

2024

Nassau County Sheriff
Nassau County, Florida

Financial Statements and Independent Auditor's Report

September 30, 2024

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR’S REPORTS**

**NASSAU COUNTY SHERIFF
NASSAU COUNTY, FLORIDA**

SEPTEMBER 30, 2024

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INDEPENDENT AUDITOR'S REPORT

The Honorable Bill Leeper
Nassau County Sheriff
Nassau County, Florida

Report on the Audit of the Financial Statements

Opinions

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

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

Basis for Opinions

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

Emphasis of Matter

Incomplete Presentation

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the *Rules of the Auditor General* of the State of Florida (the Rules). In conformity with the Rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each major fund, and the aggregate remaining

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Nassau County, Florida

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fund information, only for that portion of the major funds, and the aggregate remaining fund information, of Nassau County, Florida that is attributable to the Sheriff. They do not purport to, and do not, present fairly the financial position of Nassau County, Florida, as of September 30, 2024, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. Our 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 of events, considered in the aggregate, that raise substantial doubt about the Sheriff's ability to continue as a going concern for twelve months beyond the financial statement date, including any known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

The Honorable Bill Leeper
Nassau County Sheriff
Nassau County, Florida

INDEPENDENT AUDITOR'S REPORT

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

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

Other Financial Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Sheriff's basic financial statements. The other financial information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements.

Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the other financial information is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2025, on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Sheriff's internal control over financial reporting and compliance.

Purvis Gray

March 10, 2025
Gainesville, Florida

FINANCIAL STATEMENTS

**NASSAU COUNTY SHERIFF
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2024**

	Major Funds			Other	Total
	General Fund	Inmate Commissary	Capital Projects	Governmental Funds	Governmental Funds
Assets					
Cash in Bank	\$ 2,793,288	\$ 1,545,754	\$ 529,122	\$ 485,952	\$ 5,354,116
Cash on Hand	500	-	-	3,359	3,859
Accounts Receivable	-	55,411	-	-	55,411
Due from Other Funds	1,862	6,466	-	-	8,328
Due from Board of County Commissioners	198,215	-	198,206	-	396,421
Due from Other Governments	44,047	-	-	52,826	96,873
Other Current Assets	3,708	-	-	-	3,708
Total Assets	3,041,620	1,607,631	727,328	542,137	5,918,716
Liabilities and Fund Balances					
Liabilities					
Accounts Payable	470,000	9,382	565,431	441	1,045,254
Due to Board of County Commissioners	548,382	-	-	481,163	1,029,545
Other Current Liabilities	2,023,238	8,011	-	25,407	2,056,656
Total Liabilities	3,041,620	17,393	565,431	507,011	4,131,455
Fund Balances					
Restricted:					
Inmate Welfare	-	1,590,238	-	-	1,590,238
Capital Projects	-	-	161,897	-	161,897
Committed:					
Investigative	-	-	-	35,126	35,126
Total Fund Balances	-	1,590,238	161,897	35,126	1,787,261
Total Liabilities and Fund Balances	\$ 3,041,620	\$ 1,607,631	\$ 727,328	\$ 542,137	\$ 5,918,716

See accompanying notes to financial statements.

