

**ORANGE COUNTY, FLORIDA
CLERK OF THE CIRCUIT AND
COUNTY COURTS**

FINANCIAL STATEMENTS AND
SUPPLEMENTARY INFORMATION

As of and for the Year Ended September 30, 2023

And Reports of Independent Auditor

**ORANGE COUNTY, FLORIDA
CLERK OF THE CIRCUIT AND COUNTY COURTS
TABLE OF CONTENTS**

REPORT OF INDEPENDENT AUDITOR..... 1-3

FINANCIAL STATEMENTS

Balance Sheet - Governmental Funds.....4
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds.....5
Statement of Fiduciary Net Position - Fiduciary Funds.....6
Statement of Changes in Fiduciary Net Position - Fiduciary Funds7
Notes to the Financial Statements 8-17

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - General Fund 18
Schedule of Revenues, Expenditures, and Changes in Fund Balance -
Budget and Actual - Public Records Modernization Trust Fund..... 19
Schedule of Changes in the Net OPEB Liability and Related Ratios20
Schedule of Employer Contributions / Schedule of Investment Returns - OPEB.....21
Notes to the Required Supplementary Information.....22

OTHER SUPPLEMENTARY INFORMATION

Custodial Fund Descriptions23
Combining Statement of Fiduciary Net Position - Custodial Funds24
Combining Statement of Changes in Fiduciary Net Position - Custodial Funds.....25

SUPPLEMENTARY REPORTS

Report of Independent Auditor 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*..... 26-27
Independent Auditor's Management Letter 28-29
Independent Accountant's Report on Compliance with Local Government Investment Policies,
Article V Requirements, and Depository Requirements of Sections 218.415, 28.35, 28.36, and
61.181, Florida Statutes 30

Report of Independent Auditor

To the Honorable Tiffany Moore Russell
Clerk of the Circuit and County Courts of Orange County, Florida

Report on the Financial Statements

Opinions

We have audited the accompanying financial statements of each major fund and the aggregate remaining fund information of the Orange County, Florida Clerk of the Circuit and County Courts (the "Clerk") as of and for the year ended September 30, 2023, and the related notes to the financial statements, as listed in the table of contents. We also have audited the Other Postemployment Benefits Trust Fund, as displayed in the Clerk's financial statements, and the financial statements of each of the Clerk's custodial funds as of and for the year ended September 30, 2023, presented as other supplementary information in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the Clerk as of September 30, 2023, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Other Postemployment Benefits Trust Fund and each custodial fund of the Clerk as of September 30, 2023, and the respective changes in financial position thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

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

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the Rules of the Auditor General of the State of Florida. In conformity with the rules, the accompanying financial statements are intended to present the financial position and changes in financial position of each fund of Orange County, Florida that is attributable to the Clerk. They do not purport to, and do not, present fairly the financial position of Orange County, Florida as of September 30, 2023, and the changes in its financial position for the fiscal 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 Financial Statements

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

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

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 generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

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

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

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

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the supplementary information on pages 18 through 22 be presented to supplement the financial statements. Such information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated February 12, 2024 on our consideration of the Clerk'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 Clerk'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 Clerk's internal control over financial reporting and compliance.

Cherry Bekaert LLP

Orlando, Florida
February 12, 2024

FINANCIAL STATEMENTS

**ORANGE COUNTY, FLORIDA
CLERK OF THE CIRCUIT AND COUNTY COURTS
BALANCE SHEET -
GOVERNMENTAL FUNDS**

SEPTEMBER 30, 2023

	Major Funds		Totals
	General Fund	Public Records Modernization	
ASSETS			
Cash	\$ 7,339,490	\$ 2,011,269	\$ 9,350,759
Investments	-	2,128,854	2,128,854
Due from General Fund	-	1,330,136	1,330,136
Due from Board of County Commissioners	27,437	-	27,437
Due from other governmental agencies	450,027	256,620	706,647
Total Assets	\$ 7,816,954	\$ 5,726,879	\$ 13,543,833
LIABILITIES AND FUND BALANCE			
Liabilities:			
Accounts payable and accrued liabilities	\$ 666,577	\$ 13,645	\$ 680,222
Due to individuals	1,602,211	-	1,602,211
Due to Board of County Commissioners	244,516	-	244,516
Due to other governmental agencies	3,933,514	-	3,933,514
Due to Public Records Modernization Fund	1,330,136	-	1,330,136
Due to OPEB Trust Fund	40,000	-	40,000
Total Liabilities	7,816,954	13,645	7,830,599
Fund Balance:			
Restricted for public records modernization	-	5,713,234	5,713,234
Total Fund Balance	-	5,713,234	5,713,234
Total Liabilities and Fund Balance	\$ 7,816,954	\$ 5,726,879	\$ 13,543,833

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

ORANGE COUNTY, FLORIDA
CLERK OF THE CIRCUIT AND COUNTY COURTS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES -
GOVERNMENTAL FUNDS

YEAR ENDED SEPTEMBER 30, 2023

	Major Funds		Totals
	General Fund	Public Records Modernization	
Revenues:			
Court related:			
Intergovernmental:			
State jury appropriation	\$ 1,050,764	\$ -	\$ 1,050,764
State cumulative excess of court related revenue	795,312	-	795,312
Charges for services:			
Filing fees	21,642,833	-	21,642,833
Service charges	4,979,583	-	4,979,583
Court costs	6,344,155	-	6,344,155
Fines and forfeitures	7,838,459	-	7,838,459
Interest income	1,000	-	1,000
Non-court related:			
Charges for services:			
Marriage and passport	2,537,877	-	2,537,877
Recording fees from Comptroller	-	3,066,579	3,066,579
Intergovernmental:			
Federal ARPA funding	-	525,491	525,491
County funded items	120,000	-	120,000
Child support federal reimbursement	1,689,087	-	1,689,087
Interest income	10	119,733	119,743
Total Revenues	<u>46,999,080</u>	<u>3,711,803</u>	<u>50,710,883</u>
Expenditures:			
Court related:			
Current:			
General government:			
Salaries and benefits	26,514,261	-	26,514,261
Operating	3,547,992	-	3,547,992
Capital outlay	506,504	-	506,504
Distribution of excess fees	12,083,349	-	12,083,349
Non-court related:			
Current:			
General government:			
Salaries and benefits	2,573,562	2,768,784	5,342,346
Operating	1,410,954	215,397	1,626,351
Capital outlay	362,458	293,230	655,688
Total Expenditures	<u>46,999,080</u>	<u>3,277,411</u>	<u>50,276,491</u>
Excess of revenues over expenditures	-	434,392	434,392
Fund balance, beginning of year	-	5,278,842	5,278,842
Fund balance, end of year	<u>\$ -</u>	<u>\$ 5,713,234</u>	<u>\$ 5,713,234</u>

