"), compliance with Florida Statute 218.415 regarding investments, Florida Statutes 28.35 and 28.36 regarding certain court-related functions and Florida Statute 61.181 regarding the operation of a depository for alimony and child support for the year ended September 30, 2025. Management is responsible for the Clerk's compliance with those requirements. Our responsibility is to express an opinion on the Clerk's compliance based on our examination.

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

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination 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 aforementioned requirements for the year ended September 30, 2025.

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



Pensacola, Florida
January 30, 2026

MANAGEMENT LETTER

Honorable Jason English – Clerk of Court and Comptroller
Santa Rosa 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 Office of Clerk of Court and Comptroller of Santa Rosa County, Florida (hereinafter referred to as “Clerk”), as of and for the year ended September 30, 2025, and have issued our report thereon dated January 30, 2026.

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

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no recommendations made in the preceding 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 Clerk was established by Article VIII, Section 1(d) of the Constitution of the State of Florida. There are no component units related to the Clerk.

Financial Management

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

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or 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 Clerk and the Santa Rosa County Board of County Commissioners, and is not intended to be, and should not be, used by anyone other than these specified parties.

Warren Averett, LLC

Pensacola, Florida
January 30, 2026

**SANTA ROSA COUNTY, FLORIDA
CLERK OF COURT AND COMPTROLLER
MANAGEMENT'S RESPONSE TO MANAGEMENT LETTER
SEPTEMBER 30, 2025**

There are no findings which require a response from management.

**SANTA ROSA COUNTY, FLORIDA
PROPERTY APPRAISER**

FINANCIAL STATEMENTS

SEPTEMBER 30, 2025



www.warrenaverett.com

The report accompanying this deliverable was issued
by Warren Averett, LLC.

**SANTA ROSA COUNTY, FLORIDA
PROPERTY APPRAISER
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SEPTEMBER 30, 2025**

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INDEPENDENT AUDITORS' REPORT

Honorable Gregory S. Brown
Santa Rosa County Property Appraiser

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the general fund of the Santa Rosa 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 respective financial position of the general fund information for the Property Appraiser as of September 30, 2025, and the respective changes in financial position thereof for the fiscal year then ended, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Property Appraiser and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the *Rules of the Auditor General* of the State of Florida (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 information, but only for that portion of the major funds and the aggregate remaining fund information of Santa Rosa County, Florida, that is attributable to the Property Appraiser. They do not purport to, and do not, present fairly the financial position of Santa Rosa 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 Property Appraiser's ability to continue as a going concern for 12 months beyond the financial statement date, including any known information that may raise substantial doubt shortly thereafter.

Auditors' 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 auditors' 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 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, 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 generally accepted auditing standards and *Government Auditing Standards*, we:

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedule, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board which 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated January 16, 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, 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.

Warren Averett, LLC

Pensacola, Florida
January 16, 2026

**SANTA ROSA COUNTY, FLORIDA PROPERTY APPRAISER
BALANCE SHEET – GENERAL FUND
SEPTEMBER 30, 2025**

ASSETS

Cash	<u><u>\$ 835,510</u></u>
------	--------------------------

LIABILITIES

Accounts payable	19,274
Due to Board of County Commissioners	707,427
Accrued payroll and benefits	<u>108,809</u>
Total liabilities	835,510

FUND BALANCE

Fund balance – unassigned	<u>-</u>
Total liabilities and fund balance	<u><u>\$ 835,510</u></u>

See notes to the financial statements.

**SANTA ROSA COUNTY, FLORIDA PROPERTY APPRAISER
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE –
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

REVENUES	
Charges for services	\$ 71,704
Miscellaneous	10,386
	82,090
EXPENDITURES	
Current	
General government:	
Personal services	3,670,913
Operating expenditures	692,529
Capital outlay	49,588
	4,413,030
Total expenditures	(4,330,940)
Deficiency of revenues under expenditures	
OTHER FINANCING SOURCES (USES)	
Board of County Commissioners appropriation	5,038,367
Board of County Commissioners unspent revenue	(707,427)
	4,330,940
NET CHANGE IN FUND BALANCE	
	-
FUND BALANCE, BEGINNING OF YEAR	
	-
FUND BALANCE, END OF YEAR	
	\$ -

See notes to the financial statements.

**SANTA ROSA COUNTY, FLORIDA
PROPERTY APPRAISER
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

1. SUMMARY OF ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the financial statements follows.

Reporting Entity

The Santa Rosa County, Florida, Property Appraiser (the Property Appraiser), is an elected constitutional officer as provided by Article VIII, Section 1(d) of the Constitution of the State of Florida. The Property Appraiser's budget is submitted to the Florida Department of Revenue (per Florida Statute 195.087) for approval. The Santa Rosa County Board of County Commissioners (the Board) appropriates and distributes to the Property Appraiser on a monthly basis the funds necessary to operate the Property Appraiser's office.

For financial reporting purposes, the Property Appraiser is deemed to be a part of the primary government of Santa Rosa County, Florida (the County), and therefore, is included as such in the County's Comprehensive Annual Financial Report. The Property Appraiser's individual financial statements do not purport to reflect the financial position or the results of operations of the primary government of the County, taken as a whole. The combined financial statements of the primary government of the County include the individual statements of the following elected officials and those separately administered organizations that are controlled by or are dependent upon the County:

- Board of County Commissioners
- Clerk of the Circuit Court and Comptroller
- Sheriff
- Tax Collector
- Property Appraiser
- Supervisor of Elections

Financial activities of other component units that form the reporting entity of the primary government of the County are not included in these financial statements.

Fund Accounting

The accounting system of the Property Appraiser is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and financial resources, together with all related liabilities and residual equities or balances and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The general fund of the Property Appraiser is used to account for all financial resources, which are generated from operations of the office, appropriations from the Board, or any other resources not required to be accounted for in another fund. The measurement focus is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources rather than upon net income determination).

**SANTA ROSA COUNTY, FLORIDA
PROPERTY APPRAISER
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. The basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. The general fund uses the modified accrual basis of accounting. Its revenues are recognized when they become both measurable and available as net current assets. The Property Appraiser considers receivables collected within 60 days after year end to be available and recognizes them as revenues of the current year. Expenditures are recognized when the related fund liability is incurred, except for compensated absences.

Accounting for Capital Assets

Capital assets (vehicles, equipment other tangible property and certain intangible property costing at least \$5,000 with a useful life of more than one year) are recorded as expenditures at the time of purchase. These assets are capitalized at cost and accounted for in the County's government-wide financial statements.

Compensated Absences

Employees accumulate a limited amount of earned, but unused annual and sick leave, which will be paid upon separation from service. Unpaid compensated absences are recorded as a liability when the benefits are earned in the County's government-wide financial statements. For the general fund, compensated absence expenditures are recognized when payments are made to employees.

Change in Accounting Principle

Effective October 1, 2024, the Property Appraiser adopted the provisions of GASB Statement No. 101, Compensated Absences (GASBS 101). This pronouncement establishes a unified model for recognition and measurement of liabilities associated with compensated absences, including vacation, sick leave and other paid time off. GASBS 101 is expected to result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation and can be applied consistently to different types of leave offered by governmental employers.

As part of the implementation process, the Property Appraiser has evaluated whether leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means by assessing relevant factors, such as the Property Appraiser's employment policies related to compensated absences; historical information about the use, payment or forfeiture of compensated absences; and known information that would indicate that historical information may not be representative of future trends or patterns. Since this liability is only reported in the County's government-wide statement of net position, the implementation of this standard had no impact on the Property Appraiser's financial statements.

Unspent Revenue and Fund Balance

In accordance with Section 218.36(2), Florida Statutes, unspent revenue is remitted to the Board at fiscal year end. This unspent revenue is reported as "Due to Board of County Commissioners"; therefore, fund balance is zero.

**SANTA ROSA COUNTY, FLORIDA
PROPERTY APPRAISER
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Subsequent Events

The Property Appraiser has evaluated events and transactions that occurred between September 30, 2025 and January 16, 2026, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

2. CASH

At September 30, 2025, the bank reported deposits before outstanding checks of approximately \$909,000, all of which were held by a financial institution designated as a “qualified public depository” by the State Treasurer. All deposits were fully insured through a combination of federal depository insurance and participation of the financial institution in the multiple financial institution collateral pool as specified in Chapter 280, Florida Statutes. Accordingly, risk of loss due to bank failure is not significant.

3. PENSION AND RETIREMENT PLAN

Substantially all full-time employees of the Property Appraiser are covered by the Florida Retirement System (FRS). The FRS was established in 1970 by Chapter 121, Florida Statutes, and is administered by the Florida Department of Management Services, Division of Retirement. Changes to the FRS can be made only by an act of the Florida Legislature. Rules governing the operation and administration of the system may be found in Chapter 60S of the Florida Administrative Code. The FRS issues a financial report that includes financial statements and required supplementary information. The report may be obtained at www.myfrs.com or by writing to FRS, 2639-C North Monroe Street, Tallahassee, Florida, 32399.

The FRS offers two retirement plans – the FRS Pension Plan and the FRS Investment Plan. An employee may participate in only one of the plans. Both plans are funded monthly by a combination of employer and employee contributions.

The FRS Pension Plan is a multiple employer, cost-sharing defined benefit plan, which provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. For employees who were enrolled in the plan prior to July 1, 2011, normal retirement benefits are available at age 62 with six or more years of service or to those employees who have at least 30 years of creditable service, regardless of age. Early retirement is available after six years of service with a 5% reduction of benefits for each year prior to the normal retirement age.

For employees enrolling in the plan for the first time on or after July 1, 2011, normal retirement benefits are available at age 65 with eight or more years of service or to those employees who have at least 33 years of creditable service, regardless of age. Early retirement is available after eight years of service with a 5% reduction of benefits for each year prior to the normal retirement age. Retirement age and years of service requirements also vary depending on membership class.

**SANTA ROSA COUNTY, FLORIDA
PROPERTY APPRAISER
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Retirement benefits are based upon age, average compensation and years-of-service credit where average compensation is computed as the average of the members highest five (if enrolled prior to July 1, 2011) or eight (if enrolled on or after July 1, 2011) fiscal years of earnings.

The FRS Investment Plan is a defined contribution plan funded monthly by employer and employee contributions based on salary and membership class. Employer contributions vest after one year of service, whereas employee contributions vest immediately. Members in the FRS Investment Plan decide how their funds are allocated between various investment accounts, and the vested funds are portable upon termination. The final retirement benefit is equal to the vested contributions plus investment earnings, less expenses and losses allocated to the member's account. Members in the Investment Plan are not eligible for participation in the Deferred Retirement Option Program (DROP).

The DROP is available for members of the FRS Pension Plan, who are vested and elect to participate in DROP within one year after reaching normal retirement age. Under this program, a member effectively retires while continuing to be employed for up to eight years. While in DROP, the member's deferred monthly retirement benefits accumulate, earning interest and cost-of-living increases. When the DROP period is over, the participant terminates covered employment and begins receiving their predetermined monthly retirement benefit, as well as the accrued DROP benefit.

