

**SHERIFF, BROWARD COUNTY, FLORIDA**  
**SPECIAL-PURPOSE FINANCIAL STATEMENTS**  
**YEAR ENDED SEPTEMBER 30, 2025**

SHERIFF, BROWARD COUNTY, FLORIDA  
Fort Lauderdale, Florida

SPECIAL-PURPOSE FINANCIAL STATEMENTS  
September 30, 2025

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## Independent Auditor's Report

RSM US LLP

Honorable Gregory Tony  
Broward County, Florida Sheriff

### Report on the Audit of the Special-Purpose Financial Statements

#### **Opinions**

We have audited the special-purpose financial statements of each major fund and the aggregate remaining fund information of the Broward County, Florida (County) Sheriff's Office (Sheriff's Office), as of and for the year ended September 30, 2025, and the related notes to the special-purpose financial statements, which collectively comprise the Sheriff's Office special-purpose financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund, and the aggregate remaining fund information of the Sheriff's Office, as of September 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

#### **Basis for Opinions**

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

#### **Emphasis of Matter**

As discussed in Note 1, the accompanying special-purpose financial statements of the Sheriff's Office were prepared for the purpose of complying with the financial reporting provisions of Section 218.39, *Florida Statutes*, and Chapter 10.557(3), *Rules of the Auditor General for Local Governmental Entity Audits*. They do not purport to, and do not, present fairly the financial position of Broward County, Florida, as of September 30, 2025, the changes in its financial position, or where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

#### **Responsibilities of Management for the Special-Purpose Financial Statements**

Management is responsible for the preparation and fair presentation of these special-purpose 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 special-purpose financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibilities for the Audit of the Special-Purpose 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 special-purpose 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 Office'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.

***Required Supplementary Information***

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

Management has omitted the management's discussion and analysis and pension and other post-employment benefit related information that accounting principles generally accepted in the United States of America require to be presented to supplement the special-purpose financial statements. Such missing information, although not a part of the special-purpose financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the special-purpose financial statements in an appropriate operational, economic, or historical context. Our opinions on the financial statements are not affected by this missing information.

**Supplementary Information**

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

**Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated March 27, 2026, on our consideration of the Sheriff's Office's internal control over financial reporting and 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 Office'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 Office's internal control over financial reporting and compliance.

*RSM US LLP*

Fort Lauderdale, Florida  
March 27, 2026

**SPECIAL PURPOSE FINANCIAL STATEMENTS**

SHERIFF, BROWARD COUNTY, FLORIDA  
SPECIAL-PURPOSE BALANCE SHEET – GOVERNMENTAL FUNDS  
September 30, 2025

	<u>Major Funds</u>		<u>Nonmajor</u>	<u>Total</u>
	<u>General</u>	<u>Grants and Special Projects</u>	<u>Other Governmental</u>	
	<u>Fund</u>	<u>Fund</u>	<u>Funds</u>	<u>Governmental</u>
				<u>Funds</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 93,518,503	\$ 8,284,492	\$ 12,311,614	\$ 114,114,609
Due from other funds	6,529,827	-	-	6,529,827
Accounts receivable	1,420,952	608,032	240,907	2,269,891
Due from other governmental agencies	941,009	3,728,626	-	4,669,635
Due from Board of County Commissioners	4,946,531	274,335	-	5,220,866
Prepaid items	173,925	10,935	29,600	214,460
Inventory	5,430,080	-	-	5,430,080
<b>Total assets</b>	<u>\$ 112,960,827</u>	<u>\$ 12,906,420</u>	<u>\$ 12,582,121</u>	<u>\$ 138,449,368</u>
<b>LIABILITIES, DEFERRED INFLOWS AND FUND BALANCES</b>				
Liabilities				
Due to Board of County Commissioners	\$ 62,706,289	\$ 23,668	\$ 619,922	\$ 63,349,879
Due to other funds	-	6,529,827	-	6,529,827
Accounts payable and accrued liabilities	41,536,593	372,459	250,765	42,159,817
Due to other governmental agencies	2,429,325	16,807	122,381	2,568,513
Due to individual depositors	142,687	-	6,231	148,918
Unearned revenue	-	1,262,680	-	1,262,680
<b>Total liabilities</b>	<u>106,814,894</u>	<u>8,205,441</u>	<u>999,299</u>	<u>116,019,634</u>
<b>Deferred inflows of resources:</b>				
Unavailable Revenue	541,928	84,413	-	626,341
<b>Total deferred inflows of resources</b>	<u>541,928</u>	<u>84,413</u>	<u>-</u>	<u>626,341</u>
<b>Fund balances</b>				
Nonspendable	5,604,005	10,935	29,600	5,644,540
Restricted	-	4,690,044	11,553,222	16,243,266
Unassigned	-	(84,413)	-	(84,413)
<b>Total fund balances</b>	<u>5,604,005</u>	<u>4,616,566</u>	<u>11,582,822</u>	<u>21,803,393</u>
<b>Total liabilities, deferred inflows and fund balances</b>	<u>\$ 112,960,827</u>	<u>\$ 12,906,420</u>	<u>\$ 12,582,121</u>	<u>\$ 138,449,368</u>

See accompanying notes to special-purpose financial statements.

SHERIFF, BROWARD COUNTY, FLORIDA  
SPECIAL-PURPOSE STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – GOVERNMENTAL FUNDS  
Year ended September 30, 2025

	<u>Major Funds</u>		<u>Nonmajor Funds</u>	<u>Total Governmental Funds</u>
	<u>General Fund</u>	<u>Grants and Special Projects Fund</u>	<u>Other Governmental Funds</u>	
<b>Revenues and appropriations</b>				
County appropriation	\$ 1,361,010,095	\$ -	\$ -	\$ 1,361,010,095
County law enforcement trust revenues	-	-	9,047,580	9,047,580
Operating grants, projects and contributions	-	15,999,423	43,766	16,043,189
Charges for services	517,771,965	-	1,693,942	519,465,907
<b>Total revenues and appropriations</b>	<u>1,878,782,060</u>	<u>15,999,423</u>	<u>10,785,288</u>	<u>1,905,566,771</u>
<b>Expenditures</b>				
Current				
General – crime prevention	615,601,846	13,626,426	9,373,359	638,601,631
Bailiffs – court services	14,434,656	-	-	14,434,656
Corrections and rehabilitation	374,114,208	-	-	374,114,208
Fire rescue and emergency services	216,635,700	-	-	216,635,700
Capital outlay	103,385,273	3,158,945	507,807	107,052,025
Debt Services				
Principal retirement	10,833,540	-	-	10,833,540
Interest and fiscal charges	786,397	-	-	786,397
<b>Total expenditures</b>	<u>1,335,791,620</u>	<u>16,785,371</u>	<u>9,881,166</u>	<u>1,362,458,157</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>542,990,440</u>	<u>(785,948)</u>	<u>904,122</u>	<u>543,108,614</u>
<b>Other Financing Sources (Uses)</b>				
Transfers out to County/ Excess appropriations	(56,101,825)	-	-	(56,101,825)
Transfers out to county/ Charges for services	(517,771,965)	-	-	(517,771,965)
Issuance of Debt - Leases	8,917,839	-	-	8,917,839
Issuance of Debt - SBITA	21,965,511	-	-	21,965,511
Sale of capital assets	-	1,462,214	-	1,462,214
<b>Total other financing sources (uses)</b>	<u>(542,990,440)</u>	<u>1,462,214</u>	<u>-</u>	<u>(541,528,226)</u>
<b>Net change in fund balances</b>	<u>-</u>	<u>676,266</u>	<u>904,122</u>	<u>1,580,388</u>
<b>Fund balances at beginning of year</b>	5,890,232	3,940,300	10,678,700	20,509,232
<b>Changes in nonspendable for prepaids</b>	23,136	-	-	23,136
<b>Changes in nonspendable for inventory</b>	<u>(309,363)</u>	<u>-</u>	<u>-</u>	<u>(309,363)</u>
<b>Fund balances at end of year</b>	<u>\$ 5,604,005</u>	<u>\$ 4,616,566</u>	<u>\$ 11,582,822</u>	<u>\$ 21,803,393</u>

See accompanying notes to special-purpose financial statements.

