



Seminole County, Florida Sheriff

Independent Auditor's Report and Financial Statements

September 30, 2025



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Independent Auditor's Report

To the Honorable Dennis M. Lemma
Seminole County, Florida Sheriff
Sanford, Florida

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Seminole County, Florida Sheriff (the "Sheriff") as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the Sheriff, as of September 30, 2025, and the respective changes in financial position, and the budgetary comparison for the general fund and special revenue fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

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

Responsibilities of Management for the Financial Statements

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated January 29, 2026, on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Sheriff's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the Sheriff's internal control over financial reporting and compliance.

Forvis Mazars, LLP

**Orlando, Florida
January 28, 2026**

Seminole County, Florida
Sheriff
Balance Sheet - Governmental Funds
September 30, 2025

	General Fund	Special Revenue Funds	Totals
ASSETS			
Cash and cash equivalents	\$ 10,651,351	\$ 3,074,823	\$ 13,726,174
Accounts receivable	48,109	229,508	277,617
Due from Special Revenue Funds	289,384	-	289,384
Due from Custodial Funds	50,000	50,723	100,723
Due from Board of County Commissioners	45,661	-	45,661
Due from Other Governments	621,468	1,241,916	1,863,384
Total Assets	\$ 11,705,973	\$ 4,596,970	\$ 16,302,943
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts payable	\$ 2,880,903	\$ 239,608	\$ 3,120,511
Accrued liabilities	5,943,388	147,089	6,090,477
Unearned revenue	91,991	-	91,991
Due to General Fund	-	289,384	289,384
Due to Custodial Funds	19,640	616	20,256
Due to Board of County Commissioners	2,770,051	3,294,858	6,064,909
Total Liabilities	11,705,973	3,971,555	15,677,528
Fund Balance			
Restricted - Inmate Welfare	-	625,415	625,415
Total Fund Balance	-	625,415	625,415
Total Liabilities and Fund Balance	\$ 11,705,973	\$ 4,596,970	\$ 16,302,943

Seminole County, Florida

Sheriff

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds

Year Ended September 30, 2025

	General Fund	Special Revenue Funds	Totals
Revenues			
Charges for services	\$ 9,053,650	\$ -	\$ 9,053,650
Intergovernmental and other grant revenues	-	9,780,811	9,780,811
Miscellaneous revenues	142,136	3,082,404	3,224,540
Total Revenues	9,195,786	12,863,215	22,059,001
Expenditures			
Public Safety			
Salaries and benefits	154,528,032	8,080,715	162,608,747
Operating expenditures	29,924,842	3,295,296	33,220,138
Capital outlay	12,860,354	316,434	13,176,788
Total Expenditures	197,313,228	11,692,445	209,005,673
Excess (Deficiency) of Revenues Over (Under) Expenditures	(188,117,442)	1,170,770	(186,946,672)
Other Financing Sources (Uses)			
Sale of fixed assets	104,653	-	104,653
Insurance proceeds	560,711	-	560,711
Transfers in from Board of County Commissioners	184,512,084	1,949,000	186,461,084
Transfers out to Board of County Commissioners	(2,766,294)	(3,294,858)	(6,061,152)
Total Other Financing Sources (Uses)	182,411,154	(1,345,858)	181,065,296
Net Change in Fund Balance	(5,706,288)	(175,088)	(5,881,376)
Fund Balance, Beginning of Year	5,706,288	800,503	6,506,791
Fund Balance, End of Year	\$ -	\$ 625,415	\$ 625,415