NASSAU COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Major Funds			Other	Total
	General Fund	Inmate Commissary	Capital Projects	Governmental Funds	Governmental Funds
Revenues					
Intergovernmental	\$ 291,366	\$ -	\$ -	\$ 640,305	\$ 931,671
Miscellaneous	482,436	430,206	-	11,977	924,619
Total Revenues	<u>773,802</u>	<u>430,206</u>	<u>-</u>	<u>652,282</u>	<u>1,856,290</u>
Expenditures					
Current:					
Court-Related:					
Personnel Services	1,594,407	-	-	-	1,594,407
Operating Expenditures	46,089	-	-	-	46,089
Public Safety:					
Personnel Services	29,989,385	126,038	-	384,037	30,499,460
Operating Expenditures	7,723,198	104,536	-	202,806	8,030,540
Capital Outlay	3,899,125	173,655	7,297,543	56,305	11,426,628
Debt Service:					
Principal	389,750	-	-	-	389,750
Interest	6,976	-	-	-	6,976
(Total Expenditures)	<u>(43,648,930)</u>	<u>(404,229)</u>	<u>(7,297,543)</u>	<u>(643,148)</u>	<u>(51,993,850)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(42,875,128)</u>	<u>25,977</u>	<u>(7,297,543)</u>	<u>9,134</u>	<u>(50,137,560)</u>
Other Financing Sources (Uses)					
Lease Obligation	816,223	-	-	-	816,223
Transfers in from Board of County Commissioners	42,678,008	-	5,891,537	678,710	49,248,255
Transfers (out) to Board of County Commissioners	(619,103)	-	-	(481,163)	(1,100,266)
Transfers in from Other Funds	-	-	184,512	-	184,512
Transfers out to Other Funds	-	-	-	(184,512)	(184,512)
Total Other Financing Sources (Uses)	<u>42,875,128</u>	<u>-</u>	<u>6,076,049</u>	<u>13,035</u>	<u>48,964,212</u>
Net Change in Fund Balance	-	25,977	(1,221,494)	22,169	(1,173,348)
Fund Balance, Beginning of Year	-	1,564,261	1,383,391	12,957	2,960,609
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ 1,590,238</u>	<u>\$ 161,897</u>	<u>\$ 35,126</u>	<u>\$ 1,787,261</u>

See accompanying notes to financial statements.

NASSAU COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	General Fund			Variance With Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Intergovernmental	\$ -	\$ 291,366	\$ 291,366	\$ -
Miscellaneous	-	482,436	482,436	-
Total Revenues	-	773,802	773,802	-
Expenditures				
Current:				
Court-Related:				
Personnel Services	1,659,460	1,594,407	1,594,407	-
Operating Expenditures	56,604	46,089	46,089	-
Public Safety:				
Personnel Services	31,968,065	29,989,385	29,989,385	-
Operating Expenditures	7,246,236	7,723,198	7,723,198	-
Capital Outlay	935,220	3,899,125	3,899,125	-
Debt Service:				
Principal	333,513	389,750	389,750	-
Interest	3,817	6,976	6,976	-
(Total Expenditures)	(42,202,915)	(43,648,930)	(43,648,930)	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(42,202,915)	(42,875,128)	(42,875,128)	-
Other Financing Sources (Uses)				
Lease Obligation	-	816,223	816,223	-
Transfers in from Board of County Commissioners	42,346,867	42,678,008	42,678,008	-
Transfers (out) to Board of County Commissioners	(143,952)	(619,103)	(619,103)	-
Total Other Financing Sources (Uses)	42,202,915	42,875,128	42,875,128	-
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -

See accompanying notes to financial statements.

NASSAU COUNTY SHERIFF
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - INMATE COMMISSARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Inmate Commissary Fund			Variance With Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Miscellaneous	\$ -	\$ 430,206	\$ 430,206	\$ -
Total Revenues	-	430,206	430,206	-
Expenditures				
Current:				
Public Safety:				
Personnel Services	127,806	126,038	126,038	-
Operating Expenditures	-	104,536	104,536	-
Capital Outlay	-	173,655	173,655	-
Contingency	1,564,261	1,590,238	-	1,590,238
(Total Expenditures)	(1,692,067)	(1,994,467)	(404,229)	1,590,238
Net Change in Fund Balance	(1,692,067)	(1,564,261)	25,977	1,590,238
Fund Balance, Beginning of Year	1,564,261	1,564,261	1,564,261	-
Fund Balance, End of Year	\$ (127,806)	\$ -	\$ 1,590,238	\$ 1,590,238

See accompanying notes to financial statements.

**NASSAU COUNTY SHERIFF
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2024**

	Custodial Funds
Assets	
Cash	\$ 90,818
Total Assets	<u>90,818</u>
Liabilities	
Accounts Payable	47,612
Other Current Liabilities	2,853
Due to Other Funds	8,328
Due to Board of County Commissioners	1,871
Total Liabilities	<u>60,664</u>
Fiduciary Net Position	<u>\$ 30,154</u>

See accompanying notes to financial statements.