Disability retirees are not eligible to participate in DROP, and DROP participants do not qualify for disability retirement.

Participating employees contribute 3% of their gross salaries each pay period to the plan, whereas employer contributions are based upon statewide rates established by the state of Florida. Average contribution rates for the fiscal years ended September 30, 2025, 2024, and 2023, were as follows:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
<u>Regular Class:</u>			
Members not qualifying for other classes	13.73%	13.59%	23.33%
<u>Special Risk Class:</u>			
Members qualifying for special risk	33.39%	32.70%	29.04%
<u>Senior Management Class:</u>			
Members of senior management who do not elect the optional annuity retirement program	34.20%	34.52%	32.31%
<u>Elected Officials Class:</u>			
Certain elected county officials	57.65%	58.68%	57.42%
<u>Deferred Retirement Option Program (DROP):</u>			
Members enrolled in DROP from FRS	21.35%	21.13%	19.23%

The Property Appraiser's contributions to the FRS Pension Plan, funded on a pay-as-you-go basis, were equal to the actuarially determined contributions for each year. Contributions to the FRS Investment Plan were equal to the legislatively mandated contribution rates.

**SANTA ROSA COUNTY, FLORIDA
PROPERTY APPRAISER
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Contributions to both plans totaled \$462,198, \$446,822 and \$406,463 for the years ended September 30, 2025, 2024 and 2023, respectively.

Net Pension Liability – Proportionate Share

The Property Appraiser has a net FRS pension liability determined in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. This long-term liability is only reported in the countywide financial statements and is not a current liability of the general fund. All required disclosures and schedules may be found in the countywide financial statements of Santa Rosa County, Florida.

4. OTHER POST-EMPLOYMENT BENEFIT (OPEB) PLAN

The Board offers post-employment health care benefits (OPEB) to all retired employees of the Property Appraiser’s Office and their dependents. Participating retirees are required to reimburse the Board for 100% of the premium cost, which is netted against the premium payment, so that no net expense is initially recorded in the Board’s financial statements. However, these retirees are receiving an “implicit subsidy” because the premium is a group rate, which includes active, lower-cost employees. This implicit subsidy has a cost; however, this annual cost and the total OPEB liability is measured as the portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service. The total OPEB liability and other required disclosures have been calculated for the County as a whole and not separately for the Property Appraiser’s Office. Accordingly, these calculations and disclosures can be found in the County’s Annual Comprehensive Financial Report.

5. RISK MANAGEMENT

The Property Appraiser is exposed to various risks of loss related to torts; theft and damage of assets; errors and omissions; injuries to employees; and natural disasters. The Board has a Self-Insurance Fund (an internal service fund) to account for and finance its uninsured risks of loss.

The County is self-insured with respect to the following exposures:

- Workers Compensation
- Auto Physical Damage
- Auto Liability
- Construction and Road Equipment
- Portable Communication Equipment

The County is covered by outside insurance for the following exposures:

- Buildings and Contents – \$5,000 deductible
- Boats
- Employee Fidelity
- General Liability – \$25,000 deductible
- Public Officials’ Liability – \$25,000 deductible

**SANTA ROSA COUNTY, FLORIDA
PROPERTY APPRAISER
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. The County is a member of the Florida Association of Counties Trust, a pooled liability program providing general liability coverage and public officials' liability coverage.

The Property Appraiser participates in the County's self-insurance program and makes payments to the Self-Insurance Fund based on historical estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses. No settlement exceeded the Property Appraiser's insurance coverage in any of the past three fiscal years.

6. LITIGATION

The Property Appraiser is contingently liable with respect to lawsuits and other claims, which might be filed incidental to the ordinary course of operations. In the opinion of management, based on the advice of legal counsel, there are no lawsuits or claims outstanding which might have a material adverse effect on the financial position of the Property Appraiser's Office.

REQUIRED SUPPLEMENTARY INFORMATION

**SANTA ROSA COUNTY, FLORIDA PROPERTY APPRAISER
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND (UNAUDITED)
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
REVENUES				
Charges for services	\$ -	\$ -	\$ 71,704	\$ 71,704
Miscellaneous	-	-	10,386	10,386
Total revenues	-	-	82,090	82,090
EXPENDITURES				
Current				
General government:				
Personal services	4,088,578	4,217,895	3,670,913	546,982
Operating expenditures	731,003	731,003	692,529	38,474
Capital outlay	35,800	35,800	49,588	(13,788)
Special contingency	173,780	53,669	-	53,669
Total expenditures	5,029,161	5,038,367	4,413,030	625,337
Deficiency of revenues under expenditures	(5,029,161)	(5,038,367)	(4,330,940)	707,427
OTHER FINANCING SOURCES (USES)				
BOCC appropriation	5,029,161	5,038,367	5,038,367	-
BOCC unspent revenue	-	-	(707,427)	(707,427)
Total other financing sources	5,029,161	5,038,367	4,330,940	(707,427)
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to the required supplementary information.

**SANTA ROSA COUNTY, FLORIDA
PROPERTY APPRAISER
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Budget and Budgetary Accounting

The Property Appraiser operates under budget procedures pursuant to Section 195.087, Florida Statutes. The Property Appraiser's budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America. The legal level of budgetary control is at the fund level.

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

Honorable Gregory S. Brown
Santa Rosa County Property Appraiser

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 Santa Rosa 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, and have issued our report thereon dated January 16, 2026.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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



Pensacola, Florida
January 16, 2026

**INDEPENDENT ACCOUNTANTS' REPORT ON EXAMINATION OF
COMPLIANCE REQUIREMENTS IN ACCORDANCE WITH CHAPTER 10.550,
RULES OF THE AUDITOR GENERAL**

Honorable Gregory S. Brown
Santa Rosa County Property Appraiser

We have examined the Office of the Property Appraiser of Santa Rosa County, Florida's (hereinafter referred to as Property Appraiser) compliance with Florida Statute 218.415 in regard to investments for the year ended September 30, 2025.

Management is responsible for the Property Appraiser's compliance with those requirements. Our responsibility is to express an opinion on the Property Appraiser's compliance based on our examination.

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

We are required to be independent and to meet our ethical responsibilities in accordance with relevant ethical requirements related to the examination 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 Property Appraiser and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.

Warren Averett, LLC

Pensacola, Florida
January 16, 2026

MANAGEMENT LETTER

Honorable Gregory S. Brown
Santa Rosa County Property Appraiser

Report on the Financial Statements

We have audited the financial statements of the general fund of the Office of the Property Appraiser of Santa Rosa County, Florida, as of and for the fiscal year ended September 30, 2025, and the related notes to the financial statements and have issued our report thereon dated January 16, 2026.

Auditors' 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 Auditors' 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 Accountants' Report on examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated January 16, 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 recommendations made in the preceding 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 Article VIII, Section 1(d) of the Constitution of the State of Florida. There are no component units related to the Property Appraiser.

Financial Management

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

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts or grant agreements, or 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, the Santa Rosa County Board of County Commissioners and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

Warren Averett, LLC

Pensacola, Florida
January 16, 2026

**SANTA ROSA COUNTY, FLORIDA
PROPERTY APPRAISER
MANAGEMENT'S RESPONSE TO MANAGEMENT LETTER
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

There were no comments which require management's written response.

SANTA ROSA COUNTY, FLORIDA SHERIFF

FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

**SANTA ROSA COUNTY, FLORIDA SHERIFF
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INDEPENDENT AUDITORS' REPORT

Honorable Robert Johnson, Sheriff
Santa Rosa County, Florida

Opinions

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Office of the Sheriff of Santa Rosa County, Florida (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 financial statements, as listed in the table of contents.

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

Basis for 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Sheriff and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above have been prepared for the purpose of complying with the *Rules of the Auditor General* (Rules), State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, and aggregate remaining fund information, only for that portion of the major funds, and the aggregate remaining fund information, of Santa Rosa County, Florida, that are attributable to the Sheriff. They do not purport to, and do not, present fairly the financial position of Santa Rosa 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Sheriff's ability to continue as a going concern for 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion nor provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion nor provide any assurance.

Supplementary 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 accompanying combining fund financial statements, as listed in the table of contents, 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 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 January 29, 2026, on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Sheriff's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.

Warren Averett, LLC

Pensacola, Florida
January 29, 2026

**SANTA ROSA COUNTY, FLORIDA SHERIFF
BALANCE SHEET – GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025**

	<u>Major Funds</u>			<u>Non-Major</u>	<u>Total</u>
	<u>General</u>	<u>Jail</u>		<u>Other</u>	
		<u>Commissary</u>	<u>Grants</u>	<u>Governmental Funds</u>	
ASSETS					
Cash	\$ 7,429,816	\$ 630,712	\$ 291,268	\$ 397,326	\$ 8,749,122
Due from other funds	1,733,916	-	16,234	-	1,750,150
Due from other governmental units	368,116	-	1,392,937	232,123	1,993,176
Accounts receivable	22,532	49,180	-	-	71,712
Inventory	77,753	-	-	-	77,753
Prepaid expenses	62,048	-	-	-	62,048
TOTAL ASSETS	<u>\$ 9,694,181</u>	<u>\$ 679,892</u>	<u>\$ 1,700,439</u>	<u>\$ 629,449</u>	<u>\$ 12,703,961</u>
LIABILITIES					
Accounts payable and accrued payroll	\$ 3,653,344	\$ 7,501	\$ 352,871	\$ -	\$ 4,013,716
Due to other funds	18,659	53,960	1,215,762	461,770	1,750,151
Due to other governmental units	5,882,377	-	42,408	-	5,924,785
Unearned revenue	-	-	89,398	-	89,398
TOTAL LIABILITIES	9,554,380	61,461	1,700,439	461,770	11,778,050
FUND BALANCES					
Restricted for inmate welfare and recreation	-	618,431	-	-	618,431
Restricted for law enforcement training	-	-	-	167,679	167,679
Nonspendable	139,801	-	-	-	139,801
Total fund balances	139,801	618,431	-	167,679	925,911
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 9,694,181</u>	<u>\$ 679,892</u>	<u>\$ 1,700,439</u>	<u>\$ 629,449</u>	<u>\$ 12,703,961</u>

See notes to the financial statements.

