

**OSCEOLA COUNTY  
CLERK OF THE CIRCUIT COURT**

**FINANCIAL STATEMENTS**

**Year Ended September 30, 2024**

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Certified Public Accountants

## INDEPENDENT AUDITOR'S REPORT

To the Honorable Kelvin Soto,  
Osceola County, Florida Clerk of the Circuit Court

### Report on the Financial Statements

#### *Opinion*

We have audited the accompanying financial statements of the Osceola County, Florida Clerk of the Circuit Court (the "Clerk") as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Clerk's 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 Clerk as of September 30, 2024, and the respective change in financial position, and the budgetary comparison for the general fund and major special revenue funds for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

#### *Basis for Opinion*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the 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 opinion.

#### *Responsibilities of Management for the Financial Statements*

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

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

To the Honorable Kelvin Soto  
Osceola County, Florida Clerk of the Circuit Court

***Auditor's Responsibility for the Audit of the Financial Statements***

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

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

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

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

***Emphasis-of-Matter***

As described in Note 1 to the financial statements, the accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557(3), *Rules of the Auditor General for Local Governmental Entity Audits*. These financial statements are not intended to be a complete presentation of the financial position of Osceola 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 this matter.

To the Honorable Kelvin Soto  
Osceola County, Florida Clerk of the Circuit Court

***Supplementary Information***

Our audit was conducted for the purpose of forming an opinion on the financial statements taken as a whole. The accompanying supplemental 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. The accompanying supplemental 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 other 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 taken as a whole.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated February 6, 2025, on our consideration of the Clerk's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Clerk's internal control over financial reporting and compliance.

***MSL, P.A.***

Certified Public Accountants

Orlando, Florida  
February 6, 2025

**OSCEOLA COUNTY  
CLERK OF THE CIRCUIT COURT**

**BALANCE SHEET - GOVERNMENTAL FUNDS**

**September 30, 2024**

	<u>General Fund</u>	<u>Public Records Modernization Trust Fund</u>	<u>Public Records Information Technology Fund</u>	<u>Total Governmental Funds</u>
<b>ASSETS</b>				
Cash and investments	\$ 1,957,744	\$ 2,788,277	\$ 3,054,253	\$ 7,800,274
Due from other funds - custodial	343,831	23,169	69,876	436,876
Accounts receivable	1,545	-	6,876	8,421
Due from other county units	541	-	-	541
Due from other governments	296,030	-	-	296,030
Prepays	189,156	-	-	189,156
TOTAL ASSETS	<u>\$ 2,788,847</u>	<u>\$ 2,811,446</u>	<u>\$ 3,131,005</u>	<u>\$ 8,731,298</u>
<b>LIABILITIES AND FUND BALANCES</b>				
<b>LIABILITIES</b>				
Accounts payable	\$ 97,689	\$ 1,013	\$ 150	\$ 98,852
Accrued liabilities	625,553	-	-	625,553
Due to other funds - custodial	14,385	-	-	14,385
Due to other governments	2,051,220	-	157	2,051,377
TOTAL LIABILITIES	<u>2,788,847</u>	<u>1,013</u>	<u>307</u>	<u>2,790,167</u>
<b>FUND BALANCES</b>				
Nonspendable	189,156	-	-	189,156
Restricted for records modernization	-	2,810,433	-	2,810,433
Restricted for information technology	-	-	3,130,698	3,130,698
Unassigned	(189,156)	-	-	(189,156)
TOTAL FUND BALANCE	<u>-</u>	<u>2,810,433</u>	<u>3,130,698</u>	<u>5,941,131</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 2,788,847</u>	<u>\$ 2,811,446</u>	<u>\$ 3,131,005</u>	<u>\$ 8,731,298</u>

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

**OSCEOLA COUNTY  
CLERK OF THE CIRCUIT COURT**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES - GOVERNMENTAL FUNDS**

