



WAKULLA
COUNTY

ANNUAL FINANCIAL REPORT

FOR FISCAL YEAR ENDING

SEPTEMBER 30, 2018

WAKULLA COUNTY, FLORIDA

INTRODUCTORY SECTION



Wakulla County Annual Financial Report
For the Fiscal Year Ended September 30, 2018

**Prepared by the Finance Department of Brent X. Thurmond, C.P.A.; Clerk of
the Circuit Court & Comptroller and Clerk to Board of County
Commissioners**

WAKULLA COUNTY, FLORIDA

ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2018

TABLE OF CONTENTS

I. INTRODUCTORY SECTION

| | |
|--------------------------------------|-------------|
| A. Title Page | <i>ii</i> |
| B. Table of Contents | <i>iii</i> |
| C. List of Principal Officials | <i>vii</i> |
| D. County Organizational Chart | <i>viii</i> |

II. FINANCIAL SECTION

| | |
|---|----|
| A. Independent Auditor’s Report | 2 |
| B. Management’s Discussion and Analysis | 4 |
| C. Basic Financial Statements: | |
| <u>Government-wide Financial Statements:</u> | |
| Statement of Net Position | 24 |
| Statement of Activities | 25 |
| <u>Fund Financial Statements:</u> | |
| Governmental Fund Financial Statements: | |
| Balance Sheet – Governmental Funds | 26 |
| Statement of Revenues, Expenditures and Changes in Fund Balances – Governmental Funds | 27 |
| Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities .. | 28 |
| <u>Proprietary Fund Financial Statements:</u> | |
| Statement of Net Position – Proprietary Funds | 29 |
| Statement of Revenues, Expenses and Changes in Net Position – Proprietary Funds | 30 |
| Statement of Cash Flows – Proprietary Funds | 31 |
| <u>Fiduciary Fund Financial Statements:</u> | |
| Statement of Fiduciary Net Position - Agency Funds | 32 |
| <u>Notes to Financial Statements</u> | |
| Note 1 – Summary of Significant Accounting Policies | 33 |
| Note 2 – Reconciliation of Government-wide and Fund Financial Statements .. | 40 |
| Note 3 – Stewardship, Compliance and Accountability | 46 |
| Note 4 – Cash and Cash Equivalents | 48 |
| Note 5 – Property Tax Revenues | 53 |
| Note 6 – Capital Assets | 53 |
| Note 7 – Inter-fund Transfers | 56 |

WAKULLA COUNTY, FLORIDA

ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2018

TABLE OF CONTENTS

| | |
|--|----|
| Note 8 – Inter-fund Receivables and Payables | 56 |
| Note 9 – Receivable and Payable Balances | 58 |
| Note 10 – Long-term Liabilities | 60 |
| Note 11 – Operating Leases | 63 |
| Note 12 – Cost-sharing Multiple Employer Pension Plans | 64 |
| Note 13 – Other Post-Employment Benefit Plan | 74 |
| Note 14 – Fund Balances | 80 |
| Note 15 – Contingent Liabilities | 82 |
| Note 16 – Risk Management | 82 |
| Note 17 – Construction Commitments | 83 |
| Note 18 – Landfill Closure and Post-Closure Costs | 84 |
| Note 19 – Compensated Absences | 85 |
| Note 20 – Fund Deficit | 85 |
| Note 21 – Prior Period Adjustments/Accounting Change | 86 |
| <u>Required Supplementary Information:</u> | |
| Governmental Major Funds – Budget and Actual Statements: | |
| General Fund – Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual | 88 |
| Sheriff’s Office Fund – Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual | 89 |
| State Housing Initiative Partnership Fund – Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual | 90 |
| Capital Projects Fund – Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual | 91 |
| One Cent Sales Tax Fund – Statement of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual | 92 |
| Proprietary Major Funds – Budget and Actual Statements: | |
| Sewer Fund – Statement of Revenues, Expenses and Changes in Net Position – Budget and Actual | 93 |
| Solid Waste Fund - Statement of Revenues, Expenses and Changes in Net Position – Budget and Actual | 94 |
| Schedule of County’s Proportionate Share of the Net Pension Liability | |
| - Florida Retirement System | 95 |
| Schedule of County’s Contributions - Florida Retirement System | 96 |

WAKULLA COUNTY, FLORIDA

**ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2018**

TABLE OF CONTENTS

| | |
|---|-----|
| Schedule of Changes to Other Post-Employment Benefits Liability | 97 |
| Schedule of Other Post-Employment Benefits Historical Trend Information | 97 |
| <u>Notes to Required Supplementary Information</u> | |
| Note 1 – Budgetary Information | 98 |
| Note 2 – Florida Retirement System Pension Plan | 99 |
| Note 3 – Other Post-Employment Benefit Plan | 101 |
| <u>Combining Statements:</u> | |
| General Fund: | |
| Combining Balance Sheet – General Fund | 103 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balance – General Fund | 104 |
| Non-major Governmental Funds: | |
| Combining Balance Sheet – Non-major Governmental Funds | 105 |
| Combining Statement of Revenues, Expenditures and Changes in Fund Balance – Non-major Governmental Funds | 110 |
| Fiduciary Funds: | |
| Combining Statement of Fiduciary Net Position – Agency Funds | 115 |
| Combining Statement of Changes in Fiduciary Assets and Liabilities – Agency Funds | 117 |
| D. Single Audit and Compliance: | |
| <u>Independent Auditor’s Reports:</u> | |
| Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Governmental Auditing Standards | 123 |
| Independent Auditor’s Report on Compliance with Requirements that Could Have a Direct and Material Effect On Each Major Program and On Internal Control Over Compliance Required By OMB Uniform Guidance | 125 |

WAKULLA COUNTY, FLORIDA

**ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2018**

TABLE OF CONTENTS

| | |
|--|-----|
| Independent Auditor’s Report on Compliance with Requirements that Could Have a Direct and Material Effect On Each Major State Project and On Internal Control Over Compliance in Accordance with Chapter 10.550, <i>Rules Of The Auditor General</i> , Office of the Auditor General | 127 |
| <u>Federal Awards and State Financial Assistance:</u> | |
| Schedule of Expenditures of Federal Awards and State Financial Assistance ... | 129 |
| <u>Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance</u> | |
| Note 1 – Summary of Significant Accounting Policies | 135 |
| <u>Schedule of Findings</u> | 136 |
| <u>Management Letter</u> | 138 |
| <u>Independent Accountant’s Report</u> | 141 |
| <u>Management’s Response Letter</u> | 142 |

WAKULLA COUNTY, FLORIDA

LIST OF PRINCIPAL OFFICIALS

Board of County Commissioners

| | |
|------------|---------------|
| District 1 | Ralph Thomas |
| District 2 | Randy Merritt |
| District 3 | Mike Stewart |
| District 4 | Jerry Moore |
| District 5 | Chuck Hess |

Constitutional Officers

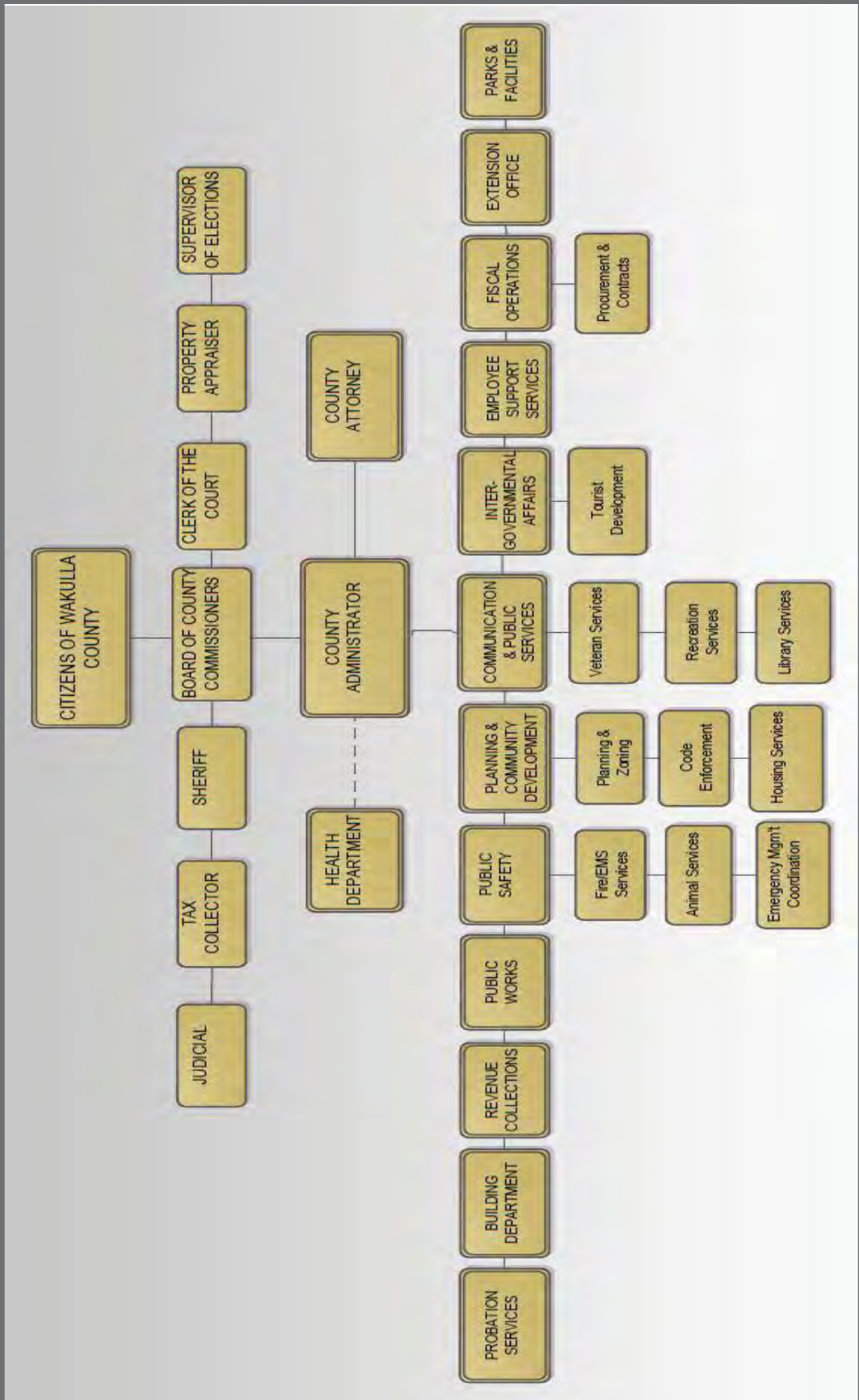
| | |
|-------------------------|------------------------|
| Clerk of Circuit Court | Brent X. Thurmond, CPA |
| Property Appraiser | H. Bradley Harvey, CFA |
| Sheriff | Jared Miller |
| Supervisor of Elections | Henry Wells, MFCEP |
| Tax Collector | Cheryll Olah |

County Administrator

David Edwards

WAKULLA COUNTY, FLORIDA

Organizational Chart



WAKULLA COUNTY, FLORIDA

FINANCIAL SECTION



Powell & Jones
Certified Public Accountants

Richard C. Powell, Jr., CPA
Marian Jones Powell, CPA

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INDEPENDENT AUDITOR'S REPORT

To the Board of County Commissioners
Wakulla County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Wakulla County, Florida, as of and for the year ended September 30, 2018, which collectively comprise Wakulla County, Florida's basic financial statements as listed in the table of contents.

Management's Responsibility 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Wakulla County, Florida, as of September 30, 2018, and the respective changes in financial position, and, cash flows, where applicable, for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 4 through 22, budgetary comparison information on pages 88 through 94 and pension and OPEB schedules on pages 95 through 97 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic 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 basic financial statements, and other knowledge we obtained during our audit of the basic 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.

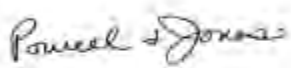
Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise Wakulla County, Florida's financial statements as a whole. The accompanying Schedule of Expenditures of Federal Awards and State Financial Assistance is presented for purposes of additional analysis as required by *10.550 Rules of the State of Florida, Office of the Auditor General*; and by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the financial statements. The Schedule of Expenditures of Federal Awards and State Financial Assistance is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

The combining financial statements are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining financial statements are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated May 30, 2019, on our consideration of Wakulla County, Florida's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Wakulla County, Florida's internal control over financial reporting and compliance.



POWELL & JONES
Certified Public Accounts
May 30, 2019

WAKULLA COUNTY MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Wakulla County, Florida (County), we offer readers of the County's financial statements this narrative overview and analysis of the financial activities of the County for the fiscal years ended September 30, 2018 and 2017.

Financial Highlights.

- The assets of the County exceeded its liabilities at the close of the most recent fiscal year by \$88,237,301 but there was a deficit of \$8,675,769 in unrestricted net position providing no available resources for the County to meet its' ongoing obligations to its citizens and creditors. This is a net decrease of \$946,248 under the prior year's unrestricted net position of (\$7,729,521). An explanation of this decrease is included later in this discussion and analysis.
- The County's total net position increased by \$12,698,786. This increase in net position is a result of governmental activities net position increasing by \$1,789,432 which was primarily due to an increase in capital assets net of related debt. There was an increase in business type activities net position of \$10,909,354 which also was primarily the result of an increase in capital assets net of related debt. An explanation of these changes is included later in this discussion and analysis.
- At the close of the current fiscal year, the County's governmental funds reported combined ending fund balances of \$15,054,873. In comparison with the prior year, this is an increase of \$2,396,541. Approximately twenty-one percent (21%) of the total fund balance, or \$3,128,618 is available for spending at the County's discretion (Assigned and Unassigned Fund Balance). This is a decrease of \$1,585,376 under the prior year. An explanation of this decrease is included later in this discussion and analysis.
- At the end of the current fiscal year, the unassigned fund balance for the General Fund was \$2,538,397 or eleven percent (11%) of total General Fund expenditures (\$22,745,183). In the prior fiscal year, the unassigned fund balance for the General Fund was \$2,377,538 or eleven percent (11%) of total General Fund expenditures (\$21,940,087). An explanation of this increase in fund balance of \$160,859 is included later in this discussion and analysis.
- The County's total outstanding debt is \$36,901,471. Total outstanding debt increased by \$2,045,844 during the current fiscal year. This increase is the net result of the governmental activities debt balances increasing by \$2,717,156 and the business-type activities debt balances decreasing by \$671,312. The increase is primarily the result of an increase in other post-employment benefits (OPEB) liability in the governmental funds in the amount of \$1,336,819 and an increase in notes/bonds payable related to construction in the governmental funds in the amount of \$959,981. The County's debt and these increases will be discussed later in this discussion and analysis.

Overview of the Financial Statements.

This discussion and analysis is intended to serve as an introduction to the County's basic financial statements. The County's basic financial statements are comprised of five components: 1) government-wide financial statements, 2) governmental fund financial statements, 3)

enterprise fund financial statements, 4) fiduciary fund financial statements, and 5) Notes to the financial statements. This report also contains both required and other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the County's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the County's assets, deferred outflows, liabilities and deferred inflows, with the difference between the two reported as net position (formerly net assets). This relationship is best illustrated in formula form: (Assets + Deferred Outflows) – (Liabilities + Deferred Inflows) = Net Position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the County is improving or deteriorating.

The statement of activities presents information showing how the County's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave). The state of activities is unique in that it begins with the expenses of the County and offsets those expenses by program specific revenues and general revenues to calculate net position. This relationship in formula form is: Expenses – Program Specific Revenues – General Revenues = Net Position.

Both of these government-wide financial statements distinguish functions of the County that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the County include general government, public safety, physical environment, transportation, economic environment, human services, culture and recreation and court related activities. The business-type activities of the County include the physical environment activities of the sewer and solid waste operations. The Sewer Fund also includes a small water operation called Riversink Water. The government-wide financial statements can be found on pages 24-25 of the report.

Fund financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The County, like other county governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the County can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

As of the close of the current fiscal year, the Board and Constitutional Officers maintained forty-nine (49) individual governmental funds: one (1) General Fund, four (4) capital project funds, and forty-four (44) special revenue funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, the Sheriff's Office Fund (formerly called the Fine & Forfeiture Fund), the State Housing Initiatives Partnership Program (SHIP) Fund, the Capital Projects Fund and the One Cent Sales Tax Fund which are all considered to be major funds. Data from the other forty-four (44) governmental funds are combined into a single, aggregated presentation called "Other Governmental Funds" but the details of each fund are shown in the Combining Statements section.

The County adopts an annual appropriated budget for all governmental funds. A budgetary comparison statement has been provided for the County's major governmental funds (pages 88-92) to demonstrate compliance with their respective budget. The basic governmental fund financial statements can be found on pages 26-27 of this report. A summary of the County-wide adopted budget and related changes can be found in Note 3.

Proprietary funds. The County maintains two (2) proprietary funds, also called enterprise funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The County uses enterprise funds to account for its sewer and solid waste operations, both of which are considered to be a major fund. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The basic proprietary fund financial statements can be found on pages 29-31 of this report.

The County adopts an annual appropriated budget for all enterprise funds. A budgetary comparison statement has been provided for the County's two enterprise funds (pages 93-94) to demonstrate compliance with their respective budget. A summary of the County-wide adopted budget and related changes can be found in Note 3.

Fiduciary funds. Fiduciary funds or agency funds are used to account for resources held for the benefit of and payable to parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the County's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. For the current fiscal year, the Board and Constitutional Officers maintained twelve (12) agency funds. Data from these fiduciary funds are combined into a single, aggregated presentation. The basic fiduciary fund financial statement can be found on page 32 of this report and the details of each fiduciary fund can be found in the Combining Statements section.

Notes to the financial statements. The Notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. There are twenty-one (21) Notes to the financial statements and they can be found on pages 33-86 of this report.

Other information. The County's officials, five (5) elected county commissioners, five (5) elected constitutional officers and the County Administrator are listed on page *vii* of the Introductory Section. A county-wide organizational chart is found on page *viii* of the Introductory Section.

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the County's budgetary information for its major funds, schedules related to the County's net pension liability and pension contributions, detailed combining balance sheets for all non-major governmental funds, detailed combining statement of revenues, expenditures and changes in fund balance for all non-major governmental funds, a combining statement of fiduciary fund net position and a combining statement of changes in fiduciary assets and liabilities. Required supplementary information and the related notes can be found on pages 88-101 of this report and the Combining Statements and Schedules for governmental funds can be found on pages 103-114 and pages 115-121 for fiduciary funds.

A Schedule of Expenditures of Federal Awards and State Financial Assistance (Grant Schedule) and related notes can be found on pages 129-134. This schedule lists all federal, state and local grants awarded to the County and its elected officials and their related expenditures for fiscal year ended September 30, 2018. A schedule of findings is located on pages 136-137.

Government-wide Financial Analysis.

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the County, assets exceeded liabilities by \$88,230,984 and \$75,538,515 at September 30, 2018 and 2017, respectively.

By far the largest portion of the County's net position, one hundred one percent (101%) for 2018 and one hundred one percent (101%) for 2017, reflects its investment in capital assets (e.g., land, buildings, machinery, and equipment) less any related debt used to acquire those assets that is still outstanding. The amount invested in capital assets, net of related debt is \$88,895,054 for 2018 and \$76,478,871 for 2017. The County uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the County's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of the County's net position (9.1% for 2018 and 9.0% for 2017) represents resources that are subject to restrictions on how they may be used. The restricted net position is \$8,018,016 for 2018 and \$6,789,165 for 2017. These restrictions may be external such as restrictions imposed by grant agencies or internally self-imposed by ordinance, resolution or some other form of legislative action taken by the Board. Unrestricted net position may be used to meet the County's ongoing obligations to citizens and creditors. The unrestricted net position was (\$8,675,769) or -9.8% for 2018 and (\$7,729,521) or -10.2% for 2017. The County was

unable to report positive balances in all three (3) categories of net position for the government as a whole for the current fiscal year.

| Wakulla County's Government-wide Summary Statement of Net Position | | | | | | |
|---|--------------------------------|-----------------------|---------------------------------|----------------------|-----------------------|-----------------------|
| | Governmental Activities | | Business-Type Activities | | Total | |
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| ASSETS | | | | | | |
| Current and other assets | \$ 17,151,905 | \$ 15,346,637 | \$ 3,948,050 | \$ 3,714,669 | \$ 21,099,955 | \$ 19,061,306 |
| Capital assets | 64,808,419 | 61,506,332 | 34,932,183 | 25,586,164 | 99,740,602 | 87,092,496 |
| Total Assets | \$ 81,960,324 | \$ 76,852,969 | \$ 38,880,233 | \$ 29,300,833 | \$ 120,840,557 | \$ 106,153,802 |
| DEFERRED OUTFLOWS OF RESOURCES | | | | | | |
| Deferred outflows related to pensions | \$ 7,083,465 | \$ 7,333,019 | \$ - | \$ - | \$ 7,083,465 | \$ 7,333,019 |
| Resources | \$ 7,083,465 | \$ 7,333,019 | \$ - | \$ - | \$ 7,083,465 | \$ 7,333,019 |
| LIABILITIES | | | | | | |
| Current and other liabilities | \$ 5,122,921 | \$ 4,338,623 | \$ 1,006,387 | \$ 1,681,956 | \$ 6,129,308 | \$ 6,020,579 |
| Long-term liabilities | 25,199,237 | 23,857,652 | 8,436,089 | 9,090,475 | 33,635,326 | 32,948,127 |
| Total Liabilities | \$ 30,322,158 | \$ 28,196,275 | \$ 9,442,476 | \$ 10,772,431 | \$ 39,764,634 | \$ 38,968,706 |
| DEFERRED INFLOWS OF RESOURCES | | | | | | |
| Deferred inflows related to pensions | \$ (77,913) | \$ (1,020,399) | \$ - | \$ - | \$ (77,913) | \$ (1,020,399) |
| Resources | \$ (77,913) | \$ (1,020,399) | \$ - | \$ - | \$ (77,913) | \$ (1,020,399) |
| NET POSITION | | | | | | |
| Invested in capital assets | \$ 62,639,216 | \$ 60,240,363 | \$ 26,255,838 | \$ 16,238,508 | \$ 88,895,054 | \$ 76,478,871 |
| Restricted | 7,919,728 | 6,691,409 | 98,288 | 97,756 | 8,018,016 | 6,789,165 |
| Unrestricted | (11,759,400) | (9,921,660) | 3,083,631 | 2,192,139 | (8,675,769) | (7,729,521) |
| Total net position | \$ 58,799,544 | \$ 57,010,112 | \$ 29,437,757 | \$ 18,528,403 | \$ 88,237,301 | \$ 75,538,515 |

In the County's governmental activities, the net position increased over the prior fiscal year by \$1,789,432. This overall increase is the net result of assets invested in capital assets increasing by \$2,398,853, restricted net position increasing by \$1,228,319, and unrestricted net position decreasing by \$1,837,740. Assets and deferred outflows increased by \$4,857,801, primarily as a result of an increase in capital assets, while liabilities and deferred inflows increased by \$3,068,369, primarily as a result of an increase in long-term liabilities as discussed later under long-term debt.

In the County's business-type activities, the net position increased over the prior fiscal year by \$10,909,354. This large increase is primarily the net result of assets invested in capital assets increasing by \$9,346,018 while the related long-term liabilities associated with those capital assets decreased by \$654,386. The Sewer Fund, prior to inter-fund activity, incurred a net profit of \$10,464,590 for the year and the Solid Waste Fund, prior to inter-fund activity, incurred a net profit of \$642,851 which led to an overall net operating profit of \$11,107,441.

Governmental activities. Governmental activities, prior to transfers, increased the County's net position by \$2,717,623 in the current year. Key elements of this increase are as follows:

- Total expenses of \$34,954,343 increased over the prior fiscal year by \$1,918,347 or 5.8%. The changes in governmental program expenses were as follows:
 - General government expenses increased \$494,281, an increase of 6.7%
 - Public safety expenses increased \$1,174,278, an increase of 6.7%
 - Physical Environment expenses increased \$30,129, an increase of 18.1%
 - Transportation expenses decreased \$4,047, a decrease of 0.1%
 - Economic environment expenses increased \$98,913, an increase of 15.5%
 - Human services expenses decreased \$1,905, a decrease of 0.2%
 - Culture and recreation expenses increased \$188,712, an increase of 11.7%
 - Court-related expenses decreased \$67,784, a decrease of 7.1%
 - Interest on long-term debt increased \$5,770, an increase of 11.3%
- Total revenues of \$37,671,966 increased over the prior fiscal year by \$3,739,437 or 11.0%. The changes in governmental revenue were as follows:
 - Charges for services increased \$828,386, an increase of 10.0%
 - Operating grant revenue increased \$1,174,949, an increase of 98.8%
 - Capital grant revenue increased \$835,542, an increase of 38.5%
 - Property and other taxes increased \$696,585, an increase of 4.3%
 - Intergovernmental revenues increased \$566,094, an increase of 10.4%
 - Miscellaneous and other revenues decreased \$362,119, a decrease of 45.6%
- The net change in ending net position over the prior year was an increase of \$1,789,432 or 3.1%. This change in net position was a result of the following:
 - Total assets increased over the prior year by \$5,107,355 or 6.6%. This increase in assets is further broken down into current and non-current assets with an increase of \$1,805,268 or 11.8% in current assets and an increase of \$3,302,087 or 5.4% in capital assets.
 - Total deferred outflows related to pensions decreased over the prior year by \$249,554 or -3.4%.
 - Total liabilities increased over the prior year by \$2,125,883 or 7.5%. This increase is further broken down into current and non-current liabilities with an increase of \$784,298 or 18.1% in current liabilities and an increase of \$1,341,585 or 5.6% in long-term liabilities.
 - Total deferred inflows related to pensions increased over the prior year by \$942,486 or -92.4%.

Business-type activities. Business-type activities, prior to transfers, increased the County's net position by \$11,107,441 in the current year. Key elements of this increase are as follows:

- Total expenses of \$4,211,673 increased from the prior fiscal year by \$99,325 or 2.4%. The changes in business-type program expenses were as follows:
 - Operating expenses increased by \$113,858, an increase of 2.8%
 - Interest on long-term debt decreased by \$14,533, a decrease of -36.5%

| Wakulla County's Government-wide Summary Statement of Changes In Net Position | | | | | | | |
|--|--------------------------------|----------------------|---------------------------------|----------------------|----------------------|----------------------|--|
| | Governmental Activities | | Business-Type Activities | | Total | | |
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 | |
| REVENUES | | | | | | | |
| Program Revenues: | | | | | | | |
| Charges for services | \$ 9,129,143 | \$ 8,300,758 | \$ 5,473,910 | \$ 4,785,456 | \$ 14,603,053 | \$ 13,086,214 | |
| Operating grants and contributions | 2,363,224 | 1,188,275 | 85,035 | 73,977 | 2,448,259 | 1,262,252 | |
| Capital grants and contributions | 3,006,269 | 2,170,727 | 8,390,008 | 4,054,831 | 11,396,277 | 6,225,558 | |
| General Revenues: | | | | | | | |
| Property and other taxes | 16,720,737 | 16,024,152 | - | - | 16,720,737 | 16,024,152 | |
| Intergovernmental | 6,020,489 | 5,454,395 | - | - | 6,020,489 | 5,454,395 | |
| Miscellaneous and other | 432,104 | 794,222 | 1,370,161 | 53,073 | 1,802,265 | 847,295 | |
| Total Revenues | \$ 37,671,966 | \$ 33,932,529 | \$ 15,319,114 | \$ 8,967,337 | \$ 52,991,080 | \$ 42,899,866 | |
| EXPENSES | | | | | | | |
| General government | \$ 7,871,336 | \$ 7,377,055 | \$ - | \$ - | \$ 7,871,336 | \$ 7,377,055 | |
| Public Safety | 18,823,736 | 17,649,458 | - | - | 18,823,736 | 17,649,458 | |
| Physical environment | 196,838 | 166,709 | 4,186,391 | 4,072,533 | 4,383,229 | 4,239,242 | |
| Transportation | 3,669,529 | 3,673,576 | - | - | 3,669,529 | 3,673,576 | |
| Economic environment | 738,207 | 639,294 | - | - | 738,207 | 639,294 | |
| Human services | 901,691 | 903,596 | - | - | 901,691 | 903,596 | |
| Culture and recreation | 1,805,624 | 1,616,912 | - | - | 1,805,624 | 1,616,912 | |
| Court related | 890,641 | 958,425 | - | - | 890,641 | 958,425 | |
| Interest on long term debt | 56,741 | 50,971 | 25,282 | 39,815 | 82,023 | 90,786 | |
| Total Expenses | \$ 34,954,343 | \$ 33,035,996 | \$ 4,211,673 | \$ 4,112,348 | \$ 39,166,016 | \$ 37,148,344 | |
| NET POSITION | | | | | | | |
| Increase (decrease) in net assets before transfers | \$ 2,717,623 | \$ 896,533 | \$ 11,107,441 | \$ 4,854,989 | \$ 13,825,064 | \$ 5,751,522 | |
| Gain (Loss) on transfer of liability | - | - | - | - | - | - | |
| Net transfers | 198,087 | 30,192 | (198,087) | (30,192) | - | - | |
| Increase (decrease) in net position | \$ 2,915,710 | \$ 926,725 | \$ 10,909,354 | \$ 4,824,797 | \$ 13,825,064 | \$ 5,751,522 | |
| Net position, beginning of year | 57,010,112 | 56,083,387 | 18,528,403 | 13,703,606 | 75,538,515 | 69,786,993 | |
| Prior Period Adjustments | (1,126,278) | - | - | - | (1,126,278) | - | |
| Net position, end of year | \$ 58,799,544 | \$ 57,010,112 | \$ 29,437,757 | \$ 18,528,403 | \$ 88,237,301 | \$ 75,538,515 | |

- Total revenues of \$15,319,114 increased over the prior fiscal year by \$6,351,777 or 70.8%. The changes in revenue over the prior year by revenue category are as follows:
 - Charges for services increased by \$688,454, an increase of 14.4%
 - Operating grants and contributions increased by \$11,058, an increase of 14.9%
 - Capital grants and contributions increased by \$4,335,177, an increase of 106.9%
 - Miscellaneous and other revenues increased by \$1,317,088, an increase of 2,481.7%
- The net change in ending net position over the prior year was an increase of \$10,909,354 or 58.9%. Key elements of this increase are as follows:

- Total assets increased over the prior year by \$9,579,400 or 32.7%. This increase in assets is further broken down into current and non-current assets with current assets increasing by \$233,381 or 6.3% and non-current assets increasing by \$9,346,019 or 36.5%.
- Total liabilities decreased over the prior year by \$1,329,955 or -12.3%. This decrease is further broken down into current and non-current liabilities with current liabilities decreasing by \$675,569 or -40.2% and non-current liabilities decreasing by \$654,386 or -7.2%.

Financial Analysis of Wakulla County's Funds.

As noted earlier, the County uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the County's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the County's financing requirements. In particular, assigned and unassigned fund balances may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the County's governmental funds reported combined ending fund balance of \$15,054,873; an increase of \$2,396,541 in comparison with the prior year's combined fund balance of \$12,658,332. Some of this total amount, \$3,128,618 or 20.8%, constitutes assigned and unassigned fund balance, which is available for spending at the County's discretion. In the prior year, this total was \$4,713,994 or 37.3%. This decrease of \$1,585,376 is primarily due to a reclassification of special revenue fund balances from the assigned category to the committed category. The remainder of fund balance is restricted to indicate that it is not available for new spending because it has already been committed (i.e. accounts payable or compensated absences) or its use has been restricted (i.e. grants and impact fees) or it is not available for spending whatsoever since it has already been spent (i.e. inventory and prepaid expenses).

The General Fund is the chief operating fund of the County. At the end of the current fiscal year, unassigned and total fund balances of the General Fund were \$2,733,190 and \$4,813,407 respectively. In the prior year, they were \$2,377,538 and \$4,433,484 respectively. As a measure of the General Fund's liquidity, it may be useful to compare total fund balance to total fund expenditures. The General Fund's fund balance of \$4,813,407 represents 21.2% of total General Fund expenditures of \$22,745,183, while the total governmental fund balance of \$15,054,873 represents 41% of all governmental fund expenditures of \$36,738,666.

The fund balance of the County's General Fund increased by \$379,923 during the current fiscal year. Key factors in this increase of the General Fund's fund balance are as follows:

- The General Fund's revenues increased over the prior year by \$1,157,346 or 6%. The changes in revenue over the prior year by revenue category are as follows:
 - Taxes increased \$214,041 or 2%
 - Licenses, permits and special assessments increased \$569,265 or 2,125%
 - Intergovernmental revenues increased \$370,943 or 6.2%
 - Charges for services decreased \$40,936 or -1.8%

- Fines and forfeitures decreased \$2,511 or -3.4%
- Miscellaneous revenues decreased \$16,915 or -19.1%
- Interest revenue increased by \$63,459 or 65.6%
- The General Fund's expenditures increased by \$805,096 or 3.7%. The changes in expenditures over the prior year by expenditure category are as follows:
 - General Government increased \$344,647 or 5.4%
 - Public Safety increased \$779,893 or 6%
 - Physical Environment increased \$27,613 or 19.8%
 - Transportation increased \$1,247 or 60.8%
 - Economic Environment increased \$646 or 1.3%
 - Human Services decreased \$381 or 0.05%
 - Culture and Recreation increased \$126,881 or 13.5%
 - There was no change in Court-related expenditures of \$55,000
 - Capital outlay decreased by \$475,450 or 93.4%

Proprietary funds. The County's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the Sewer and the Solid Waste funds at the end of the current year amounted to \$3,083,631, compared to \$2,192,139 in the prior year, an increase of \$891,492 or 40.7%.

The total change in net position was a net increase in the current year of \$10,909,354 as compared to net increase of \$4,824,797 in the prior year. Prior to inter-fund transfers, the Sewer Fund finished the year with a gain of \$10,464,590 and the Solid Waste gained \$642,851, for a net gain in the proprietary funds of \$11,107,441. The key factors in this increase were as follows:

- The Sewer Fund operating revenues increased over the prior year by \$694,323 or 28.2%.
- The Sewer Fund operating expenses increased over the prior year by \$15,847 or 0.9%.
- The Sewer Fund non-operating revenue increased over the prior year by \$5,056,636 or 124.9% due to large capital grants received and a gain on the disposal of assets.
- The Solid Waste Fund revenues increased over the prior year by \$612,612 or 25.2%.
- The Solid Waste Fund expenses decreased over the prior year by \$949,507 or 42.9%.
- The Solid Waste Fund non-operating expense increased over the prior year by \$1,044,779 or 1,101.7%, primarily due to landfill closure expense.

Budgetary highlights. The County-wide beginning and ending budgets represent all of the combined budgets of the Board of County Commissioners (BOCC) and the five Constitutional Officers except for certain special revenue funds not required to be approved by the BOCC. Those certain special revenue funds not approved by the BOCC are included in Note 3 for reference only.

The Board of County Commissioners approved 8 budget amendments and 5 budget resolutions subsequent to the originally adopted budget of \$79,544,459. These amendments and resolutions decreased the total budget by \$403,788 resulting in a final budget of \$79,140,671 (Note 3).

The difference between the original budget, \$24,826,984 and the final amended budget, \$24,830,066, for the General Fund is budget amendments which increased the original budget by \$3,082. Actual revenues were lower than the final budget by \$1,243,110. Actual expenditures

were higher than the final budget by \$10,739. After inter-fund activity and other financing sources of 1,633,771, the net increase in fund balance of the General Fund was \$379,922 (page 27).

The difference between the General Fund budget shown in Note 3 on page 46 and the General Fund budget shown on page 88 is the effect of inter-fund transfers to Constitutional Officers has been removed from the General Fund budget shown in Note 3.

Capital assets. The County's capital assets for its governmental and business-type activities amounts to \$99,740,602 and \$87,092,496 (net of accumulated depreciation) for 2018 and 2017, respectively. This investment in capital assets includes land, buildings, systems and improvements, machinery, furniture and equipment, park facilities, and roads and bridges. The total increase in the County's investment in capital assets for the current fiscal year was \$12,648,106, net of accumulated depreciation. This change is the result of (Note 6, page 54):

- 2018 Governmental Activities, net of accumulated depreciation and disposals increased by \$3,302,087 which means the increase in investment in capital assets outpaced depreciation and disposals in capital assets for the year. For comparison, 2018 Business-type Activities, net of accumulated depreciation and disposals increased by \$9,346,019 which means the County's investment in capital assets outpaced depreciation and disposals for the year. For comparison, 2017 Business-type Activities, net of accumulated depreciation and disposals, increased by \$8,020,092.

Capital asset activity during the current and prior fiscal years included the following:

- 2018 Governmental Activities:
 - Land – the net increase in land was \$24,098 due to the following activity:
 - The County purchased 13.46 acres of land for \$8,100 in Mashes Sands; .303 acres for Wakulla Gardens stormwater retention for \$15,712 with an addition .114 acres exchanged in Wakulla Gardens netting to a \$286 increase.
 - Buildings – the net decrease in Buildings and Building-related infrastructure was (\$347,256) due to the following activity:
 - Additions totaled \$373,550 due to the following activity:
 - Extension Office pole barn in the amount of \$12,054; Recreation Park at the Equestrian Center, Hickory Park, Hudson Park, OBBT Trailhead, and Woolley Park in the combined amount of \$72,033; Recreation Park at Medart Park metal storage building and other improvements in the amount of \$154,482; Recreation Park at Shell Point playground and other improvement in the amount of \$49,551; Recreation Park renovations at Welcome Center in the amount of \$40,920; Public Works at Trice Lane in the amount of \$39,660; Sheriff's Department master plan in the amount of \$4,850.
 - Depreciation recognized at year end amounted to (\$720,806).
 - Road Infrastructure – the net increase in Road Infrastructure was \$2,228,248 due to the following activity:
 - Additions due to paving or resurfacing totaled \$3,688,573 due to the

following activity:

- Cajer Posey Road, \$474,789; Emily Lane, \$12,248; Ivan Church Road, \$505,768; MLK Road, \$1,403,182; Old Shell Point Road right of way (ROW), \$3,274; Otter Lake Road, \$350,190; Revadee Spears Road, \$68,786; Rock Landing Road, \$92,171; Shadeville Highway Wakulla Springs to Bloxham, \$722,887; Upper Bridge Boat Ramp Parking Lot, \$44,263; Wakulla Aaran ROW, \$9,500; Wakulla Gardens ROW, \$1,515 .
- Depreciation recognized at year end amounted to (\$1,460,325).
- Equipment – The net decrease to County maintained equipment was \$290,717 and the net decrease to Sheriff maintained equipment was \$108,680 due to the following activity:
 - County additions totaled \$468,919 due to the following activity:
 - 3 trucks/vehicles were purchased for various departments totaling \$113,020; Computer equipment purchased for the Clerk of Court and Supervisor of Elections totaled \$23,270; Public Safety equipment included \$144,360 for an ambulance; \$84,625 for EMS equipment and \$18,149 for fire equipment; Road Department equipment \$78,618; Administration Department for conveyor belt x-ray totaling 6,877.
 - Sheriff additions totaled \$280,184 due to the following activity:
 - Furnishings totaled \$13,108 and 9 trucks, 1 tractor, and 1 boat totaled \$267,076.
 - County deletions of (\$31,598) less accumulated depreciation of \$56,139 resulted in a net deletion of 24,541 due to the following activity:
 - All disposed equipment was sold at auction or disposed of if not sold at auction - 10 trucks/vehicles and vehicle equipment from various departments were disposed of totaling \$218,832; EMS equipment totaling \$78,546; Equipment totaling \$30,177 was disposed of by the Planning & Zoning, Library, and Supervisor of Elections; Parks Recreation equipment totaling \$13,300. This amount, less disposals not included in a prior year netting (\$309,256), totals (\$31,598) in disposals.
 - This equipment has accumulated depreciation totaling \$56,139.
 - Sheriff deletions totaled \$0 due to the following activity:
 - 4 trucks/vehicles and other equipment were disposed of totaling (\$1,611,878)
 - These disposals had accumulated depreciation totaling \$1,611,878.
 - County depreciation recognized at year end amounted to (\$784,177).
 - Sheriff depreciation recognized at year end amounted to (\$388,864).
- Construction in Process – Construction in process increased \$1,796,394 due to the following activity:
 - \$1,083,492 in Building and building-related infrastructure was started

- in the current fiscal year for a basketball court and playground at the Community Center, and a new EMS/Fire Station on Trice Lane.
 - \$1,203,909 in Road Infrastructure was started in the current fiscal year for work on Buck Miller Road, Council Moore Road, Dan Miller Road, Harvey Mill Road, Lonnie Raker Road, Magnolia and Wakulla Gardens Road Paving, Smith Creek Road, and Wakulla Springs Road.
 - (\$491,007) in prior year construction in progress was completed on a separate project on a portion of Shadeville Highway.
- 2018 Business-type Activities:
 - Land – the net increase in land was \$274,364 due to the following activity:
 - 3 parcels of land were purchased for the development of lift stations for the sewer system – Magnolia/Wakulla Gardens for a total of \$17,377; Land for water tower in the amount of \$15,317; Land from FDOT in the amount of \$241,670.
 - Sewer, Water and Landfill Systems and Infrastructure – the net decrease in infrastructure was (\$811,809) due to the following activity:
 - No additions were made to these systems in the current fiscal year due to the various constructions in process not being complete.
 - Deletions netted to (\$181,494).
 - Depreciation recognized at year end totaled (\$630,315).
 - Equipment – the net increase to equipment was \$292,775 due to the following activity:
 - 2 trucks were purchased totaling \$371,612.
 - 1 Bobcat attachment totaling \$5,429.
 - 2 trucks were disposed of totaling \$105,496, additional equipment totaling \$18,329, less assets added in prior year, not included previously total \$90,000, nets to (\$33,825). Depreciation on disposals totaled \$34,4481, netting to disposals of \$656.
 - Depreciation recognized at year end totaled (\$84,922).
 - Construction in Process – the net increase to construction in process totaled \$9,590,689 due to the following activity:
 - The Otter Creek Wastewater Treatment Plant Upgrade continued and \$1,869,926 was added to previous CIP totals of \$8,566,884.
 - The Wakulla Gardens Sewer Retrofit (Expansion) continued and \$3,390,008 was added to previous CIP totals of \$5,499,852.
 - The Magnolia Gardens Sewer Retrofit (Expansion) continued and \$3,178,626 was added to previous CIP totals of \$4,562,692.
 - Medart Lift Station with a total of \$875,410 was added to CIP.
 - Riversink Water Tower with a total of \$276,719 was added to CIP.
- 2017 Governmental Activities:
 - Land – the net increase in land was \$17,177 due to the following activity:
 - The acquisition of Alexander Road Cemetery for purposes of indigent burials. The County purchased 2.0 acres of land for \$14,120 and an additional .77 acres of land was donated to the County with a fair

- market value of \$4,676.
- The disposition of .355 acres of land at Riversink Volunteer Fire Department valued at \$1,619 due to right-of-way acquisitions by the Florida Department of Transportation's widening of Highway 319.
 - Buildings – the net decrease in Buildings and Building-related infrastructure was (\$533,526) due to the following activity:
 - Additions totaled \$186,942 due to the following activity:
 - Library (Phase 2) in the amount of \$8,344; Azalea Park lighting in the amount of \$22,922; Medart Recreation Park in the amount of \$90,572; Agricultural Extension Office, Arena and Pavilion in the amount of \$65,104.
 - Deletions totaled (\$17,065) due to the following activity:
 - The demolition of the Trice Lane EMS Building valued at \$66,554 with accumulated depreciation totaling \$49,489. This building was removed to make room for the new EMS Building which will be constructed on the same site.
 - Depreciation recognized at year end amounted to (\$703,403).
 - Road Infrastructure – the net increase in Road Infrastructure was \$1,155,725 due to the following activity:
 - Additions due to paving or resurfacing totaled \$2,524,193 due to the following activity:
 - Shadeville Hwy to Wakulla Springs Road, \$2,117,363; Emily Lane, \$13,230; Alaska Way, \$21,749; Griffin Road, \$35,845; Revell Road, \$39,196; Portion of Wakulla Arran Road, \$28,020; Portion of Oak Street, \$28,020; Howard Street, \$36,420.
 - Contributed/Donated Roads by developers were New Webster Road - \$4,350 and Martin Farms Subdivision roads - \$200,000.
 - Depreciation recognized at year end amounted to (\$1,368,468).
 - Equipment – The net increase to County maintained equipment was \$683,469 and the net increase to Sheriff maintained equipment was \$216,408 due to the following activity:
 - County additions totaled \$1,819,622 due to the following activity:
 - 10 trucks/vehicles were purchased for various departments totaling \$259,336; Computer equipment purchased for the Clerk of Court, Property Appraiser and Supervisor of Elections totaled \$146,116; Public Safety equipment included \$142,498 for an ambulance; \$73,059 for EMS equipment and \$390,000 for a fire truck; Health Department equipment totaled \$29,725; Park and Recreation equipment totaled \$25,970; Road Department equipment included \$89,608 for various equipment and \$663,310 for three motor graders.
 - Sheriff additions totaled \$713,986 due to the following activity:
 - Various computer equipment, servers and furnishings totaled \$495,246 and 9 trucks and 1 tractor totaled \$218,740.
 - County deletions of (\$1,000,543) less accumulated depreciation of

- \$590,034 resulted in a net deletion of (\$410,509) due to the following activity:
- All disposed equipment was sold at auction or disposed of if not sold at auction - 9 trucks/vehicles from various departments were disposed of totaling \$144,510; Computer equipment totaling \$115,760 was disposed of by the Clerk of Court and Supervisor of Elections; 2 fire trucks were disposed of totaling \$150,000; 3 motor graders totaling \$574,713 and one other road-related piece of equipment totaling \$15,560.
 - This equipment has accumulated depreciation totaling \$590,034.
 - Sheriff deletions totaled (\$24,423) due to the following activity:
 - 7 trucks/vehicles and various computer equipment and furnishings were disposed of totaling (\$805,231)
 - These disposals had accumulated depreciation totaling \$780,808.
 - County depreciation recognized at year end amounted to (\$725,644).
 - Sheriff depreciation recognized at year end amounted to (\$473,155).
 - Construction in Process – Construction in process increased \$597,947 due to the following activity:
 - \$130,857 in Building and building-related infrastructure was started in the current fiscal year for a pole barn at the Agricultural Extension Department, a basketball court and playground at the Community Center, an equipment storage facility at Medart Recreation Park and a new EMS/Fire Station on Trice Lane.
 - \$646,417 in Road Infrastructure was started in the current fiscal year for work on Shadeville Highway, Otter Lake Road, Trice Lane, Buck Miller Road, Rock Landing Road, Council Moore Road, Lonnie Raker Road, Martin Luther King Jr. Road, Cajer Posey Road, Ivan Church Road, and Ace High Stables Road.
 - (\$179,327) in prior year construction in progress was completed on a separate project on a portion of Shadeville Highway.
 - 2017 Business-type Activities:
 - Land – the net increase in land was \$17,810 due to the following activity:
 - 3 parcels of land were purchased for the development of lift stations for the sewer system - .114 acres in Magnolia Gardens for \$5,560; .229 acres in Wakulla Heights for \$6,000 and .09 acres at Wakulla Business Center for \$6,250
 - Sewer, Water and Landfill Systems and Infrastructure – the net decrease in infrastructure was (\$638,965) due to the following activity:
 - No additions were made to these systems in the current fiscal year due to the various constructions in process not being complete.
 - Depreciation recognized at year end totaled (\$638,695).
 - Equipment – the net increase to equipment was \$8,068 due to the following activity:

- 2 trucks were purchased totaling \$43,220
- 2 trucks were disposed of totaling \$44,792 with accumulated depreciation of \$38,233 for a net reduction of (\$6,559).
- Depreciation recognized at year end totaled (\$28,593).
- Construction in Process – the net increase to construction in process totaled \$8,633,179 due to the following activity:
 - The Otter Creek Wastewater Treatment Plant Upgrade continued and \$5,571,739 was added to previous CIP totals of \$1,125,219.
 - The Wakulla Gardens Sewer Retrofit (Expansion) continued and \$1,894,074 was added to previous CIP totals of \$215,770.
 - The Magnolia Gardens Sewer Retrofit (Expansion) continued and \$1,164,596 was added to previous CIP totals of \$219,470.
 - A new Riversink Water well (relocation of existing well which will be abandoned due to right-of way acquisition by FDOT) was started and \$2,770 was added to CIP.

Long-term debt. At the end of the 2018 and 2017 fiscal years, the County had total outstanding debt of \$36,901,471 and \$34,855,627. Total debt increased \$2,045,844 which is primarily due to increases in the OPEB liability and notes/bonds payable in the governmental activities.

The County's total debt of \$36,901,471 is comprised of six (6) categories (Note 10): capital leases, notes payable, compensated absences, other post-employment benefits (OPEB) liability, pension liability and estimated landfill closure and post-closure liability. The notes payable are collateralized by the pledging of future revenues from various sources. The County is required to make annual debt service payments on the capital leases and notes/bonds payable. The balance at year end and the changes from the prior year for these two categories are:

- Capital leases – The capital leases due at September 30, 2018 were \$530,538 and represents 1.4% of the total debt.
 - All of the capital leases were attributable to governmental activities. It is estimated that \$59,884 of the capital leases will be payable within the next fiscal year. Capital leases decreased from the prior year by \$56,747.
- Notes/Bonds payable – The notes/bonds payable portion of the County's debt totals \$9,194,520 and represents 24.9% of the total debt.
 - \$1,638,665 or 17.8% is attributable to governmental activities. It is estimated that \$238,845 of the governmental notes payable will be payable within the next fiscal year. Governmental notes payable increase from the prior year by \$959,981.
 - \$7,555,855 or 82.2% is attributable to business-type activities. It is estimated that \$162,167 of the business-type activities bonds payable will be payable within the next fiscal year. Business-type activity bonds payable decreased from the prior year by \$61,667.

The final four categories of long-term debt – compensated absences, other post-employment benefits (OPEB) liability, pension liability and estimated landfill closure and post-closure liability are paid out as they become due and they are not based on a pre-defined payment schedule. The balance at year end and the changes from the prior year for these four categories are:

- Compensated Absences – The compensated absences due at year end were \$1,030,138 and represents 2.8% of the total debt. It is estimated that between ten percent (10%) and fifteen percent (15%) of the compensated absences or between \$103,014 and \$154,521 will be paid to employees in the next fiscal year. Compensated absences increased over the prior year by \$46,032. All of the compensated absences are attributable to governmental activities.
- OPEB liability – The Other Post-Employment Benefits (OPEB) due at year end were \$2,562,819 and represents 6.9% of the total debt. None of the \$2,562,819 balance is expected to be paid in the next fiscal year. OPEB increased over the prior year by \$1,336,819 which includes a prior period adjustment of \$1,132,595. All of the OPEB liability is attributable to governmental activities.
- Pension liability – The pension liability due at year end was \$22,462,966 and represents 60.9% of the total debt. It is estimated that \$129,936 of the pension liability will be paid to the Florida Retirement System (FRS) in the next fiscal year (in addition to the required annual contributions). The pension liability increased by \$431,071 over the prior year which includes a prior period adjustment of (\$6,317). All of the pension liability is attributable to governmental activities.
- Estimated landfill closure and post-closure costs – The estimated landfill closure and post-closure liability at year end was \$1,120,490 and represents 3.0% of the total debt. It is estimated that \$78,089 of the landfill closure and post-closure liability will be paid in the next fiscal year. The landfill liability decreased by \$609,645 from the prior year. All of the landfill liability is attributable to business-type activities.

Increases in total annual long-term debt service payments (principal and interest payments) as a percentage of total expenses may be a good indicator of whether or not the County is reaching a level of inflexibility as it relates to changes in economic conditions and unforeseen events. The County's total debt service (principal and interest) payment for 2018 and 2017 was \$1,150,409 and \$8,419,374, respectively. The huge decrease is due to the interim sewer loan being paid off by the proceeds of the sale of the sewer bonds issued. The County's total debt service payment for 2018 and 2017, as a percentage of total expenses, \$39,166,016 for 2018 and \$37,148,344 for 2017 (excluding interim loan payoff) was 2.9% and 4.6%, respectively, which is a decrease of 1.7% over the prior year.

Not included in the long-term debt is \$111,271 (Note 15, page 82) in which the County has guaranteed repayment in the event the Senior Citizen's Center defaults on their loan. Additional information on the County's long-term debt can be found in Note 10.

A summary of the County's outstanding comparative debt schedule is below:

| Wakulla County's Outstanding Debt | | | | | | |
|--|--------------------------------|----------------------|---------------------------------|---------------------|----------------------|----------------------|
| | Governmental Activities | | Business-Type Activities | | Total | |
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| Capital leases | \$ 530,538 | \$ 587,285 | - | - | \$ 530,538 | \$ 587,285 |
| Note/Bond payable | 1,638,665 | 678,684 | 7,555,855 | 7,617,522 | 9,194,520 | 8,296,206 |
| Compensated Absences | 1,030,138 | 984,106 | - | - | 1,030,138 | 984,106 |
| OPEB Liability | 2,562,819 | 1,226,000 | - | - | 2,562,819 | 1,226,000 |
| Pension Liability | 22,462,966 | 22,031,895 | - | - | 22,462,966 | 22,031,895 |
| Estimated landfill closure | - | - | 1,120,490 | 1,730,135 | 1,120,490 | 1,730,135 |
| Total Liabilities | \$ 28,225,126 | \$ 25,507,970 | \$ 8,676,345 | \$ 9,347,657 | \$ 36,901,471 | \$ 34,855,627 |

Geographic, Economic & Demographic Factors and Rates

Geographic - Wakulla County was established on March 11, 1843, became a Charter county in 2008 and consists of 606 square miles with approximately two-thirds of this land area being preserved by national, state and local forests, preserves, sanctuaries, management areas and parks. With only two small incorporated towns, Sopchoppy and St. Marks, Crawfordville is the county seat and is the only unincorporated county seat in Florida. The average number of persons per square mile as of 2018 and 2010 was 53 and 51, respectively, according to the Bureau of Economic & Business Research (BEBR).

Demographic - Population – The County’s population according to the 2010 census was 30,776 (US Census Bureau). The estimated 2018 population is 31,943 according to the Office of Economic & Demographic Research (EDR) & BEBR and 32,461 (US Census), an estimated increase of between 1,167 and 1,685 or between 3.8% and 5.5%. According to BEBR, this 1,167 increase is a result of 567 or 48.5% additions due to natural increase (net births over deaths) and 600 or 51.5% additions is due to net migration. Of the 31,943, 2,448 (7.6%) are inmates in either the Florida Department of Corrections or the Wakulla County Jail, 277 live in the city of St. Marks (0.8%) and 473 live in the city of Sopchoppy (1.5%) and the remaining 28,745 live in the unincorporated area of the County (BEBR). Wakulla County is ranked 49th of the 67 counties in population but had the 41st highest population increase (3.8%) as a percentage and the 42nd highest population increase (1,167) since 2010.

The estimated population for 2020 and 2025 is 32,835 and 35,170, respectively (EDR). Of the County’s 2018 estimated population of 31, 943 (EDR & BEBR), 6,963 (21.8%) were under the age of 18 (14th highest in the State), 11,595 (36.3%) were between the ages of 18 and 44, 8,976 (28.1%) were between the age of 45 and 64 and 4,409 (13.8%) were over the age of 65 (59th in the State). Approximately 14,661 (45.9%) of the County’s population is female. The County’s ethnicity is estimated to be 79.9% white (25,522), 14.3% African American (4,568, ranked 26th in the State), 3.9% Hispanic (1,246, ranked 61st in the State) and the remaining 1.9% (607) represent other races or origins. Approximately 8.7% or 2,793 are veterans of the armed forces (EDR), 1.8% (575) are foreign born citizens (EDR) and 6.1% or 1,948 of the population speak a language other than English at home (US Census).

Housing – In 2018 and 2010 (US Census) there were 13,702 and 12,804 housing units respectively, an increase of 898 units or 7.0%. The homeownership rate (2013-2017) was 80.4%

which was up from 75.6% (2013-2016). Of the 12,804 units (2010, EDR), 2,314 or 18.1% were vacant. No vacancy rate was available for the 13,702 units in 2018. Of the 10,490 (12,804-2,314) occupied units, 2,021 or 19.3% were occupied by renters and the remaining 8,469 units or 80.7% were owner occupied. The average household size in 2010 was 2.61 persons per household (EDR). The 2018 median value of owner-occupied housing was \$133,700 (US Census). The 2017 median gross rent of household dwellings was \$840 (2013-2017, US Census) as compared to the prior year's \$818 (2012-2016, US Census). There were 251 building permits issued in 2017 (the highest since 2010) as compared to 169 building permits issued in 2016.

Health – The percentage of the population with a disability (under the age of 65) for the 2013-2017 period was 13.4% as compared to the 2012-2016 period of 12.2%, an increase of 1.2% and the percentage of persons without health insurance was 12.4% and 11.7% (US Census), respectively, an increase of 0.7%.

Crime – Overall, crimes were up in Wakulla County (FDLE). The 2017 and 2016 crime rate, an index of crimes per 100,000 population, was 1,867.8 and 1,759.5, respectively, an increase of 6.2%. Total arrests for 2017 and 2016 were 703 and 645, respectively, an increase of 9.0%. The Violent Rate for 2017 and 2016 were 275.8 and 164.6, respectively, an increase of 67.6%. The Property Rate for 2017 and 2016 were 1,592.0 and 1,595.0, respectively, a decrease of 0.2%. Overall total index offenses for 2017 and 2016, respectively, were 596 and 556, an increase of 7.2%.

Economic - Employment/Industry – In 2017 and 2016 the largest employer (average annual employment, EDR) by category was Government (State and Local) with 31.8% and 32.6% of the workforce, respectively. This was followed by Trade, Transportation & Utilities (16.9% and 17.0%, respectively), Leisure & Hospitality (12.9% and 13.0%, respectively) and Professional & Business Services (9.7% and 9.3%, respectively) with the other 7 categories comprising the remaining 28.7% and 28.1%, respectively.

The labor force, as a percent of population (age 18 and older, EDR) in 2018 and 2017 was 58.6% and 57.6%, respectively, an increase of 1.0%. The County's unemployed rate for 2018 and 2017 was 3.1% and 4.1%, respectively, a decrease of 1.0%. The number of workers who work outside the County in 2018 and 2017 was 62.7% and 64.4%, a decrease of 1.7%. The mean travel time to work for 2018 and 2017 was 32.7 and 33.0 minutes, respectively.

Income – The per capita personal income (EDR) for 2017 and 2016 was \$35,129 and \$33,643, respectively, an increase of \$1,486. The median household income (EDR) in 2017 and 2016 was \$57,866 and \$54,078, respectively, an increase of \$3,788. The average annual wage across all industries for 2017 and 2016 was \$35,143 and \$33,996, respectively, an increase of \$1,147. The 2017 highest average annual wage of \$54,498 was from the Financial Activities industry which accounted for just 1.8% of the total annual employment. The 2017 lowest average annual wage of \$15,304 was from the Leisure & Hospitality industry which accounted for 12.9% of the total annual employment. The number of persons living below the poverty level in 2017 and 2016 was 12.9% and 13.1%, respectively, a decrease of 0.2% (EDR).

Education – There are 11 public education institutions in Wakulla County. Of the 11, 1 is a community college, 2 are senior high, 2 are middle schools, 5 are elementary schools, and 1 is a combination of elementary, middle and senior high school. The number of persons age 25 or older with a high school diploma or higher education in 2018 is 87.5%, down from 87.7% in 2017, and the number with a bachelor’s degree or higher education in 2018 was 17.8%, up from 16.6% in 2017 (EDR). The percentage of households with a computer (2013-2017, US Census) was 88.8% and the percentage of households with a broadband internet subscription was 75.2%.

Sources.

Office of Economic & Demographic Research – www.edr.state.fl.us – Area Profile, Wakulla County
Bureau of Economic and Business Research – www.bebr.ufl.edu – Florida Estimates of Population 2018
U.S. Census Bureau – www.census.gov – Quick Facts, Wakulla County, Florida
Florida Department of Law Enforcement – www.fdle.state.fl.us – Summary of Uniform Crime Rates (UCR), Wakulla County

Requests for Information. This financial report is designed to provide a general overview of the County’s finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to: County Administrator, Wakulla County, P.O. Box 1263, Crawfordville, FL. 32326 or please visit www.mywakulla.com.