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

**ORANGE COUNTY, FLORIDA
CLERK OF THE CIRCUIT AND COUNTY COURTS
STATEMENT OF FIDUCIARY NET POSITION –
FIDUCIARY FUNDS**

SEPTEMBER 30, 2023

	Other Postemployment Benefits Trust Fund	Custodial Funds
ASSETS		
Cash	\$ 868,873	\$ 44,396,988
Investments	8,178,931	-
Due from General Fund	40,000	-
Due from individuals	-	9,790
Total Assets	9,087,804	44,406,778
LIABILITIES		
Due to individuals	-	362,139
Due to Board of County Commissioners	-	872,053
Due to other governmental agencies	-	3,701,959
Total Liabilities	-	4,936,151
NET POSITION		
Restricted for:		
Postemployment benefits other than pension	9,087,804	-
Individuals, Board of County Commissioners, and Other Governmental agencies	-	39,470,627
Net Position	\$ 9,087,804	\$ 39,470,627

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

**ORANGE COUNTY, FLORIDA
CLERK OF THE CIRCUIT AND COUNTY COURTS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION –
FIDUCIARY FUNDS**

YEAR ENDED SEPTEMBER 30, 2023

	Other Postemployment Benefits	
	Trust Fund	Custodial Funds
Additions:		
Proceeds from court related activity	\$ -	\$ 105,558,561
Registry deposits	-	44,801,139
Foreclosure sale bidder deposits	-	21,940,194
Criminal cash bond payments	-	3,646,389
Restitution payments from defendants	-	1,485,575
State witness funding	-	265,239
Employer contributions	504,580	-
Net investment income	304,458	-
Total Additions	809,038	177,697,097
Deductions:		
Other payments to individuals and governmental agencies	-	105,951,189
Registry payments to individuals and governmental agencies	-	39,490,107
Foreclosure sale bidder deposits applied to sales or refunded to depositor	-	22,177,808
Criminal cash bond payments to individuals and other governmental agencies	-	3,292,197
Restitution payments to individuals	-	1,445,148
Witness payments	-	239,490
Benefits paid to participants	239,098	-
Total Deductions	239,098	172,595,939
Increase in net position	569,940	5,101,158
Net position, beginning of year	8,517,864	34,369,469
Net position, end of year	\$ 9,087,804	\$ 39,470,627

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

**ORANGE COUNTY, FLORIDA
CLERK OF THE CIRCUIT AND COUNTY COURTS
NOTES TO THE FINANCIAL STATEMENTS**

SEPTEMBER 30, 2023

Note 1—Nature of operations and summary of significant accounting policies

Reporting Entity – The Orange County, Florida Clerk of the Circuit and County Courts (the “Clerk”) is a separately elected county official established pursuant to the Constitution of the State of Florida. The Clerk’s financial statements do not purport to reflect the financial position or the results of operations of Orange County, Florida (the “County”) taken as a whole. The financial statements of the Clerk have been prepared in accordance with the accounting principles and reporting guidelines established by the Governmental Accounting Standards Board (“GASB”).

Entity status for financial reporting purposes is governed by GASB Statement 14, as amended. Although the Clerk’s office is operationally autonomous and legally separate from the Orange County Board of County Commissioners (the “Board”), it does not hold sufficient corporate powers of its own to be considered a separate entity for financial reporting purposes. Therefore, under GASB guidelines, the Clerk is reported as a part of the primary government of the County.

Description of Funds – The accounting records are organized for reporting purposes on the basis of governmental funds and fiduciary funds.

General Fund – The General Fund is used to account for all revenues and expenditures applicable to the general operations of the Clerk.

Special Revenue Funds – The special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted or committed to expenditures for specified purposes.

Public Records Modernization Trust Fund – This fund was established pursuant to an act of the 1987 Florida Legislature, receives 25% of the additional recording fees which are collected by the Orange County, Florida Comptroller’s office, a Constitutional officer, and are earmarked for the modernization of recording service operations. Effective July 1, 2004, this fund also began receiving \$1.90 of the additional recording fees which are collected by the Orange County, Florida Comptroller’s office and are earmarked for the Clerk’s technology needs.

Fiduciary Funds – Fiduciary funds of the Clerk include an Other Postemployment Benefits (“OPEB”) Trust Fund, which is used to account for the receipt and disbursement of assets held in trust for participants of the Clerk’s other postemployment benefit plan, and custodial funds, which are used to account for the receipt and disbursement of assets held for other agencies, governments, or individuals.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation – The Clerk’s financial statements are prepared for the purpose of complying with Section 218.39(2), Florida Statutes, and Chapter 10.550, Rules of the Auditor General, which require the Clerk to only present fund financial statements.

The General Fund and special revenue fund are governmental funds which use the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers amounts collected on grants within 120 days after year-end, and amounts collected on all other government funds within 60 days after year-end, to be available and thus recognizes them as revenues of the current year.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, expenditures related to compensated absences and claims and judgments are recorded only when payment is due.

**ORANGE COUNTY, FLORIDA
CLERK OF THE CIRCUIT AND COUNTY COURTS
NOTES TO THE FINANCIAL STATEMENTS**

SEPTEMBER 30, 2023

Note 1—Nature of operations and summary of significant accounting policies (continued)

The Clerk reports the General Fund and the Public Records Modernization Trust Fund as major governmental funds.

The fiduciary funds use a flow of economic resources measurement focus to determine net position. The accounting principles used are similar to those applicable to businesses in the private sector and, thus, are maintained on the accrual basis of accounting. Additions are recognized when earned and deductions are recognized when incurred.

Effective July 1, 2004, as a result of Revision 7 to Article V of the Constitution of the State of Florida, the passage of Senate Bill 2962 and the revision of numerous Sections of Florida Statutes (collectively, "Article V"), the Clerk became an entirely fee-based Constitutional Officer. Effective July 1, 2009, as a result of the passage of Senate Bills 2108 and 1718, the Clerk became part of the state appropriation process, wherein the Clerk received a predetermined share of a statewide appropriation to all State of Florida Clerks of Court. Effective July 1, 2013, as a result of the passage of Senate Bill 1512, the Clerk returned to being an entirely fee-based Constitutional Officer. In accordance with this Bill, fee revenue began being recognized effective June 1, 2013.