**Year Ended September 30, 2024**

	<b>General Fund</b>	<b>Public Records Modernization Trust Fund</b>	<b>Public Records Information Technology Fund</b>	<b>Total Governmental Funds</b>
<b>REVENUES</b>				
Intergovernmental	\$ 12,308,797	\$ -	\$ -	\$ 12,308,797
Fees, fines and service charges	3,678,207	353,724	899,333	4,931,264
Investment earnings	-	136,639	-	136,639
Miscellaneous	550,403	-	-	550,403
TOTAL REVENUES	16,537,407	490,363	899,333	17,927,103
<b>EXPENDITURES</b>				
Current				
General government:				
Personal services	12,166,328	-	691,931	12,858,259
Operating	4,313,373	456,907	-	4,770,280
Capital outlay	-	-	-	-
TOTAL EXPENDITURES	16,479,701	456,907	691,931	17,628,539
EXCESS OF REVENUES OVER EXPENDITURES	57,706	33,456	207,402	298,564
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	3,671,808	-	-	3,671,808
Transfers out:				
Osceola County Board of County Commissioners	(577,955)	-	-	(577,955)
Remittances to Florida Department of Revenue	(3,151,559)	-	-	(3,151,559)
TOTAL OTHER FINANCING SOURCES (USES)	(57,706)	-	-	(57,706)
NET CHANGE IN FUND BALANCES	-	33,456	207,402	240,858
FUND BALANCES, AT BEGINNING OF YEAR	-	2,776,977	2,923,296	5,700,273
FUND BALANCES, AT END OF YEAR	\$ -	\$ 2,810,433	\$ 3,130,698	\$ 5,941,131

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

**OSCEOLA COUNTY  
CLERK OF THE CIRCUIT COURT**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES - GOVERNMENTAL FUNDS - BUDGET AND ACTUAL -  
GENERAL FUND**

**Year Ended September 30, 2024**

	<b>General Fund</b>			<b>Variance with Final Budget</b>
	<b>Budgeted Amounts</b>		<b>Actual</b>	
	<b>Original</b>	<b>Final</b>		
REVENUES				
Intergovernmental	\$ 10,185,000	\$ 10,185,000	\$ 12,308,797	\$ 2,123,797
Fees, fines, and service charges	4,200,000	4,200,000	3,678,207	(521,793)
Miscellaneous	86,550	86,550	550,403	463,853
TOTAL REVENUES	<u>14,471,550</u>	<u>14,471,550</u>	<u>16,537,407</u>	<u>2,065,857</u>
EXPENDITURES				
Current:				
General government:				
Personal services	13,266,749	13,266,749	12,166,328	1,100,421
Operating	3,366,729	3,366,729	4,313,373	(946,644)
Capital outlay	197,000	197,000	-	197,000
TOTAL EXPENDITURES	<u>16,830,478</u>	<u>16,830,478</u>	<u>16,479,701</u>	<u>350,777</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>(2,358,928)</u>	<u>(2,358,928)</u>	<u>57,706</u>	<u>2,416,634</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	3,671,808	3,671,808	3,671,808	-
Transfers out:				
Osceola County Board of County Commissioners	(341,412)	(341,412)	(577,955)	(236,543)
Remittances to Florida Department of Revenue	(971,468)	(971,468)	(3,151,559)	(2,180,091)
TOTAL OTHER FINANCING SOURCES (USES)	<u>2,358,928</u>	<u>2,358,928</u>	<u>(57,706)</u>	<u>(2,416,634)</u>
NET CHANGE IN FUND BALANCES	-	-	-	-
FUND BALANCES, AT BEGINNING OF YEAR	-	-	-	-
FUND BALANCES, AT END OF YEAR	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**OSCEOLA COUNTY  
CLERK OF THE CIRCUIT COURT**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES - GOVERNMENTAL FUNDS - BUDGET AND ACTUAL -  
PUBLIC RECORDS MODERNIZATION TRUST FUND**

**Year Ended September 30, 2024**

		<b>Public Records Modernization Trust Fund</b>			
		<b>Budgeted Amounts</b>		<b>Variance with</b>	
		<b>Original</b>	<b>Final</b>	<b>Actual</b>	
				<b>Final Budget</b>	
<b>REVENUES</b>					
	Fees, fines, and service charges	\$ 400,000	\$ 400,000	\$ 353,724	\$ (46,276)
	Investment earnings	-	-	136,639	136,639
	<b>TOTAL REVENUES</b>	<b>400,000</b>	<b>400,000</b>	<b>490,363</b>	<b>90,363</b>
<b>EXPENDITURES</b>					
Current:					
General government:					
	Operating	536,634	536,634	456,907	79,727
	Capital outlay	118,800	118,800	-	118,800
	<b>TOTAL EXPENDITURES</b>	<b>655,434</b>	<b>655,434</b>	<b>456,907</b>	<b>198,527</b>
	<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>(255,434)</b>	<b>(255,434)</b>	<b>33,456</b>	<b>288,890</b>
	<b>NET CHANGE IN FUND BALANCES</b>	<b>(255,434)</b>	<b>(255,434)</b>	<b>33,456</b>	<b>288,890</b>
	<b>FUND BALANCES, AT BEGINNING OF YEAR</b>	<b>2,776,977</b>	<b>2,776,977</b>	<b>2,776,977</b>	<b>-</b>
	<b>FUND BALANCES, AT END OF YEAR</b>	<b>\$ 2,521,543</b>	<b>\$ 2,521,543</b>	<b>\$ 2,810,433</b>	<b>\$ 288,890</b>