**SANTA ROSA COUNTY, FLORIDA SHERIFF
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Major Funds			Non-Major	Total
	General	Jail Commissary	Grants	Other Governmental Funds	
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ 2,729,773	\$ 2,729,773
Intergovernmental	-	-	5,475,444	22,250	5,497,694
Commissions	-	744,334	-	-	744,334
Miscellaneous	-	-	-	20	20
Total revenues	-	744,334	5,475,444	2,752,043	8,971,821
EXPENDITURES					
Current					
General government:					
Judicial:					
Personal services	2,462,886	-	-	-	2,462,886
Operating	40,634	-	-	-	40,634
Public safety:					
Law enforcement:					
Personal services	37,673,579	-	4,381,896	-	42,055,475
Operating	5,829,109	-	865,113	607,972	7,302,194
Capital outlay	87,066	-	228,435	3,410,003	3,725,504
Debt service	86,181	-	-	1,530,073	1,616,254
Correction and detention:					
Personal services	17,845,210	155,239	-	-	18,000,449
Operating	6,843,939	469,754	-	-	7,313,693
Debt service	438,788	-	-	-	438,788
Total expenditures	71,307,392	624,993	5,475,444	5,548,048	82,955,877
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(71,307,392)	119,341	-	(2,796,005)	(73,984,056)
OTHER FINANCING SOURCES (USES)					
BOCC appropriation	76,400,054	-	-	-	76,400,054
BOCC unspent funds	(5,033,219)	-	-	-	(5,033,219)
SBITA financing proceeds	-	-	-	910,927	910,927
Debt proceeds	-	-	-	1,893,377	1,893,377
Total other financing sources	71,366,835	-	-	2,804,304	74,171,139
NET CHANGES IN FUND BALANCES	59,443	119,341	-	8,299	187,083
FUND BALANCES:					
BEGINNING OF YEAR	80,358	499,090	-	159,380	738,828
END OF YEAR	\$ 139,801	\$ 618,431	\$ -	\$ 167,679	\$ 925,911

See notes to the financial statements.

**SANTA ROSA COUNTY, FLORIDA SHERIFF
STATEMENT OF FIDUCIARY NET POSITION – CUSTODIAL FUNDS
SEPTEMBER 30, 2025**

ASSETS	
Cash	\$ 222,532
TOTAL ASSETS	<u>222,532</u>
LIABILITIES	
Accrued child support purges and levies	<u>87,385</u>
TOTAL LIABILITIES	<u>87,385</u>
NET POSITION	
Restricted for:	
Seizure	106,229
Flowers or donations	<u>28,918</u>
TOTAL NET POSITION	<u><u>\$ 135,147</u></u>

See notes to the financial statements.

**SANTA ROSA COUNTY, FLORIDA SHERIFF
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

ADDITIONS

Child support purges and levies	\$	49,252
Cash seized		70,102
Unclaimed property		4,653
Unclaimed evidence		26,295
Contributions from employees		3,703
		154,005
Total additions		154,005

DEDUCTIONS

Purges and levies paid to other government agencies		49,252
Paid to BOCC LET		107,728
Payments for flowers or donations		1,690
		158,670
Total deductions		158,670

NET CHANGE IN FIDUCIARY NET POSITION (4,665)

NET POSITION, OCTOBER 1, 2024 139,812

NET POSITION, SEPTEMBER 30, 2025 \$ 135,147

See notes to the financial statements.

**SANTA ROSA COUNTY, FLORIDA SHERIFF
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the financial statements is as follows:

Reporting Entity

The Office of the Sheriff of Santa Rosa County, Florida (the Sheriff), as established by Article VIII of the Constitution of the State of Florida, is an elected official of Santa Rosa County, Florida (the County). Although the Sheriff is operationally autonomous from the Santa Rosa County Board of County Commissioners (the Board), the Sheriff does not hold sufficient corporate powers to be considered a legally separate entity for financial reporting purposes. Therefore, the Sheriff is considered part of the County's primary government.

These financial statements are not intended to be a complete presentation of the financial position and results of operations of the County taken as a whole. As permitted by Chapter 10.556(4), *Rules of the Auditor General*, State of Florida, the financial statements consist of only the fund level financial statements as defined in Governmental Accounting Standards Board (GASB) Statement No. 34, and do not include presentations of government-wide financial statements of the Sheriff.

Fund Accounting

The accounting system of the Sheriff is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations. The funds utilized by the Sheriff's office are as follows:

Governmental Funds

These funds utilize a modified accrual basis of accounting. The measurement focus is based upon determination of financial position and changes in financial position (sources, uses and balances of financial resources rather than upon net income determination). The Sheriff reports the following major governmental funds:

General Fund is used to account for all financial resources, which are generated from operations of the office, appropriations from the Board or any other resources not required to be accounted for in another fund.

Jail Commissary Fund accounts for jail commissary and vending machine revenues that are used to provide recreational facilities and equipment for inmates.

Grants Fund accounts for grant revenues and expenditures according to the terms of each grant.

**SANTA ROSA COUNTY, FLORIDA SHERIFF
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Non-major governmental funds of the Sheriff are as follows:

Second Dollar accounts for shared fine revenues from the Board, which are used for law enforcement training purposes.

LOST accounts for the half-penny local options sales tax (LOST), which is used towards capital projects.

Fiduciary Funds

The Sheriff uses custodial funds to account for assets held in a custodial capacity for others.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements and 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 both measurable and available as net current assets. The Sheriff considers receivables collected within 60 days after year end to be available and recognizes them as revenues of the current year. Expenditures are recognized when the related fund liability is incurred. Proceeds from general long-term debt are reported as other financing sources. Custodial funds use the accrual basis of accounting.

Cash and Cash Equivalents

For financial statement reporting, all highly liquid investments with a maturity of three months or less when purchased are considered to be cash equivalents.

Inventory

Inventory, which consists of expendable supplies held for consumption, is stated at cost using the average cost method. Inventory is recorded when consumed rather than when purchased.

Accounting for Capital Assets

Capital assets (vehicles, equipment and other tangible and certain intangible property costing at least \$5,000 with a useful life of more than one year) are recorded as expenditures by the acquiring fund at the time of purchase. The Sheriff does not engage in the acquisition of public domain (infrastructure) assets.

All capital assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated capital assets are valued at estimated acquisition value on the date donated.

Depreciation of vehicles and equipment is calculated using the straight-line method over the estimated useful lives of the assets of three to ten years.

Capital assets and related depreciation expense are reported as a component of the County's annual comprehensive financial report and are not reflected in the Sheriff's governmental fund financial statements. Buildings and improvements are owned by the Board.

**SANTA ROSA COUNTY, FLORIDA SHERIFF
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Compensated Absences

The Sheriff records a compensated absences liability for leave that 1) can be carried forward to future reporting periods; 2) was earned based on service that the employee has already provided; and 3) is more likely than not to be used, paid or otherwise settled with the Sheriff. The compensated absences liability is measured using the pay rates in effect as of the financial statement date, including directly and incrementally associated salary-related employer taxes and benefits. Changes to pay rates will be recognized in future periods as those changes occur. The Sheriff uses a first-in, first-out (FIFO) flow assumption for calculating the portion of the liability due within one year. The liability is reported within the statement of net position in the County's government-wide financial statements.

Unspent Appropriations from the Board

In accordance with Section 30.50 (6), Florida Statutes, excess appropriations are returned to the Board at fiscal year end and are reported in the "due to other governmental units" liability account. Charges for services, interest income and other miscellaneous revenues collected by the Sheriff are considered to be "custodial" transactions, not available for expenditure by the Sheriff and are remitted to the Board on a monthly basis.

Fund Balances

Fund balances are classified as either non-spendable or as restricted, committed, assigned and unassigned based on the extent to which there are external and internal constraints on the spending thereof.

Change in Accounting Principle

Effective October 1, 2024, the Sheriff adopted the provisions of GASB Statement No. 101, *Compensated Absences* (GASB 101). This pronouncement establishes a unified model for recognition and measurement of liabilities associated with compensated absences, including vacation, sick leave, and other paid time off. GASB 101 is expected to result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation and can be applied consistently to different types of leave offered by governmental employers.

As part of the implementation process, the Sheriff has evaluated whether leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means by assessing relevant factors, such as the Sheriff's employment policies related to compensated absences; historical information about the use, payment, or forfeiture of compensated absences; and known information that would indicate historical information may not be representative of future trends or patterns. GASB 101 was retroactively implemented and had no effect on fund balance or net position previously presented.

2. CASH

The Sheriff's deposits at year end were held by a financial institution designated as a "qualified public depository" by the State Treasurer. All deposits were fully insured through a combination of Federal depository insurance and participation of the financial institution in the multiple financial institution collateral pool as specified in Chapter 280, Florida Statutes. At September 30, 2025, the

**SANTA ROSA COUNTY, FLORIDA SHERIFF
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

reported amount of the Sheriff's deposits was \$8,966,616, and the bank balance was \$9,092,486, consisting entirely of deposits in checking accounts with a financial institution.

3. INTERFUND BALANCES

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

<u>Fund</u>	<u>Receivable</u>	<u>Payable</u>
General Fund	\$ 1,733,916	\$ 18,659
Jail Commissary Fund	-	53,960
Grants	16,234	1,215,762
Non-major governmental funds	-	461,770
	<u>\$ 1,750,150</u>	<u>\$ 1,750,151</u>

Amounts due to the General Fund from grants and non-major governmental funds are related to advances which will be paid back to the General Fund after taxes are collected and reimbursement is received from grantors, respectively. Amounts due to the General Fund from the Jail Commissary Fund are for various expenditures paid by the General Fund on behalf of the Jail Commissary Fund.

4. PENSION AND RETIREMENT PLAN

Substantially all full-time employees of the Sheriff are covered by the Florida Retirement System (FRS). The FRS was established in 1970 by Chapter 121, *Florida Statutes*, and is administered by the Florida Department of Management Services, Division of Retirement. Changes to the FRS can be made only by an act of the Florida Legislature. Rules governing the operation and administration of the system may be found in Chapter 60S of the Florida Administrative Code. The FRS issues a financial report that includes financial statements and required supplementary information. The report may be obtained at www.myfrs.com or by writing to FRS, 2639-C North Monroe Street, Tallahassee, Florida 32399.

The FRS offers two retirement plans – the FRS Pension Plan and the FRS Investment Plan. An employee may participate in only one of the plans. Both plans, effective July 1, 2011, are funded monthly by a combination of employer and employee contributions.

The FRS Pension Plan is a multiple employer cost sharing defined benefit plan, which provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. For employees who were enrolled in the plan prior to July 1, 2011, normal retirement benefits are available at age 62 with six or more years of service or to those employees who have at least 30 years of creditable service, regardless of age. Early retirement is available after six years of service with a 5% reduction of benefits for each year prior to the normal retirement age.

**SANTA ROSA COUNTY, FLORIDA SHERIFF
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

For employees enrolling in the plan for the first time on or after July 1, 2011, normal retirement benefits are available at age 65, with eight or more years of service or to those employees who have at least 33 years of creditable service, regardless of age.

Early retirement is available after eight years of service, with a 5% reduction of benefits for each year prior to the normal retirement age. Retirement age and years of service requirements also vary depending on membership class. Retirement benefits are based upon age, average compensation and years-of-service credit where average compensation is computed as the average of the members highest five (if enrolled prior to July 1, 2011) or eight (if enrolled on or after July 1, 2011) fiscal years of earnings.