Seminole County, Florida

Sheriff

Statement of Revenues, Expenditures, and Other Financing Sources (Uses) -

General Fund – Budget and Actual

Year Ended September 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Charges for services	\$ 8,076,000	\$ 9,053,650	\$ 9,053,650	\$ -
Miscellaneous revenues	-	142,136	142,136	-
Total Revenues	<u>8,076,000</u>	<u>9,195,786</u>	<u>9,195,786</u>	<u>-</u>
Expenditures				
Public Safety				
Salaries and benefits	156,730,000	154,572,853	154,528,032	44,821
Operating expenditures	24,036,000	32,004,966	29,924,842	2,080,124
Capital outlay	6,790,000	13,151,703	12,860,354	291,349
Contingency	350,000	350,000	-	350,000
Total Expenditures	<u>187,906,000</u>	<u>200,079,522</u>	<u>197,313,228</u>	<u>2,766,294</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(179,830,000)</u>	<u>(190,883,736)</u>	<u>(188,117,442)</u>	<u>2,766,294</u>
Other Financing Sources (Uses)				
Sale of fixed assets	-	104,653	104,653	-
Insurance proceeds	-	560,711	560,711	-
Transfers in from Board of County Commissioners	179,830,000	184,512,084	184,512,084	-
Transfers out to Board of County Commissioners	-	-	(2,766,294)	(2,766,294)
Total Other Financing Sources (Uses)	<u>179,830,000</u>	<u>185,177,448</u>	<u>182,411,154</u>	<u>(2,766,294)</u>
Net Change in Fund Balance	<u>-</u>	<u>(5,706,288)</u>	<u>(5,706,288)</u>	<u>-</u>
Fund Balance, Beginning of Year	<u>5,706,288</u>	<u>5,706,288</u>	<u>5,706,288</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ 5,706,288</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Seminole County, Florida

Sheriff

Statement of Revenues, Expenditures, and Other Financing Sources (Uses) -

Special Revenue Funds – Budget and Actual

Year Ended September 30, 2025

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
Revenues				
Intergovernmental and other grant revenues	\$ 4,469,000	\$ 6,947,633	\$ 9,780,811	\$ 2,833,178
Miscellaneous revenues	600,000	3,013,707	3,082,404	68,697
Total Revenues	<u>5,069,000</u>	<u>9,961,340</u>	<u>12,863,215</u>	<u>2,901,875</u>
Expenditures				
Public Safety				
Salaries and benefits	4,482,000	8,081,821	8,080,715	1,106
Operating expenditures	2,536,000	3,577,426	3,295,296	282,130
Capital outlay	-	316,471	316,434	37
Total Expenditures	<u>7,018,000</u>	<u>11,975,718</u>	<u>11,692,445</u>	<u>283,273</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,949,000)</u>	<u>(2,014,378)</u>	<u>1,170,770</u>	<u>3,185,148</u>
Other Financing Sources (Uses)				
Transfers in from Board of County Commissioners	1,949,000	1,951,299	1,949,000	(2,299)
Transfers out to Board of County Commissioners	-	(461,681)	(3,294,858)	(2,833,177)
Total Other Financing Sources (Uses)	<u>1,949,000</u>	<u>1,489,618</u>	<u>(1,345,858)</u>	<u>(2,835,476)</u>
Net Change in Fund Balance	-	(524,760)	(175,088)	349,672
Fund Balance, Beginning of Year	-	-	800,503	800,503
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ (524,760)</u>	<u>\$ 625,415</u>	<u>\$ 1,150,175</u>

Seminole County, Florida

Sheriff

Statement of Net Position - Proprietary Fund Type - Internal Service Fund

September 30, 2025

ASSETS

Cash	\$	7,201,628
Investments		11,707,069
Due From Custodial Funds		67,874
Prepaid claims		<u>506,000</u>

Total Assets

19,482,571

LIABILITIES

Claims payable		200,445
Other liabilities		92,388
Claims incurred but not reported		<u>2,015,026</u>

Total Liabilities

2,307,859

Net Position

Unrestricted		<u>17,174,712</u>
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Total Net Position

\$ 17,174,712

Seminole County, Florida
Sheriff
Statement of Revenues, Expenses, and Changes in Net Position -
Proprietary Fund Type - Internal Service Fund
Year Ended September 30, 2025

Operating Revenues	
Insurance contributions	\$ 26,375,788
Total Operating Revenues	<u>26,375,788</u>
Operating Expenses	
Administrative costs	1,496,786
Insurance premiums	3,122,439
Benefit payments and claims	<u>22,792,506</u>
Total Operating Expenses	<u>27,411,731</u>
Change in Operating Income (loss)	<u>(1,035,943)</u>
Nonoperating Revenues	
Interest revenue	<u>574,414</u>
Total Nonoperating Revenues	<u>574,414</u>
Changes in Net Position	(461,529)
Net Position, Beginning of Year	<u>17,636,241</u>
Net Position, End of Year	<u><u>\$ 17,174,712</u></u>

Seminole County, Florida
Sheriff
Statement of Cash Flows – Proprietary Fund Type – Internal Service Fund
Year Ended September 30, 2025