**FIDUCIARY FUND FINANCIAL STATEMENTS**

SPECIAL-PURPOSE STATEMENT OF  
FIDUCIARY NET POSITION  
September 30, 2025

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	<u>Custodial Funds</u>
<b>ASSETS</b>	
Cash and cash equivalents	\$ 33,543,930
Receivables	<u>22,507</u>
<b>Total assets</b>	<u><u>\$ 33,566,437</u></u>
 <b>LIABILITIES</b>	
Due to other governmental agencies	\$ 916,482
Accounts payable and accrued liabilities	<u>382,638</u>
<b>Total liabilities</b>	<u>1,299,120</u>
 <b>NET POSITION</b>	
Restricted for:	
Individuals, organizations and other governments	<u>32,267,317</u>
<b>Total net position</b>	<u>32,267,317</u>
<b>Total Liabilities and Net Position</b>	<u><u>\$ 33,566,437</u></u>

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See accompanying notes to special-purpose financial statements.

SPECIAL-PURPOSE STATEMENT OF CHANGES IN  
FIDUCIARY NET POSITION  
Year Ended September 30, 2025

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	Custodial Funds
<b>Additions</b>	
Amounts collected	\$ 53,149,499
<b>Total additions</b>	<u>53,149,499</u>
<b>Deductions</b>	
Amounts disbursed	<u>33,196,104</u>
<b>Total deductions</b>	<u>33,196,104</u>
<b>Change in Net Position</b>	\$ 19,953,395
<b>Net Position, beginning,</b>	<u>12,313,922</u>
<b>Net Position, ending</b>	<u>\$ 32,267,317</u>

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See accompanying notes to special-purpose financial statements.

**NOTES TO FINANCIAL STATEMENTS**

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## NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity: The Sheriff, Broward County, Florida (the Sheriff) is a Constitutional Office in Florida and the Chief Law Enforcement Officer in Broward County (the County). The Sheriff is elected by the electors of the County for terms of four (4) years. The Florida Legislature has recognized the independence of the Sheriff in Section 30.53, *Florida Statutes*, which specifically preserves such independence concerning the purchase of supplies and equipment, selection of personnel, and the hiring, firing, and setting of salaries of such personnel.

The special-purpose financial statements presented include the funds of the Sheriff and were prepared for complying with Section 10.557, *Rules of the Auditor General for Local Government Entity Audits*. The special-purpose financial statements are not intended to be a complete presentation under Governmental Accounting Standards Board (GASB) Statement No. 34, *Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments* as a result the special- purpose financial statements are not intended to be a complete presentation of the financial position of the Sheriff or County, or the changes in financial position and where applicable, cash flows, in conformity with accounting principles generally accepted in the United States. The financial activities of the Sheriff, as a constitutional office, are included in the County's annual comprehensive financial report.

The Sheriff's Office is funded by appropriations requisitioned monthly from the County's Board of County Commissioners (Board). Section 218.36(2), *Florida Statutes*, provides that unexpended year end balances in the General Fund shall be distributed back to the Board.

Basis of Presentation: These special-purpose financial statements are fund financial statements that have been prepared in conformity with accounting principles generally accepted in the United States (GAAP) as applied to governmental units. The GASB is the accepted standard-setting body for establishing governmental and financial reporting principles. The Sheriff's significant accounting policies are described below.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation: Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the Sheriff considers revenues available if they are collected within 60 days of the end of the current fiscal period except for grants, which are considered collectible if they are collected within six months. Expenditures are generally recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures for leases, as well as expenditures related to compensated absences, pension and other post-employment benefits are reported only when payment is due. Custodial funds included in the fiduciary fund statements all presented using the economic resources measurement focus and the accrual basis of accounting.

Substantially all the Sheriff's funding is appropriated by the Board. In applying the "susceptible to accrual" concept to intergovernmental revenues, there are essentially two types of revenues. In one type, monies must be expended on the specific purpose or project before any amounts will be paid to the Sheriff; therefore, revenues are recognized when the expenditures have been incurred. Many grant revenues are recorded in this manner however there are some where the cash is received in advance, but the applicable eligibility requirements have not been met. Revenue for these grants is not recorded until all eligibility requirements have been met. In the other, monies are generally unrestricted and are revocable only for failure to comply with prescribed compliance or purpose requirements. These resources are reflected as revenues at the time of receipt or earlier if measurable and available to finance expenditures of the current period. Other revenues susceptible to accrual include interest and charges for services.

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(Continued)

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

The Sheriff reports the following major governmental funds:

General Fund: The General Fund is used to account for all revenues, appropriations, and expenditures applicable to the general operations of the Sheriff which are not properly accounted for in another fund. All revenues and appropriations which are not specifically restricted or designated as to use are recorded in the General Fund. General property taxes levied by the Board that are allocated to the Sheriff are reported as County Appropriation. Excess revenues and appropriations over expenditures (surplus) at year end that are due back to the County are reported as Transfers out to County / excess appropriations. Funds received for charges to municipalities for services provided, civil services performed, logistics sales, and other miscellaneous items are transferred to the county throughout the year.

Grants and Special Projects Fund: The Grants and Special Projects Fund is used to account for all Federal, State and local grant related revenues and expenditures. The grants received in the fund are used to supplement the Sheriff's public safety services overall.

The Sheriff also reports the following fund types:

Special Revenue Funds: Special Revenue Funds are used to account for revenue sources that are legally restricted to expenditures for specific purposes. These include funds received from donations for youth-related programs, funds from the Broward County Law Enforcement Trust Fund and funds from various federal and state grantor agencies to be used for specific law enforcement purposes, and funds to be used for inmate welfare and victim witness purposes. All the Special Revenue Funds are considered non-major funds for financial reporting purposes except for the Grants and Special Projects Fund, which is considered a major fund.

Fiduciary Funds: Fiduciary Funds are used to account for assets held by the Sheriff in a fiduciary capacity for individuals, private organizations, other governments. These assets include amounts held for inmates of the County jail system, surety (appearance) bonds of accused individuals, funds held in evidence for open court cases, and other miscellaneous items.

Fund equity at the governmental fund financial reporting level is classified as "fund balance."

Fund Balance: Generally, fund balance represents the difference between the assets, liabilities balance and deferred inflows. In the fund financial statements, governmental funds report fund classifications that comprise a hierarchy based primarily on the extent to which the Sheriff is bound to honor constraints for the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows:

Non-spendable: Fund balances are reported as non-spendable when amounts cannot be spent because they are either (a) not in spendable form (i.e. items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact. As of September 30, 2025, there were no amounts that were legally or contractually required to be maintained intact included in the non-spendable category. Non-spendable consists of prepaid items and inventory: \$173,925 of prepaid items in the General Fund; \$10,935 of prepaid items in the Grants and Special Projects Fund, \$29,600 of prepaid items in the nonmajor special revenue funds and \$5,430,080 of inventory in the General Fund.