WAKULLA COUNTY, FLORIDA

BASIC FINANCIAL STATEMENTS

WAKULLA COUNTY, FLORIDA

STATEMENT OF NET POSITION
September 30, 2018

| | Governmental Activities | Business-type Activities | Total |
|--|----------------------------|-----------------------------|-----------------------|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | \$ 13,077,552 | \$ 1,192,402 | \$ 14,269,954 |
| Accounts receivable - net | 780,276 | 199,762 | 980,038 |
| Due from fiduciary funds | 857,870 | - | 857,870 |
| Due from other funds | - | 330 | 330 |
| Due from other governmental units | 1,650,317 | 2,554,906 | 4,205,223 |
| Inventories | 40,375 | - | 40,375 |
| Prepaid expenses | 745,515 | - | 745,515 |
| Other current assets | - | 650 | 650 |
| Total current assets | 17,151,905 | 3,948,050 | 21,099,955 |
| Noncurrent assets | | | |
| Capital assets - net of accumulated depreciation | 64,808,419 | 34,932,183 | 99,740,602 |
| Total noncurrent assets | 64,808,419 | 34,932,183 | 99,740,602 |
| Total assets: | \$ 81,960,324 | \$ 38,880,233 | \$ 120,840,557 |
| DEFERRED OUTFLOWS OF RESOURCES | | | |
| Deferred outflows related to pensions | 7,083,465 | \$ - | 7,083,465 |
| Total deferred outflows of resources: | 7,083,465 | \$ - | \$ 7,083,465 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Accounts payable | \$ 1,087,962 | \$ 494,646 | \$ 1,582,608 |
| Accrued liabilities | 476,720 | - | 476,720 |
| Due to individuals | 31,526 | - | 31,526 |
| Due to fiduciary funds | 2,842 | - | 2,842 |
| Due to other funds | 330 | - | 330 |
| Due to other governmental units | 30,545 | - | 30,545 |
| Unearned grant revenue | 459,764 | - | 459,764 |
| Interest payable | - | 201,245 | 201,245 |
| Deposits | 6,309 | 70,240 | 76,549 |
| Accrued compensated absences | 128,573 | - | 128,573 |
| Pension liability | 2,598,587 | - | 2,598,587 |
| Landfill post-closure liability | - | 78,089 | 78,089 |
| Capital leases payable | 59,884 | - | 59,884 |
| Notes payable | 238,845 | 162,167 | 401,012 |
| Other current liabilities | 1,034 | - | 1,034 |
| Total current liabilities | 5,122,921 | 1,006,387 | 6,129,308 |
| Noncurrent liabilities | | | |
| Other post-employment benefit liability | 2,562,819 | - | 2,562,819 |
| Accrued compensated absences | 901,565 | - | 901,565 |
| Pension liability | 19,864,379 | - | 19,864,379 |
| Landfill post-closure costs | - | 1,042,401 | 1,042,401 |
| Capital leases payable | 470,654 | - | 470,654 |
| Notes payable | 1,399,820 | 7,393,688 | 8,793,508 |
| Total noncurrent liabilities | 25,199,237 | 8,436,089 | 33,635,326 |
| Total liabilities | \$ 30,322,158 | \$ 9,442,476 | \$ 39,764,634 |
| DEFERRED INFLOWS OF RESOURCES | | | |
| Deferred inflows related to pensions | \$ (77,913) | \$ - | \$ (77,913) |
| Total deferred inflows of resources: | (77,913) | \$ - | (77,913) |
| NET POSITION | | | |
| Invested in capital assets, net of related debt | \$ 62,639,216 | \$ 26,255,838 | \$ 88,895,054 |
| Restricted for: | | | |
| Debt Service Sinking Fund | 121,932 | 66 | 121,998 |
| Landfill closure | - | 98,222 | 98,222 |
| Public Safety | 1,098,782 | - | 1,098,782 |
| Capital projects | 4,181,647 | - | 4,181,647 |
| Other purposes | 2,517,367 | - | 2,517,367 |
| Unrestricted | (11,759,400) | 3,083,631 | (8,675,769) |
| Total net position | \$ 58,799,544 | \$ 29,437,757 | \$ 88,237,301 |

See notes to financial statements

WAKULLA COUNTY, FLORIDA

STATEMENT OF ACTIVITIES

For the Fiscal Year Ended September 30, 2018

| | Program Services Revenues | | | Net (Expenses) Revenues and Change in Net Assets | | | |
|--|---------------------------|----------------------|----------------------------------|--|-------------------------|--------------------------|------------------------|
| | Expenses | Charges for Services | Operating Grants & Contributions | Capital Grants & Contributions | Governmental Activities | Business-type Activities | Total |
| FUNCTIONS / PROGRAMS | | | | | | | |
| Governmental activities | | | | | | | |
| General Government | \$ 7,871,336 | \$ 605,670 | \$ 84,163 | \$ - | \$ (7,181,503) | \$ - | \$ (7,181,503) |
| Public Safety | 18,823,736 | 6,507,723 | 1,256,967 | - | (11,059,046) | - | (11,059,046) |
| Physical Environment | 196,838 | - | - | 8,031 | (188,807) | - | (188,807) |
| Transportation | 3,669,529 | 562,495 | - | 2,990,910 | (116,124) | - | (116,124) |
| Economic Environment | 738,207 | - | 818,312 | - | 80,105 | - | 80,105 |
| Human Services | 901,691 | 8,893 | 32,468 | - | (860,330) | - | (860,330) |
| Culture / Recreation | 1,805,624 | 327,557 | 56,566 | 7,328 | (1,414,173) | - | (1,414,173) |
| Court related | 890,641 | 1,116,805 | 114,748 | - | 340,912 | - | 340,912 |
| Interest on long-term debt | 56,741 | - | - | - | (56,741) | - | (56,741) |
| Total governmental activities: | 34,954,343 | 9,129,143 | 2,363,224 | 3,006,269 | (20,455,707) | - | (20,455,707) |
| Business-type activities | | | | | | | |
| Physical Environment | 4,186,391 | 5,473,910 | 85,035 | 8,390,008 | - | 9,762,562 | 9,762,562 |
| Interest on long-term debt | 25,282 | - | - | - | - | (25,282) | (25,282) |
| Total business-type activities: | 4,211,673 | 5,473,910 | 85,035 | 8,390,008 | - | 9,737,280 | 9,737,280 |
| Total government | \$ 39,166,016 | \$ 14,603,053 | \$ 2,448,259 | \$ 11,396,277 | \$ (20,455,707) | \$ 9,737,280 | \$ (10,718,427) |
| General revenues | | | | | | | |
| Ad valorem taxes | | | | | 8,697,003 | - | 8,697,003 |
| Sales and use taxes | | | | | 4,872,685 | - | 4,872,685 |
| Public utility service tax | | | | | 1,509,319 | - | 1,509,319 |
| Communication service tax | | | | | 682,694 | - | 682,694 |
| Federal payments in lieu of tax | | | | | 959,036 | - | 959,036 |
| Shared intergovernmental revenues | | | | | 6,020,489 | - | 6,020,489 |
| Interest earnings | | | | | 181,218 | 7,349 | 188,567 |
| Miscellaneous | | | | | 183,231 | 647,074 | 830,305 |
| Gain (loss) on disposition of fixed assets | | | | | 67,655 | 715,738 | 783,393 |
| Transfers | | | | | 198,087 | (198,087) | - |
| Total general revenue | | | | | 23,371,417 | 1,172,074 | 24,543,491 |
| Change in net position | | | | | 2,915,710 | 10,909,354 | 13,825,064 |
| Net position - beginning | | | | | 57,010,112 | 18,528,403 | 75,538,515 |
| Prior period adjustment | | | | | (1,126,278) | - | (1,126,278) |
| Net position - ending | | | | | \$ 58,799,544 | \$ 29,437,757 | \$ 88,237,301 |

See notes to financial statements

WAKULLA COUNTY, FLORIDA

BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2018

| | Special Revenue Funds | | | Capital Project Funds | | | Total |
|--------------------------------------|-----------------------|-----------------------|-------------------|-----------------------|-------------------------|--------------------------|----------------------|
| | General Fund | Sheriff's Office Fund | SHIP Fund | Capital Project Fund | One Cent Sales Tax Fund | Other Governmental Funds | |
| ASSETS | | | | | | | |
| Assets | | | | | | | |
| Cash and cash equivalents | \$ 3,703,583 | \$ 1,468,345 | \$ 439,652 | \$ 106,976 | \$ 4,049,807 | \$ 3,309,189 | \$ 13,077,552 |
| Accounts receivable, net | 709,998 | - | - | - | 7 | 70,271 | 780,276 |
| Due from individuals | - | - | - | - | - | - | - |
| Due from agency funds | 13,458 | - | - | - | - | 58,588 | 72,046 |
| Due from other funds | 413,616 | 781,250 | - | - | 52,897 | 70,006 | 1,317,769 |
| Due from Board of County Comm | - | - | - | - | - | 32,641 | 32,641 |
| Due from other governmental units | 322,387 | 264,118 | - | 9,954 | 307,040 | 746,818 | 1,650,317 |
| Deferred outflows | - | - | - | - | - | - | - |
| Inventories | - | - | - | - | - | 40,375 | 40,375 |
| Prepaid expenses | - | - | - | - | - | 32,330 | 745,515 |
| Other current assets | 713,185 | - | - | - | - | - | - |
| Total assets | \$ 5,876,227 | \$ 2,513,713 | \$ 439,652 | \$ 116,930 | \$ 4,409,751 | \$ 4,360,218 | \$ 17,716,491 |
| LIABILITIES AND FUND BALANCES | | | | | | | |
| Liabilities | | | | | | | |
| Accounts payable | \$ 510,828 | \$ - | \$ 111,024 | \$ 11,668 | \$ 276,735 | \$ 177,707 | \$ 1,087,962 |
| Accrued liabilities | 409,644 | - | - | - | - | 67,076 | 476,720 |
| Due to individuals | - | - | - | - | - | 31,526 | 31,526 |
| Due to agency funds | 2,103 | - | - | - | - | 353 | 2,456 |
| Due to other funds | 70,832 | - | - | - | - | 493,216 | 564,048 |
| Due to Board of County Comm | - | - | - | - | - | 1,254 | 1,254 |
| Due to other governmental units | 6,205 | - | - | - | - | 24,340 | 30,545 |
| Unearned revenue | 55,865 | - | 328,628 | - | - | 75,271 | 459,764 |
| Deposits | 6,309 | - | - | - | - | - | 6,309 |
| Other current liabilities | 1,034 | - | - | - | - | - | 1,034 |
| Total liabilities | \$ 1,062,820 | \$ - | \$ 439,652 | \$ 11,668 | \$ 276,735 | \$ 870,743 | \$ 2,661,618 |
| Fund balances | | | | | | | |
| Nonspendable | - | - | - | - | - | 40,375 | 40,375 |
| Inventories | 713,185 | - | - | - | - | 32,330 | 745,515 |
| Prepaid expenses | 867,797 | - | - | - | 4,011,084 | 2,133,025 | 7,011,906 |
| Restricted | 293,211 | 2,513,713 | - | 105,262 | 121,932 | 1,289,134 | 4,323,252 |
| Committed | 400,817 | - | - | - | - | 2,560 | 403,377 |
| Assigned | 2,538,397 | - | - | - | - | (7,949) | 2,530,448 |
| Unassigned | 4,813,407 | 2,513,713 | - | 105,262 | 4,133,016 | 3,489,475 | 15,054,873 |
| Total fund balances | \$ 5,876,227 | \$ 2,513,713 | \$ 439,652 | \$ 116,930 | \$ 4,409,751 | \$ 4,360,218 | |

Amounts reported for governmental activities in the statement of net assets are different because:

- Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds: 64,808,419
- Long-term liabilities are not due and payable and, therefore, are not reported in the funds: (2,169,203)

a. Notes and capital leases

b. Compensated absences, other post-employment benefits and pension liabilities

Net assets of governmental activities:

\$ 58,799,544

See notes to financial statements

WAKULLA COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2018

| | Special Revenue Funds | | | Capital Project Funds | | | Other Governmental Funds | Total |
|--|-----------------------|-----------------------|-------------------|-----------------------|-------------------------|--------------------|--------------------------|----------------------|
| | General Fund | Sheriff's Office Fund | SHIP Fund | Capital Project Fund | One Cent Sales Tax Fund | Governmental Funds | | |
| REVENUES | | | | | | | | |
| Taxes | \$ 10,889,016 | \$ - | \$ - | \$ - | \$ 2,610,623 | \$ - | \$ 2,262,062 | \$ 15,761,701 |
| Licenses, permits and special assessments | 596,055 | - | - | - | - | - | 1,600,132 | 2,196,187 |
| Intergovernmental | 6,327,387 | - | 759,126 | - | - | - | 4,840,139 | 12,455,011 |
| Charges for services | 2,276,827 | 3,074,300 | - | 28,359 | 500,000 | - | 1,188,755 | 6,539,882 |
| Fines and forfeitures | 70,891 | - | - | - | - | - | 216,190 | 287,081 |
| Miscellaneous | 71,605 | - | - | - | 24,530 | - | 92,528 | 188,663 |
| Interest | 160,228 | 9,166 | 1,062 | - | 115 | - | 10,647 | 181,218 |
| Total revenues | \$ 20,392,009 | \$ 3,083,466 | \$ 760,188 | \$ 28,359 | \$ 3,135,268 | \$ - | \$ 10,210,453 | \$ 37,609,743 |
| EXPENDITURES | | | | | | | | |
| Current expenditures | | | | | | | | |
| General government | \$ 6,758,381 | \$ - | \$ - | \$ 13,000 | \$ - | \$ - | \$ 205,503 | \$ 6,976,884 |
| Public safety | 13,820,597 | - | 86,391 | - | 31 | - | 2,893,718 | 16,800,737 |
| Physical environment | 166,729 | - | - | - | - | - | - | 166,729 |
| Transportation | 3,298 | - | - | - | 1 | - | 1,895,955 | 1,899,254 |
| Economic environment | 49,184 | - | 670,481 | - | - | - | 175 | 719,840 |
| Human services | 788,629 | - | - | - | - | - | 36,216 | 824,845 |
| Culture & recreation | 1,069,848 | - | - | 1 | - | - | 361,373 | 1,431,222 |
| Court related | 55,000 | - | - | - | - | - | 788,927 | 843,927 |
| Capital outlay expenditures | | | | | | | | |
| General government | 17,528 | - | - | - | 40,920 | - | 5,743 | 64,191 |
| Public safety | 15,989 | - | - | - | 1,241,908 | - | 498,030 | 1,755,927 |
| Physical environment | - | - | - | 8,031 | - | - | - | 8,031 |
| Transportation | - | - | - | - | 1,271,272 | - | 3,142,215 | 4,413,487 |
| Human services | - | - | - | - | 26,573 | - | - | 26,573 |
| Culture & recreation | - | - | - | 17,327 | 329,000 | - | - | 346,327 |
| Court related | - | - | - | - | - | - | 6,877 | 6,877 |
| Debt service expenditures | | | | | | | | |
| Principal | - | - | - | - | 235,026 | - | 162,048 | 397,074 |
| Interest | - | - | - | - | 20,720 | - | 36,021 | 56,741 |
| Total expenditures | \$ 22,745,183 | \$ - | \$ 756,872 | \$ 38,359 | \$ 3,165,451 | \$ - | \$ 10,032,801 | \$ 36,738,666 |
| Excess of revenues over (under) expenditures: | \$ (2,353,174) | \$ 3,083,466 | \$ 3,316 | \$ (10,000) | \$ (30,183) | \$ - | \$ 177,652 | \$ 871,077 |
| OTHER FINANCING SOURCES (USES) | | | | | | | | |
| Sale of equipment | \$ 3,412 | \$ - | \$ - | \$ - | \$ 1,000 | \$ - | \$ 28,397 | \$ 32,809 |
| Debt proceeds | - | - | - | - | 1,300,000 | - | - | 1,300,000 |
| Transfers from the Board of County Commissioners | 14,035,402 | - | - | - | - | - | 425,635 | 14,461,037 |
| Transfers to other governments | - | - | - | - | - | - | (5,432) | (5,432) |
| Interfund transfers in | 3,596,499 | 8,773,763 | (3,316) | 10,000 | 51,225 | - | 348,862 | 12,780,349 |
| Interfund transfers out | (14,902,216) | (10,926,282) | (3,316) | - | (418,411) | - | (793,074) | (27,043,299) |
| Total other financing sources (uses) | \$ 2,733,097 | \$ (2,152,519) | \$ (3,316) | \$ 10,000 | \$ 933,814 | \$ - | \$ 4,388 | \$ 1,525,464 |
| Net change in fund balances | 379,923 | 930,947 | - | - | 903,631 | - | 182,040 | 2,396,541 |
| Fund balances at beginning of year | 4,433,484 | 1,582,766 | - | 105,262 | 3,229,385 | - | 3,307,435 | 12,658,332 |
| Fund balances at end of year | \$ 4,813,407 | \$ 2,513,713 | \$ - | \$ 105,262 | \$ 4,133,016 | \$ - | \$ 3,489,475 | \$ 15,054,873 |

See notes to financial statements

WAKULLA COUNTY, FLORIDA

**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
For the Fiscal Year Ended September 30, 2018**

| | | |
|---|-------------|---------------------|
| Net change in fund balances - total governmental funds | | \$ 2,396,541 |
| 1. Amounts reported for governmental activities in the statement of activities are different because: | | |
| - Governmental funds report capital outlay as expenditures and debt proceeds as revenues. However, in the Statement of Activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense and debt proceeds are reclassified as a liability. | | |
| - Capital outlay expenditures | 6,621,413 | |
| - Less current year depreciation expense | (3,354,172) | 3,267,241 |
| | | |
| 2. The net gain (loss) recognized on disposition of fixed assets: | | 34,846 |
| | | |
| 3. Repayment of debt principal are expenditures and debt proceeds are revenues in the governmental funds but the repayment of debt principal reduces long-term liabilities and debt proceeds increases long-term liabilities in the Statement of Net Assets. | | |
| - Debt proceeds from capital leases | - | |
| - Debt proceeds from notes/loans | (1,300,000) | |
| - Capital lease payments | 57,056 | |
| - Note principal payments | 339,710 | (903,234) |
| | | |
| 4. Some expenses reported in the Statement of Activities do not require the use of current financial resources, therefore, are not reported as expenditures in governmental funds. | | |
| - Net change in compensated absences: | (46,032) | |
| - Net change in other post-employment benefits payable: | (204,224) | |
| - Net change in pension liability: | (437,388) | |
| - Net change in deferred outflows/inflows related to pensions | (1,192,040) | |
| - Net change in landfill post-closure liability: | - | (1,879,684) |
| Change in net position of governmental activities: | | \$ 2,915,710 |

See notes to financial statements

WAKULLA COUNTY, FLORIDA

STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 September 30, 2018

| | Sewer Fund | Solid Waste Fund | Total |
|-------------------------------------|----------------------|-----------------------|----------------------|
| ASSETS | | | |
| Current assets | | | |
| Cash and cash equivalents | \$ 734,153 | \$ 458,249 | \$ 1,192,402 |
| Accounts receivable, net | 199,762 | - | 199,762 |
| Due from other funds | 330 | - | 330 |
| Due from other governmental units | 2,534,844 | 20,062 | 2,554,906 |
| Other current assets | 650 | - | 650 |
| Total current assets | 3,469,739 | 478,311 | 3,948,050 |
| Noncurrent assets | | | |
| Capital assets - net | 34,896,360 | 35,823 | 34,932,183 |
| Total noncurrent assets | 34,896,360 | 35,823 | 34,932,183 |
| Total assets: | \$ 38,366,099 | \$ 514,134 | \$ 38,880,233 |
| LIABILITIES | | | |
| Current liabilities | | | |
| Accounts payable | \$ 480,585 | \$ 14,061 | \$ 494,646 |
| Interest payable | 188,606 | 12,639 | 201,245 |
| Customer deposits | 70,240 | - | 70,240 |
| Landfill post-closure liability | - | 78,089 | 78,089 |
| Notes payable | 100,500 | 61,667 | 162,167 |
| Total current liabilities | 839,931 | 166,456 | 1,006,387 |
| Noncurrent liabilities | | | |
| Landfill post-closure liability | - | 1,042,401 | 1,042,401 |
| Notes payable | 6,715,500 | 678,188 | 7,393,688 |
| Total noncurrent liabilities | 6,715,500 | 1,720,589 | 8,436,089 |
| Total liabilities | \$ 7,555,431 | \$ 1,887,045 | \$ 9,442,476 |
| NET POSITION | | | |
| Invested in capital assets - net | \$ 28,080,360 | \$ (1,824,522) | \$ 26,255,838 |
| Restricted for: | | | |
| Debt Service Sinking Fund | 66 | - | 66 |
| Landfill closure | - | 98,222 | 98,222 |
| Unrestricted | 2,730,242 | 353,389 | 3,083,631 |
| Total net position | \$ 30,810,668 | \$ (1,372,911) | \$ 29,437,757 |

See notes to financial statements

WAKULLA COUNTY, FLORIDA

**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS**

For the Fiscal Year Ended September 30, 2018

| | <u>Sewer Fund</u> | <u>Solid Waste Fund</u> | <u>Total</u> |
|--|----------------------|-----------------------------|----------------------|
| Operating revenues | | | |
| Special Assessments | \$ - | \$ 2,294,596 | \$ 2,294,596 |
| Charges for services | 3,121,249 | 58,065 | 3,179,314 |
| Operating grants | - | 85,035 | 85,035 |
| Miscellaneous | 36,503 | 610,571 | 647,074 |
| Total operating revenues | <u>3,157,752</u> | <u>3,048,267</u> | <u>6,206,019</u> |
| Operating expenses | | | |
| Materials, supplies and other | 1,085,756 | 1,263,722 | 2,349,478 |
| Depreciation and amortization | 713,158 | 2,079 | 715,237 |
| Total operating expenses | <u>1,798,914</u> | <u>1,265,801</u> | <u>3,064,715</u> |
| Operating profit (loss) | <u>\$ 1,358,838</u> | <u>\$ 1,782,466</u> | <u>\$ 3,141,304</u> |
| Non-operating revenues (expenses) | | | |
| Capital grants and contributions | \$ 8,390,008 | \$ - | \$ 8,390,008 |
| Landfill closure expenses | - | (1,121,676) | (1,121,676) |
| Interest and other non-operating | 6 | 7,343 | 7,349 |
| Gain (Loss) on disposal of assets | 715,738 | - | 715,738 |
| Interest expense | - | (25,282) | (25,282) |
| Total non-operating revenues (expenses) | <u>9,105,752</u> | <u>(1,139,615)</u> | <u>7,966,137</u> |
| Net income (loss) before transfers | <u>\$ 10,464,590</u> | <u>\$ 642,851</u> | <u>\$ 11,107,441</u> |
| Transfer activity | | | |
| Operating transfers in | \$ 162,844 | \$ 27,000 | \$ 189,844 |
| Operating transfers out | (351,325) | (36,606) | (387,931) |
| Net transfer activity | <u>(188,481)</u> | <u>(9,606)</u> | <u>(198,087)</u> |
| Change in net position | <u>\$ 10,276,109</u> | <u>\$ 633,245</u> | <u>\$ 10,909,354</u> |
| Total net position, beginning of year | <u>20,534,559</u> | <u>(2,006,156)</u> | <u>18,528,403</u> |
| Total net position, end of year | <u>\$ 30,810,668</u> | <u>\$ (1,372,911)</u> | <u>\$ 29,437,757</u> |

See notes to financial statements

WAKULLA COUNTY, FLORIDA

**STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS**

For the Fiscal Year Ended September 30, 2018

| | Sewer Fund | Solid Waste Fund | Total |
|---|-------------------|-------------------------|---------------------|
| Cash flows from operating activities | | | |
| Cash received from customers and others | \$ 2,844,392 | \$ 3,058,531 | \$ 5,902,923 |
| Cash paid to suppliers | (1,923,503) | (1,278,508) | (3,202,011) |
| Net cash provided by (used in) operating activities | \$ 920,889 | \$ 1,780,023 | \$ 2,700,912 |
| Cash flows from non-capital financing activities | | | |
| Cash operating loans from (to) other funds | (188,811) | (9,606) | (198,417) |
| Net cash provided by (used in) non-capital financing activities | (188,811) | (9,606) | (198,417) |
| Cash flows from capital and related financing activities | | | |
| Capital interfund transfers, net | 8,390,008 | - | 8,390,008 |
| Principal payments on long-term debt | - | (671,312) | (671,312) |
| Acquisition and construction of capital assets, net | (9,345,517) | (1,121,676) | (10,467,193) |
| Interest paid | 177,716 | (26,258) | 151,458 |
| Net cash provided by (used in) capital and related financing activities | (777,793) | (1,819,246) | (2,597,039) |
| Cash flows from investing activities | | | |
| Interest and other non-operating revenues | 6 | 7,343 | 7,349 |
| Net cash provided by investing activities | 6 | 7,343 | 7,349 |
| Net increase (decrease) in cash and cash equivalents | (45,709) | (41,486) | (87,195) |
| Cash and cash equivalents, beginning of year | 779,862 | 499,735 | 1,279,597 |
| Cash and cash equivalents, end of year | \$ 734,153 | \$ 458,249 | \$ 1,192,402 |
| Reconciliation of operating profit (loss) to net cash provided by (used in) operating activities | | | |
| Operating profit (loss) | \$ 1,358,838 | \$ 1,782,466 | \$ 3,141,304 |
| Adjustments to reconcile operating profit (loss) to net cash provided by (used in) operating activities | | | |
| Depreciation | 713,158 | 2,079 | 715,237 |
| (Increase) / decrease in assets | | | |
| Accounts receivable | (23,968) | - | (23,968) |
| Accounts payable and accrued expenses | (837,747) | (14,786) | (852,533) |
| Due from/to other governmental units | (306,542) | 10,264 | (296,278) |
| Deposits | 17,150 | - | 17,150 |
| Total adjustments | (437,949) | (2,443) | (440,392) |
| Net cash provided by (used in) operating activities | \$ 920,889 | \$ 1,780,023 | \$ 2,700,912 |

See notes to financial statements

WAKULLA COUNTY, FLORIDA

STATEMENT OF FIDUCIARY NET POSITION - AGENCY FUNDS

September 30, 2018

| | <u>Agency Funds</u> |
|---|-----------------------------------|
| ASSETS | |
| Cash and cash equivalents | \$ 2,936,550 |
| Due from other funds | 2,842 |
| Due from other governmental units | 10 |
| Prepaid expenses | 26,135 |
| Total assets | <u><u>\$ 2,965,537</u></u> |
| LIABILITIES | |
| Liabilities | |
| Accounts payable | \$ 735 |
| Due to individuals | 1,387,938 |
| Due to other funds | 126,873 |
| Due to Board of County Comm | 730,997 |
| Due to other governmental units | 506,604 |
| Other current liabilities | 212,390 |
| Total liabilities | <u><u>\$ 2,965,537</u></u> |
| Total net position | <u><u>-</u></u> |
| Total liabilities and net position | <u><u>\$ 2,965,537</u></u> |

See notes to financial statements

WAKULLA COUNTY, FLORIDA
NOTES TO FINANCIAL STATEMENTS
September 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Wakulla County, Florida, (the County) is a political subdivision of the State pursuant to Article VIII, Section 1(a) of the Constitution of the State of Florida. The County is a Chartered County pursuant to Article III, Section 1(c) and (g) of the Constitution of the State of Florida. Wakulla's citizens, pursuant to Florida Statute 125.8, approved a home rule charter on a ballot initiative on November 4, 2008. The Board of County Commissioners (the BOCC) codified the governance of its Home Rule Charter in Wakulla County Ordinance 2008-14. The County is governed by a five member Board of County Commissioners and five Constitutional Officers. Please refer to the Principal Officer List on page *vii* of the Introductory Section. The Constitutional Officers maintain separate accounting records and budgets from the BOCC. The Constitution of the State of Florida, Article VIII, Section 1(d) created the Constitutional Officers and Article VIII, Section 1(e) created the Board of County Commissioners.

The financial statements of the County have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the standard-setting body for governmental accounting and financial reporting principles. Pronouncements of the Financial Accounting Standards Board (FASB) issued after November 30, 1989 are not applied in the preparation of the financial statements of the proprietary fund types in accordance with GASB Statement 20. The GASB periodically updates its codification of the existing Governmental Accounting and Financial Reporting Standards which, along with subsequent GASB pronouncements (Statements and Interpretations) constitutes generally accepted accounting principles (GASB Statement 55 and 76).

A. Reporting Entity

According to GASB Statement 14 and 61, the concept underlying the definition of the reporting entity is that elected officials are accountable to their constituents for their actions. The reporting entity's financial statements should allow users to distinguish between the primary government (the County) and its component units. However, some component units, because of the closeness of their relationships with the County, should be blended as though they are part of the County. Otherwise, most component units should be discretely presented. As required by GAAP, the financial reporting entity consists of (1) the primary government (the County), (2) organizations for which the County is financially accountable, and (3) other organizations for which the nature and significance of their relationship with the County are such that exclusion from the financial statements would cause the reporting entity's financial statements to be misleading or incomplete.

The County is financially accountable if it appoints a voting majority of the organization's governing body and (a) it is able to impose its will on that organization or (b) there is potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the County. The County may be financially accountable if an organization is fiscally dependent on the County regardless of whether the organization has (a) a separately elected

governing board, (b) a governing board appointed by a higher level of government, or (c) a jointly appointed board. Based on these criteria, County management examined all organizations which are legally separate in order to determine which organizations, if any, should be included in the County's financial statements.

As such, the financial statements of the five (5) constitutional officers are included in the county-wide financial statements found on pages 24-27 and the accompanying Notes to those statements. In addition, because these elected officials are accountable to their constituents for their actions, separate financial statements are provided for each of the constitutional officers beginning on page 146.

1. Blended Component Unit

In accordance with GASB Statement 39, 80 and 85, Management has determined that the Wakulla County Industrial Development Authority (WCIDA) is a component unit of the County. The WCIDA was created by BOCC Ordinance 2016-5 pursuant to the provisions of Section 159.45 and 189.4041, Florida Statutes. The BOCC appoints the governing body and approves the budget of the WCIDA. Although legally separate, the WCIDA, due to its dependent special district status, is appropriately blended as a governmental fund-type (special revenue fund) component unit into the primary government.

B. Measurement Focus and Basis of Accounting

The basic financial statements of the County are comprised of the following components: (a) Government-wide financial statements, (b) Fund financial statements, (c) Notes to the financial statements, and (d) Required supplementary information. GASB Statements 11, 17, 20 and 84 as well as other authoritative pronouncements provide GAAP guidance for the measurement focus and basis of accounting for Wakulla County's basic financial statements.

1. Government-wide Financial Statements

Government-wide financial statements display information about the reporting government as a whole, except for its fiduciary activities. These statements include separate columns for the governmental and business-type activities of the primary government (including its blended component units), as well as any discretely presented component units. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely, to a significant extent, on fees and charges for support. Likewise, the primary government is reported separately from the legally separately component unit for which the primary government is financially accountable.

Government-wide financial statements are reported using economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and agency fund financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from the exchange and exchange-like transactions are recognized when the exchange takes place. Revenues, expenses, gains, losses, assets, and liabilities resulting from non-exchange transactions are recognized in accordance with the requirements of GASB Statement 33 – Accounting and Financial Reporting for Non-Exchange Transactions.

Program revenues include charges for services, special assessments, and payments made by parties outside of the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the statement of activities to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets in the government-wide financial statements, rather than reported as expenditures. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as other financing sources. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as expenditures.

As a general rule the effect of inter-fund activity has been eliminated from the government-wide financial statements. As applicable, the County also chooses to eliminate the indirect costs between governmental activities to avoid a "doubling up" effect.

2. Fund Financial Statements

The underlying accounting system of the County is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

The fund financial statements of the County's governmental, proprietary, and fiduciary funds are presented after the government-wide financial statements. These statements display information about major funds, individually and non-major funds in the aggregate for governmental and enterprise funds. The fiduciary statement includes financial information for the agency funds. The agency funds of the County primarily represent assets held by the County in a custodial capacity for other individuals, organizations or governments.

A. Governmental Funds

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 to be available when they are collected within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the County considers revenues available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Franchise fees, licenses, sales taxes, gas taxes, operating and capital grants, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable only when cash is received by the County.

Under the current financial resources measurement focus, only current assets and current liabilities are generally included on the balance sheet. The reported fund balance is considered to

be the measure of “available spending resources”. Governmental funds operating statements present increases (revenue and other financing sources) and decreases (expenditures and other financing uses) in net current position. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

Any non-current portions of long-term receivables due to governmental funds are reported on their balance sheets in spite of their spending measurement focus. Non-current portions of long-term receivables are offset by fund balance reserve accounts. Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect net current position, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources were expended, rather than as fund assets. The proceeds of long-term debt are recorded as other financing sources, rather than as a fund liability. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

B. Proprietary Funds

In the fund financial statements, proprietary funds are presented using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when the related goods and services are delivered. In the fund financial statements, proprietary funds are presented using the economic resources measurement focus. This means that all assets and all liabilities (whether current or non-current) associated with their activity are included on their balance sheets. Proprietary fund type operating statements present increases (revenues) and decreases (expenses) in total net position. The County applies all GASB pronouncements as well as all FASB statements, interpretations, APB opinions and accounting research bulletins issued on or before November 30, 1989 which do not conflict with or contradict GASB pronouncements.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies, taxes and investment earnings, result from non-exchange transactions or ancillary activities.

Amounts paid to acquire capital assets are capitalized as assets in the fund financial statements, rather than reported as an expense. Proceeds of long-term debt are recorded as a liability in the fund financial statements, rather than as other financing sources. Amounts paid to reduce long-term indebtedness are reported as a reduction of the related liabilities, rather than as an expense.

C. Fiduciary Funds

The basic financial statements of Wakulla County include various fiduciary funds. Fiduciary funds are funds that County is in possession of but those funds do not belong to the County. These funds are being held on behalf of another entity or individual due to grant restrictions, trust or pension arrangements or some other enabling legislation. The criteria for determining

whether or not fiduciary funds exist are outlined in GASB Statement 84. The County's fiduciary funds are totally comprised of agency funds.

D. Basis of Presentation

The basic financial statements are prepared in accordance with GASB Statement 34 and 37. GASB Statement 34 sets forth minimum criteria (percentage of the assets, liabilities, revenues or expenditures/expenses of either fund category or the governmental and enterprise combined) for the determination of major funds. The County has used GASB 34 minimum criteria for major fund determination. The major funds of the County may vary from year to year. In addition, the County has elected to disclose certain funds which either had debt outstanding or specific community focus as major funds. The non-major funds are combined in a column in the fund financial statements and detailed individually in the Combining Statements section.

Governmental Major Funds

The following are the major governmental funds of the County:

- General Fund – The General Fund is the general operating fund of the County. It is used to account for all financial resources, except those required to be accounted for in another fund.
- Sheriff's Office Fund – The Sheriff's Office Fund, formerly called the Fine & Forfeiture Fund, accounts for the transactions relating to the Sheriff's Office primary operations which are Courthouse & Bailiff Security, Emergency Management, Law Enforcement and Corrections.
- State Housing Initiatives Partnership (SHIP) Fund – The SHIP fund accounts for transactions relating to the down payment assistance and repairs and maintenance on homes to eligible low-income individuals.
- Capital Project Fund – The Capital Project Fund accounts for a variety of projects funded by Federal and State grant dollars as well as locally funded projects that result in the purchase or construction of a capital asset, buildings, infrastructure or systems.
- One Cent Sales Tax Fund – The One Cent Sales Tax Fund accounts for the transactions related to the collection of the local One Cent Sales Tax proceeds and their use to fund capital improvements on public roads and bridges, public facilities, public safety infrastructure and equipment and public parks and recreational facilities.

Proprietary Major Funds

The following are the major proprietary funds of the County:

- Sewer Fund – The Sewer Fund accounts for the transactions related to the operation of the County's sewer facilities. The Sewer Fund also includes the transactions of the operation of a small county owned water facility known as Riversink Water.
- Solid Waste Fund – The Solid Waste Fund accounts for the transactions of the County's solid waste collection and disposal services and maintenance and monitoring of one Class I and one Class III landfill.

3. Cash and Investments

Residual cash balances of all fund types are maintained in a centralized pooled cash bank account unless grant restrictions, lending restrictions or other enabling legislation require the cash to be kept in a separate account. Investments are those funds which are in excess of immediate operating needs that are deposited in various investment accounts with the intent to earn interest income. See Note 4 for details related to banking and investment restrictions.

4. Receivables and Payables

Activities between funds that are representative of lending or borrowing arrangements outstanding at the end of the fiscal year are referred to as “due to other funds” and “due from other funds”. Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as “internal balances”. All receivables are shown net of an allowance for doubtful accounts. Any receivables in excess of one year are written off as uncollectible after all collection efforts are made.

5. Inventories

Inventories are valued at cost, which approximates market value, using the “first-in, first-out” method of accounting. Supplies and inventories of certain governmental funds are recorded as expenditures when consumed rather than when purchased.

6. Restricted Assets

Certain portions of the net position of the County are classified as restricted on the statement of net position because their use is limited either by law through constitutional provisions or enabling legislation or by restrictions imposed externally by creditors, grantors, contributions or laws and regulations of other governments. In a fund with both restricted and unrestricted assets, qualified expenses are considered to be paid first from restricted assets and then from unrestricted assets.

7. Capital Assets

Capital assets, which include property, plant, buildings, equipment and system infrastructure assets (roads, bridges, right-of-ways, and similar items) are reported in the applicable governmental or business-type activities column in the government-wide financial statements. Capital assets are defined by the County as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Except for roads and bridges constructed prior to June 30, 1980, assets are recorded at historical cost or estimated historical cost. Roads and bridges constructed prior to June 30, 1980 are generally not reported. Donated capital assets are recorded at estimated fair market value at the day of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the asset constructed.

The County holds legal title to the capital assets used in the operations of the Board of County Commissioners, the Clerk of the Circuit Court, the Property Appraiser, the Supervisor of Elections and the Tax Collector and is accountable for them under Florida Law. The Sheriff is accountable for and thus maintains capital asset records pertaining only to equipment used in its operations. These assets have been combined with the Board’s governmental activities capital assets in the Statement of Net Position.

An asset that was in service for any portion of the fiscal year is depreciated as though it was in service for the entire year. Property, plant and equipment of the County are depreciated using the straight-line method over the following estimated useful lives:

| <u>Assets</u> | <u>Years</u> |
|----------------------------|--------------|
| Machinery and equipment | 5 – 10 |
| Buildings and improvements | 10 – 40 |
| System infrastructure | 30 – 50 |

8. Capitalization of Interest

Interest costs related to bond issues and related debt are capitalized during the construction period. These costs are netted against applicable interest earnings on construction fund investments.

9. Deferred Inflows and Deferred Outflows

Deferred outflows were elements of financial reporting formerly recorded as assets and deferred outflows were elements of financial reporting formerly recorded as liabilities. GASB Statement 63 and 65 required these elements of financial reporting to be separated on the Government-wide Statement of Net Position.

Deferred inflows of resources represent an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that future period. These deferred inflows of resources will be recognized as revenue in the fiscal year in which they are earned in accordance with the accrual basis of accounting.

Deferred outflows of resources represent a consumption of net position that is applicable to a future reporting period and so will not be recognized as an outflow of resources (expense/expenditure) until that future period. These deferred outflows of resources will be recognized as expense or expenditures in the fiscal year in which they are used in accordance with the accrual basis of accounting.

Both the deferred inflow and outflow of resources reported in the Government-wide financial statements are related to the County’s pension plan as discussed in greater detail in Note 12.

10. Unearned Revenue

Unearned revenue reported in the governmental fund financial statements represent unearned revenues or revenues which are measurable but not available and, in accordance with the modified accrual basis of accounting, are reported as unearned. These unearned revenues are primarily related to unearned grant revenue.

11. Accrued Compensated Absences

The County accrues accumulated unpaid vacation and sick leave when earned by the employee. The current portion is the amount estimated to be used in the following year – 15% for the Board of County Commissioners and the offices of the Clerk of Court, Property Appraiser, Supervisor of Elections and Tax Collector and 10% for the Sheriff’s Office. The non-current portion is the amount estimated to be used in subsequent fiscal years.

Both the current and non-current estimated accrued compensated absences amounts for governmental funds are maintained separately and represent a reconciling item between the fund and government-wide financial statement presentations.

12. Obligation of Bond Arbitrage Rebate

Pursuant to Section 148(f) of the U.S. Internal Revenue Code, the County must rebate to the United States Government the excess of interest earned from the investment of certain debt proceeds and pledged revenues over the yield rate of the applicable debt. The County uses the “revenue reduction” approach in the accounting of rebatable arbitrage. This approach treats excess earnings as a reduction of revenue.

The County has no arbitrage liability outstanding as of September 30, 2018.

13. Landfill Closure Costs

Under the terms of the current state and federal regulations, the County was required to place a final cover on closed landfill areas and to perform certain monitoring and maintenance functions for a period of twenty years after closure. The County recognizes these costs of post-closure maintenance annually. Required obligations for closure and post-closure costs are recognized in the Solid Waste Landfill Fund, a proprietary fund (Note 18).

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position.

“Total fund balances” of the County’s governmental funds (\$15,054,873) reported in the Balance Sheet on page 26 differs from “Total net position” of governmental activities (\$58,793,227) reported in the Statement of Net Position on page 24. This difference primarily results from the long-term economic focus of the Statement of Net Position versus the current financial resources focus of the Governmental Fund Balance Sheet. The components of this difference are:

1. Capital asset related activity

When capital assets (property, plant and equipment) that are to be used in governmental activities are purchased or constructed, the cost of these assets is reported as expenditures in governmental fund financial statements. However, the Statement of Net Position included those capital assets among the assets of the County as a whole. The difference in this activity is calculated below (Note 6):

| | | |
|-------------------------------|---------------------|--------------|
| Cost of capital assets | \$108,953,802 | |
| Less accumulated depreciation | <u>(44,145,383)</u> | \$64,808,419 |

2. Long-term debt activity

Long-term liabilities applicable to the County’s governmental activities are not due and payable in the current period and, accordingly, are not reported as fund liabilities in the governmental fund financial statements. In contrast, all liabilities (both current and long-term) are reported in the government-wide Statement of Net Position. The difference in this activity is calculated below (Note 10):

| | | |
|--------------------------------|-------------------|--------------|
| Capital leases payable | \$ 530,538 | |
| Notes payable | 1,638,665 | |
| Compensated absences | 1,030,138 | |
| Other post-employment benefits | 2,562,819 | |
| Pension liability | <u>22,469,283</u> | \$28,231,443 |

3. Deferred outflows / inflows of resources

Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an expenditure in the governmental funds until that period. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as revenue in the governmental funds until that period. However, the Statement of Net Position includes these deferrals. The total deferred outflows / inflows are (Note 12):

| | | |
|---------------------------------------|---------------|-------------|
| Deferred outflows related to pensions | \$7,083,465 | |
| Deferred inflows related to pensions | <u>77,913</u> | \$7,161,378 |

4. Inter-fund receivables/payables activity

Activity involving inter-fund receivables and payables between governmental funds must be eliminated for the Statement of Net Position in order to remove the “doubling effect” this inter-fund activity has on the Statement of Net Position. The components of this activity are (Note 8):

| | | |
|----------------------|------------------|-----|
| Due from other funds | \$ 564,586 | |
| Due to other funds | <u>(564,586)</u> | \$0 |

The reconciliation of these differences is illustrated in Note 2A on the following page.

WAKULLA COUNTY, FLORIDA

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Differences Between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position

| | Total Governmental Funds | Capital Related Activity | Long-Term Debt Activity | Compensated Absences & OPEB Activity | Net Pension Liability | Deferred Outflows / Inflows of Resources Activity | Interfund Receivables / Payables Activity | Statement of Net Position |
|---|--------------------------|--------------------------|-------------------------|--------------------------------------|------------------------|---|---|---------------------------|
| ASSETS | | | | | | | | |
| Cash and cash equivalents | \$ 13,077,552 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 13,077,552 |
| Accounts receivable, net | 780,276 | - | - | - | - | - | - | 780,276 |
| Due from fiduciary funds | 72,046 | - | - | - | - | - | 785,824 | 857,870 |
| Due from other funds | 1,317,769 | - | - | - | - | - | (1,317,769) | - |
| Due from other governmental units | 1,650,317 | - | - | - | - | - | - | 1,650,317 |
| Deferred outflows related to pensions | - | - | - | - | - | 7,083,465 | - | 7,083,465 |
| Inventories | 40,375 | - | - | - | - | - | - | 40,375 |
| Prepaid expenses | 745,515 | - | - | - | - | - | - | 745,515 |
| Capital assets, net | - | 64,808,419 | - | - | - | - | - | 64,808,419 |
| Total assets | \$ 17,716,491 | \$ 64,808,419 | \$ - | \$ - | \$ - | \$ 7,083,465 | \$ (531,945) | \$ 89,043,789 |
| LIABILITIES AND FUND BALANCES | | | | | | | | |
| Liabilities | | | | | | | | |
| Accounts payable | \$ 1,087,962 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,087,962 |
| Accrued liabilities | 476,720 | - | - | - | - | - | - | 476,720 |
| Due to individuals | 31,526 | - | - | - | - | - | - | 31,526 |
| Due to agency funds | 2,456 | - | - | - | - | - | 386 | 2,842 |
| Due to other funds | 564,048 | - | - | - | - | - | (563,718) | 330 |
| Due to Board of County Commissioners | 1,254 | - | - | - | - | - | (1,254) | - |
| Due to other governmental units | 30,545 | - | - | - | - | - | - | 30,545 |
| Unearned grant revenue | 459,764 | - | - | - | - | - | - | 459,764 |
| Deferred inflows related to pensions | - | - | - | - | - | (77,913) | - | (77,913) |
| Deposits | 6,309 | - | - | - | - | - | - | 6,309 |
| Other post-employment benefits | - | - | - | 2,562,819 | - | - | - | 2,562,819 |
| Accrued compensated absences | - | - | - | 1,030,138 | - | - | - | 1,030,138 |
| Pension liability | - | - | - | - | 22,469,283 | - | - | 22,469,283 |
| Capital leases payable | - | - | 530,538 | - | - | - | - | 530,538 |
| Notes payable | - | - | 1,638,665 | - | - | - | - | 1,638,665 |
| Other current liabilities | 1,034 | - | - | - | - | - | - | 1,034 |
| Total Liabilities | 2,661,618 | - | 2,169,203 | 3,592,957 | 22,469,283 | (77,913) | (564,586) | 30,250,562 |
| Fund balances / net position | \$ 15,054,873 | \$ 64,808,419 | \$ (2,169,203) | \$ (3,592,957) | \$ (22,469,283) | \$ 7,161,378 | \$ 32,641 | \$ 58,793,227 |
| Total liabilities and fund balances / net position | \$ 17,716,491 | \$ 64,808,419 | \$ - | \$ - | \$ - | \$ 7,083,465 | \$ (531,945) | \$ 89,043,789 |

B. Explanation of Differences Between Governmental Fund Operating Statements and the Statement of Activities

The “Net change in fund balances” for governmental funds of \$2,396,541 reported in the Statement of Revenues, Expenditures And Changes In Fund Balances on page 27 differs from the “Change in net position” for governmental activities of \$2,915,710 reported in the Statement of Activities on page 25. The differences arise primarily from the long-term economic focus of the Statement of Activities versus the current financial resources focus of the governmental funds. The components of this difference are:

1. Capital asset related activity

When capital assets that are to be used in governmental activities are purchased or constructed, the resources expended for those assets are reported as expenditures in governmental funds. However, in the Statement of Activities, the costs of those assets is allocated over their estimated useful lives and reported as depreciation expense. As a result, fund balances decrease by the amount of financial resources expended for the purchase or construction of the assets, whereas net position decreases by the amount of depreciation expense charged for the year. The difference in this activity is calculated below (Note 6):

| | | |
|--|---------------|-------------|
| Capital outlay additions | \$6,621,413 | |
| Less depreciation expense | (3,354,172) | |
| Plus gain on disposition of fixed assets | <u>34,846</u> | \$3,302,087 |

2. Long-term debt activity

Repayments of debt principal are reported as an expenditure in the governmental funds and, thus, have the effect of reducing fund balance because current financial resources have been used to pay down the debt. However, the principal payments reduce the liabilities in the Statement of Net Position and do not result in an expense in the Statement of Activities. Some transactions reported in the Statement of Activities do not provide for or require the use of current financial resources, therefore, are not reported in the governmental funds.

Other liabilities such as compensated absences, other post-employment benefits and pension liability are not recorded in the governmental funds until they are actually expended but are recorded in the Statement of Activities regardless of when they are due. The difference in this activity is calculated below (Note 10):

| | | |
|---|------------------|---------------|
| Debt principal payments | \$ 396,766 | |
| Less increase in capital leases | (1,300,000) | |
| Less increase in compensated absences | (46,032) | |
| Less increase in other post-employment benefits | (204,224) | |
| Less increase in pension liability | <u>(437,388)</u> | (\$1,590,878) |

3. Deferred outflows / inflows of resources

Deferred outflows of resources represent a consumption of net position that applies to a future period and will not be recognized as an expenditure in the governmental funds until that period. Deferred inflows of resources represent an acquisition of net position that applies to a future period and will not be recognized as revenue in the governmental funds until that period.

However, the Statement of Net Position includes these deferrals. The total deferred outflows / inflows are (Note 12):

| | | |
|-------------------------------|------------------|---------------|
| Increase in deferred outflows | \$(249,554) | |
| Increase in deferred inflows | <u>(942,486)</u> | (\$1,192,040) |

4. Inter-fund receivables/payables activity

Activity involving inter-fund transfers in and inter-fund transfers out between governmental funds and between the Board of County Commissioners and the five (5) elected constitutional officers must be eliminated for the Statement of Activities in order to remove the “doubling effect” this inter-fund activity has on the Statement of Activities. The components of this activity are (Note 7):

| | | |
|-------------------------------|---------------------|-----|
| Transfers In from the Board | \$14,461,037 | |
| Less inter-fund transfers out | <u>(14,461,037)</u> | \$0 |

The reconciliation of these differences is illustrated in Note 2B on the following page.

WAKULLA COUNTY, FLORIDA

NOTE 2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS
 B. Explanation of Differences Between the Governmental Fund Operating Statements and the Government-Wide Statement of Activities

| | Total Governmental Funds | Capital Related Activity | Long-Term Debt Activity | Compensated Absences & OPEB Activity | Net Pension Liability Activity | Deferred Outflows / Inflows of Resources Activity | Interfund Receivables / Payables Activity | Statement of Activities |
|--|--------------------------|--------------------------|-------------------------|--------------------------------------|--------------------------------|---|---|-------------------------|
| REVENUES | | | | | | | | |
| Taxes | \$ 15,761,701 | - | - | - | - | - | - | \$ 15,761,701 |
| Licenses, permits and special assessments | 2,196,187 | - | - | - | - | - | - | 2,196,187 |
| Intergovernmental | 12,455,011 | - | - | - | - | - | - | 12,455,011 |
| Charges for services | 6,539,882 | - | - | - | - | - | - | 6,539,882 |
| Fines and forfeitures | 287,082 | - | - | - | - | - | - | 287,082 |
| Miscellaneous | 188,662 | - | - | - | - | - | - | 188,662 |
| Interest | 181,218 | - | - | - | - | - | - | 181,218 |
| Total revenues | \$ 37,609,743 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 37,609,743 |
| EXPENDITURES | | | | | | | | |
| Current Expenditures | | | | | | | | |
| General government | \$ 6,976,884 | \$ 263,883 | \$ 308 | \$ 234,164 | \$ 106,324 | \$ 289,773 | \$ - | \$ 7,871,336 |
| Public Safety | 16,800,737 | 937,075 | - | 21,470 | 285,732 | 778,722 | - | 18,823,736 |
| Physical Environment | 166,729 | 13,883 | - | 159 | 4,313 | 11,754 | - | 196,838 |
| Transportation | 1,899,254 | 1,770,275 | - | - | - | - | - | 3,669,529 |
| Economic Environment | 719,840 | 15,206 | - | (839) | 1,074 | 2,926 | - | 738,207 |
| Human Services | 824,845 | 46,513 | - | 5,086 | 6,777 | 18,470 | - | 901,691 |
| Culture and recreation | 1,431,222 | 307,337 | - | 2,899 | 17,224 | 46,942 | - | 1,805,624 |
| Court related | 843,927 | - | - | (12,683) | 15,944 | 43,453 | - | 890,641 |
| Capital Outlay | | | | | | | | |
| General government | 64,191 | (64,191) | - | - | - | - | - | - |
| Public Safety | 1,755,927 | (1,755,927) | - | - | - | - | - | - |
| Physical Environment | 8,031 | (8,031) | - | - | - | - | - | - |
| Transportation | 4,413,487 | (4,413,487) | - | - | - | - | - | - |
| Economic Environment | - | - | - | - | - | - | - | - |
| Human Services | 26,573 | (26,573) | - | - | - | - | - | - |
| Culture and recreation | 346,327 | (346,327) | - | - | - | - | - | - |
| Court related | 6,877 | (6,877) | - | - | - | - | - | - |
| Debt Service | | | | | | | | |
| Principal | 397,074 | - | (397,074) | - | - | - | - | 56,741 |
| Interest | 56,741 | - | - | - | - | - | - | - |
| Total Expenditures | \$ 36,738,666 | \$ (3,267,241) | \$ (396,766) | \$ 250,256 | \$ 437,388 | \$ 1,192,040 | \$ - | \$ 34,954,343 |
| Excess of revenue over (under) expenditures | \$ 871,077 | \$ 3,267,241 | \$ 396,766 | \$ (250,256) | \$ (437,388) | \$ (1,192,040) | \$ - | \$ 2,655,400 |
| OTHER FINANCING SOURCES (USES) | | | | | | | | |
| Gain (loss) on disposal of fixed assets | \$ 32,809 | \$ 34,846 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 67,655 |
| Debt proceeds | 1,300,000 | - | (1,300,000) | - | - | - | - | - |
| Transfers from the Board of County Commissioners | 14,461,037 | - | - | - | - | - | (14,461,037) | - |
| Transfers to other governments | (5,432) | - | - | - | - | - | - | (5,432) |
| Interfund transfers in | 12,780,349 | - | - | - | - | - | (12,582,262) | 198,087 |
| Interfund transfers out | (27,043,299) | - | - | - | - | - | 27,043,299 | - |
| Total other financing sources (uses) | \$ 1,525,464 | \$ 34,846 | \$ (1,300,000) | \$ - | \$ - | \$ - | \$ - | \$ 260,310 |
| Net change in fund balance | \$ 2,396,541 | \$ 3,302,087 | \$ (903,234) | \$ (250,256) | \$ (437,388) | \$ (1,192,040) | \$ - | \$ 2,915,710 |
| Fund balances at beginning of year | \$ 12,658,332 | \$ 61,506,332 | \$ (1,265,969) | \$ (2,210,106) | \$ (22,038,212) | \$ 8,353,418 | \$ - | \$ 57,003,795 |
| Prior period adjustment | - | - | - | (1,132,595) | 6,317 | - | - | (1,126,278) |
| Fund balances at end of year | \$ 15,054,873 | \$ 64,808,419 | \$ (2,169,203) | \$ (3,592,957) | \$ (22,469,283) | \$ 7,161,378 | \$ - | \$ 58,793,227 |

NOTE 3. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budget Adoption and Modification

The County follows the statutory requirements established in F.S. 129 and 200 regarding budgeting and taxation. Chapter 129 of the Florida Statutes, titled “County Annual Budget” requires the County to establish “an annual budget for such funds as may be required by law or by sound financial practice and generally accepted accounting principles.” Chapter 200 of the Florida Statutes, titled “Determination of Millage” defines the process for how the County generates monies through taxation of real, personal and tangible property. Additionally, Florida Department of Revenue has established “Truth In Millage” (TRIM) procedures, guidelines and forms for the County to use to ensure adherence to the laws and statutory requirements related to taxation. It is the policy of the County to follow all of these laws, statutes and approved procedures in preparing its annual budget.

The County uses the following procedures in establishing the budgetary data reflected in the Required Supplementary Information section of the financial statements and reported in accordance with GASB Statement 34 and 41. The following is a summary of the many detailed and specific procedures and requirements used to adopt and modify the annual budget.

1. Original Budget

- In March of every year, the County’s budget office releases a “budget package” to each department to initiate the budget process. The County Administrator and budgeting staff meet with each department head numerous times to evaluate the operational and capital needs of each department and to review the revenue projections of the ensuing year.
- Constitutional Officers are included in this process and are required per Florida Statute to submit their proposed budgets to the County by June 1. The BOCC passed resolution 2009-07 requiring these budgets to be submitted one month early (May 1) in order to give staff more time to prepare for budget workshops.
- Preliminary budget workshops are held to 1) allow BOCC direction on particular projects or services to be offered, 2) receive BOCC guidance on particular issues or challenges, 3) offer the public an opportunity to provide input into the budget process.
- A tentative budget is compiled by budget staff and presented to the BOCC by July 15.
- The BOCC conducts several budget workshops in July and August to offer the public additional opportunity to review, discuss and offer comment on the tentative budget.
- Prior to September 30, a legally required public budget hearing is held to set the tentative millage rate and tentative budget and to offer additional public input.
- Prior to September 30, a second legally required public budget hearing is held to adopt a final millage rate and final budget and to offer additional public input.
- The original budget and millage rate is adopted by resolution of the BOCC.

2. Amended and Final Budget

The County has three methods of budget modification. The originally adopted budget can be modified by resolution of the BOCC, by adopting a budget amendment, or by holding a supplemental budget hearing.

A. Budget Resolution

The County increases its originally adopted budget as a result of receiving any unanticipated revenues. Typically, such an increase is the result of receiving new grant revenue, the adoption of new fees or charges, or the transfer of funds from one fund to another. In general, a budget resolution is required anytime a particular fund's budget will increase. Various budget resolutions were adopted during the current fiscal year.

B. Budget Amendment

The County changes its originally adopted budget as a result routine operational activity. A budget amendment may be required due to a shortfall in revenues or an unexpected increase in the expenditures of a particular fund. A budget amendment transfers originally budgeted dollars from one budget line to another thus no change in the overall fund budget occurs. Some budget amendments require BOCC approval depending on the dollar amounts of the amendment and line item accounts involved. Various budget amendments were approved during the current fiscal year.

C. Supplemental Budget Hearing

A supplemental budget hearing is required for the Board to increase the budget of any fund when the revenue was or should have been anticipated. This requirement of law eliminates the possibility of the BOCC artificially adopting a lower budget during the original budget process and later increasing the same budget without public input or comment. No supplemental budget hearings were held during the current fiscal year.

B. Budgetary Accounting

Governmental fund budgets are initially adopted on the modified accrual basis of accounting. All increases and amendments to the legally adopted budget are presented on this same basis of accounting. Therefore, the actual and budgetary data in the Required Supplementary Information section are presented on a comparable basis. The Enterprise fund budgets are adopted on the accrual basis.

Formal budgetary integration is employed as a management control device in all governmental funds and budgeted appropriations lapse at the end of the fiscal year.

C. Budget By Fund

Wakulla County Resolution 2017-48 established the originally adopted County-wide budget for fiscal year 2017-18 in the amount of \$79,544,459. The Board of County Commissioners approved 6 budget amendments and 5 budget resolutions subsequent to the originally adopted budget resulting in an decrease of \$403,788 and a final total budget of \$79,140,671. This budget does include appropriations for the constitutional officer's General Funds but, does not include any special revenue funds for the constitutional officers. The budgets for those special revenue funds originally totaled \$2,292,980 and after 2 budget resolutions of \$83,746 the final budget total was \$2,376,726. Those funds and related budgets are included at the bottom of the County budget. The adopted and final budget by fund for the Board of County Commissioners is below:

Note 3 - 2017-18 Wakulla County Budgetary Information

| Fund | Resolution 2017-48 2017-2018 Original Budget | 2017-2018 Final Budget | Budget Amendments Increase (Decrease) |
|--|--|---------------------------|--|
| Governmental funds | | | |
| General Fund | \$ 24,826,984 | \$ 24,830,066 | \$ 3,082 |
| Sheriff's Office | 10,926,282 | 10,926,282 | - |
| SHIP Grant | 673,500 | 1,052,722 | 379,222 |
| Capital Projects | 269,155 | 282,155 | 13,000 |
| One Cent Sales Tax | 7,744,158 | 7,408,158 | (336,000) |
| Airport Improvement | 76,067 | 76,067 | - |
| Boating Improvement | 140,370 | 132,370 | (8,000) |
| BP Restore Act | 203,250 | 203,250 | - |
| Court Fees | 557,946 | 552,946 | (5,000) |
| Crime Prevention | 204,100 | 209,100 | 5,000 |
| E911 Surcharge | 433,000 | 433,000 | - |
| EMS Grant | 254,242 | 254,242 | - |
| FEMA | - | - | - |
| Industrial Development Authority | 10,900 | 10,900 | - |
| JAG Grant | 44,500 | 44,500 | - |
| MSBU Fire | 1,720,576 | 1,720,576 | - |
| Mosquito Control | 64,008 | 64,008 | - |
| Recreation Fee Fund | 99,200 | 96,200 | (3,000) |
| Road & Bridge Operating | 2,234,159 | 2,104,159 | (130,000) |
| Tourist Development | 445,195 | 438,195 | (7,000) |
| Impact Fees | 242,319 | 233,019 | (9,300) |
| Road Paving Grant | 5,381,521 | 5,381,521 | - |
| Total Governmental Funds | \$ 56,551,432 | \$ 56,453,436 | \$ (97,996) |
| Enterprise Funds | | | |
| Sewer | \$ 19,837,121 | \$ 19,757,329 | \$ (79,792) |
| Solid Waste | 3,155,906 | 2,929,906 | (226,000) |
| Total Enterprise Funds | \$ 22,993,027 | \$ 22,687,235 | \$ (305,792) |
| Total County-wide Budget as approved by Board of County Commissioners | \$ 79,544,459 | \$ 79,140,671 | \$ (403,788) |
| Constitutional Officers Special Revenue Funds | | | |
| Clerk of Court | \$ 833,980 | \$ 845,793 | \$ 11,813 |
| Property Appraiser | 45,060 | 45,060 | - |
| Sheriff | 1,400,000 | 1,400,000 | - |
| Supervisor of Elections | 13,940 | 85,873 | 71,933 |
| Tax Collector | - | - | - |
| Total Constitutional Officers Special Revenue Funds | \$ 2,292,980 | \$ 2,376,726 | \$ 83,746 |
| Total County-wide Budget | \$ 81,837,439 | \$ 81,517,397 | \$ (320,042) |

NOTE 4. CASH AND CASH EQUIVALENTS

The County maintains a centralized cash pool that is available for use by all funds except those whose cash and investments must be segregated due to bond covenants or other legal restrictions. The Board of County Commissioners had fifteen (15) separate bank accounts open at year end for various operating, investment, fiduciary and restrictive purposes.

A. Deposits

At the fiscal year end, the carrying amount of the County's bank deposits was \$17,206,504. Deposits are accounted for and reported in accordance with GASB Statement 3 and 40 as applicable. Twelve (12) of the fifteen (15) accounts are with financial institutions which are 100% insured by federal depository insurance or by collateral provided by qualified public depositories to the State Chief Financial Officer pursuant to the Public Depository Security Act of the State of Florida. The Act established a trust fund, maintained by the State Treasurer, which is a multiple financial institution pool with the ability to assess its member financial institutions for collateral shortfalls if a member institution fails. The Public Depositor Annual Report for Wakulla County as of September 30, 2018 was provided to the Chief Financial Officer of the State of Florida, Department of Financial Services, Division of Treasury, Bureau of Collateral Management as required by Chapter 280, *Florida Statutes*. The total County-wide cash on deposit, segregated by type, is shown below:

Note 4 - Cash, Cash Equivalents & Investments Schedule

| Cash, Cash Equivalents & Investments | Board of County Commissioners | Clerk of Court | Property Appraiser | Sheriff | Supervisor of Elections | Tax Collector | Total |
|--|-------------------------------------|-------------------|-----------------------|--------------|-------------------------------|------------------|--------------|
| Operating Cash | 3,021,991 | 71,404 | 14,940 | 270,074 | 192,560 | 1,034 | 3,572,003 |
| Investment Cash | 6,844,284 | 126,473 | - | - | - | - | 6,970,757 |
| Restricted Cash | 2,545,225 | 41,769 | 579 | 1,086,898 | 52,723 | - | 3,727,194 |
| Fiduciary Cash | 120,402 | 1,606,893 | - | 862,282 | - | 346,973 | 2,936,550 |
| | \$ 12,531,902 | \$1,846,539 | \$ 15,519 | \$ 2,219,254 | \$ 245,283 | \$348,007 | \$17,206,504 |

The collateral for the County's deposits is categorized to give an indication of the level of risk assumed by the County at year end. Category 1 includes deposits that are insured or registered or for which the securities are held by the County or its agent in the County's name. Category 2 includes uninsured and unregistered deposits for which the securities are held by the counterparty's trust department or agent in the County's name. Category 3 includes uninsured or unregistered deposits for which the securities are held by the counterparty's trust department or agent but not in the County's name. All of the collateral covering the County's deposits was Category 1.

B. Investments

The County follows and uses Section 218.415, Florida Statutes, as its Investment Policy. Investments are accounted for and reported in accordance with GASB Statement 31 as amended by GASB Statement 79 and GASB Statement 72 as applicable. The County's external investment pools follow Financial Accounting Standards Board (FASB) Accounting Standards Topic (ASC) 820 *Fair Value Measurement and Disclosure* for financial reporting purposes. The external investment pools do not meet all of the specific criteria outlined in GASB 79 Paragraph 4 and therefore do not measure its investments at amortized cost. Instead, they measure investments at fair value in accordance with GASB 31 Paragraph 11, as amended. These external investment pools report to its participants the amortized cost of investments, which approximates fair value.

The County focuses on three elements of investment and these elements are listed in order of importance: safety, liquidity and return. There are various risks involved in any investment

activity. Those risks include custodial credit risk, interest rate risk, credit risk, concentration risk, and foreign currency risk. The County limits its exposure to such risks by following the sound investment policies established by Section 218.415 of the Florida Statutes.

Florida Statutes and various bond covenants authorize investment in following types of instruments: Certificates of deposit, Money market accounts, Savings accounts, Repurchase agreements, The Local Government Surplus Trust Fund, Florida Local Government Investment Trust Fund, Obligations by the Florida State Board of Administration, Obligations of the U.S. Government, Obligations of government agencies unconditionally guaranteed by the U.S. Government, Obligations of the Federal Farm Credit Banks, Obligations of the Federal Home Loan Mortgage Corporation, including Federal Home Loan Mortgage Corporation participation certificates, Obligations of the Federal Home Loan Bank, Obligations of the Government National Mortgage Association, Obligations of the Federal National Mortgage Association and Securities of any management type investment company or investment trust registered under the Investment Company Act of 1940, 15 U.S.C. ss.80a-1 et seq., provided the portfolio is limited to U.S. Government obligations and to repurchase agreements fully collateralized by U.S. Government obligations. The County invested in only these types of instruments during the fiscal year.

The County's investments at September 30, 2018 consisted of amounts placed locally with various qualified banking institutions in money-market or on-demand accounts totaling \$2,817,038 and \$4,153,719 in three external investment pool accounts . The investments in local qualified banking institutions and external investment pools operate under the guidelines established by Section 218.415, Florida Statutes. The County's investments in external investment pools as of September 30, 2018 were:

- Florida Fixed Income Trust (FLFIT)
As of September 30, 2018, the County had \$2,013,542 invested in FLFIT in its Cash Pool Fund, a stable net asset value (NAV) government investment pool rated since 2010 which operates similar to a registered money market fund. The Trust is not required to register with the SEC but has historically adopted operating procedures consistent with those required by Florida Statutes. There are no limitations or restrictions on withdrawals.
- Florida Cooperative Liquid Assets Securities System (FLCLASS)
As of September 30, 2018, the County had \$2,013,704 invested in FLCLASS in its Daily Yield Fund, a stable Net Asset Value (NAV) government investment pool rated since 2015 which operates similar to a registered money market fund. The Trust is not required to register with the SEC but has historically adopted operating procedures consistent with those required by Florida Statutes. There are no limitations or restrictions on withdrawals.
- Florida Local Government Investment Trust (FLGIT)
As of September 30, 2018, the County, through the Clerk of Court, had \$126,473 invested in FLGIT in its Day to Day Fund, a stable Net Asset Value (NAV) government investment pool rated since 2009 which operates similar to a registered money market fund. The Trust is not required to register with the SEC but has historically adopted operating procedures consistent with those required by Florida Statutes. There are no limitations or restrictions on withdrawals.

| Investments | Weighted Average Days to Maturity (WAM) | Fair Value |
|---------------------------------|--|---------------------|
| Ameris Bank NOW Account | 0 average day maturity | 1,513,786 |
| Prime Meridian Bank NOW Account | 0 average day maturity | 1,303,252 |
| FL GIT | 34 days | 126,473 |
| FL CLASS | 50 days | 2,013,704 |
| FL FIT | 120 days | 2,013,542 |
| | Total fair value | <u>\$ 6,970,757</u> |

In accordance with generally accepted accounting principles, investments are typically categorized to give an indication of the level of custodial credit risk assumed at year end. Since the County's investments in money market accounts were in QPD's and are not evidenced by securities that exist in physical or book entry form they are not categorized. Additionally, the County's investments in external investment pools are measured at fair value in accordance with Paragraph 41 of GASB Statement 79 and Paragraph 11 of GASB Statement 31 and are not required to be categorized within the fair value hierarchy for purposes of Paragraph 81a(2) of GASB Statement 72.

1. Custodial Credit Risk

Custodial credit risk is defined as the exposure to loss of a government's investments a) if the depository financial institution that has custody of the investment were to fail or b) from destruction, theft or loss of a physical investment being held by the depository financial institution.

- Section 218.415(18), Florida Statutes, requires the County to earmark all investments and 1) if registered with the issuer or its agents, the investment must be immediately placed for safekeeping in a location that protects the governing body's interest in the security; 2) if in book entry form, the investment must be held for the credit of the governing body by a depository chartered by the Federal Government, the State or any other state or territory of the United States which has a branch or principal place of business in this State, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in this State, and must be kept by the depository in an account separate and apart from the assets of the financial institution; or 3) if physically issued to the holder but not registered with the issuer or its agents, must be immediately placed for safekeeping in a secured vault.
- All County investments complied with this provision of law.

2. Interest Rate Risk

Interest rate risk is defined as the exposure to loss incurred as a result of a change in interest rates if the government were to sell a debt security during a time of rising interest rates. Thus, the key factor affecting the magnitude of interest rate risk is the length of time the debt will remain outstanding at lower-than-market interest rates.

- Section 218.415(17), Florida Statutes, limits investment maturities to provide sufficient liquidity to pay obligations as they come due.
- The County's interest rate risk at September 30, 2018 was zero for the investments in QPD's and immaterial for the investments in external investment pools due the investment policy restrictions of those pools limiting the duration of the portfolios. The

weighted average maturity of the County's investments are shown in the chart above.

3. Credit Risk

Credit risk is defined as the exposure to loss for holders of debt securities if the debtor defaults or will not be able to make scheduled payments. Bond ratings are the recognized measure of credit risk.

- Section 218.415.(17), Florida Statutes, limits investments to a) the State Board of Administration Local Government Surplus Funds Trust Fund Investment Pool or any other intergovernmental investment pool authorized pursuant to the Florida Inter-local Cooperation Act as provided in Section 163.01, Florida Statutes, b) Securities and Exchange Commission (SEC) registered money market funds with the highest credit quality rating from a nationally recognized rating agency, c) interest bearing time deposits in qualified public depositories as defined in Section 280.02, Florida Statutes, and d) direct obligations to the United States Treasury. The County's investment policy limits investments to these types of securities.
- The County's portion of investments in money market accounts are in qualified public depositories thus eliminating credit risk for those investments.
- The County's portion of investments in external investment pools had the following Credit Quality ratings:
 - FLFIT is rated by S&P Global Ratings and the rating at September 30, 2018 was AA Af/S1 which signifies extremely strong protection against losses from credit defaults and a low sensitivity to changing market conditions.
 - FLCLASS is rated by S&P Global Ratings and the rating at September 30, 2018 was AA Am which signifies excellent safety of invested principal and a superior capacity to maintain \$1.00 per share NAV.
 - FLGIT is rated by Fitch Ratings Agency and the rating at September 30, 2018 was AA Am which signifies excellent safety of invested principal and a superior capacity to maintain \$1.00 per share NAV.

4. Concentration Risk

Concentration risk is defined as the exposure to loss due to the failure to diversify investments in instruments which are not explicitly guaranteed by the U.S. Government or in instruments which are not inherently already diversified such a mutual fund or investment pool.

- The County's investments are in held in instruments which provide little to no exposure to concentration risk as they were held in two separate qualified public depositories and three separate day-to-day or overnight external investment pools.
 - FLFIT's investment pool composition at September 30, 2018 was 60.37% commercial paper, 27.90% certificates of deposit, 7.89% collateralized bank deposits, 2.11% U.S. treasury notes, and 1.72% money market funds.
 - FLCLASS's investment pool composition at September 30, 2018 53.8% commercial paper, 40.8% asset-backed commercial paper, 2.8% money market funds, 1.5% repurchase agreements and 1.2% certificates of deposit.
 - FLGIT's investment pool composition at September 30, 2018 was 28.34% repurchase agreements, 22.56% commercial paper, 19.64% corporate bonds, 9.69% certificates of deposit, 7.76% government related securities, 3.95% U.S. treasury notes, 2.72% asset backed securities, 1.96% U.S. agency notes, 1.78%

municipal bonds, 1.47% collateralized mortgage obligations, and 0.12% money market accounts.

5. Foreign Currency Risk

Foreign currency risk is defined as the exposure to loss of investments held in the denomination of one or more foreign currencies due to changes in the currency exchange rates.

- The County held no investments in foreign currency denominations during the current fiscal year.