Operating Activities	
Cash received for insurance contributions	\$ 26,375,788
Payments to suppliers and for claims	<u>(27,220,532)</u>
Net Cash Provided by (Used in) Operating Activities	<u>(844,744)</u>
Investing Activities	
Interest received	574,414
Purchase of Investments	<u>(506,539)</u>
Net Cash Provided by Investing Activities	<u>67,875</u>
Net Change in Cash and Cash Equivalents	(776,869)
Cash and Cash Equivalents, Beginning of Year	<u>7,978,497</u>
Cash and Cash Equivalents, End of Year	<u>\$ 7,201,628</u>
Reconciliation of Operating Income (Loss) to Net Cash	
Provided by (Used in) Operating Activities	
Operating income (loss)	\$ (1,035,943)
Decrease in due from other funds	432,126
Decrease in due to other funds	(2,406)
Increase in other liabilities	30,058
Decrease in claims payable	<u>(268,579)</u>
Net Cash Provided by (Used in) Operating Activities	<u>\$ (844,744)</u>

Seminole County, Florida
Sheriff
Statement of Fiduciary Net Position Custodial Funds
September 30, 2025

ASSETS

Cash		
Inmate trust	\$	70,475
Suspense		73,161
Bond		49,500
Civil		66,815
Evidence		494,862
Due from other funds		
Forfeiture		19,640
Inmate trust		616
Due from other Governments		
Suspense		287,792
Bond		500
Due from individuals		
Inmate trust		91,267
		<hr/>
Total Current Assets		1,154,628
		<hr/>

LIABILITIES

Accounts payable		
Inmate trust		63,867
Due to General Fund		
Bond		50,000
Due to Special Revenue Fund		
Inmate trust		42,735
Suspense		7,988
Due to Internal Service Fund		
Suspense		67,874
Due to individuals		
Inmate trust		26,918
Civil		47,615
Due to Board of County Commissioners		
Inmate trust		28,839
Suspense		285,090
Civil		19,200
Due to other Governments		
Forfeiture		19,640
		<hr/>
Total Current Liabilities		659,766
		<hr/>

NET POSITION

Restricted for Individuals		494,862
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Total Net Position	\$	494,862
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Seminole County, Florida
Sheriff
Statement of Changes in Fiduciary Net Position Custodial Funds
Year Ended September 30, 2025

Additions

Contributions from individuals		
Inmate trust	\$	1,552,498
Suspense		7,699,419
Bonds		1,457,122
Civil		291,292
Evidence		284,168
Forfeiture		202,499
Contributions from Other Governments		
Suspense		10,578,687

Total Additions

22,065,685

Deductions

Other payments		
Inmate trust		1,384,109
Suspense		13,623,503
Civil		338,665
Payments to Board of County Commissioners		
Inmate trust		168,390
Suspense		4,654,601
Civil		302,221
Forfeiture		66,731
Payments to Other Governments		
Bonds		1,446,194
Forfeiture		135,768

Total Deductions

22,120,182

Change in Fiduciary Net Position

(54,497)

Net Position, Beginning of Year

549,359

Net Position, End of Year

\$ 494,862

Note 1. Summary of Significant Accounting Policies

The following is a summary of the more significant accounting policies used in the preparation of these financial statements.

Reporting Entity

The Seminole County, Florida Sheriff (the "Sheriff") is a separately elected county official established pursuant to the Constitution of the State of Florida. These financial statements are not intended to be a complete presentation of the financial position of Seminole County, Florida (the "County") as of September 30, 2025, and the changes in its financial position for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are presented to comply with the requirements of Section 218.39, Florida Statutes, and Section 10.557(3), *Rules of the Auditor General for Local Governmental Entity Audits*. The Sheriff's General Fund is combined with the Board of County Commissioners' (the "Board") and other constitutional officers' general funds in the County's Annual Comprehensive Financial Report ("ACFR") to properly reflect the county-wide General Fund. The Special Revenue, Internal Service, and Fiduciary Funds are shown separately in the appropriate sections of the County's ACFR.