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

Restricted: Fund balances are reported as restricted when there are limitations imposed on their use through the enabling legislation adopted either by the Sheriff or through external restrictions imposed by creditors, grantors or laws or regulations of other governments. Restricted fund balance of the Grants and Special Projects Fund consists of \$4,690,044 restricted for various projects funded primarily by federal and state grants. Restricted fund balance of the Non-major Governmental Funds consists of \$6,953,698 restricted for inmate welfare, \$4,472,597 restricted for law enforcement, and \$126,927 restricted for other purposes.

Committed: Fund balances are reported as committed when they can be used only for specific purposes pursuant to the constraints imposed by formal action of the Sheriff through the adoption of a resolution. The Sheriff also may modify or rescind the commitment. The Sheriff does not have any committed fund balances as of September 30, 2025.

Assigned: Fund balances are reported as assigned when amounts are constrained by the Sheriff's intent to be used for specific purposes but are neither restricted nor committed. Through resolution, the Sheriff has authorized the finance committee or the finance director to assign fund balances. The Sheriff does not have any assigned fund balances as of September 30, 2025.

Unassigned: Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The Sheriff reports positive unassigned fund balance only in the General Fund. Negative unassigned fund balances may be reported in all funds.

Flow Assumptions: When both restricted and unrestricted resources are available for use for expenditures incurred, it is the Sheriff's policy to use restricted amounts first and then unrestricted amounts, as they are needed. For unrestricted amounts of fund balance, it is the Sheriff's policy to use fund balance in the following order:

- Committed
- Assigned
- Unassigned

Fund Balance Policy: The Sheriff does not have a minimum fund balance policy.

Deposits and investments: Cash and cash equivalents include cash on hand, demand deposits and highly liquid investments with a maturity date of three months or less when purchased. Certificates of deposit with maturities greater than three months are classified as investments. All investments are stated at fair value. The Sheriff had no such investments as of September 30, 2025.

Receivables: Receivables are shown net of allowances for uncollectible amounts, if any. Receivables are analyzed for their collectability based on the terms of agreements as well as current economic conditions and consideration of the creditor's ability to pay.

Inventory and Prepaid Items: Inventories recorded in the General Fund consist of expendable supplies held in the Sheriff's operations. Inventories are stated at cost, principally on a weighted-average cost basis. This inventory is accounted for under the purchase method and is recorded as expenditures when purchased. Inventory in the Inmate Commissary Trust Fund is stated at the lower of cost or market (first-in, first-out) and consists primarily of snacks and personal sundries held for resale to prisoners. Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in the financial statements.

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

Capital Assets: Capital assets, which include vehicles, software, equipment, and building improvements, are recorded as capital outlay expenditures in the governmental funds at the time goods are received and a liability is incurred. These assets are then capitalized at cost in the statement of net position as part of the basic government-wide financial statements of the County. The capitalization threshold set by the Sheriff is \$5,000.

Capital assets are depreciated using the straight-line method over five to seven years for motor vehicles; five years for communications equipment; three to ten years for furniture and other equipment; and 40 years for building improvements. The depreciation expense is recorded in the statement of activities as part of the basic government-wide financial statements of the County.

Accounts Payable and Accrued Liabilities: Balances consist primarily of accrued payroll and related expense for retirement and social security totaling approximately \$27.3 million and trade accounts payable of approximately \$14.9 million and \$383 thousand in Fiduciary fund.

Compensated Absences: Employees of the Sheriff accumulate vacation and sick leave based on the number of years of continuous service in addition to unused holiday and overtime pay. The Sheriff accounts for compensated absences in accordance with Governmental Accounting Standards Board (GASB) Statement No. 101, *Compensated Absences* which was implemented during fiscal year 2025. A liability is recognized for leave that (a) has been earned by employees, (b) is attributable to services already rendered, and (c) is more likely than not to be paid or settled through paid time off or other means. The new standard resulted in a restatement of the October 1, 2024, beginning liability for compensated absences. The liability for compensated absences is reported in the governmental activities of the statement of net position as part of the basic financial statements of the County.

Pensions: In the governmental funds, no liability is recorded for the net pension liability and the expense is recorded when due and payable. In the County's government-wide statement of net position, liabilities are recognized for the Sheriff's proportionate share of each pension plan's net pension liability. For the purpose of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Florida Retirement System (FRS) defined benefit plan and the Health Insurance Subsidy (HIS) defined benefit plan and additions / deductions from the FRS's and the HIS's fiduciary net position have been determined on the same basis as they are reported by the FRS and HIS plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms.

Post-Employment Benefits Other Than Pensions: The Sheriff's Office applies GASB Statement No. 75, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, for measurement, recognition, and display of OPEB expenses, OPEB liabilities and deferred outflows/inflows of resources which are recorded in the governmental activities' column of the statement of net position and statement of activities as part of the basic financial statements of the County. In the governmental funds, no liability is recorded for the total OPEB liability, and the expense is recorded when due and payable.

Unearned Revenue: Unearned revenue includes amounts collected before revenue recognition criteria are met. The unearned items consist primarily of grant revenues.

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

Use of Estimates: The special-purpose financial statements and related disclosures are prepared in conformity with accounting principles generally accepted in the United States of America. Management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and deferred inflows of resources, and the disclosure of contingent assets and liabilities at the date of the special-purpose financial statements and revenue and expenditures during the period reported. These estimates include assessing collectability of accounts receivable. Estimates and assumptions are reviewed periodically, and the effects of revisions are reflected in the special-purpose financial statements in the period they are determined to be necessary. Actual results could differ from those estimates.

New Accounting Standards:

In June of 2022, GASB issued Statement No. 101, *Compensated Absences*. The primary objective of this Statement is to better meet the information needs of financial statement users by updating the recognition and measurement guidance for compensated absences. That objective is achieved by aligning the recognition and measurement guidance under a unified model and by amending certain previously required disclosures. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023. The effects of this statement are reflected in the basic financial statements of the County.

In December of 2023, GASB issued Statement No. 102, *Certain Risk Disclosures*. The objective of this Statement is to provide users of government financial statements with information about risks related to a government's vulnerabilities due to certain concentrations or constraints that is essential to their analyses for making decisions or assessing accountability. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024. Management determined there was no significant impact of the adoption of this statement on the special-purpose financial statements.

In April 2024, GASB issued Statement No. 103, *Financial Reporting Model Improvements*. The objective of this Statement is to improve key components of the financial reporting model to enhance effectiveness in providing information that is essential for decision making and assessing a government's accountability. This statement addresses application issues with Management's Discussion and Analysis, Unusual or Infrequent Items, Presentation of the Proprietary Fund Statement of Revenues, Expenses, and Changes in Fund Net Position, Major Component Unit Information and Budgetary Comparison Information. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025. Management is currently evaluating the impact of the adoption of this statement on the special-purpose financial statements.

In September 2024, GASB issued Statement No. 104, *Disclosure of Certain Capital Assets*. The objective of this Statement is to provide users of government financial statements with essential information about certain types of capital assets.