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

**OSCEOLA COUNTY  
CLERK OF THE CIRCUIT COURT**

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN  
FUND BALANCES - GOVERNMENTAL FUNDS - BUDGET AND ACTUAL -  
PUBLIC RECORDS INFORMATION TECHNOLOGY FUND**

Year Ended September 30, 2024

	Public Records Information Technology Fund			
	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
REVENUES				
Fees, fines, and service charges	\$ 1,100,000	\$ 1,100,000	\$ 899,333	\$ (200,667)
Miscellaneous	-	-	-	-
TOTAL REVENUES	<u>1,100,000</u>	<u>1,100,000</u>	<u>899,333</u>	<u>(200,667)</u>
EXPENDITURES				
Current:				
General government:				
Personal services	1,252,800	1,252,800	691,931	560,869
TOTAL EXPENDITURES	<u>1,252,800</u>	<u>1,252,800</u>	<u>691,931</u>	<u>560,869</u>
EXCESS OF REVENUES OVER EXPENDITURES	<u>(152,800)</u>	<u>(152,800)</u>	<u>207,402</u>	<u>360,202</u>
NET CHANGE IN FUND BALANCES	(152,800)	(152,800)	207,402	360,202
FUND BALANCES, AT BEGINNING OF YEAR	<u>2,923,296</u>	<u>2,923,296</u>	<u>2,923,296</u>	<u>-</u>
FUND BALANCES, AT END OF YEAR	<u><u>\$ 2,770,496</u></u>	<u><u>\$ 2,770,496</u></u>	<u><u>\$ 3,130,698</u></u>	<u><u>\$ 360,202</u></u>

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

**OSCEOLA COUNTY  
CLERK OF THE CIRCUIT COURT**

**STATEMENT OF FIDUCIARY NET POSITION  
CUSTODIAL FUNDS**

**September 30, 2024**

ASSETS		
Cash		<u>\$ 21,714,893</u>
RECEIVABLES		
Accounts receivable		568,150
Due from other county units		-
Due from other funds - custodial		<u>18,150</u>
	TOTAL RECEIVABLES	<u>586,300</u>
	TOTAL ASSETS	<u>22,301,193</u>
LIABILITIES		
Accounts payable and accrued liabilities		101,156
Due to Board of County Commissioners		279,545
Due to other governments		1,922,496
Due to other funds		<u>440,646</u>
	TOTAL LIABILITIES	<u>2,743,843</u>
NET POSITION		
Restricted for:		
Individuals and other governments		<u><u>\$ 19,557,350</u></u>

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

**OSCEOLA COUNTY  
CLERK OF THE CIRCUIT COURT**

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
CUSTODIAL FUNDS**

**Year Ended September 30, 2024**

ADDITIONS	
Recording fees	\$ 87,581,707
Fines and forfeitures	10,811,796
Registry fees	30,725,388
Miscellaneous	<u>11,692,534</u>
TOTAL ADDITIONS	<u>140,811,425</u>
DEDUCTIONS	
Payments to Osceola County Board of County Commissioners	3,832,031
Payments to state	89,784,584
Other payments	<u>53,576,959</u>
TOTAL DEDUCTIONS	<u>147,193,574</u>
NET DECREASE IN FIDUCIARY NET POSITION	(6,382,149)
Net Position - Beginning of the year	<u>25,939,499</u>
Net Position - End of the year	<u><u>\$ 19,557,350</u></u>

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

**OSCEOLA COUNTY  
CLERK OF THE CIRCUIT COURT**

**NOTES TO FINANCIAL STATEMENTS**

**Year Ended September 30, 2024**

**NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Osceola County (the “County”) is a political subdivision of the State of Florida (the “State”) located in the central portion of the state. The County was established under Article VIII, Section (1), *Constitution of the State of Florida*. The County operates under a Home Rule Charter.