Description of Funds

The accounting records are organized on the basis of funds and classified for reporting purposes into four basic fund types:

General Fund

The General Fund is a governmental fund used to account for all revenues and expenditures applicable to the general operations of the Sheriff. 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 Funds are governmental funds used to account for all revenues and expenditures applicable to the grants, contracts, training funds, inmate welfare, extra duty detail, and HIDTA (High Intensity Drug Trafficking Areas) of the Sheriff. The measurement focus of the Special Revenue Funds is the same as the General Fund.

Internal Service Fund

The Internal Service Fund is a proprietary fund, used to account for the revenues and expenses of the Sheriff's self-insurance benefits program. The Sheriff is self-insured for medical and dental claims covering all employees, retirees who have elected coverage, and their eligible dependents.

Fiduciary Funds

The Sheriff maintains Custodial Funds, which are used to account for assets held by the Sheriff as agent. Custodial Funds do not involve measurement of results of operations. A statement of fiduciary net position and a statement of changes in fiduciary net position are presented for the Custodial Funds.

Basis of Accounting and Presentation

The accounts of the Governmental Funds are maintained on the modified accrual basis. Under the modified accrual basis of accounting, expenditures are recorded at the time liabilities are incurred and revenues are recorded when received in cash or when they are considered both measurable and available and, as such, susceptible to accrual. All unexpended General Fund balances at the end of the fiscal year are refunded to the Board and deposited into the County fund, or funds, from which the payment was originally made.

The Internal Service Fund is reported using the economic resources measurement focus and the accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when incurred. Operating revenues and expenses consist of contributions for insurance purposes and the payments for claims and related expenses. Nonoperating revenue consists of investment income.

Custodial Funds are accounted for under the economic resources method and accrual basis of accounting. Under the accrual basis of accounting, revenues are recognized when earned and expenses are recognized when incurred. These funds are used to account for assets held by the Sheriff in a trustee capacity or as an agent for individuals, private organizations, and other governments.

Budgetary Requirements and Basis

Expenditures are controlled by appropriations in accordance with the budget requirements set forth in Section 30.49(2)(a), Florida Statutes, and Board policy. The budgeted revenues and expenditures in these financial statements reflect all amendments approved by the Sheriff and the Board. Budgetary control is required at the fund level. Total budgeted expenditures may not exceed related actual expenditures at the fund level. The budget is prepared on a basis consistent with accounting principles generally accepted in the United States of America ("GAAP").

Capital Assets

Capital assets consist of equipment used in the Sheriff's operations and are recorded as expenditures in the General Fund at the time assets are received and a liability is incurred. These assets are capitalized at cost. Depreciation is computed using the straight-line method. Useful lives of assets range from 3-10 years. The Sheriff follows the Board's capitalization policy for reporting, which requires all capital assets acquired greater than \$5,000 be capitalized and depreciated. Donated and confiscated capital assets are recorded at fair value at the time received.

Compensated Absences

The Sheriff accrues a liability for employees' rights to receive compensation for future absences when certain conditions are met. The Sheriff is not legally required to and does not accumulate expendable, available financial resources to liquidate this obligation. The maximum accruable hours for compensated absences is 1,200.

Fund Balances

Fund balances in the Governmental Funds are reported in the following categories as of September 30, 2025:

Restricted

Includes fund balance amounts in the Special Revenue Funds that are constrained for specific purposes, which are externally imposed by third parties (grantors, contributors) or amounts constrained due to constitutional provisions or enabling legislation.

Assigned

Amounts are constrained by the Sheriff's intent to be used for specific purposes but are not restricted. See Note 13 for additional information.

Seminole County, Florida
Sheriff
Notes to Financial Statements
September 30, 2025

Unassigned

Includes fund balance that is spendable and that has not been restricted, committed, or assigned to a specific purpose. Excess resources of an unassigned nature are returned to the Board at year end and, therefore, this category should always be zero.

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

Transfers

In accordance with Florida Statutes, all unexpended General Fund balances at year-end are owed to the Board. These excess fees are reported as transfers (out). Appropriations from the Board are presented as transfers in.

Note 2. Cash and Investments

Cash

Cash consists of various demand deposit accounts. The cash deposits are held by a bank that qualifies as a public depository under the Florida Security for Public Deposits Act as required by Chapter 280, Florida Statutes, and are fully insured.