The FRS Investment Plan is a defined contribution plan funded monthly by employer and employee contributions based on salary and membership class. Employer contributions vest after one year of service, whereas employee contributions vest immediately. Members in the FRS Investment Plan decide how their funds are allocated between various investment accounts, and the vested funds are portable upon termination. The final retirement benefit is equal to the vested contributions plus investment earnings, less expenses and losses allocated to the member's account. Members in the FRS Investment Plan are not eligible for participation in the Deferred Retirement Option Program (DROP).

DROP is available for members of the FRS Pension Plan who are vested and elect to participate in DROP within one year after reaching normal retirement age. Under this program, a member effectively retires while continuing to be employed for up to eight years (ten years under certain circumstances). While in DROP, the member's deferred monthly retirement benefits accumulate, earning interest and cost-of-living increases.

When the DROP period is over, the participant terminates covered employment and begins receiving their predetermined monthly retirement benefit, as well as the accrued DROP benefit. Disability retirees are not eligible to participate in DROP, and DROP participants do not qualify for disability retirement.

Prior to July 2011, the plans were noncontributory for employees with all contributions being the participating FRS employer's responsibility. Effective July 1, 2011, participating employees contribute 3% of their gross salaries each pay period to the plan. Participating employer contributions are based upon state-wide rates established by the state of Florida. Average contribution rates for the fiscal year ended September 30, 2025, were as follows: regular employees – 13.73%; special risk employees – 33.39%; elected officials – 57.65%; senior management employees – 34.20%; and DROP participants – 21.35%. The Sheriff's contributions to the FRS Pension Plan, funded on a pay-as-you-go basis, were equal to the actuarially determined contributions for each year. Contributions to the FRS Investment Plan were equal to the legislatively mandated contribution rates. Contributions to both plans totaled \$10,683,950, \$9,497,736 and \$7,826,260 for the years ended September 30, 2025, 2024 and 2023, respectively.

Net Pension Liability – Proportionate Share

The Sheriff has a net FRS pension liability determined in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. This long-term liability is only reported in the County's annual comprehensive financial report and is not a current liability of the governmental

**SANTA ROSA COUNTY, FLORIDA SHERIFF
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

funds. All required disclosures and schedules may be found in the annual comprehensive financial report of the County.

5. OTHER POST-EMPLOYMENT BENEFIT (OPEB) PLAN

The Sheriff offers post-employment health care benefits (OPEB) to all retired employees and their dependents. Participating retirees are required to reimburse the Sheriff for 100% of the premium cost, which is netted against the premium payment, so that no net expenditure is initially recorded in the financial statements. However, these retirees are receiving an “implicit subsidy” because the premium is a group rate, which includes active lower cost employees. This implicit subsidy has a cost; however, the annual cost and the total OPEB liability is measured as the portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service. The total OPEB liability and other required disclosures have been calculated for the County as a whole and not separately for the Sheriff. Accordingly, these calculations and disclosures can be found in the County’s annual comprehensive financial report.

6. GRANT ASSISTANCE

The Sheriff receives grants that are presented in the schedule of expenditures of federal awards and state financial assistance within the Santa Rosa County Annual Comprehensive Financial Report under the Uniform Guidance.

7. 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 natural disasters. The Board has established a Self-Insurance Fund (an internal service fund) to account for and finance its uninsured risks of loss. Under this program, the County is self-insured with respect to the following exposures:

- Auto Physical Damage
- Auto Liability
- Construction and Road Equipment
- Portable Communication Equipment
- Workers’ Compensation

The County is covered by outside insurance for the following exposures:

- Employee Fidelity
- General Liability, \$25,000 deductible
- Public Officials’ Liability, \$25,000 deductible
- Building Contents, \$5,000 deductible

Conventional insurance provided by the Florida Sheriff’s Risk Management Fund remains in effect for the Sheriff’s general and professional liability, the Sheriff’s workers’ compensation liability, the

**SANTA ROSA COUNTY, FLORIDA SHERIFF
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Sheriff's automobiles and the Sheriff's medical catastrophic insurance for treatment of prisoners. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three fiscal years. Annual premium costs under the workers' compensation coverage were \$1,186,890 and \$1,177,836 for the years ended September 30, 2025 and 2024, respectively.

Coverage limits under the policy include \$1,000,000 bodily injury for each accident and \$1,000,000 bodily injury by disease for each employee with a \$1,000,000 limit.

8. FUND BALANCES

Fund balances are classified as follows:

Non-spendable fund balances include amounts that cannot be spent because they are not in spendable form or are legally or contractually required to be maintained intact.

Other fund balance amounts are classified depending on the Sheriff's ability to control the spending of the fund balances as follows:

Restricted fund balances can only be used for specific purposes, which are externally imposed by creditors, grantors, contributors and other governments (via laws and regulations) or are imposed by law through constitutional provisions or enabling legislation.

Committed fund balances can only be used for specific purposes imposed internally by the Sheriff's formal action of highest level of decision-making authority. At year end, the Sheriff had no committed fund balances.

Assigned fund balances are fund balances intended to be used for specific purposes, but which do not meet the more formal criterion to be considered either restricted or committed. At year end, the Sheriff had no assigned fund balances.

Unassigned fund balances represent the residual positive fund balance within the General Fund, which has not been assigned to other funds and has not been restricted, committed or assigned. In funds other than the General Fund, unassigned fund balances are limited to negative residual balances. At year end, the Sheriff had no unassigned fund balances because all unspent Board appropriations of the General Fund are required to be remitted to the Board, and there were no negative residual balances in the special revenue funds.

9. CLAIMS AND CONTINGENCIES

The Sheriff is involved from time to time in routine civil litigation incidental to the ordinary course of operations. In the opinion of management and legal counsel, there are no lawsuits or claims outstanding, which might materially affect the financial position of the Sheriff's Office.

**SANTA ROSA COUNTY, FLORIDA SHERIFF
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

10. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)

SBITAs entered into by the Sheriff's Office are included as other financing sources and capital outlay expenditures in the Statement of Revenues, Expenditures and Changes in Fund Balance in the year of inception. Payments made in accordance with the lease terms are reported as debt service expenditures in the Statement of Revenues, Expenditures and Changes in Fund Balance as they are incurred. Detailed information about the Sheriff's SBITAs can be found in the Santa Rosa County Annual Comprehensive Financial Report.

11. LEASES

The Sheriff leases equipment under certain agreements that meet the definition of a lease under GASB Statement No. 87, *Leases*. Detailed information about the Sheriff's leases can be found in the Santa Rosa County Annual Comprehensive Financial Report,

Leases entered into by the Sheriff are included as other financing sources and capital outlay expenditures in the Statement of Revenues, Expenditures and Changes in Fund Balance in the year of inception. Payments made in accordance with the lease terms are reported as debt service expenditures in the Statement of Revenues, Expenditures and Changes in Fund Balance as they are incurred.

12. NOTE PAYABLE

During the year ended September 30, 2023, the Sheriff entered into a noninterest-bearing note for \$786,755. The loan was paid in full at maturity on November 1, 2024.

During the year ended September 30, 2025, the Sheriff entered into a financed purchase agreement in the amount of \$1,893,377 to finance the purchase of radio equipment. Annual principal and interest payments began November 1, 2024 and are required until maturity on November 1, 2028, at an interest rate of 4.42%.

The long-term debt activity for the Sheriff is included in the government-wide financial statements of Santa Rosa County, Florida, for the year ended September 30, 2025. The following is a summary of the changes in the note payable of the Sheriff for fiscal year ended September 30, 2025.

	October 1 2024	Increases	Decreases	September 30 2025
Note payable	\$ 393,377	\$ 1,893,377	\$ (993,377)	\$ 1,293,377

**SANTA ROSA COUNTY, FLORIDA SHERIFF
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Debt service requirements to maturity on long-term debt at September 30, 2025, are as follows:

<u>Year Ending September 30,</u>	Loan	
	Principal	Interest
2026	\$ 302,679	\$ 57,167
2027	316,057	43,789
2028	330,027	29,819
2029	344,614	15,232
	<u>\$ 1,293,377</u>	<u>\$ 146,007</u>

13. SUBSEQUENT EVENT

The Sheriff has evaluated events and transactions that occurred between September 30, 2025, and January 29, 2026, which is the date that the financial statements were available to be issued, for possible recognition or disclosure in the financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

**SANTA ROSA COUNTY, FLORIDA SHERIFF
SCHEDULE OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
EXPENDITURES				
Current:				
General government:				
Judicial:				
Personal services	\$ 2,180,848	\$ 2,180,848	\$ 2,462,886	\$ (282,038)
Operating	49,832	49,832	40,634	9,198
Public safety:				
Law enforcement:				
Personal services	38,254,589	38,254,589	37,673,579	581,010
Operating	7,582,667	7,582,667	5,829,109	1,753,558
Capital outlay	-	1,500,000	87,066	1,412,934
Debt service	-	-	86,181	(86,181)
Correction and detention:				
Personal services	19,193,989	19,193,989	17,845,210	1,348,779
Operating	7,638,129	7,638,129	6,843,939	794,190
Debt service	-	-	438,788	(438,788)
Total expenditures	<u>74,900,054</u>	<u>76,400,054</u>	<u>71,307,392</u>	<u>5,092,662</u>
DEFICIENCY OF REVENUES OVER EXPENDITURES	(74,900,054)	(76,400,054)	(71,307,392)	5,092,662
OTHER FINANCING SOURCES (USES)				
BOCC appropriation	74,900,054	76,400,054	76,400,054	-
BOCC unspent funds	-	-	(5,033,219)	(5,033,219)
Total other financing sources	<u>74,900,054</u>	<u>76,400,054</u>	<u>71,366,835</u>	<u>(5,033,219)</u>
NET CHANGES IN FUND BALANCE	-	-	59,443	59,443
FUND BALANCE:				
BEGINNING OF YEAR	<u>-</u>	<u>-</u>	<u>80,358</u>	<u>80,358</u>
END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 139,801</u>	<u>\$ 139,801</u>

See notes to the required supplementary information.

**SANTA ROSA COUNTY, FLORIDA SHERIFF
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2025**

BUDGETS AND BUDGETARY ACCOUNTING

The Sheriff operates under budget procedures pursuant to Chapters 30 and 129, *Florida Statutes*. The General Fund's budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America. The Sheriff is not legally required to prepare a budget for the other governmental funds; therefore, comparative budget and actual results are not presented for these funds. The legal level of budgetary control is the fund level.

**SUPPLEMENTARY INFORMATION –
COMBINING FUND FINANCIAL STATEMENTS**

**SANTA ROSA COUNTY, FLORIDA SHERIFF
COMBINING BALANCE SHEET – ALL NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2025**

	<u>LOST Fund</u>	<u>Second Dollar Fund</u>	<u>Totals</u>
ASSETS			
Cash	\$ 229,647	\$ 167,679	\$ 397,326
Due from other governmental units	232,123	-	232,123
TOTAL ASSETS	<u>\$ 461,770</u>	<u>\$ 167,679</u>	<u>\$ 629,449</u>
LIABILITIES			
Due to other funds	\$ 461,770	-	\$ 461,770
TOTAL LIABILITIES	461,770	-	461,770
FUND BALANCES			
Restricted for law enforcement training	-	167,679	167,679
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 461,770</u>	<u>\$ 167,679</u>	<u>\$ 629,449</u>

See independent auditors' report.