During the 2019 and 2021 legislative sessions, Section 28.37, Florida Statutes, was amended to allow Clerks of Court on a statewide basis to retain any unspent budget at year end, plus 50% of any funds received which exceed the authorized budget.

The Clerk's operations are segregated between court related and non-court related activities as defined in Article V. Any excess of court related revenue over court related expenditures as of September 30 each year is paid to the State of Florida Department of Revenue Clerks' Trust Fund ("DOR"). Any excess of non-court related revenue over non-court related expenditures is reflected as a liability to the Board.

Fund Balance Presentation – All fund balances of the governmental funds are classified as restricted. This classification includes amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors or the laws or regulations of other governments.

Budgetary Requirements – Expenditures are controlled by appropriations in accordance with the budgetary requirements set forth in the Florida Statutes. The budget is prepared on the modified accrual basis of accounting, which is a basis consistent with accounting principles generally accepted in the United States of America.

The Florida Clerks of Court Operations Corporation ("CCOC") approved the budget for the Clerk's court related activities for the twelve months ended September 30, 2023. The Clerk is not required to submit its non-court related activities budget for approval. These budgets collectively comprise the Clerk's General Fund budget. The Clerk is not required to submit its special revenue funds budgets for approval.

The State legislature allocated \$11.7 million for Clerks statewide for jury services. If a Clerk is not expected to expend its specific allocation, the CCOC is authorized to move funds to another Clerk that is projected to expend more than its allocated funds.

**ORANGE COUNTY, FLORIDA
CLERK OF THE CIRCUIT AND COUNTY COURTS
NOTES TO THE FINANCIAL STATEMENTS**

SEPTEMBER 30, 2023

Note 1—Nature of operations and summary of significant accounting policies (continued)

Investments – All investments are stated at fair value. The Clerk’s investments consist of shares in the Florida Local Government Investment Trust (“FLGIT”), a public entity investment trust organized under the laws of the state of Florida. This fund is considered to be a qualifying external investment pool, and the stated share price is substantially the same as fair value.

Capital Assets – Tangible personal property used by the Clerk’s operations is recorded in the General Fund as an expenditure at the time assets are received and a liability is incurred. Purchased assets are recorded at historical cost in the government-wide financial statements of the County.

Compensated Absences – The Clerk permits employees to accumulate earned but unused vacation and sick pay benefits. The Clerk is not legally required to and does not accumulate expendable available financial resources to liquidate this obligation. The obligation for compensated absences is accrued in the government-wide financial statements of the County. A summary of activity for the Clerk’s compensated absences obligation is as follows:

Beginning Balance, October 1, 2022	\$ 2,314,135
Earned	2,198,070
Used	<u>(1,918,520)</u>
Ending Balance, September 30, 2023	<u>\$ 2,593,685</u>

Use of Estimates – The preparation of financial statements requires management to make use of estimates that affect reported amounts. Actual results could differ from estimates.

Note 2—Cash and investments

Deposits – Cash accounts are maintained in demand deposits, which are insured by the Federal Deposit Insurance Corporation or covered by the state of Florida collateral pool, a multiple financial institution pool with the ability to assess its members for collateral shortfalls if a member institution fails.

The Clerk follows Florida Statutes for its investment policy, which authorizes interest-bearing time deposits, savings accounts, repurchase agreements, the Florida Prime Investment Pool administered by the Florida State Board of Administration, the FLGIT, and obligations of the U.S. Government and government agencies unconditionally guaranteed by the U.S. government.

The Clerk’s deposits, including \$9,350,759 in governmental funds and \$45,265,861 in fiduciary funds, are in interest-bearing and non-interest-bearing demand deposits at September 30, 2023, which are insured by the Federal Deposit Insurance Corporation or covered by the state of Florida collateral pool, a multiple financial institution pool with the ability to assess its members for collateral shortfalls if a member institution fails. Cash on hand amounted to \$26,800.

**ORANGE COUNTY, FLORIDA
CLERK OF THE CIRCUIT AND COUNTY COURTS
NOTES TO THE FINANCIAL STATEMENTS**

SEPTEMBER 30, 2023

Note 2—Cash and investments (continued)

Investments – The Clerk follows the guidance in Section 218.415(17), Florida Statutes, as its investment policy for both the general government and OPEB Trust Fund purposes, which allows investment in:

- a) The Local Government Surplus Funds Trust Fund, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act of 1969, as provided in s. 163.01.
- b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.
- c) Interest-bearing time deposits or savings accounts in qualified public depositories, as defined in s. 280.02.
- d) Direct obligations of the U.S. Treasury.

The Clerk invests in the FLGIT, a public entity investment trust organized under the laws of the state of Florida. At September 30, 2023, the FLGIT portfolio included certain corporate securities. These securities amounted to 34.84% of the FLGIT Day to Day Fund portfolio and 43.37% of the Short-Term Bond Fund portfolio. The corporate securities are rated by Standard & Poor’s as “BBB+” or higher and the mortgage-backed securities are rated “AA+”. FLGIT reports its Day to Day Fund at amortized cost and its Short-Term Bond Fund at net asset value (“NAV”), which reflects estimates of fair value of securities. The fair value of the cash positions of the Clerk in this external investment pool is the same as the value of the pool shares held by the Clerk. There are no restrictions or terms and conditions on the Clerk in redeeming the investment. Shares are marked to market on a daily basis. There is no regulatory oversight of the external investment pool. The Clerk has no unfunded commitments that are related to this investment. The pool’s Day to Day Fund has a current Standard & Poor’s rating of “AAAm” and a volatility rating of “S1”, and the Short-Term Bond Fund has a current Standard & Poor’s rating of “AAAF” and a volatility rating of “S1”. Standard & Poor’s monitors the fund on a monthly basis.