C. Legal and Contractual Obligations

As of September 30, 2018, there were no legal or contractual obligations regarding deposits and investments except as described in Note 14 and 17.

NOTE 5. PROPERTY TAX REVENUES

Taxable values for all property are established as of January 1, which is the date of lien, for the fiscal year starting October 1. Property tax revenues recognized for the 2017-2018 fiscal year were levied in October 2017 based on the millage rate adopted in the preceding month of September. All taxes are due and payable on November 1 or as soon as the assessment roll is certified and delivered to the Tax Collector. Discounts are allowed for early payment at the rate of 4% in November, 3% in December, 2% in January and 1% in February. Taxes paid in March are without discount. All unpaid taxes become delinquent as of April 1. Virtually all unpaid taxes are collected via the sale of tax certificates on or prior to June 1; therefore, there were no material taxes receivable at the fiscal year end. Ad Valorem taxes are accounted for and reported in accordance with generally accepted accounting principles.

In accordance with GASB Statement 77 – Tax Abatement Disclosures – the County had no tax abatement programs in effect as of September 30, 2018. In accordance with GASB 21 and 37, the County selects to assign escheat property to the General Fund (an asset not recorded in fund financial statements) and to governmental activities in the government-wide financial statements. In the event these properties are transferred to a different fund for another purpose an operating transfer is recorded. For Fiscal Year 2017-18, there was one (1) escheated property transferred to the County.

Wakulla County Resolution 2017-47 established the 2017-2018 millage rate of 8.0351 which is equal to the roll-back rate or .2149% less than the 2016-2017 rate of 8.2500 mills. The gross taxable value, as certified by the Property Appraiser for the fiscal year was \$1,125,310,318, an increase of \$48,876,312 over the prior fiscal year.

NOTE 6. CAPITAL ASSETS

Capital assets, which include property, plant, buildings, equipment and system infrastructure assets (roads, bridges, right-of-ways, and similar items) are reported in the applicable governmental or business-type activities column in the government-wide financial statements.

Capital assets are defined by the County as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Except for roads and bridges constructed prior to June 30, 1980, assets are recorded at historical cost or estimated historical cost. Roads

and bridges constructed prior to June 30, 1980 are generally not reported. Donated capital assets are recorded at estimated fair market value at the day of donation. The acquisition of capital assets, their disposal, depreciation, retirement and impairment are recorded in accordance with GASB 34, 42, 51, 69, and 83 as applicable. The capital asset activity for the fiscal year ended September 30, 2018 is found below:

Note 6 - Capital Asset Activity Schedule

**Wakulla County
Capital Asset Activity
For the Fiscal Year Ended September 30, 2018**

| | Beginning Balance | Additions | Reclassifications / Deletions | Ending Balance |
|---|-----------------------------|-----------------------------|----------------------------------|-----------------------------|
| Governmental Activities: | | | | |
| Land | \$ 5,767,523 | \$ 26,098 | \$ (2,000) | \$ 5,791,621 |
| Construction in process | 778,274 | 2,287,401 | (491,007) | 2,574,668 |
| Buildings and improvements | 26,516,312 | 373,550 | - | 26,889,862 |
| Furniture and equipment - County | 10,439,212 | 468,919 | (31,598) | 10,876,533 |
| Furniture and equipment - Sheriff | 5,725,515 | 280,184 | (1,611,878) | 4,393,821 |
| Infrastructure | 54,738,724 | 3,688,573 | - | 58,427,297 |
| Total capital assets | <u>103,965,560</u> | <u>7,124,725</u> | <u>(2,136,483)</u> | <u>108,953,802</u> |
| Less accumulated depreciation | | | | |
| Buildings and improvements | (13,618,446) | (720,806) | - | (14,339,252) |
| Furniture and equipment - County | (7,586,486) | (784,177) | 56,139 | (8,314,524) |
| Furniture and equipment - Sheriff | (4,606,195) | (388,864) | 1,611,878 | (3,383,181) |
| Infrastructure | (16,648,101) | (1,460,325) | - | (18,108,426) |
| Total accumulated depreciation | <u>(42,459,228)</u> | <u>(3,354,172)</u> | <u>1,668,017</u> | <u>(44,145,383)</u> |
| Governmental activities capital assets, net of depreciation | <u>\$ 61,506,332</u> | <u>\$ 3,770,553</u> | <u>\$ (468,466)</u> | <u>\$ 64,808,419</u> |
| Business-type activities: | | | | |
| Sewer - Land | \$ 384,940 | \$ 17,377 | \$ - | \$ 402,317 |
| Landfill - Land | 12,715 | - | - | 12,715 |
| Water - Land | - | 266,670 | (9,683) | 256,987 |
| Construction in process | 10,193,638 | 9,590,689 | - | 19,784,327 |
| Sewer system and improvements | 23,570,390 | - | - | 23,570,390 |
| Sewer Equipment | 600,680 | 377,041 | (33,825) | 943,896 |
| Water system | 1,073,859 | - | (337,350) | 736,509 |
| Landfill system and improvements | 81,087 | - | - | 81,087 |
| Landfill Equipment | 77,824 | - | - | 77,824 |
| Total capital assets | <u>35,995,133</u> | <u>10,251,777</u> | <u>(380,858)</u> | <u>45,866,052</u> |
| Less accumulated depreciation | | | | |
| Sewer system and improvements | (9,281,749) | (609,351) | - | (9,891,100) |
| Sewer Equipment | (507,952) | (84,922) | 34,481 | (558,393) |
| Water system | (485,544) | (18,885) | 155,856 | (348,573) |
| Landfill system and improvements | (55,900) | (2,079) | - | (57,979) |
| Landfill Equipment | (77,824) | - | - | (77,824) |
| Total accumulated depreciation | <u>(10,408,969)</u> | <u>(715,237)</u> | <u>190,337</u> | <u>(10,933,869)</u> |
| Business-type activities capital assets, net of depreciation | <u>\$ 25,586,164</u> | <u>\$ 9,536,540</u> | <u>\$ (190,521)</u> | <u>\$ 34,932,183</u> |
| Total Government-wide capital assets, net of depreciation | <u>\$ 87,092,496</u> | <u>\$ 13,307,093</u> | <u>\$ (658,987)</u> | <u>\$ 99,740,602</u> |

Property, plant and equipment of the County are depreciated using the straight-line method over the following estimated useful lives:

| <u>Assets</u> | <u>Years</u> |
|----------------------------|--------------|
| Machinery and equipment | 5 – 10 |
| Buildings and improvements | 10 – 40 |
| System infrastructure | 30 – 50 |

Depreciation expense was charged to functions/programs of the County as follows:

| | FY 2017 - 2018 |
|--|------------------------------------|
| | <u>Depreciation Expense</u> |
| Governmental activities: | |
| General Government | \$ 263,883 |
| Public Safety | 937,075 |
| Physical Environment | 13,883 |
| Transportation | 1,770,275 |
| Economic Environment | 15,206 |
| Human Services | 46,513 |
| Culture & Recreation | 307,337 |
| Court-related | - |
| Total governmental activities depreciation | <u>\$ 3,354,172</u> |
| Business-type activities: | |
| Physical Environment | \$ 715,237 |
| Total business-type activities depreciation | <u>\$ 715,237</u> |
| Total government-wide depreciation | <u>\$ 4,069,409</u> |

NOTE 7. INTER-FUND TRANSFERS

Transfers are used to 1) move revenues from the fund that state law requires to collect them to the fund that state law requires to expend them, 2) provide matching funds for grants, and 3) use unrestricted General Fund revenues to finance other activities which must be accounted for in another fund or 4) to transfer assets between funds. Inter-fund transfers for the year ended September 30, 2018 consisted of the following:

| | Transfers In: | | | | | | Total | |
|--------------------------------|---------------------|-----------------------|-------------------|----------------------|---------------------|------------------------------|---------------------|------------------------|
| | Governmental Funds | | | Enterprise Funds | | | | |
| | General Fund | Sheriff's Office Fund | SHIP Fund | Capital Project Fund | One Cent Sales Tax | Non-major Governmental Funds | Sewer Fund | Solid Waste Fund |
| Transfers Out: | \$ (14,902,216) | \$ (10,926,282) | \$ (3,316) | \$ - | \$ (418,411) | \$ (793,074) | \$ (351,325) | \$ (36,606) |
| Governmental Funds: | | | | | | | | |
| General Fund | 17,631,901 | - | - | - | - | - | - | - |
| Fine & Forfeiture Fund | - | 8,773,763 | - | - | - | - | - | - |
| Capital Project Fund | - | - | - | 10,000 | - | - | - | - |
| One Cent Sales Tax Fund | - | - | - | - | 51,225 | - | - | - |
| Non-Major Governmental Funds | - | - | - | - | - | 774,497 | - | - |
| Enterprise Funds: | | | | | | | | |
| Sewer Fund | - | - | - | - | - | - | 162,844 | - |
| Solid Waste Fund | - | - | - | - | - | - | - | 27,000 |
| Net transfers in (out): | <u>\$ 2,729,685</u> | <u>\$ (2,152,519)</u> | <u>\$ (3,316)</u> | <u>\$ 10,000</u> | <u>\$ (367,186)</u> | <u>\$ (18,577)</u> | <u>\$ (188,481)</u> | <u>\$ (9,606)</u> |
| | | | | | | | | <u>\$ (27,431,230)</u> |

NOTE 8. INTER-FUND RECEIVABLES AND PAYABLES

Transfer activities between funds that are representative of lending or borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to other funds" and "due from other funds". The inter-fund balances as of September 30, 2018 were:

Note 8 - Interfund Receivables & Payables

| | Interfund Receivable | Interfund Payable |
|--|---------------------------------|------------------------------|
| Governmental activities: | | |
| General Fund | \$ 427,074 | \$ 72,935 |
| Sheriff's Office Fund | 781,250 | - |
| One Cent Sales Tax Fund | 52,897 | - |
| Other Governmental Funds | 32,641 | 1,254 |
| Boating Improvement Fund | 1,588 | - |
| BP Restore Act | - | 155,903 |
| Court Fees Fund | 19,168 | 20,988 |
| Crime Prevention Fund | 3,591 | 13,814 |
| E911 Fund | 9,924 | - |
| FEMA Grant | 9,643 | 42,098 |
| M.S.B.U. Fire Department Fund | - | (11,626) |
| Recreation Fee Fund | 7,500 | 1,342 |
| Road Department | 16,252 | - |
| Tourist Development Fund | 1,755 | 1,734 |
| Road Paving Grant | - | 52,897 |
| Clerk Records Modernization Trust Fund | 5,331 | 4 |
| Clerk State Court Fund | 40,896 | - |
| Sheriff Bulletproof Vests | - | 7,350 |
| Sheriff Crime Prevention | - | 13,348 |
| Sheriff EMPA/EMPG Grant | - | 62,668 |
| Sheriff EMPA - Hazardous Analysis | 1 | - |
| Sheriff FEMA | - | 42,334 |
| Sheriff Inmate Welfare | 12,361 | - |
| Sheriff JAG/ Byrne | 538 | - |
| Sheriff Litter Control Parks & Recreation | - | 3,700 |
| Sheriff Litter Control Transfield | - | 4,480 |
| Sheriff School Resource Officer | - | 50,864 |
| Sheriff Teen Driving Challenge | 1 | 1 |
| Sheriff US Forestry | - | 1,374 |
| Sheriff US Marshals | - | 123 |
| Sheriff VOCA | - | 16,314 |
| Sheriff Wakulla County Coalition for Youth | 43 | 43 |
| Sheriff \$2 Training Fund | - | 13,814 |
| Total governmental activities: | \$ 1,422,454 | \$ 567,756 |
| Business-type activities: | | |
| Sewer | \$ 330 | \$ - |
| Solid Waste | - | - |
| Total business-type activities: | \$ 330 | \$ - |
| Agency activities: | | |
| Clerk Collection Trust | \$ - | \$ 75,538 |
| Sheriff Donated Funds | 1,871 | 1,653 |
| Sheriff Individual Depository | - | 730,997 |
| Sheriff Inmate Trust | - | 12,361 |
| Sheriff Seized Funds | 971 | - |
| Tax Collector Bankruptcy | - | 18,286 |
| Tax Collector Tag | - | 19,035 |
| Total agency activities: | \$ 2,842 | \$ 857,870 |
| Total government-wide activities: | \$ 1,425,626 | \$ 1,425,626 |

NOTE 9. RECEIVABLE AND PAYABLE BALANCES**A. Receivables**

Accounts receivable are primarily amounts due from individuals and non-governmental entities for services rendered. Amounts due from other governments are primarily state shared revenues and grant reimbursements. The receivables due to the County at September 30, 2018 consisted of:

Note 9 - Receivables Schedule

| | <u>Accounts Receivable</u> | <u>Other Governments</u> | <u>Total Receivables</u> |
|--|--------------------------------|------------------------------|------------------------------|
| Governmental activities: | | | |
| General Fund | \$ 709,998 | \$ 322,387 | \$ 1,032,385 |
| Sheriff's Office Fund | - | 264,118 | 264,118 |
| Capital Projects Fund | - | 9,954 | 9,954 |
| One Cent Sales Tax Fund | 7 | 307,040 | 307,047 |
| BP Restore Act | - | 174,433 | 174,433 |
| E911 Fund | - | 129,837 | 129,837 |
| FEMA Grant | - | 32,455 | 32,455 |
| M.S.B.U. Fire Department Fund | 113 | - | 113 |
| Road Department | 69,423 | 79,003 | 148,426 |
| Tourist Development Fund | 735 | 13,538 | 14,273 |
| Road Paving Grant | - | 95,192 | 95,192 |
| Clerk Child Support Grant | - | 4,958 | 4,958 |
| Clerk State Court Fund | - | 18,177 | 18,177 |
| Sheriff Bulletproof Vests | - | 7,350 | 7,350 |
| Sheriff EMPA | - | 62,484 | 62,484 |
| Sheriff FEMA | - | 42,334 | 42,334 |
| Sheriff Litter Control Transfield | - | 4,988 | 4,988 |
| Sheriff School Resource Officer | - | 62,786 | 62,786 |
| Sheriff US Forestry | - | 1,380 | 1,380 |
| Sheriff US Marshals | - | 123 | 123 |
| Sheriff VOCA | - | 17,780 | 17,780 |
| Total governmental activities: | <u>\$ 780,276</u> | <u>\$ 1,650,317</u> | <u>\$ 2,430,593</u> |
| Business-type activities: | | | |
| Sewer Fund | \$ 199,762 | \$ 2,534,844 | \$ 2,734,606 |
| Solid Waste Fund | - | 20,062 | 20,062 |
| Total business-type activities: | <u>\$ 199,762</u> | <u>\$ 2,554,906</u> | <u>\$ 2,754,668</u> |
| Total government-wide activities: | <u>\$ 980,038</u> | <u>\$ 4,205,223</u> | <u>\$ 5,185,261</u> |

B. Payables

Accounts payable to vendors are amounts due for goods or services provided. Payables related to payroll and payroll-related activities are primarily amounts due employees and insurance companies. Payables due to other governments are amounts related to an over payment, sales and tourism taxes or some monies collected on behalf of another governmental entity. Payables owed by the County at September 30, 2018 consisted of:

Note 9 - Payables Schedule

| | <u>Vendors</u> | <u>Payroll & Other Liabilities</u> | <u>Due to Other Governmental Units</u> | <u>Total Payables</u> |
|---|---------------------|--|--|-----------------------|
| Governmental activities: | | | | |
| General Fund | \$ 510,828 | \$ 409,644 | \$ 6,205 | \$ 926,677 |
| SHIP Grant | 111,024 | - | - | 111,024 |
| Capital Projects Fund | 11,668 | - | - | 11,668 |
| One Cent Sales Tax Fund | 276,735 | - | - | 276,735 |
| Boating Improvement Fund | 1,966 | - | - | 1,966 |
| BP Restore Act | 18,530 | - | - | 18,530 |
| Court Fees Fund | 12,006 | 1,873 | 280 | 14,159 |
| M.S.B.U. Fire Department Fund | 13,757 | 29,848 | - | 43,605 |
| Recreation Fee Fund | 6,133 | - | - | 6,133 |
| Road Department | 71,001 | - | - | 71,001 |
| Tourist Development Fund | 1,500 | 1,781 | - | 3,281 |
| Road Paving Grant | 42,295 | - | - | 42,295 |
| Clerk Child Support Grant | 350 | - | - | 350 |
| Clerk Records Modernization Trust Fund | 619 | 1,211 | - | 1,830 |
| Clerk State Court Fund | 2,395 | 16,554 | - | 18,949 |
| Sheriff Crime Prevention | 10 | - | - | 10 |
| Sheriff EMPA | 55 | - | - | 55 |
| Sheriff JAG/ Byrne | - | 538 | - | 538 |
| Sheriff Litter Control Parks & Recreation | - | 930 | - | 930 |
| Sheriff Litter Control Transfield | - | 508 | - | 508 |
| Sheriff School Resource Officer | 312 | 11,370 | - | 11,682 |
| Sheriff US Forestry | 6 | - | - | 6 |
| Sheriff VOCA | - | 2,105 | - | 2,105 |
| Total governmental activities: | \$ 1,087,962 | \$ 476,720 | \$ 30,545 | \$ 1,595,227 |
| Business-type activities: | | | | |
| Sewer Fund | \$ 480,585 | \$ - | \$ - | \$ 480,585 |
| Solid Waste Fund | 14,061 | - | - | 14,061 |
| Total business-type activities: | \$ 494,646 | \$ - | \$ - | \$ 494,646 |
| Total government-wide activities: | \$ 1,582,608 | \$ 476,720 | \$ 30,545 | \$ 2,089,873 |

NOTE 10. LONG-TERM LIABILITIES

The County’s long-term liabilities include notes payable, bonds payable, capital leases, compensated absences, pension liabilities, other post-employment benefit liabilities, and landfill closure and post-closure liabilities. This note will provide a summary schedule of all County long-term liabilities (Note 10.d) and the details on the notes and bonds payable and capital leases. Later, Note 12 will provide the details to the pension liabilities, Note 13 will provide the details to the other post-employment benefits liabilities, Note 18 will provide the details to the landfill closure and post-closure liabilities and Note 19 will provide the details to the accrued compensated absences liabilities.

A. Notes Payable, Bonds Payable and Capital Leases

The County borrows funds from time to time for the purpose of large, capital projects or capital equipment. The purpose of borrowing funds is to spread the cost of the project to the County over time and thus spread the cost of the project to taxpayers, current and future, who will benefit from the project. Some capital equipment is leased due to the heavy maintenance costs required as the equipment ages. The County monitors the level of debt incurred and the related revenues that are collateralized to ensure there is an appropriate “debt service ratio” (sufficient revenues to operate and pay the debt service payments). The County accounts for and reports notes, bonds and capital leases in accordance with GASB Statement 23, 66, 86 and other generally accepted accounting principles.

B. Governmental Activities

1. Notes Payable

The County has entered into the following note and loan agreements for various capital projects:

- a. The County has a note with Hancock Bank which was utilized to fund the Courthouse renovations. This loan is collateralized by and paid from the proceeds from the County’s \$30 Court Surcharge Fee. The loan is payable in annual installments of \$121,274 including interest at 3.67% through 2021. The scheduled payment of principal and interest on this note payable are as follows:

| Year Ending September 30, | Principal | Interest | Total |
|------------------------------|------------|-----------|------------|
| 2019 | 108,845 | 12,429 | 121,274 |
| 2020 | 112,839 | 8,435 | 121,274 |
| 2021 | 116,981 | 4,293 | 121,274 |
| Total | \$ 338,665 | \$ 25,157 | \$ 363,822 |

- b. The County has a note with Ameris Bank which was utilized to fund the EMS/Fire Facility. This loan is collateralized by and paid from the proceeds of the One Cent Sales Tax. The loan is payable in annual principle payments of \$130,000 plus interest at 2.28% through 2028. The scheduled payment of principal and interest on this note payable are as follows:

| Year Ending September 30, | Principal | Interest | Total |
|------------------------------|---------------------|-------------------|---------------------|
| 2019 | 130,000 | 27,046 | 157,046 |
| 2020 | 130,000 | 24,107 | 154,107 |
| 2021 | 130,000 | 21,036 | 151,036 |
| 2022 | 130,000 | 18,031 | 148,031 |
| 2023 | 130,000 | 15,026 | 145,026 |
| 2024-2028 | 650,000 | 30,084 | 680,084 |
| Total | <u>\$ 1,300,000</u> | <u>\$ 135,330</u> | <u>\$ 1,435,330</u> |

2. Capital Leases

The County's governmental activities had one capital lease agreement as of September, 30, 2018.

- a. The County has a capital lease with Caterpillar Financial Services Corporation for three (3) motor graders used to grade the County's dirt road system. The lease, in the amount of \$664,080 is payable in six (6) annual payments including interest at 3.20% with the final payment being a balloon payment. There is a trade-in or "buy-back" clause in the capital lease that the County intends to use in the final year. The scheduled payment of principal and interest on this lease is as follows:

| Year Ending September 30, | Principal | Interest | Total |
|------------------------------|-------------------|------------------|-------------------|
| 2019 | 59,884 | 16,910 | 76,794 |
| 2020 | 61,801 | 14,994 | 76,795 |
| 2021 | 63,778 | 13,017 | 76,795 |
| 2022 | 345,075 | 10,976 | 356,051 |
| Total | <u>\$ 530,538</u> | <u>\$ 55,897</u> | <u>\$ 586,435</u> |

C. Business-type Activities

1. Notes & Bonds Payable

The County has entered into the following note and loan agreements for various capital projects:

- a. The County entered into a loan agreement with Ameris Bank for \$925,000 for capping (closing) the landfill as required by the Florida Department of Environmental Protection. The loan is collateralized by and paid from the solid waste assessment revenues. The loan is payable in annual principal installments of \$61,667 plus interest at 3.36% for 15 years. The scheduled payments of principal and interest on this note payable is as follows:

| Year Ending September 30, | Principal | Interest | Total |
|------------------------------|-------------------|-------------------|-------------------|
| 2019 | 61,667 | 24,162 | 85,829 |
| 2020 | 61,667 | 22,119 | 83,786 |
| 2021 | 61,667 | 19,960 | 81,627 |
| 2022 | 61,667 | 17,859 | 79,526 |
| 2023 | 61,667 | 15,759 | 77,426 |
| 2024-2030 | 431,520 | 51,534 | 483,054 |
| Total | <u>\$ 739,855</u> | <u>\$ 151,393</u> | <u>\$ 891,248</u> |

- b. The County entered into two loan agreements with the United States Department of Agriculture (USDA) for \$6,495,000 and \$321,000 for a total of \$6,816,000 for the upgrading and expansion of the County's wastewater treatment plant. The County was

under a consent order by the Florida Department of Environmental Protection to increase the capacity of the plant and meet certain environmental standards. In October 2014 the Board approved Resolution 14-45, “Sewer Revenue Bond, Series 2016” in the amount of \$6,495,000 and in September 2017 the Board approved Resolution 16-35, “Sewer Revenue Bond Anticipation Note, Series 2017” in the amount of \$6,816,000 and updated the title of the sewer revenue bonds to “Sewer Revenue Bond, Series 2018”.

During construction of the project, the County borrowed the funds, on a “draw-down” basis, through “interim financing” with Ameris Bank. The interim financing was collateralized by a USDA “take out” letter and was paid from the proceeds from the sale of bonds. The construction loan was payable in semi-annual interest only payments on February 28 and August 31 based on the amounts borrowed at 1.62%. The interim financing period was for eighteen (18) months, from September 2017 to February 2018. The total amount borrowed during “interim financing” was \$6,617,631.75 and this amount was paid off by USDA with the proceeds from the sale of the Series 2018 bonds in the amount of the \$6,816,000.

Total construction cost is currently estimated at \$10,812,900 with the USDA providing an additional \$3,996,900 in grant funds. The sewer bonds will be collateralized and paid from the wastewater fee revenues. The sewer bonds will be payable in semi-annual installments over 40 years with the \$6,495,000 loan borrowed at 3.25% and the \$321,000 borrowed at 2.25%. As of September 30, 2018, the Sewer Revenue Bonds were sold and \$6,816,000 was borrowed from USDA in the two loans described above. The payment schedule for Loan #92-06 in the amount of \$6,495,000 is:

| Year Ending September 30, | Principal | Interest | Total |
|------------------------------|---------------------|--------------------|----------------------|
| 2019 | 95,500 | 168,055 | 263,555 |
| 2020 | 97,900 | 165,548 | 263,448 |
| 2021 | 100,900 | 162,978 | 263,878 |
| 2022 | 103,100 | 160,330 | 263,430 |
| 2023 | 105,900 | 157,623 | 263,523 |
| 2024 - 2057 | 5,991,700 | 3,268,281 | 9,259,981 |
| Total | <u>\$ 6,495,000</u> | <u>\$4,082,815</u> | <u>\$ 10,577,815</u> |

The payment schedule for Loan #92-08 in the amount of \$321,000 is:

| Year Ending September 30, | Principal | Interest | Total |
|------------------------------|-------------------|-------------------|-------------------|
| 2019 | 5,000 | 7,110 | 12,110 |
| 2020 | 5,000 | 6,998 | 11,998 |
| 2021 | 5,000 | 6,885 | 11,885 |
| 2022 | 5,000 | 6,773 | 11,773 |
| 2023 | 5,000 | 6,660 | 11,660 |
| 2024 - 2057 | 296,000 | 135,022 | 431,022 |
| Total | <u>\$ 321,000</u> | <u>\$ 169,448</u> | <u>\$ 490,448</u> |

2. Capital Leases

The County’s business activities had no capital lease agreements as of September, 30, 2018.

D. Changes in long-term liabilities

Long-term liability activity for the year ended September 30, 2018 was as follows:

| | Beginning Balance | Additions | Reductions | Adjustments | Ending Balance | Due Within One Year | Interest Paid in Current Year |
|--|----------------------|---------------------|-----------------------|---------------------|----------------------|---------------------|-------------------------------|
| Governmental Activities | | | | | | | |
| Capital leases | \$ 587,285 | \$ - | \$ (57,056) | \$ 309 | \$ 530,538 | \$ 59,884 | \$ 19,739 |
| Notes payable | 678,684 | 1,300,000 | (340,018) | (1) | 1,638,665 | 238,845 | 37,002 |
| Compensated absences | 984,106 | 450,543 | (404,511) | - | 1,030,138 | 128,573 | - |
| Other Post-Employment Benefits (OPEB) payable | 1,226,000 | 204,224 | - | 1,132,595 | 2,562,819 | - | - |
| Florida Retirement System (FRS) Net Pension Liability | 22,031,895 | 437,388 | - | (6,317) | 22,462,966 | 2,598,587 | - |
| Total governmental activities | \$ 25,507,970 | \$ 2,392,155 | \$ (801,585) | \$ 1,126,586 | \$ 28,225,126 | \$ 3,025,889 | \$ 56,741 |
| Business-type Activities | | | | | | | |
| Capital leases | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Notes / Bonds payable | 7,617,522 | - | (61,667) | - | 7,555,855 | 162,167 | 25,282 |
| Estimated liability for Landfill closure and post-closure cost | 1,730,135 | - | (609,645) | - | 1,120,490 | 78,089 | - |
| Total business-type activities | \$ 9,347,657 | \$ - | \$ (671,312) | \$ - | \$ 8,676,345 | \$ 240,256 | \$ 25,282 |
| Total government-wide liabilities | \$ 34,855,627 | \$ 2,392,155 | \$ (1,472,897) | \$ 1,126,586 | \$ 36,901,471 | \$ 3,266,145 | \$ 82,023 |

NOTE 11. OPERATING LEASES

The County leases certain operating equipment due to the often changing information technology (IT) landscape or the high maintenance costs associated with such equipment. The County accounts for and reports its operating leases in accordance with GASB Statement 13, 17 and other generally accepted accounting principles. At fiscal year end, the County had eighteen (18) non-cancellable long-term lease agreements for various office equipment such as postage meters and copy machines and one (1) non-cancellable long-term lease for use of a cell tower. A schedule of minimum lease payments for succeeding fiscal years is as follows:

| Year Ending September 30, | Annual Obligation |
|---------------------------|-------------------|
| 2019 | 50,385 |
| 2020 | 23,466 |
| 2021 | 10,961 |
| 2022 | 5,963 |
| 2023 | 5,526 |
| Total | \$ 96,301 |

NOTE 12. COST-SHARING MULTIPLE EMPLOYER PENSION PLANS

A. Florida Retirement System

The Governmental Accounting Standards Board (GASB) approved Statement 67 – Financial Reporting for Pension Plans and Statement 68 – Accounting and Financial Reporting for Pensions (an amendment of GASB Statement 25 and 27). These statements established standards for measuring and recognizing pension liabilities, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense/expenditures. The most notable change is the distinct separation of the funding of pensions from the financial reporting of pensions. GASB 68 requires a liability for pension obligations, known as “net pension liability”, to be recognized on the balance sheets of FRS participating employers. Changes to the net pension liability will either be recognized as pension expense or as deferred outflows/inflows of resources depending on the nature of the change. Additionally, GASB Statements (50, 71, 73, 78 and 82) establish or amend standards for pension note disclosures and other pension related issues. The State of Florida hires an actuary to determine these amounts on behalf of the FRS and its’ participating employers and the State of Florida reports these amounts annually to its’ participating employers.

1. General Information

The County’s employees participate in the Florida Retirement System (FRS), a cost-sharing multiple-employer public employee retirement system, administered by the Florida Department of Management Services, Division of Retirement. As provided by Chapters 121 and 112, Florida Statutes, the FRS provides two cost-sharing plans, 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 Pension Plan, which is administered by the State Board of Administration (SBA) 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. 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 State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Fl. 32315-9000 or from the website:

www.dms.myflorida.com/workforce_operations/retirement/publications.

2. FRS Pension Plan

A. Plan Description

The Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees.

B. Benefits Provided

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 received reduced retirement benefits. Special Risk Administrative Support class members who retire at or after age 55 with at least six years of credited service or 25 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. Special Risk class members (sworn law enforcement officers, firefighters, and correctional officers) who retire at or after age 55 with at least six years of credited service or 25 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. 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 Officer's 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% (3.33% for judges and justices) of their final average compensation based on the five highest years of salary, for each year of credited service.

For Plan members enrolled on or after July 1, 2011, the vesting requirement is extended to eight years of credited service for all these members and increasing normal retirement to age 65 or 33 years of service regardless of age for Regular, Senior Management Service, and Elected Officer's class members, and age 60 or 30 years of service regardless of age for Special Risk and Special Risk Administrative Support class members. Also, the final average compensation for all these members will be based on the eight highest years of salary.

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the Pension Plan before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is three percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of three percent determined by dividing the sum of pre-July 2011 service credit by the total service credit at retirement multiplied by three percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement. In addition to the above benefits, the DROP 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.

C. Contributions

Effective July 1, 2011, all enrolled members of the FRS, other than DROP participants, are required to contribute three percent of their salary to the FRS. In addition to member contributions, government employers are required to make contributions to the FRS based on state-wide contribution rates established by the Florida Legislature. These rates are updated as of

July 1 of each year. The employer contribution rates by job class for the periods from October 1, 2017 through June 30, 2018 and from July 1, 2018 through September 30, 2018 were as follows:

| FRS Contribution Rates | | | | | | | |
|--|---------------------------------|-----------------------|--------------------|-----------------------------------|-----------------------|--------------------|----------|
| Class Description | October 1, 2017 - June 30, 2018 | | | July 1, 2018 - September 30, 2018 | | | % Change |
| | Employer Contribution (A) | Employee Contribution | Total Contribution | Employer Contribution (A) | Employee Contribution | Total Contribution | |
| <u>Regular Class</u> | 7.92% | 3.00% | 10.92% | 8.26% | 3.00% | 11.26% | 0.34% |
| <u>Senior Management Service Class</u> | 22.71% | 3.00% | 25.71% | 24.06% | 3.00% | 27.06% | 1.35% |
| <u>Special Risk Class</u> | 23.27% | 3.00% | 26.27% | 24.50% | 3.00% | 27.50% | 1.23% |
| <u>Special Risk Administrative Support Class</u> | 34.63% | 3.00% | 37.63% | 34.98% | 3.00% | 37.98% | 0.35% |
| <u>Elected Officers Class</u> | 45.50% | 3.00% | 48.50% | 48.70% | 3.00% | 51.70% | 3.20% |
| <u>Deferred Retirement Option Program</u> | 13.26% | N/A | 13.26% | 14.03% | N/A | 14.03% | 0.77% |
| <u>Reemployed Retiree</u> | (B) | | | (B) | | | |

(A) These employer contribution rates include a subsidy for the Health Insurance Subsidy (HIS) Plan in the amount of 1.66% for the period October 1 - June 30 and 1.66% for the period July 1 - September 30. Also, employer rates, other than DROP participants, include .06% for October 1 - June 30 and .06% for July 1 - September 30 for administrative costs.

(B) Contribution rates are dependent upon the retirement class or plan in which re-employed.

The County's contributions, including employee contributions, to the Pension Plan totaled \$1,783,968 for the fiscal year ended September 30, 2018. The County had 249 employees in the Pension Plan as of September 30, 2018.

D. Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At September 30, 2018, the County reported a liability of \$18,854,581 for its proportionate share of the Pension Plan's net pension liability, an increase of \$451,129 over the previous fiscal year. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The County's proportionate share of the net pension liability was based on the County's 2017-18 fiscal year contributions relative to the 2016-17 fiscal year contributions of all participating members. At June 30, 2018, the County's proportionate share was 0.062597% which was an increase of 0.00038% from its proportionate share as of June 30, 2017.

For the fiscal year ended September 30, 2018, the County recognized pension expense of \$2,042,891. In addition, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| Description | Deferred Outflows of Resources | Deferred Inflows of Resources |
|--|---|--|
| Differences between expected and actual experience | \$ 1,597,266 | \$ (57,973) |
| Change in assumptions | 6,160,760 | - |
| Net difference between projected and actual earnings on Pension Plan investments | (2,747,638) | 1,290,892 |
| Changes in proportion and differences between County Pension Plan contributions and proportionate share of | 914,173 | (566,166) |
| County Pension Plan contributions subsequent to the measurement date (June 30) | 488,570 | - |
| Total | \$ 6,413,131 | \$ 666,753 |

The deferred outflows of resources related to the Pension Plan, totaling \$488,570 resulting from County contributions to the Plan subsequent to the measurement date (June 30), will be recognized as a reduction of the net pension liability in the fiscal year September 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense (income) as follows:

| Fiscal Year Ending September 30: | Amount: |
|---|---------------------|
| 2019 | \$ 2,562,642 |
| 2020 | 1,760,945 |
| 2021 | 293,720 |
| 2022 | 1,119,198 |
| 2023 | 741,405 |
| Thereafter | 113,404 |
| Total | \$ 6,591,314 |

E. Actuarial Methods and Assumptions

The total pension liability in the July 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|----------------------------|--|
| Inflation: | 2.60% |
| Salary increases: | 3.25% average, including inflation |
| Investment rate of return: | 7.00%, net of pension plan investment expense, including Inflation |
| Discount rate: | 7.00% |
| Mortality rate: | Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables |

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013. The long-term expected rate of return on Pension Plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

| Asset Class | Target Allocation | Annual Arithmetic Return | Compound Annual (Geometric) Return | Standard Deviation |
|------------------------|--------------------------|---------------------------------|---|---------------------------|
| Cash | 1.00% | 2.90% | 2.90% | 1.80% |
| Fixed Income | 18.00% | 4.40% | 4.30% | 4.00% |
| Global Equity | 54.00% | 7.60% | 6.30% | 17.00% |
| Real Estate (Property) | 11.00% | 6.60% | 6.00% | 11.30% |
| Private Equity | 10.00% | 10.70% | 7.80% | 26.50% |
| Strategic Investments | 6.00% | 6.00% | 5.70% | 8.60% |
| Total | <u>100.00%</u> | | | |
| Assumed Inflation | | | 2.60% | 1.90% |

(1) As outlined in the Pension Plan's investment policy

F. Discount Rate

The discount rate used to measure the total pension liability was 7.00%. The Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

G. Sensitivity of County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following represents the County's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.00%) and one percentage point higher (8.00%) than the current rate:

| | 1% Decrease (6.00%) | Current Discount Rate (7.00%) | 1% Increase (8.00%) |
|---|--------------------------------|--|--------------------------------|
| County's proportionate share of the net pension liability | \$ 34,410,401 | \$ 18,854,581 | \$ 5,934,553 |

A negative number in the above analysis represents the County's share of a net pension surplus or asset.

H. Pension Plan Fiduciary Net Position

Detailed information regarding the Pension Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report. The latest available report may be obtained by writing to State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, Fl. 32315-9000 or from the website:

www.dms.myflorida.com/workforce_operations/retirement/publications.

I. Payables to the Pension Plan

At September 30, 2018, there were no payables reported by the County for outstanding contributions to the Pension Plan required for the fiscal year thus ended.

3. FRS Health Insurance Subsidy (HIS) Plan

A. 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.

B. Benefits Provided

For fiscal year ended September 30, 2018, 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.

C. Contributions

The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended September 30, 2018, the HIS contribution for the period October 1, 2017 through June 30, 2018 and from July 1, 2018 through September 30, 2018 was 1.66% and 1.66% respectively. The County contributed 100% of its statutorily required contributions for the current fiscal year. 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. The County's contributions to the HIS Plan totaled \$185,208 for the fiscal year ended September 30, 2018.

D. Pension Liabilities, Pension Expense, Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At September 30, 2018, the County reported a liability of \$3,614,702 for its proportionate share of the HIS Plan's net pension liability, a decrease of \$13,741 under the previous fiscal year. The net pension liability was measured as of June 30, 2018 and the total pension liability used to calculate the net pension liability was determined by actuarial valuation as of July 1, 2018. The

County's proportionate share of the net pension liability was based on the County's 2017-18 fiscal year contributions relative to the 2016-17 fiscal year contributions of all participating members. At June 30, 2018, the County's proportionate share was 0.034152% which was an increase of 0.000217% from its proportionate share measured as of June 30, 2017.

For the fiscal year ended September 30, 2018, the County recognized pension expense in the amount of \$116,588. In addition the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

| <u>Description</u> | <u>Deferred Outflows of Resources</u> | <u>Deferred Inflows of Resources</u> |
|--|---|--|
| Differences between expected and actual experience | \$ 55,339 | \$ (6,141) |
| Change in assumptions | 401,999 | (382,176) |
| Net difference between projected and actual earnings on Pension Plan investments | 2,182 | - |
| Changes in proportion and differences between County Pension Plan contributions and proportionate share of | 163,016 | (200,523) |
| County Pension Plan contributions subsequent to the measurement date (June | 47,798 | - |
| Total | <u>\$ 670,334</u> | <u>\$ (588,840)</u> |

The deferred outflows of resources related to the Pension Plan, totaling \$47,798 resulting from County contributions to the Plan subsequent to the measurement date (June 30), will be recognized as a reduction of the net pension liability in the fiscal year September 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to the Pension Plan will be recognized in pension expense (income) as follows:

| <u>Fiscal Year Ending September 30:</u> | <u>Amount:</u> |
|---|------------------|
| 2019 | \$ 35,945 |
| 2020 | 35,761 |
| 2021 | 24,183 |
| 2022 | (757) |
| 2023 | (43,857) |
| Thereafter | (17,579) |
| Total | <u>\$ 33,696</u> |

E. Actuarial Assumptions

The total pension liability in the July 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

| | |
|----------------------|--|
| Inflation: | 2.60% |
| Salary increases: | 3.25% average, including inflation |
| Municipal bond rate: | 3.87% |
| Discount rate: | 3.87% |
| Mortality rate: | Mortality rates were based on the Generational RP-2000 with Projection Scale BB tables |

The actuarial assumptions used in the July 1, 2018 valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

F. Discount Rate

The discount rate used to measure the total pension liability was 3.87%. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

G. Sensitivity of County's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate

The following represents the County's proportionate share of the net pension liability calculated using the discount rate of 3.87%, as well as what the County's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (2.87%) and one percentage point higher (4.87%) than the current rate:

| | <u>1% Decrease</u> <u>(2.87%)</u> | <u>Current</u> <u>Discount Rate</u> <u>(3.87%)</u> | <u>1% Increase</u> <u>(4.87%)</u> |
|---|--------------------------------------|--|--------------------------------------|
| County's proportionate share of the net pension liability | \$ 4,116,933 | \$ 3,614,702 | \$ 3,196,062 |

H. Pension Plan Fiduciary Net Position

Detailed information regarding the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual financial Report. The latest available report may be obtained by writing to State of Florida Division of Retirement, Department of Management Services, P.O. Box 9000, Tallahassee, FL 32315-9000 or from the website:

www.dms.myflorida.com/workforce_operations/retirement/publications.

I. Payables to the Pension Plan

At September 30, 2018, there were no payables reported by the County for outstanding contributions to the HIS Plan required for the fiscal year ended September 30, 2018.

4. FRS Investment Plan

A. Plan Description

The SBA administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report. As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. County employees participating in DROP are not eligible to participate in the Investment Plan.

B. Benefits Provided

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.

C. Contributions

The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular, Senior Management Service, Special Risk, Special Risk Administrative Support and Elected Officer's) as the Pension Plan (page 66). Contributions are directed to the individual member accounts and the individual members allocate contributions and account balances among various approved investment choices.

The costs of administering the Investment 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. Allocations to the investment member's accounts during the 2017-18 fiscal year, as established by Section 121.72, Florida Statutes, are based on a percentage of gross compensation, by class, as follows:

| <u>Class</u> | <u>% of Gross Compensation</u> |
|--|--------------------------------|
| <u>Regular Class</u> | 6.30% |
| <u>Senior Management Service Class</u> | 7.67% |
| <u>Special Risk Class</u> | 14.00% |
| <u>Special Risk Administrative Support Class</u> | 7.95% |
| <u>Elected Officers Class</u> | 11.34% |
| <u>(DROP)</u> | N/A |

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the Pension Plan is transferred to the Investment Plan, the member must have the years of service required for Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered

employment within the five year period, the employee will regain control over their account. If the employee does not return within the five year period, the employee will forfeit the accumulated account balance. For the fiscal year ended September 30, 2018, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the County.

After termination and applying to receive benefits, the member may rollover vested funds into another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the investment account balance to the Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The County's contributions to the Investment Plan totaled \$378,519 for the fiscal year ended September 30, 2018. The County had 55 employees in the Investment Plan as of September 30, 2018.

5. State University System Optional Retirement Plan

A. Plan Description

The State University System Optional Retirement Plan (SUSORP) is a defined contribution program established under section 121.35, Florida Statutes, for eligible State University System faculty, administrators, and administrative and professional staff. The Florida Legislature establishes and amends the contribution requirements and benefit terms of the Program. This program is designed to aid universities in recruiting employees who may not remain in the FRS long enough to vest.

B. Benefits Provided

The SUSORP is a defined contribution plan qualified under section 403(b), Internal Revenue Code, which upon signing an investment contract provides full and immediate vesting of all contributions paid on behalf of the members to the participating provider companies. The SUSORP member directs the investment of contributions to provide retirement and death benefits. Employees in eligible positions are compulsory SUSORP members unless they elect FRS membership.

C. Contributions

The SUSORP Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular, Senior Management Service, Special Risk, Special Risk Administrative Support and Elected Officer's) as the Pension Plan (page 66). Contributions are directed to the individual member accounts and the individual members allocate contributions and account balances among various approved investment choices.

Employers were statutorily required to contribute 5.15% of the member's gross monthly compensation for the period October 1, 2017 to June 30, 2018 and 5.15% for the period July 1, 2018 – September 30, 2018. In accordance with Chapter 60U-2, Florida Administrative Code, 0.01% of the employer contribution rate was used for administration of the SUSORP program

and 5.14% was transferred to the provider companies designated by the member. SUSORP members are not eligible to receive the Health Insurance Subsidy (HIS) payments from the HIS Trust Fund. There is an HIS component included in the employer's contribution deposited to the members' accounts. Effective July 1, 2011, there is a mandatory employee contribution of 3%. A member may contribute by salary reduction an amount not to exceed the percentage contributed by the employer.

When applicable, the employer is also required to contribute the unfunded actuarial liability (UAL) contribution for the Regular Class on the salaries of SUSORP members which is transferred to the FRS Trust Fund to help amortize any UAL. The UAL contribution rate for the period October 1, 2017 to June 30, 2018 and for the period July 1, 2018 – September 30, 2018 was 3.30%. The employer contribution rates by job class for the periods from October 1, 2017 through June 30, 2018 and from July 1, 2018 through September 30, 2018 were as follows:

| Class Description | October 1, 2017 - June 30, 2018 | | | July 1, 2018 - September 30, 2018 | | | % Change |
|-----------------------|---------------------------------|-----------------------|--------------------|-----------------------------------|-----------------------|--------------------|----------|
| | Employer Contribution | Employee Contribution | Total Contribution | Employer Contribution | Employee Contribution | Total Contribution | |
| <u>SUSORP Members</u> | 8.45% | 3.00% | 11.45% | 8.65% | 3.00% | 11.65% | 0.20% |

The County has one (1) employee who has elected to participate in the SUSORP program. This employee is eligible to do so due to their employment through the University of Florida (UF), Institute of Food & Agricultural Sciences (IFAS) Extension Office in Wakulla County. The County's contributions to the SUSORP Plan totaled \$3,030 for the fiscal year ended September 30, 2018.

NOTE 13. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Pursuant to Section 112.0801, Florida Statutes, the County is required to permit participation in the single-employer health insurance program (the Plan), by retirees and their eligible dependents at a cost to the retiree that is no greater than the cost at which coverage is available for active employees. Participating retirees are considered to receive a secondary benefit known as an "implicit rate subsidy". This benefit relates to the assumption that the retirees are receiving a more favorable premium rate than they would otherwise be able to obtain if purchasing insurance on their own, due to being included in the same pool with the County's younger and statistically healthier active employees. This inherent subsidy raises the premium rate for the younger active employees and the County. No explicit subsidy is provided to retirees. The County's single-employer health insurance program is with Capital Health Plan. GASB 45 and 75 requires the County to report this cost and related liability in its financial statements.

GASB Statement 43 and 45 as amended by GASB Statement 74 and 75 set forth the guidelines for accounting for and reporting and disclosure of Other Post-Employment Benefits (OPEB). The County, with the assistance of the Florida League of Cities, had an actuary calculate future funding requirements and the total OPEB liability for the County using an appropriate actuarial cost method. The valuation was required to be performed every two years for years 2010 through 2017 and every year beginning fiscal year 2017-18 and thereafter. The latest valuation was actually a re-valuation and was performed as of October 1, 2016 for a measurement date of

September 30, 2017 for the reporting period ended September 30, 2018. The County has elected to implement the provisions of GASB Statement 45 prospectively.

A. Capital Health Plan (CHP)

1. Plan Description

The County administers its own single-employer OPEB plan by providing optional post-employment medical benefits to all eligible individuals including lifetime healthcare coverage. This OPEB benefit may be eliminated at any time by the County. Eligible individuals include all regular employees of the County who retire from active service under the Florida Retirement System and have satisfied all of the provisions the retirement plan. Under certain conditions, eligible individuals also include spouses and dependent children. The retirement plan offers different classes of participation as shown in Note 12. The Plan does not issue a publicly available financial report and is unfunded.

2. Benefits Provided

The County is required to provide retirees and their eligible dependents coverage in the Plan at a cost that is no greater than the cost to active employees. While there is no direct cost to the County for providing this coverage, there is an inherent indirect cost to subsidizing the retiree's cost of health insurance at the same rate as younger, active employees. As such, there are no direct contributions made to the Plan on behalf of the retiree. Instead, the subsidized cost is "built into" the health insurance rate for active employees, causing the rates to be higher than they would ordinarily be. The County does make contributions to the Plan on behalf of active employees as the monthly premiums are shared between the employer and the employee and those contributions vary depending on the level of coverage chosen (single, single plus spouse, single plus dependents or family) by the employee. The following summarizes the participants in the plan as of October 1, 2018:

- 233 Active employees
- 43 inactive employees or beneficiaries currently receiving benefits
- 0 inactive employees or beneficiaries entitled to but not receiving benefits

3. Contributions & Funding Policy

The Board of County Commissioners (the BOCC) is authorized to establish benefit levels and approve the actuarial assumptions used in the determination of contribution levels. The County has followed a "pay-as-you-go" funding policy, contributing only those amounts necessary to provide for its portion of current year benefit cost and expenses. The retiree contributes 100% of the premium cost each month for their self, their spouse and any dependent children who may be on the Plan. The monthly premium is determined by the insurance carrier, Capital Health Plan (CHP) and varies depending on whether the retiree elects single, single plus spouse, single plus dependents or family coverage. There are no minimum required employer contributions. Currently, the County's OPEB plan is unfunded. There are no separate trust funds or equivalent arrangements into which the County makes contributions to advance-fund the OPEB obligations, as it does for its retiree pension plans.

4. Basis of Accounting

Generally accepted accounting principles (GAAP) requires the actuarial liabilities presented below to be calculated using age adjusted premiums approximating claim costs for eligible

retirees separate from active eligible members. The use of age adjusted premiums results in the full expected retiree obligation recognized in this disclosure. The OPEB liability is recorded in the government-wide financial statements.

5. Annual OPEB Costs and Net OPEB Obligation

The Annual OPEB Cost is the amount that was expensed for the fiscal year. For the year ended September 30, 2018, the County recognized OPEB expense of \$204,224. Since the County's OPEB plan is currently unfunded, the offset to that expense comes from subsidies paid on behalf of the current retirees and their dependents for the current year. This offset is called the Employer Contribution and equals the total age adjusted premiums paid by the County for coverage for the retirees and their dependents for the year (net of the retiree's own payments for the year). The cumulative difference between the Annual OPEB Cost for the year and the Employer Contribution for the year is called the Net OPEB Obligation. The Net OPEB Obligation is reflected as a liability in the Statement of Net Position.

| OPEB Expense | | |
|--|-----------|----------------|
| Service Cost | \$ | 204,459 |
| Interest | | 84,455 |
| OPEB Administrative Expense | | - |
| Benefit payments & refunds | | (84,690) |
| Changes in Benefit Terms | | - |
| Differences Between Expected and Actual Earnings | | - |
| Differences Between Expected and Actual Experience | | - |
| Changes in Assumptions | | - |
| Total OPEB Expense | <u>\$</u> | <u>204,224</u> |

The County's total OPEB liability as of September 30, 2018 is \$2,562,819 as was determined by an actuarial valuation as of October 1, 2016 using September 30, 2017 as the measurement date for the reporting period September 30, 2018. These liabilities and costs are based on numerous assumptions concerning the cost of benefits to be provided in the future, long-term investment returns, and the future demographic experience of the current participants. The calculated cost and related liability is entirely dependent upon the assumptions contained within this Note.

The OPEB liability in the prior fiscal year (September 30, 2017) was restated in the current fiscal year due to the valuation done in accordance with GASB 75. In the prior year, in accordance with GASB 45, the OPEB liability was reported as \$1,226,000 and was increased to \$2,358,595, requiring the County to report a prior period adjustment of \$1,132,595 (See Note 21) as a direct reduction to net position.

Change in the Total OPEB Liability

| | <u>Total OPEB Liability</u> | <u>Fiduciary Net Position</u> | <u>Net OPEB Liability</u> |
|--|-----------------------------|-------------------------------|---------------------------|
| Balance as of September 30, 2017 | \$ 2,358,595 | - | \$ 2,358,595 |
| Plus OPEB Expense changes for the year: | | | |
| Service cost | 204,459 | - | 204,459 |
| Expected interest growth | 84,455 | - | 84,455 |
| Unexpected investment income | - | - | - |
| Demographic experience | - | - | - |
| Employer contributions | - | - | - |
| Employee contributions | - | - | - |
| Benefit payments & refunds | (84,690) | - | (84,690) |
| Administrative expenses | - | - | - |
| Changes in benefit terms | - | - | - |
| Assumption changes | - | - | - |
| Net changes to OPEB Expense: | 204,224 | - | 204,224 |
| Minus employer contribution for the fiscal year | - | - | - |
| Plus change in balance of deferred outflows of resources | - | - | - |
| Minus change in balance of deferred inflows of resources | - | - | - |
| Balance as of September 30, 2018 | \$ 2,562,819 | \$ - | \$ 2,562,819 |

Total OPEB Liability and Net OPEB Liability are the same since the County has no fiduciary net position due to the fact that the County does not prefund the OPEB plan and there are no assets to offset any portion of the OPEB liability.

6. Sensitivity Analysis

Certain assumptions play a bigger role than others in determining the cost and related liability of the OPEB. In some cases, relatively small changes in a particular assumption can have a dramatic impact on the anticipated cost of benefits. As such, GASB 75 requires disclosure of the impact of a 1.00% decrease or increase in the discount rate and a 1.00% decrease or increase in the healthcare cost trend rate.

A. Sensitivity of the Total OPEB Liability to changes in the discount rate: The following table presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a discount rate that is 1.00% lower (2.35%) or 1.00% higher (4.35%) than the current discount rate of 3.35%:

| Discount Rate | 1% Decrease 2.35% | Discount Rate 3.35% | 1% Increase 4.35% |
|-----------------------------|------------------------------|--------------------------------|------------------------------|
| Total OPEB Liability | \$ 2,847,622 | \$ 2,562,819 | \$ 2,315,200 |
| Less fiduciary net position | - | - | - |
| Net OPEB Liability | \$ 2,847,622 | \$ 2,562,819 | \$ 2,315,200 |

B. Sensitivity of the Total OPEB Liability to changes in the healthcare cost trend rates: The following table presents the total OPEB liability of the County, as well as what the County's total OPEB liability would be if it were calculated using a healthcare cost trend rate that is 1.00% lower (4.00%) or 1.00% higher (6.0%) than the current ultimate healthcare cost trend rate of 5.00%:

| Ultimate Healthcare Trend | 1% Decrease 4.00% | Discount Rate 5.00% | 1% Increase 6.00% |
|-----------------------------|----------------------|------------------------|----------------------|
| Total OPEB Liability | \$ 2,236,260 | \$ 2,562,819 | \$ 2,955,363 |
| Less fiduciary net position | - | - | - |
| Net OPEB Liability | \$ 2,236,260 | \$ 2,562,819 | \$ 2,955,363 |

7. Significant Assumptions & Actuarial Methods

The techniques and assumptions used by the actuary are reasonable and meet the requirements of GASB 75 and the relevant Actuarial Standards of Practice issued by the Actuarial Standards Board.

A. **Economic Assumptions**

The following assumptions were used as input variables into the model:

- Inflation or Cost of Living: Same as the healthcare cost trend rate
- Salary increases: 3.00% per annum (for each year)
- Discount rate: 3.35% per annum – this rate was used to discount all future benefit payments and is based on the return on the S&P Municipal Bond 20-year High Grade Index as of the measurement date
- Initial Healthcare Trend Rate: 8.00% for the 2016/2017 fiscal year graded down by 0.50% per year to 5.00% for the 2022/2023 and later fiscal years
- Ultimate Healthcare Trend Rate: 5.00%
- Retiree Monthly Premium: For fiscal year 2016/2017 the monthly health insurance premium for the retiree and retiree’s spouse is \$622.77 each
- Implied Monthly Subsidy: For fiscal year 2016/2017 the implied monthly subsidy for the retiree and the retiree’s spouse is \$425.00 each
- Age-related morbidity: Healthcare costs are assumed to increase at the rate of 3.50% for each additional year of age

B. **Demographic Assumptions**

Because CHP charges the same monthly rate for health insurance regardless of age, an implied monthly subsidy of \$425.00 for each of the retiree and the retiree’s spouse has been assumed at age 62 for the 2016/2017 fiscal year. At other ages, the implied subsidy was developed based on the aged-related morbidity assumption and, for other fiscal years, the implied subsidy was increased in accordance with the healthcare cost trend rates.

With respect to public safety officers hired prior to July 1, 2011, retirement is assumed to occur at the earlier of age 52 with 25 years of service or age 55 with 10 years of service. With respect to public safety officers hired after June 30, 2011, retirement is assumed to occur at the earlier age of 52 years with 30 years of service or age 60 with 10 years of service. For all other employees hired prior to July 1, 2011, retirement is assumed to occur at the earlier of any age with 30 years of service or age 62 with 6 years of service. For all other employees hired after June 30, 2011, retirement is assumed to occur at the earlier of any age with 35 years of service or age 65 with 6 years of service.

C. Discount Rate Assumptions

The discount rate used to determine the liability under GASB 75 for governments that do not prefund benefits, as is the case with the County, is based on the S&P Municipal Bond 20-year High Grade Index as of the measurement date. The discount rate is 3.35% per annum.

D. Valuation Methods & Assumptions

The following Coverage Status and Age of Spouse assumptions were used:

- Health coverage election: 50% of eligible employees are assumed to elect medical coverage upon retirement or disability and coverage is assumed to end at age 65
- Spouses and dependents: Husbands are assumed to be three years older than wives. Of those electing coverage, 50% are assumed to elect coverage for themselves and their spouses and 50% are assumed to elect coverage only for themselves. Retirees are not assumed to have any dependent children.
- COBRA Coverage: Future healthcare coverage provided solely pursuant to COBRA was not included in the OPEB valuation because 1) the COBRA premium is determined periodically based on plan experience, and 2) the COBRA premium to be paid by the participant is assumed to fully cover the cost of providing healthcare coverage during the relevant period.

E. Decrement Assumptions

Mortality rates were based on the sex-distinct rates set forth in the RP-2000 Combined Mortality Table for general employees and the RP-2000 Blue Collar Mortality Table for public safety employees, both with full generational improvements in mortality using Scale BB. Other decrement assumptions are:

- Assumed employment termination is based on the Scale 155 table
- Assumed disability is based on the Wyatt 1985 Disability Study (Class 4 rates were used for public safety employees and Class 1 rates were used for all other employees)

F. Trend Assumptions

The future healthcare cost increases are assumed to be 8.00% for the 2016/2017 fiscal year graded down by 0.50% per year to 5.00% for the 2022/23 and later fiscal years.

| <u>Year</u> | <u>Trend Rate</u> |
|-------------|-------------------|
| 2017 | 8.00% |
| 2018 | 7.50% |
| 2019 | 7.00% |
| 2020 | 6.50% |
| 2021 | 6.00% |
| 2022 | 5.50% |
| 2023 | 5.00% |
| Thereafter | 5.00% |

7. Deferred Inflows/Outflows of Resources Related to OPEB

For fiscal year ended September 30, 2018, the County recognized an OPEB expense of \$204,224. At year end, the County reported no deferred outflows of resources and no deferred inflows of resources related to the OPEB plan. Additionally, there were no deferred

outflows of resources related to OPEB resulting from employer contributions subsequent to the measurement date.

NOTE 14. FUND BALANCES

GASB Statements 34, 46 and 54 provide guidance on accounting for and reporting of fund balances and their various authorized levels of use.

A. Fund Balance Classifications

As of September 30, 2018, fund balances of the governmental funds are classified as follows:

- Non-spendable – amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact. These are primarily related to prepaid expenditures and inventories.
- Restricted – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements, enabling legislation, constraints that are externally imposed by creditors, grantors, contributors or the laws or regulations of other governmental entities.
- Committed – amounts that can be used only for specific purposes determined by a formal action of the Board of County Commissioners (BOCC). The BOCC is the highest level of decision making authority for the County. Committed fund balance may be established, modified or rescinded only through resolutions or other formal actions approved by the BOCC.
- Assigned – amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Under current practices, the assignment of amounts for specific purposes is approved by the BOCC typically through the budgeting process.
- Unassigned – all other spendable amounts

B. Fund Balance Policy

The County has adopted a fund balance policy to maintain targeted levels of fund balance for all governmental funds. For the General Fund, the County's policy is to maintain a minimum level of unrestricted fund balance (the sum of the assigned and unassigned components of fund balance). The target level is no less than three (3) months or 25% and no more than four (4) months or 33% of General Fund annual expenditures.

For special revenue funds there are typically no requirements for a specific reservation of fund balance but the County uses several special revenue funds as special operating funds for specific programs such as the Sheriff's Office Fund, the Road Operating Fund and the M.S.B.U. Fire Fund. For these special revenue operating funds, the County has established a minimum level of fund balance. Such funds should maintain no less than three (3) months or 25% and no more than four (4) months or 33% of the fund specific annual expenditures.

In addition to minimum fund balance levels for the General Fund and special revenue operating funds, the County also established a minimum level of fund balance for any and all funds (including enterprise funds) which are responsible for debt repayment obligations. Any fund used to repay debt obligations should maintain a minimum fund balance equal to one (1) year of debt service payments in addition to any other required levels of fund balance.

C. Replenishment of Fund Balance Deficits

Each year during the budget process fund balance levels are reviewed and compared to the targeted levels established in the fund balance policy. In the event fund balance levels fall below the targeted levels or, in the case of the stabilization fund, have not been met, a designated amount shall be set aside each year to fund balance so that the targeted amounts will be met within 5 years.

D. Utilization of Fund Balance

The County may approve, in its annual budgeting process, the use of fund balance either for specifically identified needs or as a designated reserve. The Board must always approve the use of designated reserves. In the event that targeted fund balance levels are met, the Board may approve the use of any excess for any lawful purpose. The Board may also establish additional reserves or designations of fund balance as may be needed such as a Disaster Contingency reserve.

E. Fund Balances By Fund

As of September 30, 2018, total governmental fund balances were \$15,054,873 comprising the following funds and fund balance classifications:

| Fund Balance Classifications | | | | | | |
|--|-------------------|---------------------|---------------------|-------------------|---------------------|----------------------|
| Fund Name | Nonspendable | Restricted | Committed | Assigned | Unassigned | Total |
| General Fund | \$ 713,185 | \$ 867,797 | \$ 293,211 | \$ 400,817 | \$ 2,538,397 | \$ 4,813,407 |
| Sheriff's Office Fund | - | - | 2,513,713 | - | - | 2,513,713 |
| Capital Projects | - | - | 105,262 | - | - | 105,262 |
| One Cent Sales Tax Fund | - | 4,011,084 | 121,932 | - | - | 4,133,016 |
| Boating Improvement Fund | - | - | 29,562 | - | - | 29,562 |
| Court Fee Fund | 8,215 | - | 295,675 | - | - | 303,890 |
| Crime Prevention Fund | - | - | 197,775 | - | - | 197,775 |
| E-911 Surcharge Fund | 3,653 | - | 260,970 | - | - | 264,623 |
| Industrial Development Authority (IDA) | - | - | 10,725 | - | - | 10,725 |
| M.S.B.U. Fire Department Fund | 11,147 | - | 166,771 | - | - | 177,918 |
| Mosquito Control Program | - | 42,760 | - | - | - | 42,760 |
| Recreation Fee Fund | - | - | 25 | - | - | 25 |
| Road Operating Fund | 40,375 | 719,395 | - | - | - | 759,770 |
| Tourist Development Fund | 870 | 36,000 | 224,190 | - | - | 261,060 |
| Impact Fees | - | 170,563 | - | - | - | 170,563 |
| Clerk Child Support Grant | - | - | 87,349 | - | - | 87,349 |
| Clerk Employee Benefit Fund | - | - | - | 2,339 | - | 2,339 |
| Clerk Records Modernization Trust | 496 | 81,259 | - | - | - | 81,755 |
| Clerk State Court Fund | 815 | - | - | - | (815) | - |
| Property Appraiser Special Assessment Fund | - | - | - | 221 | - | 221 |
| Sheriff EMPA/ EMPG Grant | 295 | - | - | - | (295) | - |
| Sheriff Federal Forfeiture | - | 9,097 | - | - | - | 9,097 |
| Sheriff Firing Range | - | - | 16,092 | - | - | 16,092 |
| Sheriff Inmate Welfare | - | 1,013,535 | - | - | - | 1,013,535 |
| Sheriff Law Enforcement Trust | - | 60,416 | - | - | - | 60,416 |
| Sheriff VOCA | 639 | - | - | - | (639) | - |
| Supervisor of Elections Voting Grants | 6,200 | - | - | - | (6,200) | - |
| Total fund balances | \$ 785,890 | \$ 7,011,906 | \$ 4,323,252 | \$ 403,377 | \$ 2,530,448 | \$ 15,054,873 |

NOTE 15. CONTINGENT LIABILITIES

A. Pending Litigation

The County is involved in various litigation matters arising from normal operations of a local government. In some of these litigations matters the County is named as the petitioner and in others, the defendant. The County has various insurance coverages (Note 16) that may be used to mitigate any losses from litigation, if necessary. It is the opinion of management that none of those matters will have a material impact on the basic financial statements of the County. The County will continue to incur legal expenses regarding the defense of these actions.

B. Grant Programs

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the Federal and State governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time although the County expects these amounts, if any, to be immaterial.

C. Guarantee of Debt for Others

In fiscal year 1999-2000, the County agreed to guarantee a \$350,000 loan for a local non-profit organization (Wakulla County Senior Center). The balance of the loan at September 30, 2018 was \$111,271.

D. Remediation Costs

GASB Statement 49 provides guidance in accounting for and reporting obligations associated with pollution remediation. The County has begun a remediation cleanup of a petroleum contamination site located on County property that previously contained a fueling station for the former location of the Sheriff's Office Jail. The County has developed a Remedial Action Plan which has been approved by the Florida Department of Environmental Protection (FDEP). The County has hired a contractual engineer to oversee the clean-up of the site and the engineer has developed estimated costs for three possible clean-up phases across four work zones. The costs to the County will vary depending on the results of the Phase 1 cleanup, outside funding provided by FDEP and any unknown factors. Preliminary costs to remediate were estimated at \$703,900 in 2013. To date, as of September 30, 2018, the total cost of remediation is \$629,613. The remaining future estimated costs, assuming all three phases are required, is between \$72,061 and \$74,287.

NOTE 16. RISK MANAGEMENT

GASB Statement 10 and 30 provide guidance related to accounting for and the reporting of risk financing related liabilities. The County is required to report an estimated loss from a claim as a liability and as an expenditure/expense if both of two conditions are met: 1) Information available before the financial statements are issued indicates that it is probable that an asset has been impaired or a liability has been incurred at the date of the financial statements and 2) The amount of the loss can be reasonably estimated.

The County participates in various public entity risk pools for certain of its insurance coverages. Under these insurance risk pools, the County pays annual premiums to the pools for its insurance coverages. The agreements for information of the pools provide that the pools will be self-

sustaining through member premiums and will reinsure through commercial companies for claims in excess of specified amounts. The County continues to carry commercial insurance for other risks of loss. Settled claims resulting from these risks have not exceeded the commercial insurance coverage in any of the past three fiscal years. The pooling agreements allow for the pools to make additional assessments on its members to make the pools self-sustaining. It is not possible to estimate the amount of such additional assessments which might have to be paid by the County.

As noted in Note 15A, Pending Litigation, the County is not aware of any liabilities related to the County's insurance coverages that will materially impact the financial statements of the County.