The Clerk of the Circuit Court (the “Clerk”) is an elected Constitutional Officer of the County. For financial statement and reporting purposes, the Clerk is a separate constitutional officer, as provided by Chapter 218, Florida Statutes. However, the Clerk does not meet the definition of a legally separate organization and is not considered to be a component unit. Accordingly, the Clerk is considered to be part of the primary government of the County and the financial activities of the Clerk are included as such in the County’s annual financial report, along with the other Constitutional Officers and the County’s Board of County Commissioners (the “Board”). The financial statements contained herein represent the financial transactions of the Clerk only. There are no component units for the Clerk to consider for inclusion in the fund financial statements.

The Clerk is a fee officer whose operating budget is funded solely from fees, fines, and service charges relating to various statutory court and non-court services provided by the office. No funds are received from the Board other than applicable fees.

The accounting policies of the Clerk conform to accounting principles generally accepted in the United States of America (“GAAP”), as applicable to governmental units. The following is a summary of the more significant policies:

**Basis of Presentation**

These financial statements are fund financial statements that have been prepared in conformity with the accounting principles and reporting guidelines established by the Governmental Accounting Standards Board (“GASB”) and are presented to comply with the requirements of Section 218.39, Florida Statutes, and Section 10.557(3) of the *Rules of the Auditor General for Local Governmental Entity Audits*.

**Fund Accounting**

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

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

The purpose of the Clerk's various funds are categorized and described as follows:

### **Governmental Fund Types:**

#### ***General Fund***

The General Fund is used to account for all revenues and expenditures applicable to the general operations of the Clerk that are not required either legally or by GAAP to be accounted for in another fund. The General Fund 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).

#### ***Special Revenue Funds***

The Special Revenue Fund is used to account for the proceeds of specific revenue sources that are legally or administratively restricted to expenditures for specified purposes. The Clerk has two Special Revenue Funds: Public Records Modernization Trust Fund, and the Public Records Information Technology Fund.

### **Fiduciary Fund Type:**

Custodial Funds – The Clerk maintains Custodial Funds. These funds are used to account for assets held by the Clerk in a trustee capacity or as an agent for individuals, private organizations, and other governments.

### **Basis of Accounting**

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

The accounts of the Governmental Funds are maintained on the modified accrual basis. Under the modified accrual basis, revenues are recognized when they are received in cash or when they are considered both measurable and available and, as such, are susceptible to accrual. Expenditures are recorded when the liability is incurred and/or will be paid from expendable available financial resources.

The focus on fiduciary type fund financial statements is by fund type, not major fund. The Clerk only has one fiduciary fund type, the custodial fund type. Accordingly, there is only one column in the fiduciary fund financial statements. Custodial funds are accounted for under the economic resources' method and accrual basis of accounting.

The Clerk considers receivables collected within 30 days after year end to be available and susceptible to accrual as revenues of the current year. The following major revenues are considered susceptible to accrual: intergovernmental revenue, charges for services, and interest earned. Intergovernmental revenue, consisting of a cost reimbursement grant, is recognized as revenue as the related expenditures are incurred.

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

**Budgets and Budgetary Accounting**

During the 2009 legislative session, the Florida Legislature reduced statewide funding for clerks' budgets. The Legislature changed any future budget to a State fiscal year of July 1 to June 30. The Clerk's funding process was also changed to an appropriation from the State, rather than the existing revenue model. All court revenues will be collected and disbursed monthly to the State. The fiscal year for the Clerk continues to be from October 1 to September 30, and any unexpended appropriation for the Clerk's budget is rolled into the subsequent State's fiscal year.

Expenditures are controlled by appropriations in accordance with the budget requirements set forth in the Florida Statutes. Formal budgetary integration is employed as a management control device during the fiscal year for the Clerk's General Fund. Appropriations lapse at the close of the fiscal year to the extent they have not been expended, except for the Clerk's funds, which lapse at the end of the State's fiscal year on June 30. Budgets are adopted on a basis consistent with accounting principles generally accepted in the United States of America.

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

Section 218.35 of the Florida Statutes provides the budget requirements for county fee officers and refers to budget requirements of Section 28.36 of the Florida Statutes for court-related functions of the Clerk. The budget must be balanced and segregated by funds. The proposed budget is required to be filed with the county governing authority by September 1 preceding the fiscal year of the budget. Subsequent balanced budget amendments relating to non-court operations may be approved by the Clerk.