The Clerk’s investment policy limits the credit risk of its investment by limiting authorized investments, thus reducing the risk of potential default of investments that are not sound. In investing public funds, the Clerk strives to maximize return on the portfolio while minimizing investment risk. The Clerk limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

The FLGIT investments held by the Clerk in its Records Modernization Trust Fund and its OPEB Trust Fund, which follow guidance in Section 218.415(17), Florida Statutes, are measured and recorded using fair value measurement guidelines established by generally accepted accounting principles and amounted to \$2,128,854 and \$8,178,931, respectively, at September 30, 2023. The Clerk has \$3,328,626 invested in the Day to Day Fund and \$6,979,159 invested in the Short-Term Bond Fund at September 30, 2023.

Note 3—Interfund receivables and payables

Interfund receivables and payables at September 30, 2023 consist of the following:

	Due From Other Funds	Due To Other Funds
General Fund	\$ -	\$ 1,370,136
Public Records Modernization Fund	1,330,136	-
OPEB Trust Fund	40,000	-
	<u>\$ 1,370,136</u>	<u>\$ 1,370,136</u>

**ORANGE COUNTY, FLORIDA
CLERK OF THE CIRCUIT AND COUNTY COURTS
NOTES TO THE FINANCIAL STATEMENTS**

SEPTEMBER 30, 2023

Note 4—Retirement system

Plan Description – The Clerk’s employees participate in the Florida Retirement System (“FRS”). As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost sharing, multiple employer defined benefit plans administered by the Florida Department of Management Services, Division of Retirement, including the FRS Pension Plan (“Pension Plan”), and the Retiree Health Insurance Subsidy (“HIS Plan”). Under Section 121.4501, Florida Statutes, the FRS also provides a defined contribution plan (“Investment Plan”) alternative to the FRS Pension Plan, which is administered by the State Board of Administration.

As a general rule, membership in the FRS is compulsory for all employees working in a regularly established position for a state agency, county government, district school board, state university, community college, or a participating city or special district within the state of Florida. The FRS provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Benefits are established by Chapter 121, Florida Statutes, and Chapter 60S, Florida Administrative Code. Amendments to the law can be made only by an act of the Florida Legislature.

Benefits under the Pension Plan are computed on the basis of age, average final compensation, and service credit. For Pension Plan members enrolled before July 1, 2011, Regular class members who retire at or after age 62 with at least six years of credited service, or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 1.6% of their final average compensation based on the five highest years of salary, for each year of credited service. Vested members with less than 30 years of service may retire before age 62 and receive reduced retirement benefits. Senior Management Service class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 2.0% of their final average compensation based on the five highest years of salary for each year of credited service. Elected Officers’ class members who retire at or after age 62 with at least six years of credited service or 30 years of service regardless of age are entitled to a retirement benefit payable monthly for life, equal to 3.0% of their final average compensation based on the five highest years of salary for each year of credited service.

Substantial changes were made to the Pension Plan during fiscal year 2011, affecting new members enrolled on or after July 1, 2011 by extending the vesting requirement to eight years of credited service and increasing normal retirement to age 65 or 33 years of service regardless of age. Also, the final average compensation for these members is based on the eight highest years of salary.

The HIS Plan provides a monthly benefit to assist retirees in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement. Eligible retirees and beneficiaries receive a monthly health insurance subsidy payment of \$7.50 for each year of creditable service, with a minimum payment of \$45 and a maximum payment of \$225 per month. The HIS Plan is funded by required contributions from FRS participating employees as set forth by the Florida Legislature, based on a percentage of gross compensation for all active FRS members.

In addition to the above benefits, the FRS administers a Deferred Retirement Option Program (“DROP”). This program allows eligible members to defer receipt of monthly retirement benefit payments while continuing employment with a FRS employer for a period not to exceed 60 months after electing to participate. Deferred monthly benefits are held in the FRS Trust Fund and accrue interest. There are no required contributions by DROP participants.

**ORANGE COUNTY, FLORIDA
CLERK OF THE CIRCUIT AND COUNTY COURTS
NOTES TO THE FINANCIAL STATEMENTS**

SEPTEMBER 30, 2023

Note 4—Retirement system (continued)

For those members who elect participation in the Investment Plan, rather than the Pension Plan, vesting occurs at one year of service. These participants receive a contribution for self-direction in an investment product with a third-party administrator selected by the State Board of Administration. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06% of payroll and by forfeited benefits of plan members.

The Clerk recognizes pension expenditures in an amount equal to amounts paid to the Pension Plan, the HIS Plan, and the defined contribution plan, amounting to \$1,879,411, \$359,014, and \$758,485, respectively, for the fiscal year ended September 30, 2023. The Clerk's payments for the Pension Plan and the HIS Plan after June 30, 2023, the measurement date used to determine the net pension liability associated with the Pension Plan and HIS Plan, amounted to \$487,013 and \$102,553, respectively. The Clerk is not legally required to and does not accumulate expendable available resources to liquidate the retirement obligation related to its employees. Accordingly, the net pension liability and associated deferred outflows and deferred inflows are presented on the government-wide financial statements of the County, following requirements of GASB Statement 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement 27*, and GASB Statement 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date – an amendment of GASB Statement 68*.

Funding Policy – All enrolled members of the FRS Pension Plan are required to contribute 3.0% of their salary to the FRS. In addition to member contributions, governmental employers are required to make contributions to the FRS based on state-wide contribution rates. The employer contribution rates by job class for the periods from October 1, 2022 through June 30, 2023 and July 1, 2023 through September 30, 2023, respectively, were as follows: regular – 11.91% and 13.57%; County elected officers – 57.00% and 58.68%; senior management – 31.57% and 34.52%; and DROP participants – 18.60% and 21.13%. During the fiscal year ended September 30, 2023, the Clerk contributed to the plan an amount equal to 13.58% of covered payroll.

The state of Florida annually issues a publicly available financial report that includes financial statements and required supplementary information for the FRS. The latest available report may be obtained by writing to the state of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Florida 32315-9000. That report may be viewed on the Florida Department of Management Services website located at www.dms.myflorida.com/workforce_operations/retirement/publications.

**ORANGE COUNTY, FLORIDA
CLERK OF THE CIRCUIT AND COUNTY COURTS
NOTES TO THE FINANCIAL STATEMENTS**

SEPTEMBER 30, 2023

Note 5—Insurance coverage

Orange County maintains a self-insurance program that provides for coverage of substantially all risks. Various excess catastrophe insurance policies with a commercial carrier are also in force for claims exceeding the amount chargeable against the loss fund. The Clerk participated in the County’s self-insurance program during fiscal year 2023 at a cost of \$181,671. There have been no claim settlements in excess of insurance coverage during the three fiscal years ended September 30, 2023.