The requirements of this Statement are effective for fiscal years beginning after June 15, 2025. Management is currently evaluating the impact of the adoption of this statement on the special-purpose financial statements.

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

In December 2025, GASB issued Statement No. 105, *Subsequent Events*. The objective of this Statement is to improve the financial reporting requirements for subsequent events, thereby enhancing consistency in their application and better meeting the information needs of financial statement users. This Statement defines subsequent events as transactions or other events that occur after the date of the financial statements but before the date the financial statements are available to be issued. This Statement describes the date the financial statements are available to be issued as the date at which (1) the financial statements are complete in a form and format that complies with generally accepted accounting principles and (2) approvals necessary for issuance have been obtained. This Statement also requires the date through which subsequent events have been evaluated to be disclosed and clarifies the subsequent events that constitute recognized and non-recognized events and establishes specific note disclosure requirements for non-recognized events. The requirements of this Statement are effective for fiscal years beginning after June 15, 2026. Management is currently evaluating the impact of this statement on its special-purpose financial statements.

**NOTE 2 - CASH AND CASH EQUIVALENTS**

Cash and Cash Equivalents: In addition to insurance provided by the Federal Depository Insurance Corporation, all deposits are held in banking institutions approved by the State Chief Financial Officer to hold public funds. Under Florida Statutes Chapter 280, *Florida Security for Public Deposits Act*, the State Treasurer requires all Florida qualified public depositories to deposit with the Treasurer or banking institution eligible collateral. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

As of September 30, 2025, all amounts, including custodial funds, were maintained in the qualified public depositories, the carrying amount was \$147,658,540 and bank balances were \$166,444,119.

**NOTE 3 - CAPITAL ASSETS**

A summary of capital assets, which the Sheriff is responsible for tracking, is reported at cost in the Statement of Net Position as part of the governmental activities in the government-wide financial statements of the County as follows:

	<u>Balance</u>	<u>Additions</u>	<u>Disposals/ Write-offs</u>	<u>In (Out)</u>	<u>Balance</u>
Capital assets, not being depreciated:					
Construction in progress	\$ 19,480,718	\$ 21,443,668	\$ -	\$ (19,433,918)	\$ 21,490,468
Total capital assets, not being depreciated	<u>19,480,718</u>	<u>21,443,668</u>	<u>-</u>	<u>(19,433,918)</u>	<u>21,490,468</u>
Capital assets, being depreciated/amortized:					
Motor vehicles	163,741,727	39,088,651	8,886,919	19,413,448	213,356,907
Communications equipment	34,727,669	180,882	309,176	2,207	34,601,582
Furniture and other equipment	89,955,209	10,786,590	6,044,291	18,263	94,715,771
Software	27,943,849	122,727	5,097		28,061,479
Right to use leased assets:					
Building	14,291,919	4,791,142	3,790,087	2,640,506	17,933,480
Land	980,666	1,418,056	980,666		1,418,056
Equipment	14,675,699	2,708,641	2,212,928	(2,640,506)	12,530,906
Right to use SBITA	7,437,464	21,965,511	36,351	-	29,366,624
Building improvements	<u>50,267,016</u>	<u>812,813</u>	<u>-</u>	<u>-</u>	<u>51,079,829</u>
Total capital assets, being depreciated/amortized	<u>404,021,218</u>	<u>81,875,013</u>	<u>22,265,515</u>	<u>19,433,918</u>	<u>483,064,634</u>
Less accumulated depreciation/amortization for:					
Motor vehicles	115,876,225	14,809,908	8,284,084	-	122,402,049
Communications equipment	24,670,506	3,338,923	273,075	-	27,736,354
Furniture and other equipment	73,472,758	5,384,250	5,811,430	-	73,045,578
Software	26,005,267	865,787	5,097	-	26,865,957
Right to use leased assets:					
Building	7,099,357	1,665,725	3,640,298	3,825,922	8,950,706
Land	954,162	283,611	954,161		283,612
Equipment	6,895,664	4,594,375	1,290,875	(3,825,922)	6,373,242
Right to use SBITA	4,764,834	8,192,578	23,089	-	12,934,323
Building improvements	<u>15,038,016</u>	<u>1,493,796</u>	<u>-</u>	<u>-</u>	<u>16,531,812</u>
Total accumulated depreciation/amortization	<u>274,776,789</u>	<u>40,628,953</u>	<u>20,282,109</u>	<u>-</u>	<u>295,123,633</u>
Total capital assets, being depreciated/amortized, net	<u>129,244,429</u>	<u>41,246,061</u>	<u>1,983,406</u>	<u>19,433,918</u>	<u>187,941,001</u>
Capital assets (net)	<u>\$ 148,725,147</u>	<u>\$ 62,689,728</u>	<u>\$ 1,983,406</u>	<u>\$ -</u>	<u>\$ 209,431,469</u>

(Continued)

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#### **NOTE 4 - FLORIDA RETIREMENT SYSTEM**

Funding Policy: Substantially, all full-time employees of the Sheriff are eligible to participate in the State of Florida Retirement System (System or FRS), a cost-sharing, multiple-employer defined benefit plan administered by the State of Florida, Division of Retirement. The system is a defined benefit plan for all state, and participating county, district school board, community college, and university employees (Pension Plan). The System also offers eligible employees' participation in an alternative defined contribution plan (Investment Plan). The Sheriff participates in the Special Risk Pension plan. The plan is administered by the State of Florida. Contribution rates are established statewide for all participating governmental units. The plan administrator for FRS prepares and publishes its own stand-alone annual comprehensive financial report, including financial statements and required supplementary information. Copies of this report can be obtained from the Department of Management Services, Division of Retirement, Bureau of Research and Member Communications, P.O. Box 9000, Tallahassee, Florida 32315-9000; or at the Division's website ([www.frs.myflorida.com](http://www.frs.myflorida.com)).

The Sheriff is required to contribute an actuarially determined rate. The contribution requirements of the Sheriff are established and may be amended by the State of Florida. Effective July 1, 2011, employees participating in the FRS System were required to contribute 3% of their eligible salaries to the Pension Plan. The required employer contribution rates were as follows: special-risk employees 32.79%, county elected officials 58.68%, senior management 34.52%, regular 13.63%, and DROP employees 21.13% from July 1, 2024, through June 30, 2025; special-risk employees 35.19%, County elected officials 54.57%, senior management 33.24%, regular 14.03%, and DROP employees 22.02% from July 1, 2025, through September 30, 2025.

The Sheriff's contributions to the plan for the year ended September 30, 2025, was \$151,080,760 equal to the actuarially determined contributions for the year. The Sheriff's portion of the net pension liability and deferred inflows/outflows of resources and the associated footnotes are not reported in the special-purpose financial statements of the Sheriff; however, they are reported in the Statement of Net Position and the Statement of Activities as part of the basic financial statements of the County.

Pension Plan: For members first enrolled in FRS prior to July 1, 2011, the system provides for vesting of benefits after six years of creditable service. Regular risk employees are eligible for normal retirement at age 62. Special Risk employees are eligible for normal retirement at age 55. Early retirement may be taken any time after six years of service. If an eligible employee elects to take early retirement, there is a 5% benefit reduction for each year prior to Normal retirement.

For members first enrolled in FRS on or after July 1, 2011, the system provides for vesting of benefits after eight years of creditable service. Regular risk employees are eligible for normal retirement at age 65. Special Risk employees are eligible for normal retirement at age 55. Early retirement may be taken any time after eight years of service. If an eligible employee elects to take early retirement, there is a 5% benefit reduction for each year prior to normal retirement.