Investments

Florida Statutes 218.415, 219.075, and the Sheriff's investment policy, authorize investments in obligations of the U.S. government, its agencies and instrumentalities, repurchase agreements, and money market funds. The repurchase agreements must have a termination date of 364 days or less and be collateralized by U.S. Treasury obligations, federal agency securities, and federal instrumentality securities. The money market funds invest only in obligations of the United States, its agencies and/or instrumentalities, or repurchase agreements collateralized by obligations of the United States, its agencies and/or instrumentalities. The Sheriff had investments totaling \$11,707,069 related to self-insurance reserves at September 30, 2025.

Note 3. Capital Assets

The Sheriff's capital assets consist of vehicles, helicopters and equipment. Capital assets acquired with a value of \$5,000 or greater are recorded as capital outlay expenditures. The following is a summary of the changes related to capital assets, that had a value of \$5,000 or greater at the time of acquisition, for the fiscal year ended September 30, 2025:

	Vehicles, Helicopters, and Equipment	
	Cost	Accumulated Depreciation
Balance, October 1, 2024	\$ 50,526,757	\$ 30,550,137
Additions	13,163,205	4,714,158
Retirements	<u>(8,769,891)</u>	<u>(3,426,156)</u>
Balance, September 30, 2025	<u>\$ 54,920,071</u>	<u>\$ 31,838,139</u>

Seminole County, Florida
Sheriff
Notes to Financial Statements
September 30, 2025

Capital assets and related accumulated depreciation are recorded on the government-wide financial statements of the County. For the fiscal year ended September 30, 2025, depreciation expense of \$4,714,158 is reflected in the County's ACFR in the statement of activities under public safety expenses.

Note 4. Pension Plan

Plan Description

The Sheriff's employees participate in the Florida Retirement System ("FRS"), a multiple-employer, cost-sharing, retirement system, administered by the Florida Department of Management Services. The Sheriff's employees have the option of choosing between either a Defined Contribution plan or a Defined Benefit plan. 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, state college, or a participating city or special district within the State of Florida.

For financial reporting purposes, the Sheriff is deemed to be part of the primary government of the County. A liability, if any, related to the Sheriff's proportionate share of 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, 2025.

The Sheriff has no responsibility to FRS other than to make the periodic contributions required by State Statutes. The Florida Division of Retirement issues a publicly available financial report that includes financial statements and required supplementary information for FRS. The report may be obtained online at myfrs.com.

Funding Policy

The Sheriff's contributions to the FRS for fiscal years ended September 30, 2023, 2024, and 2025 were approximately \$19,986,958, \$23,623,109, and \$25,843,808 respectively, which were equal to the required contribution for each fiscal year.

Effective July 1, 2011, employees are required to contribute 3% towards the FRS. Employee withholdings for this purpose amounted to \$2,502,883, \$2,657,820, and \$2,816,747 for the fiscal years ended September 30, 2023, 2024, and 2025, respectively, which were equal to the required contribution for each fiscal year.

Note 5. Insurance Coverage

The Sheriff is exposed to various risks of loss related to general liability; torts; thefts of damage to and destruction of assets; errors and omissions; injuries to employees and inmates; and natural disasters. To mitigate these risks, the Sheriff participates in, the Florida Sheriff's Risk Management Fund ("FSRMF"), a risk management pool to which risk is transferred in exchange for annual premium payments. Coverages obtained by the Sheriff under the FSRMF include workers' compensation, general liability, automobile liability, watercraft, confiscated/impounded equipment, canine accidental death and destruction, canine illness, flash roll money, broad form money and securities, employee dishonesty bond, data breach and miscellaneous business property. The Sheriff carries separate insurance policies with commercial carriers for aircraft coverage, statutory in-line-of-duty death benefits, business property, cybersecurity and accidental death and dismemberment policies for miscellaneous programs.

Seminole County, Florida
Sheriff
Notes to Financial Statements
September 30, 2025

Note 6. Long-Term Liabilities

A summary of changes in long-term liabilities for the fiscal year ended September 30, 2025 is as follows:

	<u>Balance October 1, 2024</u>	<u>Additions</u>	<u>Retirement</u>	<u>Balance September 30, 2025</u>	<u>Due Within One Year</u>
Compensated absences	\$ 24,863,914	\$ 6,324,408	\$ 9,375,698	\$ 21,812,624	\$ 1,702,004

The obligation for compensated absences is accrued in the government-wide financial statements of the County.