Additionally, Orange County maintains a self-insured plan for employee medical benefits. The plan covers all regular employees and certain retirees and former employees of the County and their eligible dependents. In accordance with the Affordable Care Act, the lifetime maximum for a covered individual is unlimited. The Clerk participated in the County’s employee medical benefits plan during the fiscal year 2023 at a cost of \$5,193,880.

Note 6—Other postemployment benefit plan

Plan Description – The Clerk offers a single-employer defined benefit plan (“OPEB Plan”) that subsidizes the cost of health care for its retirees and eligible dependents. Retirees with at least 10 years of service under the Clerk who are receiving benefits from the FRS are eligible to receive a monthly benefit of five dollars per year of service up to a maximum of \$150 per month. Additionally, Clerk employees who retire and immediately begin receiving benefits from the FRS have the option of continuing in the County health insurance plan at the same group rate as for active employees.

In June 2009, the Clerk established the Orange County Clerk of the Circuit and County Courts Retiree Health Insurance Subsidy Trust (“Trust”), a qualifying trust, and began funding its OPEB Plan obligation. Separate stand-alone financial statements for the Trust are not prepared.

Employees Covered by Benefit Terms – At September 30, 2023, the date of the last actuarial study, the following employees were covered by the benefits terms:

Active participants	396
Inactive participants currently receiving benefit payments	173
Total	569

Funding Policy – The Clerk funds its OPEB obligations on a pay-as-you-go basis and has the authority to establish and amend its funding policy. For the fiscal year 2023, the Clerk made a \$504,580 contribution into the Trust and in the prior years a total of \$9,205,000. This Trust is to be used to fund current subsidy payments to participants for upcoming fiscal years.

Rate of Return – For the year ended September 30, 2023, the annual money-weighted rate of return on investments, net of investment expense, was 3.50%. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

**ORANGE COUNTY, FLORIDA
CLERK OF THE CIRCUIT AND COUNTY COURTS
NOTES TO THE FINANCIAL STATEMENTS**

SEPTEMBER 30, 2023

Note 6—Other postemployment benefit plan (continued)

Net OPEB Liability – The Clerk’s net OPEB liability was measured as of September 30, 2023 based on an actuarial valuation as of that date. This net OPEB liability will be presented on the County’s government-wide statement of net position for the year ended September 30, 2023, changes of which during the year ended September 30, 2023 were as follows:

	Increase (Decrease)		
	Total OPEB Liability (a)	Plan Fiduciary Net Position (b)	Net OPEB Liability (a) - (b)
Recognized at September 30, 2022	\$ 8,642,259	\$ 8,517,864	\$ 124,395
Changes in the year:			
Service cost	267,326	-	267,326
Interest	349,616	-	349,616
Differences between expected and actual experience	(514,973)	-	(514,973)
Changes in assumptions	789,561	-	789,561
Benefit payments	(429,592)	(239,098)	(190,494)
Contributions - employer	-	504,580	(504,580)
Net investment income	-	304,458	(304,458)
Net changes	461,938	569,940	(108,002)
Recognized at September 30, 2023	<u>\$ 9,104,197</u>	<u>\$ 9,087,804</u>	<u>\$ 16,393</u>

Actuarial Methods and Assumptions – Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

Calculations for financial reporting purposes are based on the benefits provided under terms of the substantive plan (the plan as understood by the employer and the plan members) in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. Actuarial calculations reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets.

**ORANGE COUNTY, FLORIDA
CLERK OF THE CIRCUIT AND COUNTY COURTS
NOTES TO THE FINANCIAL STATEMENTS**

SEPTEMBER 30, 2023

Note 6—Other postemployment benefit plan (continued)

The actuarial methods are:

Actuarial cost method	Entry Age normal
Asset valuation method	Fair value

The actuarial assumptions are:

General inflation	2.5%
Projected annual salaries increase	4.5%
Healthcare cost trend rate	Pre-65 increase of 8.90% and post-65 increase of 8.25% for the 2023 fiscal year, grading to an ultimate rate of 4.5% for the 2032 fiscal year

Mortality rates were based on the Pub-2010 Headcount Weighted General tables, projected with Scale MP-2021 as of the September 30, 2023 measurement date.

The claims and trend used for the Clerk of the Court valuation are the same as those used for Orange County Government and were developed based on the aggregated County population and experience. The assumptions noted above are applicable for the valuation as of September 30, 2023.

Discount Rate – The funds in the trust are not aggressively invested and are assumed to grow at the Bond Buyer General Obligation 20-bond Municipal Bond Index 20-year municipal bond rate as of the beginning of the year, the same rate at which the liability is expected to grow. Therefore, the discount rate used to determine the total OPEB liability is equal to the expected rate of return applied to the assets in the trust fund. The long-term expected rate of return on OPEB plan investments as of the September 30, 2022 measurement date was 4.02% and increased 0.07 percentage points to 4.09% as of the September 30, 2023 measurement date.

Sensitivity of the Net OPEB Liability (Asset) to Changes in the Discount Rate – The following presents the net OPEB liability of the Clerk, as well as what the Clerk’s net OPEB liability (asset) would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current discount rate of 4.09% at September 30, 2023:

<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
\$ 971,606	\$ 16,393	\$ (816,765)

Sensitivity of the OPEB Liability (Asset) to Changes in the Healthcare Cost Trend Rates – The following presents the net OPEB liability (asset) of the Clerk, as well as what the Clerk’s net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1% lower or 1% higher than the healthcare cost trend rate of 8.90% for pre-65 and 8.25% for post-65 at September 30, 2023:

<u>1% Decrease</u>	<u>Current Rate</u>	<u>1% Increase</u>
\$ (354,729)	\$ 16,393	\$ 443,497

**ORANGE COUNTY, FLORIDA
CLERK OF THE CIRCUIT AND COUNTY COURTS
NOTES TO THE FINANCIAL STATEMENTS**

SEPTEMBER 30, 2023

Note 6—Other postemployment benefit plan (continued)

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB – For the year ended September 30, 2023, the Clerk recognized OPEB expense of \$239,098 on a pay-as-you-go basis. OPEB expense related to the Clerk, presented on the County’s government-wide statement of activities was \$390,324 for the year ended September 30, 2023. At September 30, 2023, the County’s government-wide statement of net position presents the Clerk’s deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 865,440
Net difference between projected and actual earnings on OPEB plan investments	405,838	-
Change of assumptions	<u>1,971,739</u>	<u>1,515,819</u>
	<u>\$ 2,377,577</u>	<u>\$ 2,381,259</u>

Amounts recognized as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized on the County’s government-wide statement of activities in OPEB expense as follows:

Years Ended September 30,

2024	\$ 91,092
2025	64,091
2026	29,282
2027	(62,271)
2028	(61,653)
Thereafter	(64,223)

Note 7—Related party lease assistance

The Board provides administrative office space used by the Clerk at no charge. The Board incurred \$450,458 for lease costs in connection with the office space during fiscal year 2023.