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#### **NOTE 4 - FLORIDA RETIREMENT SYSTEM (Continued)**

**Plan Benefits:** Benefits are computed on an employee's years of creditable service with FRS, a percentage value (1.6% for regular risk and 3.0% for special risk) and the employee's average final compensation. Average final compensation is the average of the five highest fiscal years of earnings for members first enrolled in FRS prior to July 1, 2011. Average final compensation for members enrolled after July 1, 2011, is the average of the eight highest fiscal years of earnings. The system also provides for death and disability benefits.

The Deferred Retirement Option Program (DROP) is available under the Pension Plan when a member first reaches eligibility for normal retirement. The DROP allows a member to retire while continuing employment for up to 96 months. While in DROP, the member's retirement benefits accumulate in the FRS Trust Fund (increased by a cost-of-living adjustment each July) and earn monthly interest equivalent to an annual rate of 4.00% if the effective DROP commencement date is on or after July 1, 2023, or an annual rate of 1.30% if the DROP commencement date is on or after July 1, 2011 or an annual rate of 6.50% if the DROP commencement date is before July 1, 2011.

#### **HIS Plan**

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

**Benefits Provided** – For the fiscal year ended September 30, 2025, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month. To be eligible to receive these benefits, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

**Contributions** – The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. The employer contributions are a percentage of gross compensation for all active FRS members. The employer contribution rates for the period from July 1, 2024, through June 30, 2025, and from July 1, 2025, through September 30, 2025, was 2.00%, respectively. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or cancelled.

For the fiscal year ending September 30, 2025, contributions to the HIS Plan for BSO totaled \$12.988 million.

**Investment Plan:** In 2000, the Florida Legislature created the FRS investment Plan, a defined contribution program available to FRS members beginning in 2002. The FRS Investment Plan is available as an option for current and future FRS members. The FRS Investment Plan is a defined contribution plan, in which employer and employee contributions are defined by law, but benefit depends in part on the performance of the investment funds.

The FRS Investment Plan is funded by employer and employee contributions that are based on the salary and FRS membership class (Regular Class, Special Risk Class, etc.) of each employee. An employee is vested upon completion of one year of service in the FRS Investment Plan. The Investment Plan directs contributions to individual member accounts and allocates contributions and account balance among various investment funds.

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#### **NOTE 4 - FLORIDA RETIREMENT SYSTEM (Continued)**

Plan Benefits: Employee contributions are immediately vested. If employment is terminated prior to meeting the vesting requirements of the Investment Plan, the employee will be entitled to a refund of contributions. The Investment Plan retirement benefit is the value of the account at termination.

Other Plans: Employees acquired through inter-local agreements with cities in the County had the determined rate as FRS (except for two transitioned cities), or electing to go with FRS. The contribution requirements for employees covered by the cities for the year ended September 30, 2025, was \$3,582,126 which is equal to the required contribution for each year. The City is obligated for all pension amounts other than the current contribution, and therefore a liability, if any, is reported by the city or other government.

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

Plan Description: The Sheriff's plan (a single employer plan) provides postemployment health insurance benefits for employees and sworn officers upon retirement and subsidizes a portion of the premiums. The provisions of the plan for the Sheriff may be amended through negotiations between the Sheriff and its employee bargaining units. The plan has no assets and does not issue separate financial reports.

Funding Policy and Annual OPEB Cost: Retirees of the Sheriff's plan and their beneficiaries pay the same blended rates as active employees. However, the Sheriff provides a discount of 2% for each year of service, prorated monthly, with the Sheriff up to 50% of the blended rates to retirees and their beneficiaries who meet certain qualifications. The Sheriff also pays 100% of the premiums for line-of-duty disabled retirees in accordance with Florida Statutes. Employees hired on or after October 1, 2007, are not eligible for these amounts. However, this does not apply to members of the IAFF Local 4321. The Sheriff makes no advance funding contributions to the plan; rather, it pays the discounts for retirees and their beneficiaries when due. In addition, the Sheriff's actuaries, in their actuarial valuation, calculate an offset to the cost of these benefits that it includes in the Employer Contributions. This offset equals the total age-adjusted costs paid by the Sheriff or its active employees for coverage of the retirees and their dependents for the year net of the retiree's own payments for the year.

The Sheriff follows the guidance contained in Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, (GASB 75); for certain post-employment health care benefits provided by the Sheriff for the fiscal year ended September 30, 2025. The Sheriff's OPEB liability and deferred inflows/outflows of resources and the associated footnotes are not reported in the special-purpose financial statements of the Sheriff, however they are reported in the Statement of Net Position and the Statement of Activities as part of the basic financial statements of the County.

#### **NOTE 6 - RELATED PARTY TRANSACTIONS**

The charges from The Board of County Commissioners includes an allocation of certain costs for motor pool, communications, legal fees, printing, radio repairs, subpoenas, warehouse use, maintenance, and fuel. Expenditures for these services for the year ended September 30, 2025, were \$474,531. The Sheriff also utilizes the self-insurance program of the Board for coverage against Workers' Compensation claims. Additionally, certain other insurance coverage is purchased by the Board from an insurance carrier on behalf of the Sheriff. For the year ended September 30, 2025, self-insurance costs and other insurance coverage charged to the Sheriff were \$6,688,205 and \$2,648,053 respectively. The County also provides certain office space to the Sheriff at no charge.

**NOTE 6 - RELATED PARTY TRANSACTIONS (Continued)**

In addition, the Sheriff provided police services to certain County agencies in the amount of \$81,510,478 for the year ended September 30, 2025. Contract services revenues and related expenditures are reported in a special revenue fund in the County financials. The net amount of \$58,129,013 was due to the county on September 30, 2025.

**NOTE 7 - CONTRACT SERVICES**

The Sheriff provides police services along with fire rescue and emergency services to various municipalities and other governmental agencies throughout Broward County. These services are performed in accordance with mutually agreed-upon contracts. The Sheriff's annual budget includes an appropriation for these contract agreements. Payments received by the Sheriff in accordance with their respective contracts are remitted to the Board. During the year ended September 30, 2025, these services amounted to \$390,999,661. The Sheriff has recorded receivables from several municipalities for services rendered which are reported in the Sheriff's governmental funds. Contract services revenues and related expenditures are reported in a special revenue fund in the County financials.

**NOTE 8 - INTER-FUND RECEIVABLES AND PAYABLES**

Inter-fund receivables and payables balances on September 30, 2025, are as follows:

	<u>Interfund Receivable</u>	<u>Interfund Payable</u>
General Fund	\$ 6,529,827	\$ -
Grants and Special Projects Fund	<u>-</u>	<u>6,529,827</u>
	<u>\$ 6,529,827</u>	<u>\$ 6,529,827</u>

These inter-fund balances relate primarily to payroll costs that are paid through the General Fund and subsequently reimbursed by the other funds as well as other general inter-fund-operating transactions.

## **NOTE 9 - RISK MANAGEMENT**

The Broward Sheriff's Office ("BSO") is a self-insured political subdivision of the State of Florida, and its agency head is an elected Sheriff, under the State of Florida Constitution. BSO is authorized by 768.28 (16)(a), Florida Statutes, to maintain a self-insurance program, without waiver of sovereign immunity. The Sheriff's Self-Insurance Program under the Department of Risk Management is responsible for general, professional and auto liability claims, which is funded through the County's annual budgetary process.