**SANTA ROSA COUNTY, FLORIDA SHERIFF
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
 FUND BALANCES – ALL NON-MAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	LOST Fund	Second Dollar Fund	Totals
REVENUES			
Taxes	\$ 2,729,773	\$ -	\$ 2,729,773
Intergovernmental	-	22,250	22,250
Miscellaneous	-	20	20
Total revenues	<u>2,729,773</u>	<u>22,270</u>	<u>2,752,043</u>
EXPENDITURES			
Current:			
Public safety:			
Law enforcement:			
Operating	594,001	13,971	607,972
Capital outlay	3,410,003	-	3,410,003
Debt service	1,530,073	-	1,530,073
Total expenditures	<u>5,534,077</u>	<u>13,971</u>	<u>5,548,048</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(2,804,304)	8,299	(2,796,005)
OTHER FINANCING SOURCES			
SBITA financing proceeds	910,927	-	910,927
Debt proceeds	1,893,377	-	1,893,377
Total other financing sources	<u>2,804,304</u>	<u>-</u>	<u>2,804,304</u>
NET CHANGES IN FUND BALANCES	-	8,299	8,299
FUND BALANCES:			
BEGINNING OF YEAR	<u>-</u>	<u>159,380</u>	<u>159,380</u>
END OF YEAR	<u>\$ -</u>	<u>\$ 167,679</u>	<u>\$ 167,679</u>

See independent auditors' report.

**SANTA ROSA COUNTY, FLORIDA SHERIFF
 COMBINING STATEMENT OF FIDUCIARY NET POSITION –
 ALL CUSTODIAL FUNDS
 SEPTEMBER 30, 2025**

	<u>Suspense Fund</u>	<u>Seizure Fund</u>	<u>Flower Fund</u>	<u>Totals</u>
ASSETS				
Cash	\$ 83,885	\$ 109,729	\$ 28,918	\$ 222,532
TOTAL ASSETS	<u>83,885</u>	<u>109,729</u>	<u>28,918</u>	<u>222,532</u>
LIABILITIES				
Accrued child support purges and levies	83,885	3,500	-	87,385
TOTAL LIABILITIES	<u>83,885</u>	<u>3,500</u>	<u>-</u>	<u>87,385</u>
NET POSITION				
Restricted for:				
Seizure	-	106,229	-	106,229
Flowers or donations	-	-	28,918	28,918
TOTAL NET POSITION	<u>\$ -</u>	<u>\$ 106,229</u>	<u>\$ 28,918</u>	<u>\$ 135,147</u>

See independent auditors' report.

**SANTA ROSA COUNTY, FLORIDA SHERIFF
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION –
ALL CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<u>Suspense Fund</u>	<u>Seizure Fund</u>	<u>Flower Fund</u>	<u>Totals</u>
ADDITIONS				
Child support purges and levies	\$ 49,252	\$ -	\$ -	\$ 49,252
Cash seized	-	70,102	-	70,102
Unclaimed property	-	4,653	-	4,653
Unclaimed evidence	-	26,295	-	26,295
Contributions from employees	-	-	3,703	3,703
Total additions	49,252	101,050	3,703	154,005
DEDUCTIONS				
Purges and levies paid to other government agencies	49,252	-	-	49,252
Paid to BOCC LET	-	107,728	-	107,728
Payments for flowers or donations	-	-	1,690	1,690
Total deductions	49,252	107,728	1,690	158,670
NET CHANGE IN FIDUCIARY NET POSITION	-	(6,678)	2,013	(4,665)
NET POSITION, OCTOBER 1, 2024	-	112,907	26,905	139,812
NET POSITION, SEPTEMBER 30, 2025	<u>\$ -</u>	<u>\$ 106,229</u>	<u>\$ 28,918</u>	<u>\$ 135,147</u>

See independent auditors' report.

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

Honorable Robert Johnson, Sheriff
Santa Rosa 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 (hereinafter referred to as "financial statements") of each major fund and the aggregate remaining fund information of the Office of the Sheriff of Santa Rosa County, Florida (hereinafter referred to as "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 financial statements, and have issued our report thereon dated January 29, 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 Sheriff's financial statements will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency* is a deficiency or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

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

Purpose of This Report

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



Pensacola, Florida
January 29, 2026

**INDEPENDENT ACCOUNTANTS' REPORT ON EXAMINATION OF COMPLIANCE
REQUIREMENTS IN ACCORDANCE WITH CHAPTER 10.550,
RULES OF THE AUDITOR GENERAL**

Honorable Robert Johnson, Sheriff
Santa Rosa County, Florida

We have examined the Office of the Sheriff of Santa Rosa County, Florida's (hereinafter referred to as the "Sheriff"), compliance with Florida Statute 218.415 in regard to investments for the year ended September 30, 2025. Management is responsible for the Sheriff's compliance with those requirements. Our responsibility is to express an opinion on the Sheriff's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Sheriff complied, in all material respects, with the specified requirements. 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 noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

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

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

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



Pensacola, Florida
January 29, 2026

MANAGEMENT LETTER

Honorable Robert Johnson, Sheriff
Santa Rosa 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 Office of the Sheriff of Santa Rosa County, Florida (hereinafter referred to as the "Sheriff"), 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 January 29, 2026.

Auditors' 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 Report Requirements

We have issued our Independent Auditors' 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 AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated January 29, 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. No recommendations were made in the preceding annual financial report.

Financial Management

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

Additional Matters

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

Purpose of This Letter

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

Warren Averett, LLC

Pensacola, Florida

January 29, 2026

**SANTA ROSA COUNTY, FLORIDA SHERIFF
MANAGEMENT'S RESPONSE TO MANAGEMENT LETTER
SEPTEMBER 30, 2025**

There were no comments which require management's written response.

**SANTA ROSA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS**

FINANCIAL STATEMENTS

SEPTEMBER 30, 2025

**SANTA ROSA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
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SEPTEMBER 30, 2025**

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INDEPENDENT AUDITORS' REPORT

Honorable Tappie Villane
Supervisor of Elections of Santa Rosa County, Florida

Report on the Audit of the Financial Statements

Opinions

We have audited the accompanying financial statements of the general fund of the Santa Rosa County, Florida, Supervisor of Elections (the Supervisor of Elections), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' financial statements, as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the general fund of the Supervisor of Elections as of September 30, 2025, and the changes in financial position 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 Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Supervisor of Elections, and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the *Rules of the Auditor General* of the State of Florida (the *Rules*). In conformity with the *Rules*, the accompanying financial statements are intended to present the financial position and changes in financial position of that portion of the general fund attributable solely to the operations of the Supervisor of Elections. They do not purport to, and do not, present fairly the financial position of Santa Rosa 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 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.

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 12 months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' 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 auditors' 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 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 one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the budgetary comparison schedules and related notes, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a required 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.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report on our consideration of the Supervisor of Elections' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters included under the heading, "Independent Auditors' 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 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 Supervisor of Elections' internal control over financial reporting and compliance.

Warren Averett, LLC

Pensacola, Florida
January 16, 2026

**SANTA ROSA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
BALANCE SHEET – GENERAL FUND
SEPTEMBER 30, 2025**

ASSETS

Due from Board of County Commissioners	<u>\$ 52,639</u>
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LIABILITIES

Accounts payable	\$ 7,765
Accrued expenses	<u>44,874</u>
Total liabilities	52,639

FUND BALANCE

Fund balance	<u>-</u>
Total liabilities and fund balance	<u>\$ 52,639</u>

See notes to the financial statements.

**SANTA ROSA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE – GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

REVENUES	
Grant revenue	\$ 11,160
Miscellaneous revenue	5,297
	16,457
Total revenues	16,457
EXPENDITURES	
Current:	
General government:	
Personal services	1,128,971
Operating	1,306,967
Capital outlay	196,550
	2,632,488
Total expenditures	2,632,488
Deficiency of revenues under expenditures	(2,616,031)
OTHER FINANCING SOURCES	
Board of County Commissioners appropriation	2,616,031
	-
NET CHANGE IN FUND BALANCE	-
FUND BALANCE, BEGINNING OF YEAR	-
FUND BALANCE, END OF YEAR	\$ -

See notes to the financial statements.

**SANTA ROSA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

1. SUMMARY OF ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the financial statements follows.

Reporting Entity

The Santa Rosa County, Florida, Supervisor of Elections (the Supervisor of Elections), as established by Article VIII of the Constitution of the State of Florida, is an elected official of Santa Rosa County, Florida (the County). Although the Supervisor of Elections is operationally autonomous from the Santa Rosa County Board of County Commissioners (the Board), it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Supervisor of Elections is reported as a part of the primary government of the County.

These financial statements are not intended to be a complete presentation of the financial position and results of operations of the County, taken as a whole. As permitted by Chapter 10.556(4), *Rules of the Auditor General* of the State of Florida, the financial statements consist of only the fund level financial statements, as defined in Government Accounting Standards Board (GASB) Statement No. 34, and do not include presentations of government-wide financial statements of the Supervisor of Elections.

Pursuant to the provisions of 129.202, Florida Statutes, the Supervisor of Elections has elected to have the Office of the Clerk of Court and Comptroller of Santa Rosa County (the Clerk) maintain the books and records pertaining to the operations of the Supervisor of Elections. Therefore, the Supervisor of Elections does not maintain a separate cash account, and all cash activity for the Supervisor of Elections is recorded in the common cash account of the Board. The "Due from Board of County Commissioners" account on the balance sheet represents the amount of cash held on behalf of the Supervisor of Elections.

Fund Accounting

The accounting system of the Supervisor of Elections is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts, recording cash and financial resources together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The general fund of the Supervisor of Elections is used to account for all financial resources which are generated from operations of the office, appropriations from the Board or any other resources not required to be accounted for in another fund.

This fund utilizes a modified accrual basis of accounting. The measurement focus is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources rather than upon net income determination).

**SANTA ROSA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statement. The basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become both measurable and available as net current assets. The Supervisor of Elections considers receivables collected within 60 days after year end to be available and recognizes them as revenues of the current year. Expenditures are recognized when the related fund liability is incurred.

Accounting for Capital Assets

Capital assets (vehicles, equipment and other tangible and certain intangible property costing at least \$5,000 with a useful life of more than one year) are recorded as expenditures in the fund level financial statements at the time of purchase. These assets are also capitalized at cost and accounted for in the County's comprehensive annual financial report.

Compensated Absences

The Supervisor of Elections records a compensated absences liability for leave that 1) can be carried forward to future reporting periods; 2) was earned based on service that the employee has already provided; and 3) is more likely than not to be used, paid, or otherwise settled with the Supervisor of Elections. The compensated absences liability is measured using the pay rates in effect as of the financial statement date, including directly and incrementally associated salary-related employer taxes and benefits. Changes to pay rates will be recognized in future periods as those changes occur. The Supervisor of Elections uses a first-in, first-out (FIFO) flow assumption for calculating the portion of the liability due within one year. The liability is reported within the statement of net position in the County's government-wide financial statements.