NOTE 17. CONTRACTUAL & CONSTRUCTION COMMITMENTS

A. Operating Contractual Commitments

During the year, the County entered into several contractual relationships with vendors for professional services for various operational needs and/or operational projects. These contracts, their source of funding, costs incurred to date (including costs incurred in previous fiscal years), future commitments under contract and estimated future commitments not yet under contract are recorded below.

| Project | Funding Source | Costs Incurred To Date | Future Commitments * | Future Projected Costs Not Under Commitment ** | Total Projected Cost Estimate |
|--|------------------------|------------------------|----------------------|--|-------------------------------|
| Governmental Funds | | | | | |
| General Government | | | | | |
| Building Inspections Support | General Fund | \$ 2,689 | \$ 2,311 | \$ - | \$ 5,000 |
| FDEP Fuel Contamination Remediation | General Fund | 36,849 | - | 72,061 | 108,910 |
| Traffic Concurrency Plan | General Fund | 9,550 | 350 | - | 9,900 |
| Economic Environment | | | | | |
| Housing Rehabilitation Administrative Services | Grant Funds | 17,500 | 17,500 | - | 35,000 |
| Culture & Recreation | | | | | |
| Tourism Marketing, Management & Development | Tourism Fees | 18,000 | 36,000 | - | 54,000 |
| OBBT Trail Entrance Signage | 1 Cent Sales Tax Funds | 4,100 | 4,100 | - | 8,200 |
| Physical Environment | | | | | |
| Elm Ridge Subdivision Review | Grant Funds | 1,100 | 8,800 | - | 9,900 |
| Transportation | | | | | |
| Ivan Church Road Resurfacing | Grant Funds | 26,895 | - | - | 26,895 |
| MLK Road | Grant Funds | 88,610 | - | - | 88,610 |
| Total Governmental Funds | | \$ 205,293 | \$ 69,061 | \$ 72,061 | \$ 346,415 |
| Enterprise Funds | | | | | |
| Physical Environment | | | | | |
| Lower Bridge Landfill Compliance Monitoring | Grant Funds | \$ 20,631 | \$ 7,389 | \$ - | \$ 28,020 |
| Medart Landfill Compliance Monitoring | Grant Funds | 19,081 | 6,412 | - | 25,493 |
| Lower Bridge Landfill Permit Renewal | Sewer Fees | 14,019 | 33 | - | 14,052 |
| Wastewater Treatment Plant Compliance Monitoring | Sewer Fees | 26,781 | 6,550 | - | 33,331 |
| US 319 Forcemain Relocation | Sewer Fees | 18,000 | 12,000 | - | 30,000 |
| Highway 319 Sewer Utility Relocation (Engineering) | Sewer Fees | 10,250 | 13,000 | - | 23,250 |
| State Road 61 Sewer Utility Relocation (Engineering) | Sewer Fees | 43,015 | 5,985 | - | 49,000 |
| Wastewater Treatment Plant Sewer System Map | Sewer Fees | 2,475 | 3,025 | - | 5,500 |
| Panacea Gravity Sewer Rehabilitation | Sewer Fees | 157,717 | 16,013 | - | 173,730 |
| Total Enterprise Funds | | \$ 311,969 | \$ 70,407 | \$ - | \$ 382,376 |
| Total County-wide contractual commitments | | \$ 517,262 | \$ 139,468 | \$ 72,061 | \$ 728,791 |

* Future Commitments are the balances due, as of 9/30/2018, on existing signed contracts with vendors for these projects.

** Future Project Costs Not Under Commitment are contracts that have been awarded but the work has not commenced.

B. Capital Construction Commitments (Construction in Progress)

During the year, the County had several construction projects in progress and existing funds from various sources have been earmarked for completion of those projects. The projects in progress, their source of funding, costs incurred to date (including costs incurred in previous fiscal years), construction commitments and estimated future completion costs are:

| Project | Funding Source | Non-Contractual Costs to Date | Contractual Costs Incurred to Date | Future Commitments * | Future Projected Costs Not Under Commitment ** | Total Projected Cost Estimate |
|---|--------------------------|-------------------------------|------------------------------------|----------------------|--|-------------------------------|
| Governmental Funds | | | | | | |
| Public Safety | | | | | | |
| Trice Lane Fire & EMS Station | 1 Cent Sales Tax Funds | \$ 50,174 | \$ 1,244,027 | \$ 1,000,784 | \$ - | \$ 2,294,985 |
| Transportation | | | | | | |
| Ace High Stables | 1 Cent Sales Tax Funds | 115,860 | - | - | - | 115,860 |
| Buck Miller Road | 1 Cent Sales Tax Funds | 9,253 | - | - | - | 9,253 |
| Council Moore Road | 1 Cent Sales Tax Funds | 15,225 | - | - | - | 15,225 |
| Dan Miller Road | 1 Cent Sales Tax Funds | 250 | - | - | - | 250 |
| Harvey Mill Road | Grant Funds | - | 60,450 | 11,113 | - | 71,563 |
| Lonnie Raker Road Resurfacing | 1 Cent Sales Tax Funds | 3,350 | 13,500 | 4,500 | - | 21,350 |
| Smith Creek Road (CR375) | Grant Funds | - | 98,210 | 69,590 | - | 167,800 |
| Spring Creek Highway | 1 Cent Sales Tax Funds | 1,900 | - | - | - | 1,900 |
| Trice Lane Turn Lane | 1 Cent Sales Tax Funds | - | 50,758 | 115,697 | - | 166,455 |
| Wakulla Gardens Road Paving | 1 Cent Sales Tax Funds | 53,304 | 199,832 | 312,465 | - | 565,601 |
| Magnolia Gardens Road Paving | 1 Cent Sales Tax Funds | 348,679 | 275,943 | 32,373 | - | 656,995 |
| Wakulla Springs Road | 1 Cent Sales Tax Funds | 800 | - | - | - | 800 |
| Culture & Recreation | | | | | | |
| Community Center Phase 1 and 2 (Design) | Grant Funds | 17,453 | 15,700 | 7,500 | - | 40,653 |
| Total Governmental Funds | | \$ 616,248 | \$ 1,958,420 | \$ 1,554,022 | \$ - | \$ 4,128,690 |
| Enterprise Funds | | | | | | |
| Physical Environment | | | | | | |
| Magnolia Gardens Sewer Retrofit | Grant Funds | 1,471,623 | \$ 3,091,069 | \$ 2,910,380 | \$ - | \$ 7,473,072 |
| Riversink Water Well Relocation | Fees & Service Charges | 5,155 | 274,334 | 375,965 | - | 655,454 |
| Medart Lift Station Bypass | Grant Funds | - | 875,410 | 409,563 | - | 1,284,973 |
| Wakulla Gardens Sewer Retrofit | Grant Funds | 2,267,501 | 3,232,351 | 3,321,549 | - | 8,821,401 |
| Otter Creek Wastewater Treatment Plant Expansion | Loan Funds & Grant Funds | 423,516 | 8,143,368 | 655,398 | - | 9,222,282 |
| Total Enterprise Funds | | \$ 4,167,795 | \$ 15,616,532 | \$ 7,672,855 | \$ - | \$ 27,457,182 |
| Total County-wide construction in progress | | \$ 4,784,043 | \$ 17,574,952 | \$ 9,226,877 | \$ - | \$ 31,585,872 |

* Future Commitments are the balances due, as of 9/30/2018, on existing signed contracts with vendors for these projects.

** Future Project Costs Not Under Commitment are contracts that have been awarded but the work has not commenced.

NOTE 18. LANDFILL CLOSURE AND POST-CLOSURE COSTS

GASB Statement 18 provides guidance for accounting for landfill closure and post-closure costs. The County has obtained engineering estimates of closure construction costs and future costs to monitor sanitary landfill sites as required by U.S. Environmental Protection Agency (EPA) regulations. These engineering estimates are approved by the Florida Department of Environmental Protection (DEP) annually.

A liability for accrued landfill closure and post-closure costs at September 30, 2018 has been recorded in the Statement of Net Position in the amount of \$1,120,490 representing the County's estimated liabilities for such costs, of which it is estimated \$78,089 is expected to be spent in the following year and the remaining \$1,042,401 is estimated to be spent over the next 27 years.

The County began the closure process in Fiscal Year 2013-2014 and completed the closure in Fiscal Year 2016-2017. The closure was funded with cash held by the County for this purpose in the amount of \$395,109 and loan proceeds in the amount of \$925,000. At September 30, 2018, \$98,222 was held in a separate bank account for the restricted use of funding future post-closure costs. The estimated future long-term care or post-closure costs are:

| | Class I | | Class III | | Total | |
|--|-------------------|-------------------|---------------------|-------------------|---------------------|---------------------|
| | 9/30/2017 | 9/30/2018 | 9/30/2017 | 9/30/2018 | 9/30/2017 | 9/30/2018 |
| Beginning long-term care costs: | \$ 605,118 | \$ 557,256 | \$ 1,199,175 | \$ 1,172,879 | \$ 1,804,293 | \$ 1,730,135 |
| Change in long-term care estimate | 7,149 | 79,580 | 15,055 | (591,611) | 22,204 | (512,031) |
| Less prior year annual long-term care estimate | (55,011) | (55,726) | (41,351) | (41,889) | (96,362) | (97,614) |
| Estimated long-term care costs: | \$ 557,256 | \$ 581,110 | \$ 1,172,879 | \$ 539,379 | \$ 1,730,135 | \$ 1,120,490 |
| Annual long-term care costs: | | | | | | |
| Annually funded through state grant and internal funds | \$ 55,726 | \$ 58,111 | \$ 41,889 | \$ 19,977 | \$ 97,614 | \$ 78,089 |
| # of years annual long term care is required | 10 | 10 | 28 | 27 | | |
| Estimated future long-term care costs: | \$ 557,256 | \$ 581,110 | \$ 1,172,879 | \$ 539,379 | \$ 1,730,135 | \$ 1,120,490 |
| Total Closing & Long-term Care Costs: | \$ 557,256 | \$ 581,110 | \$ 1,172,879 | \$ 539,379 | \$ 1,730,135 | \$ 1,120,490 |

Each year a “Landfill Management Escrow Account Schedule of Activity” report is prepared by the County and audited by the independent auditors. This report is delivered to the Florida Department of Environmental Protection (FDEP) as evidence the County is complying with the escrow requirements of Section 62-701.630 (5)(c) of the Florida Administrative Code. Copies of this report will provided upon request by contacting the Finance Department of the Clerk of Court, 3056 Crawfordville Highway, Crawfordville, Florida, 32327.

NOTE 19. ACCRUED COMPENSATED ABSENCES

GASB Statement 16 provides guidance on accounting for compensated absences. The County accrues accumulated unpaid vacation and sick leave when earned by the employee. The current portion is the amount estimated to be used in the following year – 15% for the Board of County Commissioners and the offices of the Clerk of Court, Property Appraiser, Supervisor of Elections and Tax Collector and 10% for the Sheriff’s Office – and is reported as a short-term liability. The non-current portion is the amount estimated to be used in subsequent fiscal years and is reported as a long-term liability. As of September 30, 2018, the County estimated its total compensated absence liability at \$1,030,138, of which, \$128,573 is estimated to be paid in the next fiscal year (Note 10.d).

NOTE 20. FUND DEFICITS

The following fund(s) had an unassigned fund balance deficit at year end. The deficit will be funded by operating transfers in the subsequent year.

| | Fund Deficit |
|--------------------------|-------------------|
| Special Revenue Funds: | |
| Clerk State Court Fund | \$ (815) |
| Sheriff EMPA/ EMPG Grant | (295) |
| Sheriff VOCA | (639) |
| Supervisor of Election | <u>(6,200)</u> |
| Total | <u>\$ (7,949)</u> |

NOTE 21. PRIOR PERIOD ADJUSTMENTS / ACCOUNTING CHANGE

A. Governmental Activities

There were two prior period adjustments for fiscal year September 30, 2018. Both prior period adjustments were due to the implementation of Governmental Accounting Standards Board (GASB) Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions (OPEB), which altered the measurement and reporting standards previously under GASB Statement No. 45. GASB 75 establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures related to OPEB.

The first prior period adjustment increased net position in the Governmental Activities in amount of \$6,317. This adjustment was due to a restatement of beginning net position of the Florida Retirement System's (FRS) net position.

The second prior period adjustment decreased net position in the Governmental Activities in the amount of \$1,132,595. This adjustment was due to the County's implementation of GASB Statement No. 75 and restatement of beginning net position.

These two prior period adjustments resulted in the following impact to net position:

| | | |
|---|--|--------------------|
| 1 | FRS Pension Plan - Governmental Activities | |
| | Increase to Net Position | \$ 6,317 |
| 2 | Other Post-Employment Benefits - Governmental Activities | |
| | Decrease to Net Position | <u>(1,132,595)</u> |
| | Total Governmental Activities Prior Period Adjustment | \$ (1,126,278) |

WAKULLA COUNTY, FLORIDA

REQUIRED SUPPLEMENTARY INFORMATION

GOVERNMENTAL MAJOR FUNDS – BUDGET & ACTUAL STATEMENTS

WAKULLA COUNTY, FLORIDA

GENERAL FUND STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL For the Fiscal Year Ended September 30, 2018

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|--|-----------------------|-----------------------|-----------------------|--|
| | Original | Final | | |
| Revenue | | | | |
| Taxes | \$ 10,014,882 | \$ 10,014,882 | \$ 10,889,016 | \$ 874,134 |
| Licenses, permits and special assessments | 513,160 | 513,160 | 596,055 | 82,895 |
| Intergovernmental | 6,677,065 | 6,677,065 | 6,327,387 | (349,678) |
| Charges for services | 1,954,372 | 2,002,002 | 2,276,827 | 274,825 |
| Fines and forfeitures | 46,340 | 46,340 | 70,891 | 24,551 |
| Miscellaneous | 2,328,367 | 2,296,669 | 71,604 | (2,225,065) |
| Interest | 85,000 | 85,000 | 160,228 | 75,228 |
| Total revenue | \$ 21,619,186 | \$ 21,635,118 | \$ 20,392,008 | \$ (1,243,110) |
| Expenditures | | | | |
| Current | | | | |
| General Government | \$ 6,542,194 | \$ 6,970,704 | \$ 6,758,381 | \$ 212,323 |
| Public Safety | 13,660,744 | 13,198,638 | 13,820,597 | (621,959) |
| Physical Environment | 149,555 | 149,555 | 166,729 | (17,174) |
| Transportation | - | - | 3,298 | (3,298) |
| Economic Environment | 360,150 | 360,150 | 49,184 | 310,966 |
| Human Services | 928,443 | 928,443 | 788,629 | 139,814 |
| Culture and recreation | 996,900 | 1,005,300 | 1,069,848 | (64,548) |
| Court related | 55,000 | 55,000 | 55,000 | - |
| Capital Outlay | | | | |
| General Government | - | - | 17,528 | (17,528) |
| Public Safety | 46,000 | 46,000 | 15,989 | 30,011 |
| Physical Environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic Environment | - | - | - | - |
| Human Services | - | - | - | - |
| Culture and recreation | 20,654 | 20,654 | - | 20,654 |
| Court related | - | - | - | - |
| Debt Service | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total Expenditures | \$ 22,759,640 | \$ 22,734,444 | \$ 22,745,183 | \$ (10,739) |
| Excess (deficiency) of revenues over (under) expenditures | \$ (1,140,454) | \$ (1,099,326) | \$ (2,353,175) | \$ (1,253,849) |
| Other financing sources (uses) | | | | |
| Sale of equipment | \$ 2,040 | \$ 2,040 | \$ 3,412 | \$ 1,372 |
| Debt proceeds | - | - | - | - |
| Transfers from Board of County Commissioners | 14,062,760 | 14,062,760 | 14,035,402 | (27,358) |
| Transfers from (to) other governments | (61,000) | (61,000) | - | 61,000 |
| Transfer In | 3,621,524 | 3,621,524 | 3,596,499 | (25,025) |
| Transfers Out | (16,484,870) | (16,525,998) | (14,902,216) | 1,623,782 |
| Total other financing sources (uses) | \$ 1,140,454 | \$ 1,099,326 | \$ 2,733,097 | \$ 1,633,771 |
| Net change in fund balance | - | - | 379,922 | 379,922 |
| Fund balances, beginning of year | 4,433,485 | 4,433,485 | 4,433,485 | - |
| Prior period adjustment | - | - | - | - |
| Fund balances, end of year | \$ 4,433,485 | \$ 4,433,485 | \$ 4,813,407 | \$ 379,922 |

See notes to the required supplementary information.

WAKULLA COUNTY, FLORIDA

SHERIFF'S OFFICE FUND
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2018

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|--|-----------------------|-----------------------|-----------------------|--|
| | Original | Final | | |
| Revenue | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - |
| Licenses, permits and special assessments | - | - | - | - |
| Intergovernmental | - | - | - | - |
| Charges for services | 1,830,600 | 1,830,600 | 3,074,300 | 1,243,700 |
| Fines and forfeitures | - | - | - | - |
| Miscellaneous | 371,900 | 371,900 | - | (371,900) |
| Interest | - | - | 9,166 | 9,166 |
| Total revenue | \$ 2,202,500 | \$ 2,202,500 | \$ 3,083,466 | \$ 880,966 |
| Expenditures | | | | |
| Current | | | | |
| General government | \$ - | \$ - | \$ - | \$ - |
| Public Safety | - | - | - | - |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Court related | - | - | - | - |
| Capital Outlay | | | | |
| General government | - | - | - | - |
| Public Safety | - | - | - | - |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Court related | - | - | - | - |
| Debt Service | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total Expenditures | \$ - | \$ - | \$ - | \$ - |
| Excess (deficiency) of revenues over (under) expenditures | \$ 2,202,500 | \$ 2,202,500 | \$ 3,083,466 | \$ 880,966 |
| Other financing sources (uses) | | | | |
| Sale of equipment | \$ - | \$ - | \$ - | \$ - |
| Debt proceeds | - | - | - | - |
| Transfer from Board of County Commissioners | - | - | - | - |
| Transfers to other governments | - | - | - | - |
| Transfer In | 8,723,782 | 8,723,782 | 8,773,763 | 49,981 |
| Transfers Out | (10,926,282) | (10,926,282) | (10,926,282) | - |
| Total other financing sources (uses) | \$ (2,202,500) | \$ (2,202,500) | \$ (2,152,519) | \$ 49,981 |
| Net change in fund balance | - | - | 930,947 | 930,947 |
| Fund balances, beginning of year | 1,582,766 | 1,582,766 | 1,582,766 | - |
| Prior period adjustment | - | - | - | - |
| Fund balances, end of year | \$ 1,582,766 | \$ 1,582,766 | \$ 2,513,713 | \$ 930,947 |

See notes to the required supplementary information.

WAKULLA COUNTY, FLORIDA

SHIP - STATE HOUSING INITIATIVES PARTNERSHIP PROGRAM FUND
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL

For the Fiscal Year Ended September 30, 2018

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget - Positive (Negative) |
|--|-------------------|-------------------|-------------------|--|
| | Original | Final | | |
| Revenue | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - |
| Licenses, permits and special assessments | 350,000 | 350,000 | - | (350,000) |
| Intergovernmental | - | - | 759,126 | 759,126 |
| Charges for services | - | - | - | - |
| Fines and forfeitures | - | - | - | - |
| Miscellaneous | 323,500 | 323,500 | - | (323,500) |
| Interest | - | - | 1,062 | 1,062 |
| Total revenue | \$ 673,500 | \$ 673,500 | \$ 760,188 | \$ 86,688 |
| Expenditures | | | | |
| Current | | | | |
| General government | \$ - | \$ - | \$ - | \$ - |
| Public Safety | - | - | 86,391 | (86,391) |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | 673,500 | 673,500 | 670,481 | 3,019 |
| Human services | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Court related | - | - | - | - |
| Capital Outlay | | | | |
| General government | - | - | - | - |
| Public Safety | - | - | - | - |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Court related | - | - | - | - |
| Debt Service | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total Expenditures | \$ 673,500 | \$ 673,500 | \$ 756,872 | \$ (83,372) |
| Excess (deficiency) of revenues over (under) expenditures | \$ - | \$ - | \$ 3,316 | \$ 3,316 |
| Other financing sources (uses) | | | | |
| Sale of equipment | \$ - | \$ - | \$ - | \$ - |
| Debt proceeds | - | - | - | - |
| Transfer from Board of County Commissioners | - | - | - | - |
| Transfers to other governments | - | - | - | - |
| Transfer In | - | - | - | - |
| Transfers Out | - | - | (3,316) | (3,316) |
| Total other financing sources (uses) | \$ - | \$ - | \$ (3,316) | \$ (3,316) |
| Net change in fund balance | - | - | - | - |
| Fund balances, beginning of year | - | - | - | - |
| Prior period adjustment | - | - | - | - |
| Fund balances, end of year | \$ - | \$ - | \$ - | \$ - |

See notes to the required supplementary information.

WAKULLA COUNTY, FLORIDA

**CAPITAL PROJECTS GRANT FUND
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2018**

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|-------------------|--------------------|--------------------|--|
| | Original | Final | | |
| Revenue | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - |
| Licenses, permits and special assessments | - | - | - | - |
| Intergovernmental | 153,893 | 166,893 | 28,359 | (138,534) |
| Charges for services | - | - | - | - |
| Fines and forfeitures | - | - | - | - |
| Miscellaneous | 115,262 | 105,262 | - | (105,262) |
| Interest | - | - | - | - |
| Total revenue | \$ 269,155 | \$ 272,155 | \$ 28,359 | \$ (243,796) |
| Expenditures | | | | |
| Current | | | | |
| General government | \$ - | \$ 13,000 | \$ 13,000 | \$ - |
| Public safety | - | - | - | - |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | 1 | (1) |
| Court related | - | - | - | - |
| Capital Outlay | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Physical environment | 159,155 | 159,155 | 8,031 | 151,124 |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | 110,000 | 110,000 | 17,327 | 92,673 |
| Court related | - | - | - | - |
| Debt Service | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total Expenditures | \$ 269,155 | \$ 282,155 | \$ 38,359 | \$ 243,796 |
| Excess (deficiency) of revenues over (under) expenditures | \$ - | \$ (10,000) | \$ (10,000) | \$ - |
| Other financing sources | | | | |
| Sale of equipment | \$ - | \$ - | \$ - | \$ - |
| Debt proceeds | - | - | - | - |
| Transfer from Board of County Commissioners | - | - | - | - |
| Transfers to other governments | - | - | - | - |
| Transfer In | - | 10,000 | 10,000 | - |
| Transfers Out | - | - | - | - |
| Total other financing sources (uses) | \$ - | \$ 10,000 | \$ 10,000 | \$ - |
| Net change in fund balance | - | - | - | - |
| Fund balances, beginning of year | 105,262 | 105,262 | 105,262 | - |
| Prior period adjustment | - | - | - | - |
| Fund balances, end of year | \$ 105,262 | \$ 105,262 | \$ 105,262 | \$ - |

See notes to the required supplementary information.

WAKULLA COUNTY, FLORIDA

ONE CENT SALES TAX FUND
 STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL
 For the Fiscal Year Ended September 30, 2018

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|--|---------------------|---------------------|---------------------|--|
| | Original | Final | | |
| Revenue | | | | |
| Taxes | \$ 2,364,158 | \$ 2,364,158 | \$ 2,610,623 | \$ 246,465 |
| Licenses, permits and special assessments | - | - | - | - |
| Intergovernmental | 500,000 | 500,000 | 500,000 | - |
| Charges for services | - | - | - | - |
| Fines and forfeitures | - | - | - | - |
| Miscellaneous | 3,580,000 | 3,244,000 | 24,530 | (3,219,470) |
| Interest | - | - | 115 | 115 |
| Total revenue | \$ 6,444,158 | \$ 6,108,158 | \$ 3,135,268 | \$ (2,972,890) |
| Expenditures | | | | |
| Current | | | | |
| General government | \$ 2,661,168 | \$ 2,315,168 | \$ - | \$ 2,315,168 |
| Public Safety | - | - | 31 | (31) |
| Physical environment | - | - | - | - |
| Transportation | 100,000 | 100,000 | 1 | 99,999 |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Court related | - | - | - | - |
| Capital Outlay | | | | |
| General government | - | - | 40,920 | (40,920) |
| Public Safety | 2,220,068 | 2,220,068 | 1,241,908 | 978,160 |
| Physical environment | - | - | - | - |
| Transportation | 1,332,928 | 1,332,928 | 1,271,272 | 61,656 |
| Economic environment | - | - | - | - |
| Human services | 30,000 | 30,000 | 26,573 | 3,427 |
| Culture and recreation | 588,000 | 588,000 | 329,000 | 259,000 |
| Court related | - | - | - | - |
| Debt Service | | | | |
| Principal | 367,027 | 367,027 | 235,026 | 132,001 |
| Interest | 30,967 | 30,967 | 20,720 | 10,247 |
| Total Expenditures | \$ 7,330,158 | \$ 6,984,158 | \$ 3,165,451 | \$ 3,818,707 |
| Excess (deficiency) of revenues over (under) expenditures | \$ (886,000) | \$ (876,000) | \$ (30,183) | \$ 845,817 |
| Other financing sources | | | | |
| Sale of equipment | \$ - | \$ - | \$ 1,000 | \$ 1,000 |
| Debt proceeds | 1,300,000 | 1,300,000 | 1,300,000 | - |
| Transfer in from Board of County Commissioners | - | - | - | - |
| Transfers to other governments | - | - | - | - |
| Transfer In | - | - | 51,225 | 51,225 |
| Transfers Out | (414,000) | (424,000) | (418,411) | 5,589 |
| Total other financing sources (uses) | \$ 886,000 | \$ 876,000 | \$ 933,814 | \$ 57,814 |
| Net change in fund balance | - | - | 903,631 | 903,631 |
| Fund balances, beginning of year | 3,229,385 | 3,229,385 | 3,229,385 | - |
| Prior period adjustment | - | - | - | - |
| Fund balances, end of year | \$ 3,229,385 | \$ 3,229,385 | \$ 4,133,016 | \$ 903,631 |

See notes to the required supplementary information.

**PROPRIETARY MAJOR FUNDS –
BUDGET & ACTUAL STATEMENTS**

WAKULLA COUNTY, FLORIDA

**SEWER FUND
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION -
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2018**

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|-----------------------|-----------------------|----------------------|--|
| | Original | Final | | |
| Operating revenues | | | | |
| Special Assessments | \$ - | \$ - | \$ - | \$ - |
| Charges for services | 2,194,765 | 2,114,973 | 3,121,248 | 1,006,275 |
| Operating grants | - | - | - | - |
| Miscellaneous | 726,045 | 726,045 | 36,503 | (689,542) |
| Total operating revenues | \$ 2,920,810 | \$ 2,841,018 | \$ 3,157,751 | \$ 316,733 |
| Operating expenses | | | | |
| Materials, supplies and other | \$ 1,285,571 | \$ 1,285,571 | \$ 1,085,756 | \$ 199,815 |
| Depreciation and amortization | - | - | 713,158 | (713,158) |
| Capital outlay | 689,330 | 688,123 | - | 688,123 |
| Total operating expenses | \$ 1,974,901 | \$ 1,973,694 | \$ 1,798,914 | \$ 174,780 |
| Operating income | \$ 945,909 | \$ 867,324 | \$ 1,358,837 | \$ 491,513 |
| Nonoperating revenues (expenses) | | | | |
| Capital grants and contributions | \$ 14,145,503 | \$ 14,145,503 | \$ 8,390,008 | \$ (5,755,495) |
| Landfill closure expenses | - | - | - | - |
| Interest and other non-operating | 200,000 | 200,000 | 6 | (199,994) |
| Gain (Loss) on disposal of assets | - | - | 715,738 | 715,738 |
| Capital outlay | (17,167,708) | (17,167,708) | - | 17,167,708 |
| Debt service principal | (167,560) | (167,560) | - | 167,560 |
| Interest expense | (175,627) | (175,627) | - | 175,627 |
| Total nonoperating revenues (expenses) | \$ (3,165,392) | \$ (3,165,392) | \$ 9,105,752 | \$ 12,271,144 |
| Net income (loss) before operating transfers | \$ (2,219,483) | \$ (2,298,068) | \$ 10,464,589 | \$ 12,762,657 |
| Other financing sources (uses) | | | | |
| Debt proceeds | \$ 2,420,355 | \$ 2,420,355 | \$ - | \$ (2,420,355) |
| Operating transfers in | 150,453 | 150,453 | 162,844 | 12,391 |
| Operating transfers out | (351,325) | (272,740) | (351,325) | (78,585) |
| Total other financing sources (uses) | \$ 2,219,483 | \$ 2,298,068 | \$ (188,481) | \$ (2,486,549) |
| Change in net position | - | - | 10,276,108 | 10,276,108 |
| Total Net Position, beginning of year | 20,534,560 | 20,534,560 | 20,534,560 | - |
| Prior period adjustment | - | - | - | - |
| Total Net Position, end of year | \$ 20,534,560 | \$ 20,534,560 | \$ 30,810,668 | \$ 10,276,108 |

See notes to the required supplementary information.

WAKULLA COUNTY, FLORIDA

SOLID WASTE FUND
STATEMENT OF REVENUE, EXPENSES AND CHANGES IN NET POSITION -
BUDGET AND ACTUAL
For the Fiscal Year Ended September 30, 2018

| | Budgeted Amounts | | Actual Amounts | Variance with Final Budget Positive (Negative) |
|---|-----------------------|-----------------------|-----------------------|--|
| | Original | Final | | |
| Operating revenues | | | | |
| Special Assessments | \$ 2,380,906 | \$ 2,380,906 | \$ 2,294,596 | \$ (86,310) |
| Charges for services | - | - | 58,065 | 58,065 |
| Operating grants | - | - | 85,035 | 85,035 |
| Miscellaneous | 650,000 | 424,000 | 610,571 | 186,571 |
| Total operating revenues | \$ 3,030,906 | \$ 2,804,906 | \$ 3,048,267 | \$ 243,361 |
| Operating expenses | | | | |
| Materials, supplies and other | \$ 2,938,269 | \$ 2,712,269 | \$ 1,263,722 | \$ 1,448,547 |
| Depreciation and amortization | - | - | 2,079 | (2,079) |
| Capital outlay | - | - | - | - |
| Total operating expenses | \$ 2,938,269 | \$ 2,712,269 | \$ 1,265,801 | \$ 1,446,468 |
| Operating income | \$ 92,637 | \$ 92,637 | \$ 1,782,466 | \$ 1,689,829 |
| Nonoperating revenues (expenses) | | | | |
| Capital grants and contributions | \$ 91,000 | \$ 91,000 | \$ - | \$ (91,000) |
| Landfill closure expenses | (91,000) | (91,000) | (1,121,676) | (1,030,676) |
| Interest and other non-operating | 7,000 | 7,000 | 7,343 | 343 |
| Gain (Loss) on disposal of assets | - | - | - | - |
| Capital outlay | - | - | - | - |
| Debt service principal | (61,667) | (61,667) | - | 61,667 |
| Interest expense | (28,364) | (28,364) | (25,282) | 3,082 |
| Total nonoperating revenues (expenses) | \$ (83,031) | \$ (83,031) | \$ (1,139,615) | \$ (1,056,584) |
| Net income (loss) before operating transfers | \$ 9,606 | \$ 9,606 | \$ 642,851 | \$ 633,245 |
| Other financing sources (uses) | | | | |
| Debt proceeds | \$ - | \$ - | \$ - | \$ - |
| Gain (Loss) | - | - | - | - |
| Operating transfers in | 27,000 | 27,000 | 27,000 | - |
| Operating transfers out | (36,606) | (36,606) | (36,606) | - |
| Total other financing sources (uses) | \$ (9,606) | \$ (9,606) | \$ (9,606) | \$ - |
| Change in net position | \$ - | \$ - | \$ 633,245 | \$ 633,245 |
| Total Net Position, beginning of year | \$ (2,006,156) | \$ (2,006,156) | \$ (2,006,156) | \$ - |
| Prior period adjustment | - | - | - | - |
| Total Net Position, end of year | \$ (2,006,156) | \$ (2,006,156) | \$ (1,372,911) | \$ 633,245 |

See notes to the required supplementary information.

SCHEDULE OF NET PENSION LIABILITY

WAKULLA COUNTY, FLORIDA

SCHEDULE OF WAKULLA COUNTY'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY FLORIDA RETIREMENT SYSTEM Last Five Fiscal Years *

| | 2014 | 2015 | 2016 | 2017 | 2018 |
|---|---------------------|----------------------|----------------------|----------------------|----------------------|
| County's proportion of the net pension liability | | | | | |
| Pension Plan | 0.0585% | 0.0604% | 0.0626% | 0.0622% | 0.0626% |
| Health Insurance Subsidy Program | 0.0349% | 0.0348% | 0.0336% | 0.0339% | 0.0342% |
| County's proportionate share of the net pension liability | | | | | |
| Pension Plan | \$ 3,571,635 | \$ 7,800,742 | \$ 15,819,014 | \$ 18,409,769 | \$ 18,854,581 |
| Health Insurance Subsidy Program | 3,266,527 | 3,551,030 | 3,915,109 | 3,628,443 | 3,614,702 |
| Total | <u>\$ 6,838,162</u> | <u>\$ 11,351,772</u> | <u>\$ 19,734,123</u> | <u>\$ 22,038,212</u> | <u>\$ 22,469,283</u> |
| County's covered payroll | \$ 10,402,835 | \$ 10,599,151 | \$ 10,385,205 | \$ 10,868,929 | \$ 11,256,688 |
| County's proportionate share of the net pension liability as a percentage of its covered employee payroll | | | | | |
| Pension Plan | 34.33% | 73.60% | 152.32% | 169.38% | 167.50% |
| Health Insurance Subsidy Program | 31.40% | 33.50% | 37.70% | 33.38% | 32.11% |
| Total | <u>65.73%</u> | <u>107.10%</u> | <u>190.02%</u> | <u>202.76%</u> | <u>199.61%</u> |
| Plan fiduciary net position as a percentage of the total pension liability | | | | | |
| Pension Plan | 96.09% | 92.00% | 84.88% | 83.89% | 84.26% |
| Health Insurance Subsidy Program | 0.99% | 0.50% | 0.97% | 1.64% | 2.15% |
| Total | <u>97.08%</u> | <u>92.50%</u> | <u>85.85%</u> | <u>85.53%</u> | <u>86.41%</u> |

* GASB Statement 68 requires information for 10 years. However, until a full 10-year trend has been compiled, Wakulla County is only able to present information for those years for which information is available.

See notes to the required supplementary information

SCHEDULE OF PENSION CONTRIBUTIONS

WAKULLA COUNTY, FLORIDA

SCHEDULE OF WAKULLA COUNTY'S CONTRIBUTIONS FLORIDA RETIREMENT SYSTEM

Last Five Fiscal Years *

| | 2014 | 2015 | 2016 | 2017 | 2018 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|
| County's contractually required contributions | | | | | |
| Pension Plan | \$ 1,282,214 | \$ 1,472,466 | \$ 1,527,805 | \$ 1,619,669 | \$ 1,783,968 |
| Health Insurance Subsidy Program | 119,676 | 133,101 | 172,185 | 179,592 | 185,208 |
| Total | <u>\$ 1,401,890</u> | <u>\$ 1,605,567</u> | <u>\$ 1,699,990</u> | <u>\$ 1,799,261</u> | <u>\$ 1,969,176</u> |
| County's contributions in relation to the contractually required contributions | \$ 1,401,890 | \$ 1,605,567 | \$ 1,699,990 | \$ 1,799,261 | \$ 1,969,176 |
| County's contribution deficiency | \$ - | \$ - | \$ - | \$ - | \$ - |
| County's covered payroll | \$ 10,402,835 | \$ 10,599,151 | \$ 10,385,205 | \$ 10,868,929 | \$ 11,256,688 |
| County's contributions as a percentage of covered payroll | 13.48% | 15.15% | 16.37% | 16.55% | 17.49% |

* GASB Statement 68 requires information for 10 years. However, until a full 10-year trend has been compiled, Wakulla County is only able to present information for those years for which information is available.

See notes to the required supplementary information

SCHEDULE OF CHANGES TO OPEB LIABILITY & HISTORICAL TREND INFORMATION

WAKULLA COUNTY, FLORIDA

Schedule of Changes to the OPEB Liability Last Fiscal Year *

| Total OPEB Liability | September 30, 2018 |
|--|--------------------|
| Service cost | 204,459 |
| Expected interest growth | 84,455 |
| Unexpected investment income | - |
| Demographic experience | - |
| Employer contributions | - |
| Employee contributions | - |
| Benefit payments & refunds | (84,690) |
| Administrative expenses | - |
| Changes in benefit terms | - |
| Assumption changes | - |
| Net changes | 204,224 |
| Total OPEB Liability - Beginning of Year | 2,358,595 |
| Total OPEB Liability - End of Year | 2,562,819 |

| Measurement Date | Historical Trend Information | | | | Covered Payroll | Net OPEB Liability as a % of Covered Payroll |
|--------------------|------------------------------|------------------------|--|----------|-----------------|--|
| | Total OPEB Liability | Fiduciary Net Position | Last Fiscal Year * Net OPEB Liability | Funded % | | |
| September 30, 2017 | \$ 2,562,819 | \$ - | \$ 2,562,819 | 0.0% | Not Provided | N/A |
| September 30, 2016 | \$ 2,358,595 | \$ - | \$ 2,358,595 | 0.0% | Not Provided | N/A |

* GASB 75 requires information for 10 years. However, until a full 10 year trend has been compiled, Wakulla County is only able to present information for those years which information is available.

See notes to the required supplementary information

WAKULLA COUNTY, FLORIDA

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION

For the Fiscal Year Ended September 30, 2018

NOTE 1. BUDGETARY INFORMATION

An annual budget is adopted on a basis consistent with accounting principles generally accepted in the United States of America for the governmental and enterprise funds. All annual appropriations lapse at fiscal yearend.

The County generally follows these procedures in establishing the budgetary data for the governmental and proprietary funds as reflected in the financial statements:

1. Prior to September 30, the County Administrator, serving as Budget Officer, submits to the Board of County Commissioners (BOCC) a tentative budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them.
2. Public hearings are conducted by the BOCC to obtain taxpayer comments.
3. Prior to September 30, the budget is legally enacted through passage of a resolution by the BOCC.
4. The Constitutional Officers submit, at various times prior to September 30, to the BOCC and to certain divisions within the Department of Revenue, State of Florida, a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes proposed expenditures and the means of financing them, as set forth in Chapter 129 of the *Florida Statutes*.
5. The Department of Revenue, State of Florida, has the final authority on the operating budgets for the Tax Collector and Property Appraiser, which are classified as separate special revenue funds.
6. The BOCC is authorized to amend fixed appropriations by motion to the extent that appropriations do not exceed the total approved budget of the fund, or appropriate for special purpose intended, reserves or unanticipated receipts. Appropriations lapse at year end. No supplemental appropriations were necessary during the year. Various such amendments were made during the year.
7. Formal budgetary integration is employed as a management control device in all governmental and enterprise funds.
8. Governmental fund budgets are initially adopted on the modified accrual basis. The legally amended budgetary data presented in the accompanying financial statements for the fiscal year ending September 30, 2018 are shown on this basis of accounting. Therefore, the actual and budgetary data are on a comparable basis. Enterprise fund budgets are adopted on the accrual basis except that depreciation is not budgeted.
9. Legal control of the budget is exercised pursuant to applicable provisions of the *Florida Statutes*.
10. Appropriations for the County lapse at the close of the fiscal year.

NOTE 2. FLORIDA RETIREMENT SYSTEM PENSION PLAN

A. Net Pension Liability

The components of the collective (state-wide) net pension liability of the participating employers for each defined benefit plan for the measurement date of September 30, 2018 are shown below (in thousands):

| Statewide Net Pension Liability | June 30, 2017 | June 30, 2018 | Net Change - Increase (Decrease) |
|---|---------------------|--------------------|--|
| | Pension Plan | | |
| Total FRS pension liability | \$ 183,632,592,000 | \$ 191,317,399,000 | \$ 7,684,807,000 |
| less Plan fiduciary net position | 154,053,262,968 | 161,196,880,609 | 7,143,617,641 |
| Net FRS pension liability | \$ 29,579,329,032 | \$ 30,120,518,391 | \$ 541,189,359 |
| Plan fiduciary net position as a percentage of the total pension liability | 83.89% | 84.26% | 0.36% |
| Covered Payroll | \$ 33,775,800,000 | \$ 34,675,000,000 | \$ 899,200,000 |
| Net pension liability as a % of covered payroll | 87.58% | 86.87% | -0.71% |
| | HIS Program | | |
| Total HIS program liability | \$ 10,870,772,218 | \$ 10,816,575,623 | \$ (54,196,595) |
| less Plan fiduciary net position | 178,310,841 | 232,463,369 | 54,152,528 |
| Net HIS program liability | \$ 10,692,461,377 | \$ 10,584,112,254 | \$ (108,349,123) |
| Plan fiduciary net position as a percentage of the total pension liability | 1.64% | 2.15% | 0.51% |
| Covered Payroll | \$ 31,885,632,777 | \$ 32,670,918,206 | \$ 785,285,429 |
| Net pension liability as a % of covered payroll | 33.53% | 32.40% | -1.14% |

The total pension liability for each plan was determined by the plan's actuary and reported in the plan's valuations dated July 1, 2018. The fiduciary net position used by the actuary to determine the net pension liability (as shown above) was determined on the same basis used by the Plan. The fiduciary net position is reported in the financial statements and the net pension liability is disclosed in the notes to the financial statements. Update procedures were not used.

The HIS program actuarial valuation was prepared as of July 1, 2014 and update procedures were used to determine liabilities as of July 1, 2018. The fiduciary net position used by the actuary to determine the net pension liability (as shown above) was determined on the same basis used by the Plan. The fiduciary net position is reported in the financial statements and the net pension liability is disclosed in the notes to the financial statements.

B. Basis for Allocation

The employer's proportionate share reported in the pension allocation schedules was calculated using accrued retirement contributions related to the reporting periods included in the System's fiscal years ending June 30, 2013, 2014, 2015, 2016, 2017, and 2018, respectively, for employers that were members of the FRS pension plan and HIS program during those years. For fiscal year 2018, in addition to contributions from employers, the required accrued contributions for the Division (paid on behalf of the Division's employees who administer the plans) were allocated to each employer on a proportionate basis. The Division administers the plans and therefore cannot allocate a portion of the liability to itself. Although GASB 68 encourages the use of the employers' projected long-term contribution effort to the retirement plan, allocating on the basis

of historical employer contributions is acceptable. The aggregate employer contribution amounts for each fiscal year agree to the employer contribution amounts reported in the system's CAFR for that fiscal year.

The proportion calculated based on contributions for each of the fiscal years presented in the pension allocation schedules was applied to the net pension liability and other pension amounts applicable for that fiscal year to determine each employer's proportionate share of the liability, deferred outflows of resources, deferred inflows of resources and associated pension expense. For the purposes of the pension allocation schedules, pension amounts were allocated to reporting employers. The pension amounts of participating employers whose payrolls are reported and contributions are remitted by another entity are included in the reporting employer's amounts and will be allocated to the participating employer by the reporting employer.

C. Actuarial Methods and Assumptions

Actuarial assumptions for both cost-sharing defined benefit plans are reviewed annually by the Florida Retirement System Actuarial Assumptions Conference. The FRS Pension Plan has a valuation performed annually. The HIS Program has a valuation performed biennially that is updated for GASB reporting in the year a valuation is not performed. The most recent experience study for the FRS Pension Plan was completed in 2014 for the period July 1, 2008 through June 30, 2013. Because the HIS Program is funded on a pay-as-you-go basis, no experience study has been completed for that program. The actuarial assumptions that determine the total pension liability for the HIS Program were based on certain results of the most recent experience study for the FRS Pension Plan. The actuarial methods and assumptions for the current and prior fiscal year and the changes are:

| Key Actuarial Assumptions | June 30, 2017 | June 30, 2018 | Net Change - Increase (Decrease) |
|--|--|---------------|--|
| Pension Plan | | | |
| Valuation date | July 1, 2017 | July 1, 2018 | |
| Measurement date | June 30, 2017 | June 30, 2018 | |
| Inflation | 2.60% | 2.60% | 0.00% |
| Real payroll growth | 0.65% | 0.65% | 0.00% |
| Payroll growth (Salary Increases including inflation) | 3.25% | 3.25% | 0.00% |
| Discount Rate | 7.10% | 7.00% | -0.10% |
| Long-term expected rate of return, net of investment expense | 7.10% | 7.00% | -0.10% |
| Municipal bond rate | N/A | N/A | |
| Mortality | Generational RP 2000 with Projection Scale BB tables | | |
| Actuarial cost method | Individual Entry Age | | |
| HIS Program | | | |
| Valuation date | July 1, 2016 | July 1, 2017 | |
| Measurement date | June 30, 2017 | June 30, 2018 | |
| Inflation | 2.60% | 2.60% | 0.00% |
| Real payroll growth | 0.65% | 0.65% | 0.00% |
| Payroll growth (Salary Increases including inflation) | 3.25% | 3.25% | 0.00% |
| Discount Rate | 3.58% | 3.87% | 0.29% |
| Long-term expected rate of return, net of investment expense | N/A | N/A | |
| Bond Buyer General Obligation 20-Bond Municipal Bond | 3.58% | 3.87% | 0.29% |
| Mortality | Generational RP 2000 with Projection Scale BB tables | | |
| Actuarial cost method | Individual Entry Age | | |

NOTE 3. OTHER POST-EMPLOYMENT BENEFITS (OPEB)

A. Net OPEB Liability

The County’s total and net OPEB liability as of September 30, 2018 is \$2,562,819 as was determined by an actuarial valuation as of October 1, 2016 using September 30, 2017 as the measurement date for the reporting period September 30, 2018. The fiduciary net position of the Plan was zero (\$0) since the Plan is unfunded and there were no assets in the Plan. Update procedures were not used as the valuation is done annually.

B. Basis for Allocation

The County’s OPEB plan is a single employer plan and no allocation procedures are performed.

C. Actuarial Methods and Assumptions

Previously the County, under GASB 45, obtained a valuation report every other fiscal year. For fiscal year 2017/2018, under GASB 75, the County obtained a new valuation report and will obtain a valuation report every year thereafter. Because the Plan is funded on a pay-as-you-go basis, no experience study has been completed for the Plan.

There were no changes in unexpected investment income, employer contributions or employee contributions or administrative expenses as there is no trust fund and no assets in the OPEB plan. Additionally, there were no changes in demographic experience, changes in benefits or changes in assumptions. There were no changes in deferred outflows or inflows of resources arising from differences between projected and actual earnings on investments. There were no changes in deferred outflows or inflows of resources arising from changes in assumptions.

The actuarial methods and assumptions for the current and prior fiscal year and the changes* are:

| Key Actuarial Assumptions | Net Change - | |
|---|---|---------------------|
| | September 30, 2018 | Increase (Decrease) |
| | OPEB Plan | |
| Valuation date | October 1, 2016 | |
| Measurement date | September 30, 2017 | |
| Inflation | 5.00% | n/a |
| Payroll growth (Salary Increases not including inflation) | 3.00% | n/a |
| Discount rate | 3.35% | n/a |
| Initial healthcare trend rate | 8.00% | n/a |
| Ultimate healthcare trend rate | 5.00% | n/a |
| Retiree monthly premium | \$ 622.77 | n/a |
| Implied monthly subsidy | \$ 425.00 | n/a |
| Age-related morbidity | 3.50% | n/a |
| Discount rate based on | S&P Municipal Bond 20 year High Grade Index | |
| Mortality rate based on: | | |
| General employees | RP-2000 Combined Mortality Table, Scale BB | |
| Public safety employees | RP-2000 Blue Collar Mortality Table, Scale BB | |

* This is the first year these assumptions were used under GASB 75.

WAKULLA COUNTY, FLORIDA

COMBINING STATEMENTS AND SCHEDULES

WAKULLA COUNTY, FLORIDA

COMBINING BALANCE SHEET

GENERAL FUND

September 30, 2018

| | Board of County Commissioners | Revenue Stabilization Fund | Building Dept. Fund | Clerk of Court | Property Appraiser | Sheriff | Supervisor of Elections | Tax Collector | Total General Fund |
|--|-------------------------------|----------------------------|---------------------|------------------|--------------------|---------------------|-------------------------|-----------------|---------------------|
| ASSETS | | | | | | | | | |
| Current assets | | | | | | | | | |
| Cash and cash equivalents | \$ 2,065,103 | \$ 400,817 | \$ 687,651 | \$ 71,404 | \$ 14,940 | \$ 270,074 | \$ 192,560 | \$ 1,034 | \$ 3,703,583 |
| Accounts receivable, net | 700,941 | - | - | - | - | 9,057 | - | - | 709,998 |
| Due from individuals | - | - | - | - | - | - | - | - | - |
| Due from agency funds | - | - | - | 13,458 | - | - | - | - | 13,458 |
| Due from other funds | 196,874 | - | - | - | - | 216,742 | - | - | 413,616 |
| Due from other governmental units | 322,354 | - | - | 33 | - | - | - | - | 322,387 |
| Inventories | - | - | - | - | - | - | - | - | - |
| Prepaid expenses | 127,555 | - | 69 | 3,118 | 6,637 | 573,679 | 2,127 | - | 713,185 |
| Other current assets | - | - | - | - | - | - | - | - | - |
| Total assets | \$ 3,412,827 | \$ 400,817 | \$ 687,720 | \$ 88,013 | \$ 21,577 | \$ 1,069,552 | \$ 194,687 | \$ 1,034 | \$ 5,876,227 |
| LIABILITIES AND FUND BALANCES | | | | | | | | | |
| Liabilities | | | | | | | | | |
| Accounts payable | \$ 221,640 | \$ - | \$ 3,353 | \$ 34,878 | \$ - | \$ 248,845 | \$ 2,112 | \$ - | \$ 510,828 |
| Accrued liabilities | 175,863 | - | 14,201 | 19,168 | 20,321 | 170,016 | 10,075 | - | 409,644 |
| Due to individuals | - | - | - | - | - | - | - | - | - |
| Due to agency funds | - | - | - | - | - | 2,103 | - | - | 2,103 |
| Due to other funds | (46,540) | - | (7,108) | 33,967 | 1,123 | 74,909 | 14,481 | - | 70,832 |
| Due to other governmental units | 1,670 | - | 4,201 | - | 133 | - | 201 | - | 6,205 |
| Unearned revenues | 55,865 | - | - | - | - | - | - | - | 55,865 |
| Interest payable | - | - | - | - | - | - | - | - | - |
| Deposits | 6,309 | - | - | - | - | - | - | - | 6,309 |
| Other current liabilities | - | - | - | - | - | - | - | 1,034 | 1,034 |
| Total liabilities | \$ 414,807 | \$ - | \$ 14,647 | \$ 88,013 | \$ 21,577 | \$ 495,873 | \$ 26,869 | \$ 1,034 | \$ 1,062,820 |
| Fund balances | | | | | | | | | |
| Nonspendable | - | - | - | - | - | - | - | - | - |
| Inventories | - | - | - | - | - | - | - | - | - |
| Prepaid Expenses | 127,555 | - | 69 | 3,118 | 6,637 | 573,679 | 2,127 | - | 713,185 |
| Restricted | - | - | 673,004 | - | - | - | - | - | 673,004 |
| Committed | 293,211 | - | - | - | - | - | - | - | 293,211 |
| Assigned | - | 400,817 | - | - | - | - | - | - | 400,817 |
| Unassigned | 2,577,254 | - | - | (3,118) | (6,637) | - | 165,691 | - | 2,733,190 |
| Total fund balances | \$ 2,998,020 | \$ 400,817 | \$ 673,073 | \$ - | \$ - | \$ 573,679 | \$ 167,818 | \$ - | \$ 4,813,407 |
| Total liabilities and fund balances | \$ 3,412,827 | \$ 400,817 | \$ 687,720 | \$ 88,013 | \$ 21,577 | \$ 1,069,552 | \$ 194,687 | \$ 1,034 | \$ 5,876,227 |

See notes to financial statements

WAKULLA COUNTY, FLORIDA

COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
GENERAL FUND

For the Fiscal Year Ended September 30, 2018

| | Board of County Commissioners | Revenue Stabilization Fund | Building Department | Clerk of Courts | Property Appraiser | Sheriff | Supervisor of Elections | Tax Collector | Total General Fund |
|---|-------------------------------|----------------------------|---------------------|---------------------|-----------------------|------------------------|-------------------------|---------------------|-----------------------|
| REVENUE | | | | | | | | | |
| Taxes | \$ 10,889,016 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 10,889,016 |
| Licenses, permits and special assessments | 39,656 | - | 556,399 | - | - | - | - | - | 596,055 |
| Intergovernmental | 6,322,440 | - | - | - | 4,947 | - | - | - | 6,327,387 |
| Charges for services | 1,908,110 | - | 32,717 | 187,579 | - | 92,391 | - | 56,030 | 2,276,827 |
| Fines and forfeitures | 67,666 | - | 3,225 | - | - | - | - | - | 70,891 |
| Miscellaneous | 63,627 | - | 290 | - | 3,201 | - | 4,486 | - | 71,604 |
| Interest | 99,917 | 57,936 | - | 2,287 | 88 | - | - | - | 160,228 |
| Total revenue | \$ 19,390,432 | \$ 57,936 | \$ 592,631 | \$ 189,866 | \$ 8,236 | \$ 92,391 | \$ 4,486 | \$ 56,030 | \$ 20,392,008 |
| EXPENDITURES | | | | | | | | | |
| Current expenditures | | | | | | | | | |
| General government | \$ 3,543,787 | \$ - | \$ - | \$ 859,043 | \$ 1,106,332 | \$ - | \$ 375,742 | \$ 873,477 | \$ 6,758,381 |
| Public safety | 2,404,149 | - | 577,102 | - | - | 10,839,346 | - | - | 13,820,597 |
| Physical environment | 166,729 | - | - | - | - | - | - | - | 166,729 |
| Transportation | 3,298 | - | - | - | - | - | - | - | 3,298 |
| Economic environment | 49,184 | - | - | - | - | - | - | - | 49,184 |
| Human services | 788,629 | - | - | - | - | - | - | - | 788,629 |
| Culture and recreation | 1,069,848 | - | - | - | - | - | - | - | 1,069,848 |
| Court related | 55,000 | - | - | - | - | - | - | - | 55,000 |
| Capital outlay | | | | | | | | | |
| General government | - | - | - | 17,528 | - | - | - | - | 17,528 |
| Public safety | - | - | - | - | - | 15,989 | - | - | 15,989 |
| Physical environment | - | - | - | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - | - | - | - |
| Economic environment | - | - | - | - | - | - | - | - | - |
| Human services | - | - | - | - | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - | - | - | - | - |
| Court related | - | - | - | - | - | - | - | - | - |
| Debt service | | | | | | | | | |
| Principal | - | - | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - | - | - |
| Total expenditures | \$ 8,080,624 | \$ - | \$ 577,102 | \$ 876,571 | \$ 1,106,332 | \$ 10,855,335 | \$ 375,742 | \$ 873,477 | \$ 22,745,183 |
| Excess (deficiency) of revenue over (under) expenditures | \$ 11,309,808 | \$ 57,936 | \$ 15,529 | \$ (686,705) | \$ (1,098,096) | \$ (10,762,944) | \$ (371,256) | \$ (817,447) | \$ (2,353,175) |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | |
| Sale of equipment | \$ 3,412 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,412 |
| Debt proceeds | - | - | - | - | - | - | - | - | - |
| Transfer from Board of County Commissioners | - | - | - | 693,589 | 1,098,096 | 11,021,838 | 404,432 | 817,447 | 14,035,402 |
| Transfers to other governments | - | - | - | - | - | - | - | - | - |
| Interfund transfers in | 3,507,429 | - | - | 89,070 | - | - | - | - | 3,596,499 |
| Interfund transfers out | (14,508,771) | - | (114,995) | (95,954) | - | (182,496) | - | - | (14,902,216) |
| Total other financing sources (uses) | \$ (10,997,930) | \$ - | \$ (114,995) | \$ 686,705 | \$ 1,098,096 | \$ 10,839,342 | \$ 404,432 | \$ 817,447 | \$ 2,733,097 |
| Net change in fund balance | 311,878 | 57,936 | (99,466) | - | - | 76,398 | 33,176 | - | 379,922 |
| Fund balance, beginning of year | 2,686,142 | 342,881 | 772,539 | - | - | 497,281 | 134,642 | - | 4,433,485 |
| Fund balance, end of year | \$ 2,998,020 | \$ 400,817 | \$ 673,073 | \$ - | \$ - | \$ 573,679 | \$ 167,818 | \$ - | \$ 4,813,407 |

See notes to financial statements

WAKULLA COUNTY, FLORIDA
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 September 30, 2018

Board of County Commissioners

| | Special Revenue Funds | | | | | | | | | |
|--|--------------------------------|------------------------|-------------------|--------------------------|-------------------|---------------|------------------|---|----------------------------------|-------------|
| | Boating Improvement Fund | BP Restore Act Fund | Court Fees Fund | Crime Prevention Fund | E911 Surcharge | EMS Grant | FEMA Fund | Industrial Development Authority Fund | M.S.B.U. Fire Department Fund | |
| ASSETS | | | | | | | | | | |
| Current assets | | | | | | | | | | |
| Cash and cash equivalents | \$ 29,940 | \$ - | \$ 311,654 | \$ 207,998 | \$ 121,209 | \$ 840 | \$ - | \$ 10,725 | \$ 198,637 | \$ 113 |
| Accounts receivable, net | - | - | - | - | - | - | - | - | - | - |
| Due from individuals | - | - | - | - | - | - | - | - | - | - |
| Due from agency funds | - | - | 19,168 | 3,591 | 9,924 | - | 9,643 | - | - | - |
| Due from other funds | 1,588 | - | - | - | - | - | - | - | - | - |
| Due from Board of County Comm | - | - | - | - | - | - | - | - | - | - |
| Due from other governmental units | - | 174,433 | - | - | 129,837 | - | 32,455 | - | - | - |
| Inventories | - | - | - | - | - | - | - | - | - | - |
| Prepaid expenses | - | - | 8,215 | - | 3,653 | - | - | - | - | 11,147 |
| Other current assets | - | - | - | - | - | - | - | - | - | - |
| Total assets | \$ 31,528 | \$ 174,433 | \$ 339,037 | \$ 211,589 | \$ 264,623 | \$ 840 | \$ 42,098 | \$ 10,725 | \$ 209,897 | \$ - |
| | | | | | | | | | | |
| LIABILITIES AND FUND BALANCES | | | | | | | | | | |
| Liabilities | | | | | | | | | | |
| Accounts payable | \$ 1,966 | \$ 18,530 | \$ 12,006 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 13,757 | \$ 29,848 |
| Accrued liabilities | - | - | 1,873 | - | - | - | - | - | - | - |
| Due to individuals | - | - | - | - | - | - | - | - | - | - |
| Due to agency funds | - | - | - | - | - | - | - | - | - | - |
| Due to other funds | - | - | 20,988 | 13,814 | - | - | 42,098 | - | - | (11,626) |
| Due to Board of County Comm | - | 155,903 | - | - | - | - | - | - | - | - |
| Due to other governmental units | - | - | 280 | - | - | 840 | - | - | - | - |
| Unearned revenues | - | - | - | - | - | - | - | - | - | - |
| Interest payable | - | - | - | - | - | - | - | - | - | - |
| Deposits | - | - | - | - | - | - | - | - | - | - |
| Other current liabilities | - | - | - | - | - | - | - | - | - | - |
| Total liabilities | \$ 1,966 | \$ 174,433 | \$ 35,147 | \$ 13,814 | \$ - | \$ 840 | \$ 42,098 | \$ - | \$ 31,979 | \$ - |
| | | | | | | | | | | |
| Fund balances | | | | | | | | | | |
| Nonspendable | - | - | - | - | - | - | - | - | - | - |
| Inventories | - | - | 8,215 | - | 3,653 | - | - | - | - | 11,147 |
| Prepaid Expenses | - | - | - | - | - | - | - | - | - | - |
| Restricted | - | - | 295,675 | 197,775 | 260,970 | - | - | 10,725 | - | 166,771 |
| Committed | 29,562 | - | - | - | - | - | - | - | - | - |
| Assigned | - | - | - | - | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - | - | - | - | - |
| Total fund balances | \$ 29,562 | \$ - | \$ 303,890 | \$ 197,775 | \$ 264,623 | \$ 840 | \$ - | \$ 10,725 | \$ 177,918 | \$ - |
| Total liabilities and fund balances | \$ 31,528 | \$ 174,433 | \$ 339,037 | \$ 211,589 | \$ 264,623 | \$ 840 | \$ 42,098 | \$ 10,725 | \$ 209,897 | \$ - |

See notes to financial statements

WAKULLA COUNTY, FLORIDA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2018

| Board of County Commissioners | | Clerk of Courts | | | | | | | | | | | | | | | | | | |
|--|-----------|------------------------|-----------|---------------------|-----------|---------------------|-----------------------|--------------------------|-----------|-----------------|-----------|-----------------------|-----------|---------------------|-----------|-----------------------|-----------|----------------------------------|--------|--|
| | | Special Revenue Funds | | | | | Capital Project Funds | | | | | Special Revenue Funds | | | | | | | | |
| | | Mosquito Control Grant | | Recreation Fee Fund | | Road Operating Fund | | Tourist Development Fund | | Impact Fee Fund | | Road Paving Grants | | Child Support Grant | | Employee Benefit Fund | | Records Modernization Trust Fund | | |
| ASSETS | | | | | | | | | | | | | | | | | | | | |
| Current assets | | | | | | | | | | | | | | | | | | | | |
| Cash and cash equivalents | \$ | 42,760 | - | - | - | 657,244 | \$ | 249,177 | \$ | 170,563 | - | - | 82,741 | - | - | 2,339 | - | - | 71,762 | |
| Accounts receivable, net | | | | | | 69,423 | | 735 | | | | | | | | | | | | |
| Due from individuals | | | | | | | | | | | | | | | | | | | | |
| Due from agency funds | | | | | | | | | | | | | | | | | | | | |
| Due from other funds | | | | | | 7,500 | | 1,755 | | | | | | | | | | | 5,331 | |
| Due from Board of County Comm | | | | | | | | | | | | | | | | | | | | |
| Due from other governmental units | | | | | | | | 13,538 | | | | 95,192 | 4,958 | | | | | | | |
| Inventories | | | | | | 40,375 | | | | | | | | | | | | | | |
| Prepaid expenses | | | | | | | | 870 | | | | | | | | | | | 496 | |
| Other current assets | | | | | | | | | | | | | | | | | | | | |
| Total assets | \$ | 42,760 | \$ | 7,500 | \$ | 862,297 | \$ | 266,075 | \$ | 170,563 | \$ | 95,192 | \$ | 87,699 | \$ | 2,339 | \$ | 83,589 | | |
| LIABILITIES AND FUND BALANCES | | | | | | | | | | | | | | | | | | | | |
| Liabilities | | | | | | | | | | | | | | | | | | | | |
| Accounts payable | \$ | | 6,133 | \$ | 71,001 | \$ | 1,500 | \$ | 1,781 | - | - | 42,295 | 350 | - | - | - | - | - | 619 | |
| Accrued liabilities | | | | | | | | | | | | | | | | | | | 1,211 | |
| Due to individuals | | | | | | | | | | | | | | | | | | | | |
| Due to agency funds | | | | | | | | | | | | | | | | | | | | |
| Due to other funds | | | | | | | | | | | | | | | | | | | | |
| Due to Board of County Comm | | | | | | | | | | | | | | | | | | | 4 | |
| Due to other governmental units | | | | | | | | | | | | | | | | | | | | |
| Unearned revenues | | | | | | | | | | | | | | | | | | | | |
| Interest payable | | | | | | | | | | | | | | | | | | | | |
| Deposits | | | | | | | | | | | | | | | | | | | | |
| Other current liabilities | | | | | | | | | | | | | | | | | | | | |
| Total liabilities | \$ | 7,475 | \$ | 102,527 | \$ | 5,015 | \$ | 95,192 | \$ | 350 | \$ | 1,834 | \$ | 2,339 | \$ | 1,834 | \$ | 1,834 | | |
| Fund balances | | | | | | | | | | | | | | | | | | | | |
| Nonspendable | | | | | | | | | | | | | | | | | | | | |
| Inventories | | | | | | | | | | | | | | | | | | | | |
| Prepaid Expenses | | | | | | | | | | | | | | | | | | | | |
| Restricted | | 42,760 | | | | | | | | | | | | | | | | | | |
| Committed | | | | | | | | | | | | | | | | | | | | |
| Assigned | | | | | | | | | | | | | | | | | | | | |
| Unassigned | | | | | | | | | | | | | | | | | | | | |
| Total fund balances | \$ | 42,760 | \$ | 7,500 | \$ | 862,297 | \$ | 266,075 | \$ | 170,563 | \$ | 95,192 | \$ | 87,699 | \$ | 2,339 | \$ | 81,755 | | |
| Total liabilities and fund balances | \$ | 42,760 | \$ | 7,500 | \$ | 862,297 | \$ | 266,075 | \$ | 170,563 | \$ | 95,192 | \$ | 87,699 | \$ | 2,339 | \$ | 83,589 | | |

See notes to financial statements

WAKULLA COUNTY, FLORIDA
COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
September 30, 2018

| | Property Appraiser | Sheriff | Special Revenue Funds | | | | | |
|--|----------------------------|--------------------|-----------------------|----------------------|----------------------------|--------------------|---------------|---------------|
| Clerk of Courts | Special Assessment Fund | Bulle tproof Vests | Crime Prevention | EMPA / EMPG Grant | EMPA Hazardous Analysis | Federal Forfeiture | FEMA | Firing Range |
| ASSETS | | | | | | | | |
| Current assets | | | | | | | | |
| Cash and cash equivalents | 5,400 | 579 | - | - | - | 9,097 | - | 16,211 |
| Accounts receivable, net | - | - | - | - | - | - | - | - |
| Due from individuals | - | - | - | - | - | - | - | - |
| Due from agency funds | 40,896 | - | - | - | - | - | - | - |
| Due from other funds | - | - | - | - | 1 | - | - | - |
| Due from Board of County Comm | - | - | 13,358 | - | - | - | - | - |
| Due from other governmental units | 18,177 | - | 7,350 | 62,484 | - | - | 42,334 | - |
| Inventories | - | - | - | - | - | - | - | - |
| Prepaid expenses | 815 | - | - | 295 | - | - | - | - |
| Other current assets | - | - | - | - | - | - | - | - |
| Total assets | 65,288 | 579 | 7,350 | 62,779 | 1 | 9,097 | 42,334 | 16,211 |
| | | | | | | | | |
| LIABILITIES AND FUND BALANCES | | | | | | | | |
| Liabilities | | | | | | | | |
| Accounts payable | 2,395 | - | - | 10 | 55 | - | - | - |
| Accrued liabilities | 16,554 | 358 | - | - | - | - | - | - |
| Due to individuals | - | - | - | - | - | - | - | - |
| Due to agency funds | - | - | 5 | 233 | - | - | - | - |
| Due to other funds | - | - | 13,343 | 62,435 | - | - | 42,334 | - |
| Due to Board of County Comm | - | - | - | 56 | - | - | - | 119 |
| Due to other governmental units | - | - | - | - | - | - | - | - |
| Unearned revenues | 46,339 | - | - | - | - | - | - | - |
| Interest payable | - | - | - | - | - | - | - | - |
| Deposits | - | - | - | - | - | - | - | - |
| Other current liabilities | - | - | - | - | - | - | - | - |
| Total liabilities | 65,288 | 358 | 7,350 | 62,779 | 1 | 9,097 | 42,334 | 119 |
| | | | | | | | | |
| Fund balances | | | | | | | | |
| Nonspendable | - | - | - | - | - | - | - | - |
| Inventories | 815 | - | - | 295 | - | - | - | - |
| Prepaid Expenses | - | - | - | - | - | 9,097 | - | - |
| Restricted | - | - | - | - | - | - | - | 16,092 |
| Committed | - | - | - | - | - | - | - | - |
| Assigned | - | 221 | - | - | - | - | - | - |
| Unassigned | (815) | - | - | (295) | - | - | - | - |
| Total fund balances | - | 221 | - | - | - | 9,097 | - | 16,092 |
| Total liabilities and fund balances | 65,288 | 579 | 7,350 | 62,779 | 1 | 9,097 | 42,334 | 16,211 |