**NASSAU COUNTY SHERIFF
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Custodial Funds
Additions	
Inmate Funds Collected	\$ 1,449,021
Fines, Forfeitures, and Fees Collected	<u>51,711</u>
Total Additions	<u>1,500,732</u>
Deductions	
Inmate Funds Disbursed	1,438,544
Fines, Forfeitures, and Fees Disbursed	<u>51,711</u>
Total Deductions	<u>1,490,255</u>
Change in Net Position	<u>10,477</u>
Net Position, Beginning of Year	<u>19,677</u>
Net Position, End of Year	<u><u>\$ 30,154</u></u>

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

**NASSAU COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS**

Note 1 - Summary of Significant Accounting Policies

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

Reporting Entity

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

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

The operations of the Sheriff are primarily funded by the Board. The receipts from the Board are recorded as other financing sources on the Sheriff's financial statements. Any excess of revenues and other financing sources received over expenditures are remitted to the Board at year-end.

Basis of Presentation

The accompanying financial statements include all the funds and accounts of the Sheriff's office but are not a complete presentation of the County as a whole. Except for this matter, they are otherwise in conformity with GAAP. The accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557, *Rules of the Auditor General, Local Governmental Entity Audits*.

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

■ **Governmental Funds**

● **Major Funds**

- ▶ **General Fund**—The general fund is the general operating fund of the Sheriff. It is used to account for all financial resources, except for those required to be accounted for in another fund.
- ▶ **Inmate Commissary Fund**—This fund accounts for commissions received from pay telephones and commissary profits used for the benefit of inmates.
- ▶ **Capital Projects Fund**—This fund accounts for the transfers from the Board of County Commissioners related to the construction of facilities for the benefit of the Sheriff's Office operations.

**NASSAU COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS**

- **Other Governmental Funds**

- ▶ **Special Revenue Funds**—Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. The Sheriff reports three non-major special revenue funds in the financial statements under the following titles: Sheriff's Investigative Fund, Federal Inmate Fund, and 911 Operations Fund.

- **Fiduciary Funds**

- **Custodial Funds**—The custodial funds are fiduciary funds, which are used to account for assets received and held by the Sheriff in the capacity of a trustee or as an agent for individuals, government agencies, and other public organizations.

Measurement Focus/Basis of Accounting

All governmental funds are accounted for on a current financial resources measurement focus. This means that only current assets and current liabilities are generally included on their balance sheets. Their reported fund balance (net current assets) is considered a measure of "available spendable resources". Their operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets and, accordingly, are said to present a summary of sources and uses of "available spendable resources" during a period. Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All governmental funds are accounted for using the modified accrual basis of accounting. Revenues are recognized when they become measurable and available as net current assets. Revenues are considered to be available when they are collectable within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considered revenues to be available if they are collected within 31 days of the end of the current fiscal period, except for grant revenues, which are considered to be available if collected within 60 days. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. However, principal and interest on long-term debt are recognized when due.

The custodial funds are accounted for using an economic resource measurement focus and accrual basis of accounting requiring a resource flow statement. Liabilities are recognized when an event occurs that compels the Sheriff to disburse fiduciary resources, which is when a demand for resources has been made or when no further action, approval, or condition is required to be taken by the beneficiary to release the assets.

Budgetary Requirement

Governmental fund revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with Florida Statutes. The Inmate Commissary Fund and the Sheriff's Investigative Fund expenditures are restricted by statute; therefore, these budgets are not approved by the Board.

**NASSAU COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS**

All budget amounts presented for the General Fund in the accompanying financial statements have been adjusted for legally authorized amendments of the annual budget for the year. Budgets are prepared on the modified accrual basis of accounting. The Sheriff's annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total annual budget appropriations at the individual fund level.

Capital Assets and Long-Term Liabilities

Because of the current financial resources measurement focus, the accompanying fund financial statements do not report capital assets or long-term liabilities. Such amounts are instead reported in the government-wide financial statements of the County.

Workers' Compensation and Group Health Insurance

The Board provides the Sheriff and his employees with workers' compensation and group health insurance coverage. Accidental death coverage for Law Enforcement Officers is also provided by the Board. The premiums for such coverage are paid by the Board and recorded on its records and, consequently, are not recorded on the Sheriff's records.