Note 8—Commitments and contingencies

Litigation – The Clerk is involved in certain litigation and claims as a defendant or plaintiff arising in the ordinary course of operations. The Clerk, based on the advice of legal counsel, is of the opinion that the range of potential recoveries or liabilities will not materially affect the financial position of the Clerk.

REQUIRED SUPPLEMENTARY INFORMATION

ORANGE COUNTY, FLORIDA
CLERK OF THE CIRCUIT AND COUNTY COURTS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – GENERAL FUND

SEPTEMBER 30, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:				
Court-related:				
Intergovernmental:				
State jury appropriation	\$ 1,117,372	\$ 1,117,372	\$ 1,050,764	\$ (66,608)
State cumulative excess of court related revenue	324,627	324,627	795,312	470,685
Charges for services:				
Filing fees	15,284,500	15,284,500	21,642,833	6,358,333
Service charges	4,942,000	4,942,000	4,979,583	37,583
Court costs	6,333,000	6,333,000	6,344,155	11,155
Fines and forfeitures	7,440,500	7,440,500	7,838,459	397,959
Interest income	-	-	1,000	1,000
Non-court related:				
Charges for services:				
Marriage and passport	1,800,000	1,800,000	2,537,877	737,877
Intergovernmental:				
County funded items	150,000	150,000	120,000	(30,000)
Child support federal reimbursement	1,450,000	1,450,000	1,689,087	239,087
Interest Income	-	-	10	10
Total Revenues	<u>38,841,999</u>	<u>38,841,999</u>	<u>46,999,080</u>	<u>8,157,081</u>
Expenditures:				
Court related:				
Current:				
General government:				
Salaries and benefits	26,897,300	26,640,300	26,514,261	126,039
Operating	3,529,222	3,281,722	3,547,992	(266,270)
Capital outlay	-	507,000	506,504	496
Distribution of excess fees	5,015,477	5,015,477	12,083,349	(7,067,872)
Non-court related:				
Current:				
General government:				
Salaries and benefits	2,008,000	2,008,000	2,573,562	(565,562)
Operating	1,392,000	1,389,500	1,410,954	(21,454)
Capital outlay	-	-	362,458	(362,458)
Total Expenditures	<u>38,841,999</u>	<u>38,841,999</u>	<u>46,999,080</u>	<u>(8,157,081)</u>
Excess of revenues over expenditures	-	-	-	-
Fund balance, beginning of year	-	-	-	-
Fund balance, end of year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

ORANGE COUNTY, FLORIDA
CLERK OF THE CIRCUIT AND COUNTY COURTS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE –
BUDGET AND ACTUAL – PUBLIC RECORDS MODERNIZATION TRUST FUND

SEPTEMBER 30, 2023

	Original Budget	Final Budget	Actual	Variance With Final Budget Positive (Negative)
Revenues:				
Charges for services:				
Recording fees from Comptroller	\$ 3,910,000	\$ 3,910,000	\$ 3,066,579	\$ (843,421)
Intergovernmental:				
Federal ARPA funding	-	-	525,491	525,491
Interest income	10,000	10,000	119,733	109,733
Total Revenues	<u>3,920,000</u>	<u>3,920,000</u>	<u>3,711,803</u>	<u>(208,197)</u>
Expenditures:				
Current:				
General government:				
Salaries and benefits	3,240,500	3,240,500	2,768,784	471,716
Operating	637,000	372,000	215,397	156,603
Capital outlay	831,000	1,096,000	293,230	802,770
Total Expenditures	<u>4,708,500</u>	<u>4,708,500</u>	<u>3,277,411</u>	<u>1,431,089</u>
Excess (deficiency) of revenues over (under) expenditures	(788,500)	(788,500)	434,392	1,222,892
Fund balance, beginning of year	<u>5,278,842</u>	<u>5,278,842</u>	<u>5,278,842</u>	<u>-</u>
Fund balance, end of year	<u>\$ 4,490,342</u>	<u>\$ 4,490,342</u>	<u>\$ 5,713,234</u>	<u>\$ 1,222,892</u>

**ORANGE COUNTY, FLORIDA
CLERK OF THE CIRCUIT AND COUNTY COURTS
SCHEDULE OF SCHEDULE OF CHANGES IN THE
NET OPEB LIABILITY AND RELATED RATIOS**