Note 7. Leases

The Sheriff is a lessee of various noncancelable lease arrangement for building space, equipment, and vehicles. The leases qualify to be reported in accordance with Government Accounting Standards Board (“GASB”) Statement No. 87, *Leases*. The Sheriff’s leases have been provided to the County for inclusion of lease arrangements county-wide. The Sheriff’s leases will be included county-wide, and the County will recognize a lease liability and an intangible right-to-use lease asset in the government-wide financial statements.

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

For key estimates and judgments related to the Sheriff’s leases and how the County determined the discount rate used to discount expected lease payments to present value, the lease term and lease payments, please see the County’s ACFR for the fiscal year ended September 30, 2025.

Note 8. Subscription-Based Information Technology Arrangements

GASB issued Statement No. 96, *Subscription-Based Information Technology Arrangements (“SBITA”)*. This Statement defines a SBITA as a contract that conveys control of the right to use another party’s information technology software alone or in combination with tangible capital assets as specified in the contract for a period of time in an exchange or exchange-like transaction. Under this Statement, a government should recognize a right-to-use subscription, intangible asset and a corresponding subscription liability at the commencement of the subscription term, when the subscription asset is placed in service.

The Sheriff has several SBITAs that meet the criteria of this Statement, which will be included in the County’s government-wide financial statements and related note disclosures. SBITAs are reported in the County’s ACFR as other financing sources and capital outlay expenditures. The payments made by the Sheriff, in accordance with the terms of the SBITAs, will be reported in the County’s ACFR as debt service expenditures, principal and interest, in the Statement of Revenues, Expenditures and Changes in Fund Balance. In the Sheriff’s financial statements these payments are reported under Public Safety as operating expenditures and will be reclassified as noted above in the General Fund roll up. For additional information, please see the County’s ACFR for the fiscal year ended September 30, 2025.

Seminole County, Florida
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Note 9. Other Postemployment Benefits

All eligible employees of the Sheriff participate in the County’s plan. For a detailed plan description and any liability for employees of the Sheriff, see the County’s ACFR for the fiscal year ended September 30, 2025.

Note 10. Insurance Programs

On January 1, 2016, the Sheriff implemented a self-insurance program for medical insurance. Dental insurance coverage was added to the self-insurance program on January 1, 2023. The program uses a combination of self-insurance and specific and aggregate stop-loss coverage to minimize risk exposure. The Sheriff purchased a reinsurance policy for employee claims in excess of \$300,000 per occurrence.

The schedule below presents the changes in the liability for accrued claims for the past two years:

	<u>Balance October 1, 2024</u>	<u>Claims Incurred</u>	<u>Claims Paid</u>	<u>Balance September 30, 2025</u>
Self-Insurance Liability	\$ 2,484,050	\$ 22,694,959	\$ 22,963,538	\$ 2,215,471
	<u>Balance October 1, 2023</u>	<u>Claims Incurred</u>	<u>Claims Paid</u>	<u>Balance September 30, 2024</u>
Self-Insurance Liability	\$ 1,810,545	\$ 22,133,971	\$ 21,460,466	\$ 2,484,050

Note 11. Contingencies and Commitments

Various lawsuits and claims arising in the ordinary course of operations are pending against the Sheriff. The ultimate effect of such litigation cannot be ascertained at this time. In the opinion of management of the Sheriff, the liabilities that may arise from such action would not result in losses that would materially affect the financial position of the Sheriff or its changes in financial position.

The Board approved an appropriation from the Sheriff’s Fiscal Year 2024/25 General Fund Budget closeout to carryforward to fiscal year 2025/26 purchase commitments in the amount of \$2,312,092 that were in effect at September 30, 2025 which were not completed during fiscal year 2024/25 as a result of challenges and delays in the supply chain.

Note 12. American Rescue Plan Act of 2021

On December 14, 2021, the Board approved and authorized an Agreement between the County and the Sheriff for ARPA funding in the amount of \$9,000,000, payable over a three-year term in equal installments of \$3,000,000 to the Sheriff in January 2022, January 2023, and January 2024. The agreement was executed on December 16, 2021 and expired on December 31, 2024. All funds must be obligated by the end of the term of the agreement.