Section 28.36 of the Florida Statutes requires the Clerk to prepare a separate budget for the court-related functions of the Clerk. Only those functions specified by Section 28.35(3)(a) of the Florida Statutes may be funded from court-related fees, service charges, court costs, and fines retained by the Clerk. The proposed budget is filed with the Clerk's Operations Corporation (the "Corporation") by October 1 preceding the fiscal year of the budget, in the format required by the Corporation. The Corporation verifies that the proposed budget is limited to court-related functions. Section 28.36 also defines the maximum annual budget permitted. With the 2009 legislative changes, the Corporation submits a legislative budget request for all clerks that will result in an appropriation by the Florida Legislature.

Increases to the court functions budget must be submitted to and approved by the Corporation. Transfers of approved budget funds between accounts and appropriation categories (personal services, operating expenses, capital outlay, and non-operating) may be approved by the Clerk.

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

### **Budgets and Budgetary Accounting *(Continued)***

The budgeted revenues and expenditures in the accompanying budgetary comparison statement reflect the Clerk's original adopted budget and the final budget with all amendments approved by the Clerk or the Corporation. Budgetary authority is exercised at the fund level. Revenues and expenditures for the Public Records Modernization Trust Fund and the Public Records Information Technology Fund were budgeted in the current year in the General Fund. Expenditures for the Public Records Modernization Trust Fund are authorized on a five-year budget in the Public Records Modernization Trust Fund Report. The amounts included in the budgetary comparison statement reflect actual amounts spent in the current year. The total amounts available to be budgeted for the Public Records Modernization Trust Fund and the Public Records Information Technology Fund for the current year were \$400,000 and \$1,100,000, respectively.

### **Investments**

Investments in external investment pools that follow Securities and Exchange Commission ("SEC") Rule 2a-7 regulations are reported at amortized cost, which approximates fair value.

### **Capital Assets**

Capital assets purchased in the Governmental Fund Types are recorded as expenditures (capital outlay) at the time of purchase. The tangible personal property used by the Clerk is reported to and recorded by the Board as capital assets, at cost, in the statement of net assets in the government-wide financial statements of the County. The Clerk maintains custodial responsibility for the capital assets used by the Clerk.

### **Compensated Absences**

Employees are front-loaded vacation leave, based on their continuous service and leadership position. They may accrue 10 days to 20 days a fiscal year. Budget permitting, any unpaid/unused vacation is paid out on the last pay date of the fiscal year. If budget does not allow for payouts, the unused time is forfeited. Employees who submit a separation notice of at least 10 days will be paid any unused vacation - up to a maximum of ten days.

All regular full-time employees are front-loaded 120 hours at the beginning of the fiscal year. Part-time employees are also eligible for PTO in the amount of 60 hours, front-loaded at the beginning of the fiscal year. Any unused time expires at the end of the fiscal year.

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

**Transfers In and Out**

The Clerk collects fees pursuant to Section 28.24(12)(e), Florida Statutes, that are legally restricted to expenditures for court-related information technology needs. These fees are accounted for in a special revenue fund. The amount needed to fund the General Fund's court-related information technology expenditures is recorded as a transfer in by the General Fund and as a transfer out by the special revenue fund on the financial statements of the Clerk. Unexpended amounts are transferred back to the special revenue fund at the end of the fiscal year.

In accordance with Section 218.36, Florida Statutes, all General Fund non-court-related revenues in excess of non-court-related expenditures during the fiscal year are distributed to the Board within 31 days following the end of the fiscal year. Accordingly, such amounts are recorded as liabilities due to other county units and as transfers out to the Board on the financial statements of the Clerk.

**Fund Balance**

In accordance with accounting principles generally accepted in the United States of America, the Clerk classified governmental fund balances as follows:

Non-spendable Fund Balance - represents fund balance that is (a) not in a spendable form, such as prepaid items and inventories, or (b) legally or contractually required to be maintained intact, such as an endowment. There was a \$189,156 non-spendable fund balance at September 30, 2024.

Restricted Fund Balance - consists of amounts that can be spent only on the specific purposes stipulated by law or by the external providers of those resources. There was a \$2,810,433 restricted fund balance for the Special Revenue Public Modernization Trust Fund and a \$3,310,698 restricted fund balance for the Special Revenue Fund Public Records Information Technology Fund at September 30, 2024.