In furtherance of the BSO self-insurance program, the Department of Risk Management elected to completely self-insure auto liability due to the cost of such coverage exceeding the risk of any exposure beyond the state statutory sovereign immunity limits for such claims effective October 1, 2022. Additionally, the Self-Insured Retention ("SIR") limits for general and professional liability were set to \$750,000 with excess coverage above the SIR for in the amount of \$1,000,000 per occurrence/\$2,500,000 aggregate. The excess coverage is provided through a commercial excess insurance policy. This insurance coverage is purchased primarily because there is no immunity in federal courts from cases involving 1983 civil rights violations. The state statutory sovereign immunity limits do not apply to civil rights claims, which are primarily filed in the federal courts.

We have paid over our excess policy limits on the Marjory Stoneman Douglas shootings (Date of Loss: 2/14/2018). In that case, BSO is in a dispute with our excess carrier regarding the number of occurrences with BSO's position that there was one occurrence thus one deductible and the excess carrier's position that there were multiple occurrences subjected to multiple SIR's (Self-Insured Retentions). BSO won the case in the United States District Court, Southern District of Florida, but the excess carrier has now appealed that ruling.

## **NOTE 10 - LITIGATION AND CONTINGENCIES**

The Sheriff is an involved party in numerous matters in litigation arising from the ordinary course of operations. The results of litigation proceedings cannot be predicted with certainty and the Sheriff has instructed legal counsel to assert all available legal defenses. In the very unlikely event that any judgment against the Sheriff is more than funds budgeted or insurance coverage, additional appropriations requests will be submitted the County. In the opinion of management, the outcome of matters currently pending in litigation will not materially affect the financial position of the Sheriff and amounts of any potential obligations that are probable have been included in the claim's liability amounts reported in the County's self-insurance fund.

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the Federal government and the State of Florida. Any grantor disallowed or unapproved grant reimbursement or expenditure requests by the Sheriff, including amounts already received, may constitute a liability of the applicable funds. The amount, if any, the Sheriff's rejected grant reimbursement or expenditure request of grant funds cannot be determined at this time, although the Sheriff expects such amounts, if any, to be immaterial to the financial position of the Sheriff.

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## NOTE 11 - CONFISCATED PROPERTY

Property confiscated by the Sheriff is retained until the earlier of a decision not to proceed with a forfeiture proceeding, a settlement with the property owner, or a judgment on the property is received. Property awarded to the Sheriff is either: 1) put up for auction and the net proceeds remitted to the County's Law Enforcement Trust Fund, 2) traded at their estimated values for usable goods which are recorded as capital assets at their estimated values, 3) recorded as capital assets at an estimated value, or 4) destroyed if there is no value. Confiscated property is inventoried only when it is recorded as a capital asset.

Proceeds from confiscated property that are remitted to the County's Law Enforcement Trust Fund are held by the County and are available to the Sheriff only for specified law enforcement purposes. The Sheriff must request and obtain the County's approval before funds are released for such purposes. In some cases, proceeds from confiscated property are remitted to a contract city's Law Enforcement Trust Fund if required by the contract between the city and the Sheriff and the confiscation is derived from the efforts of personnel permanently assigned to the city.

## NOTE 12 –LEASES / SBITA

- A. GASB Statement No. 87, *Leases* defines a lease as a contract that transfers the right to use another entity's asset for a specific period in an exchange or exchange-like transaction. The Sheriff's Office has entered into various lease agreements, primarily for rental space and equipment usage. Under these contracts, the Sheriff recognizes a lease liability and a lease asset (intangible right-to-use asset) at the commencement of the lease term in the government-wide financial statements of the County, the lease liability is measured at the present value of payments expected to be made during the lease term (less any lease incentives). The lease asset is measured at the amount of the initial measurement of the lease liability, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs.

The future lease payments are discounted using the interest rate implicit in the lease. If the interest rate is not available, the Sheriff uses its incremental borrowing rate determined by the County. The lease term is determined by the sum of the non-cancellable periods, plus renewal options when they are reasonably certain of being exercised or early termination options when they are reasonably certain of not being exercised.

The Sheriff entered into noncancellable leases with various vendors as a lessee for the intangible right-to-use leased equipment, structures and land. The lease term includes the noncancellable period per the contract plus/minus any extension options or termination options the Sheriff is reasonably certain to exercise.

- B. GASB Statement No 96 *Subscription-Based Information Technology Arrangements (SBITA)*, defines a SBITA as a contract that conveys control of the right to use another party's (a *SBITA vendor's*) information technology (IT) software, alone or in combination with a tangible capital asset. Under these arrangements the Sheriff recognizes the liability and the SBITA asset at the commencement of the contract in the government-wide financials of the County. The SBITA assets are initially measured at an amount equal to the initial measurement of the related SBITA liability plus any SBITA payments made prior to the subscription term, less SBITA incentives, plus any ancillary charges necessary to place the SBITA into service. The SBITA assets are amortized on a straight-line basis over the life of the related contract.

The future payments are discounted using the interest rate implicit in the lease. If the interest rate is not available, the Sheriff uses its incremental boring rate determined by the County.

**NOTE 12 –LEASES / SBITA (continued)**

The lease term is determined by the sum of the non-cancellable periods, plus renewal options when they are reasonably certain of being exercised or early termination options when they are reasonably certain of not being exercised.

The Sheriff entered into noncancellable SBITA arrangements with various vendors as a lease for the intangible right-to-use IT software. The term includes the noncancellable period per the contract plus/minus any extension options or termination options the Sheriff is reasonably certain to exercise.

The Sheriff has entered into long term leases / SBITA's for the right to use assets, below is the summary of these liabilities:

	<u>2024</u>	<u>Additions</u>	<u>Decreases</u>	<u>2025</u>	<u>One Year</u>
Leases-right to use	\$ 15,081,037	\$ 8,917,839	\$ 7,676,668	\$ 16,322,208	\$ 5,461,165
SBITA-right to use	<u>2,667,448</u>	<u>21,965,511</u>	<u>3,156,872</u>	<u>21,476,087</u>	<u>3,386,770</u>
Total liabilities	<u>\$ 17,748,485</u>	<u>\$ 30,883,350</u>	<u>\$ 10,833,540</u>	<u>\$ 37,798,295</u>	<u>\$ 8,847,935</u>

The obligations for right-to-use leased assets/ SBITA balances of \$37.8 is recorded in the County's government wide financial statements. There were increases of \$30.9 million for new lease/ SBITA contracts and decreases of \$10.8 million due to amortization and early terminations, for a right-to-use lease asset balance of \$37.8 million, net of amortization.