The funds were being used by the Sheriff in order to respond to the effects of the COVID-19 public health emergency upon individuals in the Seminole County community. Specifically, the Sheriff planned to expand the Seminole Collaborative Opioid Response Efforts (“SCORE”) unit to handle mental health crisis incidents in

Seminole County, Florida
Sheriff
Notes to Financial Statements
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addition to substance abuse; expand the current opioid treatment partnership with AdventHealth (Hope & Healing Center); establish a Behavioral Health Hub with a mental health focus through a collaborative partnership with providers; continue and expand the Sheriff's Juvenile Mobile Crisis Response Program and Juvenile Intervention Services; and provide continuity of program coordination and outreach among Sheriff's Office divisions, the judicial system and community partners.

The Sheriff received the first allocation of \$3,000,000 from the Board in January 2022 and incurred \$622,429 in ARPA related expenditures through September 30, 2022, \$1,598,187 during the fiscal year ended September 2023 and \$779,384 during the fiscal year ended September 30, 2024. Cumulative ARPA expenditures total \$3,000,000 as of September 30, 2024. This financial activity was reported by the Sheriff in a Special Revenue Fund.

The Sheriff received the second allocation of \$3,000,000 from the Board in January 2023. However, on November 14, 2023, the Board approved Budget Amendment Request (BAR) #23-053, which appropriated applicable projects under the Seminole County Recovery Plan as general government services. BAR #23-053 reclassified each of the \$3,000,000 ARPA funding allocations for fiscal year 2023 and fiscal year 2024 as General Funds. Expenditures in the amount of \$1,540,686 were incurred during fiscal year 2024 and \$1,459,314 was incurred in fiscal year 2025 related to the second allocation for a cumulative total of \$3,000,000 related to the second allocation as of September 30, 2025.

A third and final \$3,000,000 allocation was received in January 2024. Expenditures in the amount of \$166,823 were incurred in fiscal year 2025 related to the third allocation, leaving \$2,833,177 unused at September 30, 2025, and therefore, due and paid to the Board with the fiscal year end 2025 closeout.

Due to the impact of the Board using ARPA funding for revenue replacement, the Sheriff's ARPA funding will be eliminated in the ACFR.

Note 13. Insurance Proceeds

In June 2024, the Sheriff's 2023 Airbus H125 AS350B3 helicopter was involved in a hard landing at the Orlando Sanford International Airport, resulting in substantial damage. The Sheriff had aviation insurance coverage totaling \$6,262,000, net of deductibles, with \$4,906,000 for the hull of the helicopter and \$1,356,000 for special equipment.

During fiscal year 2025, the Sheriff recorded the final payment of insurance reimbursements in the amount of \$560,711 and replaced the helicopter using these funds and the prior year assigned fund balance of the general fund.

Compliance Section

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*

Independent Auditor's Report

To the Honorable Dennis M. Lemma
Seminole County, Florida Sheriff
Sanford, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the Seminole County, Florida Sheriff (the "Sheriff"), as of and for the year ended September 30, 2025, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements, and have issued our report thereon dated January 28, 2026. Our report includes an emphasis of matter paragraph related to reporting requirements. Our opinion is not modified with respect to this matter.

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 opinion 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.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Sheriff's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the 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.

Pursuant to provisions of Chapter 10.550, Rules of the Auditor General, we reported certain matters to management of the Sheriff in a separate management letter and Independent Accountant's Report dated January 28, 2026.

Purpose of This Report

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

Forvis Mazars, LLP

**Orlando, Florida
January 28, 2026**

Independent Auditor's Management Letter

To the Honorable Dennis M. Lemma,
Seminole County, Florida Sheriff
Sanford, Florida

Report on the Financial Statements

We have audited the financial statements of the Seminole County, Florida Sheriff (the "Sheriff"), as of and for the fiscal year ended September 30, 2025, and have issued our report thereon dated January 28, 2026.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards, and Independent Accountant's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated January 28, 2026, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Additional Matters

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

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, 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.

Forvis Mazars, LLP

**Orlando, Florida
January 28, 2026**

Independent Accountant's Report

To the Honorable Dennis M. Lemma,
Seminole County, Florida Sheriff
Sanford, Florida

We have examined the Seminole County, Florida Sheriff's (the "Sheriff") compliance with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended September 30, 2025. Management is responsible for the Sheriff's compliance with those requirements. Our responsibility is to express an opinion on the Sheriff's compliance based on our examination.

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

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

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

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

Forvis Mazars, LLP

**Orlando, Florida
January 28, 2026**