See notes to financial statements

WAKULLA COUNTY, FLORIDA
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 September 30, 2018

Sheriff

Special Revenue Funds

| | Florida Sheriff's Association | Inmate Welfare | JAG / Byrne | Law Enforcement Trust | Litter Control Parks & Recreation | Litter Control Transfield | Moving Violations | Organized Crime Drug Enforcement Task Force | School Resource Officer |
|--|-------------------------------|---------------------|---------------|-----------------------|-----------------------------------|---------------------------|-------------------|---|-------------------------|
| ASSETS | | | | | | | | | |
| Current assets | | | | | | | | | |
| Cash and cash equivalents | \$ - | \$ 1,001,174 | \$ - | \$ 60,416 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Accounts receivable, net | - | - | - | - | - | - | - | - | - |
| Due from individuals | - | - | - | - | - | - | - | - | - |
| Due from agency funds | - | 12,361 | - | - | - | - | - | - | - |
| Due from other funds | - | - | 538 | - | - | - | - | 2 | - |
| Due from Board of County Comm | - | - | - | - | 5,469 | - | - | - | - |
| Due from other governmental units | - | - | - | - | - | 4,988 | - | - | 62,786 |
| Inventories | - | - | - | - | - | - | - | - | - |
| Prepaid expenses | - | - | - | - | - | - | - | - | - |
| Other current assets | - | - | - | - | - | - | - | - | - |
| Total assets | \$ - | \$ 1,013,535 | \$ 538 | \$ 60,416 | \$ 5,469 | \$ 4,988 | \$ - | \$ 2 | \$ 62,786 |
| LIABILITIES AND FUND BALANCES | | | | | | | | | |
| Liabilities | | | | | | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 312 |
| Accrued liabilities | - | - | 538 | - | 930 | 508 | - | - | 11,370 |
| Due to individuals | - | - | - | - | - | - | - | - | - |
| Due to agency funds | - | - | - | - | 3 | 9 | - | 2 | 56 |
| Due to other funds | - | - | - | - | 3,697 | 4,471 | - | - | 50,808 |
| Due to Board of County Comm | - | - | - | - | 839 | - | - | - | 240 |
| Due to other governmental units | - | - | - | - | - | - | - | - | - |
| Unearned revenues | - | - | - | - | - | - | - | - | - |
| Interest payable | - | - | - | - | - | - | - | - | - |
| Deposits | - | - | - | - | - | - | - | - | - |
| Other current liabilities | - | - | - | - | - | - | - | - | - |
| Total liabilities | \$ - | \$ - | \$ 538 | \$ - | \$ 5,469 | \$ 4,988 | \$ - | \$ 2 | \$ 62,786 |
| Fund balances | | | | | | | | | |
| Nonspendable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Inventories | - | - | - | - | - | - | - | - | - |
| Prepaid Expenses | - | - | - | - | - | - | - | - | - |
| Restricted | - | 1,013,535 | - | 60,416 | - | - | - | - | - |
| Committed | - | - | - | - | - | - | - | - | - |
| Assigned | - | - | - | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - | - | - | - |
| Total fund balances | \$ - | \$ 1,013,535 | \$ - | \$ 60,416 | \$ - | \$ 4,988 | \$ - | \$ - | \$ - |
| Total liabilities and fund balances | \$ - | \$ 1,013,535 | \$ 538 | \$ 60,416 | \$ 5,469 | \$ 4,988 | \$ - | \$ 2 | \$ 62,786 |

See notes to financial statements

WAKULLA COUNTY, FLORIDA
 COMBINING BALANCE SHEET
 NON-MAJOR GOVERNMENTAL FUNDS
 September 30, 2018

| | Special Revenue Funds | | | | | | | | | | Supervisor of Elections |
|--|------------------------|-----------------|---------------|------------------|------------------------------------|------------------|------------------|---------------------|---------------------|---------------------|-------------------------|
| | Sheriff | | | | | | | | | | |
| | Teen Driving Challenge | US Forestry | US Marshalls | VOCA | Wakulla County Coalition for Youth | 1 Cent Sales Tax | \$2 Training | Voting Grants | Totals | | |
| ASSETS | | | | | | | | | | | |
| Current assets | | | | | | | | | | | |
| Cash and cash equivalents | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 52,723 | \$ 3,309,189 | \$ 70,271 | |
| Accounts receivable, net | - | - | - | - | - | - | - | - | - | - | |
| Due from individuals | - | - | - | - | - | - | - | - | 58,588 | 70,006 | |
| Due from agency funds | - | - | - | - | 43 | - | - | - | - | 32,641 | |
| Due from other funds | 1 | - | - | - | - | 13,814 | - | - | - | 746,818 | |
| Due from Board of County Comm | - | 1,380 | 123 | 17,780 | - | - | - | - | - | 40,375 | |
| Due from other governmental units | - | - | - | 639 | - | - | - | 6,200 | - | 32,330 | |
| Inventories | - | - | - | - | - | - | - | - | - | - | |
| Prepaid expenses | - | - | - | - | - | - | - | - | - | - | |
| Other current assets | - | - | - | - | - | - | - | - | - | - | |
| Total assets | \$ 1 | \$ 1,380 | \$ 123 | \$ 18,419 | \$ 43 | \$ 13,814 | \$ 58,923 | \$ 4,360,218 | \$ 3,489,475 | \$ 4,360,218 | |
| LIABILITIES AND FUND BALANCES | | | | | | | | | | | |
| Liabilities | | | | | | | | | | | |
| Accounts payable | \$ - | \$ 6 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 6,771 | \$ 177,707 | \$ 67,076 | |
| Accrued liabilities | - | - | - | 2,105 | - | - | - | - | 31,526 | 353 | |
| Due to individuals | - | - | - | - | 43 | - | - | - | - | 493,216 | |
| Due to agency funds | 1 | 1 | - | - | - | - | - | - | - | 1,254 | |
| Due to other funds | - | 1,373 | 123 | 16,314 | - | 13,814 | - | - | 24,060 | 24,340 | |
| Due to Board of County Comm | - | - | - | - | - | - | - | 28,092 | - | 75,271 | |
| Due to other governmental units | - | - | - | - | - | - | - | - | - | - | |
| Unearned revenues | - | - | - | - | - | - | - | - | - | - | |
| Interest payable | - | - | - | - | - | - | - | - | - | - | |
| Deposits | - | - | - | - | - | - | - | - | - | - | |
| Other current liabilities | - | - | - | - | - | - | - | - | - | - | |
| Total liabilities | \$ 1 | \$ 1,380 | \$ 123 | \$ 18,419 | \$ 43 | \$ 13,814 | \$ 58,923 | \$ 870,743 | \$ 2,097,025 | \$ 1,325,134 | |
| Fund balances | | | | | | | | | | | |
| Nonspendable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 40,375 | \$ 32,330 | |
| Inventories | - | - | - | 639 | - | - | - | 6,200 | - | 2,560 | |
| Prepaid Expenses | - | - | - | - | - | - | - | - | - | - | |
| Restricted | - | - | - | - | - | - | - | - | - | - | |
| Committed | - | - | - | - | - | - | - | - | - | - | |
| Assigned | - | - | - | - | - | - | - | - | - | - | |
| Unassigned | - | - | - | (639) | - | - | - | (6,200) | - | (7,949) | |
| Total fund balances | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,489,475 | \$ 3,035,084 | |
| Total liabilities and fund balances | \$ 1 | \$ 1,380 | \$ 123 | \$ 18,419 | \$ 43 | \$ 13,814 | \$ 58,923 | \$ 870,743 | \$ 4,360,218 | \$ 4,360,218 | |

See notes to financial statements

WAKULLA COUNTY, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2018

Board of County Commissioners

| | Special Revenue Funds | | | | | | | | | |
|---|--------------------------|---------------------|--------------------|-----------------------|---------------------|--------------------|--------------------|---------------------------------------|------------------------------|---------------------|
| | Boating Improvement Fund | BP Restore Act Fund | Court Fees Fund | Crime Prevention Fund | E911 Surcharge | EMS Grant | FEMA Fund | Industrial Development Authority Fund | M.S.B.U Fire Department Fund | |
| REVENUES | | | | | | | | | | |
| Taxes | - | - | \$ | - | \$ | - | - | \$ | - | \$ |
| Licenses, permits and special assessments | 23,947 | - | - | - | - | - | - | - | - | 1,530,293 |
| Intergovernmental | - | 145,577 | 47,690 | - | - | 153,420 | 89,408 | - | - | 3,110 |
| Charges for services | 39,946 | - | 172,518 | - | 161,827 | - | - | - | - | - |
| Fines and forfeitures | - | - | - | 52,681 | 166,955 | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - | - | - | - | 7,773 |
| Interest | - | - | 658 | - | 1,000 | - | - | - | - | 4,788 |
| Total revenues | \$ 63,893 | \$ 145,577 | \$ 220,866 | \$ 52,681 | \$ 329,782 | \$ 153,420 | \$ 89,408 | \$ - | \$ - | \$ 1,545,964 |
| EXPENDITURES | | | | | | | | | | |
| Current expenditures | | | | | | | | | | |
| General government | - | - | - | - | - | - | - | - | - | - |
| Public safety | - | 145,577 | - | 16,296 | - | - | - | - | - | 1,333,264 |
| Physical Environment | - | - | - | - | 209,585 | 18,079 | 78,437 | - | - | - |
| Transportation | - | - | - | - | - | - | - | - | - | - |
| Economic environment | - | - | - | - | - | - | - | 175 | - | - |
| Human services | - | - | - | - | - | - | - | - | - | - |
| Culture and recreation | 94,331 | - | - | - | - | - | - | - | - | - |
| Court related | - | (6,877) | 121,328 | - | - | - | - | - | - | - |
| Capital outlay | | | | | | | | | | |
| General government | - | - | - | - | - | - | - | - | - | - |
| Public safety | - | - | - | - | - | 228,984 | - | - | - | - |
| Physical Environment | - | - | - | - | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - | - | - | - | - |
| Economic environment | - | - | - | - | - | - | - | - | - | - |
| Human services | - | - | - | - | - | - | - | - | - | - |
| Culture and recreation | - | 6,877 | - | - | - | - | - | - | - | - |
| Debt service | | | | | | | | | | |
| Principal | - | - | 104,992 | - | - | - | - | - | - | - |
| Interest | - | - | 16,252 | - | - | - | - | - | - | - |
| Total expenditures | \$ 94,331 | \$ 145,577 | \$ 242,602 | \$ 16,296 | \$ 209,585 | \$ 247,063 | \$ 78,437 | \$ 175 | \$ - | \$ 1,333,264 |
| Excess (deficiency) of revenue over (under) expenditures | \$ (30,438) | \$ - | \$ (21,736) | \$ 36,385 | \$ 120,197 | \$ (93,643) | \$ 10,971 | \$ (175) | \$ - | \$ 212,700 |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | | |
| Sale of equipment | - | - | - | - | - | - | - | - | - | 4,680 |
| Debt proceeds | - | - | - | - | - | - | - | - | - | - |
| Transfer from Board of County Commissioners | - | - | - | - | - | - | - | - | - | - |
| Transfers to other governments | - | - | - | - | - | - | - | - | - | - |
| Interfund transfers in | (7,431) | - | 57,081 | (34,044) | 9,924 | 93,643 | 9,643 | - | - | 11,000 |
| Interfund transfers out | - | - | (39,939) | - | (134,445) | - | (20,614) | - | - | (143,745) |
| Total other financing sources (uses) | \$ (7,431) | \$ - | \$ 17,142 | \$ (34,044) | \$ (124,521) | \$ 93,643 | \$ (10,971) | \$ - | \$ - | \$ (128,065) |
| Net change in fund balance | (37,869) | - | (4,594) | 2,341 | (4,324) | - | - | (175) | - | 84,635 |
| Fund balance, beginning of year | 67,431 | - | 308,484 | 195,434 | 268,947 | - | - | 10,900 | - | 93,283 |
| Prior period adjustment | - | - | - | - | - | - | - | - | - | - |
| Fund balance, end of year | \$ 29,562 | \$ - | \$ 303,890 | \$ 197,775 | \$ 264,623 | \$ - | \$ - | \$ 10,725 | \$ - | \$ 177,918 |

See notes to financial statements

WAKULLA COUNTY, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2018

| | Board of County Commissioners | | | | | | | | | | Clerk of Courts | | |
|---|-------------------------------|---------------------|---------------------|--------------------------|--------------------|-----------------------|---------------------|-----------------------|----------------------------------|------------------|-----------------------|-------------|--------------------|
| | Special Revenue Funds | | | | | Capital Project Funds | | | | | Special Revenue Funds | | |
| | Mosquito Control Grant | Recreation Fee Fund | Road Operating Fund | Tourist Development Fund | Impact Fee Fund | Road Paving Grants | Child Support Grant | Employee Benefit Fund | Records Modernization Trust Fund | | | | |
| REVENUES | | | | | | | | | | | | | |
| Taxes | \$ - | \$ - | \$ 2,091,454 | \$ 170,608 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Licenses, permits and special assessments | - | - | (1,129) | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental | 32,468 | - | 242,985 | - | - | 2,990,910 | - | - | - | 67,058 | - | - | - |
| Charges for services | - | 67,204 | 3,543 | 3,531 | - | - | - | - | - | - | 1,009 | - | 72,984 |
| Fines and forfeitures | - | - | 2,000 | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous | - | - | 83,755 | - | - | - | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - | - | - | - | 1 | - | - |
| Total revenues | \$ 32,468 | \$ 67,204 | \$ 2,422,608 | \$ 174,139 | \$ - | \$ 2,990,910 | \$ 67,058 | \$ 1,010 | \$ - | \$ - | \$ 1,010 | \$ - | \$ 72,984 |
| EXPENDITURES | | | | | | | | | | | | | |
| Current expenditures | | | | | | | | | | | | | |
| General government | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 4,707 | \$ 1,312 | \$ - | \$ - | \$ - | \$ - | \$ 70,233 |
| Public safety | - | - | - | - | 1 | - | - | - | - | - | - | - | - |
| Physical Environment | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transportation | - | - | 1,895,954 | - | - | 1 | - | - | - | - | - | - | - |
| Economic environment | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Human services | 36,216 | - | - | - | - | - | - | - | - | - | - | - | - |
| Culture and recreation | - | 81,814 | - | 185,228 | - | - | - | - | - | 25,688 | - | - | - |
| Court related | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Capital outlay | | | | | | | | | | | | | |
| General government | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Public safety | - | - | - | - | - | - | - | - | 4,850 | - | - | - | - |
| Physical Environment | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transportation | - | - | 145,106 | - | - | 2,990,909 | - | - | - | - | - | - | - |
| Economic environment | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Human services | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Court related | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Debt services | | | | | | | | | | | | | |
| Principal | - | - | 57,056 | - | - | - | - | - | - | - | - | - | - |
| Interest | - | - | 19,739 | - | - | - | - | - | - | - | - | - | - |
| Total expenditures | \$ 36,216 | \$ 81,814 | \$ 2,117,855 | \$ 185,228 | \$ 11,051 | \$ 2,990,910 | \$ 30,395 | \$ 1,312 | \$ - | \$ 30,395 | \$ 1,312 | \$ - | \$ 70,233 |
| Excess (deficiency) of revenue over (under) expenditures | \$ (3,748) | \$ (14,610) | \$ 304,753 | \$ (11,089) | \$ (11,051) | \$ - | \$ 36,663 | \$ (302) | \$ - | \$ 36,663 | \$ (302) | \$ - | \$ 2,751 |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | | | | | |
| Sale of equipment | \$ - | \$ - | \$ 23,717 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Debt proceeds | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfer from Board of County Commissioners | - | - | - | - | - | - | 251 | - | - | - | - | - | - |
| Transfers to other governments | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Interfund transfers in | - | 7,500 | 177 | 1,755 | (51,225) | - | - | - | - | - | 1,000 | - | - |
| Interfund transfers out | - | - | (325,593) | (7,314) | - | - | - | - | - | - | - | - | (20,301) |
| Total other financing sources (uses) | \$ - | \$ 7,500 | \$ (301,699) | \$ (5,559) | \$ (51,225) | \$ - | \$ 251 | \$ - | \$ - | \$ 251 | \$ 1,000 | \$ - | \$ (20,301) |
| Net change in fund balance | (3,748) | (7,110) | 3,054 | (16,648) | (62,276) | - | 36,914 | 698 | - | 36,914 | 698 | - | (17,550) |
| Fund balance, beginning of year | 46,508 | 7,135 | 756,716 | 277,708 | 232,839 | - | 50,435 | 1,641 | - | 50,435 | 1,641 | - | 99,305 |
| Prior period adjustment | - | - | - | - | - | - | - | - | - | - | - | - | - |
| Fund balance, end of year | \$ 42,760 | \$ 25 | \$ 759,770 | \$ 261,060 | \$ 170,563 | \$ - | \$ 87,349 | \$ 2,339 | \$ - | \$ 87,349 | \$ 2,339 | \$ - | \$ 81,755 |

See notes to financial statements

WAKULLA COUNTY, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2018

| | Clerk of Courts | Property Appraiser | Sheriff | | | | | | | | | |
|---|--------------------|-------------------------|-----------------------|--------------------|--------------------|-------------------------|--------------------|-------------------|--------------|-------------------|-------------|--|
| | | | Special Revenue Funds | | | | | | | | | |
| | State Court Fund | Special Assessment Fund | Bulletproof Vests | Crime Prevention | EMPA / BIMP Grant | EMPA Hazardous Analysis | Federal Forfeiture | FEMA | Firing Range | | | |
| REVENUES | | | | | | | | | | | | |
| Taxes | - | - | \$ - | - | \$ - | - | - | \$ - | - | \$ - | - | |
| Licenses, permits and special assessments | - | 47,021 | - | - | - | - | - | - | - | - | - | |
| Intergovernmental | 105,993 | - | 7,350 | - | 155,646 | - | - | 4,654 | - | - | - | |
| Charges for services | 360,532 | - | - | - | - | 2,614 | - | - | - | 28,519 | - | |
| Fines and forfeitures | 161,510 | - | - | - | - | - | - | - | - | - | - | |
| Miscellaneous | - | - | - | - | - | - | - | - | - | - | - | |
| Interest | - | - | - | - | - | - | 5 | - | - | - | 10 | |
| Total revenues | \$ 628,035 | \$ 47,021 | \$ 7,350 | \$ - | \$ 155,646 | \$ 2,614 | \$ 5 | \$ 4,654 | \$ - | \$ 28,519 | \$ - | |
| EXPENDITURES | | | | | | | | | | | | |
| Current expenditures | | | | | | | | | | | | |
| General government | - | 47,021 | - | - | - | - | - | - | - | - | - | |
| Public safety | - | - | 13,383 | 13,358 | - | 1,548 | 250 | 2,205 | - | - | 30,488 | |
| Physical Environment | - | - | - | - | - | - | - | - | - | - | - | |
| Transportation | - | - | - | - | - | - | - | - | - | - | - | |
| Economic environment | - | - | - | - | - | - | - | - | - | - | - | |
| Human services | - | - | - | - | - | - | - | - | - | - | - | |
| Culture and recreation | - | - | - | - | - | - | - | - | - | - | - | |
| Court related | 648,788 | - | - | - | - | - | - | - | - | - | - | |
| Capital outlay | | | | | | | | | | | | |
| General government | - | - | - | - | - | - | - | - | - | - | - | |
| Public safety | - | - | - | - | 28,845 | - | - | - | - | - | - | |
| Physical Environment | - | - | - | - | - | - | - | - | - | - | - | |
| Transportation | - | - | - | - | - | - | - | - | - | - | - | |
| Economic environment | - | - | - | - | - | - | - | - | - | - | - | |
| Human services | - | - | - | - | - | - | - | - | - | - | - | |
| Culture and recreation | - | - | - | - | - | - | - | - | - | - | - | |
| Court related | - | - | - | - | - | - | - | - | - | - | - | |
| Debt services | | | | | | | | | | | | |
| Principal | - | - | - | - | - | - | - | - | - | - | - | |
| Interest | - | - | - | - | - | - | - | - | - | - | - | |
| Total expenditures | \$ 648,788 | \$ 47,021 | \$ 13,383 | \$ 13,358 | \$ 181,143 | \$ 1,548 | \$ 250 | \$ 2,205 | \$ - | \$ 30,488 | \$ - | |
| Excess (deficiency) of revenue over (under) expenditures | \$ (20,753) | \$ - | \$ (6,033) | \$ (13,358) | \$ (25,497) | \$ 1,066 | \$ (245) | \$ 2,449 | \$ - | \$ (1,959) | \$ - | |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | | | | |
| Sale of equipment | - | - | - | - | - | - | - | - | - | - | - | |
| Debt proceeds | - | - | - | - | - | - | - | - | - | - | - | |
| Transfer from Board of County Commissioners | - | - | - | 13,358 | 25,497 | - | - | - | - | - | - | |
| Transfers to other governments | (5,432) | - | - | - | - | - | - | - | - | - | - | |
| Interfund transfers in | 26,185 | - | 6,033 | - | - | (1,066) | - | (2,449) | - | - | - | |
| Interfund transfers out | - | - | - | - | - | - | - | - | - | - | - | |
| Total other financing sources (uses) | \$ 20,753 | \$ - | \$ 6,033 | \$ 13,358 | \$ 25,497 | \$ (1,066) | \$ - | \$ (2,449) | \$ - | \$ - | \$ - | |
| Net change in fund balance | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (245) | \$ - | \$ - | \$ (1,959) | \$ - | |
| Fund balance, beginning of year | - | 221 | - | - | - | - | 9,342 | - | - | 18,051 | - | |
| Prior period adjustment | - | - | - | - | - | - | - | - | - | - | - | |
| Fund balance, end of year | \$ - | \$ 221 | \$ - | \$ - | \$ - | \$ - | \$ 9,097 | \$ - | \$ - | \$ 16,092 | \$ - | |

See notes to financial statements

WAKULLA COUNTY, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2018

Sheriff

| | Special Revenue Funds | | | | | | | | | |
|---|-------------------------------|---------------------|--------------------|-----------------------|-----------------------------------|------------------------------|--------------------|---|-------------------------|--------------------|
| | Florida Sheriff's Association | Inmate Welfare | JAG / Byrne | Law Enforcement Trust | Litter Control Parks & Recreation | Litter Control Transferfield | Moving Violations | Organized Crime Drug Enforcement Task Force | School Resource Officer | |
| REVENUES | | | | | | | | | | |
| Taxes | - | - | \$ | - | \$ | - | \$ | - | \$ | - |
| Licenses, permits and special assessments | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental | 9,600 | - | - | - | - | 29,928 | - | 6,740 | - | 394,706 |
| Charges for services | - | 269,400 | - | - | - | - | - | - | - | - |
| Fines and forfeitures | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - | - | - | - | - |
| Interest | - | 4,942 | - | 196 | - | - | - | - | - | - |
| Total revenues | \$ 9,600 | \$ 274,342 | \$ - | \$ 196 | \$ - | \$ 29,928 | \$ - | \$ 6,740 | \$ - | \$ 394,706 |
| EXPENDITURES | | | | | | | | | | |
| Current expenditures | | | | | | | | | | |
| General government | - | - | - | - | - | - | - | - | - | - |
| Public safety | 5,537 | 41,402 | 23,244 | 9,131 | 73,263 | 36,356 | 14,061 | 10,085 | - | 428,979 |
| Physical Environment | - | - | - | - | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - | - | - | - | - |
| Economic environment | - | - | - | - | - | - | - | - | - | - |
| Human services | - | - | - | - | - | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - | - | - | - | - | - |
| Court related | - | - | - | - | - | - | - | - | - | - |
| Capital outlay | | | | | | | | | | |
| General government | - | - | - | - | - | - | - | - | - | - |
| Public safety | - | 13,108 | - | - | - | - | - | - | - | 34,113 |
| Physical Environment | - | - | - | - | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - | - | - | - | - |
| Economic environment | - | - | - | - | - | - | - | - | - | - |
| Human services | - | - | - | - | - | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - | - | - | - | - | - |
| Court related | - | - | - | - | - | - | - | - | - | - |
| Debt service | | | | | | | | | | |
| Principal | - | - | - | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - | - | - | - |
| Total expenditures | \$ 5,537 | \$ 54,510 | \$ 23,244 | \$ 9,131 | \$ 73,263 | \$ 36,356 | \$ 14,061 | \$ 10,085 | \$ - | \$ 463,092 |
| Excess (deficiency) of revenue over (under) expenditures | \$ 4,063 | \$ 219,832 | \$ (23,244) | \$ (8,935) | \$ (73,263) | \$ (6,428) | \$ (14,061) | \$ (3,345) | \$ - | \$ (68,386) |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | | |
| Sale of equipment | - | - | - | - | - | - | - | - | - | - |
| Debt proceeds | - | - | - | - | - | - | - | - | - | - |
| Transfer from Board of County Commissioners | - | - | - | - | 57,249 | - | 14,061 | - | - | - |
| Transfers to other governments | - | - | - | - | - | - | - | - | - | - |
| Interfund transfers in | - | - | 23,244 | - | 16,014 | 6,428 | - | 3,345 | - | 68,386 |
| Interfund transfers out | (4,063) | - | - | - | - | - | - | - | - | - |
| Total other financing sources (uses) | \$ (4,063) | \$ - | \$ 23,244 | \$ - | \$ 73,263 | \$ 6,428 | \$ 14,061 | \$ 3,345 | \$ - | \$ 68,386 |
| Net change in fund balance | - | 219,832 | - | (8,935) | - | - | - | - | - | - |
| Fund balance, beginning of year | - | 793,703 | - | 69,351 | - | - | - | - | - | - |
| Prior period adjustment | - | - | - | - | - | - | - | - | - | - |
| Fund balance, end of year | \$ - | \$ 1,013,535 | \$ - | \$ 60,416 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

See notes to financial statements

WAKULLA COUNTY, FLORIDA

COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE
NON-MAJOR GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2018

| | Sheriff | | | | | | | | | | Supervisor of Elections | |
|---|------------------------|-----------------|-----------------|-------------------|------------------------------------|---------------------|--------------------|------------------|-------------------|----------------------|-------------------------|----|
| | Special Revenue Funds | | | | | | | | | | | |
| | Teen Driving Challenge | US Forestry | US Marshalls | VOCA | Wakulla County Coalition for Youth | 1 Cent Sales Tax | \$2 Training | Voting Grants | Totals | | | |
| REVENUES | | | | | | | | | | | | |
| Taxes | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ | - | \$ |
| Licenses, permits and special assessments | - | - | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental | 5,000 | - | - | - | - | - | - | - | - | - | - | - |
| Charges for services | - | 2,640 | 2,123 | 97,875 | 12,268 | - | - | 71,163 | - | - | - | - |
| Fines and forfeitures | - | - | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - | - | - | - | - | - |
| Total revenues | \$ 5,000 | \$ 2,640 | \$ 2,123 | \$ 97,875 | \$ 12,268 | \$ - | \$ - | \$ 71,163 | \$ 47 | \$ 10,210,454 | | |
| EXPENDITURES | | | | | | | | | | | | |
| Current expenditures | | | | | | | | | | | | |
| General government | - | - | - | - | - | - | - | - | - | - | - | - |
| Public safety | 4,198 | - | 2,255 | 105,247 | 12,268 | 106,639 | - | 65,934 | - | 205,503 | - | - |
| Physical Environment | - | - | - | - | - | - | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - | - | - | - | - | - | - |
| Economic environment | - | - | - | - | - | - | - | - | - | - | - | - |
| Human services | - | - | - | - | - | - | - | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - | - | - | - | - | - | - | - |
| Court related | - | - | - | - | - | - | - | - | - | - | - | - |
| Capital outlay | | | | | | | | | | | | |
| General government | - | - | - | - | - | - | - | - | - | - | - | - |
| Public safety | - | - | - | - | - | - | - | - | - | - | - | - |
| Physical Environment | - | - | - | - | - | - | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - | - | - | - | - | - | - |
| Economic environment | - | - | - | - | - | - | - | - | - | - | - | - |
| Human services | - | - | - | - | - | - | - | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - | - | - | - | - | - | - | - |
| Court related | - | - | - | - | - | - | - | - | - | - | - | - |
| Debt services | | | | | | | | | | | | |
| Principal | - | - | - | - | - | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - | - | - | - | - | - |
| Total expenditures | \$ 4,198 | \$ 2,597 | \$ 2,255 | \$ 105,247 | \$ 12,268 | \$ 294,769 | \$ 19,983 | \$ 71,677 | \$ 36,021 | \$ 10,032,801 | | |
| Excess (deficiency) of revenue over (under) expenditures | \$ 802 | \$ 43 | \$ (132) | \$ (7,372) | \$ - | \$ (294,769) | \$ (19,983) | \$ (467) | \$ 177,653 | | | |
| OTHER FINANCING SOURCES (USES) | | | | | | | | | | | | |
| Sale of equipment | - | - | - | - | - | - | - | - | - | - | - | - |
| Debt proceeds | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfer from Board of County Commissioners | - | - | - | - | - | - | - | - | - | - | - | - |
| Transfers to other governments | - | - | - | - | - | - | - | - | - | - | - | - |
| Interfund transfers in | - | - | 132 | 7,372 | - | - | - | - | - | - | - | - |
| Interfund transfers out | (802) | (43) | - | - | - | - | - | - | - | - | - | - |
| Total other financing sources (uses) | \$ (802) | \$ (43) | \$ 132 | \$ 7,372 | \$ - | \$ 294,769 | \$ 19,983 | \$ 467 | \$ 4,388 | | | |
| Net change in fund balance | - | - | - | - | - | - | - | - | - | 182,041 | | |
| Fund balance, beginning of year | - | - | - | - | - | - | - | - | - | 3,307,434 | | |
| Prior period adjustment | - | - | - | - | - | - | - | - | - | - | - | - |
| Fund balance, end of year | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,489,475 | | |

See notes to financial statements

WAKULLA COUNTY, FLORIDA

COMBINING STATEMENT OF FIDUCIARY NET POSITION
 AGENCY FUNDS
 September 30, 2018

| | Board of County Commissioners | | Clerk of Court | | Sheriff | | |
|---|-------------------------------|---------------------|------------------|-----------------------|------------------|------------------|-----------------|
| | Wilderness Coast Library | Collections Trust | Donated Funds | Individual Depository | Inmate Trust | Seized Funds | Suspense |
| ASSETS | | | | | | | |
| Cash and cash equivalents | \$ 120,402 | \$ 1,606,893 | \$ 44,616 | \$ 730,997 | \$ 58,851 | \$ 20,048 | \$ 7,770 |
| Accounts receivable, net | - | - | - | - | - | - | - |
| Due from individuals | - | - | - | - | - | - | - |
| Due from agency funds | - | - | 1,871 | - | - | - | - |
| Due from other funds | - | - | - | - | - | 971 | - |
| Due from other governmental units | - | 10 | - | - | - | - | - |
| Inventories | - | - | - | - | - | - | - |
| Prepaid expenses | 26,135 | - | - | - | - | - | - |
| Other current charges | - | - | - | - | - | - | - |
| Total assets | \$ 146,537 | \$ 1,606,903 | \$ 46,487 | \$ 730,997 | \$ 58,851 | \$ 21,019 | \$ 7,770 |
| LIABILITIES | | | | | | | |
| Liabilities | | | | | | | |
| Accounts payable | \$ - | 735 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Accrued liabilities | - | - | - | - | - | - | - |
| Due to individuals | - | 1,331,383 | - | - | 46,490 | - | 7,770 |
| Due to agency funds | - | - | - | - | - | - | - |
| Due to other funds | - | 75,538 | 1,653 | - | 12,361 | - | - |
| Due to Board of County Comm | - | - | - | 730,997 | - | - | - |
| Due to other governmental units | - | 199,247 | - | - | - | - | - |
| Unearned revenues | - | - | - | - | - | - | - |
| Interest payable | - | - | - | - | - | - | - |
| Other current liabilities | 146,537 | - | 44,834 | - | - | 21,019 | - |
| Total liabilities | \$ 146,537 | \$ 1,606,903 | \$ 46,487 | \$ 730,997 | \$ 58,851 | \$ 21,019 | \$ 7,770 |
| Total net assets | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total liabilities and net assets | \$ 146,537 | \$ 1,606,903 | \$ 46,487 | \$ 730,997 | \$ 58,851 | \$ 21,019 | \$ 7,770 |

See notes to financial statements

WAKULLA COUNTY, FLORIDA

COMBINING STATEMENT OF FIDUCIARY NET POSITION
 AGENCY FUNDS
 September 30, 2018

Tax Collector

| | Bankruptcy | Delinquent Tax | Hunting & Fishing | Tag | Tax Escrow | Total |
|---|------------------|-----------------|-------------------|------------------|-------------------|---------------------|
| ASSETS | | | | | | |
| Cash and cash equivalents | \$ 19,277 | \$ 1,250 | \$ 15,505 | \$ 24,690 | \$ 286,251 | \$ 2,936,550 |
| Accounts receivable, net | - | - | - | - | - | - |
| Due from individuals | - | - | - | - | - | - |
| Due from agency funds | - | - | - | - | - | - |
| Due from other funds | - | - | - | - | - | 2,842 |
| Due from other governmental units | - | - | - | - | - | 10 |
| Inventories | - | - | - | - | - | - |
| Prepaid expenses | - | - | - | - | - | 26,135 |
| Other current charges | - | - | - | - | - | - |
| Total assets | \$ 19,277 | \$ 1,250 | \$ 15,505 | \$ 24,690 | \$ 286,251 | \$ 2,965,537 |
| LIABILITIES | | | | | | |
| Liabilities | | | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - | \$ - | 735 |
| Accrued liabilities | - | - | - | - | - | - |
| Due to individuals | 991 | 1,250 | - | - | 54 | 1,387,938 |
| Due to agency funds | - | - | - | - | - | - |
| Due to other funds | 18,286 | - | - | 19,035 | - | 126,873 |
| Due to Board of County Comm | - | - | - | - | - | 730,997 |
| Due to other governmental units | - | - | 15,505 | 5,655 | 286,197 | 506,604 |
| Unearned revenues | - | - | - | - | - | - |
| Interest payable | - | - | - | - | - | - |
| Other current liabilities | - | - | - | - | - | 212,390 |
| Total liabilities | \$ 19,277 | \$ 1,250 | \$ 15,505 | \$ 24,690 | \$ 286,251 | \$ 2,965,537 |
| Total net assets | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total liabilities and net assets | \$ 19,277 | \$ 1,250 | \$ 15,505 | \$ 24,690 | \$ 286,251 | \$ 2,965,537 |

See notes to financial statements

WAKULLA COUNTY, FLORIDA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
 AGENCY FUNDS
 September 30, 2018

| | Balance Oct. 1, 2017 | Additions | Deductions | Balance Sept. 30, 2018 |
|--|-------------------------|----------------------|----------------------|---------------------------|
| Board of County Commissioners - | | | | |
| <u>Wilderness Coast Public Library</u> | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 110,683 | \$ 317,179 | \$ 307,460 | \$ 120,402 |
| Accounts receivable, net | - | - | - | - |
| Due from individuals | - | - | - | - |
| Due from other funds | - | - | - | - |
| Due from other governmental units | - | - | - | - |
| Inventories | - | - | - | - |
| Prepaid expenses | - | 26,135 | - | 26,135 |
| Other current assets | - | - | - | - |
| Total Assets | \$ 110,683 | \$ 343,314 | \$ 307,460 | \$ 146,537 |
| Liabilities | | | | |
| Accounts payable | \$ 29,827.00 | \$ 277,633 | \$ 307,460 | \$ - |
| Accrued liabilities | - | - | - | - |
| Due to individuals | - | - | - | - |
| Due to other funds | - | - | - | - |
| Due to Board of County Comm | - | - | - | - |
| Due to other governmental units | - | - | - | - |
| Unearned revenue | - | - | - | - |
| Interest payable | - | - | - | - |
| Other current liabilities | 80,856 | 65,681 | - | 146,537 |
| Total Liabilities | \$ 110,683 | \$ 343,314 | \$ 307,460 | \$ 146,537 |
| Clerk of Court - | | | | |
| <u>Collections Trust Fund</u> | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 302,930 | \$ 13,999,285 | \$ 12,695,322 | \$ 1,606,893 |
| Accounts receivable, net | - | - | - | - |
| Due from individuals | - | - | - | - |
| Due from other funds | - | - | - | - |
| Due from other governmental units | 10 | - | - | 10 |
| Inventories | - | - | - | - |
| Prepaid expenses | - | - | - | - |
| Other current assets | - | - | - | - |
| Total Assets | \$ 302,940 | \$ 13,999,285 | \$ 12,695,322 | \$ 1,606,903 |
| Liabilities | | | | |
| Accounts payable | \$ - | \$ 4,247,819 | \$ 4,247,084 | \$ 735 |
| Accrued liabilities | - | - | - | - |
| Due to individuals | 130,247 | 4,848,768 | 3,647,632 | 1,331,383 |
| Due to other funds | 50,062 | 775,759 | 750,283 | 75,538 |
| Due to Board of County Comm | - | - | - | - |
| Due to other governmental units | 122,631 | 4,126,939 | 4,050,323 | 199,247 |
| Unearned revenue | - | - | - | - |
| Interest payable | - | - | - | - |
| Other current liabilities | - | - | - | - |
| Total Liabilities | \$ 302,940 | \$ 13,999,285 | \$ 12,695,322 | \$ 1,606,903 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
 AGENCY FUNDS
 September 30, 2018

| | Balance Oct. 1, 2017 | Additions | Deductions | Balance Sept. 30, 2018 |
|-----------------------------------|-------------------------|---------------------|---------------------|---------------------------|
| Sheriff - | | | | |
| <u>DONATED FUNDS</u> | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 26,666 | \$ 57,393 | \$ 39,443 | \$ 44,616 |
| Accounts receivable, net | - | - | - | - |
| Due from individuals | - | - | - | - |
| Due from other funds | 782 | 4,878 | 3,789 | 1,871 |
| Due from other governmental units | - | - | - | - |
| Inventories | - | - | - | - |
| Prepaid expenses | - | - | - | - |
| Other current assets | - | - | - | - |
| Total Assets | \$ 27,448 | \$ 62,271 | \$ 43,232 | \$ 46,487 |
| Liabilities | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Accrued liabilities | - | - | - | - |
| Due to individuals | - | - | - | - |
| Due to other funds | 256.00 | 1,653 | 256 | 1,653 |
| Due to Board of County Comm | - | - | - | - |
| Due to other governmental units | - | - | - | - |
| Unearned revenue | - | - | - | - |
| Interest payable | - | - | - | - |
| Other current liabilities | 27,192 | 60,618 | 42,976 | 44,834 |
| Total Liabilities | \$ 27,448 | \$ 62,271 | \$ 43,232 | \$ 46,487 |
| <u>INDIVIDUAL DEPOSITORY</u> | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 3,618 | \$ 3,087,380 | \$ 2,360,001 | \$ 730,997 |
| Accounts receivable, net | - | - | - | - |
| Due from individuals | - | - | - | - |
| Due from other funds | - | - | - | - |
| Due from other governmental units | - | - | - | - |
| Inventories | - | - | - | - |
| Prepaid expenses | - | - | - | - |
| Other current assets | - | - | - | - |
| Total Assets | \$ 3,618 | \$ 3,087,380 | \$ 2,360,001 | \$ 730,997 |
| Liabilities | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Accrued liabilities | - | - | - | - |
| Due to individuals | - | - | - | - |
| Due to other funds | - | - | - | - |
| Due to Board of County Comm | 3,618 | 3,087,380 | 2,360,001 | 730,997 |
| Due to other governmental units | - | - | - | - |
| Unearned revenue | - | - | - | - |
| Interest payable | - | - | - | - |
| Other current liabilities | - | - | - | - |
| Total Liabilities | \$ 3,618 | \$ 3,087,380 | \$ 2,360,001 | \$ 730,997 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
 AGENCY FUNDS
 September 30, 2018

| | Balance Oct. 1, 2017 | Additions | Deductions | Balance Sept. 30, 2018 |
|-----------------------------------|-------------------------|-------------------|-------------------|---------------------------|
| Sheriff continued - | | | | |
| <u>INMATE TRUST</u> | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 43,838 | \$ 513,595 | \$ 498,582 | \$ 58,851 |
| Accounts receivable, net | - | - | - | - |
| Due from individuals | - | - | - | - |
| Due from other funds | - | - | - | - |
| Due from other governmental units | - | - | - | - |
| Inventories | - | - | - | - |
| Prepaid expenses | - | - | - | - |
| Other current assets | - | - | - | - |
| Total Assets | \$ 43,838 | \$ 513,595 | \$ 498,582 | \$ 58,851 |
| Liabilities | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Accrued liabilities | - | - | - | - |
| Due to individuals | 31,639 | 360,464 | 345,613 | 46,490 |
| Due to other funds | 10,005 | 153,131 | 150,775 | 12,361 |
| Due to Board of County Comm | 2,194 | - | 2,194 | - |
| Due to other governmental units | - | - | - | - |
| Unearned revenue | - | - | - | - |
| Interest payable | - | - | - | - |
| Other current liabilities | - | - | - | - |
| Total Liabilities | \$ 43,838 | \$ 513,595 | \$ 498,582 | \$ 58,851 |
| <u>SEIZED FUNDS</u> | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 15,090 | \$ 7,861 | \$ 2,903 | \$ 20,048 |
| Accounts receivable, net | - | - | - | - |
| Due from individuals | - | - | - | - |
| Due from other funds | - | 971 | - | 971 |
| Due from other governmental units | - | - | - | - |
| Inventories | - | - | - | - |
| Prepaid expenses | - | - | - | - |
| Other current assets | - | - | - | - |
| Total Assets | \$ 15,090 | \$ 8,832 | \$ 2,903 | \$ 21,019 |
| Liabilities | | | | |
| Accrued liabilities | - | - | - | - |
| Due to individuals | - | - | - | - |
| Due to other funds | - | - | - | - |
| Due to Board of County Comm | - | - | - | - |
| Due to other governmental units | - | - | - | - |
| Unearned revenue | - | - | - | - |
| Interest payable | - | - | - | - |
| Other current liabilities | 15,090 | 8,832 | 2,903 | 21,019 |
| Total Liabilities | \$ 15,090 | \$ 8,832 | \$ 2,903 | \$ 21,019 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
 AGENCY FUNDS
 September 30, 2018

| | Balance Oct. 1, 2017 | Additions | Deductions | Balance Sept. 30, 2018 |
|-----------------------------------|-------------------------|----------------------|----------------------|---------------------------|
| Sheriff continued - | | | | |
| <u>SUSPENSE</u> | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 7,716 | \$ 31,585 | \$ 31,531 | \$ 7,770 |
| Accounts receivable, net | - | - | - | - |
| Due from individuals | - | - | - | - |
| Due from other funds | - | - | - | - |
| Due from other governmental units | - | - | - | - |
| Inventories | - | - | - | - |
| Prepaid expenses | - | - | - | - |
| Other current assets | - | - | - | - |
| Total Assets | \$ 7,716 | \$ 31,585 | \$ 31,531 | \$ 7,770 |
| Liabilities | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Accrued liabilities | - | - | - | - |
| Due to individuals | 7,716 | 31,585 | 31,531 | 7,770 |
| Due to other funds | - | - | - | - |
| Due to Board of County Comm | - | - | - | - |
| Due to other governmental units | - | - | - | - |
| Unearned revenue | - | - | - | - |
| Interest payable | - | - | - | - |
| Other current liabilities | - | - | - | - |
| Total Liabilities | \$ 7,716 | \$ 31,585 | \$ 31,531 | \$ 7,770 |
| Tax Collector - | | | | |
| <u>Taxes & Licenses</u> | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 334,976 | \$ 30,789,332 | \$ 30,777,335 | \$ 346,973 |
| Accounts receivable, net | - | - | - | - |
| Due from individuals | - | - | - | - |
| Due from other funds | - | - | - | - |
| Due from other governmental units | - | - | - | - |
| Inventories | - | - | - | - |
| Prepaid expenses | - | - | - | - |
| Other current assets | - | - | - | - |
| Total Assets | \$ 334,976 | \$ 30,789,332 | \$ 30,777,335 | \$ 346,973 |
| Liabilities | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Accrued liabilities | - | - | - | - |
| Due to individuals | 2,596 | 6,098,259 | 6,098,560 | 2,295 |
| Due to other funds | - | 37,321 | - | 37,321 |
| Due to Board of County Comm | - | - | - | - |
| Due to other governmental units | 332,380 | 24,653,752 | 24,678,775 | 307,357 |
| Unearned revenue | - | - | - | - |
| Interest payable | - | - | - | - |
| Other current liabilities | - | - | - | - |
| Total Liabilities | \$ 334,976 | \$ 30,789,332 | \$ 30,777,335 | \$ 346,973 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
 AGENCY FUNDS
 September 30, 2018

| | Balance Oct. 1, 2017 | Additions | Deductions | Balance Sept. 30, 2018 |
|-----------------------------------|-------------------------|----------------------|----------------------|---------------------------|
| TOTAL ALL AGENCY FUNDS | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 845,517 | \$ 48,803,610 | \$ 46,712,577 | \$ 2,936,550 |
| Accounts receivable, net | - | - | - | - |
| Due from individuals | - | - | - | - |
| Due from other funds | 782 | 5,849 | 3,789 | 2,842 |
| Due from other governmental units | 10 | - | - | 10 |
| Inventories | - | - | - | - |
| Prepaid expenses | - | 26,135 | - | 26,135 |
| Other current assets | - | - | - | - |
| Total Assets | \$ 846,309 | \$ 48,835,594 | \$ 46,716,366 | \$ 2,965,537 |
| Liabilities | | | | |
| Accounts payable | \$ 29,827 | \$ 4,525,452 | \$ 4,554,544 | \$ 735 |
| Accrued liabilities | - | - | - | - |
| Due to individuals | 172,198 | 11,339,076 | 10,123,336 | 1,387,938 |
| Due to other funds | 60,323 | 967,864 | 901,314 | 126,873 |
| Due to Board of County Comm | 5,812 | 3,087,380 | 2,362,195 | 730,997 |
| Due to other governmental units | 455,011 | 28,780,691 | 28,729,098 | 506,604 |
| Unearned revenue | - | - | - | - |
| Interest payable | - | - | - | - |
| Other current liabilities | 123,138 | 135,131 | 45,879 | 212,390 |
| Total Liabilities | \$ 846,309 | \$ 48,835,594 | \$ 46,716,366 | \$ 2,965,537 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SINGLE AUDIT AND COMPLIANCE SECTION

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

To the Board of County Commissioners
and Constitutional Officers
Wakulla County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Wakulla County, Florida, as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise Wakulla County, Florida's basic financial statements, and have issued our report thereon dated May 30, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered Wakulla County, Florida's internal control over financial reporting (internal control) to determine the 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 Wakulla County, Florida's internal control. Accordingly, we do not express an opinion on the effectiveness of Wakulla County, Florida'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.

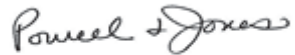
Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not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

Compliance and Other Matters

As part of obtaining reasonable assurance about whether Wakulla County, Florida'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 determination of financial statement amounts. 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.

A handwritten signature in cursive script that reads "Powell & Jones".**POWELL & JONES**

Certified Public Accountants

May 30, 2019

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS
THAT COULD HAVE A DIRECT AND MATERIAL EFFECT ON
EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

To the Board of County Commissioners
and Constitutional Officers
Wakulla County, Florida

Report on Compliance for Each Major Federal Program

We have audited Wakulla County, Florida's compliance with the types of compliance requirements described in *OMB Compliance Supplement* that could have a direct and material effect on each of Wakulla County, Florida's major federal programs for the fiscal year ended September 30, 2018. Wakulla County, Florida's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Wakulla County, Florida's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance 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 the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Wakulla County, Florida's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the Wakulla County, Florida's compliance.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of Wakulla County, Florida's compliance.

Opinion on Each Major Federal Program

In our opinion, Wakulla County, Florida complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended September 30, 2018.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance, which are required to be reported in accordance with OMB Uniform Guidance.

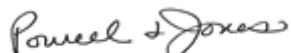
Report on Internal Control Over Compliance

Management of Wakulla County, Florida is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Wakulla County, Florida's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Wakulla County, Florida's internal control over compliance.

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

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.



POWELL & JONES
Certified Public Accountants
May 30, 2019

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH REQUIREMENTS THAT COULD
HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR STATE PROJECT AND ON
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH CHAPTER 10.550, RULES OF
THE AUDITOR GENERAL, OFFICE OF THE AUDITOR GENERAL**

**To the Board of County Commissioners
and Constitutional Officers
Wakulla County, Florida**

Report on Compliance for Each Major State Project

We have audited the compliance of Wakulla County, Florida with the types of compliance requirements described in the State of Florida, Department of Financial Services State Projects Compliance and Supplement, that could have a direct and material effect on its major State project for the year ended September 30, 2018. Wakulla County, Florida's major State projects are identified in the summary of auditors' results section of the accompanying Schedule of Findings.

Management's Responsibility

Wakulla County, Florida's management is responsible for compliance with the requirements of laws, regulations, contracts and grants applicable to its major State projects.

Auditor's Responsibility

Our responsibility is to express an opinion on Wakulla County, Florida's compliance for each major State Project based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance 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 State of Florida, Office of the Auditor General. Those standards and Chapter 10.550, Rules of the State of Florida, Office of the Auditor General, require that we plan and perform the audit to obtain reasonable assurance about whether non-compliance with the types of compliance requirements referred to above that could have a direct and material effect on a major State project occurred. An audit includes examining, on a test basis, evidence about Wakulla County, Florida's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major State Project. However, our audit does not provide a legal determination of Wakulla County, Florida's compliance.

Opinion on Each Major State Project

In our opinion, Wakulla County, Florida complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on its major State projects for the fiscal year ended September 30, 2018.

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance, which are required to be reported in accordance with Chapter 10.550, Rules of the State of Florida, Office of the Auditor General.

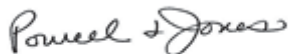
Internal Control Over Compliance

Management of Wakulla County, Florida is responsible for establishing and maintaining effective internal control over the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered Wakulla County, Florida's internal control over compliance with the types of requirements that could have a direct and material effect on a major State project to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major State Project and to test and report on internal control over compliance in accordance with Chapter 10.550, Rules of the State of Florida, Office of the Auditor General, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of Wakulla County, Florida's internal control over compliance.

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

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be deficiencies, significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Pursuant to Chapter 119, *Florida Statutes*, this report is a public record and its distribution is not limited. Auditing standards generally accepted in the United States of America require us to indicate that this report is intended solely for the information and use of Wakulla County, Florida's management, State awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.



POWELL & JONES

Certified Public Accountants

May 30, 2019

WAKULLA COUNTY, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the Fiscal Year Ended September 30, 2018

| Federal Grantor/Pass Through Grantor Program Title | CFDA # | GRANT # | PROGRAM OR AWARD AMOUNT | REPORTED IN PRIOR YEARS | REVENUES RECOGNIZED | EXPENDITURES |
|---|--------|-------------------------|-------------------------------|----------------------------|------------------------|--------------|
| FEDERAL AWARDS | | | | | | |
| U.S. Department of Agriculture, Rural Development Water & Waste Disposal Loan & Grant Program | 10.770 | 00-07 | \$ 3,066,900 | \$ 876,373 | \$ 1,681,313 | \$ 1,681,313 |
| Water & Waste Disposal Loan & Grant Program | 10.770 | 00-09 | \$ 930,100 | - | - | - |
| | | | \$ 3,997,000 | \$ 876,373 | \$ 1,681,313 | \$ 1,681,313 |
| U.S. Department of Housing and Urban Development passed through Florida Department of Economic Opportunity Community Development Block Grant - Housing Rehabilitation | 14.228 | 16DB-OK-02-75-01-H02 | \$ 750,000 | \$ 367,462 | \$ 373,479 | \$ 373,479 |
| | | | \$ 750,000 | \$ 367,462 | \$ 373,479 | \$ 373,479 |
| U.S. Department of Justice Assistance / Office of Criminal Justice Grants passed through Florida Office of the Attorney General Victims of Crime Act (VOCA) Grant | 16.575 | VOCA-2017-Wakulla-00344 | \$ 101,715 | - | \$ 97,875 | \$ 123,304 |
| | | | \$ 101,715 | - | \$ 97,875 | \$ 123,304 |
| U.S. Department of Justice Assistance / Office of Criminal Justice Grants Bulletproof Vest Grant | 16.607 | FY2016-18 | \$ 11,370 | \$ 658 | \$ 7,350 | \$ 13,383 |
| | | | \$ 11,370 | \$ 658 | \$ 7,350 | \$ 13,383 |
| U.S. Department of Justice / Drug Enforcement Administration (DEA) Organized Crime Drug Enforcement Task Forces | 16.004 | FC/FLIN/320 | \$ 8,000 | - | \$ 6,740 | \$ 6,740 |
| | | | \$ 8,000 | - | \$ 6,740 | \$ 6,740 |
| U.S. Department of Treasury, RESTORE Act Restore Act Direct Component - Planning Assistance Grant for Multi-Year Implementation Plan Development | 21.015 | RDCGR240025-01-00 | \$ 99,981 | \$ 36,090 | \$ 16,337 | \$ 16,337 |
| Other Creek WWTP Retrofit - Restore Act | 21.015 | RDCGR240084-01-00 | \$ 1,627,719 | - | \$ 129,240 | \$ 129,240 |
| | | | \$ 1,727,700 | \$ 36,090 | \$ 145,577 | \$ 145,577 |
| U.S. Elections Assistance Commission Help America Vote Act passed through State of Florida Division of Elections | 90.401 | MOA# 2016-2017-0001-WAK | \$ 4,788 | \$ 2,523 | \$ 2,265 | \$ 2,265 |
| Federal Election Activities Grant | 90.401 | MOA# 2017-2018-0001-WAK | \$ 3,116 | - | \$ 3,116 | \$ 4,393 |
| Federal Election Activities Grant | 90.401 | MOA# 2015-2016-0006-WAK | \$ 69,696 | \$ 27,878 | \$ 13,939 | \$ 13,939 |
| Voting Systems Assistance Grant | 90.401 | MOA# 2018-2019-001-WAK | \$ 50,624 | - | \$ 42,671 | \$ 42,671 |
| Election Security Grant | 90.401 | MOA# 2018-2019-002-WAK | \$ 14,610 | - | \$ 8,410 | \$ 8,410 |
| Albert Network Monitoring Solutions | 90.401 | | \$ 142,834 | \$ 30,401 | \$ 70,401 | \$ 71,678 |

See Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance

WAKULLA COUNTY, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the Fiscal Year Ended September 30, 2018

continued

| | | | | | | | | | |
|--|--------|-----------------------|-----|----|------------------|----|------------------|----|------------------|
| U.S. Department of Health and Human Services, Agency for Children and Families, Office of Child Support Enforcement passed through Florida Department of Revenue | 93,563 | CST65 | N/A | \$ | - | \$ | 1,940 | \$ | 1,940 |
| Service in Process Child Support Enforcement Grant | 93,563 | COC65 | N/A | \$ | 132,433 | \$ | 67,058 | \$ | 67,058 |
| Title IV-D - Child Support Enforcement Grant | | | | \$ | 132,433 | \$ | 68,999 | \$ | 68,999 |
| U.S. Department of Homeland Security passed through the Florida Division of Emergency Management | 97,036 | 16-PA-00-02-75-02-016 | N/A | \$ | 104,300 | \$ | 54,281 | \$ | 54,281 |
| Hurricane Hermine | 97,036 | 4337DR-FL | N/A | \$ | 6,285 | \$ | 35,128 | \$ | 44,771 |
| Hurricane Irma | | | | \$ | 110,585 | \$ | 89,408 | \$ | 99,051 |
| U.S. Department of Homeland Security passed through the Florida Division of Emergency Management | 97,042 | 18-FG-7A-02-75-01-046 | | \$ | 56,265 | \$ | 42,899 | \$ | 42,899 |
| Emergency Management - Performance Grant | 97,042 | 19-FG-AF-03-75-01-064 | | \$ | 56,423 | \$ | 13,506 | \$ | 13,505 |
| Emergency Management - Performance Grant | | | | \$ | 112,688 | \$ | 56,405 | \$ | 56,404 |
| Total federal awards | | | | \$ | 6,851,307 | \$ | 2,597,546 | \$ | 2,639,927 |

See Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance

WAKULLA COUNTY, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the Fiscal Year Ended September 30, 2018

| State Grantor/Pass Through Grantor Program Title | CSFA # | GRANT # | PROGRAM OR AWARD AMOUNT | REPORTED IN PRIOR YEARS | REVENUES RECOGNIZED | EXPENDITURES |
|--|--------|-----------------------|-------------------------------|----------------------------|------------------------|--------------|
| STATE FINANCIAL ASSISTANCE | | | | | | |
| Visit Florida - Florida Tourism Industry Marketing Corp., Small Business Grant Program | 31.006 | FY 17/18 | \$ 5,000 | - | \$ - | \$ 1,755 |
| Visit Florida - Photo & Video Library | | | \$ 5,000 | - | \$ - | \$ 1,755 |
| Florida Division of Emergency Management Emergency Management Program | 31.063 | 18-BG-W9-02-75-01-072 | \$ 105,806 | 12,380 | \$ 85,648 | \$ 85,648 |
| Emergency Management Program | 31.063 | 19-BG-21-02-75-01-056 | 105,806 | - | 13,594.00 | 13,597.00 |
| Hazardous Analysis | 31.067 | 18-CP-11-02-75-23-030 | 2,614 | - | 2,614.00 | 1,547.00 |
| Hazardous Analysis | 31.067 | 19-CP-11-02-75-23-054 | 2,687 | - | - | - |
| Florida Department of Environmental Protection Small County Consolidated Solid Waste Grant | 37.012 | SC831 | \$ 216,913 | 12,380 | \$ 101,856 | \$ 100,792 |
| Community Center Improvements - Phase 1 | 37.017 | A17028 | \$ 90,909 | - | \$ 85,035 | \$ 85,035 |
| Community Center Improvements - Phase 2 | 37.017 | A17052 | 50,000 | 1,375 | 6,498.50 | 11,498.50 |
| | | | 50,000 | 1,250 | 829.75 | 5,829.75 |
| Florida Department of Environmental Protection passed through Northwest Florida Water Management District Statewide Surface Water Restoration & Wastewater Projects Wakulla Gardens | 37.039 | 15-020 2014-15 | \$ 3,435,000 | 2,108,569 | \$ 1,326,431 | \$ 1,326,431 |
| | | | \$ 3,435,000 | 2,108,569 | \$ 1,326,431 | \$ 1,326,431 |
| Florida Department of Environmental Protection passed through Northwest Florida Water Management District Florida Springs Grant Program | 37.052 | 15-020 2014-15 | \$ 6,110,290 | 1,385,341 | \$ 3,001,526 | \$ 3,589,776 |
| Magnolia Gardens | 37.052 | 15-020 2015-16 | 6,611,022 | - | 1,505,327 | 1,682,427 |
| Wakulla Gardens | 37.052 | 15-020 2017-18 | 1,185,073 | - | 875,410 | 875,730 |
| Medart Laift Station Bypass | | | \$ 13,906,385 | 1,385,341 | \$ 5,382,264 | \$ 6,147,933 |
| Florida Department of Economic Opportunity Transportation & Environmental Assessment | 40.038 | P0285 | \$ 13,000 | - | \$ 13,000 | \$ 13,000 |
| | | | \$ 13,000 | - | \$ 13,000 | \$ 13,000 |
| Florida Housing Finance Corporation, State Housing Initiatives Partnership SHIP Funds 2016-2017 | 40.901 | 2016-2017 | \$ 350,000 | 75,867 | \$ 264,255 | \$ 265,318 |
| SHIP Funds 2017-2018 | 40.901 | 2017-2018 | 350,000 | - | 35,000.00 | 35,000.04 |
| SHIP Funds 2016-2017 - FEMA | 40.901 | 2017-2018 Disaster | 86,391 | 86,391 | - | 86,391.00 |
| | | | \$ 786,391 | 162,258 | \$ 299,255 | \$ 386,709 |

See Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance

WAKULLA COUNTY, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the Fiscal Year Ended September 30, 2018

| | | | | | | | | | |
|--|--------|----------------|--------------|------------|--------------|--------------|--------------|--------------|--------------|
| continued | | | | | | | | | |
| Florida Department of Agriculture and Consumer Services, Division of Agriculture Environmental Services Mosquito Control State Aid | 42.003 | 024771 | \$ 32,468 | \$ - | \$ 32,468 | \$ 32,468 | \$ - | \$ 32,468 | \$ 36,216 |
| | | | \$ 32,468 | \$ - | \$ 32,468 | \$ 32,468 | \$ - | \$ 32,468 | \$ 36,216 |
| Florida Department of Agriculture and Consumer Services, Division of Administration Livestock Facility Improvements | 42.047 | 023560 | \$ 80,000 | \$ 71,759 | \$ 8,031 | \$ 8,031 | \$ 8,031 | \$ 8,031 | \$ 8,031 |
| | | | \$ 80,000 | \$ 71,759 | \$ 8,031 | \$ 8,031 | \$ 8,031 | \$ 8,031 | \$ 8,031 |
| Florida Department of Financial Services Division of State Fire Marshal Trice Lane Fire Rescue Station | 43.007 | FM398 | \$ 500,000 | \$ - | \$ 500,000 | \$ 500,000 | \$ - | \$ 500,000 | \$ 500,000 |
| | | | \$ 500,000 | \$ - | \$ 500,000 | \$ 500,000 | \$ - | \$ 500,000 | \$ 500,000 |
| Florida Department of State, Division of Library Information Services Wilderness Coast Public Libraries | 45.030 | 16-ST-94 | \$ 314,744 | \$ 244,268 | \$ 70,476 | \$ 70,476 | \$ 70,476 | \$ 70,476 | \$ 70,476 |
| | | | \$ 314,744 | \$ 244,268 | \$ 70,476 | \$ 70,476 | \$ 70,476 | \$ 70,476 | \$ 70,476 |
| Wilderness Coast Public Libraries | 45.030 | 17-ST-92 | \$ 315,712 | \$ 305,332 | \$ 10,380 | \$ 10,380 | \$ 10,380 | \$ 10,380 | \$ 10,380 |
| | | | \$ 315,712 | \$ 305,332 | \$ 10,380 | \$ 10,380 | \$ 10,380 | \$ 10,380 | \$ 10,380 |
| Wilderness Coast Public Libraries | 45.030 | 18-ST-92 | \$ 317,179 | \$ - | \$ 170,642 | \$ 170,642 | \$ 170,642 | \$ 170,642 | \$ 170,642 |
| | | | \$ 317,179 | \$ - | \$ 170,642 | \$ 170,642 | \$ 170,642 | \$ 170,642 | \$ 170,642 |
| State Aid to Libraries Operating/Equalization Grant | 45.030 | 17-ST-95 | \$ 80,946 | \$ 61,264 | \$ 19,682 | \$ 19,682 | \$ 19,682 | \$ 19,682 | \$ 19,682 |
| | | | \$ 80,946 | \$ 61,264 | \$ 19,682 | \$ 19,682 | \$ 19,682 | \$ 19,682 | \$ 19,682 |
| State Aid to Libraries Operating/Equalization Grant | 45.030 | 18-ST-95 | \$ 92,499 | \$ - | \$ 36,727 | \$ 36,727 | \$ 36,727 | \$ 36,727 | \$ 36,727 |
| | | | \$ 92,499 | \$ - | \$ 36,727 | \$ 36,727 | \$ 36,727 | \$ 36,727 | \$ 36,727 |
| Florida Department of Transportation | | | \$ 1,121,080 | \$ 610,865 | \$ 307,907 | \$ 307,907 | \$ 307,907 | \$ 307,907 | \$ 307,907 |
| Florida Department of Transportation, County Incentive Grant Program Cajal Posey from MLK to Wakulla Arran | 55.008 | 408989-2-54-01 | \$ 454,952 | \$ 49,826 | \$ 401,963 | \$ 401,963 | \$ 401,963 | \$ 401,963 | \$ 401,963 |
| | | | \$ 454,952 | \$ 49,826 | \$ 401,963 | \$ 401,963 | \$ 401,963 | \$ 401,963 | \$ 401,963 |
| Florida Department of Transportation, Small County Road Assistance Program Martin Luther King Jr. Road - CR 365 to SR 30 | 55.016 | 43669115401 | \$ 1,509,209 | \$ 143,374 | \$ 1,256,622 | \$ 1,256,622 | \$ 1,256,622 | \$ 1,256,622 | \$ 1,256,622 |
| | | | \$ 1,509,209 | \$ 143,374 | \$ 1,256,622 | \$ 1,256,622 | \$ 1,256,622 | \$ 1,256,622 | \$ 1,256,622 |
| Ivan Church Road | 55.016 | GOK31 | \$ 678,547 | \$ 10,857 | \$ 494,911 | \$ 494,911 | \$ 494,911 | \$ 494,911 | \$ 494,911 |
| | | | \$ 678,547 | \$ 10,857 | \$ 494,911 | \$ 494,911 | \$ 494,911 | \$ 494,911 | \$ 494,911 |
| Shadaville Hwy- Wakulla Springs to Bloxham Cutoff | 55.016 | GOJ42 | \$ 1,034,852 | \$ 44,135 | \$ 678,752 | \$ 678,752 | \$ 678,752 | \$ 678,752 | \$ 678,752 |
| | | | \$ 1,034,852 | \$ 44,135 | \$ 678,752 | \$ 678,752 | \$ 678,752 | \$ 678,752 | \$ 678,752 |
| Florida Department of Transportation, Small County Outreach Program Harvey Mill Road | 55.009 | 440639-1-34-01 | \$ 71,563 | \$ - | \$ 60,450 | \$ 60,450 | \$ 60,450 | \$ 60,450 | \$ 60,450 |
| | | | \$ 71,563 | \$ - | \$ 60,450 | \$ 60,450 | \$ 60,450 | \$ 60,450 | \$ 60,450 |
| Smith Creek Road | 55.009 | 436835-1-54-01 | \$ 1,048,684 | \$ - | \$ 98,210 | \$ 98,210 | \$ 98,210 | \$ 98,210 | \$ 98,210 |
| | | | \$ 1,048,684 | \$ - | \$ 98,210 | \$ 98,210 | \$ 98,210 | \$ 98,210 | \$ 98,210 |
| | | | \$ 1,120,247 | \$ - | \$ 158,660 | \$ 158,660 | \$ 158,660 | \$ 158,660 | \$ 158,660 |

See Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance

WAKULLA COUNTY, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the Fiscal Year Ended September 30, 2018

continued

| | | | | | | |
|---|------------------|---------------------------|----------------------|---------------------|----------------------|----------------------|
| Communication Support, Bureau of Emergency Medical Oversight Emergency Medical Services Matching Awards | 64.003 | M5020 | \$ 150,000 | \$ - | \$ 150,000 | \$ 243,643 |
| | | | \$ 150,000 | \$ - | \$ 150,000 | \$ 243,643 |
| Florida Department of Health, Emergency Medical Services Program Emergency Medical Services County Grant Awards | 64.005 | C6065 | \$ 4,260 | \$ - | \$ 3,420 | \$ 3,420 |
| | | | \$ 4,260 | \$ - | \$ 3,420 | \$ 3,420 |
| Florida Department of Health, Ounce of Prevention Fund of Florida Ounce of Prevention | 64.035 | 17-18-171 | \$ 181,850 | \$ 31,569 | \$ 121,726 | \$ 121,726 |
| | | | \$ 181,850 | \$ 31,569 | \$ 121,726 | \$ 121,726 |
| Florida Department of Management Services, Wireless 911 Board Rural County E911 Grant E911 State Grant Program | 72.001 72.001 | 17-11-21 S 10-17-12-11 | \$ 41,482 | \$ - | \$ 41,482 | \$ 41,482 |
| | | | 140,554 | - | 120,344 | 120,344 |
| | | | \$ 182,036 | \$ - | \$ 161,826 | \$ 161,826 |
| Total state awards | | | \$ 25,603,099 | \$ 4,633,557 | \$ 11,491,456 | \$ 12,452,661 |

See Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance

WAKULLA COUNTY, FLORIDA

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
For the Fiscal Year Ended September 30, 2018

| Local Grant or/Pass Through Grantor Program Title | Local # | GRANT # | PROGRAM OR AWARD AMOUNT | REPORTED IN PRIOR YEARS | REVENUES RECOGNIZED | EXPENDITURES |
|--|-------------------|----------------------------------|-------------------------------|----------------------------|----------------------------|----------------------------|
| <u>LOCAL FINANCIAL ASSISTANCE</u> | | | | | | |
| National Science Foundation Rural Gateways Program - Library | N/A | FY 16/17 | \$ 3,500 \$ 3,500 | - - | \$ 2,000 \$ 2,000 | \$ - \$ - |
| Wakulla County Coalition of Youth, Inc | N/A | 7/1/2017 - 6/30/2018 | \$ 10,000 \$ 10,000 | 1,265 1,265 | \$ 8,735 \$ 8,735 | \$ 61,446 \$ 61,446 |
| Panhandle Library Access Network Public Library Mobile Unit Children's Tactile Play Wall Children's Computer Coding | N/A N/A N/A | FY 17/18 FY 17/18 FY 17/18 | \$ 4,932 1,781 1,686 | - - - | \$ 4,866 1,781 1,506 | \$ 4,866 1,934 1,506 |
| | | | \$ 8,399 | - | \$ 8,153 | \$ 8,306 |
| Total local awards | | | \$ 21,899 | \$ 1,265 | \$ 18,888 | \$ 69,752 |
| Total Federal, State and Local Awards (for reference only) | | | \$ 32,476,304 | \$ 6,202,287 | \$ 14,107,890 | \$ 15,162,341 |

See Notes to Schedule of Expenditures of Federal Awards and State Financial Assistance

WAKULLA COUNTY, FLORIDA

Notes to Schedule of Expenditures of Federal Awards And State Financial Assistance September 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies and presentation of the Single Audit Report of Wakulla County, Florida, (the County) have been designed to conform to generally accepted accounting principles as applicable to governmental units, including the reporting and compliance requirements of the Audits of States, Local Governments, and Non-Profit Organizations and Office of Management and Budget Uniform Guidance.