**NOTE 2 - CASH AND INVESTMENTS**

As of September 30, 2024, the Clerk had the following in cash and investments:

	<b><u>Carrying Amount</u></b>
Cash on hand	\$ 14,841
Deposits in qualified public depositories	26,958,834
Florida PRIME	<u>2,541,492</u>
Total cash and investments	<u>\$ 29,515,167</u>

## NOTE 2 - CASH AND INVESTMENTS (Continued)

### Credit Risk

The Clerk's investment practices are governed by Section 218.415(17), Florida Statutes, and include the following investments:

1. The Florida PRIME (formerly the Local Government Surplus Trust Funds Investment Pool) administered by the State Board of Administration ("SBA"), or any authorized intergovernmental investment pool;
2. SEC-registered money market funds with the highest credit quality rating from a nationally-recognized rating agency;
3. Interest-bearing time deposits or savings accounts in qualified public depositories; and
4. Direct obligations of the U.S. Treasury.

The Clerk does not have an investment policy that would further limit its investment choices.

Florida PRIME is administered by the SBA. Florida PRIME is an external investment pool that is not a registrant with the SEC; however, the SBA has adopted operating procedures consistent with the requirements for a SEC Rule 2a-7 fund. Florida PRIME is governed by Chapter 19-7 of the *Florida Administrative Code*, which identifies the rules of the SBA. These rules provide guidance and establish the general operating procedures for the administration of Florida PRIME. Additionally, the State of Florida Office of the Auditor General performs the operational audit of the activities and investments of the SBA. The fair value of the Clerk's position in the pool approximates the value of pool shares. Investments in Florida PRIME are not evidenced by securities that exist in physical or book entry form. The current rating for Florida PRIME is AAAM by Standard and Poor's. The weighted average days to maturity for Florida PRIME at September 30, 2024 is 21 days. The hierarchy of fair value investments does not apply to Florida PRIME and there are no restrictions or limitations on withdrawals.

As of September 30, 2024, the Clerk's Public Records Special Revenue Funds had \$2,541,492 invested in SBA.

SBA issues separate financial statements that may be obtained from its website, <https://www.sbafla.com/prime>, or by calling (850) 488-4406.

### Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a failure of the counterparty, the government's deposits may not be returned to it or the organization may not be able to recover the value of its investments that are in possession of an outside party.

Qualified public depositories of public funds are required to provide collateral each month pursuant to Section 280.04, Florida Statutes. The collateral is held by the Florida Division of Treasury or other custodian with full legal rights maintained by the Florida Division of Treasury to transfer ownership. Any loss not covered by the pledged securities and deposit insurance would be assessed by the Florida Division of Treasury and paid by the other public depositories.

The Clerk's deposits are considered fully insured or collateralized. Bank balances on September 30, 2024 were \$31,513,259.

### **NOTE 3 - EMPLOYEES' RETIREMENT AND BENEFIT PLANS**

#### **Retirement Plan**

The Clerk's employees participate in the Florida Retirement System ("FRS"), a multiple-employer, cost-sharing, defined-benefit retirement system, administered by the Florida Department of Administration. As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the state of Florida.

For financial reporting purposes, the Clerk is deemed to be part of the primary government of the County. A liability, if any, related to the Clerk's proportionate share of the FRS retirement benefits, along with a detailed plan description, is reported in the financial statements of the County for the fiscal year ended September 30, 2024.

#### **Funding Policy**

The employer retirement contributions paid for the fiscal years ended September 30, 2022 through 2024 were \$1,168,941, \$1,332,211, and \$1,333,281, respectively, which is equal to the required contribution for each year.

Employees are required to contribute 3% towards the FRS. Employee withholdings for this purpose amounted to \$247,648, \$230,950, and \$244,244 for the fiscal years ended September 30, 2022, through 2024, respectively, which were equal to the required contribution for each fiscal year.

### **NOTE 4 - LONG-TERM LIABILITIES**

Due to the changes in the sick leave policy and the vacation policy on September 22, 2023, any unused sick/PTO and vacation time expires at the end of year, currently leading to no long-term liability being carried into fiscal year 2025. Therefore, long-term liabilities are not reported in the financial statements of the Clerk, since they are not payable from available resources at September 30, 2024.

### **NOTE 5 - OTHER POSTEMPLOYMENT BENEFITS**

All eligible employees of the Clerk participate in the County's plan. A detailed plan description and the amount of any liability for the employees of the Clerk has been reported in the County's September 30, 2024 Annual Comprehensive Financial Report.