Fund Balance Reporting

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

- **Non-Spendable**—This component of fund balance consists of amounts that cannot be spent because: (a) they are not expected to be converted to cash; or (b) they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund. The Sheriff does not have any non-spendable funds.
- **Restricted**—This component of fund balance consists of amounts that are constrained either: (a) externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments); or (b) by law through constitutional provisions or enabling legislation.
- **Committed**—This component of fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (e.g., ordinance or resolution) of the County's governing board. These committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (e.g., ordinance or resolution) it employed previously to constrain those amounts.
- **Assigned**—This component of fund balance consists of amounts that are constrained by a less-than-formal action of the Sheriff, or by an individual or body to whom the Sheriff has delegated this responsibility. By definition, fund balances are also assigned to the extent that they are needed to finance a subsequent year's budget deficit.
- **Unassigned**—This classification is used for: (a) negative unrestricted fund balances in any governmental fund; or (b) fund balances within the General Fund that are not restricted, committed, or assigned.

**NASSAU COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS**

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

Implementation of GASB Statement No. 100, *Accounting Changes and Error Corrections*

During the year ended September 30, 2024, the Sheriff adopted GASB Statement No. 100, *Accounting Changes and Error Corrections*. The statement enhances accounting and financial reporting requirements for accounting changes and error corrections. The statement defines accounting changes as: (a) changes in accounting principles, (b) changes in accounting estimates, or (c) changes to or within the financial reporting entity, each with its own financial reporting requirements. Disclosure requirements include descriptions of accounting changes and error corrections and their quantitative effects on account balances. There was no impact to the Sheriff's financial statements as a result of the adoption of this statement.

Note 2 - Cash

Cash Deposits

At September 30, 2024, the carrying amount of the Sheriff's deposits was \$5,444,934 and the bank balance was \$7,342,087. Cash on hand was \$3,859. Deposits in banks are collateralized as public funds through a state procedure provided for in Chapter 280, Florida Statutes. Financial institutions qualifying as public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits times the depository's collateral pledging level. The Public Deposit Security Trust Fund has a procedure to allocate and recover losses in the event of a default or insolvency. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereof. All of the cash deposits of the Sheriff are placed with qualified financial institutions, which means they are insured or collateralized.

Note 3 - Interfund Balances and Transfers

The following interfund balances arose through the normal course of operations and are expected to be repaid within one year:

	<u>Due from Other Funds</u>	<u>Due to Other Funds</u>
General Fund	\$ 1,862	\$ -
Inmate Commissary	6,466	-
Inmate Trust	-	8,328
Total	<u>\$ 8,328</u>	<u>\$ 8,328</u>

Note 4 - Risk Management

The Sheriff is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees and the public; or damage to property of others.

**NASSAU COUNTY SHERIFF
NOTES TO FINANCIAL STATEMENTS**

The Sheriff participates in two Florida Sheriff's Self-Insurance Funds for risk related to professional liability and automobile risks. The funding agreements provide that each fund will be self-sustaining through member premiums and that the Sheriff's liability fund will reinsure through commercial companies. Aggregate coverage provided by the liability fund is \$10,000,000 for professional liability and \$10,000,000 for public officials' coverage. Coverage limits for automobile risks are a combined \$500,000 per accident for bodily injury and property damage.

In addition, the Sheriff has obtained an excess loss reimbursement policy to cover catastrophic inmate medical claims.

Note 5 - Commitments and Contingencies

The Sheriff is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operations. In the opinion of management, based on the advice of legal counsel, the ultimate disposition of these lawsuits and claims will not have a material adverse effect on the financial condition of the Sheriff.

Note 6 - Pension and Postemployment Benefits Other Than Pension Benefits

Florida Retirement System Pension Benefits

The Sheriff participates in the Florida Retirement System to provide pension benefits to its employees. A detailed plan description and any liability for employees of the Sheriff are included in the financial statements of the County.