	Beginning Balance	Interest	Principal	Ending Balance
FY 09/30/26	\$ 37,798,295	\$ 810,675	\$ 8,847,935	\$ 28,950,360
FY 09/30/27	28,950,360	597,302	7,490,200	21,460,160
FY 09/30/28	21,460,160	422,814	6,743,996	14,716,164
FY 09/30/29	14,716,164	293,261	4,677,009	10,039,155
FY 09/30/30	10,039,155	213,859	2,128,166	7,910,989
Thereafter	7,910,989	325,798	7,910,989	-

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**NOTE 12 –LEASES / SBITA (continued)**

The debt service payments will be paid out of the General Fund. A summary of the debt service payments follows:

	Fiscal Year Ended September 30, 2025	
	FY2026	\$ 9,658,610
	FY2027	8,087,502
	FY2028	7,166,810
	FY2029	4,970,270
	FY2030	2,342,025
	Thereafter	<u>8,236,787</u>
	Total minimum lease payments	40,462,004
	Less amount representing interest	<u>(2,663,709)</u>
	Present value of lease payments	<u><u>\$ 37,798,295</u></u>

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(Continued)

**REQUIRED SUPPLEMENTARY INFORMATION**  
(Unaudited)

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE –  
BUDGET AND ACTUAL – GENERAL FUND  
REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)  
Year ended September 30, 2025

	Budgeted Amounts			Variance with Final Budget Positive (Negative)
	Original	Final	Actual	
Revenues:				
County appropriation	\$ 1,324,291,784	\$ 1,385,937,237	\$ 1,361,010,095	\$ (24,927,142)
Expenditures:				
General – crime prevention:				
Personal services	562,578,320	564,399,542	548,317,586	16,081,956
Operations	89,871,696	85,813,343	67,284,259	18,529,084
Capital outlay	29,192,420	88,091,123	67,508,914	20,582,209
Contingencies/reserves/transfers	11,271,810	11,855,502	-	11,855,502
Total general – crime prevention	<u>692,914,246</u>	<u>750,159,510</u>	<u>683,110,759</u>	<u>67,048,751</u>
Bailiffs – court services:				
Personal services	11,638,690	12,197,064	14,378,136	(2,181,072)
Operations	68,000	68,000	56,520	11,480
Total bailiffs – court services	<u>11,706,690</u>	<u>12,265,064</u>	<u>14,434,656</u>	<u>(2,169,592)</u>
Corrections and Rehabilitation				
Personal services	288,995,680	280,995,272	299,323,695	(18,328,423)
Operations	83,655,330	85,078,222	74,790,513	10,287,709
Capital outlay	2,664,370	3,191,998	1,269,761	1,922,237
Transfers/reserves	-	772,417	-	772,417
Total corrections and rehabilitation	<u>375,315,380</u>	<u>370,037,909</u>	<u>375,383,969</u>	<u>(5,346,060)</u>
Fire rescue and emergency services:				
Personal services	206,878,370	203,627,146	197,990,693	5,636,453
Operations	24,203,270	22,695,572	18,645,008	4,050,564
Capital outlay	6,987,614	14,852,814	3,723,248	11,129,566
Transfers/Reserves	6,286,214	12,299,223	-	12,299,223
Total fire rescue and emergency services	<u>244,355,468</u>	<u>253,474,755</u>	<u>220,358,949</u>	<u>33,115,806</u>
Debt Services				
Principal retirement	-	-	10,833,540	(10,833,540)
Interest and fiscal charges	-	-	786,397	(786,397)
Total debt services	<u>-</u>	<u>-</u>	<u>11,619,937</u>	<u>(11,619,937)</u>
Total expenditures	<u>1,324,291,784</u>	<u>1,385,937,238</u>	<u>1,304,908,270</u>	<u>81,028,968</u>
Excess of revenues over expenditures	-	-	56,101,825	56,101,825
Unexpended County appropriations, net of advance for prepaid items	<u>-</u>	<u>-</u>	<u>(56,101,825)</u>	<u>(56,101,825)</u>
Net change in fund balance	-	-	-	-
Fund balance at beginning of year	-	-	5,890,232	-
Changes in reserves for prepaids	-	-	23,136	-
Changes in reserves for inventory	<u>-</u>	<u>-</u>	<u>(309,363)</u>	<u>-</u>
Fund balance at end of year	<u>-</u>	<u>-</u>	<u>\$ 5,604,005</u>	<u>-</u>

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

The Sheriff's budget is submitted annually to the Board pursuant to Section 30.49, *Florida Statutes*. Sections 30 and 129.03(2), *Florida Statutes*, which govern the preparation, adoption and administration process of the Sheriff's annual budget. A budget is prepared annually by the Sheriff for the General Fund and is submitted to the Board for approval. Any subsequent amendments to the budget must also be approved by the Board. The budget is prepared on the modified accrual basis of accounting. Budgetary control is maintained at the major object expenditure level and expenditures may not legally exceed appropriations at the department level. Budgetary changes at the department level within the major object expenditure classification are made at the discretion of the Sheriff. Supplemental appropriations of \$61,645,453 were approved by the Board during the year. Appropriations lapse at year end. Budgets prepared for the Grants and Special Projects Fund and the other non-major governmental funds are not submitted to the Board for approval.

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**COMBINING NONMAJOR FUND FINANCIAL STATEMENTS**

**NON-MAJOR GOVERNMENTAL FUNDS**

SHERIFF, BROWARD COUNTY, FLORIDA  
COMBINING BALANCE SHEET – NONMAJOR GOVERNMENTAL FUNDS  
September 30, 2025

	Community Programs Fund	Law Enforcement Trust Fund	Inmate Commissary Trust Fund	Victim Witness Fund	Total
<b>ASSETS</b>					
Cash	\$ 126,798	\$ 5,202,559	\$ 6,873,040	\$ 109,217	\$ 12,311,614
Accounts receivables	39,944	80,284	120,679	-	240,907
Prepays	-	29,600	-	-	29,600
<b>Total assets</b>	<b>\$ 166,742</b>	<b>\$ 5,312,443</b>	<b>\$ 6,993,719</b>	<b>\$ 109,217</b>	<b>\$ 12,582,121</b>
<b>LIABILITIES AND FUND BALANCES</b>					
Liabilities					
Due to Board of County Commissioners	\$ -	\$ 512,330	\$ -	\$ 107,592	\$ 619,922
Accounts payable and accrued liabilities	-	209,120	40,021	1,624	250,765
Due to other governmental agencies	39,815	82,566	-	-	122,381
Due to Individual Depositors	-	6,231	-	-	6,231
Total liabilities	39,815	810,247	40,021	109,216	999,299
Fund balances					
Nonspendable	-	29,600	-	-	29,600
Restricted	126,927	4,472,597	6,953,698	-	11,553,222
<b>Total fund balances</b>	<b>126,927</b>	<b>4,502,197</b>	<b>6,953,698</b>	<b>-</b>	<b>11,582,822</b>
<b>Total liabilities and fund balances</b>	<b>\$ 166,742</b>	<b>\$ 5,312,444</b>	<b>\$ 6,993,719</b>	<b>\$ 109,216</b>	<b>\$ 12,582,121</b>

SHERIFF, BROWARD COUNTY, FLORIDA  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCES – NONMAJOR GOVERNMENTAL FUNDS  
Year ended September 30, 2025