**NOTE 6 - RISK MANAGEMENT**

The County maintains a self-insured risk management program that provides for coverage of risks of loss related to workers' compensation claims. This fund is administered by a third-party administrator. The Clerk makes payments to the County based upon payroll exposure in the amounts needed to pay prior and current year claims. The workers' compensation contribution required for the fiscal year ended September 30, 2024 was \$12,698. Excess coverage with a commercial carrier is also in force for each claim exceeding \$500,000.

**NOTE 7 - INTERFUND RECEIVABLES AND PAYABLES**

Individual fund interfund receivable and payable balances at September 30, 2024 are as follows:

<b>Fund</b>	<b>Interfund Receivable</b>	<b>Interfund Payable</b>
Governmental	\$ 436,876	\$ 14,386
Fiduciary:		
<i>Recording</i>	3,764	370,553
<i>County/Circuit Civil</i>	-	3,770
<i>Support</i>	-	15,585
<i>Non-Interest</i>	-	299
<i>Other Civil</i>	-	22,373
<i>Jury</i>	14,385	28,064
Total all funds	<u>\$ 455,025</u>	<u>\$ 455,030</u>

The interfund receivables and payable between the General Fund and the Fiduciary Funds are due to timing differences created by how the State pays the Clerk. The variance of \$5 due to the time disparity in Lis Pendens payments.

## **SUPPLEMENTARY INFORMATION**

**OSCEOLA COUNTY  
CLERK OF THE CIRCUIT COURT**

**COMBINING STATEMENT OF FIDUCIARY NET POSITION - ALL CUSTODIAL FUNDS**

September 30, 2024

	Recording Funds	Fine & Forfeiture Funds	County Circuit/Civil Funds	Bond Holding Funds	Civil Support Funds	Civil Non Interest Funds	Other Civil Funds	Jury Funds	Total Funds
<b>ASSETS</b>									
Cash and cash equivalents	\$ 5,413,986	\$ 1,167,346	\$ 350,379	\$ 907,910	\$ 23,880	\$ 1,435,510	\$ 12,397,799	\$ 18,083	\$ 21,714,893
<b>RECEIVABLES</b>									
Accounts receivable	516,732	35,653	-	-	5,283	10,482	-	-	568,150
Due from other governments	-	-	-	-	-	-	-	-	-
Due from other fund	3,765	-	-	-	-	-	-	14,385	18,150
<b>TOTAL RECEIVABLES</b>	<b>520,497</b>	<b>35,653</b>	<b>-</b>	<b>-</b>	<b>5,283</b>	<b>10,482</b>	<b>-</b>	<b>14,385</b>	<b>586,300</b>
<b>TOTAL ASSETS</b>	<b>5,934,483</b>	<b>1,202,999</b>	<b>350,379</b>	<b>907,910</b>	<b>29,163</b>	<b>1,445,992</b>	<b>12,397,799</b>	<b>32,468</b>	<b>22,301,193</b>
<b>LIABILITIES</b>									
Accounts payable and accrued liabilities	19,441	-	81,125	-	-	-	590	-	101,156
Due to Board of County Commissioners	73,554	205,301	690	-	-	-	-	-	279,545
Due to other governments	1,422,558	298,807	183,132	-	13,578	-	17	4,404	1,922,496
Due to other fund	370,555	-	3,770	-	15,585	299	22,373	28,064	440,646
<b>TOTAL LIABILITIES</b>	<b>1,886,108</b>	<b>504,108</b>	<b>268,717</b>	<b>-</b>	<b>29,163</b>	<b>299</b>	<b>22,980</b>	<b>32,468</b>	<b>2,743,843</b>
<b>NET POSITION</b>									
Individuals, organizations, and other governments	<u>\$ 4,048,375</u>	<u>\$ 698,891</u>	<u>\$ 81,662</u>	<u>\$ 907,910</u>	<u>\$ -</u>	<u>\$ 1,445,693</u>	<u>\$ 12,374,819</u>	<u>\$ -</u>	<u>\$ 19,557,350</u>

See Independent Auditor's Report.