Postemployment Benefits Other Than Pensions

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

Note 7 - Subsequent Event

Subsequent to fiscal year-end, the Sheriff received a remediation letter from the U.S. Department of Justice related to equitable sharing funds received by the Sheriff. These funds were distributed to the Sheriff as a result of the seizure and liquidation of certain assets confiscated during investigations which occurred during the tenure of a former employee of the Sheriff who was involved in federal criminal prosecution and was recently found guilty of the alleged criminal activity. Based on the equitable sharing program criteria, funds distributed pursuant to seizures occurring during this employee's tenure are considered to be forfeited. Due to this determination of forfeiture, the Sheriff is required to return \$556,618.15 in previously distributed equitable sharing funds to the U.S. Department of Justice. Due to the measurement focus of the Sheriff's financial statements, no related liability has been accrued as of September 30, 2024.

OTHER FINANCIAL INFORMATION

NON-MAJOR GOVERNMENTAL FUNDS

Sheriff Investigative—Accounts for monies used in accordance with Section 925.055, Florida Statutes.

Federal Inmate—Accounts for revenues and associated expenditures of housing federal inmates at the Nassau County Jail.

911 Operations—Accounts for the proceeds of telephone charges collected for the operation of the 911 emergency response system.

**NASSAU COUNTY SHERIFF
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2024**

	Sheriff Investigative	Federal Inmate	911 Operations	Total Other Governmental Funds
Assets				
Cash in Bank	\$ 31,767	\$ 255,084	\$ 199,101	\$ 485,952
Cash on Hand	3,359	-	-	3,359
Due from Other Governments	-	52,826	-	52,826
Total Assets	<u>35,126</u>	<u>307,910</u>	<u>199,101</u>	<u>542,137</u>
Liabilities and Fund Balances				
Accounts Payable	-	-	441	441
Due to Board of County Commissioners	-	297,923	183,240	481,163
Other Current Liabilities	-	9,987	15,420	25,407
Total Liabilities	<u>-</u>	<u>307,910</u>	<u>199,101</u>	<u>507,011</u>
Fund Balances				
Committed:				
Investigative	35,126	-	-	35,126
Total Fund Balances	<u>35,126</u>	<u>-</u>	<u>-</u>	<u>35,126</u>
Total Liabilities and Fund Balances	<u>\$ 35,126</u>	<u>\$ 307,910</u>	<u>\$ 199,101</u>	<u>\$ 542,137</u>

**NASSAU COUNTY SHERIFF
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024**

	Sheriff Investigative	Federal Inmate	911 Operations	Total Other Governmental Funds
Revenues				
Intergovernmental Revenue	\$ -	\$ 640,305	\$ -	\$ 640,305
Miscellaneous	11,977	-	-	11,977
Total Revenues	<u>11,977</u>	<u>640,305</u>	<u>-</u>	<u>652,282</u>
Expenditures				
Current:				
Public Safety:				
Personnel Services	-	149,233	234,804	384,037
Operating Expenditures	9,808	8,637	184,361	202,806
Capital Outlay	-	-	56,305	56,305
(Total Expenditures)	<u>(9,808)</u>	<u>(157,870)</u>	<u>(475,470)</u>	<u>(643,148)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>2,169</u>	<u>482,435</u>	<u>(475,470)</u>	<u>9,134</u>
Other Financing Sources (Uses)				
Transfers in from Board of County Commissioners	20,000	-	658,710	678,710
Transfers (out) to Board of County Commissioners	-	(297,923)	(183,240)	(481,163)
Transfers (out) to Other Funds	-	(184,512)	-	(184,512)
Total Other Financing Sources (Uses)	<u>20,000</u>	<u>(482,435)</u>	<u>475,470</u>	<u>13,035</u>
Net Change in Fund Balance	22,169	-	-	22,169
Fund Balance, Beginning of Year	<u>12,957</u>	<u>-</u>	<u>-</u>	<u>12,957</u>
Fund Balance, End of Year	<u>\$ 35,126</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,126</u>

CUSTODIAL FUNDS

Individual Depositors/Suspense—Accounts for fees charged for the service of process in civil cases. These non-refundable fees are set by Section 30.231, Florida Statutes. On a monthly basis, these fees are deposited to the General Fund of the Board of County Commissioners. Accounts for the receipt and disbursement of funds received for various purposes, such as faulty equipment for inspection and purge money for child support. Disbursement of these funds is made in accordance with the purpose of the receipt.