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	Community Programs <u>Fund</u>	Law Enforcement Trust <u>Fund</u>	Inmate Commissary Trust <u>Fund</u>	Victim Witness <u>Fund</u>	<u>Total</u>
<b>Revenues</b>					
County law enforcement trust revenues	\$ -	\$ 9,047,580	\$ -	\$ -	\$ 9,047,580
Operating grants, projects and contributions	43,766	-	-	-	43,766
Charges for services	-	-	1,472,984	220,958	1,693,942
<b>Total revenues</b>	<u>43,766</u>	<u>9,047,580</u>	<u>1,472,984</u>	<u>220,958</u>	<u>10,785,288</u>
<b>Expenditures</b>					
Current:					
General – crime prevention	61,494	8,591,390	499,517	220,958	9,373,359
Capital outlay	-	507,807	-	-	507,807
<b>Total expenditures</b>	<u>61,494</u>	<u>9,099,197</u>	<u>499,517</u>	<u>220,958</u>	<u>9,881,166</u>
<b>Net change in fund balances</b>	<u>(17,728)</u>	<u>(51,617)</u>	<u>973,467</u>	<u>-</u>	<u>904,122</u>
<b>Fund balance at beginning of year</b>	<u>144,655</u>	<u>4,553,814</u>	<u>5,980,231</u>	<u>-</u>	<u>10,678,700</u>
<b>Fund balance at end of year</b>	<u>\$ 126,927</u>	<u>\$ 4,502,197</u>	<u>\$ 6,953,698</u>	<u>\$ -</u>	<u>\$ 11,582,822</u>

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**FIDUCIARY FUNDS**

September 30, 2025

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	<u>Cash Bonds</u>	<u>Evidence</u>	<u>Inmate Welfare</u>	<u>Civil Division</u>	<u>Custodial Funds</u>
<b>ASSETS</b>					
Cash and cash equivalents	\$ 4,400,344	\$ 27,106,511	\$ 679,781	\$ 1,357,294	\$ 33,543,930
Receivables	<u>5,300</u>	<u>-</u>	<u>17,207</u>	<u>-</u>	<u>22,507</u>
<b>Total assets</b>	<u>\$ 4,405,644</u>	<u>\$ 27,106,511</u>	<u>\$ 696,988</u>	<u>\$ 1,357,294</u>	<u>\$ 33,566,437</u>
<b>LIABILITIES</b>					
Due to other governmental agencies	\$ -	\$ -	\$ -	\$ 916,482	\$ 916,482
Accounts payable and accrued liabilities	<u>-</u>	<u>-</u>	<u>381,189</u>	<u>1,449</u>	<u>382,638</u>
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>381,189</u>	<u>917,931</u>	<u>1,299,120</u>
<b>NET POSITION</b>					
Restricted for:					
Individuals, organizations and other governments	<u>4,405,644</u>	<u>27,106,511</u>	<u>315,799</u>	<u>439,363</u>	<u>32,267,317</u>
<b>Total net position</b>	<u>4,405,644</u>	<u>27,106,511</u>	<u>315,799</u>	<u>439,363</u>	<u>32,267,317</u>
<b>Total Liabilities and Net Position</b>	<u>\$ 4,405,644</u>	<u>\$ 27,106,511</u>	<u>\$ 696,988</u>	<u>\$ 1,357,294</u>	<u>\$ 33,566,437</u>

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SHERIFF, BROWARD COUNTY, FLORIDA  
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION

Year ended September 30, 2025

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	<u>Cash Bonds</u>	<u>Evidence</u>	<u>Inmate Welfare</u>	<u>Civil Division</u>	<u>Custodial Funds</u>
<b>Additions</b>					
Amounts collected	\$ 4,225,201	\$ 28,051,467	\$ 5,742,052	\$ 15,130,779	\$ 53,149,499
<b>Total additions</b>	<u>4,225,201</u>	<u>28,051,467</u>	<u>5,742,052</u>	<u>15,130,779</u>	<u>53,149,499</u>
<b>Deductions</b>					
Amounts disbursed	<u>3,516,419</u>	<u>8,814,279</u>	<u>5,705,949</u>	<u>15,159,457</u>	<u>33,196,104</u>
<b>Total deductions</b>	<u>3,516,419</u>	<u>8,814,279</u>	<u>5,705,949</u>	<u>15,159,457</u>	<u>33,196,104</u>
<b>Change in Net Position</b>	708,782	19,237,188	36,103	(28,678)	19,953,395
<b>Net Position, beginning</b>	<u>3,696,862</u>	<u>7,869,323</u>	<u>279,696</u>	<u>468,041</u>	<u>12,313,922</u>
<b>Net Position, ending</b>	<u>\$ 4,405,644</u>	<u>\$ 27,106,511</u>	<u>\$ 315,799</u>	<u>\$ 439,363</u>	<u>\$ 32,267,317</u>

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**Report on Internal Control Over Financial Reporting and on Compliance  
and Other Matters Based on an Audit of the Special-Purpose Financial Statements  
Performed in Accordance With Government Auditing Standards**

**Independent Auditor's Report**

Honorable Gregory Tony  
Broward County, Florida Sheriff

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 special-purpose financial statements of each major fund, and the aggregate remaining fund information of the Broward County, Florida (County) Sheriff's Office (Sheriff's Office), as of and for the year ended September 30, 2025, and the related notes to the special-purpose financial statements, which collectively comprise the Sheriff's Office's special-purpose financial statements, and have issued our report thereon dated March 27, 2026. Our report contained an emphasis-of-matter paragraph related to the basis of presentation of the special-purpose financial statements.

**Report on Internal Control over Financial Reporting**

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

*RSM US LLP*

Fort Lauderdale, Florida  
March 27, 2026

## **Broward County, Florida Sheriff**

Management Letter in Accordance  
With Chapter 10.550, *Rules of the Auditor General*  
of the State of Florida  
Year Ended September 30, 2025

## Contents

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Management letter in accordance with the  
*Rules of the Auditor General of the State of Florida*

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RSM US LLP

**Management Letter in Accordance with Chapter 10.550,  
*Rules of the Auditor General of the State of Florida***

The Honorable Gregory Tony  
Broward County, Florida Sheriff

**Report on the Special-Purpose Financial Statements**

We have audited the special-purpose financial statements of each major fund and the aggregate remaining fund information of the Broward County, Florida (County) Sheriff's Office (Sheriff's Office), as of and for the fiscal year ended September 30, 2025, and the related notes to the special-purpose financial statements, which collectively comprise the Sheriff's Office special-purpose financial statements and have issued our report thereon dated March 27, 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 Special-Purpose 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, if any, which are dated March 27, 2026, should be considered in conjunction with this management letter.

**Prior Audit Findings**

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

**Official Title and Legal Authority**

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the special-purpose financial statements. The Sheriff was established by the Constitution of the State of Florida, Article VIII, Section 1(d). The Sheriff's Office did not include any component units.

**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 have occurred, or is likely to have occurred, that have an effect on the special-purpose 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's Office, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

*RSM VS LLP*

Fort Lauderdale, Florida  
March 27, 2026



RSM US LLP

## Independent Accountant's Report

Honorable Gregory Tony  
Broward County, Florida Sheriff

We have examined Broward County, Florida (County) Sheriff's Office's (Sheriff's Office) compliance with Section 218.415, *Florida Statutes, Local Government Investment Policies* (the specified requirements) during the period October 1, 2024 to September 30, 2025. Management of the Sheriff's Office is responsible for the Sheriff's Office's compliance with the specified requirements. Our responsibility is to express an opinion on the Sheriff's Office's compliance with the specified requirements based on our examination.

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

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

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

In our opinion, the Sheriff's Office complied, in all material respects, with the specified requirements during the period October 1, 2024 to September 30, 2025.

This report is intended solely for the information and use of the Florida Auditor General, the Honorable Sheriff, Board of County Commissioners, and applicable management, and is not intended to be and should not be used by anyone other than the specified parties.

*RSM US LLP*

Fort Lauderdale, Florida  
March 27, 2026