Change in Accounting Principle

Effective October 1, 2024, the Supervisor of Elections adopted the provisions of GASB Statement No. 101, *Compensated Absences* (GASBS 101). This pronouncement establishes a unified model for recognition and measurement of liabilities associated with compensated absences, including vacation, sick leave and other paid time off. GASBS 101 is expected to result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation and can be applied consistently to different types of leave offered by governmental employers.

As part of the implementation process, the Supervisor of Elections has evaluated whether leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means by assessing relevant factors, such as the Supervisor of Election's employment policies related to compensated absences; historical information about the use, payment, or forfeiture of compensated absences; and known information that would indicate that historical information may not be representative of future trends or patterns. Since this liability is only reported in the County's government-wide statement of net position, the implementation of this standard had no impact on the Supervisor of Election's financial statements.

**SANTA ROSA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

2. PENSION AND RETIREMENT PLAN

Substantially, all full-time employees of the Clerk are covered by the Florida Retirement System (FRS). The FRS was established in 1970 by Chapter 121, Florida Statutes, and is administered by the Florida Department of Management Services, Division of Retirement. Changes to the FRS can be made only by an act of the Florida Legislature. Rules governing the operation and administration of the system may be found in Chapter 60S of the Florida Administrative Code. The FRS issues a financial report that includes financial statements and required supplementary information. The report may be obtained at www.myfrs.com or by writing to FRS, 2639-C North Monroe Street, Tallahassee, Florida, 32399.

The FRS offers two retirement plans – the FRS Pension Plan and the FRS Investment Plan. An employee may participate in only one of the plans. Both plans, effective July 1, 2011, are funded monthly by a combination of employer and employee contributions.

The FRS Pension Plan is a multiple employer, cost-sharing defined benefit plan, which provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. For employees who were enrolled in the plan prior to July 1, 2011, normal retirement benefits are available at age 62 with six or more years of service or to those employees who have at least 30 years of creditable service, regardless of age. Early retirement is available after six years of service with a 5% reduction of benefits for each year prior to the normal retirement age.

For employees enrolling in the plan for the first time on or after July 1, 2011, normal retirement benefits are available at age 65 with eight or more years of service or to those employees who have at least 33 years of creditable service, regardless of age. Early retirement is available after eight years of service with a 5% reduction of benefits for each year prior to the normal retirement age. Retirement age and years of service requirements also vary depending on membership class. Retirement benefits are based upon age, average compensation and years-of-service credit where average compensation is computed as the average of the members highest five (if enrolled prior to July 1, 2011) or eight (if enrolled on or after July 1, 2011) fiscal years of earnings.

The FRS Investment Plan is a defined contribution plan funded monthly by employer and employee contributions based on salary and membership class. Employer contributions vest after one year of service, whereas employee contributions vest immediately. Members in the Investment Plan decide how their funds are allocated between various investment accounts, and the vested funds are portable upon termination.

The final retirement benefit is equal to the vested contributions plus investment earnings less expenses and losses allocated to the member's account. Members in the Investment Plan are not eligible for participation in the Deferred Retirement Option Program (DROP).

DROP is available for members of the FRS Pension Plan, who are vested and elect to participate in DROP within one year after reaching normal retirement age. Under this program, a member effectively retires while continuing to be employed for up to eight years. While in DROP, the member's deferred monthly retirement benefits accumulate, earning interest and cost-of-living

**SANTA ROSA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

increases. When the DROP period is over, the participant terminates covered employment and begins receiving their predetermined monthly retirement benefit, as well as the accrued DROP benefit. Disability retirees are not eligible to participate in DROP, and DROP participants do not qualify for disability retirement.

Prior to July 2011, the plans were noncontributory for employees with all contributions being the participating FRS employer’s responsibility. Effective July 1, 2011, participating employees contribute 3% of their gross salaries each pay period to the plan. Participating employer contributions are based upon rates established by the State of Florida.

Blended contribution rates for the fiscal years ended September 30, 2025, 2024 and 2023, were as follows:

	<u>2025</u>	<u>2024</u>	<u>2023</u>
<u>Regular Class:</u>			
Members not qualifying for other classes	13.73%	13.59%	23.33%
<u>Special Risk Class:</u>			
Members qualifying for special risk	33.39%	32.70%	29.04%
<u>Senior Management Class:</u>			
Members of senior management who do not elect the optional annuity retirement program	34.20%	34.52%	32.31%
<u>Elected Officials Class:</u>			
Certain elected county officials	57.65%	58.68%	57.42%
<u>Deferred Retirement Option Program (DROP):</u>			
Members enrolled in DROP from FRS	21.35%	21.13%	19.23%

The Supervisor of Elections contributions to the Pension Plan, funded on a pay-as-you-go basis, were equal to the actuarially determined contributions for each year. Contributions to the Investment Plan were equal to the legislatively mandated contribution rates. Contributions to both plans totaled \$164,958, \$154,167 and \$135,463 for the years ended September 30, 2025, 2024 and 2023, respectively.

Net Pension Liability – Proportionate Share

The Supervisor of Elections has a net FRS pension liability determined in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. This long-term liability is only reported in the county-wide financial statements and is not a current liability of the General Fund. All required disclosures and schedules may be found in the county’s comprehensive annual financial report of Santa Rosa County, Florida.

**SANTA ROSA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

3. OTHER POST-EMPLOYMENT BENEFIT (OPEB) PLAN

The Board offers post-employment health care benefits (OPEB) to all retired employees of the Supervisor of Election's office and their dependents. Participating retirees are required to reimburse the Board for 100% of the premium cost, which is netted against the premium payment, so that no net expense is initially recorded in the Board's financial statements. However, these retirees are receiving an "implicit subsidy" because the premium is a group rate, which includes active, lower-cost employees. This implicit subsidy has a cost; however, this annual cost and the total OPEB liability is measured as the portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service. The total OPEB liability and other required disclosures have been calculated for the County, as a whole, and not separately for the Supervisor of Election's office. Accordingly, these calculations and disclosures can be found in the County's comprehensive annual financial report.

4. RISK MANAGEMENT

The Supervisor of Elections is exposed to various risks of loss related to torts; theft of, damage to, and damage of assets; errors and omissions; injuries to employees; and natural disasters. The Board uses a Self-Insurance Fund (an internal service fund) to account for and finance its uninsured risks of loss.

The County is self-insured with respect to the following exposures:

- Workers' Compensation
- Auto Physical Damage
- Auto Liability
- Construction and Road Equipment
- Portable Communication Equipment

The County is covered by outside insurance for the following exposures:

- Buildings and Contents – \$5,000 deductible
- Boats
- Employee Fidelity
- General Liability – \$25,000 deductible
- Public Officials' Liability – \$25,000 deductible

Conventional insurance remains in effect for buildings and their contents. Also, there were no significant reductions in insurance coverage from the prior year, and settled claims resulting from conventional insurance risks have not exceeded coverage in any of the past three fiscal years. The County is a member of the Florida Association of Counties Trust, a pooled liability program providing general liability coverage and public officials' liability coverage. The Supervisor of Elections participates in the program and makes payments to the Self-Insurance Fund based on historical estimates of the amounts needed to pay prior and current year claims and to establish a reserve for catastrophic losses.

REQUIRED SUPPLEMENTARY INFORMATION

**SANTA ROSA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCE – BUDGET AND ACTUAL –
GENERAL FUND (UNAUDITED)
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance Positive (Negative)</u>
REVENUES				
Grant revenue	\$ -	\$ -	\$ 11,160	\$ 11,160
Miscellaneous revenue	-	-	5,297	5,297
Total revenues	-	-	16,457	16,457
EXPENDITURES				
Current:				
General government:				
Personal services	1,107,195	1,196,195	1,128,971	67,224
Operating	1,177,500	1,838,195	1,306,967	531,228
Capital outlay	-	196,550	196,550	-
Total expenditures	2,284,695	3,230,940	2,632,488	598,452
Deficiency of revenues under expenditures	(2,284,695)	(3,230,940)	(2,616,031)	614,909
OTHER FINANCING SOURCES				
Board of County Commissioners appropriation	2,284,695	3,230,940	2,616,031	(614,909)
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See notes to the required supplementary information.

**SANTA ROSA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

Budgets and Budgetary Accounting

The Supervisor of Elections operates under budget procedures pursuant to Florida Statutes. The Supervisor of Elections' budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America. Budget appropriations lapse at the end of the year and are not carried over to the following year. The legal level of budgetary control is at the fund level.

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

Honorable Tappie Villane
Supervisor of Elections of Santa Rosa 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 Office of the Supervisor of Elections of Santa Rosa County, Florida (hereinafter referred to as Supervisor of Elections), 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 January 16, 2026.

Report on Internal Control Over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of This Report

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



Pensacola, Florida
January 16, 2026

MANAGEMENT LETTER

Honorable Tappie Villane
Supervisor of Elections of Santa Rosa County, Florida

Report on the Financial Statements

We have audited the financial statements of the general fund of the Office of the Supervisor of Elections of Santa Rosa County, Florida (hereinafter referred to as the Supervisor of Elections), 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 January 16, 2026.

Auditors' 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 Auditors' Report on Internal Control Over Financial Reporting and Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*. Disclosures in those reports, which are dated January 16, 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. No recommendations were made in the preceding annual financial audit report.

Financial Management

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 Article VIII, Section 1(d) of the Constitution of the State of Florida. There are no component units related to the Supervisor of Elections.

Additional Matters

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

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

Warren Averett, LLC

Pensacola, Florida

January 16, 2026

**SANTA ROSA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
MANAGEMENT'S RESPONSE TO MANAGEMENT LETTER
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

There are no comments which require management's written response.

**SANTA ROSA COUNTY, FLORIDA
TAX COLLECTOR**

**FINANCIAL STATEMENTS
AND SUPPLEMENTARY INFORMATION**

SEPTEMBER 30, 2025

**SANTA ROSA COUNTY, FLORIDA
TAX COLLECTOR
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SEPTEMBER 30, 2025**

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INDEPENDENT AUDITORS' REPORT

To the Honorable Stan Colie Nichols
Tax Collector of Santa Rosa County, Florida

Opinions

We have audited the accompanying financial statements of the general fund and the tax fund of the Office of the Tax Collector of Santa Rosa County, Florida (hereinafter referred to as "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 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 of the Tax Collector as of September 30, 2025, and the respective changes in financial position, where applicable, thereof and for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to the 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 Auditors' 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 ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the *Rules of the Auditor General* of the State of Florida. In conformity with the rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, and the aggregate remaining fund information, only for the portion of each major fund, and the aggregate remaining fund information, of Santa Rosa County, Florida, that are attributable to the Tax Collector. They do not purport to, and do not, present fairly the financial position of Santa Rosa 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 this matter.