A. Reporting Entity

The reporting entity consists of Wakulla County, the primary government, and each of its component units. The County includes a Schedule of Expenditures of Federal Awards and State Financial Assistance in the Compliance Section.

B. Basis of Accounting

Basis of accounting refers to the timing of when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made regardless of the measurement focus.

The County uses the modified accrual basis of accounting to report its grant revenues and related expenditures in the Schedule of Expenditures of Federal Awards and State Financial Assistance. Under the modified accrual basis, revenues are recognized when they become 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 County considers revenues to be available if they are collected within 60 days after the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

WAKULLA COUNTY, FLORIDA

SCHEDULE OF FINDINGS

For the Fiscal Year Ended September 30, 2018

Summary of Auditor's Results

A. Financial Statements

- | | |
|--|---------------|
| 1. Type of auditor's report issued: | Unmodified |
| 2. Internal control over financial reporting: | |
| • Material weakness identified? | No |
| • Significant deficiencies identified that are not considered to be material weaknesses? | None reported |
| 3. Noncompliance material to financial statements: | No |

B. Federal Awards

- | | |
|--|---------------|
| 1. Internal control over major programs: | |
| • Material weakness identified? | No |
| • Significant deficiencies identified that are not considered to be material weaknesses? | None reported |
| 2. Type of auditor's report issued on compliance for major programs: | Unmodified |
| 3. Any audit findings disclosed that are required to be reported in accordance with <i>Title 2 U.S. Code of Federal Regulations Part 200</i> ? | No |
| 4. Identification of major programs: | |

| <u>CFDA Number</u> | <u>Name of Federal Program</u> |
|--------------------|--|
| 10.770 | <u>U.S. Department of Agriculture - Rural Development</u> Water and Waste Disposal Loan and Grant Program |

- | | |
|---|-----------|
| 5. Dollar threshold used to distinguish between Type A and Type B programs: | \$750,000 |
| 6. Auditee qualified as low-risk auditee? | Yes |
| 7. Financial Statement Findings: | None |

WAKULLA COUNTY, FLORIDA

SCHEDULE OF FINDINGS

For the Fiscal Year Ended September 30, 2018

C. State Financial Assistance

1. Internal control over major programs:

- Material weakness identified? No
- Significant deficiencies identified that are not considered to be material weaknesses? None reported

2. Type of auditor's report issued on compliance for major programs: Unmodified

3. Any audit findings disclosed that are required to be reported in accordance with Rule 10.656, *Rules of the Auditor General*? No

4. Identification of major projects:

| <u>CSFA Number</u> | <u>Name of State Projects</u> |
|--------------------|--|
| 37.052 | <u>Florida Department of Environmental Protection</u> Florida Springs Grant Program |
| 43.007 | <u>Florida Department of Transportation</u> Fire Marshall Administrative Services |
| 55.008 | <u>Florida Department of Transportation</u> County Incentive Grant Program |

5. Dollar threshold used to distinguish between Type A and Type B projects: \$373,580

6. Financial Statement Findings: None

7. State Financial Assistance Findings and Questioned Costs: None

MANAGEMENT LETTER

Honorable Board of County Commissioners
and Constitutional Officers
Wakulla County, Florida

We have audited the financial statements of Wakulla County, Florida (the County), as of and for the year ended September 30, 2018, and have issued our report thereon dated May 30, 2019.

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. We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor's Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major State Project and on Internal Control over Compliance in Accordance with Chapter 10.550, *Rules of the Auditor General*, Office of the Auditor General, Independent Auditors' Report on Compliance with Requirements that Could Have a Direct and Material Effect on Each Major Program and on Internal Control over Compliance required by the *Uniform Guidance*, and Schedule of Findings. Disclosures in those reports and schedule, which are dated May 30, 2019, should be considered in conjunction with this management letter. Additionally, our audit was conducted in accordance with Chapter 10.550, *Rules of the Auditor General*, which govern the conduct of local governmental entity audits performed in the State of Florida and require that the following items be addressed in this letter.

BOARD OF COUNTY COMMISSIONERS

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

CLERK OF THE CIRCUIT COURT

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

PROPERTY APPRAISER

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

SHERIFF

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

SUPERVISOR OF ELECTIONS

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

TAX COLLECTOR

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

AUDITOR GENERAL COMPLIANCE MATTERS

Annual Local Government Financial Report - The Financial Report filed with the Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is in agreement with the accompanying financial report of Wakulla County, Florida, for the year ended September 30, 2018.

Financial Emergency Status—We determined that the County had not met any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment - As required by the *Rules of the Auditor General* (Sections 10.554(1)(i)5.a and 10.556(7)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

Deteriorating Financial Conditions – We noted no deteriorating financial conditions within the County during the year.

CONCLUSION

We have reviewed information regarding our audit with appropriate County officials and management and have provided them with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with this audit of the County. We look forward to a long and mutually beneficial relationship with the Board of County Commissioners and other County Officials and employees. We also appreciate the helpful assistance and courtesy afforded us by all County employees.

A handwritten signature in cursive script, appearing to read "Powell & Jones", is enclosed in a rectangular box.

POWELL & JONES

Certified Public Accountants
May 30, 2019

INDEPENDENT ACCOUNTANT'S REPORT

To The Board of County Commissioners
and Constitutional Officers
Wakulla County, Florida

We have examined the Wakulla County, Florida's (the County) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2018. We have also examined the Clerk of the Circuit Court's (Clerk's) compliance with Sections 28.35, 28.36, and 61.181, *Florida Statutes* during the fiscal year ended September 30, 2018:

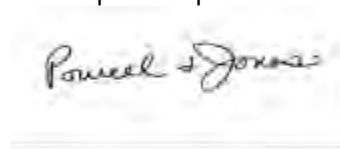
We also examined the County's compliance with Section 365.172(10) *Florida Statutes* and requirements specified by the E911 Board grant and special disbursement programs. These laws require that E911 fee revenues, interest, and E911 grant funding be used to pay for authorized expenditures as specified in the *Statutes*.

Management is responsible for the County's and Clerk's respective compliance with those requirements. Our responsibility is to express an opinion on the County's and the Clerk's compliance based on our examinations.

Our examinations were conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the County's and the Clerk's compliance with those respective requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examinations provide a reasonable basis for our opinion. Our examinations do not provide a legal determination on the County's and the Clerk's compliance with specified requirements.

In our opinion, Wakulla County, Florida and the Wakulla County Clerk of the Circuit Court complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

This report is intended solely for the information and use of Wakulla County, Florida, the Clerk, and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.



POWELL & JONES
Certified Public Accountants
May 30, 2019



**BOARD OF
COUNTY COMMISSIONERS**

Charles Hess, Ph.D.
Chairman, District 5

Mike Stewart
Vice-Chairman, District 3

Ralph Thomas
District 1

Randy Merritt
District 2

Quincee Messersmith
District 4

J. David Edwards
County Administrator

Heather J. Encinosa
County Attorney
(850) 224-4070

June 14, 2019

Powell & Jones,
Certified Public Accountants
1359 SE Main Blvd.
Lake City, Florida. 32025

Dear Sirs,

I am providing this letter in connection with your audit of the financial statements of the Wakulla County Board of County Commissioners and the duly appointed Constitutional Officers as of September 30, 2018, and for the year then ended for the purpose of expressing an opinion as to whether the financial statements present accurately and fairly, in all material respects, the financial position of Wakulla County.

I confirm that we are responsible for the fair presentation of the previously mentioned financial statements in conformity with generally accepted accounting principles in the United States of America. My office is also responsible for adopting sound accounting policies, establishing and maintaining effective internal controls, and preventing and detecting fraud in a timely manner.

In your letter you note the following regarding prior and current fiscal year findings for the financial statements of Wakulla County:

PRIOR YEAR FINDINGS

No findings for the prior Fiscal Year Ended September 30, 2017.

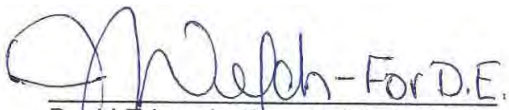
Administration Office
Post Office Box 1263
Crawfordville, FL 32326
(850) 926-0919
(850) 926-0940 FAX

CURRENT YEAR FINDINGS

No findings for the current Fiscal Year Ended September 30, 2018.

I am pleased with the professional relationship we have established with your team of auditors and we look forward to working with you in the future.

Sincerely,

A handwritten signature in black ink that reads "D Edwards - For D.E.". The signature is written in a cursive style with a large initial "D".

David Edwards, County Administrator
Wakulla County

WAKULLA COUNTY, FLORIDA

END OF ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2018

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WAKULLA COUNTY, FLORIDA

CLERK OF THE CIRCUIT COURT, COMPTROLLER &
CLERK TO THE BOARD OF COUNTY COMMISSIONERS

ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2018



WAKULLA COUNTY, FLORIDA

**CLERK OF COURT
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2018**

TABLE OF CONTENTS

I. INTRODUCTORY SECTION
A. Table of Contents 147

II. FINANCIAL SECTION
A. Independent Auditor’s Report 148

B. Basic Financial Statements:
 Combined Balance Sheet – All Fund Types 151
 Statement of Revenues, Expenditures and Changes in
 Fund Balances – All Governmental Funds 152
 Notes to Financial Statements 153

C. Combining and Individual Fund Financial Statements:
 Governmental Fund Financial Statements:
 Statement of Revenue, Expenditures and Changes in
 Fund Balance – Budget and Actual – General Fund 164
 Statement of Revenue, Expenditures and Changes in
 Fund Balance – Budget and Actual – All Special Revenue Funds 165
 Combining Balance Sheet – All Special Revenue Funds 166
 Combining Statement of Revenue, Expenditures and Changes in
 Fund Balance – All Special Revenue Funds 167
 Fiduciary Fund Financial Statements:
 Combining Balance Sheet – All Agency Funds 168
 Combining Statement of Changes in Assets and Liabilities –
 All Agency Funds 169

D. Compliance Section:
 Independent Auditor’s Report on Internal Control Over Financial
 Reporting and on Compliance and Other Matters Based on an Audit
 of Financial Statements Performed in Accordance with Governmental
 Auditing Standards 171
 Management Letter 173
 Independent Accountant’s Report 175



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INDEPENDENT AUDITOR'S REPORT

Honorable Clerk of the Circuit Court
Wakulla County, Florida

Report on the Financial Statements

We have audited the accompanying special purpose fund financial statements of the Wakulla County Clerk of the Circuit Court (the Clerk of the Circuit Court), as of and for the year ended September 30, 2018, as listed in the table of contents.

Management's Responsibility 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these special purpose financial statements based on our audit. 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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness or significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The accompanying special purpose fund financial statements were prepared for the purpose of complying with Rule 10.557(5), of Chapter 10.550, *Rules of the Auditor General - Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Clerk of the Circuit Court is part of the reporting entity, Wakulla County, Florida. Accordingly, these special purpose fund financial statements are not a complete presentation of the reporting entity's basic financial statements.

Opinion

In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Wakulla County Clerk of the Circuit Court, as of September 30, 2018, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated May 30, 2019, on our consideration of the Clerk of the Circuit Court's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 of the Circuit Court' internal control over financial reporting and on compliance.

Other Information

Our audit was made for the purpose of forming an opinion on the special purpose fund financial statements taken as a whole. The combining and individual fund financial statement listed in the table of contents are presented for purposes of additional analysis and are not a required part of the special purpose fund financial statements of the Clerk of the Circuit Court. Such information has been subjected to the auditing procedures applied in the audit of the special purpose fund financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the special purpose fund financial statements taken as a whole.



POWELL & JONES
Certified Public Accountants
May 30, 2019

WAKULLA COUNTY, FLORIDA

**CLERK OF CIRCUIT COURT
BASIC FINANCIAL STATEMENTS**

WAKULLA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT
 COMBINED BALANCE SHEET - ALL FUND TYPES
 September 30, 2018

| | Governmental Fund Types | | Fund Type | Totals (Memorandum Only) |
|---|-------------------------|-----------------------------|---------------------|--------------------------------|
| | General Fund | Special Revenue Funds | Agency Funds | |
| ASSETS | | | | |
| Cash and cash equivalents | \$ 71,404 | \$ 168,242 | \$ 1,606,893 | \$ 1,846,539 |
| Accounts receivable, net | - | - | - | - |
| Due from individuals | - | - | - | - |
| Due from agency funds | 13,458 | 46,227 | - | 59,685 |
| Due from other funds | - | - | - | - |
| Due from other governmental units | 33 | 23,135 | 10 | 23,178 |
| Inventories | - | - | - | - |
| Prepaid expense | 3,118 | 1,311 | - | 4,429 |
| Other current assets | - | - | - | - |
| Total assets | \$ 88,013 | \$ 238,915 | \$ 1,606,903 | \$ 1,933,831 |
| LIABILITIES AND FUND BALANCE | | | | |
| Liabilities | | | | |
| Accounts payable | \$ 34,878 | \$ 3,364 | \$ 735 | \$ 38,977 |
| Accrued liabilities | 19,168 | 17,765 | - | 36,933 |
| Due to individuals | - | - | 1,331,383 | 1,331,383 |
| Due to agency funds | - | - | - | - |
| Due to other funds | 33,967 | 4 | 75,538 | 109,509 |
| Due to other governmental units | - | - | 199,247 | 199,247 |
| Unearned revenues | - | 46,339 | - | 46,339 |
| Interest payable | - | - | - | - |
| Deposits | - | - | - | - |
| Other current liabilities | - | - | - | - |
| Total liabilities | \$ 88,013 | \$ 67,472 | \$ 1,606,903 | \$ 1,762,388 |
| Fund balance | | | | |
| Nonspendable | | | | |
| Inventories | \$ - | \$ - | \$ - | \$ - |
| Prepaid expenses | 3,118 | 1,311 | - | 4,429 |
| Restricted | - | 81,259 | - | 81,259 |
| Committed | - | 87,349 | - | 87,349 |
| Assigned | - | 2,339 | - | 2,339 |
| Unassigned | (3,118) | (815) | - | (3,933) |
| Total fund balance | \$ - | \$ 171,443 | \$ - | \$ 171,443 |
| Total liabilities and fund balance | \$ 88,013 | \$ 238,915 | \$ 1,606,903 | \$ 1,933,831 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL GOVERNMENTAL FUNDS

For the Fiscal Year Ended September 30, 2018

| | General Fund | Special Revenue Funds | Totals |
|--|---------------------|-----------------------------|---------------------|
| Revenue | | | |
| Taxes | \$ - | \$ - | \$ - |
| Licenses, permits, special assessments | - | - | - |
| Intergovernmental | - | 173,051 | 173,051 |
| Charges for services | 187,579 | 434,525 | 622,104 |
| Fines and forfeitures | - | 161,510 | 161,510 |
| Miscellaneous | - | - | - |
| Interest | 2,287 | 1 | 2,288 |
| Total revenue | \$ 189,866 | \$ 769,087 | \$ 958,953 |
| Expenditures | | | |
| Current | | | |
| General government | \$ 859,043 | \$ 76,252 | \$ 935,295 |
| Public safety | - | - | - |
| Physical environment | - | - | - |
| Transportation | - | - | - |
| Economic environment | - | - | - |
| Human services | - | - | - |
| Culture and recreation | - | - | - |
| Court related | - | 674,476 | 674,476 |
| Capital Outlay | | | |
| General government | 17,528 | - | 17,528 |
| Public safety | - | - | - |
| Physical environment | - | - | - |
| Transportation | - | - | - |
| Economic environment | - | - | - |
| Human services | - | - | - |
| Culture and recreation | - | - | - |
| Court related | - | - | - |
| Debt Service | | | |
| Principal | - | - | - |
| Interest | - | - | - |
| Total Expenditures | \$ 876,571 | \$ 750,728 | \$ 1,627,299 |
| Excess (deficiency) of revenues over (under) expenditures | \$ (686,705) | \$ 18,359 | \$ (668,346) |
| Other financing sources (uses) | | | |
| Sale of equipment | \$ - | \$ - | \$ - |
| Debt Proceeds | - | - | - |
| Transfers from Board of County Commissioners | 693,589 | 251 | 693,840 |
| Transfer from (to) other governments | - | (5,432) | (5,432) |
| Interfund transfer in | 89,070 | 27,185 | 116,255 |
| Interfund transfers out | (95,954) | (20,301) | (116,255) |
| Total other financing sources (uses) | \$ 686,705 | \$ 1,703 | \$ 688,408 |
| Net change in fund balance | - | 20,062 | 20,062 |
| Fund balances, beginning of year | - | 151,381 | 151,381 |
| Fund balances, end of year | \$ - | \$ 171,443 | \$ 171,443 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT NOTES TO FINANCIAL STATEMENTS September 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies of the Wakulla County Clerk of the Circuit Court (the Clerk).

A. Reporting Entity – The Governmental Accounting Standards Board (GASB) on its Statement No. 14, “The Financial Reporting Entity”, as amended by GASB Statement No. 39 “Determining Whether Certain Organizations Are Component Units – an amendment of GASB Statement 14”, establishes standards for defining the financial reporting entity. In developing these standards, the GASB assumed that all governmental organizations are responsible to elected officials at the federal, state or local level. Financial reporting by state or local government should report the elected officials’ accountability for those organizations.

The Clerk, as established by Article VIII of the Constitution of the State of Florida, is an elected official of the County. Although the Clerk’s Office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Clerk is reported as a part of the primary government of Wakulla County, Florida. The Clerk’s special purpose fund financial statements do not purport to reflect the financial position or the results of operations of Wakulla County, Florida, taken as a whole.

These special purpose fund financial statements of the Clerk are issued separately to comply with Section 218.39(2), *Florida Statutes* and Rule 10.557 (5) of Chapter 10.550, *Rules of the Auditor General – Local Government Entity Audits*. This rule requires the Clerk to present only fund financial statements. Accordingly, due to the omission of government-wide financial statements and certain financial statement disclosures including a management’s discussion and analysis, these financial statements do not constitute a complete presentation of the financial position of the Clerk and the changes in its financial position for the year then ended in conformity with GASB Statement No 34 “Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments”, but otherwise constitute financial statements prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America. The financial activities of the Clerk, as a constitutional officer, are included in the basic financial statements of Wakulla County, Florida.

The Clerk of the Circuit Court funds operations as a fee officer and a budget officer pursuant to *Florida Statutes*, Chapters 28, 218 and 129 respectively. As a fee officer, the Clerk collects fees and commissions from certain County activities. As a budget officer, the operations of the Clerk of the Circuit Court relating to the Board of County Commissioners are approved and funded by the Board of County Commissioners and the operations relating to the Circuit and County court

functions are approved and funded by the State of Florida via the Clerk of Court Operation Corporation (CCOC). The budgeted receipts from the Board of County Commissioners are recorded as other financing sources in the Clerk of the Circuit Court's special purpose fund financial statements and as other financing uses in the Board of County Commissioner's financial statements. Any excess of revenues and other financing sources received over expenditures are to be remitted to the Board of County Commissioners and the State of Florida at year end except for unexpended records modernization monies and net child support grant reimbursements.

B. Measurement Focus, Basis of Accounting and Basis of Presentation

Fund Financial Statements

Accounts are organized and presented on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which the activities are controlled. The funds utilized by the Clerk are as follows:

1. Governmental Funds

Governmental funds are accounted for using the flow of current financial resources measurement focus. Only current assets and current liabilities are generally included on the balance sheet. Operating statements for these funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in net current position (formerly net current assets). The Clerk reports the following governmental fund types:

General Fund – The General Fund of the Clerk is used to account for all financial resources (revenues and appropriations) which are generated from the operation of the Clerk's Office relating to the Board of County Commissioners – the Finance department, the Maintenance department and the Recording department – and any other resources not required to be accounted for in a separate fund.

Special Revenue Funds – Special revenue funds are used to account for the proceeds of specific revenue sources which are legally restricted to expenditures for specified purposes. As of September 30, 2018, the Clerk maintained the following special revenue funds:

- Florida Department of Revenue (FDOR) Child Support Enforcement Grant – a grant that reimburses the Clerk for two-thirds (2/3) of eligible expenditures related to Child Support Enforcement.
- Employee Benefit Fund – an incentive and recognition fund funded by donations and employee contributions
- Records Modernization Trust Fund (RMTF) – there are two (2) sub-funds that comprise the RMTF – the \$1.50 Public Records Modernization Trust Fund and the \$1.90 Court Records Modernization Trust Fund. These funds are funded by fees generated by the Recording and Court departments to be used to maintain and modernize public and court records storage and retrieval.
- State of Florida (SOF) Circuit and County Court Operations – This fund is primarily funded by the State through fees, services charges, fines and costs charged in the

court department to be used to offset to cost of operating the Court department.

The “basis of accounting” refers to when revenues and expenditures and the related assets and liabilities are recognized in the accounting records and reported in the financial statements. The modified accrual basis of accounting is used by governmental funds. Under this basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they become measurable and available to finance liabilities of the current fiscal year). For this purpose, the Clerk considers revenues available if they are collected within 60 days of the current period. Expenditures are recorded when the related fund liability is incurred, except for certain compensated absences, which are recognized as expenditures to the extent they have matured. Interest income and other revenue are recognized as they are earned and become measurable and available to pay liabilities of the current period.

Approximately 42.1% of the Clerk’s funding is appropriated by the Board of County Commissioners. In applying the susceptible to accrual concept to intergovernmental revenue, there are essentially two types of revenue. In one, moneys must be expended on the specific purpose or project before any amounts will be paid to the Clerk; therefore, revenue is recognized based upon the expenditures incurred. Grant revenue is recorded in this manner. In the other type, moneys are virtually unrestricted and are revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenue at the time of receipt, or earlier, if the “susceptible to accrual” criteria are met.

2. Fiduciary Funds

Agency funds are used to account for assets held by the Clerk as an agent for individuals, other County funds, and other governmental units. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Clerk functions purely as an agent for others in the maintenance of these funds. The Clerk reports the following agency fund:

Collections Trust Fund – The Collections Trust Fund is used to account for the collection of court related fees, fines, service charges and court costs and county recording fees, service charges and other miscellaneous revenues that are collected on behalf of and due to individuals, other County funds, local governmental entities or the State of Florida.

C. Budgetary Accounting – The preparation, adoption and amendment of the budget is governed by Chapter 129, *Florida Statutes* which requires that budgets be adopted for all funds as may be required by law, sound financial practices and GAAP. The fund is the legal level of control for the budget.

The Clerk of Circuit Court’s General Fund budget for Board of County Commissioner related activity is approved and set by the annually adopted budget of the Board of County Commissioners. The Clerk of Circuit Court’s special revenue fund budget for Circuit and County court related activity is approved and set by the annually adopted budget of the State of Florida via the Clerks of Court Operation Corporation (CCOC). All other special revenue fund budgets are adopted by the Clerk consistent with sound financial policies and generally accepted accounting principles.

In the budgetary comparisons included in these special purpose financial statements, both the budgetary amounts and actual amounts are presented in accordance with GAAP. In these statements the “Original” budget represents the legally adopted budget on October 1 and the “Final” budget represents the budget as amended through September 30. All budget appropriations lapse at year-end.

D. Cash and Cash Equivalents – The Clerk’s cash, cash equivalents and investments are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from acquisition date. Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed as “Cash” on the balance sheet.

E. Inventories – It is the policy of the Clerk of Circuit Court to record the acquisition of supplies as expenditures at the time of purchase. The amount of supplies on hand at any one time is nominal and considered immaterial.

F. Fixed Assets – All fixed assets used in governmental fund type operations and acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. All assets with an acquisition or donation value of \$1,000 or more and a useful life of at least one year are tracked and inventoried on an annual basis. All assets with an acquisition or donation value of \$5,000 or more and a useful life of at least one year are depreciated over their useful life using the straight line method. All assets purchased by the Clerk of Circuit Court are reported in the Board of County Commissioner’s General Fixed Asset Account Group and the basic financial statements of Wakulla County, Florida.

G. Long-Term Liabilities – Long-term liabilities are comprised of compensated absences and lease commitments.

Compensated Absences—Compensated absences are absences for which employees will be paid such as vacation and sick leave. A liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the Clerk and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent upon a specific event that is outside the control of the Clerk and its employees are accounted for in the period in which such services are rendered or such events take place. Annual leave is accrued at the following rates:

| <u>Years of Creditable Service</u> | <u>Vacation Leave Earned Monthly</u> | <u>Sick Leave Earned Monthly</u> |
|------------------------------------|--------------------------------------|----------------------------------|
| 1-5 | 9 | 8 |
| 6-10 | 11 | 8 |
| 11 + | 13 | 8 |

Employees may not carry more than 240 hours of annual leave from one calendar year to the next. Any amounts exceeding the 240 hour limit are converted to sick leave. There is no limitation to the number of sick leave hours carried from one year to the next. Employees who

leave the Clerk's Office may be compensated for all unused annual leave up to 240 hours and employees with one or more years of service may be compensated for unused sick leave at the rate of ¼ per hour up to a maximum of 240 hours.

The current or short-term portion of the available compensated absences balance is the amount estimated to be used in the following year (15%). In the governmental funds, this current portion of compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund of the Board of County Commissioners that will pay for them. The non-current or long-term portion is the amount estimated to be used in subsequent years (85%). This long-term portion is reported in the Board of County Commissioner's General Long-Term Debt Account Group of Wakulla County, Florida.

Lease Commitments – Lease commitments are comprised of operating and capital leases. Operating leases are leases of equipment with a value of less than \$5,000 and capital leases are lease of equipment with a value of \$5,000 or more. The short-term portion of leases is those amounts due within one year and the long-term portion of leases is those amounts due beyond 12 months.

H. Unearned Revenue – Unearned revenue is reported in the special purpose fund financial statements and represents unearned grant revenues which are measurable but not available and, in accordance with the modified accrual basis of accounting, are reported as unearned.

I. Total Column on the Combined Statements – The total column on the combined statements is captioned "Memorandum Only" to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations or changes in cash flows in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Inter-fund eliminations have not been made in the aggregation of this data.

J. Estimates– The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2. DEPOSITS & INVESTMENTS

At fiscal year end, the book amount of the Clerk's deposits was \$1,846,549. Of this amount \$126,473 was invested in an external investment pool. Of the bank balances, \$250,000 was covered by federal depository insurance. Any balance in excess of \$250,000 is insured by collateral provided by the qualified public depositories to the Chief Financial Officer pursuant to the Florida Security for Public Deposits Act of the State of Florida, Chapter 280, *Florida Statutes*. All Clerk bank deposits are with qualified public depository institutions.

The Florida Security for Public Deposits Act establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the qualified public depository must pledge at least 50 percent of the average daily balance for each month

that all public deposits are in excess of any applicable deposit insurance. Additional collateral, up to a maximum of 125 percent, may be required, if deemed necessary under the conditions set forth in the Act. Obligations pledged to secure deposits must be delivered to the State Chief Financial Officer or, with the approval of the State Chief Financial Officer, to a bank, savings association or trust company provided a power of attorney is delivered to the State Chief Financial Officer. Under the Act, the pool may assess participating financial institutions on a pro rata basis to fund any shortfall in the event of the failure of a member institution.

The collateral for the Clerk's deposits is categorized to give an indication of the level of risk assumed by the Clerk at year end. Category 1 includes deposits that are insured or registered or for which the securities are held by the Clerk or his agent in the Clerk's name. Category 2 includes uninsured and unregistered deposits for which the securities are held by the counterparty's trust department or agent in the Clerk's name. Category 3 includes uninsured or unregistered deposits for which the securities are held by the counterparty's trust department or agent but not in the Clerk's name. All of the collateral covering the Clerk's deposits was Category 1.

The Clerk follows and uses Section 218.415, Florida Statutes, as its Investment Policy. Investments are accounted for and reported in accordance with GASB Statement 31 as amended by GASB Statement 79 and GASB Statement 72 as applicable. The Clerk's external investment pool follows Financial Accounting Standards Board (FASB) Accounting Standards Topic (ASC) 820 *Fair Value Measurement and Disclosure* for financial reporting purposes. The external investment pool does not meet all of the specific criteria outlined in GASB 79 Paragraph 4 and therefore does not measure its investments at amortized cost. Instead, they measure investments at fair value in accordance with GASB 31 Paragraph 11, as amended. This external investment pool reports to its participants the amortized cost of investments, which approximates fair value. The Clerk's investments are as follows:

- Florida Local Government Investment Trust (FLGIT)
As of September 30, 2018, the Clerk had \$126,473 invested in FLGIT in its Day to Day Fund, a stable Net Asset Value (NAV) government investment pool rated since 2009 which operates similar to a registered money market fund. The Trust is not required to register with the SEC but has historically adopted operating procedures consistent with those required by Florida Statutes. There are no limitations or restrictions on withdrawals. The weighted average maturity (WAM) of the investment pool was 34 days.

In accordance with generally accepted accounting principles, investments are typically categorized to give an indication of the level of custodial credit risk assumed at year end. Since the County's investments in money market accounts were in QPD's and are not evidenced by securities that exist in physical or book entry form they are not categorized. Additionally, the County's investments in external investment pools are measured at fair value in accordance with Paragraph 41 of GASB Statement 79 and Paragraph 11 of GASB Statement 31 and are not required to be categorized within the fair value hierarchy for purposes of Paragraph 81a(2) of GASB Statement 72.

The Clerk focuses on three elements of investment and these elements are listed in order of importance: safety, liquidity and return. There are various risks involved in any investment

activity. Those risks include custodial credit risk, interest rate risk, credit risk, concentration risk, and foreign currency risk. The Clerk limits its exposure to such risks by following the sound investment policies established by Section 218.415 of the Florida Statutes. For more information on these risks refer to Note 4 (pages 51-53) of the Wakulla County Annual Financial Statements.

NOTE 3. FIXED ASSETS

The Clerk of Court’s fixed assets are primarily comprised of vehicles, furniture and computer and related equipment. The building(s) and related facilities that house the Clerk of Court are reported as part of the County’s financial statements and are not reported as part of the Clerk’s financial statements. The value of fixed assets for the Clerk of Court at year end is:

| | Beginning Balance | | Reclassifications / | Ending Balance |
|-------------------------------|------------------------------|------------------|----------------------------|---------------------------|
| | Oct. 1, 2017 | Additions | Deletions | Sept. 30, 2018 |
| Fixed Assets | | | | |
| Furniture and equipment | \$ 115,004 | \$ 17,528 | \$ (5,500) | \$ 127,032 |
| less accumulated depreciation | (95,377) | (11,775) | 5,500 | (101,652) |
| Fixed Assets, net | \$ 19,627 | \$ 5,754 | \$ - | \$ 25,380 |

NOTE 4. LONG-TERM LIABILITIES

The Clerk of Court had no capital leases or notes payable during the current year. The long-term liabilities of the Clerk’s Office are associated with employee compensated absences. The balances due at year end are:

| | Beginning Balance | | | | Ending Balance | Due | Interest Paid in |
|------------------------------------|------------------------------|------------------|--------------------|--------------------|---------------------------|------------------|-------------------------|
| | Oct. 1, 2017 | Additions | Reductions | Adjustments | Sept. 30, 2018 | One Year | Current Year |
| Long-term liabilities | | | | | | | |
| Compensated absences | \$ 90,516 | \$ 15,614 | \$ (14,603) | \$ - | \$ 91,527 | \$ 13,729 | \$ - |
| Total long-term liabilities | \$ 90,516 | \$ 15,614 | \$ (14,603) | \$ - | \$ 91,527 | \$ 13,729 | |

The Clerk of Court had one operating lease during the current year. The lease is for a postage meter and is \$105.00 per month. The term of the lease is 60 months. The lease was signed in November 2016 (FY15/16) and will end in October 2020 (FY20/21). The annual future lease obligations are:

| Year Ending September 30, | Annual Obligation |
|--------------------------------------|------------------------------|
| 2019 | \$ 1,260 |
| 2020 | 1,260 |
| 2021 | 105 |
| Total | \$ 2,625 |

NOTE 5. RISK MANAGEMENT

The Clerk of Circuit Court is exposed to various risks of loss related to torts; theft of; damage to and destruction of assets; errors and omissions; injuries to employees and the public; or damage to property of others. The Clerk’s Office directly purchases insurance and participates in the risk management program through Wakulla County Board of County Commissioners which uses

commercial insurance and a public entity risk pool to cover certain risks from loss. The Board of County Commissioners obtained commercial insurance against losses for the following types of risk:

- Real and Personal Property Damage
- Public Employees Bond
- Worker's Compensation
- Automobile Liability

Worker's compensation coverage is provided under a retrospectively rated policy. Premiums are accrued based on the ultimate cost-to-date of the Board of County Commissioner's experience for these type risks. The Board of County Commissioners participates in the Florida Association of Counties Trust (FACT), a public entity risk pool, for risks related to comprehensive general liability. The agreement provides that the financial liability of each participating county is limited to premiums and surplus contributions paid or obligations made to FACT. Aggregate coverage provided is limited to \$1,000,000 for each claim. There were no pending legal actions against the Clerk's Office as of the fiscal year end.

NOTE 6. RETIREMENT PROGRAM

1. Florida Retirement System

The Clerk's Office contributes to the Florida Retirement System (FRS), a cost-sharing multiple-employer plan administered by the State of Florida. The FRS provides either a defined benefit or a defined contribution plan to its participants.

Plan Description – The FRS provides retirement, disability or death benefits to retirees or their designated beneficiaries. FRS rules and provisions related to eligibility, contributions and benefits are established by Chapter 112 Part IV, Chapter 121, Chapter 122 and Chapter 238, *Florida Statutes*, and Chapter 605 Florida Administrative Code. Changes to the law can only occur through an act of the Florida Legislature.

A Deferred Retirement Option Program (DROP) subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with a FRS employer. An employee may participate in the DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

Funding Policy – The Clerk of Circuit Court is required to contribute to the FRS at an actuarially determined rate as set by the State of Florida. Effective July 1, 2011, employees are required to also contribute 3% of gross salary to the FRS. The Clerk of Circuit Court's liability for participation is limited to the payment of the required contribution at the rates and frequencies established by law on future payrolls of the Clerk. The Clerk's contributions (employer only) to the FRS for the fiscal years ended September 30, 2018, 2017, 2016 and 2015 were \$132,076, \$120,201, \$127,754, and \$127,202, respectively, which were equal to the required contributions for each fiscal year. The contribution rates, as a percent of gross salary, at September 30, 2018 were as follows:

| Class Description | FRS Contribution Rates | | | | | | |
|--|---------------------------------|-----------------------|--------------------|-----------------------------------|-----------------------|--------------------|----------|
| | October 1, 2017 - June 30, 2018 | | | July 1, 2018 - September 30, 2018 | | | % Change |
| | Employer Contribution (A) | Employee Contribution | Total Contribution | Employer Contribution (A) | Employee Contribution | Total Contribution | |
| <u>Regular Class</u> | 7.92% | 3.00% | 10.92% | 8.26% | 3.00% | 11.26% | 0.34% |
| <u>Senior Management Service Class</u> | 22.71% | 3.00% | 25.71% | 24.06% | 3.00% | 27.06% | 1.35% |
| <u>Special Risk Class</u> | 23.27% | 3.00% | 26.27% | 24.50% | 3.00% | 27.50% | 1.23% |
| <u>Special Risk Administrative Support</u> | 34.63% | 3.00% | 37.63% | 34.98% | 3.00% | 37.98% | 0.35% |
| <u>Elected Officers Class</u> | 45.50% | 3.00% | 48.50% | 48.70% | 3.00% | 51.70% | 3.20% |
| <u>Deferred Retirement Option Program</u> | 13.26% | N/A | 13.26% | 14.03% | N/A | 14.03% | 0.77% |
| <u>Reemployed Retiree</u> | (B) | | | (B) | | | |

(A) These employer contribution rates include a subsidy for the Health Insurance Subsidy (HIS) Plan in the amount of 1.66% for the period October 1 - June 30 and 1.66% for the period July 1 - September 30. Also, employer rates, other than DROP participants, include .06% for October 1 - June 30 and .06% for July 1 - September 30 for administrative costs.

(B) Contribution rates are dependent upon the retirement class or plan in which re-employed.

Financial statements and other supplementary information of the FRS are included in the State of Florida Comprehensive Annual Financial Report which is available from the Florida Department of Financial Services. An annual report on the FRS which includes its financial statements, required supplementary information, actuarial report and other relevant information is available from the Florida Department of Management Services, Division of Retirement. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida or by calling (850) 488-5706. Full information regarding Wakulla County's participation in the FRS, which includes the Clerk of Court, is contained in Note 12 of the Wakulla County Annual Financial Report.

NOTE 7. INTER-FUND RECEIVABLES AND PAYABLES

The Clerk's inter-fund receivables and payables at September 30, 2018 were:

| Fund | Interfund Receivable | Interfund Payable |
|---|----------------------|-------------------|
| Clerk | | |
| General Fund | \$ 13,458 | \$ 33,967 |
| Child Support Grant | - | - |
| Employee Benefit Fund | - | - |
| Records Modernization Trust Fund | 5,331 | 4 |
| State Court Fund | 40,896 | - |
| Agency Collections Fund - Clerk | | 74,792 |
| Agency Collections Fund - Bocc | | 746 |
| Clerk Total | \$ 59,685 | \$ 109,509 |
| Board of County Commissioners | | |
| General Fund | \$ 34,664 | \$ - |
| Court Fees Fund | 11,516 | |
| Crime Prevention Fund | 3,591 | |
| Road Department Fund | 53 | |
| Board of County Commissioners Total | \$ 49,824 | \$ - |
| Total Interfund Receivable / Payable | \$ 109,509 | \$ 109,509 |

NOTE 8. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the State of Florida and Federal governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although, the Clerk expects such amounts, if any, to be immaterial.

NOTE 9. FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2018, fund balances of the governmental funds as classified as follows:

- Non-spendable – amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact
- Restricted – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements, enabling legislation, constraints that are externally imposed by creditors, grantors, contributors or the laws or regulations of other governmental entities.
- Committed – amounts that can be used only for specific purposes determined by a formal action of the Board of County Commissioners (BOCC). The BOCC is the highest level of decision making authority for the County. Committed fund balance may be established, modified or rescinded only through resolutions or other formal actions approved by the BOCC.
- Assigned – amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Under current practices, the assignment of amounts for specific purposes is approved by the BOCC typically through the budgeting process.
- Unassigned – all other spendable amounts.

The Clerk of Court’s fund balances at September 30, 2018 are as follows:

| <u>Fund Name</u> | <u>Nonspendable</u> | <u>Restricted</u> | <u>Committed</u> | <u>Assigned</u> | <u>Unassigned</u> |
|----------------------------------|---------------------|-------------------|------------------|-----------------|-------------------|
| General Fund | \$ 3,118 | \$ - | \$ - | \$ - | \$ (3,118) |
| Child Support Grant Fund | - | - | 87,349 | - | - |
| Employee Benefit Fund | - | - | - | 2,339 | - |
| Records Modernization Trust Fund | 496 | 81,259 | - | - | - |
| State Court Fund | 815 | - | - | - | (815) |
| Total | \$ 4,429 | \$ 81,259 | \$ 87,349 | \$ 2,339 | \$ (3,933) |

WAKULLA COUNTY, FLORIDA

**CLERK OF CIRCUIT COURT
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS**

WAKULLA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT
 STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL - GENERAL FUND
 For the Fiscal Year Ended September 30, 2018

| | Budgeted Amount | | Actual Amount | Variance with Final Budget Positive |
|--|---------------------|---------------------|---------------------|-------------------------------------|
| | Original | Final | | |
| Revenue | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - |
| Licenses, permits, special assessments | - | - | - | - |
| Intergovernmental | - | - | - | - |
| Charges for services | 169,678 | 169,678 | 187,579 | 17,901 |
| Fines and forfeitures | - | - | - | - |
| Miscellaneous | 3,300 | 3,300 | - | (3,300) |
| Interest | 3,000 | 3,000 | 2,287 | (713) |
| Total revenue | \$ 175,978 | \$ 175,978 | \$ 189,866 | \$ 13,888 |
| Expenditures | | | | |
| Current | | | | |
| General government | \$ 870,799 | \$ 870,799 | \$ 859,043 | \$ 11,756 |
| Public safety | - | - | - | - |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Court related | - | - | - | - |
| Capital Outlay | | | | |
| General government | - | - | 17,528 | (17,528) |
| Public safety | - | - | - | - |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Court related | - | - | - | - |
| Debt Service | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total Expenditures | \$ 870,799 | \$ 870,799 | \$ 876,571 | \$ (5,772) |
| Excess (deficiency) of revenues over (under) expenditures | \$ (694,821) | \$ (694,821) | \$ (686,705) | \$ 8,116 |
| Other financing sources | | | | |
| Sale of equipment | \$ - | \$ - | \$ - | \$ - |
| Debt Proceeds | - | - | - | - |
| Transfers from Board of County Commissioners | 727,432 | 727,432 | 693,589 | (33,843) |
| Transfers to other governments | - | - | - | - |
| Interfund transfer in | 89,070 | 89,070 | 89,070 | - |
| Interfund transfers out | (121,681) | (121,681) | (95,954) | 25,727 |
| Total other financing sources (uses) | \$ 694,821 | \$ 694,821 | \$ 686,705 | \$ (8,116) |
| Net change in fund balance | - | - | - | - |
| Fund balances, beginning of year | - | - | - | - |
| Fund balances, end of year | \$ - | \$ - | \$ - | \$ - |

WAKULLA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT
 STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL - ALL SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended September 30, 2018

| | Budgeted Amount | | Actual Amount | Variance with Final Budget Positive (Negative) |
|--|--------------------|--------------------|-------------------|--|
| | Original | Final | | |
| Revenue | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - |
| Licenses, permits, special assessments | - | - | - | - |
| Intergovernmental | 173,729 | 188,731 | 173,051 | (15,680) |
| Charges for services | 456,026 | 450,125 | 434,525 | (15,600) |
| Fines and forfeitures | 189,401 | 189,095 | 161,510 | (27,585) |
| Miscellaneous | - | - | - | - |
| Interest | - | - | 1 | 1 |
| Total revenue | \$ 819,156 | \$ 827,951 | \$ 769,087 | \$ (58,864) |
| Expenditures | | | | |
| Current | | | | |
| General government | \$ 122,801 | \$ 116,900 | \$ 76,252 | \$ 40,648 |
| Public safety | - | - | - | - |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Court related | 711,179 | 728,893 | 674,476 | 54,417 |
| Capital Outlay | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Court related | - | - | - | - |
| Debt Service | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total Expenditures | \$ 833,980 | \$ 845,793 | \$ 750,728 | \$ 95,065 |
| Excess (deficiency) of revenues over (under) expenditures | \$ (14,824) | \$ (17,842) | \$ 18,359 | \$ 36,201 |
| Other financing sources | | | | |
| Sale of equipment | \$ - | \$ - | \$ - | \$ - |
| Debt Proceeds | - | - | - | - |
| Transfers from Board of County Commissioners | - | - | 251 | 251 |
| Transfer to other governments | (18,500) | (13,447) | (5,432) | 8,015 |
| Interfund transfer in | 50,912 | 51,216 | 27,185 | (24,031) |
| Interfund transfers out | (17,588) | (19,927) | (20,301) | 374 |
| Total other financing sources (uses) | \$ 14,824 | \$ 17,842 | \$ 1,703 | \$ (16,139) |
| Net change in fund balance | - | - | 20,062 | 20,062 |
| Fund balances, beginning of year | 151,381 | 151,381 | 151,381 | - |
| Fund balances, end of year | \$ 151,381 | \$ 151,381 | \$ 171,443 | \$ 20,062 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA
CLERK OF CIRCUIT COURT
COMBINING BALANCE SHEET - ALL SPECIAL REVENUE FUNDS
September 30, 2018

| | Child Support Grant Fund | Employee Benefit Fund | Records Moderization Trust Fund | State Court Fund | Totals |
|---|--------------------------------|--------------------------|---------------------------------------|---------------------|-------------------|
| ASSETS | | | | | |
| Cash and cash equivalents | \$ 82,741 | \$ 2,339 | \$ 77,762 | \$ 5,400 | \$ 168,242 |
| Accounts receivable, net | - | - | - | - | - |
| Due from individuals | - | - | - | - | - |
| Due from agency funds | - | - | 5,331 | 40,896 | 46,227 |
| Due from other funds | - | - | - | - | - |
| Due from other governmental units | 4,958 | - | - | 18,177 | 23,135 |
| Inventories | - | - | - | - | - |
| Prepaid expense | - | - | 496 | 815 | 1,311 |
| Other current assets | - | - | - | - | - |
| Total assets | \$ 87,699 | \$ 2,339 | \$ 83,589 | \$ 65,288 | \$ 238,915 |
| LIABILITIES AND FUND BALANCE | | | | | |
| Liabilities | | | | | |
| Accounts payable | \$ 350 | \$ - | \$ 619 | \$ 2,395 | \$ 3,364 |
| Accrued liabilities | - | - | 1,211 | 16,554 | 17,765 |
| Due to individuals | - | - | - | - | - |
| Due to agency funds | - | - | - | - | - |
| Due to other funds | - | - | 4 | - | 4 |
| Due to other governmental units | - | - | - | - | - |
| Unearned revenues | - | - | - | 46,339 | 46,339 |
| Interest payable | - | - | - | - | - |
| Deposits | - | - | - | - | - |
| Other current liabilities | - | - | - | - | - |
| Total liabilities | \$ 350 | \$ - | \$ 1,834 | \$ 65,288 | \$ 67,472 |
| Fund balance | | | | | |
| Nonspendable | | | | | |
| Inventories | \$ - | \$ - | \$ - | \$ - | \$ - |
| Prepaid expenses | - | - | 496 | 815 | 1,311 |
| Restricted | - | - | 81,259 | - | 81,259 |
| Committed | 87,349 | - | - | - | 87,349 |
| Assigned | - | 2,339 | - | - | 2,339 |
| Unassigned | - | - | - | (815) | (815) |
| Total fund balance | \$ 87,349 | \$ 2,339 | \$ 81,755 | \$ - | \$ 171,443 |
| Total liabilities and fund balance | \$ 87,699 | \$ 2,339 | \$ 83,589 | \$ 65,288 | \$ 238,915 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT
 COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
 ALL SPECIAL REVENUE FUNDS

For the Fiscal Year Ended September 30, 2018

| | Child Support Grant Fund | Employee Benefit Fund | Records Moderization Trust Fund | State Court Fund | Totals |
|--|--------------------------------|-----------------------------|---------------------------------------|---------------------|-------------------|
| Revenue | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - | \$ - |
| Licenses, permits, special assessments | - | - | - | - | - |
| Intergovernmental | 67,058 | - | - | 105,993 | 173,051 |
| Charges for services | - | 1,009 | 72,984 | 360,532 | 434,525 |
| Fines and forfeitures | - | - | - | 161,510 | 161,510 |
| Miscellaneous | - | - | - | - | - |
| Interest | - | 1 | - | - | 1 |
| Total revenue | \$ 67,058 | \$ 1,010 | \$ 72,984 | \$ 628,035 | \$ 769,087 |
| Expenditures | | | | | |
| Current | | | | | |
| General government | \$ 4,707 | \$ 1,312 | \$ 70,233 | \$ - | \$ 76,252 |
| Public safety | - | - | - | - | - |
| Physical environment | - | - | - | - | - |
| Transportation | - | - | - | - | - |
| Economic environment | - | - | - | - | - |
| Human services | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - |
| Court related | 25,688 | - | - | 648,788 | 674,476 |
| Capital Outlay | | | | | |
| General government | - | - | - | - | - |
| Public safety | - | - | - | - | - |
| Physical environment | - | - | - | - | - |
| Transportation | - | - | - | - | - |
| Economic environment | - | - | - | - | - |
| Human services | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - |
| Court related | - | - | - | - | - |
| Debt Service | | | | | |
| Principal | - | - | - | - | - |
| Interest | - | - | - | - | - |
| Total Expenditures | \$ 30,395 | \$ 1,312 | \$ 70,233 | \$ 648,788 | \$ 750,728 |
| Excess (deficiency) of revenues over (under) expenditures | \$ 36,663 | \$ (302) | \$ 2,751 | \$ (20,753) | \$ 18,359 |
| Other financing sources | | | | | |
| Sale of equipment | \$ - | \$ - | \$ - | \$ - | \$ - |
| Debt Proceeds | - | - | - | - | - |
| Transfers from Board of County Commissioners | 251 | - | - | - | 251 |
| Transfer to other governments | - | - | - | (5,432) | (5,432) |
| Interfund transfer in | - | 1,000 | - | 26,185 | 27,185 |
| Interfund transfers out | - | - | (20,301) | - | (20,301) |
| Total other financing sources (uses) | \$ 251 | \$ 1,000 | \$ (20,301) | \$ 20,753 | \$ 1,703 |
| Net change in fund balance | 36,914 | 698 | (17,550) | - | 20,062 |
| Fund balances, beginning of year | 50,435 | 1,641 | 99,305 | - | 151,381 |
| Fund balances, end of year | \$ 87,349 | \$ 2,339 | \$ 81,755 | \$ - | \$ 171,443 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA
CLERK OF CIRCUIT COURT
COMBINING BALANCE SHEET - ALL AGENCY FUNDS
September 30, 2018

| | Collections Trust | Totals |
|---|------------------------------|---------------------|
| ASSETS | | |
| Cash and cash equivalents | \$ 1,606,893 | \$ 1,606,893 |
| Accounts receivable, net | - | - |
| Due from individuals | - | - |
| Due from other funds | - | - |
| Due from other governmental units | 10 | 10 |
| Inventories | - | - |
| Prepaid expense | - | - |
| Other current assets | - | - |
| Total assets | \$ 1,606,903 | \$ 1,606,903 |
| LIABILITIES AND FUND BALANCE | | |
| Liabilities | | |
| Accounts payable | \$ 735 | \$ 735 |
| Accrued liabilities | - | - |
| Due to individuals | 1,331,383 | 1,331,383 |
| Due to other funds | 75,538 | 75,538 |
| Due to other governmental units | 199,247 | 199,247 |
| Unearned revenues | - | - |
| Interest payable | - | - |
| Other current liabilities | - | - |
| Total liabilities | \$ 1,606,903 | \$ 1,606,903 |
| Fund balance | | |
| Nonspendable | | |
| Inventories | \$ - | \$ - |
| Prepaid expenses | - | - |
| Restricted | - | - |
| Committed | - | - |
| Assigned | - | - |
| Unassigned | - | - |
| Total fund balance | \$ - | \$ - |
| Total liabilities and fund balance | \$ 1,606,903 | \$ 1,606,903 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA
CLERK OF CIRCUIT COURT
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
ALL AGENCY FUNDS
September 30, 2018

| | Beginning Balance | | | Ending Balance |
|---|-------------------|---------------------|----------------------|------------------|
| | Oct. 1, 2017 | Additions | Deductions | Sept. 30, 2018 |
| ASSETS | | | | |
| Cash and cash equivalents | \$ 302,930 | \$ 13,999,285 | \$ 12,695,322 | \$ 1,606,893 |
| Accounts receivable, net | - | - | - | - |
| Due from individuals | - | - | - | - |
| Due from other funds | - | - | - | - |
| Due from other governmental units | 10 | - | - | 10 |
| Inventories | - | - | - | - |
| Prepaid expenses | - | - | - | - |
| Other current assets | - | - | - | - |
| Total assets | \$ 302,940 | \$13,999,285 | \$ 12,695,322 | 1,606,903 |
| LIABILITIES AND NET ASSETS | | | | |
| Liabilities | | | | |
| Accounts payable | \$ - | \$ 4,247,819 | \$ 4,247,084 | 735 |
| Accrued liabilities | - | - | - | - |
| Due to individuals | 130,247 | 4,848,768 | 3,647,632 | 1,331,383 |
| Due to other funds | 50,062 | 775,759 | 750,283 | 75,538 |
| Due to other governmental units | 122,631 | 4,126,939 | 4,050,323 | 199,247 |
| Unearned revenues | - | - | - | - |
| Interest payable | - | - | - | - |
| Other current liabilities | - | - | - | - |
| Total liabilities | \$ 302,940 | \$13,999,285 | \$ 12,695,322 | 1,606,903 |
| Total net assets | - | - | - | - |
| Total liabilities and net assets | \$ 302,940 | \$13,999,285 | \$ 12,695,322 | 1,606,903 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

CLERK OF CIRCUIT COURT
COMPLIANCE SECTION

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

To the Clerk of the Circuit Court
Wakulla County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special purpose financial statements of the Wakulla County Clerk of the Circuit Court (the Clerk) as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Wakulla County Clerk of the Circuit Court's basic financial statements, and have issued our report thereon dated May 30, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Wakulla County Clerk's internal control over financial reporting (internal control) to determine the 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 Wakulla County Clerk's internal control. Accordingly, we do not express an opinion on the effectiveness of the Wakulla County 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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Wakulla County Clerk of the Circuit Court'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 determination of financial statement amounts. 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.

**POWELL & JONES**

Certified Public Accountants

May 30, 2019

**MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550,
RULES OF THE AUDITOR GENERAL**

Honorable Clerk of the Circuit Court
Wakulla County, Florida

We have audited the financial statements of the Wakulla County Clerk of the Circuit Court (Clerk), as of and for the year ended September 30, 2018, and have issued our report thereon dated May 30, 2019. We have also issued our report on compliance and on internal control over financial reporting. That report should be considered in conjunction with this management letter.

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. Additionally our audit was conducted in accordance with the provisions of Chapter 10.550, *Rules of the Auditor General*, which govern the conduct of local governmental entity audits performed in the State of Florida and require that certain items be addressed in this letter.

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

AUDITOR GENERAL COMPLIANCE MATTERS

Annual Local Government Financial Report - The Financial Report filed with the Department of Financial Services pursuant to Section 218.32(1), *Florida Statutes*, is in agreement with the accompanying financial statements of Wakulla County, Florida, for the year ended September 30, 2018. The financial statements of the Clerk of Circuit Court are combined with other County agencies in that report.

Financial Emergency Status – We have determined that the Clerk did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment - As required by the *Rules of the Auditor General* (Sections 10.554(1)(i)5.a. and 10.556(8)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

Our audit did not disclose any further items that would be required to be reported under *Rules of the Auditor General*, Chapter 10.550.

CONCLUSION

We have reviewed information regarding our audit with the Clerk and have provided her with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with this audit of the Office. We appreciate the overall high quality of the financial records and personnel in the Clerk's Office. We also appreciate the helpful assistance and courtesy afforded us by these employees.

A rectangular box containing a handwritten signature in cursive script that reads "Powell & Jones".

POWELL & JONES

Certified Public Accountants
May 30, 2019

WAKULLA COUNTY, FLORIDA

PROPERTY APPRAISER ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2018



WAKULLA COUNTY, FLORIDA

**PROPERTY APPRAISER
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2018**

TABLE OF CONTENTS

| | |
|---|-----|
| I. INTRODUCTORY SECTION | |
| A. Table of Contents | 177 |
| II. FINANCIAL SECTION | |
| A. Independent Auditor’s Report | 178 |
| B. Basic Financial Statements: | |
| Combined Balance Sheet – All Fund Types | 181 |
| Statement of Revenues, Expenditures and Changes in Fund Balances – All Governmental Funds | 182 |
| Notes to Financial Statements | 183 |
| C. Combining and Individual Fund Financial Statements: | |
| <u>Governmental Fund Financial Statements:</u> | |
| Statement of Revenue, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund | 193 |
| Statement of Revenue, Expenditures and Changes in Fund Balance – Budget and Actual – All Special Revenue Funds | 194 |
| Combining Balance Sheet – All Special Revenue Funds | 195 |
| Combining Statement of Revenue, Expenditures and Changes in Fund Balance – All Special Revenue Funds | 196 |
| D. Compliance Section: | |
| Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Governmental Auditing Standards | 198 |
| Management Letter | 200 |
| Independent Accountant’s Report | 202 |



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INDEPENDENT AUDITOR'S REPORT

Honorable Property Appraiser
Wakulla County, Florida

Report on the Financial Statements

We have audited the accompanying special purpose fund financial statements of the Wakulla County Property Appraiser (the Property Appraiser), as of and for the year ended September 30, 2018, as listed in the table of contents.

Management's Responsibility 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these special purpose financial statements based on our audit. 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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States. The standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness or significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The accompanying special purpose fund financial statements were prepared for the purpose of complying with Chapter 10.550, *Rules of the Auditor General - Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Property Appraiser is part of the reporting entity, Wakulla County, Florida. Accordingly, these special purpose fund financial statements are not a complete presentation of the reporting entity's basic financial statements.

Opinion

In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Wakulla County Property Appraiser, as of September 30, 2018, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated May 30, 2019, on our consideration of the Property Appraiser's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Property Appraiser's internal control over financial reporting and on compliance.

Other Information

Our audit was made for the purpose of forming an opinion on the special purpose fund financial statements taken as a whole. The individual fund financial statements listed in the table of contents are presented for purposes of additional analysis and are not a required part of the special purpose fund financial statements of the Property Appraiser. Such information has been subjected to the auditing procedures applied in the audit of the special purpose fund financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the special purpose fund financial statements taken as a whole.



POWELL & JONES

Certified Public Accountants
May 30, 2019

WAKULLA COUNTY, FLORIDA

**PROPERTY APPRAISER
BASIC FINANCIAL STATEMENTS**

WAKULLA COUNTY, FLORIDA

PROPERTY APPRAISER
 COMBINED BALANCE SHEET - ALL FUND TYPES
 September 30, 2018

| | Governmental Fund Types | | Fiduciary Fund Type | Totals (Memorandum Only) |
|---|-------------------------|-----------------------------|------------------------|-----------------------------|
| | General Fund | Special Revenue Funds | Agency Funds | |
| ASSETS | | | | |
| Cash and cash equivalents | \$ 14,940 | \$ 579 | \$ - | \$ 15,519 |
| Accounts receivable, net | - | - | - | - |
| Due from individuals | - | - | - | - |
| Due from agency funds | - | - | - | - |
| Due from other funds | - | - | - | - |
| Due from other governmental units | - | - | - | - |
| Inventories | - | - | - | - |
| Prepaid expense | 6,637 | - | - | 6,637 |
| Other current assets | - | - | - | - |
| Total assets | \$ 21,577 | \$ 579 | \$ - | \$ 22,156 |
| LIABILITIES AND FUND BALANCE | | | | |
| Liabilities | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Accrued liabilities | 20,321 | 358 | - | 20,679 |
| Due to individuals | - | - | - | - |
| Due to agency funds | - | - | - | - |
| Due to other funds | 1,123 | - | - | 1,123 |
| Due to other governmental units | 133 | - | - | 133 |
| Unearned revenues | - | - | - | - |
| Interest payable | - | - | - | - |
| Deposits | - | - | - | - |
| Other current liabilities | - | - | - | - |
| Total liabilities | \$ 21,577 | \$ 358 | \$ - | \$ 21,935 |
| Fund balance | | | | |
| Nonspendable | | | | |
| Inventories | \$ - | \$ - | \$ - | \$ - |
| Prepaid expenses | 6,637 | - | - | 6,637 |
| Restricted | - | - | - | - |
| Committed | - | - | - | - |
| Assigned | - | 221 | - | 221 |
| Unassigned | (6,637) | - | - | (6,637) |
| Total fund balance | \$ - | \$ 221 | \$ - | \$ 221 |
| Total liabilities and fund balance | \$ 21,577 | \$ 579 | \$ - | \$ 22,156 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

PROPERTY APPRAISER
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL GOVERNMENTAL FUNDS
For the Fiscal Year Ended September 30, 2018

| | General Fund | Special Revenue Funds | Totals |
|--|-----------------------|--------------------------|-----------------------|
| Revenue | | | |
| Taxes | \$ - | \$ - | \$ - |
| Licenses, permits, special assessments | - | 47,021 | 47,021 |
| Intergovernmental | 4,947 | - | 4,947 |
| Charges for services | - | - | - |
| Fine and forfeitures | - | - | - |
| Miscellaneous | 3,201 | - | 3,201 |
| Interest | 88 | - | 88 |
| Total revenue | \$ 8,236 | \$ 47,021 | \$ 55,257 |
| Expenditures | | | |
| Current | | | |
| General Government | \$ 1,106,332 | \$ 47,021 | \$ 1,153,353 |
| Public safety | - | - | - |
| Physical environment | - | - | - |
| Transportation | - | - | - |
| Economic environment | - | - | - |
| Human services | - | - | - |
| Culture and recreation | - | - | - |
| Court related | - | - | - |
| Capital Outlay | | | |
| General government | - | - | - |
| Public safety | - | - | - |
| Physical environment | - | - | - |
| Transportation | - | - | - |
| Economic environment | - | - | - |
| Human services | - | - | - |
| Culture and recreation | - | - | - |
| Court related | - | - | - |
| Debt Service | | | |
| Principal | - | - | - |
| Interest | - | - | - |
| Total Expenditures | \$ 1,106,332 | \$ 47,021 | \$ 1,153,353 |
| Excess (deficiency) of revenues over (under) expenditures | \$ (1,098,096) | \$ - | \$ (1,098,096) |
| Other financing sources | | | |
| Sale of equipment | \$ - | \$ - | \$ - |
| Debt Proceeds | - | - | - |
| Transfers from Board of County Commissioners | 1,098,096 | - | 1,098,096 |
| Transfers from (to) other governments | - | - | - |
| Interfund transfer in | - | - | - |
| Interfund transfers out | - | - | - |
| Total other financing sources (uses) | \$ 1,098,096 | \$ - | \$ 1,098,096 |
| Net change in fund balance | - | - | - |
| Fund balances, beginning of year | \$ - | \$ 221 | \$ 221 |
| Fund balances, end of year | \$ - | \$ 221 | \$ 221 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

PROPERTY APPRAISER NOTES TO FINANCIAL STATEMENTS September 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the more significant accounting policies of the Wakulla County Property Appraiser (the Property Appraiser).

A. Reporting Entity – The Governmental Accounting Standards Board (GASB) on its Statement No. 14, “The Financial Reporting Entity”, as amended by GASB Statement No. 39 “Determining Whether Certain Organizations Are Component Units – an amendment of GASB Statement 14”, establishes standards for defining the financial reporting entity. In developing these standards, the GASB assumed that all governmental organizations are responsible to elected officials at the federal, state or local level. Financial reporting by state or local government should report the elected officials’ accountability for those organizations.

The Property Appraiser, as established by Article VIII of the Constitution of the State of Florida, is an elected official of the County. Although the Property Appraiser’s Office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Property Appraiser is reported as a part of the primary government of Wakulla County, Florida. The Property Appraiser’s special purpose fund financial statements do not purport to reflect the financial position or the results of operations of Wakulla County, Florida, taken as a whole.

These special purpose fund financial statements of the Property Appraiser are issued separately to comply with Section 11.45(3), *Florida Statutes* and Rule 10.557 (5) of Chapter 10.550, *Rules of the Auditor General – Local Government Entity Audits*. This rule requires the Property Appraiser to present only fund financial statements. Accordingly, due to the omission of government-wide financial statements and certain financial statement disclosures including a management’s discussion and analysis, these financial statements do not constitute a complete presentation of the financial position of the Property Appraiser and the changes in its financial position for the year then ended in conformity with GASB Statement No 34 “Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments”, but otherwise constitute financial statements prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America.

The financial activities of the Property Appraiser, as a constitutional officer, are included in the basic financial statements of Wakulla County, Florida.