Inmate Trust—Accounts for inmates' personal cash receipts and disbursements. Individual inmate account records are maintained. This fund makes disbursements requested by inmates to the extent of their available funds.

**NASSAU COUNTY SHERIFF
COMBINING STATEMENT OF FIDUCIARY NET POSITION
CUSTODIAL FUNDS
SEPTEMBER 30, 2024**

	Individual Depositors/ Suspense	Inmate Trust	Total
Assets			
Cash	\$ 4,323	\$ 86,495	\$ 90,818
Total Assets	<u>4,323</u>	<u>86,495</u>	<u>90,818</u>
Liabilities			
Accounts Payable	-	47,612	47,612
Other Current Liabilities	2,853	-	2,853
Due to Other Funds	-	8,328	8,328
Due to Board of County Commissioners	1,470	401	1,871
Total Liabilities	<u>4,323</u>	<u>56,341</u>	<u>60,664</u>
Net Position	<u>\$ -</u>	<u>\$ 30,154</u>	<u>\$ 30,154</u>

NASSAU COUNTY SHERIFF
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
CUSTODIAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2024

	Individual Depositors/ Suspense	Inmate Trust	Total
Additions			
Inmate Funds Collected	\$ -	\$ 1,449,021	\$ 1,449,021
Fines, Forfeitures, and Fees Collected	51,711	-	51,711
Total Additions	<u>51,711</u>	<u>1,449,021</u>	<u>1,500,732</u>
Deductions			
Inmate Funds Disbursed	-	1,438,544	1,438,544
Fines, Forfeitures, and Fees Disbursed	51,711	-	51,711
Total Deductions	<u>51,711</u>	<u>1,438,544</u>	<u>1,490,255</u>
Change in Net Position	<u>-</u>	<u>10,477</u>	<u>10,477</u>
Net Position, Beginning of Year	<u>-</u>	<u>19,677</u>	<u>19,677</u>
Net Position, End of Year	<u><u>\$ -</u></u>	<u><u>\$ 30,154</u></u>	<u><u>\$ 30,154</u></u>

OTHER REPORTS

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

The Honorable Bill Leeper
Nassau County Sheriff
Nassau County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Nassau County, Florida, Sheriff (the Sheriff) as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements, and have issued our report thereon dated March 10, 2025.

Report on Internal Control Over Financial Reporting

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

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

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

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The Honorable Bill Leeper
Nassau County Sheriff
Nassau County, Florida

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

Report on Compliance and Other Matters

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

Purpose of This Report

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

Purvis Gray

March 10, 2025
Gainesville, Florida

INDEPENDENT ACCOUNTANTS' REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Bill Leeper
Nassau County Sheriff
Nassau County, Florida

We have examined Nassau County, Florida, Sheriff's (the Sheriff) compliance with Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2024, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the Sheriff's compliance with those requirements. Our responsibility is to express an opinion on the Sheriff's compliance based on our examination.

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

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

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

In our opinion, the Sheriff complied, in all material respects, with the aforementioned requirements during the fiscal year ended September 30, 2024.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and Florida House of Representatives, the Florida Auditor General, the Sheriff, its management, and the Board of County Commissioners of Nassau County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

Purvis Gray

March 10, 2025
Gainesville, Florida

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MANAGEMENT LETTER

The Honorable Bill Leeper
Nassau County Sheriff
Nassau County, Florida

Report on the Financial Statements

We have audited the financial statements of the Nassau County, Florida, Sheriff (the Sheriff) as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated March 10, 2025.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with the American Institute of Certified Public Accountants *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated March 10, 2025, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Sheriff was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Sheriff.

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The Honorable Bill Leeper
Nassau County Sheriff
Nassau County, Florida

MANAGEMENT LETTER

Financial Management

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

Additional Matters

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

Purpose of this Letter

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

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

Purvis Gray

March 10, 2025
Gainesville, Florida

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