**OSCEOLA COUNTY  
CLERK OF THE CIRCUIT COURT**

**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION -  
ALL CUSTODIAL FUNDS**

**Year Ended September 30, 2024**

	<b>Recording Funds</b>	<b>Fine &amp; Forfeiture Funds</b>	<b>County Circuit/Civil Funds</b>	<b>Bond Holding Funds</b>	<b>Civil Support Funds</b>	<b>Civil Non Interest Funds</b>	<b>Other Civil Funds</b>	<b>Jury Funds</b>	<b>Total Funds</b>
<b>ADDITIONS</b>									
Recording fees	\$ 87,581,707	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 87,581,707
Fines and forfeitures	-	10,811,796	-	-	-	-	-	-	10,811,796
Registry fees	-	-	-	-	-	-	30,725,388	-	30,725,388
Miscellaneous	-	-	7,424,959	2,131,918	918,175	952,825	-	264,657	11,692,534
TOTAL ADDITIONS	<u>87,581,707</u>	<u>10,811,796</u>	<u>7,424,959</u>	<u>2,131,918</u>	<u>918,175</u>	<u>952,825</u>	<u>30,725,388</u>	<u>264,657</u>	<u>140,811,425</u>
<b>DEDUCTIONS</b>									
Payments to Osceola County									
Board of County Commissioners	950,602	2,876,780	4,649	-	-	-	-	-	3,832,031
Payments to state	80,044,446	6,039,257	1,997,589	-	906,158	9,670	538,616	248,848	89,784,584
Other payments	8,231,501	2,088,524	5,399,560	1,919,285	12,017	968,619	34,941,644	15,809	53,576,959
TOTAL DEDUCTIONS	<u>89,226,549</u>	<u>11,004,561</u>	<u>7,401,798</u>	<u>1,919,285</u>	<u>918,175</u>	<u>978,289</u>	<u>35,480,260</u>	<u>264,657</u>	<u>147,193,574</u>
Net increase (decrease) in fiduciary net position	(1,644,842)	(192,765)	23,161	212,633	-	(25,464)	(4,754,872)	-	(6,382,149)
Net Position - Beginning of the year	<u>5,693,217</u>	<u>891,656</u>	<u>58,501</u>	<u>695,277</u>	<u>-</u>	<u>1,471,157</u>	<u>17,129,691</u>	<u>-</u>	<u>25,939,499</u>
Net Position - End of the year	<u>\$ 4,048,375</u>	<u>\$ 698,891</u>	<u>\$ 81,662</u>	<u>\$ 907,910</u>	<u>\$ -</u>	<u>\$ 1,445,693</u>	<u>\$ 12,374,819</u>	<u>\$ -</u>	<u>\$ 19,557,350</u>

See Independent Auditor's Report.



Certified Public Accountants

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

To the Honorable Kelvin Soto,  
Osceola County, Florida Clerk of the Circuit Court

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 Osceola County, Florida Clerk of the Circuit Court (the “Clerk”) as of and for the fiscal year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the Clerk’s basic financial statements, and have issued our report thereon dated February 6, 2025.

**Report on Internal Control over Financial Reporting**

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

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

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

To the Honorable Kelvin Soto,  
Osceola County, Florida Clerk of the Circuit Court

### **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 communication is not suitable for any other purpose.

**MSL, P.A.**

Certified Public Accountants

Orlando, Florida  
February 6, 2025



## INDEPENDENT ACCOUNTANT'S REPORT

To the Honorable Kelvin Soto,  
Osceola County, Florida Clerk of the Circuit Court

We have examined the Osceola County, Florida Clerk of the Circuit Court's (the "Clerk") compliance with the requirements of Sections 28.35, 28.36, 61.181 and 218.415, Florida Statutes, during the fiscal year ended September 30, 2024. 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 with the aforementioned requirements in all material respects. An examination involves performing procedures to obtain evidence about the Clerk's compliance with those requirements, in all material respects. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material misstatement of the Clerk's compliance with those requirements, 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 on the Clerk's compliance with the specified requirements.

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

**MSL, P.A.**

Certified Public Accountants

Orlando, Florida  
February 6, 2025



## INDEPENDENT AUDITOR'S MANAGEMENT LETTER

To the Honorable Kelvin Soto,  
Osceola County, Florida Clerk of the Circuit Court

We have audited the financial statements of the Osceola County, Florida Clerk of the Circuit Court (the "Clerk") as of and for the fiscal year ended September 30, 2024, and have issued our report thereon dated February 6, 2025.

### **Auditor's Responsibility**

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

### **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 *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated February 6, 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. In connection with the preceding audit, there were no findings and recommendations.

### **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 legal authority is disclosed in the notes to the financial statements.

### **Financial Management**

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

To the Honorable Kelvin Soto,  
Osceola County, Florida Clerk of the Circuit Court

**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, federal and other granting agencies, the Clerk of the Circuit Court, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

**MSL, P.A.**

Certified Public Accountants

Orlando, Florida  
February 6, 2025