SEPTEMBER 30, 2023

	<u>2023</u>	<u>2022</u>	<u>2021</u>	<u>2020</u>	<u>2019</u>	<u>2018</u>	<u>2017</u>
Total OPEB Liability:							
Service cost	\$ 267,326	\$ 388,245	\$ 363,737	\$ 337,770	\$ 236,990	\$ 255,038	\$ 316,591
Interest	349,616	240,762	220,747	257,529	332,013	295,395	279,383
Differences between expected and actual experience	(514,973)	(246,424)	(168,580)	(48,030)	(194,254)	-	(168,975)
Changes of assumptions	789,561	(1,808,995)	601,322	103,611	1,610,125	(391,026)	(1,072,831)
Benefit payments	(429,592)	(390,418)	(363,832)	(375,410)	(317,848)	(310,067)	(305,490)
Net change in total OPEB liability	461,938	(1,816,830)	653,394	275,470	1,667,026	(150,660)	(951,322)
Total OPEB liability - beginning	8,642,259	10,459,089	9,805,695	9,530,225	7,863,199	8,013,859	8,965,181
Total OPEB liability - ending	<u>\$ 9,104,197</u>	<u>\$ 8,642,259</u>	<u>\$ 10,459,089</u>	<u>\$ 9,805,695</u>	<u>\$ 9,530,225</u>	<u>\$ 7,863,199</u>	<u>\$ 8,013,859</u>
Plan Fiduciary Net Position:							
Contributions - employer	\$ 504,580	\$ 500,000	\$ 360,460	\$ -	\$ 1,090,745	\$ 416,475	\$ 613,515
Net investment income	304,458	(262,469)	11,988	87,382	177,830	87,302	11,326
Benefit payments	(239,098)	(225,480)	(210,460)	(207,705)	(200,745)	(191,475)	(188,515)
Net change in plan fiduciary net position	569,940	12,051	161,988	(120,323)	1,067,830	312,302	436,326
Plan fiduciary net position - beginning	8,517,864	8,505,813	8,343,825	8,464,148	7,396,318	7,084,016	6,647,690
Plan fiduciary net position - ending	<u>\$ 9,087,804</u>	<u>\$ 8,517,864</u>	<u>\$ 8,505,813</u>	<u>\$ 8,343,825</u>	<u>\$ 8,464,148</u>	<u>\$ 7,396,318</u>	<u>\$ 7,084,016</u>
Net OPEB liability - ending	<u>\$ 16,393</u>	<u>\$ 124,395</u>	<u>\$ 1,953,276</u>	<u>\$ 1,461,870</u>	<u>\$ 1,066,077</u>	<u>\$ 466,881</u>	<u>\$ 929,843</u>
Plan fiduciary net position as a percentage of the total OPEB liability	99.82%	98.56%	81.32%	85.09%	88.81%	94.06%	88.40%
Covered-employee payroll	\$ 22,063,580	\$ 22,304,653	\$ 20,513,984	\$ 20,481,239	\$ 20,488,703	\$ 19,848,166	\$ 20,348,289
Net OPEB liability as a percentage of covered-employee payroll	0.07%	0.56%	9.52%	7.14%	5.20%	2.35%	4.57%

Note: Information is not available for years preceding fiscal 2017.

**ORANGE COUNTY, FLORIDA
CLERK OF THE CIRCUIT AND COUNTY COURTS
SCHEDULE OF EMPLOYER CONTRIBUTIONS AND
SCHEDULE OF INVESTMENT RETURNS – OPEB**

SEPTEMBER 30, 2023

Schedule of Employer Contributions

Year Ended September 30	Actuarially Determined Contribution	Contributions Made in Relation to Actuarially Determined Contribution	Contribution Deficiency (Excess)
2023	\$ 390,324	\$ 504,580	\$ (114,256)
2022	545,561	500,000	45,561
2021	681,589	360,460	321,129
2020	568,010	-	568,010
2019	306,208	1,090,745	(784,537)
2018	211,676	416,475	(204,799)
2017	311,213	613,515	(302,302)

Note A: Information is not available for years preceding fiscal 2017.

Note B: The Clerk does not utilize a measure of pay to determine its contributions to the OPEB Trust; therefore, covered-employee payroll information is not included above.

Schedule of Investment Returns - OPEB

Year	Annual Money-Weighted Rate of Return, Net of Investment Expense
2023	3.50%
2022	-3.13%
2021	0.14%
2020	1.03%
2019	2.31%
2018	1.23%
2017	0.17%

**ORANGE COUNTY, FLORIDA
CLERK OF THE CIRCUIT AND COUNTY COURTS
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**

SEPTEMBER 30, 2023

Note 1—Budgets

The budgets presented on pages 18 and 19 have been prepared on the modified accrual basis of accounting.

Note 2—Actuarial methods and assumptions

The schedule presented on page 20 is based upon the following actuarial methods and assumptions:

Actuarial cost method	Entry Age normal
Asset valuation method	Fair value
General inflation	2.5%
Projected annual salaries increase	4.5%

Healthcare Cost Trend Rate – Pre-65 increase of 8.90% and post-65 increase of 8.25% for the 2023 fiscal year, grading to an ultimate rate of 4.5% for the 2032 fiscal year

Mortality – Pub-2010 Headcount Weighted General tables, projected with Scale MP-2021

Discount Rate	4.09%
---------------	-------

OTHER SUPPLEMENTARY INFORMATION

**ORANGE COUNTY, FLORIDA
CLERK OF THE CIRCUIT AND COUNTY COURTS
CUSTODIAL FUND DESCRIPTIONS**

SEPTEMBER 30, 2023

The Combining Statement of Fiduciary Net Position – Custodial Funds and Combining Statement of Changes in Fiduciary Net Position – Custodial Funds is presented on the following pages. The purpose of each fund shown on these statements is described below.

Domestic Relations Fund – This fund supports the collection and disbursement of child support and alimony payments.

Registry of the Court Fund – This fund is maintained for civil actions, which result in the court ordering the Clerk to collect and disburse funds in a specific manner. The court orders are a result of civil actions initiated by individuals or organizations.

Fines Fund – This fund is used for the collection, disbursement, and maintenance of funds resulting from various illegal acts. These actions may involve traffic, felony, misdemeanor, ordinance, or juvenile violations, as well as other illegal actions.

Witness Payroll Fund – This fund is maintained to support the payment of witnesses for the County and Circuit Courts.

Other State Funds – This fund supports the collection and disbursement of funds resulting from mortgage foreclosure actions, the filing of civil action cases, and the issuance of marriage licenses as well as other civil actions. Other civil actions may result in the court ordering the clerk to manage the funds in a specific manner. The funds are disbursed to governmental agencies, private and nonprofit organizations, and individuals.

Criminal Cash Bond Fund – This fund is maintained for the collection and disbursement of funds resulting from cash posted to release individuals charged with criminal activities from jail.

Online Foreclosure Sales Fund – This fund is maintained for the collection and disbursement of funds resulting from mortgage foreclosure actions that occur using the Clerk's online foreclosure sales website. The funds are disbursed to individuals and private and nonprofit organizations.