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 12 months beyond the financial statement date, including any known information that may raise substantial doubt shortly thereafter.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if, 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 those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of the 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. According, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Tax Collector's ability to continue as a going concern for a reasonable period of time.

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

Other Matters*Required Supplementary Information*

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

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report 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, grant agreements and other matters included under the heading: Independent Auditors' 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 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* in considering the Tax Collector's internal control over financial reporting and compliance.



Pensacola, Florida
January 20, 2026

**SANTA ROSA COUNTY, FLORIDA
TAX COLLECTOR
BALANCE SHEET – GOVERNMENTAL FUND
SEPTEMBER 30, 2025**

	General Fund
ASSETS	
Cash and cash equivalents	\$ 69,756
Investments	708,749
Prepaid assets	232
TOTAL ASSETS	\$ 778,737
LIABILITIES	
Accounts payable	\$ 15,579
Accrued payroll, taxes and benefits	104,545
Unearned revenues	141,774
Due to other governmental units	516,839
TOTAL LIABILITIES	778,737
FUND BALANCE	-
TOTAL LIABILITIES AND FUND BALANCE	\$ 778,737

See notes to the financial statements.

**SANTA ROSA COUNTY, FLORIDA
TAX COLLECTOR
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE – GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	General Fund
REVENUES	
Charges for services	\$ 6,707,945
Miscellaneous	72,101
	6,780,046
EXPENDITURES	
Current:	
General government:	
Personal services	5,130,295
Operating	551,038
Debt service - principal	496,552
Debt service - interest	5,381
Capital outlay	1,234,361
	7,417,627
Total expenditures	7,417,627
EXCESS OF REVENUES OVER EXPENDITURES	(637,581)
Other financing uses:	
Transfers out	(503,639)
SBITA Agreements	1,141,220
Total other financing sources (uses)	637,581
NET CHANGE IN FUND BALANCE	-
FUND BALANCE, OCTOBER 1, 2024	-
FUND BALANCE, SEPTEMBER 30, 2025	\$ -

See notes to the financial statements.

**SANTA ROSA COUNTY, FLORIDA
TAX COLLECTOR
STATEMENT OF FIDUCIARY NET POSITION – CUSTODIAL FUND
SEPTEMBER 30, 2025**

	Tax Fund
ASSETS	
Cash and cash equivalents	\$ 1,179,993
Investments	672,085
Miscellaneous receivables	14,788
TOTAL ASSETS	\$ 1,866,866
LIABILITIES	
Accounts payable	\$ 2,659
Due to other governmental units	1,835,867
Miscellaneous liabilities	28,340
TOTAL LIABILITIES	1,866,866
NET POSITION	\$ -

See notes to the financial statements.

**SANTA ROSA COUNTY, FLORIDA
TAX COLLECTOR
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION – CUSTODIAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Tax Fund
ADDITIONS	
Property tax collections for other governments	\$ 235,045,560
Other taxes and fees for other governments	2,992,241
License and fees collected for the State	58,074,380
Other fees collected for other entities	6,873,190
Total additions	302,985,371
DEDUCTIONS	
Payments of property tax to other governments	235,045,560
Payments of other taxes and fees to other governments	2,992,241
Payments to the State	58,074,380
Payments to other entities	6,873,190
Total deductions	302,985,371
NET CHANGE IN FIDUCIARY NET POSITION	-
NET POSITION, OCTOBER 1, 2024	-
NET POSITION, SEPTEMBER 30, 2025	\$ -

See notes to the financial statements.

**SANTA ROSA COUNTY, FLORIDA
TAX COLLECTOR
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

1. SUMMARY OF ACCOUNTING POLICIES

A summary of the significant accounting policies consistently applied in the preparation of the financial statements follows.

Reporting Entity

The Office of the Tax Collector of Santa Rosa County, Florida (the "Tax Collector"), as established by Article VIII, Section 1(d), of the Constitution of the State of Florida, is an elected official of Santa Rosa County, Florida (the "County"). Although the Tax Collector is operationally autonomous from the Santa Rosa County Board of County Commissioners (the "Board"), it does not hold sufficient corporate powers to be considered a legally separate entity for financial reporting purposes. Therefore, the Tax Collector is considered part of the County's primary government for external financial reporting purposes.

These financial statements of the Tax Collector are not intended to be a complete presentation of the financial position and results of operations of the County taken as a whole. As permitted by Chapter 10.556(4), *Rules of the Auditor General*, State of Florida, the financial statements consist of only the fund level financial statements, as defined in Governmental Accounting Standards Board (GASB) Statement No. 34, and do not include presentations of government-wide financial statements of the Tax Collector.

Fund Accounting

The accounting system of the Tax Collector is organized and operated on a fund basis. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

The funds utilized by the Tax Collector are as follows:

Governmental Funds

These funds utilize a modified accrual basis of accounting. The measurement focus is upon determination of financial position and changes in financial position (sources, uses and balances of financial resources rather than upon net income determination).

General Fund

The general fund of the Tax Collector is used to account for all financial resources, which are generated from operations of the office, and any other resources not required to be accounted for in another fund.

Fiduciary Funds

The Tax Collector's sole fiduciary fund is a custodial fund (the "Tax Fund"). Custodial funds are used to account for assets held for individuals, private organizations or other governments and consist primarily of taxes and fees collected, but not distributed to other governments. The Tax Fund is used primarily to account for receipts of various types of taxes, licenses and fees collected on behalf of state, county and municipal governmental agencies.

**SANTA ROSA COUNTY, FLORIDA
TAX COLLECTOR
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. The basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All governmental funds are accounted for using the modified accrual basis of accounting. The revenues are recognized when they become both measurable and available as net current assets. The Tax Collector considers receivables collected within 60 days after year end to be available and recognizes them as revenues of the current year. Expenditures are recognized when the related fund liability is incurred. Custodial funds use the accrual basis of accounting.

Cash and Cash Equivalents

Cash equivalents are highly liquid investments with maturities of three months or less when purchased.

Accounting for Capital Assets

Capital assets are recorded as expenditures at the time of purchase by the Tax Collector. These assets (vehicles, equipment and other tangible property and certain intangible property, costing at least \$5,000 and with a useful life of more than one year) are capitalized at cost and accounted for in the County's government-wide financial statements.

Compensated Absences

The Tax Collector records a compensated absences liability for leave that 1) can be carried forward to future reporting periods; 2) was earned based on service that the employee has already provided; and 3) is more likely than not to be used, paid, or otherwise settled with the Tax Collector. The compensated absences liability is measured using the pay rates in effect as of the financial statement date, including directly and incrementally associated salary-related employer taxes and benefits. Changes to pay rates will be recognized in future periods as those changes occur. The Tax Collector uses a first-in, first-out (FIFO) flow assumption for calculating the portion of the liability due within one year. The liability is reported within the statement of net position in the County's government-wide financial statements.

Unspent Revenue and Fund Balance

In accordance with Section 218.36, Florida Statutes, unspent revenue is remitted proportionately to the various taxing districts at fiscal year end. As a result, no fund balance exists at year end in the General Fund.

Change in Accounting Principle

Effective October 1, 2024, the Tax Collector adopted the provisions of GASB Statement No. 101, Compensated Absences (GASB 101). This pronouncement establishes a unified model for recognition and measurement of liabilities associated with compensated absences, including vacation, sick leave and other paid time off. GASB 101 is expected to result in a liability for compensated absences that more appropriately reflects when a government incurs an obligation and can be applied consistently to different types of leave offered by governmental employers.

**SANTA ROSA COUNTY, FLORIDA
TAX COLLECTOR
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

As part of the implementation process, the Tax Collector has evaluated whether leave is more likely than not to be used for time off or otherwise paid in cash or settled through noncash means by assessing relevant factors, such as the Tax Collector's employment policies related to compensated absences; historical information about the use, payment, or forfeiture of compensated absences; and known information that would indicate that historical information may not be representative of future trends or patterns. Since this liability is only reported in the County's government-wide statement of net position, the implementation of this standard had no impact on the Tax Collector's financial statements.

2. CASH AND CASH EQUIVALENTS

At September 30, 2025, the bank reported deposits, before outstanding checks and deposits, of \$935,509; all of which was held by a financial institution designated as a "qualified public depository" by the State Treasurer.

All deposits were fully insured through a combination of federal depository insurance and participation of the financial institution in the multiple financial institution collateral pool as specified in Chapter 280, Florida Statutes. Accordingly, the Tax Collector does not believe it is exposed to any significant credit risk on its cash balances.

3. INVESTMENTS

Florida Statutes authorize the Tax Collector to invest in obligations of the U.S. Treasury and interest-bearing time deposits or savings accounts in banks participating in the multiple financial institution collateral pool.

The Tax Collector invests surplus funds in the Florida Fixed Income Trust (FL-FIT) Cash Pool, an external investment pool. The investment in the pool is measured and reported at fair market value using the guidelines established by Generally Accepted Accounting Principles (GAAP). FL-FIT follows Financial Accounting Standards Board (FASB) Accounting Standards Topic ASC 820 *Fair Value Measurement and Disclosure* for financial reporting purposes. ASC 820 defines fair value, establishes a single framework for measuring fair value and requires disclosures about fair value measurement. FL-FIT does not meet all of the specific criteria outlined in GASB 79 paragraph four; therefore, the Tax Collector measures this investment in the FL-FIT pool at fair value in accordance with paragraph 11 of GASB Statement 31.

The FL-FIT Cash Pool is rated by S&P Global. The current rating is AAaf/S1+. The dollar weighted average days to maturity (WAM) of FL-FIT Cash Pool at September 30, 2025, is 315 days.

The Trust is not required to register (and has not registered) with the SEC; however, the fund is an external investment pool that has historically adopted operating procedures consistent with those required by Florida Statutes. At September 30, 2025, the Tax Collector had \$1,380,834 invested in the FL-FIT Cash Pool.

**SANTA ROSA COUNTY, FLORIDA
TAX COLLECTOR
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

4. PENSION AND RETIREMENT PLAN

Substantially all full-time employees of the Tax Collector are covered by the Florida Retirement System (FRS). The FRS was established in 1970 by Chapter 121, Florida Statutes, and is administered by the Florida Department of Management Services, Division of Retirement. Changes, to the FRS can be made only by an act of the Florida Legislature. Rules governing the operation and administration of the system may be found in Chapter 60S of the Florida Administrative Code. The FRS issues a financial report that includes financial statements and required supplementary information. The report may be obtained at www.myfrs.com or by writing to FRS, 2639-C North Monroe Street, Tallahassee, Florida 32399.

The FRS offers two retirement plans – the FRS Pension Plan and the FRS Investment Plan. An employee may participate in only one of the plans. Both plans, effective July 1, 2011, are funded monthly by a combination of employer and employee contributions.

The FRS Pension Plan is a multiple employer, cost-sharing defined benefit plan, which provides retirement and disability benefits, annual cost-of-living adjustments and death benefits to plan members and beneficiaries. For employees who were enrolled in the plan prior to July 1, 2011, normal retirement benefits are available at age 62, with six or more years of service, or to those employees who have at least 30 years of creditable service, regardless of age.