Chapter 129, *Florida Statutes*, requires that budgets be adopted for all funds as may be required by law, sound financial practices, and generally accepted accounting principles (GAAP) and that

budgets be adopted on a basis consistent with GAAP. Pursuant to this requirement, the Board of County Commissioners (BOCC) adopts an annual comprehensive appropriated budget, which in accordance with Chapter 192.091, *Florida Statutes*, includes a portion of the operating budget of the Property Appraiser. The operations of the Property Appraiser are approved by the Florida Department of Revenue (FDOR) in accordance with Chapter 192.091, *Florida Statutes*. The budget of the Property Appraiser, as approved by the FDOR, is billed to and funded by the BOCC and the Northwest Florida Water Management District (NFWFMD) in accordance with Chapter 192.091, *Florida Statutes*. The budgeted receipts from the BOCC and NFWFMD are recorded as other financing sources in the Property Appraiser's special purpose fund financial statements and as other financing uses in the Board of County Commissioner's financial statements. Any excess of revenues and other financing sources received over expenditures are to be remitted proportionately to the BOCC and the NFWFMD at year end.

B. Measurement Focus, Basis of Accounting and Basis of Presentation

Fund Financial Statements

Accounts are organized and presented on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which the activities are controlled. The funds utilized by the Property Appraiser are as follows:

1. Governmental Funds

Governmental funds are accounted for using the flow of current financial resources measurement focus. Only current assets and current liabilities are generally included on the balance sheet. Operating statements for these funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in net current position (formerly net current assets). The Property Appraiser reports the following governmental fund types:

General Fund – The General Fund of the Property Appraiser is used to account for all financial resources (revenues and appropriations) which are generated from the operation of the Property Appraiser's Office relating to the Board of County Commissioners and any other resources not required to be accounted for in a separate fund.

Special Revenue Fund – Special revenue funds are used to account for the proceeds of specific revenue sources which are legally restricted to expenditures for specified purposes. As of September 30, 2018, the Property Appraiser maintained the following special revenue fund:

- Special Assessment Fund

The "basis of accounting" refers to when revenues and expenditures and the related assets and liabilities are recognized in the accounting records and reported in the financial statements. The modified accrual basis of accounting is used by governmental funds. Under this basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they become measurable and available to finance liabilities of the current fiscal year). For this purpose, the Property Appraiser considers revenues available if they are collected within 60 days of the current period. Expenditures are recorded when the related fund liability is incurred, except for

certain compensated absences, which are recognized as expenditures to the extent they have matured. Interest income and other revenue are recognized as they are earned and become measurable and available to pay liabilities of the current period.

Approximately 95.2% of the Property Appraiser's funding is appropriated by the Board of County Commissioners. In applying the susceptible to accrual concept to intergovernmental revenue, there are essentially two types of revenue. In one, moneys must be expended on the specific purpose or project before any amounts will be paid to the Property Appraiser; therefore, revenue is recognized based upon the expenditures incurred. In the other type, moneys are virtually unrestricted and are revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenue at the time of receipt, or earlier, if the "susceptible to accrual" criteria are met.

C. Budgetary Accounting – The preparation, adoption and amendment of the budget is governed by Chapter 129, *Florida Statutes* which requires that budgets be adopted for all funds as may be required by law, sound financial practices and GAAP. The fund is the legal level of control for the budget.

The Property Appraiser's General Fund and special revenue fund budget is approved and set by the annually adopted budget of the Board of County Commissioners. The Property Appraiser's annual budget must also be approved by the Florida Department of Revenue.

No budget amendments were made to the budget during the fiscal year. In the budgetary comparisons included in these special purpose financial statements, both the budgetary amounts and actual amounts are presented in accordance with GAAP. In these statements the "Original" budget represents the legally adopted budget on October 1 and the "Final" budget represents the budget as amended through September 30. All budget appropriations lapse at year-end.

D. Cash and Cash Equivalents – The Property Appraiser's cash, cash equivalents and investments are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from acquisition date. Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed as "Cash" on the balance sheet.

E. Inventories – It is the policy of the Property Appraiser to record the acquisition of supplies as expenditures at the time of purchase. The amount of supplies on hand at any one time is nominal and considered immaterial.

F. Fixed Assets – All fixed assets used in governmental fund type operations and acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. All assets with an acquisition or donation value of \$1,000 or more and a useful life of at least one year are tracked and inventoried on an annual basis. All assets with an acquisition or donation value of \$5,000 or more and a useful life of at least one year are depreciated over their useful life using the straight line method. All assets purchased by the Property Appraiser are reported in the Board of County Commissioner's General Fixed Asset Account Group and the basic financial statements of Wakulla County, Florida.

G. Long-Term Liabilities – Long-term liabilities are comprised of compensated absences and lease commitments.

Compensated Absences – Compensated absences are absences for which employees will be paid such as vacation and sick leave. A liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the Property Appraiser and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent upon a specific event that is outside the control of the Property Appraiser and its employees are accounted for in the period in which such services are rendered or such events take place. Annual leave is accrued at the following rates:

- **Senior Management** –

| <u>Vacation Leave</u> <u>Earned Annually</u> | <u>Sick Leave</u> <u>Earned Annually</u> |
|---|---|
| 240 | 180 |

Senior management employees may not carry more than 480 hours of annual leave from one fiscal year to the next. Any amounts exceeding the 480 hour limit shall be converted to sick leave on a hour-per-hour basis at the close of business on September 30th of each fiscal year. There is no limitation to the number of sick leave hours carried from one year to the next. Employees who leave the Property Appraiser’s Office may be compensated for all unused annual leave and employees with 10 or more years of service may be compensated for unused sick leave at the rate of ¼ per hour.

- **Regular Class** -

| <u>Years of</u> <u>Creditable Service</u> | <u>Vacation Leave</u> <u>Earned Monthly</u> | <u>Sick Leave</u> <u>Earned Monthly</u> |
|--|--|--|
| 1-5 | 8 | 8 |
| 6-10 | 10 | 8 |
| 11-25 | 14 | 8 |
| 25+ | 16 | 8 |

Regular class employees may not carry more than 240 hours of annual leave from one fiscal year to the next. Any amounts exceeding the 240 hour limit shall be converted to sick leave on a hour-per-hour basis at the close of business on September 30th of each fiscal year. There is no limitation to the number of sick leave hours carried from one year to the next. Employees who leave the Property Appraiser’s Office may be compensated for all unused annual leave and employees with 10 or more years of service may be compensated for unused sick leave at the rate of ¼ per hour.

The current or short-term portion of the available compensated absences balance is the amount estimated to be used in the following year (15%). In the governmental funds, this current portion of compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund of the Board of County

Commissioners that will pay for them. The non-current or long-term portion is the amount estimated to be used in subsequent years (85%). This long-term portion is reported in the Board of County Commissioner's General Long-Term Debt Account Group of Wakulla County, Florida.

Lease Commitments – Lease commitments are comprised of operating and capital leases. Operating leases are leases of equipment with a value of less than \$5,000 and capital leases are lease of equipment with a value of \$5,000 or more. The short-term portion of leases is those amounts due within one year and the long-term portion of leases is those amounts due beyond 12 months.

H. Unearned Revenue – Unearned revenue is reported in the special purpose fund financial statements and represents unearned grant revenues which are measurable but not available and, in accordance with the modified accrual basis of accounting, are reported as unearned.

I. Total Column on the Combined Statements – The total column on the combined statements is captioned “Memorandum Only” to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations or changes in cash flows in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Inter-fund eliminations have not been made in the aggregation of this data.

J. Estimates – The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2. DEPOSITS

At fiscal year end, the book amount of the Property Appraiser's deposits was \$15,519. Of the bank balances, all was covered by federal depository insurance. Any balance in excess of \$250,000 is insured by collateral provided by the qualified public depositories to the Chief Financial Officer pursuant to the Florida Security for Public Deposits Act of the State of Florida, Chapter 280, *Florida Statutes*. All Property Appraiser deposits are with qualified public depository institutions.

The Florida Security for Public Deposits Act establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the qualified public depository must pledge at least 50 percent of the average daily balance for each month that all public deposits are in excess of any applicable deposit insurance. Additional collateral, up to a maximum of 125 percent, may be required, if deemed necessary under the conditions set forth in the Act. Obligations pledged to secure deposits must be delivered to the State Chief Financial Officer or, with the approval of the State Chief Financial Officer, to a bank, savings association or trust company provided a power of attorney is delivered to the State Chief Financial Officer. Under the Act, the pool may assess participating financial institutions on a pro rata basis to fund any shortfall in the event of the failure of a member institution.

The collateral for the Property Appraiser's deposits is categorized to give an indication of the level of risk assumed by the Property Appraiser at year end. Category 1 includes deposits that are insured or registered or for which the securities are held by the Property Appraiser or his agent in the Property Appraiser's name. Category 2 includes uninsured and unregistered deposits for which the securities are held by the counterparty's trust department or agent in the Property Appraiser's name. Category 3 includes uninsured or unregistered deposits for which the securities are held by the counterparty's trust department or agent but not in the Property Appraiser's name. All of the collateral covering the Property Appraiser's deposits was Category 1.

NOTE 3. FIXED ASSETS

The Property Appraiser's fixed assets are primarily comprised of vehicles, furniture and computer and related equipment. The building(s) and related facilities that house the Property Appraiser are reported as part of the County's financial statements and are not reported as part of the Property Appraiser's financial statements. The value of fixed assets for the Property Appraiser at year end is:

| | Beginning Balance Oct. 1, 2017 | Additions | Reclassifications / Deletions | Ending Balance Sept. 30, 2018 |
|-------------------------------|--------------------------------------|-------------------|----------------------------------|-------------------------------------|
| Fixed Assets | | | | |
| Furniture and equipment | \$ 154,992 | \$ - | \$ - | \$ 154,992 |
| less accumulated depreciation | (148,927) | (6,065) | - | (154,992) |
| Fixed Assets, net | \$ 6,065 | \$ (6,065) | \$ - | \$ - |

NOTE 4. LONG-TERM LIABILITIES

The Property Appraiser had no capital leases or notes payable during the current year. The long-term liabilities of the Property Appraiser's Office are associated with employee compensated absences. The balances due at year end are:

| | Beginning Balance Oct. 1, 2017 | Additions | Reductions | Adjustments | Ending Balance Sept. 30, 2018 | Due Within One Year | Interest Paid in Current Year |
|------------------------------------|--------------------------------------|-----------------|-------------|-------------|-------------------------------------|------------------------|----------------------------------|
| Long-term liabilities | | | | | | | |
| Compensated absences | \$ 21,888 | \$ 1,986 | \$ - | \$ - | \$ 23,874 | \$ 3,581 | \$ - |
| Total long-term liabilities | \$ 21,888 | \$ 1,986 | \$ - | \$ - | \$ 23,874 | \$ 3,581 | \$ - |

The Property Appraiser had no operating leases during the current year.

NOTE 5. RISK MANAGEMENT

The Property Appraiser is exposed to various risks of loss related to torts; theft of; damage to and destruction of assets; errors and omissions; injuries to employees and the public; or damage to property of others. The Property Appraiser's Office directly purchases insurance and participates in the risk management program through Wakulla County Board of County Commissioners which uses commercial insurance and a public entity risk pool to cover certain risks from loss.

The Board of County Commissioners obtained commercial insurance against losses for the following types of risk:

- Real and Personal Property Damage
- Public Employees Bond
- Worker's Compensation
- Automobile Liability

Worker's compensation coverage is provided under a retrospectively rated policy. Premiums are accrued based on the ultimate cost-to-date of the Board of County Commissioner's experience for these type risks. The Board of County Commissioners participates in the Florida Association of Counties Trust (FACT), a public entity risk pool, for risks related to comprehensive general liability. The agreement provides that the financial liability of each participating county is limited to premiums and surplus contributions paid or obligations made to FACT. Aggregate coverage provided is limited to \$1,000,000 for each claim.

There were no pending legal actions against the Property Appraiser's Office as of the fiscal year end.

NOTE 6. RETIREMENT PROGRAM

1. Florida Retirement System

The Property Appraiser's Office contributes to the Florida Retirement System (FRS), a cost-sharing multiple-employer plan administered by the State of Florida. The FRS provides either a defined benefit or a defined contribution plan to its participants.

Plan Description – The FRS provides retirement, disability or death benefits to retirees or their designated beneficiaries. FRS rules and provisions related to eligibility, contributions and benefits are established by Chapter 112 Part IV, Chapter 121, Chapter 122 and Chapter 238, *Florida Statutes*, and Chapter 605 Florida Administrative Code. Changes to the law can only occur through an act of the Florida Legislature.

A Deferred Retirement Option Program (DROP) subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with a FRS employer. An employee may participate in the DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

Funding Policy – The Property Appraiser is required to contribute to the FRS at an actuarially determined rate as set by the State of Florida. Effective July 1, 2011, employees are required to also contribute 3% of gross salary to the FRS. The Property Appraiser's liability for participation is limited to the payment of the required contribution at the rates and frequencies established by law on future payrolls of the Property Appraiser.

The Property Appraiser's contributions (employer only) to the FRS for the fiscal years ended September 30, 2018, 2017 and 2016 were \$110,371, \$96,874, and \$76,109, respectively, which were equal to the required contributions for each fiscal year. The contribution rates, as a percent of gross salary, at September 30, 2018 were as follows:

| Class Description | FRS Contribution Rates | | | | | | |
|--|---------------------------------|-----------------------|--------------------|-----------------------------------|-----------------------|--------------------|----------|
| | October 1, 2017 - June 30, 2018 | | | July 1, 2018 - September 30, 2018 | | | % Change |
| | Employer Contribution (A) | Employee Contribution | Total Contribution | Employer Contribution (A) | Employee Contribution | Total Contribution | |
| <u>Regular Class</u> | 7.92% | 3.00% | 10.92% | 8.26% | 3.00% | 11.26% | 0.34% |
| <u>Senior Management Service Class</u> | 22.71% | 3.00% | 25.71% | 24.06% | 3.00% | 27.06% | 1.35% |
| <u>Special Risk Class</u> | 23.27% | 3.00% | 26.27% | 24.50% | 3.00% | 27.50% | 1.23% |
| <u>Special Risk Administrative Support Class</u> | 34.63% | 3.00% | 37.63% | 34.98% | 3.00% | 37.98% | 0.35% |
| <u>Elected Officers Class</u> | 45.50% | 3.00% | 48.50% | 48.70% | 3.00% | 51.70% | 3.20% |
| <u>(DROP)</u> | 13.26% | N/A | 13.26% | 14.03% | N/A | 14.03% | 0.77% |
| <u>Reemployed Retiree</u> | (B) | | | (B) | | | |

(A) These employer contribution rates include a subsidy for the Health Insurance Subsidy (HIS) Plan in the amount of 1.66% for the period October 1 - June 30 and 1.66% for the period July 1 - September 30. Also, employer rates, other than DROP participants, include .06% for October 1 - June30 and .06% for July 1 - September 30 for administrative costs.

(B) Contribution rates are dependent upon the retirement class or plan in which re-employed.

Financial statements and other supplementary information of the FRS are included in the State of Florida Comprehensive Annual Financial Report which is available from the Florida Department of Financial Services. An annual report on the FRS which includes its financial statements, required supplementary information, actuarial report and other relevant information is available from the Florida Department of Management Services, Division of Retirement. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida or by calling (850) 488-5706. Full information regarding Wakulla County's participation in the FRS, which includes the Property Appraiser, is contained in Note 12 of the Wakulla County Annual Financial Report.

NOTE 7. INTER-FUND RECEIVABLES AND PAYABLES

The Property Appraiser's inter-fund receivables and payable at September 30, 2018 were:

| Fund | Interfund Receivable | Interfund Payable |
|---|----------------------|-------------------|
| Property Appraiser | | |
| General Fund | \$ - | \$ 1,123 |
| Special Assessment Fund | - | - |
| Property Appraiser Total | \$ - | \$ 1,123 |
| Board of County Commissioners | | |
| General Fund | \$ 1,123 | \$ - |
| Road Operating Fund | - | - |
| Board of County Commissioners Total | \$ 1,123 | \$ - |
| Total Interfund Receivable / Payable | \$ 1,123 | \$ 1,123 |

NOTE 8. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the State of Florida and Federal governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds.

The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although, the Property Appraiser expects such amounts, if any, to be immaterial.

NOTE 9. FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2018, fund balances of the governmental funds as classified as follows:

- Non-spendable – amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact
- Restricted – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements, enabling legislation, constraints that are externally imposed by creditors, grantors, contributors or the laws or regulations of other governmental entities.
- Committed – amounts that can be used only for specific purposes determined by a formal action of the Board of County Commissioners (BOCC). The BOCC is the highest level of decision making authority for the County. Committed fund balance may be established, modified or rescinded only through resolutions or other formal actions approved by the BOCC.
- Assigned – amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Under current practices, the assignment of amounts for specific purposes is approved by the BOCC typically through the budgeting process.
- Unassigned – all other spendable amounts.

The Property Appraiser’s fund balances at September 30, 2018 are as follows:

| <u>Fund Name</u> | <u>Nonspendable</u> | <u>Restricted</u> | <u>Committed</u> | <u>Assigned</u> | <u>Unassigned</u> |
|-------------------------|---------------------|-------------------|------------------|-----------------|-------------------|
| General Fund | \$ 6,637 | \$ - | \$ - | \$ - | \$ (6,637) |
| Special Assessment Fund | - | - | - | 221 | - |
| Total | \$ 6,637 | \$ - | \$ - | \$ 221 | \$ (6,637) |

WAKULLA COUNTY, FLORIDA

**PROPERTY APPRAISER
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS**

WAKULLA COUNTY, FLORIDA

PROPERTY APPRAISER
 STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL - GENERAL FUND
 For the Fiscal Year Ended September 30, 2018

| | Budgeted Amount | | Actual Amount | Variance with Final Budget Positive (Negative) |
|--|-----------------------|-----------------------|-----------------------|---|
| | Original | Final | | |
| Revenue | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - |
| Licenses, permits, special assessments | - | - | - | - |
| Intergovernmental | - | - | 4,947 | 4,947 |
| Charges for services | - | - | - | - |
| Fine and forfeitures | - | - | - | - |
| Miscellaneous | - | - | 3,201 | 3,201 |
| Interest | - | - | 88 | 88 |
| Total revenue | \$ - | \$ - | \$ 8,236 | \$ 8,236 |
| Expenditures | | | | |
| Current | | | | |
| General Government | \$ 1,103,043 | \$ 1,103,043 | \$ 1,106,332 | \$ (3,289) |
| Public safety | - | - | - | - |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Court related | - | - | - | - |
| Capital Outlay | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Court related | - | - | - | - |
| Debt Service | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total Expenditures | \$ 1,103,043 | \$ 1,103,043 | \$ 1,106,332 | \$ (3,289) |
| Excess (deficiency) of revenues over (under) expenditures | \$ (1,103,043) | \$ (1,103,043) | \$ (1,098,096) | \$ 4,947 |
| Other financing sources | | | | |
| Sale of equipment | \$ - | \$ - | \$ - | \$ - |
| Debt Proceeds | - | - | - | - |
| Transfers from Board of County Commissioners | 1,098,096 | 1,098,096 | 1,098,096 | - |
| Transfers from other governments | 4,947 | 4,947 | - | (4,947) |
| Interfund transfer in | - | - | - | - |
| Interfund transfers out | - | - | - | - |
| Total other financing sources (uses) | \$ 1,103,043 | \$ 1,103,043 | \$ 1,098,096 | \$ (4,947) |
| Net change in fund balance | - | - | - | - |
| Fund balances, beginning of year | - | - | - | - |
| Fund balances, end of year | \$ - | \$ - | \$ - | \$ - |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

PROPERTY APPRAISER
 STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL - ALL SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended September 30, 2018

| | Budgeted Amount | | Actual Amount | Variance with Final Budget Positive (Negative) |
|--|--------------------|--------------------|------------------|--|
| | Original | Final | | |
| Revenue | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - |
| Licenses, permits, special assessments | - | - | 47,021 | 47,021 |
| Intergovernmental | - | - | - | - |
| Charges for services | - | - | - | - |
| Fine and forfeitures | - | - | - | - |
| Miscellaneous | - | - | - | - |
| Interest | - | - | - | - |
| Total revenue | \$ - | \$ - | \$ 47,021 | \$ 47,021 |
| Expenditures | | | | |
| Current | | | | |
| General Government | \$ 45,060 | \$ 45,060 | \$ 47,021 | \$ (1,961) |
| Public safety | - | - | - | - |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Court related | - | - | - | - |
| Capital Outlay | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Court related | - | - | - | - |
| Debt Service | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total Expenditures | \$ 45,060 | \$ 45,060 | \$ 47,021 | \$ (1,961) |
| Excess (deficiency) of revenues over (under) expenditures | \$ (45,060) | \$ (45,060) | \$ - | \$ 45,060 |
| Other financing sources | | | | |
| Sale of equipment | \$ - | \$ - | \$ - | \$ - |
| Debt Proceeds | - | - | - | - |
| Transfers from Board of County Commissioners | 45,060 | 45,060 | - | (45,060) |
| Transfers from other governments | - | - | - | - |
| Interfund transfer in | - | - | - | - |
| Interfund transfers out | - | - | - | - |
| Total other financing sources (uses) | \$ 45,060 | \$ 45,060 | \$ - | \$ (45,060) |
| Net change in fund balance | - | - | - | - |
| Fund balances, beginning of year | 221 | 221 | 221 | - |
| Fund balances, end of year | \$ 221 | \$ 221 | \$ 221 | \$ - |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

PROPERTY APPRAISER
 COMBINING BALANCE SHEET - ALL SPECIAL REVENUE FUNDS
 September 30, 2018

| | <u>Special Assessment Fund</u> |
|---|------------------------------------|
| ASSETS | |
| Cash and cash equivalents | \$ 579 |
| Accounts receivable, net | - |
| Due from individuals | - |
| Due from agency funds | - |
| Due from other funds | - |
| Due from other governmental units | - |
| Inventories | - |
| Prepaid expense | - |
| Other current assets | - |
| Total assets | <u>\$ 579</u> |
| LIABILITIES AND FUND BALANCE | |
| Liabilities | |
| Accounts payable | \$ - |
| Accrued liabilities | 358 |
| Due to individuals | - |
| Due to agency funds | - |
| Due to other funds | - |
| Due to other governmental units | - |
| Unearned revenues | - |
| Interest payable | - |
| Deposits | - |
| Other current liabilities | - |
| Total liabilities | <u>\$ 358</u> |
| Fund balance | |
| Nonspendable | |
| Inventories | \$ - |
| Prepaid expenses | - |
| Restricted | - |
| Committed | - |
| Assigned | 221 |
| Unassigned | - |
| Total fund balance | <u>\$ 221</u> |
| Total liabilities and fund balance | <u>\$ 579</u> |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

PROPERTY APPRAISER

COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
ALL SPECIAL REVENUE FUNDS

For the Fiscal Year Ended September 30, 2018

| | <u>Special Assessment Fund</u> |
|--|--|
| Revenue | |
| Taxes | \$ - |
| Licenses, permits, special assessments | 47,021 |
| Intergovernmental | - |
| Charges for services | - |
| Fines and forfeitures | - |
| Miscellaneous | - |
| Interest | - |
| Total revenue | <u>\$ 47,021</u> |
| Expenditures | |
| Current | |
| General government | \$ 47,021 |
| Public safety | - |
| Physical environment | - |
| Transportation | - |
| Economic environment | - |
| Human services | - |
| Culture and recreation | - |
| Court related | - |
| Capital Outlay | |
| General government | - |
| Public safety | - |
| Physical environment | - |
| Transportation | - |
| Economic environment | - |
| Human services | - |
| Culture and recreation | - |
| Court related | - |
| Debt Service | |
| Principal | - |
| Interest | - |
| Total Expenditures | <u>\$ 47,021</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>\$ -</u> |
| Other financing sources | |
| Sale of equipment | \$ - |
| Debt Proceeds | - |
| Transfers from Board of County Commissioners | - |
| Transfers to other governments | - |
| Interfund transfer in | - |
| Interfund transfers out | - |
| Total other financing sources (uses) | <u>\$ -</u> |
| Net change in fund balance | - |
| Fund balances, beginning of year | <u>221</u> |
| Fund balances, end of year | <u>\$ 221</u> |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

PROPERTY APPRAISER
COMPLIANCE SECTION

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

To the Property Appraiser
Wakulla County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special purpose financial statements of the Wakulla County Property Appraiser as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Wakulla County Property Appraiser's special purpose fund financial statements, and have issued our report thereon dated May 30, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Wakulla County Property Appraiser's internal control over financial reporting (internal control) to determine the 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 Wakulla County Property Appraiser's internal control. Accordingly, we do not express an opinion on the effectiveness of the Wakulla County Property Appraiser'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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Wakulla County Property Appraiser'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 determination of financial statement amounts. 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.

A rectangular box containing a handwritten signature in cursive script that reads "Powell & Jones".**POWELL & JONES**

Certified Public Accountants
May 30, 2019

**MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550,
RULES OF THE AUDITOR GENERAL**

Honorable Property Appraiser
Wakulla County, Florida

We have audited the financial statements of the Wakulla County Property Appraiser, as of and for the year ended September 30, 2018, and have issued our report thereon dated May 30, 2019.

We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated May 30, 2019. Disclosures in that report should be considered in conjunction with this management letter.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Additionally our audit was conducted in accordance with the provisions of Chapter 10.550, *Rules of the Auditor General*, which govern the conduct of local governmental entity audits performed in the State of Florida and require that the following be addressed in this letter.

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

FINANCIAL COMPLIANCE MATTERS

Annual Local Government Financial Report - The Financial Report filed with the Department of Financial Services pursuant to Section 218.32(1), *Florida Statutes*, is in agreement with the accompanying financial statements of Wakulla County, Florida, for the year ended September 30, 2018. The financial statements of the Property Appraiser are combined with other County agencies in that report.

Financial Emergency Status – We have determined that the Property Appraiser did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment Procedures - As required by the Rules of the Auditor General (Sections 10.554(1)(i)5.a and 10.556(8)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

Our audit did not disclose any further items that would be required to be reported under the Rules of the Auditor General, Chapter 10.550.

CONCLUSION

We have reviewed information regarding our audit with the Property Appraiser and have provided him with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with our audit of the Property Appraiser. We appreciate the helpful assistance of Property Appraiser staff in completing our audit and also the generally high quality of the Property Appraiser's financial records and internal control. We also appreciate the helpful assistance and courtesy afforded us by these employees.

A rectangular box containing a handwritten signature in cursive script that reads "Powell & Jones".

POWELL & JONES

Certified Public Accountants

May 30, 2019

INDEPENDENT ACCOUNTANT'S REPORT

To the Property Appraiser
Wakulla County, Florida

We have examined the Wakulla County, Florida's Property Appraiser's (the Property Appraiser) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2018. Management is responsible for the Property Appraiser's compliance with those requirements. Our responsibility is to express an opinion on the Property Appraiser's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Property Appraiser's compliance with those respective requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examinations provide a reasonable basis for our opinion. Our examinations do not provide a legal determination on the Property Appraiser's compliance with specified requirements.

In our opinion, the Wakulla County Property Appraiser complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

This report is intended solely for the information and use of Wakulla County, Florida, the Property Appraiser, and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.



POWELL & JONES
Certified Public Accountants
May 30, 2019

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WAKULLA COUNTY, FLORIDA

SHERIFF ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2018



WAKULLA COUNTY, FLORIDA

**SHERIFF
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2018**

TABLE OF CONTENTS

| | |
|---|-----|
| I. INTRODUCTORY SECTION | |
| A. Table of Contents | 205 |
| II. FINANCIAL SECTION | |
| A. Independent Auditor’s Report | 206 |
| B. Basic Financial Statements: | |
| Combined Balance Sheet – All Fund Types | 209 |
| Statement of Revenues, Expenditures and Changes in Fund Balances – All Governmental Funds | 210 |
| Notes to Financial Statements | 211 |
| C. Combining and Individual Fund Financial Statements: | |
| <u>Governmental Fund Financial Statements:</u> | |
| Statement of Revenue, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund | 223 |
| Statement of Revenue, Expenditures and Changes in Fund Balance – Budget and Actual – All Special Revenue Funds | 224 |
| Combining Balance Sheet – All Special Revenue Funds | 225 |
| Combining Statement of Revenue, Expenditures and Changes in Fund Balance – All Special Revenue Funds | 226 |
| Combining Balance Sheet – All Grant and Contract Funds | 227 |
| Combining Statement of Revenue, Expenditures and Changes in Fund Balance – All Grant and Contract Funds | 229 |
| <u>Fiduciary Fund Financial Statements:</u> | |
| Combining Balance Sheet – All Agency Funds | 231 |
| Combining Statement of Changes in Assets and Liabilities – All Agency Funds | 232 |
| D. Compliance Section: | |
| Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Governmental Auditing Standards | 236 |
| Management Letter | 238 |
| Independent Accountant’s Report | 240 |



Powell & Jones
Certified Public Accountants

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Honorable Sheriff
Wakulla County, Florida

Report on the Financial Statements

We have audited the accompanying special purpose fund financial statements of the Wakulla County Sheriff (the Sheriff), as of and for the year ended September 30, 2018, as listed in the table of contents.

Management's Responsibility 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these special purpose financial statements based on our audit. 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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States. The standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness or significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Florida Institute of Certified Public Accountants • American Institute of Certified Public Accountants

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The accompanying special purpose fund financial statements were prepared for the purpose of complying with of Chapter 10.550, *Rules of the Auditor General - Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Sheriff is part of the reporting entity, Wakulla County, Florida. Accordingly, these special purpose fund financial statements are not a complete presentation of the reporting entity's basic financial statements.

Opinion

In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Wakulla County Sheriff, as of September 30, 2018, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report dated May 30, 2019, on our consideration of the Sheriff's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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' internal control over financial reporting and on compliance.

Other Information

Our audit was made for the purpose of forming an opinion on the special purpose fund financial statements taken as a whole. The combining and individual fund financial statements listed in the table of contents are presented for purposes of additional analysis and are not a required part of the special purpose fund financial statements of the Sheriff. Such information has been subjected to the auditing procedures applied in the audit of the special purpose fund financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the special purpose fund financial statements taken as a whole.



POWELL & JONES

Certified Public Accountants
May 30, 2019

WAKULLA COUNTY, FLORIDA

**SHERIFF
BASIC FINANCIAL STATEMENTS**

WAKULLA COUNTY, FLORIDA

SHERIFF
 COMBINED BALANCE SHEET - ALL FUND TYPES
 September 30, 2018

| | Governmental Fund Types | | Fiduciary Fund Type | Totals (Memorandum Only) |
|---|-------------------------|-----------------------|---------------------|-----------------------------|
| | General Fund | Special Revenue Funds | Agency Funds | |
| ASSETS | | | | |
| Cash and cash equivalents | \$ 270,074 | \$ 1,086,898 | \$ 862,282 | \$ 2,219,254 |
| Accounts receivable, net | 9,057 | - | - | 9,057 |
| Due from individuals | - | - | - | - |
| Due from agency funds | - | 12,361 | - | 12,361 |
| Due from other funds | 216,742 | 585 | 2,842 | 220,169 |
| Due from Board of County Comm | - | 32,641 | - | 32,641 |
| Due from other governmental units | - | 199,225 | - | 199,225 |
| Inventories | - | - | - | - |
| Prepaid expense | 573,679 | 934 | - | 574,613 |
| Other current assets | - | - | - | - |
| Total assets | \$ 1,069,552 | \$ 1,332,644 | \$ 865,124 | \$ 3,267,320 |
| LIABILITIES AND FUND BALANCE | | | | |
| Liabilities | | | | |
| Accounts payable | \$ 248,845 | \$ 384 | \$ - | \$ 249,229 |
| Accrued liabilities | 170,016 | 15,451 | - | 185,467 |
| Due to individuals | - | - | 54,260 | 54,260 |
| Due to agency funds | 2,103 | 353 | - | 2,456 |
| Due to other funds | - | 216,062 | 14,014 | 230,076 |
| Due to Board of County Comm | 74,909 | 1,254 | 730,997 | 807,160 |
| Due to other governmental units | - | - | - | - |
| Unearned revenues | - | - | - | - |
| Interest payable | - | - | - | - |
| Deposits | - | - | - | - |
| Other current liabilities | - | - | 65,853 | 65,853 |
| Total liabilities | \$ 495,873 | \$ 233,504 | \$ 865,124 | \$ 1,594,501 |
| Fund balance | | | | |
| Nonspendable | | | | |
| Inventories | \$ - | \$ - | \$ - | \$ - |
| Prepaid expenses | 573,679 | 934 | - | 574,613 |
| Restricted | - | 1,083,048 | - | 1,083,048 |
| Committed | - | 16,092 | - | 16,092 |
| Assigned | - | - | - | - |
| Unassigned | - | (934) | - | (934) |
| Total fund balance | \$ 573,679 | \$ 1,099,140 | \$ - | \$ 1,672,819 |
| Total liabilities and fund balance | \$ 1,069,552 | \$ 1,332,644 | \$ 865,124 | \$ 3,267,320 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SHERIFF

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL GOVERNMENTAL FUNDS

For the Fiscal Year Ended September 30, 2018

| | General Fund | Special Revenue Funds | Totals |
|--|------------------------|--------------------------|------------------------|
| Revenue | | | |
| Taxes | \$ - | \$ - | \$ - |
| Licenses, permits, special assessments | - | - | - |
| Intergovernmental | - | 728,530 | 728,530 |
| Charges for services | 92,391 | 300,533 | 392,924 |
| Fines and forfeitures | - | - | - |
| Miscellaneous | - | - | - |
| Interest | - | 5,153 | 5,153 |
| Total revenue | \$ 92,391 | \$ 1,034,216 | \$ 1,126,607 |
| Expenditures | | | |
| Current | | | |
| General Government | \$ - | \$ - | \$ - |
| Public Safety | 10,839,346 | 1,108,775 | 11,948,121 |
| Physical environment | - | - | - |
| Transportation | - | - | - |
| Economic environment | - | - | - |
| Human services | - | - | - |
| Culture and recreation | - | - | - |
| Court related | - | - | - |
| Capital Outlay | | | |
| General government | - | - | - |
| Public Safety | 15,989 | 264,196 | 280,185 |
| Physical environment | - | - | - |
| Transportation | - | - | - |
| Economic environment | - | - | - |
| Human services | - | - | - |
| Culture and recreation | - | - | - |
| Court related | - | - | - |
| Debt Service | | | |
| Principal | - | - | - |
| Interest | - | - | - |
| Total Expenditures | \$ 10,855,335 | \$ 1,372,971 | \$ 12,228,306 |
| Excess (deficiency) of revenues over (under) expenditures | \$ (10,762,944) | \$ (338,755) | \$ (11,101,699) |
| Other financing sources | | | |
| Sale of equipment | \$ - | \$ - | \$ - |
| Debt Proceeds | - | - | - |
| Transfers from Board of County Commissioners | 11,021,838 | 424,917 | 11,446,755 |
| Transfers to Board of County Commissioners | (59,965) | - | (59,965) |
| Transfers from (to) other governments | - | - | - |
| Interfund transfer in | - | 130,954 | 130,954 |
| Interfund transfers out | (122,531) | (8,423) | (130,954) |
| Total other financing sources (uses) | \$ 10,839,342 | \$ 547,448 | \$ 11,386,790 |
| Net change in fund balance | 76,398 | 208,693 | 285,091 |
| Fund balances, beginning of year | 497,281 | 890,447 | 1,387,728 |
| Fund balances, end of year | \$ 573,679 | \$ 1,099,140 | \$ 1,672,819 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SHERIFF NOTES TO FINANCIAL STATEMENTS September 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the more significant accounting policies of the Wakulla County Sheriff (the Sheriff).

A. Reporting Entity – The Governmental Accounting Standards Board (GASB) on its Statement No. 14, “The Financial Reporting Entity”, as amended by GASB Statement No. 39 “Determining Whether Certain Organizations Are Component Units – an amendment of GASB Statement 14”, establishes standards for defining the financial reporting entity. In developing these standards, the GASB assumed that all governmental organizations are responsible to elected officials at the federal, state or local level. Financial reporting by state or local government should report the elected officials’ accountability for those organizations.

The Sheriff, as established by Article VIII of the Constitution of the State of Florida, is an elected official of the County. Although the Sheriff’s Office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Sheriff is reported as a part of the primary government of Wakulla County, Florida. The Sheriff’s special purpose fund financial statements do not purport to reflect the financial position or the results of operations of Wakulla County, Florida, taken as a whole.

These special purpose fund financial statements of the Sheriff are issued separately to comply with Section 218.39(2), *Florida Statutes* and Rule 10.557 (4) of Chapter 10.550, *Rules of the Auditor General – Local Government Entity Audits*. This rule requires the Sheriff to present only fund financial statements. Accordingly, due to the omission of government-wide financial statements and certain financial statement disclosures including a management’s discussion and analysis, these financial statements do not constitute a complete presentation of the financial position of the Sheriff and the changes in its financial position for the year then ended in conformity with GASB Statement No 34 “Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments”, but otherwise constitute financial statements prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America.

The financial activities of the Sheriff, as a constitutional officer, are included in the basic financial statements of Wakulla County, Florida.

The Sheriff funds operations as a fee officer and a budget officer pursuant to *Florida Statutes*, Chapters 28, 218 and 129 respectively. As a fee officer, the Sheriff collects fees and commissions from certain County activities. As a budget officer, the operations of the Sheriff

relating to the Board of County Commissioners are approved and funded by the Board of County Commissioners. The budgeted receipts from the Board of County Commissioners are recorded as other financing sources in the Sheriff's special purpose fund financial statements and as other financing uses in the Board of County Commissioner's financial statements. Any excess of revenues and other financing sources received over expenditures are to be remitted to the Board of County Commissioners at year end except for various unexpended grant and contractual monies.

B. Measurement Focus, Basis of Accounting and Basis of Presentation

Fund Financial Statements

Accounts are organized and presented on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which the activities are controlled. The funds utilized by the Sheriff are as follows:

1. Governmental Funds

Governmental funds are accounted for using the flow of current financial resources measurement focus. Only current assets and current liabilities are generally included on the balance sheet. Operating statements for these funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in net current position (formerly net current assets). The Sheriff reports the following governmental fund types:

General Fund – The General Fund of the Sheriff is used to account for all financial resources (revenues and appropriations) which are generated from the operation of the Sheriff's Office relating to the Board of County Commissioners and any other resources not required to be accounted for in a separate fund.

Special Revenue Funds – Special revenue funds are used to account for the proceeds of specific revenue sources which are legally restricted to expenditures for specified purposes. As of September 30, 2018, the Sheriff maintained the following special revenue funds:

Special Revenue:

- | | |
|---------------------------|------------------------------|
| • Crime Prevention Fund | • Law Enforcement Trust Fund |
| • Federal Forfeiture Fund | • Moving Violations Fund |
| • Firing Range Fund | • 1 Cent Sales Tax Fund |
| • Inmate Welfare Fund | • \$2 Training Fund |

Grants and Contracts:

- | | |
|--------------------------------------|---|
| • Bulletproof Vests Fund | • JAG / Byrne Grant Fund |
| • EMPA/EMPG Grant Fund | • Litter Control – Parks & Recreation Fund |
| • EMPA Hazardous Analysis Grant Fund | • Litter Control – Transfield Fund |
| • FEMA Fund | • Organized Crime Drug Enforcement Task Force |
| • Florida Sheriff's Association Fund | |

- School Resource Officer Fund
- Teen Driving Challenge Grant Fund
- U.S. Forestry Fund
- U.S. Marshall Fund
- VOCA Grant Fund
- Wakulla County Coalition for Youth Fund

The “basis of accounting” refers to when revenues and expenditures and the related assets and liabilities are recognized in the accounting records and reported in the financial statements. The modified accrual basis of accounting is used by governmental funds. Under this basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they become measurable and available to finance liabilities of the current fiscal year). For this purpose, the Sheriff considers revenues available if they are collected within 60 days of the current period. Expenditures are recorded when the related fund liability is incurred, except for certain compensated absences, which are recognized as expenditures to the extent they have matured. Interest income and other revenue are recognized as they are earned and become measurable and available to pay liabilities of the current period.

Approximately 91% of the Sheriff’s funding is appropriated by the Board of County Commissioners. In applying the susceptible to accrual concept to intergovernmental revenue, there are essentially two types of revenue. In one, moneys must be expended on the specific purpose or project before any amounts will be paid to the Sheriff; therefore, revenue is recognized based upon the expenditures incurred. Grant revenue is recorded in this manner. In the other type, moneys are virtually unrestricted and are revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenue at the time of receipt, or earlier, if the “susceptible to accrual” criteria are met.

2. Fiduciary Funds

Agency Funds – Agency funds are used to account for assets held by the Sheriff as an agent for individuals, other County funds, and other governmental units. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Sheriff functions purely as an agent for others in the maintenance of these funds. The Sheriff reports the following agency funds:

- Donated Funds
- Individual Depository Fund
- Inmate Trust Fund
- Seized Funds
- Suspense Fund

C. Budgetary Accounting – The preparation, adoption and amendment of the budget is governed by Chapter 129, *Florida Statutes* which requires that budgets be adopted for all funds as may be required by law, sound financial practices and GAAP. The fund is the legal level of control for the budget.

The Sheriff’s General Fund budget for Board of County Commissioner related activity is approved and set by the annually adopted budget of the Board of County Commissioners. The Sheriff’s special revenue fund budgets are adopted by the Sheriff consistent with sound financial policies and generally accepted accounting principles.

No budget amendments were made to the budget during the fiscal year. In the budgetary comparisons included in these special purpose financial statements, both the budgetary amounts and actual amounts are presented in accordance with GAAP. In these statements the “Original” budget represents the legally adopted budget on October 1 and the “Final” budget represents the budget as amended through September 30. All budget appropriations lapse at year-end.

D. Cash and Cash Equivalents – The Sheriff’s cash, cash equivalents and investments are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from acquisition date. Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed as “Cash” on the balance sheet.

E. Inventories – It is the policy of the Sheriff to record the acquisition of supplies as expenditures at the time of purchase. The amount of supplies on hand at any one time is nominal and considered immaterial.

F. Fixed Assets – All fixed assets used in governmental fund type operations and acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. All assets with an acquisition or donation value of \$1,000 or more and a useful life of at least one year are tracked and inventoried on an annual basis. All assets with an acquisition or donation value of \$5,000 or more and a useful life of at least one year are depreciated over their useful life using the straight-line method. While all assets purchased by the Sheriff are maintained on a separate inventory schedule from the Board of County Commissioners, they are reported in the Board of County Commissioner’s General Fixed Asset Account Group and the basic financial statements of Wakulla County, Florida.

G. Long-Term Liabilities – Long-term liabilities are comprised of compensated absences and lease commitments.

Compensated Absences – Compensated absences are absences for which employees will be paid such as vacation and sick leave. A liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the Sheriff and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent upon a specific event that is outside the control of the Sheriff and its employees are accounted for in the period in which such services are rendered or such events take place. Annual leave is accrued at the following rates:

| <u>Years of Creditable Service</u> | <u>Vacation Leave Earned Monthly</u> | <u>Sick Leave Earned Monthly</u> |
|------------------------------------|--------------------------------------|----------------------------------|
| 1-5 | 10 | 8 |
| 6-10 | 12 | 8 |
| 11-15 | 14 | 8 |
| 16+ | 16 | 8 |

Employees may not carry more than 360 hours of annual leave from one calendar year to the next. Any amounts exceeding the 360 hour limit are rolled into sick leave balances, hour for hour. There is no limitation to the number of sick leave hours carried from one year to the next. Employees who leave the Sheriff's Office may be compensated for all unused annual leave up to 240 hours and employees with ten or more years of service who separate in good standing may be compensated for unused sick leave at the rate of $\frac{1}{4}$ per hour up to a maximum of 240 hours.

The current or short-term portion of the available compensated absences balance is the amount estimated to be used in the following year (10%). In the governmental funds, this current portion of compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund of the Board of County Commissioners that will pay for them. The non-current or long-term portion is the amount estimated to be used in subsequent years (90%). This long-term portion is reported in the Board of County Commissioner's General Long-Term Debt Account Group of Wakulla County, Florida.

Lease Commitments – Lease commitments are comprised of operating and capital leases. Operating leases are leases of equipment with a value of less than \$5,000 and capital leases are lease of equipment with a value of \$5,000 or more. The short-term portion of leases is those amounts due within one year and the long-term portion of leases is those amounts due beyond 12 months.

H. Unearned Revenue – Unearned revenue is reported in the special purpose fund financial statements and represents unearned grant revenues which are measurable but not available and, in accordance with the modified accrual basis of accounting, are reported as unearned.

I. Total Column on the Combined Statements – The total column on the combined statements is captioned "Memorandum Only" to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations or changes in cash flows in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Inter-fund eliminations have not been made in the aggregation of this data.

J. Estimates– The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2. DEPOSITS

At fiscal year end, the book amount of the Sheriff's deposits was \$2,219,254. Of the bank balances, \$250,000 was covered by federal depository insurance. Any balance in excess of \$250,000 is insured by collateral provided by the qualified public depositories to the Chief Financial Officer pursuant to the Florida Security for Public Deposits Act of the State of Florida, Chapter 280, *Florida Statutes*. All Sheriff deposits are with qualified public depository institutions.

The Florida Security for Public Deposits Act establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the qualified public depository must pledge at least 50 percent of the average daily balance for each month that all public deposits are in excess of any applicable deposit insurance. Additional collateral, up to a maximum of 125 percent, may be required, if deemed necessary under the conditions set forth in the Act. Obligations pledged to secure deposits must be delivered to the State Chief Financial Officer or, with the approval of the State Chief Financial Officer, to a bank, savings association or trust company provided a power of attorney is delivered to the State Chief Financial Officer. Under the Act, the pool may assess participating financial institutions on a pro rata basis to fund any shortfall in the event of the failure of a member institution.

The collateral for the Sheriff's deposits is categorized to give an indication of the level of risk assumed by the Sheriff at year end. Category 1 includes deposits that are insured or registered or for which the securities are held by the Sheriff or his agent in the Sheriff's name. Category 2 includes uninsured and unregistered deposits for which the securities are held by the counterparty's trust department or agent in the Sheriff's name. Category 3 includes uninsured or unregistered deposits for which the securities are held by the counterparty's trust department or agent but not in the Sheriff's name. All of the collateral covering the Sheriff's deposits was Category 1.

NOTE 3. FIXED ASSETS

The Sheriff's fixed assets are primarily comprised of vehicles, furniture and computer and related equipment. The building(s) and related facilities that house the Sheriff are reported as part of the County's financial statements and are not reported as part of the Sheriff's financial statements. The value of fixed assets for the Sheriff at year end is:

| | Beginning Balance | | Reclassifications / | | Ending Balance |
|-------------------------------|---------------------|---------------------|---------------------|--|---------------------|
| | Oct. 1, 2017 | Additions | Deletions | | Sept. 30, 2018 |
| Fixed Assets | | | | | |
| Furniture and equipment | \$ 5,725,515 | \$ 280,185 | \$ (1,611,878) | | \$ 4,393,822 |
| less accumulated depreciation | (4,606,195) | (388,864) | 1,611,878 | | (3,383,181) |
| Fixed Assets, net | \$ 1,119,320 | \$ (108,679) | \$ - | | \$ 1,010,641 |

NOTE 4. LONG-TERM LIABILITIES

The Sheriff had no capital leases or Notes Payable during the current year. The long-term liabilities of the Sheriff's Office are associated with employee compensated absences. The balances due at year end are:

| | Beginning Balance | | | | | Ending Balance | Due Within | Interest Paid |
|------------------------------------|-------------------|-------------------|---------------------|-------------|-------------------|------------------|-----------------|---------------|
| | Oct. 1, 2017 | Additions | Reductions | Adjustments | Sept. 30, 2018 | One Year | in Current Year | |
| Long-term liabilities | | | | | | | | |
| Compensated absences | \$ 519,971 | \$ 402,572 | \$ (380,560) | \$ - | \$ 541,983 | \$ 54,198 | \$ - | |
| Total long-term liabilities | \$ 519,971 | \$ 402,572 | \$ (380,560) | \$ - | \$ 541,983 | \$ 54,198 | \$ - | |

The Sheriff's Office had five operating leases during the current year. The leases were for a postage meter and four copiers. The annual future lease obligations are:

| <u>Year Ending September 30,</u> | <u>Annual Obligation</u> |
|--------------------------------------|------------------------------|
| 2019 | \$ 11,504 |
| 2020 | 3,615 |
| 2021 | - |
| 2022 | - |
| 2023 | - |
| Total | \$ 15,119 |

NOTE 5. RISK MANAGEMENT

The Sheriff is exposed to various risks of loss related to torts; theft of; damage to and destruction of assets; errors and omissions; injuries to employees and the public; or damage to property of others. The Sheriff's Office participates in an insurance program through the Florida Sheriff's Association. The Sheriff has no responsibilities to provide monies in excess of premiums paid to fund losses incurred by the insurance program. Aggregate coverage provided is limited to \$1,000,000 for each claim.

The insurance program insures against losses for the following types of risk:

- Real and Personal Property Damage
- Public Employees Bond
- Worker's Compensation
- Automobile Liability

Worker's compensation coverage is provided under a retrospectively rated policy. Premiums are accrued based on the ultimate cost-to-date of the Sheriff's experience for these type risks.

There are some pending legal actions that could eventually result in a liability for the Wakulla County Sheriff. The ultimate liability resulting from these actions cannot be determined at this time; however, in the opinion of the Sheriff's legal counsel, any claims not covered by insurance resulting from such litigation would not be material in relation to the Sheriff's financial condition.

NOTE 6. RETIREMENT PROGRAM

1. Florida Retirement System

The Sheriff's Office contributes to the Florida Retirement System (FRS), a cost-sharing multiple-employer plan administered by the State of Florida. The FRS provides either a defined benefit or a defined contribution plan to its participants.

Plan Description – The FRS provides retirement, disability or death benefits to retirees or their designated beneficiaries. FRS rules and provisions related to eligibility, contributions and benefits are established by Chapter 112 Part IV, Chapter 121, Chapter 122 and Chapter 238, *Florida Statutes*, and Chapter 605 Florida Administrative Code. Changes to the law can only occur through an act of the Florida Legislature.

A Deferred Retirement Option Program (DROP) subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with a FRS employer. An employee may participate in the DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

Funding Policy – The Sheriff is required to contribute to the FRS at an actuarially determined rate as set by the State of Florida. Effective July 1, 2011, employees are required to also contribute 3% of gross salary to the FRS. The Sheriff’s liability for participation is limited to the payment of the required contribution at the rates and frequencies established by law on future payrolls of the Sheriff. The Sheriff’s contributions (employer only) to the FRS for the fiscal years ended September 30, 2018, 2017, 2016 and 2015 were \$1,050,190, \$981,504, \$972,993, and \$900,868, respectively, which were equal to the required contributions for each fiscal year. The contribution rates, as a percent of gross salary, at September 30, 2018 were as follows:

| Class Description | FRS Contribution Rates | | | | | |
|--|---------------------------------|-----------------------|--------------------|-----------------------------------|-----------------------|--------------------|
| | October 1, 2017 - June 30, 2018 | | | July 1, 2018 - September 30, 2018 | | |
| | Employer Contribution (A) | Employee Contribution | Total Contribution | Employer Contribution (A) | Employee Contribution | Total Contribution |
| <u>Regular Class</u> | 7.92% | 3.00% | 10.92% | 8.26% | 3.00% | 11.26% |
| <u>Senior Management Service Class</u> | 22.71% | 3.00% | 25.71% | 24.06% | 3.00% | 27.06% |
| <u>Special Risk Class</u> | 23.27% | 3.00% | 26.27% | 24.50% | 3.00% | 27.50% |
| <u>Special Risk Administrative Support Class</u> | 34.63% | 3.00% | 37.63% | 34.98% | 3.00% | 37.98% |
| <u>Elected Officers Class</u> | 45.50% | 3.00% | 48.50% | 48.70% | 3.00% | 51.70% |
| <u>(DROP)</u> | 13.26% | N/A | 13.26% | 14.03% | N/A | 14.03% |
| <u>Reemployed Retiree</u> | (B) | | | (B) | | |

(A) These employer contribution rates include a subsidy for the Health Insurance Subsidy (HIS) Plan in the amount of 1.66% for the period October 1 - June 30 and 1.66% for the period July 1 - September 30. Also, employer rates, other than DROP participants, include .06% for October 1 - June 30 and .06% for July 1 - September 30 for administrative costs.

(B) Contribution rates are dependent upon the retirement class or plan in which re-employed.

Financial statements and other supplementary information of the FRS are included in the State of Florida Comprehensive Annual Financial Report which is available from the Florida Department of Financial Services. An annual report on the FRS which includes its financial statements, required supplementary information, actuarial report and other relevant information is available from the Florida Department of Management Services, Division of Retirement. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida or by calling (850) 488-5706. Full information regarding Wakulla County’s participation in the FRS, which includes the Sheriff, is contained in Note 12 of the Wakulla County Annual Financial Report.

NOTE 7. INTER-FUND RECEIVABLES AND PAYABLES

The Sheriff’s inter-fund receivables and payables at September 30, 2018 were:

| <u>Sheriff</u> | <u>Fund</u> | <u>Interfund Receivable</u> | <u>Interfund Payable</u> |
|---|-------------|---------------------------------|------------------------------|
| General Fund | | \$ 216,742 | \$ 77,012 |
| Grants & Contracts | | | |
| Bulletproof Vests | | - | 7,350 |
| Civil Citation | | - | - |
| COPS Hiring | | - | - |
| DOT Bikes | | - | - |
| DOT Software | | - | - |
| DOT Speed | | - | - |
| DOT Traffic | | - | - |
| EMPA / EMPG | | - | 62,724 |
| EMPA - Hazardous Analysis | 1 | - | - |
| EMPG | | - | - |
| E911 | | - | - |
| FEMA | | - | 42,334 |
| Florida Sheriff's Assoc. | | - | - |
| Homeland Security | | - | - |
| ICE MOU | | - | - |
| JAG/ Byrne | 538 | - | - |
| JAG Direct I | | - | - |
| JAG Direct II | | - | - |
| Juvenile Outreach | | - | - |
| Litter Control Parks & Recreation | 5,469 | - | 4,539 |
| Litter Control Transfield | | - | 4,480 |
| Live PD | | - | - |
| Organized Crime Drug Ounce of Prevention | 2 | - | 2 |
| Recovery Act | | - | - |
| School Resource Officer | | - | 51,104 |
| Teen Driving Challenge | 1 | - | 1 |
| US Forestry | | - | 1,374 |
| US Marshals | | - | 123 |
| VOCA | | - | 16,314 |
| Wakulla County Coalition for Youth | 43 | - | 43 |
| Special Revenue Funds | | | |
| Crime Prevention | | 13,358 | 13,348 |
| Domestic Violence | | - | - |
| Federal Forfeiture | | - | - |
| Firing Range | | - | 119 |
| Housing Trust | | - | - |
| Inmate Welfare | | 12,361 | - |
| Law Enforcement Trust | | - | - |
| Moving Violations | | - | - |
| 1 Cent Sales Tax | | - | - |
| \$2 Training Fund | | 13,814 | 13,814 |
| Agency Funds | | | |
| Donated Funds | | 1,871 | 1,653 |
| Individual Depository | | - | 730,997 |
| Inmate Trust | | - | 12,361 |
| Seized Funds | | 971 | - |
| Suspense Funds | | - | - |
| Ounce of Prevention Grant | | - | - |
| Sheriff Total | | \$ 265,171 | \$ 1,039,692 |
| | <u>Fund</u> | <u>Interfund Receivable</u> | <u>Interfund Payable</u> |
| Board of County Commissioners | | | |
| General Fund | | \$ - | 5,469 |
| Special Revenue Funds | | | |
| 1 Cent Sales Tax | | - | - |
| E911 | | 9,924 | - |
| Court Fees | | - | 13,358 |
| Crime Prevention | | - | 13,814 |
| JAG Grant | | - | - |
| Road Department | | 16,199 | - |
| Sheriff's Fund | | 781,039 | - |
| Agency Funds | | | |
| Individual Depository | | - | - |
| Ounce of Prevention Grant | | - | - |
| Board of County Commissioners Total | | \$ 807,162 | \$ 32,641 |
| Total Interfund Receivable / Payable | | \$ 1,072,333 | \$ 1,072,333 |

NOTE 8. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the State of Florida and Federal governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although, the Sheriff expects such amounts, if any, to be immaterial.

NOTE 9. FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2018, fund balances of the governmental funds as classified as follows:

- Non-spendable – amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact
- Restricted – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements, enabling legislation, constraints that are externally imposed by creditors, grantors, contributors or the laws or regulations of other governmental entities.
- Committed – amounts that can be used only for specific purposes determined by a formal action of the Board of County Commissioners (BOCC). The BOCC is the highest level of decision making authority for the County. Committed fund balance may be established, modified or rescinded only through resolutions or other formal actions approved by the BOCC.
- Assigned – amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Under current practices, the assignment of amounts for specific purposes is approved by the BOCC typically through the budgeting process.
- Unassigned – all other spendable amounts.

The Sheriff’s fund balances at September 30, 2018 are as follows:

| <u>Fund Name</u> | <u>Nonspendable</u> | <u>Restricted</u> | <u>Committed</u> | <u>Assigned</u> | <u>Unassigned</u> |
|----------------------------|---------------------|---------------------|------------------|-----------------|-------------------|
| General Fund | \$ 573,679 | \$ - | \$ - | \$ - | \$ - |
| Special Revenue Funds | | | | | |
| EMPA Fund | 295 | - | - | - | (295) |
| Federal Forfeiture Fund | - | 9,097 | - | - | - |
| Firing Range Fund | - | - | 16,092 | - | - |
| Inmate Welfare Fund | - | 1,013,535 | - | - | - |
| Law Enforcement Trust Fund | - | 60,416 | - | - | - |
| Total | \$ 573,974 | \$ 1,083,048 | \$ 16,092 | \$ - | \$ (295) |

WAKULLA COUNTY, FLORIDA

**SHERIFF
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS**

WAKULLA COUNTY, FLORIDA

SHERIFF

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND
For the Fiscal Year Ended September 30, 2018

| | Budgeted Amount | | Actual Amount | Variance with Final Budget Positive (Negative) |
|--|------------------------|------------------------|------------------------|--|
| | Original | Final | | |
| Revenue | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - |
| Licenses, permits and special assessments | - | - | - | - |
| Intergovernmental | - | - | - | - |
| Charges for services | 80,000 | 80,000 | 92,391 | 12,391 |
| Fines and forfeitures | - | - | - | - |
| Miscellaneous | - | - | - | - |
| Interest | - | - | - | - |
| Total revenue | \$ 80,000 | \$ 80,000 | \$ 92,391 | \$ 12,391 |
| Expenditures | | | | |
| Current | | | | |
| General Government | \$ - | \$ - | \$ - | \$ - |
| Public Safety | 11,021,838 | 11,021,838 | 10,839,346 | 182,492 |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Court related | - | - | - | - |
| Capital Outlay | | | | |
| General government | - | - | - | - |
| Public Safety | - | - | 15,989 | (15,989) |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Court related | - | - | - | - |
| Debt Service | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total Expenditures | \$ 11,021,838 | \$ 11,021,838 | \$ 10,855,335 | \$ 166,503 |
| Excess (deficiency) of revenues over (under) expenditures | \$ (10,941,838) | \$ (10,941,838) | \$ (10,762,944) | \$ 178,894 |
| Other financing sources | | | | |
| Sale of equipment | \$ - | \$ - | \$ - | \$ - |
| Debt proceeds | - | - | - | - |
| Transfers from Board of County Commissioners | 11,021,838 | 11,021,838 | 11,021,838 | - |
| Transfers to the Board of County Comm | - | - | (59,965) | (59,965) |
| Transfers to other governments | - | - | - | - |
| Interfund transfer in | - | - | - | - |
| Interfund transfers out | (80,000) | (80,000) | (122,531) | (42,531) |
| Total other financing sources (uses) | \$ 10,941,838 | \$ 10,941,838 | \$ 10,839,342 | \$ (102,496) |
| Net change in fund balance | - | - | 76,398 | 76,398 |
| Fund balances, beginning of year | 573,679 | 573,679 | 497,281 | (76,398) |
| Fund balances, end of year | \$ 573,679 | \$ 573,679 | \$ 573,679 | \$ - |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SHERIFF

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - ALL SPECIAL REVENUE FUNDS
For the Fiscal Year Ended September 30, 2018

| | Budgeted Amount | | Actual Amount | Variance with Final Budget Positive (Negative) |
|--|---------------------|---------------------|---------------------|---|
| | Original | Final | | |
| Revenue | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - |
| Licenses, permits and special assessments | - | - | - | - |
| Intergovernmental | 730,000 | 730,000 | 728,530 | (1,470) |
| Charges for services | 302,000 | 302,000 | 300,533 | (1,467) |
| Fines and forfeitures | - | - | - | - |
| Miscellaneous | - | - | - | - |
| Interest | 5,000 | 5,000 | 5,153 | 153 |
| Total revenue | \$ 1,037,000 | \$ 1,037,000 | \$ 1,034,216 | \$ (2,784) |
| Expenditures | | | | |
| Current | | | | |
| General Government | \$ - | \$ - | \$ - | \$ - |
| Public Safety | 1,100,000 | 1,100,000 | 1,108,775 | (8,775) |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Court related | - | - | - | - |
| Capital Outlay | | | | |
| General government | - | - | - | - |
| Public Safety | 300,000 | 300,000 | 264,196 | 35,804 |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Court related | - | - | - | - |
| Debt Service | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total Expenditures | \$ 1,400,000 | \$ 1,400,000 | \$ 1,372,971 | \$ 27,029 |
| Excess (deficiency) of revenues over (under) expenditures | \$ (363,000) | \$ (363,000) | \$ (338,755) | \$ 24,245 |
| Other financing sources | | | | |
| Sale of equipment | \$ - | \$ - | \$ - | \$ - |
| Debt proceeds | - | - | - | - |
| Transfers from Board of County Commissioners | 300,000 | 300,000 | 424,917 | 124,917 |
| Transfers to Board of County Commissioners | - | - | - | - |
| Transfers to other governments | - | - | - | - |
| Interfund transfer in | 100,000 | 100,000 | 130,954 | 30,954 |
| Interfund transfers out | (37,000) | (37,000) | (8,423) | 28,577 |
| Total other financing sources (uses) | \$ 363,000 | \$ 363,000 | \$ 547,448 | \$ 184,448 |
| Net change in fund balance | - | - | 208,693 | 208,693 |
| Fund balances, beginning of year | 890,447 | 890,447 | 890,447 | - |
| Fund balances, end of year | \$ 890,447 | \$ 890,447 | \$ 1,099,140 | \$ 208,693 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SHERIFF

COMBINING BALANCE SHEET - ALL SPECIAL REVENUE FUNDS

September 30, 2018

| | Grants & Contracts | Crime Prevention | Federal Forfeiture | Firing Range | Inmate Welfare | Law Enforcement | Moving Violations | 1 Cent Sales Tax | \$2 Training Fund | Total |
|-----------------------------------|--------------------|------------------|--------------------|------------------|---------------------|------------------|-------------------|------------------|-------------------|---------------------|
| ASSETS | | | | | | | | | | |
| Cash and cash equivalents | \$ - | \$ - | \$ 9,097 | \$ 16,211 | \$ 1,001,174 | \$ 60,416 | \$ - | \$ - | \$ - | \$ 1,086,898 |
| Accounts receivable, net | - | - | - | - | - | - | - | - | - | - |
| Due from individuals | - | - | - | - | - | - | - | - | - | - |
| Due from agency funds | - | - | - | - | 12,361 | - | - | - | - | 12,361 |
| Due from other funds | 585 | - | - | - | - | - | - | - | - | 585 |
| Due from Board of County Comm | 5,469 | 13,358 | - | - | - | - | - | - | 13,814 | 32,641 |
| Due from other governmental units | 199,225 | - | - | - | - | - | - | - | - | 199,225 |
| Inventories | - | - | - | - | - | - | - | - | - | - |
| Prepaid expense | 934 | - | - | - | - | - | - | - | - | 934 |
| Other current assets | - | - | - | - | - | - | - | - | - | - |
| Total assets | \$ 206,213 | \$ 13,358 | \$ 9,097 | \$ 16,211 | \$ 1,013,535 | \$ 60,416 | \$ - | \$ - | \$ 13,814 | \$ 1,332,644 |

LIABILITIES AND FUND BALANCE

| | | | | | | | | | | |
|---------------------------------|-------------------|------------------|-------------|---------------|-------------|-------------|-------------|-------------|------------------|-------------------|
| Liabilities | | | | | | | | | | |
| Accounts payable | \$ 374 | \$ 10 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 384 |
| Accrued liabilities | 15,451 | - | - | - | - | - | - | - | - | 15,451 |
| Due to individuals | - | - | - | - | - | - | - | - | - | - |
| Due to agency funds | 348 | 5 | - | - | - | - | - | - | - | 353 |
| Due to other funds | 188,905 | 13,343 | - | - | - | - | - | - | 13,814 | 216,062 |
| Due to Board of County Comm | 1,135 | - | - | 119 | - | - | - | - | - | 1,254 |
| Due to other governmental units | - | - | - | - | - | - | - | - | - | - |
| Unearned revenues | - | - | - | - | - | - | - | - | - | - |
| Interest payable | - | - | - | - | - | - | - | - | - | - |
| Deposits | - | - | - | - | - | - | - | - | - | - |
| Other current liabilities | - | - | - | - | - | - | - | - | - | - |
| Total liabilities | \$ 206,213 | \$ 13,358 | \$ - | \$ 119 | \$ - | \$ - | \$ - | \$ - | \$ 13,814 | \$ 233,504 |