**ORANGE COUNTY, FLORIDA
CLERK OF THE CIRCUIT AND COUNTY COURTS
COMBINING STATEMENT OF FIDUCIARY NET POSITION –
CUSTODIAL FUNDS**

SEPTEMBER 30, 2023

	<u>Domestic Relations</u>	<u>Registry of the Court</u>	<u>Fines</u>	<u>Witness Payroll</u>	<u>Other State</u>	<u>Criminal Cash Bond</u>	<u>Online Foreclosure Sales</u>	<u>Total</u>
ASSETS								
Cash and cash equivalents	\$ (9,790)	\$ 16,830,960	\$ 4,335,995	\$ 46,086	\$ 4,923,479	\$ 2,026,516	\$ 16,243,742	\$ 44,396,988
Due from individuals	9,790	-	-	-	-	-	-	9,790
Total Assets	-	16,830,960	4,335,995	46,086	4,923,479	2,026,516	16,243,742	44,406,778
LIABILITIES								
Due to individuals	-	93,309	25,669	-	-	-	243,161	362,139
Due to Board of County Commissioners	-	-	872,053	-	-	-	-	872,053
Due to other governmental agencies	-	-	2,663,483	-	1,038,476	-	-	3,701,959
Total Liabilities	-	93,309	3,561,205	-	1,038,476	-	243,161	4,936,151
NET POSITION								
Restricted for Individuals, Board of County Commissioners, and Other Governmental agencies	\$ -	\$ 16,737,651	\$ 774,790	\$ 46,086	\$ 3,885,003	\$ 2,026,516	\$ 16,000,581	\$ 39,470,627

**ORANGE COUNTY, FLORIDA
CLERK OF THE CIRCUIT AND COUNTY COURTS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION –
CUSTODIAL FUNDS**

SEPTEMBER 30, 2023

	Domestic Relations	Registry of the Court	Fines	Witness Payroll	Other State	Criminal Cash Bond	Online Foreclosure Sales	Total
Additions:								
Proceeds from court related activity	\$ -	\$ -	\$ 64,530,573	\$ -	\$ 41,027,988	\$ -	\$ -	\$ 105,558,561
Registry deposits	-	21,579,140	-	-	1,112,136	-	22,109,863	44,801,139
Foreclosure sale bidder deposits	-	-	-	-	-	-	21,940,194	21,940,194
Criminal cash bond payments	-	-	-	-	-	3,646,389	-	3,646,389
Restitution payments from defendants	-	-	1,485,575	-	-	-	-	1,485,575
State witness funding	-	-	-	265,239	-	-	-	265,239
Total Additions	-	21,579,140	66,016,148	265,239	42,140,124	3,646,389	44,050,057	177,697,097
Deductions:								
Other payments to individuals and governmental agencies	-	-	64,514,839	-	41,436,350	-	-	105,951,189
Registry payments to individuals and governmental agencies	-	16,140,715	-	-	196,923	-	23,152,469	39,490,107
Foreclosure sale bidder deposits applied to sales or refunded to depositor	-	-	-	-	-	-	22,177,808	22,177,808
Criminal cash bond payments to individuals and other governmental agencies	-	-	-	-	-	3,292,197	-	3,292,197
Restitution payments to individuals	-	-	1,445,148	-	-	-	-	1,445,148
Witness payments	-	-	-	239,490	-	-	-	239,490
Total Deductions	-	16,140,715	65,959,987	239,490	41,633,273	3,292,197	45,330,277	172,595,939
Increase (decrease) in net position	-	5,438,425	56,161	25,749	506,851	354,192	(1,280,220)	5,101,158
Net position, beginning of year	-	11,299,226	718,629	20,337	3,378,152	1,672,324	17,280,801	34,369,469
Net position, end of year	\$ -	\$ 16,737,651	\$ 774,790	\$ 46,086	\$ 3,885,003	\$ 2,026,516	\$ 16,000,581	\$ 39,470,627

SUPPLEMENTARY REPORTS

Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

To the Honorable Tiffany Moore Russell
Clerk of the Circuit and County Courts of Orange County, Florida

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Orange County, Florida Clerk of the Circuit and County Courts (the “Clerk”) as of and for the year ended September 30, 2023, and the related notes to the financial statements, and have issued our report thereon dated February 12, 2024 for the purpose of compliance with Section 218.39(2), Florida Statutes, and Chapter 10.550, *Rules of the Auditor General – Local Governmental Entity Audits*. We also have audited the Other Postemployment Benefit Trust Fund and each custodial fund of the Clerk as of and for the year ended September 30, 2023.

Report on Internal Control over Financial Reporting

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

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

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

Report on Compliance and Other Matters

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

Purpose of this Report

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

Cherry Bekaert LLP

Orlando, Florida
February 12, 2024

Independent Auditor's Management Letter

To the Honorable Tiffany Moore Russell
Clerk of the Circuit and County Courts of Orange County, Florida

Report on the Financial Statements

We have audited the financial statements of the Orange County, Florida Clerk of the Circuit and County Courts (the "Clerk") as of and for the fiscal year ended September 30, 2023 and have issued our report thereon dated February 12, 2024.

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 Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and Independent Accountant's Report on Compliance with Local Government Investment Policies, Article V Requirements, and Depository Requirements of Sections 218.415, 28.35, 28.36, and 61.181, Florida Statutes, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated February 12, 2024, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., Rules of the Auditor General, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Clerk is a separately elected county official established pursuant to the Constitution of the State of Florida. There are no component units related to the Clerk.

Financial Management

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

Additional Matters

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

Purpose of this Letter

The purpose of this management letter is solely to communicate certain matters prescribed by Chapter 10.550, Rules of the Auditor General. Accordingly, this management letter is not suitable for any other purpose.

Cherry Bekaert LLP

Orlando, Florida
February 12, 2024

**Independent Accountant's Report on Compliance with Local Government
Investment Policies, Article V Requirements, and Depository Requirements of
Sections 218.415, 28.35, 28.36, and 61.181, Florida Statutes**

To the Honorable Tiffany Moore Russell
Clerk of the Circuit and County Courts of Orange County, Florida

We have examined the Orange County, Florida Clerk of the Circuit and County Courts' (the "Clerk's") compliance with the local government investment policy requirements of 218.415, Florida Statutes, Article V requirements of Sections 28.35 and 28.36, Florida Statutes, and requirements of Section 61.181, Florida Statutes, during the year ended September 30, 2023. Management of the Clerk is responsible for the Clerk's compliance with those specific requirements. Our responsibility is to express an opinion on the Clerk's compliance with these specific requirements based on our examination.

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

The purpose of this report is to comply with the audit requirements of Section 218.415, Florida Statutes, Article V requirements of Sections 28.35 and 28.36, Florida Statutes, requirements of Section 61.181, Florida Statutes, and Rules of the Auditor General.

In our opinion, the Clerk complied, in all material respects, with the local investment policy requirements of Section 218.415, Florida Statutes, Article V requirements of Section 28.35 and 28.36, Florida Statutes, and requirements of Section 61.181, Florida Statutes, during the year ended September 30, 2023.

Cherry Bekaert LLP

Orlando, Florida
February 12, 2024