Early retirement is available after six years of service with a 5% reduction of benefits for each year prior to the normal retirement age. For employees enrolling in the plan for the first time on or after July 1, 2011, normal retirement benefits are available at age 65 with eight or more years of service, or to those employees who have at least 33 years of creditable service, regardless of age. Early retirement is available after eight years of service with a 5% reduction of benefits for each year prior to the normal retirement age. Retirement age and years of service requirements also vary depending on membership class. Retirement benefits are based upon age, average compensation and years-of-service credit, where average compensation is computed as the average of the member's highest five (if enrolled prior to July 1, 2011) or eight (if enrolled on or after July 1, 2011) fiscal years of earnings.

The FRS Investment Plan is a defined contribution plan funded monthly by employer and employee contributions based on salary and membership class. Employer contributions vest after one year of service whereas employee contributions vest immediately. Members in the Investment Plan decide how their funds are allocated between various investment accounts, and the vested funds are portable upon termination. The final retirement benefit is equal to the vested contributions plus investment earnings less expenses and losses allocated to the member's account. Members in the Investment Plan are not eligible for participation in the Deferred Retirement Option Program (DROP).

**SANTA ROSA COUNTY, FLORIDA
TAX COLLECTOR
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

DROP is available for members of the FRS Pension Plan who are vested and elect to participate in DROP within one year after reaching normal retirement age. Under this program, a member effectively retires while continuing to be employed for up to eight years. While in DROP, the member's deferred monthly retirement benefits accumulate, earning interest and cost-of-living increases. When the DROP period is over, the participant terminates covered employment and begins receiving their predetermined monthly retirement benefit, as well as the accrued DROP benefit. Disability retirees are not eligible to participate in DROP, and DROP participants do not qualify for disability retirement.

Participating employees contribute 3% of their gross salaries each pay period to the plan. Participating employer contributions are based upon state-wide rates established by the State of Florida. Average contribution rates for the fiscal year ended September 30, 2025, were as follows: regular employees – 13.73%, special risk employees – 33.39%, elected officials – 57.65%, senior management employees – 34.20% and DROP participants – 21.35%. The Tax Collector's contributions to the Pension Plan, funded on a pay-as-you-go basis, were equal to the actuarially determined contributions for each year. Contributions to the Investment Plan were equal to the legislatively mandated contribution rates. Contributions to both plans totaled \$538,419, \$510,427 and \$438,948 for the years ended September 30, 2025, 2024 and 2023, respectively.

Net Pension Liability – Proportionate Share

The Tax Collector has a net FRS pension liability determined in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. This long-term liability is only reported in the County-wide financial statements and is not a current liability of the General Fund. All required disclosures and schedules may be found in the annual comprehensive financial report of Santa Rosa County, Florida.

5. OTHER POSTEMPLOYMENT BENEFIT (OPEB) PLAN

The Board offers postemployment health care benefits (OPEB) to all retired employees of the Tax Collector's Office and their dependents. Participating retirees are required to reimburse the Board for 100% of the premium cost, which is netted against the premium payment, so that no net expense is initially recorded in the Board's financial statements. However, these retirees are receiving an "implicit subsidy" because the premium is a group rate, which includes active, lower-cost employees. This implicit subsidy, however, has a cost. This annual cost and the total OPEB liability are measured as the portion of the actuarial present value of projected benefit payments that is attributed to past periods of employee service. The total OPEB liability and other required disclosures have been calculated for the County as a whole, and not separately for the Tax Collector's Office. Accordingly, these calculations and disclosures can be found in the County's annual comprehensive financial report.

**SANTA ROSA COUNTY, FLORIDA
TAX COLLECTOR
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

6. RISK MANAGEMENT

The Tax Collector is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Board has established a Self-Insurance Fund (an internal service fund) to account for and finance its uninsured risks of loss.

Under this program the County is self-insured with respect to the following exposures:

- Workers' compensation
- Auto, physical damage
- Auto, liability
- Construction and road equipment
- Portable communication equipment

The County is covered by outside insurance for the following exposures:

- Buildings and contents, \$5,000 deductible
- Boats
- Employee fidelity
- General liability, \$25,000 deductible
- Public officials' liability, \$25,000 deductible

Conventional insurance remains in effect for buildings and their contents. There also were no significant reductions in insurance coverage from the prior year, and settled claims resulting from conventional insurance risks have not exceeded coverage in any of the past three fiscal years. The County is a member of the Florida Association of Counties Trust, a pooled liability program providing general liability coverage and public officials' liability coverage. The Tax Collector participates in the program and makes payments to the Self-Insurance Fund based on historical estimates of amounts needed to pay prior and current year claims and to establish a reserve for catastrophe losses.

7. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITA)

The Tax Collector's Office has one agreement that meets the definition of a SBITA under GASB Statement No. 96. Detailed information about the SBITA can be found in the Santa Rosa County Annual Comprehensive Financial Report or County-wide financial statements. During the year, the Tax Collector's Office modified the SBITA agreement therefore modification is included as other financing sources and capital outlay expenditures in the State of Revenues, Expenditures and Changes in Fund Balance. Payments made in accordance with the lease terms are reported as debt service expenditures in the State of Revenues, Expenditures, and Changes in Fund Balance as they are incurred.

**SANTA ROSA COUNTY, FLORIDA
TAX COLLECTOR
NOTES TO THE FINANCIAL STATEMENTS
SEPTEMBER 30, 2025**

8. LEASES

The Tax Collector's Office leases office space and equipment under certain agreements that meet the definition of a lease under GASB Statement No. 87, *Leases*. Detailed information about the Tax Collector's leases can be found in the Santa Rosa County Annual Comprehensive Financial Report or County-wide financial statements.

Leases entered into by the Tax Collector's Office are included as capital outlay expenditures in the Statement of Revenues, Expenditures and Changes in Fund Balance in the year of inception. Payments made in accordance with the lease terms are reported as debt service expenditures in the Statement of Revenues, Expenditures and Changes in Fund Balance as they are incurred.

9. LITIGATION

The Tax Collector is contingently liable with respect to lawsuits and other claims, which might be filed incidental to the ordinary course of operations. In the opinion of management, based on the advice of legal counsel, there are no lawsuits or claims outstanding, which will have a material adverse effect on the financial position of the Tax Collector's Office.

**REQUIRED SUPPLEMENTARY INFORMATION
(UNAUDITED)**

**SANTA ROSA COUNTY, FLORIDA, TAX COLLECTOR
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL –
GENERAL FUND (UNAUDITED)
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

	Original Budget	Final Budget	Actual	Variance Positive (Negative)
REVENUES				
Charges for services	\$ 6,656,851	\$ 6,656,851	\$ 6,707,945	\$ 51,094
Miscellaneous	82,991	82,991	72,101	(10,890)
Total revenues	6,739,842	6,739,842	6,780,046	40,204
EXPENDITURES				
Current:				
General government:				
Personal services	5,429,587	5,272,492	5,130,295	142,197
Operating	994,461	1,068,566	551,038	517,528
Debt service - principal	-	-	496,552	(496,552)
Debt service - interest	-	-	5,381	(5,381)
Capital outlay	-	93,141	1,234,361	(1,141,220)
Total expenditures	6,424,048	6,434,199	7,417,627	(983,428)
EXCESS OF REVENUES OVER EXPENDITURES	315,794	305,643	(637,581)	(943,224)
OTHER FINANCING USES				
Unspent revenues	(315,794)	(305,643)	(503,639)	(197,996)
SBITA Agreements	-	-	1,141,220	1,141,220
Total other financing sources (uses)	(315,794)	(305,643)	637,581	943,224
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE, BEGINNING OF YEAR	-	-	-	-
FUND BALANCE, END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Note: Due to the recognition of a new SBITA under GASB 96, the Tax Collector recognized an unbudgeted capital outlay expenditure and offsetting SBITA financing proceeds to recognize the new SBITA executed in fiscal year 2025, which results in capital outlay expenditures exceeding budget. This is not considered to be an over expenditure of their legally adopted budget.

See independent auditors' report and notes to the required supplementary information.

**SANTA ROSA COUNTY, FLORIDA
TAX COLLECTOR
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION
SEPTEMBER 30, 2024**

Budgets and Budgetary Accounting

The Tax Collector establishes an annual budget pursuant to Section 195.087, Florida Statutes. The budget is submitted to the Florida Department of Revenue for approval. A copy is provided to the Board and is incorporated into the overall county budget. The Tax Collector's budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America. The legal level of budgetary control is the fund level.

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

To the Honorable Stan Colie Nichols
Tax Collector of Santa Rosa 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 (hereinafter referred to as "financial statements") of the general fund and the tax fund of the Tax Collector of Santa Rosa County, Florida (hereinafter referred to as "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 financial statements, and have issued our report thereon dated January 20, 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Report on Compliance and Other Matters

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

Purpose of This Report

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



Pensacola, Florida
January 20, 2026.

**INDEPENDENT ACCOUNTANTS' REPORT ON EXAMINATION OF COMPLIANCE
REQUIREMENTS IN ACCORDANCE WITH CHAPTER 10.550,
RULES OF THE AUDITOR GENERAL**

To the Honorable Stan Colie Nichols
Tax Collector of Santa Rosa County, Florida

We have examined the Office of the Tax Collector of Santa Rosa County, Florida's (hereinafter referred to as "Tax Collector"), compliance with Florida Statute 218.415, in regard to investments for the year ended September 30, 2025. Management is responsible for the Tax Collector's compliance with those requirements. Our responsibility is to express an opinion on the Tax Collector's compliance based on our examination.

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

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

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

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



Pensacola, Florida
January 20, 2026

MANAGEMENT LETTER

To the Honorable Stan Colie Nichols
Tax Collector of Santa Rosa County, Florida

Report on the Financial Statements

We have audited the financial statements of the general fund and the tax fund of the Office of the Tax Collector of Santa Rosa County, Florida (hereinafter referred to as "Tax Collector"), as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated January 20, 2026.

Auditors' 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 Auditors' 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 Accountants' Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated January 20, 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 corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. There were no recommendations made in the preceding 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 Article VIII, Section 1(d) of the Constitution of the State of Florida. There are no component units related to the Tax Collector.

Financial Management

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

Additional Matters

Section 10.554(1)(i)3, *Rules of the Auditor General*, requires us to communicate noncompliance with provisions of contracts, grant agreements 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 the Florida House of Representatives, the Florida Auditor General, the Tax Collector, the Santa Rosa County Board of County Commissioners and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

Warren Averett, LLC

Pensacola, Florida
January 20, 2026

**SANTA ROSA COUNTY, FLORIDA
TAX COLLECTOR
MANAGEMENT'S RESPONSE TO MANAGEMENT LETTER
FOR THE YEAR ENDED SEPTEMBER 30, 2025**

There were no comments which require management's written response.



SANTA ROSA COUNTY FLORIDA

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