Fund balance

| | | | | | | | | | | |
|---|-------------------|------------------|-----------------|------------------|---------------------|------------------|-------------|-------------|------------------|---------------------|
| Nonspendable | | | | | | | | | | |
| Inventories | - | - | - | - | - | - | - | - | - | - |
| Prepaid expenses | 934 | - | - | - | - | - | - | - | - | 934 |
| Restricted | - | - | 9,097 | - | 1,013,535 | 60,416 | - | - | - | 1,083,048 |
| Committed | - | - | - | 16,092 | - | - | - | - | - | 16,092 |
| Assigned | - | - | - | - | - | - | - | - | - | - |
| Unassigned | (934) | - | - | - | - | - | - | - | - | (934) |
| Total fund balance | \$ - | \$ - | \$ 9,097 | \$ 16,092 | \$ 1,013,535 | \$ 60,416 | \$ - | \$ - | \$ - | \$ 1,099,140 |
| Total liabilities and fund balance | \$ 206,213 | \$ 13,358 | \$ 9,097 | \$ 16,211 | \$ 1,013,535 | \$ 60,416 | \$ - | \$ - | \$ 13,814 | \$ 1,332,644 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SHERIFF
 COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
 ALL SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended September 30, 2018

| | Grants & Contracts | Crime Prevention | Federal Forfeiture | Firing Range | Inmate Welfare | Law Enforcement | Moving Violations | 1 Cent Sales Tax | \$2 Training Fund | Total |
|--|---------------------|--------------------|--------------------|-------------------|---------------------|-------------------|--------------------|---------------------|--------------------|---------------------|
| Revenue | | | | | | | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Licenses, permits, special assessments | - | - | - | - | - | - | - | - | - | - |
| Intergovernmental | 728,530 | - | - | - | - | - | - | - | - | 728,530 |
| Charges for services | 2,614 | - | - | 28,519 | 269,400 | - | - | - | - | 300,533 |
| Fines and forfeitures | - | - | - | - | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - | - | - | - | - |
| Interest | - | - | 5 | 10 | 4,942 | 196 | - | - | - | 5,153 |
| Total revenue | \$ 731,144 | \$ - | \$ 5 | \$ 28,529 | \$ 274,342 | \$ 196 | \$ - | \$ - | \$ - | \$ 1,034,216 |
| Expenditures | | | | | | | | | | |
| Current | | | | | | | | | | |
| General government | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Public safety | 873,463 | 13,358 | 250 | 30,488 | 41,402 | 9,131 | 14,061 | 106,639 | 19,983 | 1,108,775 |
| Physical environment | - | - | - | - | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - | - | - | - | - |
| Economic environment | - | - | - | - | - | - | - | - | - | - |
| Human services | - | - | - | - | - | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - | - | - | - | - | - |
| Court related | - | - | - | - | - | - | - | - | - | - |
| Capital Outlay | | | | | | | | | | |
| General government | - | - | - | - | - | - | - | - | - | - |
| Public safety | 62,958 | - | - | - | 13,108 | - | - | 188,130 | - | 264,196 |
| Physical environment | - | - | - | - | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - | - | - | - | - |
| Economic environment | - | - | - | - | - | - | - | - | - | - |
| Human services | - | - | - | - | - | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - | - | - | - | - | - |
| Court related | - | - | - | - | - | - | - | - | - | - |
| Debt Service | | | | | | | | | | |
| Principal | - | - | - | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - | - | - | - |
| Total Expenditures | \$ 936,421 | \$ 13,358 | \$ 250 | \$ 30,488 | \$ 54,510 | \$ 9,131 | \$ 14,061 | \$ 294,769 | \$ 19,983 | \$ 1,372,971 |
| Excess (deficiency) of revenues over (under) expenditures | \$ (205,277) | \$ (13,358) | \$ (245) | \$ (1,959) | \$ 219,832 | \$ (8,935) | \$ (14,061) | \$ (294,769) | \$ (19,983) | \$ (338,755) |
| Other financing sources | | | | | | | | | | |
| Sale of equipment | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Debt Proceeds | - | - | - | - | - | - | - | - | - | - |
| Transfers from Board of County Commissioners | 82,746 | 13,358 | - | - | - | - | 14,061 | 294,769 | 19,983 | 424,917 |
| Transfers to Board of County Commissioners | - | - | - | - | - | - | - | - | - | - |
| Transfers to other governments | - | - | - | - | - | - | - | - | - | - |
| Interfund transfer in | 130,954 | - | - | - | - | - | - | - | - | 130,954 |
| Interfund transfers out | (8,423) | - | - | - | - | - | - | - | - | (8,423) |
| Total other financing sources (uses) | \$ 205,277 | \$ 13,358 | \$ - | \$ - | \$ - | \$ - | \$ 14,061 | \$ 294,769 | \$ 19,983 | \$ 547,448 |
| Net change in fund balance | \$ - | \$ - | \$ (245) | \$ (1,959) | \$ 219,832 | \$ (8,935) | \$ - | \$ - | \$ - | \$ 208,693 |
| Fund balances, beginning of year | \$ - | \$ - | \$ 9,342 | \$ 18,051 | \$ 793,703 | \$ 69,351 | \$ - | \$ - | \$ - | \$ 890,447 |
| Fund balances, end of year | \$ - | \$ - | \$ 9,097 | \$ 16,092 | \$ 1,013,535 | \$ 60,416 | \$ - | \$ - | \$ - | \$ 1,099,140 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SHERIFF
 COMBINING BALANCE SHEET - ALL GRANTS AND CONTRACTS
 September 30, 2018

| | Bulletproof Vests | EMPA / EMPG Grant | EMPA - Hazardous Analysis | FEMA | Florida Sheriff's Assoc. | JAG/ Byrne Grant | Litter Control Parks & Recreation | Litter Control Transfield |
|---|-------------------|-------------------|---------------------------|------------------|--------------------------|------------------|-----------------------------------|---------------------------|
| ASSETS | | | | | | | | |
| Cash and cash equivalents | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Accounts receivable, net | - | - | - | - | - | - | - | - |
| Due from individuals | - | - | - | - | - | - | - | - |
| Due from agency funds | - | - | - | - | - | - | - | - |
| Due from other funds | - | - | 1 | - | - | 538 | - | - |
| Due from Board of County Comm | - | - | - | - | - | - | 5,469 | - |
| Due from other governmental units | 7,350 | 62,484 | - | 42,334 | - | - | - | 4,988 |
| Inventories | - | - | - | - | - | - | - | - |
| Prepaid expense | - | 295 | - | - | - | - | - | - |
| Other current assets | - | - | - | - | - | - | - | - |
| Total assets | \$ 7,350 | \$ 62,779 | \$ 1 | \$ 42,334 | \$ - | \$ 538 | \$ 5,469 | \$ 4,988 |
| LIABILITIES AND FUND BALANCE | | | | | | | | |
| Liabilities | | | | | | | | |
| Accounts payable | \$ - | \$ 55 | \$ 1 | \$ - | \$ - | \$ - | \$ - | \$ - |
| Accrued liabilities | - | - | - | - | - | - | 930 | 508 |
| Due to individuals | - | - | - | - | - | - | - | - |
| Due to agency funds | - | 233 | - | - | - | - | 3 | 9 |
| Due to other funds | 7,350 | 62,435 | - | 42,334 | - | - | 3,697 | 4,471 |
| Due to Board of County Comm | - | 56 | - | - | - | - | 839 | - |
| Due to other governmental units | - | - | - | - | - | - | - | - |
| Unearned revenues | - | - | - | - | - | - | - | - |
| Interest payable | - | - | - | - | - | - | - | - |
| Deposits | - | - | - | - | - | - | - | - |
| Other current liabilities | - | - | - | - | - | - | - | - |
| Total liabilities | \$ 7,350 | \$ 62,779 | \$ 1 | \$ 42,334 | \$ - | \$ 538 | \$ 5,469 | \$ 4,988 |
| Fund balance | | | | | | | | |
| Nonspendable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Inventories | - | 295 | - | - | - | - | - | - |
| Prepaid expenses | - | - | - | - | - | - | - | - |
| Restricted | - | - | - | - | - | - | - | - |
| Committed | - | - | - | - | - | - | - | - |
| Assigned | - | - | - | - | - | - | - | - |
| Unassigned | - | (295) | - | - | - | - | - | - |
| Total fund balance | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total liabilities and fund balance | \$ 7,350 | \$ 62,779 | \$ 1 | \$ 42,334 | \$ - | \$ 538 | \$ 5,469 | \$ 4,988 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SHERIFF
COMBINING BALANCE SHEET - ALL GRANTS AND CONTRACTS
September 30, 2018

| | Organized Crime Drug Enforcement Task Force | School Resource Officer | Teen Driving Challenge | US Forestry | US Marshals | VOCA | Wakulla County Coalition for Youth | Totals |
|-----------------------------------|--|----------------------------|---------------------------|-----------------|---------------|------------------|--|-------------------|
| ASSETS | | | | | | | | |
| Cash and cash equivalents | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Accounts receivable, net | - | - | - | - | - | - | - | - |
| Due from individuals | - | - | - | - | - | - | - | - |
| Due from agency funds | - | - | - | - | - | - | - | - |
| Due from other funds | 2 | - | 1 | - | - | - | 43 | 585 |
| Due from Board of County Comm | - | - | - | - | - | - | - | 5,469 |
| Due from other governmental units | - | 62,786 | - | 1,380 | 123 | 17,780 | - | 199,225 |
| Inventories | - | - | - | - | - | - | - | - |
| Prepaid expense | - | - | - | - | - | 639 | - | 934 |
| Other current assets | - | - | - | - | - | - | - | - |
| Total assets | \$ 2 | \$ 62,786 | \$ 1 | \$ 1,380 | \$ 123 | \$ 18,419 | \$ 43 | \$ 206,213 |

LIABILITIES AND FUND BALANCE

| | | | | | | | | |
|---------------------------------|-------------|------------------|-------------|-----------------|---------------|------------------|--------------|-------------------|
| Liabilities | | | | | | | | |
| Accounts payable | \$ - | \$ 312 | \$ - | \$ 6 | \$ - | \$ - | \$ - | \$ 374 |
| Accrued liabilities | - | 11,370 | - | - | - | 2,105 | - | 15,451 |
| Due to individuals | - | - | - | - | - | - | - | - |
| Due to agency funds | 2 | 56 | 1 | 1 | - | - | 43 | 348 |
| Due to other funds | - | 50,808 | - | 1,373 | 123 | 16,314 | - | 188,905 |
| Due to Board of County Comm | - | 240 | - | - | - | - | - | 1,135 |
| Due to other governmental units | - | - | - | - | - | - | - | - |
| Unearned revenues | - | - | - | - | - | - | - | - |
| Interest payable | - | - | - | - | - | - | - | - |
| Deposits | - | - | - | - | - | - | - | - |
| Other current liabilities | - | - | - | - | - | - | - | - |
| Total liabilities | \$ 2 | \$ 62,786 | \$ 1 | \$ 1,380 | \$ 123 | \$ 18,419 | \$ 43 | \$ 206,213 |

Fund balance

| | | | | | | | | |
|---|-------------|------------------|-------------|-----------------|---------------|------------------|--------------|-------------------|
| Nonspendable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Inventories | - | - | - | - | - | 639 | - | 934 |
| Prepaid expenses | - | - | - | - | - | - | - | - |
| Restricted | - | - | - | - | - | - | - | - |
| Committed | - | - | - | - | - | - | - | - |
| Assigned | - | - | - | - | - | (639) | - | (934) |
| Unassigned | - | - | - | - | - | - | - | - |
| Total fund balance | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total liabilities and fund balance | \$ 2 | \$ 62,786 | \$ 1 | \$ 1,380 | \$ 123 | \$ 18,419 | \$ 43 | \$ 206,213 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SHERIFF
 COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
 ALL GRANTS AND CONTRACTS
 For the Fiscal Year Ended September 30, 2018

| | Bulletproof Vests | EMPA / EMPG Grant | EMPA - Hazardous Analysis | FEMA | Florida Sheriff's Assoc. | JAG/ Byrne Grant | Litter Control Parks & Recreation | Litter Control Parks & Transfield |
|--|----------------------|----------------------|---------------------------------|-------------------|-----------------------------|---------------------|---|---|
| Revenue | | | | | | | | |
| Taxes | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Licenses, permits, special assessments | - | - | - | - | - | - | - | - |
| Intergovernmental | 7,350 | 155,646 | - | 4,654 | 9,600 | - | - | 29,928 |
| Charges for services | - | - | 2,614 | - | - | - | - | - |
| Fines and forfeitures | - | - | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - | - |
| Total revenue | \$ 7,350 | \$ 155,646 | \$ 2,614 | \$ 4,654 | \$ 9,600 | \$ - | \$ - | \$ 29,928 |
| Expenditures | | | | | | | | |
| Current | | | | | | | | |
| General government | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Public safety | 13,383 | 152,298 | 1,548 | 2,205 | 5,537 | 23,244 | 73,263 | 36,356 |
| Physical environment | - | - | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - | - | - |
| Economic environment | - | - | - | - | - | - | - | - |
| Human services | - | - | - | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - | - | - | - |
| Court related | - | - | - | - | - | - | - | - |
| Capital Outlay | | | | | | | | |
| General government | - | - | - | - | - | - | - | - |
| Public safety | - | 28,845 | - | - | - | - | - | - |
| Physical environment | - | - | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - | - | - |
| Economic environment | - | - | - | - | - | - | - | - |
| Human services | - | - | - | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - | - | - | - |
| Court related | - | - | - | - | - | - | - | - |
| Debt Service | | | | | | | | |
| Principal | - | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - | - |
| Total Expenditures | \$ 13,383 | \$ 181,143 | \$ 1,548 | \$ 2,205 | \$ 5,537 | \$ 23,244 | \$ 73,263 | \$ 36,356 |
| Excess (deficiency) of revenues over (under) expenditures | \$ (6,033) | \$ (25,497) | \$ 1,066 | \$ 2,449 | \$ 4,063 | \$ (23,244) | \$ (73,263) | \$ (6,428) |
| Other financing sources | | | | | | | | |
| Sale of equipment | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Debt Proceeds | - | - | - | - | - | - | - | - |
| Transfers from Board of County Commissioners | - | 25,497 | - | - | - | - | 57,249 | - |
| Transfers to Board of County Commissioners | - | - | - | - | - | - | - | - |
| Transfers to other governments | - | - | - | - | - | - | - | - |
| Interfund transfer in | 6,033 | - | (1,066) | (2,449) | (4,063) | 23,244 | 16,014 | 6,428 |
| Interfund transfers out | - | - | - | (2,449) | (4,063) | - | - | - |
| Total other financing sources (uses) | \$ 6,033 | \$ 25,497 | \$ (1,066) | \$ (2,449) | \$ (4,063) | \$ 23,244 | \$ 73,263 | \$ 6,428 |
| Net change in fund balance | - | - | - | - | - | - | - | - |
| Fund balances, beginning of year | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Fund balances, end of year | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SHERIFF
COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
ALL GRANTS AND CONTRACTS
For the Fiscal Year Ended September 30, 2018

| | Organized Crime Drug Enforcement Task Force | School Resource Officer | Teen Driving Challenge | US Forestry | US Marshals | VOCA | Wakulla County Coalition for Youth | Totals |
|--|--|----------------------------|---------------------------|-----------------|-----------------|-------------------|--|---------------------|
| Revenue | | | | | | | | |
| Taxes | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Licenses, permits, special assessments | - | - | - | - | - | - | - | - |
| Intergovernmental | 6,740 | 394,706 | 5,000 | 2,640 | 2,123 | 97,875 | 12,268 | 728,530 |
| Charges for services | - | - | - | - | - | - | - | 2,614 |
| Fines and forfeitures | - | - | - | - | - | - | - | - |
| Miscellaneous | - | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - | - |
| Total revenue | \$ 6,740 | \$ 394,706 | \$ 5,000 | \$ 2,640 | \$ 2,123 | \$ 97,875 | \$ 12,268 | \$ 731,144 |
| Expenditures | | | | | | | | |
| Current | | | | | | | | |
| General government | - | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Public safety | 10,085 | 428,979 | 4,198 | 2,597 | 2,255 | 105,247 | 12,268 | 873,463 |
| Physical environment | - | - | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - | - | - |
| Economic environment | - | - | - | - | - | - | - | - |
| Human services | - | - | - | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - | - | - | - |
| Court related | - | - | - | - | - | - | - | - |
| Capital Outlay | | | | | | | | |
| General government | - | - | - | - | - | - | - | - |
| Public safety | - | 34,113 | - | - | - | - | - | 62,958 |
| Physical environment | - | - | - | - | - | - | - | - |
| Transportation | - | - | - | - | - | - | - | - |
| Economic environment | - | - | - | - | - | - | - | - |
| Human services | - | - | - | - | - | - | - | - |
| Culture and recreation | - | - | - | - | - | - | - | - |
| Court related | - | - | - | - | - | - | - | - |
| Debt Service | | | | | | | | |
| Principal | - | - | - | - | - | - | - | - |
| Interest | - | - | - | - | - | - | - | - |
| Total Expenditures | \$ 10,085 | \$ 463,092 | \$ 4,198 | \$ 2,597 | \$ 2,255 | \$ 105,247 | \$ 12,268 | \$ 936,421 |
| Excess (deficiency) of revenues over (under) expenditures | \$ (3,345) | \$ (68,386) | \$ 802 | \$ 43 | \$ (132) | \$ (7,372) | \$ - | \$ (205,277) |
| Other financing sources | | | | | | | | |
| Sale of equipment | - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Debt Proceeds | - | - | - | - | - | - | - | - |
| Transfers from Board of County Commissioners | - | - | - | - | - | - | - | 82,746 |
| Transfers to Board of County Commissioners | - | - | - | - | - | - | - | - |
| Transfers to other governments | - | - | - | - | - | - | - | - |
| Interfund transfer in | 3,345 | 68,386 | (802) | (43) | 132 | 7,372 | - | 130,954 |
| Interfund transfers out | - | - | (802) | (43) | - | - | - | (8,423) |
| Total other financing sources (uses) | \$ 3,345 | \$ 68,386 | \$ (802) | \$ (43) | \$ 132 | \$ 7,372 | \$ - | \$ 205,277 |
| Net change in fund balance | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Fund balances, beginning of year | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Fund balances, end of year | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SHERIFF
 COMBINING BALANCE SHEET - ALL AGENCY FUNDS
 September 30, 2018

| | Donated Funds | Individual Depository | Inmate Trust | Seized Funds | Suspense | Totals (Memorandum Only) |
|---|------------------|-----------------------|------------------|------------------|-----------------|--------------------------|
| ASSETS | | | | | | |
| Cash and cash equivalents | \$ 44,616 | \$ 730,997 | \$ 58,851 | \$ 20,048 | \$ 7,770 | \$ 862,282 |
| Accounts receivable, net | - | - | - | - | - | - |
| Due from individuals | - | - | - | - | - | - |
| Due from other funds | 1,871 | - | - | 971 | - | 2,842 |
| Due from Board of County Comm | - | - | - | - | - | - |
| Due from other governmental units | - | - | - | - | - | - |
| Inventories | - | - | - | - | - | - |
| Prepaid expense | - | - | - | - | - | - |
| Other current assets | - | - | - | - | - | - |
| Total assets | \$ 46,487 | \$ 730,997 | \$ 58,851 | \$ 21,019 | \$ 7,770 | \$ 865,124 |
| LIABILITIES AND FUND BALANCE | | | | | | |
| Liabilities | | | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Accrued liabilities | - | - | - | - | - | - |
| Due to individuals | - | - | 46,490 | - | 7,770 | 54,260 |
| Due to agency funds | - | - | - | - | - | - |
| Due to other funds | 1,653 | - | 12,361 | - | - | 14,014 |
| Due to Board of County Comm | - | 730,997 | - | - | - | 730,997 |
| Due to other governmental units | - | - | - | - | - | - |
| Unearned revenues | - | - | - | - | - | - |
| Interest payable | - | - | - | - | - | - |
| Other current liabilities | 44,834 | - | - | 21,019 | - | 65,853 |
| Total liabilities | \$ 46,487 | \$ 730,997 | \$ 58,851 | \$ 21,019 | \$ 7,770 | \$ 865,124 |
| Fund balance | | | | | | |
| Nonspendable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Inventories | - | - | - | - | - | - |
| Prepaid expenses | - | - | - | - | - | - |
| Restricted | - | - | - | - | - | - |
| Committed | - | - | - | - | - | - |
| Assigned | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - |
| Total fund balance | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total liabilities and fund balance | \$ 46,487 | \$ 730,997 | \$ 58,851 | \$ 21,019 | \$ 7,770 | \$ 865,124 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SHERIFF
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
 ALL AGENCY FUNDS
 September 30, 2018

| | Balance Oct. 1, 2017 | Additions | Deductions | Balance Sept. 30, 2018 |
|-----------------------------------|-------------------------|---------------------|---------------------|---------------------------|
| DONATED FUNDS | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 26,666 | \$ 57,393 | \$ 39,443 | \$ 44,616 |
| Accounts receivable, net | - | - | - | - |
| Due from individuals | - | - | - | - |
| Due from other funds | 782 | 4,878 | 3,789 | 1,871 |
| Due from Board of County Comm | - | - | - | - |
| Due from other governmental units | - | - | - | - |
| Inventories | - | - | - | - |
| Prepaid expenses | - | - | - | - |
| Other current assets | - | - | - | - |
| Total Assets | \$ 27,448 | \$ 62,271 | \$ 43,232 | \$ 46,487 |
| Liabilities | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Accrued liabilities | - | - | - | - |
| Due to individuals | - | - | - | - |
| Due to other funds | 256 | 1,653 | 256 | 1,653 |
| Due to Board of County Comm | - | - | - | - |
| Due to other governmental units | - | - | - | - |
| Unearned revenues | - | - | - | - |
| Interest payable | - | - | - | - |
| Other current liabilities | 27,192 | 60,618 | 42,976 | 44,834 |
| Total Liabilities | \$ 27,448 | \$ 62,271 | \$ 43,232 | \$ 46,487 |
| INDIVIDUAL DEPOSITORY | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 3,618 | \$ 3,087,380 | \$ 2,360,001 | \$ 730,997 |
| Accounts receivable, net | - | - | - | - |
| Due from individuals | - | - | - | - |
| Due from other funds | - | - | - | - |
| Due from Board of County Comm | - | - | - | - |
| Due from other governmental units | - | - | - | - |
| Inventories | - | - | - | - |
| Prepaid expenses | - | - | - | - |
| Other current assets | - | - | - | - |
| Total Assets | \$ 3,618 | \$ 3,087,380 | \$ 2,360,001 | \$ 730,997 |
| Liabilities | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Accrued liabilities | - | - | - | - |
| Due to individuals | - | - | - | - |
| Due to other funds | - | - | - | - |
| Due to Board of County Comm | 3,618 | 3,087,380 | 2,360,001 | 730,997 |
| Due to other governmental units | - | - | - | - |
| Unearned revenues | - | - | - | - |
| Interest payable | - | - | - | - |
| Other current liabilities | - | - | - | - |
| Total Liabilities | \$ 3,618 | \$ 3,087,380 | \$ 2,360,001 | \$ 730,997 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SHERIFF
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
 ALL AGENCY FUNDS
 September 30, 2018

| | Balance Oct. 1, 2017 | Additions | Deductions | Balance Sept. 30, 2018 |
|-----------------------------------|-------------------------|-------------------|-------------------|---------------------------|
| INMATE TRUST | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 43,838 | \$ 513,595 | \$ 498,582 | \$ 58,851 |
| Accounts receivable, net | - | - | - | - |
| Due from individuals | - | - | - | - |
| Due from other funds | - | - | - | - |
| Due from Board of County Comm | - | - | - | - |
| Due from other governmental units | - | - | - | - |
| Inventories | - | - | - | - |
| Prepaid expenses | - | - | - | - |
| Other current assets | - | - | - | - |
| Total Assets | \$ 43,838 | \$ 513,595 | \$ 498,582 | \$ 58,851 |
| Liabilities | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Accrued liabilities | - | - | - | - |
| Due to individuals | 31,639 | 360,464 | 345,613 | 46,490 |
| Due to other funds | 10,005 | 153,131 | 150,775 | 12,361 |
| Due to Board of County Comm | 2,194 | - | 2,194 | - |
| Due to other governmental units | - | - | - | - |
| Unearned revenues | - | - | - | - |
| Interest payable | - | - | - | - |
| Other current liabilities | - | - | - | - |
| Total Liabilities | \$ 43,838 | \$ 513,595 | \$ 498,582 | \$ 58,851 |
| SEIZED FUNDS | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 15,090 | \$ 7,861 | \$ 2,903 | \$ 20,048 |
| Accounts receivable, net | - | - | - | - |
| Due from individuals | - | - | - | - |
| Due from other funds | - | 971 | - | 971 |
| Due from Board of County Comm | - | - | - | - |
| Due from other governmental units | - | - | - | - |
| Inventories | - | - | - | - |
| Prepaid expenses | - | - | - | - |
| Other current assets | - | - | - | - |
| Total Assets | \$ 15,090 | \$ 8,832 | \$ 2,903 | \$ 21,019 |
| Liabilities | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Accrued liabilities | - | - | - | - |
| Due to individuals | - | - | - | - |
| Due to other funds | - | - | - | - |
| Due to Board of County Comm | - | - | - | - |
| Due to other governmental units | - | - | - | - |
| Unearned revenues | - | - | - | - |
| Interest payable | - | - | - | - |
| Other current liabilities | 15,090 | 8,832 | 2,903 | 21,019 |
| Total Liabilities | \$ 15,090 | \$ 8,832 | \$ 2,903 | \$ 21,019 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SHERIFF
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
 ALL AGENCY FUNDS
 September 30, 2018

| | Balance Oct. 1, 2017 | Additions | Deductions | Balance Sept. 30, 2018 |
|-----------------------------------|-------------------------|---------------------|---------------------|---------------------------|
| SUSPENSE | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 7,716 | \$ 31,585 | \$ 31,531 | \$ 7,770 |
| Accounts receivable, net | - | - | - | - |
| Due from individuals | - | - | - | - |
| Due from other funds | - | - | - | - |
| Due from Board of County Comm | - | - | - | - |
| Due from other governmental units | - | - | - | - |
| Inventories | - | - | - | - |
| Prepaid expenses | - | - | - | - |
| Other current assets | - | - | - | - |
| Total Assets | \$ 7,716 | \$ 31,585 | \$ 31,531 | \$ 7,770 |
| Liabilities | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Accrued liabilities | - | - | - | - |
| Due to individuals | 7,716 | 31,585 | 31,531 | 7,770 |
| Due to other funds | - | - | - | - |
| Due to Board of County Comm | - | - | - | - |
| Due to other governmental units | - | - | - | - |
| Unearned revenues | - | - | - | - |
| Interest payable | - | - | - | - |
| Other current liabilities | - | - | - | - |
| Total Liabilities | \$ 7,716 | \$ 31,585 | \$ 31,531 | \$ 7,770 |
| Total All Agency Funds | | | | |
| Assets | | | | |
| Cash and cash equivalents | \$ 96,928 | \$ 3,697,814 | \$ 2,932,460 | \$ 862,282 |
| Accounts receivable, net | - | - | - | - |
| Due from individuals | - | - | - | - |
| Due from other funds | 782 | 5,849 | 3,789 | 2,842 |
| Due from Board of County Comm | - | - | - | - |
| Due from other governmental units | - | - | - | - |
| Inventories | - | - | - | - |
| Prepaid expenses | - | - | - | - |
| Other current assets | - | - | - | - |
| Total Assets | \$ 97,710 | \$ 3,703,663 | \$ 2,936,249 | \$ 865,124 |
| Liabilities | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Accrued liabilities | - | - | - | - |
| Due to individuals | 39,355 | 392,049 | 377,144 | 54,260 |
| Due to other funds | 10,261 | 154,784 | 151,031 | 14,014 |
| Due to Board of County Comm | 5,812 | 3,087,380 | 2,362,195 | 730,997 |
| Due to other governmental units | - | - | - | - |
| Unearned revenues | - | - | - | - |
| Interest payable | - | - | - | - |
| Other current liabilities | 42,282 | 69,450 | 45,879 | 65,853 |
| Total Liabilities | \$ 97,710 | \$ 3,703,663 | \$ 2,936,249 | \$ 865,124 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

**SHERIFF
COMPLIANCE SECTION**

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

To the Sheriff
Wakulla County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special purpose financial statements of the Wakulla County Sheriff as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Wakulla County Sheriff' special purpose financial statements, and have issued our report thereon dated May 30, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Wakulla County Sheriff's internal control over financial reporting (internal control) to determine the 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 Wakulla County Sheriff's internal control. Accordingly, we do not express an opinion on the effectiveness of the Wakulla County Sheriff' 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 may exist that have not been identified.

Compliance and Other Matters

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

A handwritten signature in cursive script that reads "Powell & Jones". The signature is written in black ink on a light-colored background.**POWELL & JONES**

Certified Public Accountants

May 30, 2019

**MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550,
RULES OF THE AUDITOR GENERAL**

Honorable Sheriff
Wakulla County, Florida

We have audited the special purpose fund financial statements of the Wakulla County Sheriff, as of and for the year ended September 30, 2018, and have issued our report thereon dated May 30, 2019.

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, and Chapter 10.550, *Rules of the Florida Auditor General*.

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with Government Auditing Standards. Disclosures in this report which is dated May 30, 2019 should be considered in conjunction with this management letter.

Additionally, our audit was conducted in accordance with the Chapter 10.550, Rules of the Auditor General, which govern the conduct of local governmental entity audits performed in the State of Florida. The Letter includes the following information, which is not included in the aforementioned auditor's reports or schedule:

Section 10.554(l)(i)l., Rules of the Auditor General, require that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

AUDITOR GENERAL COMPLIANCE MATTERS

Annual Report of Units of Local Government - The financial report filed with the Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is an agreement with the audited special purpose fund financial statements of Wakulla County, Florida, for the year ended September 30, 2018. The special purpose fund financial statements of the Sheriff are combined with other County agencies in that report.

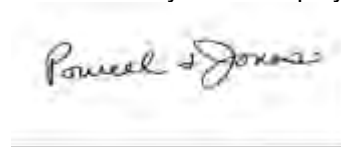
Financial Emergency Status – We determined that the Sheriff had not met any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment - As required by the *Rules of the Auditor General* (Sections 10.544(1)(i)5.a. and 10.556(7)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

Our audit did not disclose any further items that would be required to be reported under the *Rules of the Auditor General*, Chapter 10.550.

CONCLUSION

We have reviewed information regarding our audit with the Sheriff and have provided him with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with this audit of the Office. We appreciate the overall high quality of the financial records and personnel in the Sheriff's Office. We also appreciate the helpful assistance, professionalism and courtesy afforded us by these employees.

A rectangular box containing a handwritten signature in cursive script that reads "Powell & Jones".

POWELL & JONES

Certified Public Accountants
May 30, 2019

INDEPENDENT ACCOUNTANT'S REPORT

To the Sheriff
Wakulla County, Florida

We have examined the Wakulla County, Florida's Sheriff's (the Sheriff's) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2018. Management is responsible for the Sheriff's compliance with those requirements. Our responsibility is to express an opinion on the Sheriff's compliance based on our examination.

Management is responsible for the Sheriff's compliance with those requirements. Our responsibility is to express an opinion on the Sheriff's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Sheriff's compliance with those respective requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examinations provide a reasonable basis for our opinion. Our examinations do not provide a legal determination on the Sheriff's compliance with specified requirements.

In our opinion, the Wakulla County Sheriff complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

This report is intended solely for the information and use of Wakulla County, Florida, the Sheriff, and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.



POWELL & JONES
Certified Public Accountants
May 30, 2019

WAKULLA COUNTY, FLORIDA

SUPERVISOR OF ELECTIONS ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2018



WAKULLA COUNTY, FLORIDA

**SUPERVISOR OF ELECTIONS
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2018**

TABLE OF CONTENTS

| | |
|---|-----|
| I. INTRODUCTORY SECTION | |
| A. Table of Contents | 241 |
| II. FINANCIAL SECTION | |
| A. Independent Auditor’s Report | 242 |
| B. Basic Financial Statements: | |
| Combined Balance Sheet – All Fund Types | 245 |
| Statement of Revenues, Expenditures and Changes in Fund Balances – All Governmental Funds | 246 |
| Notes to Financial Statements | 247 |
| C. Combining and Individual Fund Financial Statements: | |
| <u>Governmental Fund Financial Statements:</u> | |
| Statement of Revenue, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund | 257 |
| Statement of Revenue, Expenditures and Changes in Fund Balance – Budget and Actual – All Special Revenue Funds | 258 |
| Combining Balance Sheet – All Special Revenue Funds | 259 |
| Combining Statement of Revenue, Expenditures and Changes in Fund Balance – All Special Revenue Funds | 260 |
| D. Compliance Section: | |
| Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Governmental Auditing Standards | 262 |
| Management Letter | 264 |
| Independent Accountant’s Report | 266 |



Powell & Jones
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

Honorable Supervisor of Elections
Wakulla County, Florida

Report on the Financial Statements

We have audited the accompanying special purpose fund financial statements of the Wakulla County Supervisor of Elections (the Supervisor of Elections), as of and for the year ended September 30, 2018, as listed in the table of contents.

Management's Responsibility 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these special purpose financial statements based on our audit. 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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States. The standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness or significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Florida Institute of Certified Public Accountants • American Institute of Certified Public Accountants

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The accompanying special purpose fund financial statements were prepared for the purpose of complying with Chapter 10.550, *Rules of the Auditor General - Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Supervisor of Elections is part of the reporting entity, Wakulla County, Florida. Accordingly, these special purpose fund financial statements are not a complete presentation of the reporting entity's basic financial statements.

Opinion

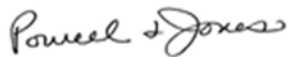
In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Wakulla County Supervisor of Elections, as of September 30, 2018, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated April 30, 2015, on our consideration of the Supervisor of Elections' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Supervisor of Elections' internal control over financial reporting and on compliance.

Other Information

Our audit was made for the purpose of forming an opinion on the special purpose fund financial statements taken as a whole. The individual fund financial statement listed in the table of contents are presented for purposes of additional analysis and are not a required part of the special purpose fund financial statements of the Supervisor of Elections. Such information has been subjected to the auditing procedures applied in the audit of the special purpose fund financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the special purpose fund financial statements taken as a whole.



POWELL & JONES

Certified Public Accountants
May 30, 2019

WAKULLA COUNTY, FLORIDA

**SUPERVISOR OF ELECTIONS
BASIC FINANCIAL STATEMENTS**

WAKULLA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
COMBINED BALANCE SHEET - ALL FUND TYPES
September 30, 2018

| | <u>Governmental Fund Types</u> | | |
|---|--------------------------------|------------------------------|-------------------|
| | <u>General Fund</u> | <u>Special Revenue Funds</u> | |
| ASSETS | | | |
| Cash and cash equivalents | \$ 192,560 | \$ 52,723 | \$ 245,283 |
| Accounts receivable, net | - | - | - |
| Due from individuals | - | - | - |
| Due from agency funds | - | - | - |
| Due from other funds | - | - | - |
| Due from other governmental units | - | - | - |
| Inventories | - | - | - |
| Prepaid expense | 2,127 | 6,200 | 8,327 |
| Other current assets | - | - | - |
| Total assets | \$ 194,687 | \$ 58,923 | \$ 253,610 |
| LIABILITIES AND FUND BALANCE | | | |
| Liabilities | | | |
| Accounts payable | \$ 2,112 | \$ 6,771 | \$ 8,883 |
| Accrued liabilities | 10,075 | - | 10,075 |
| Due to individuals | - | - | - |
| Due to agency funds | - | - | - |
| Due to other funds | 14,481 | - | 14,481 |
| Due to other governmental units | 201 | 24,060 | 24,261 |
| Unearned revenues | - | 28,092 | 28,092 |
| Interest payable | - | - | - |
| Deposits | - | - | - |
| Other current liabilities | - | - | - |
| Total liabilities | \$ 26,869 | \$ 58,923 | \$ 85,792 |
| Fund balance | | | |
| Nonspendable | | | |
| Inventories | \$ - | \$ - | \$ - |
| Prepaid expenses | 2,127 | 6,200 | 8,327 |
| Restricted | - | - | - |
| Committed | - | - | - |
| Assigned | - | - | - |
| Unassigned | 165,691 | (6,200) | 159,491 |
| Total fund balance | \$ 167,818 | \$ - | \$ 167,818 |
| Total liabilities and fund balance | \$ 194,687 | \$ 58,923 | \$ 253,610 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SUPERVISOR OF ELECTIONS
 STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES -
 ALL GOVERNMENTAL FUNDS
 For the Fiscal Year Ended September 30, 2018

| | General Fund | Special Revenue Funds | Totals |
|--|---------------------|--------------------------|---------------------|
| Revenue | | | |
| Taxes | \$ - | \$ - | \$ - |
| Licenses, permits, special assessments | - | - | - |
| Intergovernmental | - | 71,163 | 71,163 |
| Charges for services | - | - | - |
| Fines and forfeitures | - | - | - |
| Miscellaneous | 4,486 | - | 4,486 |
| Interest | - | 47 | 47 |
| Total revenue | \$ 4,486 | \$ 71,210 | \$ 75,696 |
| Expenditures | | | |
| Current | | | |
| General government | \$ 375,742 | \$ 65,934 | \$ 441,676 |
| Public safety | - | - | - |
| Physical environment | - | - | - |
| Transportation | - | - | - |
| Economic environment | - | - | - |
| Human services | - | - | - |
| Culture and recreation | - | - | - |
| Court related | - | - | - |
| Capital Outlay | | | |
| General government | - | 5,743 | 5,743 |
| Public safety | - | - | - |
| Physical environment | - | - | - |
| Transportation | - | - | - |
| Economic environment | - | - | - |
| Human services | - | - | - |
| Culture and recreation | - | - | - |
| Court related | - | - | - |
| Debt Service | | | |
| Principal | - | - | - |
| Interest | - | - | - |
| Total Expenditures | \$ 375,742 | \$ 71,677 | \$ 447,419 |
| Excess (deficiency) of revenues over (under) expenditures | \$ (371,256) | \$ (467.00) | \$ (371,723) |
| Other financing sources | | | |
| Sale of equipment | \$ - | \$ - | \$ - |
| Debt proceeds | - | - | - |
| Transfers from Board of County Commissioners | 404,432 | 467 | 404,899 |
| Transfers from (to) other governments | - | - | - |
| Interfund transfer in | - | - | - |
| Interfund transfers out | - | - | - |
| Total other financing sources (uses) | \$ 404,432 | \$ 467.00 | \$ 404,899 |
| Net change in fund balance | 33,176 | - | 33,176 |
| Fund balances, beginning of year | 134,642 | - | 134,642 |
| Fund balances, end of year | \$ 167,818 | \$ - | \$ 167,818 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SUPERVISOR OF ELECTIONS NOTES TO FINANCIAL STATEMENTS September 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the more significant accounting policies of the Wakulla County Supervisor of Elections (the Supervisor).

A. Reporting Entity – The Governmental Accounting Standards Board (GASB) on its Statement No. 14, “The Financial Reporting Entity”, as amended by GASB Statement No. 39 “Determining Whether Certain Organizations Are Component Units – an amendment of GASB Statement 14”, establishes standards for defining the financial reporting entity. In developing these standards, the GASB assumed that all governmental organizations are responsible to elected officials at the federal, state or local level. Financial reporting by state or local government should report the elected officials’ accountability for those organizations.

The Supervisor, as established by Article VIII of the Constitution of the State of Florida, is an elected official of the County. Although the Supervisor’s Office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Supervisor is reported as a part of the primary government of Wakulla County, Florida. The Supervisor’s special purpose fund financial statements do not purport to reflect the financial position or the results of operations of Wakulla County, Florida, taken as a whole.

These special purpose fund financial statements of the Supervisor are issued separately to comply with Section 218.39(2), *Florida Statutes* and Rule 10.557 (5) of Chapter 10.550, *Rules of the Auditor General – Local Government Entity Audits*. This rule requires the Supervisor to present only fund financial statements. Accordingly, due to the omission of government-wide financial statements and certain financial statement disclosures including a management’s discussion and analysis, these financial statements do not constitute a complete presentation of the financial position of the Supervisor and the changes in its financial position for the year then ended in conformity with GASB Statement No 34 “Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments”, but otherwise constitute financial statements prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America. The financial activities of the Supervisor, as a constitutional officer, are included in the basic financial statements of Wakulla County, Florida.

The Supervisor funds operations as a budget officer pursuant to *Florida Statutes*, Chapter 129. As a budget officer, the operations of the Supervisor relating to the Board of County Commissioners are approved and funded by the Board of County Commissioners. The budgeted receipts from the Board of County Commissioners are recorded as other financing sources in the

Supervisor's special purpose fund financial statements and as other financing uses in the Board of County Commissioner's financial statements. Any excess of revenues and other financing sources received over expenditures are to be remitted to the Board of County Commissioners at year end except for unexpended grant monies.

B. Measurement Focus, Basis of Accounting and Basis of Presentation

Fund Financial Statements

Accounts are organized and presented on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which the activities are controlled. The funds utilized by the Supervisor are as follows:

1. Governmental Funds

Governmental funds are accounted for using the flow of current financial resources measurement focus. Only current assets and current liabilities are generally included on the balance sheet. Operating statements for these funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in net current position (formerly net current assets). The Supervisor reports the following governmental fund types:

General Fund – The General Fund of the Supervisor is used to account for all financial resources (revenues and appropriations) which are generated from the operation of the Supervisor's Office relating to the Board of County Commissioners and any other resources not required to be accounted for in a separate fund.

Special Revenue Funds – Special revenue funds are used to account for the proceeds of specific revenue sources which are legally restricted to expenditures for specified purposes. As of September 30, 2018, the Supervisor maintained the following special revenue funds:

- Florida Department of Elections Voter Education Grant
- Florida Department of Elections Voting Systems Assistance Grant
- Florida Department of Elections Security Grant
- Florida Department of Elections Albert Network Monitoring Solutions Grant

The "basis of accounting" refers to when revenues and expenditures and the related assets and liabilities are recognized in the accounting records and reported in the financial statements. The modified accrual basis of accounting is used by governmental funds. Under this basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they become measurable and available to finance liabilities of the current fiscal year). For this purpose, the Supervisor considers revenues available if they are collected within 60 days of the current period. Expenditures are recorded when the related fund liability is incurred, except for certain compensated absences, which are recognized as expenditures to the extent they have matured. Interest income and other revenue are recognized as they are earned and become measurable and available to pay liabilities of the current period.

Approximately 84.3% of the Supervisor's funding is appropriated by the Board of County Commissioners. In applying the susceptible to accrual concept to intergovernmental revenue, there are essentially two types of revenue. In one, moneys must be expended on the specific purpose or project before any amounts will be paid to the Supervisor; therefore, revenue is recognized based upon the expenditures incurred. Grant revenue is recorded in this manner. In the other type, moneys are virtually unrestricted and are revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenue at the time of receipt, or earlier, if the "susceptible to accrual" criteria are met.

C. Budgetary Accounting – The preparation, adoption and amendment of the budget is governed by Chapter 129, *Florida Statutes* which requires that budgets be adopted for all funds as may be required by law, sound financial practices and GAAP. The fund is the legal level of control for the budget.

The Supervisor's General Fund budget and special revenue fund budget for Board of County Commissioner related activity is approved and set by the annually adopted budget of the Board of County Commissioners. All budgets are adopted by the Supervisor consistent with sound financial policies and generally accepted accounting principles.

For this fiscal year, there were three (3) budget amendments made to the budget. In the budgetary comparisons included in these special purpose financial statements, both the budgetary amounts and actual amounts are presented in accordance with GAAP. In these statements the "Original" budget represents the legally adopted budget on October 1 and the "Final" budget represents the budget as amended through September 30. All budget appropriations lapse at year-end.

D. Cash and Cash Equivalents – The Supervisor's cash, cash equivalents and investments are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from acquisition date. Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed as "Cash" on the balance sheet.

E. Inventories – It is the policy of the Supervisor to record the acquisition of supplies as expenditures at the time of purchase. The amount of supplies on hand at any one time is nominal and considered immaterial.

F. Fixed Assets – All fixed assets used in governmental fund type operations and acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. All assets with an acquisition or donation value of \$1,000 or more and a useful life of at least one year are tracked and inventoried on an annual basis. All assets with an acquisition or donation value of \$5,000 or more and a useful life of at least one year are depreciated over their useful life using the straight line method. All assets purchased by the Supervisor are reported in the Board of County Commissioner's General Fixed Asset Account Group and the basic financial statements of Wakulla County, Florida.

G. Long-Term Liabilities – Long-term liabilities are comprised of compensated absences and lease commitments.

Compensated Absences – Compensated absences are absences for which employees will be paid such as vacation and sick leave. A liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the Supervisor and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent upon a specific event that is outside the control of the Supervisor and its employees are accounted for in the period in which such services are rendered or such events take place. Annual leave is accrued at the following rates:

| <u>Years of Creditable Service</u> | <u>Vacation Leave Earned Monthly</u> | <u>Sick Leave Earned Monthly</u> |
|------------------------------------|--------------------------------------|----------------------------------|
| 1-5 | 8 | 8 |
| 6-10 | 10 | 8 |
| 11-20 | 13 | 8 |
| 20+ | 15 | 8 |

Employees may not carry more than 240 hours of annual leave from one calendar year to the next. Any amounts exceeding the 240 hour limit are rolled into sick leave at year end. There is no limitation to the number of sick leave hours carried from one year to the next. Employees who leave the Supervisor’s Office may be compensated for all unused annual leave up to 240 hours and employees with one or more years of service may be compensated for unused sick leave at the rate of ¼ per hour up to a maximum of 240 hours.

The current or short-term portion of the available compensated absences balance is the amount estimated to be used in the following year (15%). In the governmental funds, this current portion of compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund of the Board of County Commissioners that will pay for them. The non-current or long-term portion is the amount estimated to be used in subsequent years (85%). This long-term portion is reported in the Board of County Commissioner’s General Long-Term Debt Account Group of Wakulla County, Florida.

Lease Commitments – Lease commitments are comprised of operating and capital leases. Operating leases are leases of equipment with a value of less than \$5,000 and capital leases are lease of equipment with a value of \$5,000 or more. The short-term portion of leases is those amounts due within one year and the long-term portion of leases is those amounts due beyond 12 months.

H. Unearned Revenue – Unearned revenue is reported in the special purpose fund financial statements and represents unearned grant revenues which are measurable but not available and, in accordance with the modified accrual basis of accounting, are reported as unearned.

I. Total Column on the Combined Statements – The total column on the combined statements is captioned “Memorandum Only” to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position, results of operations or changes in cash flows in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Inter-fund eliminations have not been made in the aggregation of this data.

J. Estimates – The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2. DEPOSITS

At fiscal year end, the book amount of the Supervisor’s deposits was \$245,283. All balances were covered by federal depository insurance. Any balance in excess of \$250,000 is insured by collateral provided by the qualified public depositories to the Chief Financial Officer pursuant to the Florida Security for Public Deposits Act of the State of Florida, Chapter 280, *Florida Statutes*. All Supervisor deposits are with qualified public depository institutions.

The Florida Security for Public Deposits Act establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the qualified public depository must pledge at least 50 percent of the average daily balance for each month that all public deposits are in excess of any applicable deposit insurance. Additional collateral, up to a maximum of 125 percent, may be required, if deemed necessary under the conditions set forth in the Act. Obligations pledged to secure deposits must be delivered to the State Chief Financial Officer or, with the approval of the State Chief Financial Officer, to a bank, savings association or trust company provided a power of attorney is delivered to the State Chief Financial Officer. Under the Act, the pool may assess participating financial institutions on a pro rata basis to fund any shortfall in the event of the failure of a member institution.

The collateral for the Supervisor’s deposits is categorized to give an indication of the level of risk assumed by the Supervisor at year end. Category 1 includes deposits that are insured or registered or for which the securities are held by the Supervisor or his agent in the Supervisor’s name. Category 2 includes uninsured and unregistered deposits for which the securities are held by the counterparty’s trust department or agent in the Supervisor’s name. Category 3 includes uninsured or unregistered deposits for which the securities are held by the counterparty’s trust department or agent but not in the Supervisor’s name. All of the collateral covering the Supervisor’s deposits was Category 1.

NOTE 3. FIXED ASSETS

The Supervisor of Election’s fixed assets are primarily comprised of vehicles, furniture and computer and related equipment. The building(s) and related facilities that house the Supervisor of Elections are reported as part of the County’s financial statements and are not reported as part of the Supervisor of Election’s financial statements. The value of fixed assets for the Supervisor of Elections at year end is:

| | Beginning Balance <u>Oct. 1, 2017</u> | Additions | Reclassifications / Deletions | Ending Balance <u>Sept. 30, 2018</u> |
|-------------------------------|---|---------------------------|----------------------------------|--|
| Fixed Assets | | | | |
| Furniture and equipment | \$ 152,852 | \$ 5,743 | \$ - | \$ 158,595 |
| less accumulated depreciation | (45,115) | (18,777) | - | (63,892) |
| Fixed Assets, net | <u>\$ 107,737</u> | <u>\$ (13,034)</u> | <u>\$ -</u> | <u>\$ 94,703</u> |

NOTE 4. LONG-TERM LIABILITIES

The Supervisor of Election's had no capital leases or notes payable during the current year. The long-term liabilities of the Supervisor's Office are associated with employee compensated absences. The balances due at year end are:

| | Beginning Balance <u>Oct. 1, 2017</u> | Additions | Reductions | Adjustments | Ending Balance <u>Sept. 30, 2018</u> | Due Within <u>One Year</u> | Interest Paid in <u>Current Year</u> |
|------------------------------------|---|--------------------|-----------------------|--------------------|---|----------------------------------|--|
| Long-term liabilities | | | | | | | |
| Compensated absences | \$ 9,712 | \$ - | \$ (10) | \$ - | \$ 9,702 | \$ 1,455 | \$ - |
| Total long-term liabilities | <u>\$ 9,712</u> | <u>\$ -</u> | <u>\$ (10)</u> | <u>\$ -</u> | <u>\$ 9,702</u> | <u>\$ 1,455</u> | <u>\$ -</u> |

The Supervisor's Office had two operating leases during the current year, one for a postage meter and another for a copy machine. The annual future lease obligations are:

| Year Ending September 30, | Annual Obligation |
|--|------------------------------|
| 2019 | 2,434 |
| 2020 | 2,434 |
| 2021 | 2,434 |
| 2022 | 2,434 |
| 2023 | 1,998 |
| Total | <u>\$ 11,734</u> |

NOTE 5. RISK MANAGEMENT

The Supervisor of Elections is exposed to various risks of loss related to torts; theft of; damage to and destruction of assets; errors and omissions; injuries to employees and the public; or damage to property of others. The Supervisor's Office directly purchases insurance and participates in the risk management program through Wakulla County Board of County Commissioners which uses commercial insurance and a public entity risk pool to cover certain risks from loss.

The Board of County Commissioners obtained commercial insurance against losses for the following types of risk:

- Real and Personal Property Damage
- Public Employees Bond
- Worker's Compensation
- Automobile Liability

Worker's compensation coverage is provided under a retrospectively rated policy. Premiums are accrued based on the ultimate cost-to-date of the Board of County Commissioner's experience for these type risks. The Board of County Commissioners participates in the Florida Association of Counties Trust (FACT), a public entity risk pool, for risks related to comprehensive general liability. The agreement provides that the financial liability of each participating county is limited to premiums and surplus contributions paid or obligations made to FACT. Aggregate coverage provided is limited to \$1,000,000 for each claim. There were no pending legal actions against the Supervisor's Office as of the fiscal year end.

NOTE 6. RETIREMENT PROGRAM

1. Florida Retirement System

The Supervisor's Office contributes to the Florida Retirement System (FRS), a cost-sharing multiple-employer plan administered by the State of Florida. The FRS provides either a defined benefit or a defined contribution plan to its participants.

Plan Description – The FRS provides retirement, disability or death benefits to retirees or their designated beneficiaries. FRS rules and provisions related to eligibility, contributions and benefits are established by Chapter 112 Part IV, Chapter 121, Chapter 122 and Chapter 238, *Florida Statutes*, and Chapter 605 Florida Administrative Code. Changes to the law can only occur through an act of the Florida Legislature.

A Deferred Retirement Option Program (DROP) subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with a FRS employer. An employee may participate in the DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

Funding Policy – The Supervisor is required to contribute to the FRS at an actuarially determined rate as set by the State of Florida. Effective July 1, 2011, employees are required to also contribute 3% of gross salary to the FRS. The Supervisor's liability for participation is limited to the payment of the required contribution at the rates and frequencies established by law on future payrolls of the Supervisor. The Supervisor's contributions to the FRS for the fiscal years ended September 30, 2018, 2017 and 2016 were \$34,768, \$32,404, and \$28,211, respectively, which were equal to the required contributions for each fiscal year. The contribution rates, as a percent of gross salary, at September 30, 2018 were as follows:

FRS Contribution Rates

| Class Description | October 1, 2017 - June 30, 2018 | | | July 1, 2018 - September 30, 2018 | | | % Change |
|--|---------------------------------|-----------------------|--------------------|-----------------------------------|-----------------------|--------------------|----------|
| | Employer Contribution (A) | Employee Contribution | Total Contribution | Employer Contribution (A) | Employee Contribution | Total Contribution | |
| <u>Regular Class</u> | 7.92% | 3.00% | 10.92% | 8.26% | 3.00% | 11.26% | 0.34% |
| <u>Senior Management Service Class</u> | 22.71% | 3.00% | 25.71% | 24.06% | 3.00% | 27.06% | 1.35% |
| <u>Special Risk Class</u> | 23.27% | 3.00% | 26.27% | 24.50% | 3.00% | 27.50% | 1.23% |
| <u>Special Risk Administrative Support Class</u> | 34.63% | 3.00% | 37.63% | 34.98% | 3.00% | 37.98% | 0.35% |
| <u>Elected Officers Class</u> | 45.50% | 3.00% | 48.50% | 48.70% | 3.00% | 51.70% | 3.20% |
| <u>(DROP)</u> | 13.26% | N/A | 13.26% | 14.03% | N/A | 14.03% | 0.77% |
| <u>Reemployed Retiree</u> | (B) | | | (B) | | | |

(A) These employer contribution rates include a subsidy for the Health Insurance Subsidy (HIS) Plan in the amount of 1.66% for the period October 1 - June 30 and 1.66% for the period July 1 - September 30. Also, employer rates, other than DROP participants, include .06% for October 1 - June 30 and .06% for July 1 - September 30 for administrative costs.

(B) Contribution rates are dependent upon the retirement class or plan in which re-employed.

Financial statements and other supplementary information of the FRS are included in the State of Florida Comprehensive Annual Financial Report which is available from the Florida Department of Financial Services. An annual report on the FRS which includes its financial statements, required supplementary information, actuarial report and other relevant information is available from the Florida Department of Management Services, Division of Retirement. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida or by calling (850) 488-5706. Full information regarding Wakulla County's participation in the FRS, which includes the Supervisor of Elections, is contained in Note 12 of the Wakulla County Annual Financial Report.

NOTE 7. INTER-FUND RECEIVABLES AND PAYABLES

The Supervisor's inter-fund receivables and payables at September 30, 2018 were:

| Fund | Interfund Receivable | Interfund Payable |
|---|-------------------------|----------------------|
| Supervisor of Elections | | |
| General Fund | \$ - | \$ 14,481 |
| Voting Grant | - | - |
| Total Interfund Receivable / Payable | \$ - | \$ 14,481.00 |
| Board of County Commissioners | | |
| General Fund | \$ 14,481.00 | \$ - |
| Board of County Commissioners Total | 14,481 | - |
| Total Interfund Receivable / Payable | \$ 14,481 | \$ 14,481 |

NOTE 8. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the State of Florida and Federal governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds.

The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although, the Supervisor expects such amounts, if any, to be immaterial.

NOTE 9. FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2018, fund balances of the governmental funds as classified as follows:

- Non-spendable – amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact
- Restricted – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements, enabling legislation, constraints that are externally imposed by creditors, grantors, contributors or the laws or regulations of other governmental entities.
- Committed – amounts that can be used only for specific purposes determined by a formal action of the Board of County Commissioners (BOCC). The BOCC is the highest level of decision making authority for the County. Committed fund balance may be established, modified or rescinded only through resolutions or other formal actions approved by the BOCC.
- Assigned – amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Under current practices, the assignment of amounts for specific purposes is approved by the BOCC typically through the budgeting process.
- Unassigned – all other spendable amounts.

The Supervisor’s fund balances at September 30, 2018 are as follows:

Note 9 - Fund Balances

| <u>Fund Name</u> | <u>Nonspendable</u> | <u>Restricted</u> | <u>Committed</u> | <u>Assigned</u> | <u>Unassigned</u> | <u>Total (Memorandum Only)</u> |
|------------------|---------------------|-------------------|------------------|-----------------|-------------------|--------------------------------|
| General Fund | \$ 2,127 | \$ - | \$ - | \$ - | \$ 165,691 | \$ 167,818 |
| Voting Grants | 6,200 | - | - | - | (6,200) | - |
| Total | \$ 2,127 | \$ - | \$ - | \$ - | \$ 165,691 | \$ 167,818 |

WAKULLA COUNTY, FLORIDA

**SUPERVISOR OF ELECTIONS
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS**

WAKULLA COUNTY, FLORIDA

SUPERVISOR OF ELECTIONS

STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
BUDGET AND ACTUAL - GENERAL FUND

For the Fiscal Year Ended September 30, 2018

| | Budgeted Amount | | Actual Amount | Variance with Final Budget Positive (Negative) |
|--|---------------------|---------------------|---------------------|--|
| | Original | Final | | |
| Revenue | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - |
| Licenses, permits, special assessments | - | - | - | - |
| Intergovernmental | - | - | - | - |
| Charges for services | - | - | - | - |
| Fines and forfeitures | - | - | - | - |
| Miscellaneous | \$ 24,991 | \$ 24,991 | \$ 4,486 | \$ (20,505) |
| Interest | - | - | - | - |
| Total revenue | \$ 24,991 | \$ 24,991 | \$ 4,486 | \$ (20,505) |
| Expenditures | | | | |
| Current | | | | |
| General government | \$ 417,991 | \$ 417,991 | \$ 375,742 | \$ 42,249 |
| Public safety | - | - | - | - |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Court related | - | - | - | - |
| Capital Outlay | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Court related | - | - | - | - |
| Debt Service | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total Expenditures | \$ 417,991 | \$ 417,991 | \$ 375,742 | \$ 42,249 |
| Excess (deficiency) of revenues over (under) expenditures | \$ (393,000) | \$ (393,000) | \$ (371,256) | \$ 21,744 |
| Other financing sources | | | | |
| Sale of equipment | \$ - | \$ - | \$ - | \$ - |
| Debt proceeds | - | - | - | - |
| Transfers from Board of County Commissioners | 393,000 | 393,000 | 404,432 | 11,432 |
| Transfers to other governments | - | - | - | - |
| Interfund transfer in | - | - | - | - |
| Interfund transfers out | - | - | - | - |
| Total other financing sources (uses) | \$ 393,000 | \$ 393,000 | \$ 404,432 | \$ 11,432 |
| Net change in fund balance | - | - | 33,176 | 33,176 |
| Fund balances, beginning of year | 134,642 | 134,642 | 134,642 | - |
| Fund balances, end of year | \$ 134,642 | \$ 134,642 | \$ 167,818 | \$ 33,176 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SUPERVISOR OF ELECTIONS
 STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL - ALL SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended September 30, 2018

| | Budgeted Amount | | Actual Amount | Variance with Final Budget Positive (Negative) |
|--|------------------|------------------|------------------|--|
| | Original | Final | | |
| Revenue | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - |
| Licenses, permits, special assessments | - | - | - | - |
| Intergovernmental | 13,940 | 85,873 | 71,163 | (14,710) |
| Charges for services | - | - | - | - |
| Fines and forfeitures | - | - | - | - |
| Miscellaneous | - | - | - | - |
| Interest | - | - | 47 | 47 |
| Total revenue | \$ 13,940 | \$ 85,873 | \$ 71,210 | \$ (14,663) |
| Expenditures | | | | |
| Current | | | | |
| General government | \$ 13,940 | \$ 85,873 | \$ 65,934 | \$ 19,939 |
| Public safety | - | - | - | - |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Court related | - | - | - | - |
| Capital Outlay | | | | |
| General government | - | - | 5,743 | (5,743) |
| Public safety | - | - | - | - |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Court related | - | - | - | - |
| Debt Service | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total Expenditures | \$ 13,940 | \$ 85,873 | \$ 71,677 | \$ 14,196 |
| Excess (deficiency) of revenues over (under) expenditures | \$ - | \$ - | \$ (467) | \$ (467) |
| Other financing sources | | | | |
| Sale of equipment | \$ - | \$ - | \$ - | \$ - |
| Debt proceeds | - | - | - | - |
| Transfers from Board of County Commissioners | - | - | 467 | 467 |
| Transfers to other governments | - | - | - | - |
| Interfund transfer in | - | - | - | - |
| Interfund transfers out | - | - | - | - |
| Total other financing sources (uses) | \$ - | \$ - | \$ 467 | \$ 467 |
| Net change in fund balance | - | - | - | - |
| Fund balances, beginning of year | - | - | - | - |
| Fund balances, end of year | \$ - | \$ - | \$ - | \$ - |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA
SUPERVISOR OF ELECTIONS
COMBINING BALANCE SHEET - ALL SPECIAL REVENUE FUNDS
September 30, 2018

| | <u>Voting Grant</u> |
|---|---------------------|
| ASSETS | |
| Cash and cash equivalents | \$ 52,723 |
| Accounts receivable, net | - |
| Due from individuals | - |
| Due from agency funds | - |
| Due from other funds | - |
| Due from other governmental units | - |
| Inventories | - |
| Prepaid expense | 6,200 |
| Other current assets | - |
| Total assets | \$ 58,923 |
| LIABILITIES AND FUND BALANCE | |
| Liabilities | |
| Accounts payable | \$ 6,771 |
| Accrued liabilities | - |
| Due to individuals | - |
| Due to agency funds | - |
| Due to other funds | - |
| Due to other governmental units | 24,060 |
| Unearned revenues | 28,092 |
| Interest payable | - |
| Deposits | - |
| Other current liabilities | - |
| Total liabilities | \$ 58,923 |
| Fund balance | |
| Nonspendable | |
| Inventories | \$ - |
| Prepaid expenses | 6,200 |
| Restricted | - |
| Committed | - |
| Assigned | - |
| Unassigned | (6,200) |
| Total fund balance | \$ - |
| Total liabilities and fund balance | \$ 58,923 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

SUPERVISOR OF ELECTIONS
 COMBINING STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
 ALL SPECIAL REVENUE FUNDS
 For the Fiscal Year Ended September 30, 2018

| | <u>Voting Grant</u> |
|--|---------------------|
| Revenue | |
| Taxes | \$ - |
| Licenses, permits, special assessments | - |
| Intergovernmental | 71,163 |
| Charges for services | - |
| Fines and forfeitures | - |
| Miscellaneous | - |
| Interest | 47 |
| Total revenue | <u>\$ 71,210</u> |
| Expenditures | |
| Current | |
| General government | \$ 65,934 |
| Public safety | - |
| Physical environment | - |
| Transportation | - |
| Economic environment | - |
| Human services | - |
| Culture and recreation | - |
| Court related | - |
| Capital Outlay | |
| General government | 5,743 |
| Public safety | - |
| Physical environment | - |
| Transportation | - |
| Economic environment | - |
| Human services | - |
| Culture and recreation | - |
| Court related | - |
| Debt Service | |
| Principal | - |
| Interest | - |
| Total Expenditures | <u>\$ 71,677</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>\$ (467)</u> |
| Other financing sources | |
| Sale of equipment | \$ - |
| Debt Proceeds | - |
| Transfers from Board of County Commissioners | 467 |
| Transfers to other governments | - |
| Interfund transfer in | - |
| Interfund transfers out | - |
| Total other financing sources (uses) | <u>\$ 467</u> |
| Net change in fund balance | - |
| Fund balances, beginning of year | - |
| Fund balances, end of year | <u>\$ -</u> |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

**SUPERVISOR OF ELECTIONS
COMPLIANCE SECTION**

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

To the Supervisor or Elections
Wakulla County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special purpose financial statements of the Wakulla County Supervisor of Elections as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Wakulla County Supervisor of Elections' special purpose fund financial statements, and have issued our report thereon dated May 30, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Wakulla County Supervisor of Elections' internal control over financial reporting (internal control) to determine the 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 Wakulla County Supervisor of Elections' internal control. Accordingly, we do not express an opinion on the effectiveness of the Wakulla County Supervisor of Elections' 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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Wakulla County Supervisor of Elections' 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 determination of financial statement amounts. 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.

A rectangular box containing a handwritten signature in cursive script that reads "Powell & Jones".

POWELL & JONES

Certified Public Accountants

May 30, 2019

**MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550,
RULES OF THE AUDITOR GENERAL**

Honorable Supervisor of Elections
Wakulla County, Florida

We have audited the financial statements of the Wakulla County Supervisor of Elections, as of and for the year ended September 30, 2018, and have issued our report thereon dated May 30, 2019.

We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated May 30, 2019. Disclosures in that report should be considered in conjunction with this management letter.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Additionally our audit was conducted in accordance with the provisions of Chapter 10.550, *Rules of the Auditor General*, which govern the conduct of local governmental entity audits performed in the State of Florida and require that the following be addressed in this letter.

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

FINANCIAL COMPLIANCE MATTERS

Annual Local Government Financial Report - The Financial Report filed with the Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is in agreement with the accompanying financial statements of Wakulla County, Florida, for the year ended September 30, 2018. The financial statements of the Supervisor of Elections are combined with other County agencies in that report.

Financial Emergency Status – We have determined that the Supervisor of Elections did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment Procedures - As required by the Rules of the Auditor General (Sections 10.554(1)(i)5.a and 10.556(7)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

Our audit did not disclose any further items that would be required to be reported under the Rules of the Auditor General, Chapter 10.550.

CONCLUSION

We have reviewed information regarding our audit with the Supervisor of Elections and have provided him with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with our audit of the Supervisor of Elections. We appreciate the helpful assistance of Supervisor of Elections staff in completing our audit and also the generally high quality of the Supervisor of Elections' financial records and internal control. We also appreciate the helpful assistance and courtesy afforded us by these employees.

A rectangular box containing a handwritten signature in cursive script that reads "Powell & Jones".

POWELL & JONES

Certified Public Accountants

May 30, 2019

INDEPENDENT ACCOUNTANT'S REPORT

To the Honorable Supervisor of Elections
Wakulla County, Florida

We have examined the Wakulla County, Florida's Supervisor of Elections' (the Supervisor of Elections) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2018. Management is responsible for the Supervisor of Elections' compliance with those requirements. Our responsibility is to express an opinion on the Supervisor of Elections' compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Supervisor of Elections' compliance with those respective requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examinations provide a reasonable basis for our opinion. Our examinations do not provide a legal determination on the Supervisor of Elections' compliance with specified requirements.

In our opinion, the Wakulla County Supervisor of Elections complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

This report is intended solely for the information and use of Wakulla County, Florida, the Supervisor of Elections, and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.



POWELL & JONES
Certified Public Accountants
May 30, 2019

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WAKULLA COUNTY, FLORIDA

TAX COLLECTOR ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2018



WAKULLA COUNTY, FLORIDA

**TAX COLLECTOR
ANNUAL FINANCIAL REPORT
For the Fiscal Year Ended September 30, 2018**

TABLE OF CONTENTS

| | |
|---|-----|
| I. INTRODUCTORY SECTION | |
| A. Table of Contents | 269 |
| II. FINANCIAL SECTION | |
| A. Independent Auditor’s Report | 270 |
| B. Basic Financial Statements: | |
| Combined Balance Sheet – All Fund Types | 273 |
| Statement of Revenues, Expenditures and Changes in Fund Balances – All Governmental Funds | 274 |
| Notes to Financial Statements | 275 |
| C. Combining and Individual Fund Financial Statements: | |
| <u>Governmental Fund Financial Statements:</u> | |
| Statement of Revenue, Expenditures and Changes in Fund Balance – Budget and Actual – General Fund | 285 |
| <u>Fiduciary Fund Financial Statements:</u> | |
| Combining Balance Sheet – All Agency Funds | 286 |
| Combining Statement of Changes in Assets and Liabilities – All Agency Funds | 287 |
| D. Compliance Section: | |
| Independent Auditor’s Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Governmental Auditing Standards | 289 |
| Management Letter | 291 |
| Independent Accountant’s Report | 293 |



Powell & Jones
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

Honorable Tax Collector
Wakulla County, Florida

Report on the Financial Statements

We have audited the accompanying special purpose fund financial statements of the Wakulla County Tax Collector (the Tax Collector), as of and for the year ended September 30, 2018, as listed in the table of contents.

Management's Responsibility 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these special purpose financial statements based on our audit. 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 *Governmental Auditing Standards*, issued by the Comptroller General of the United States. The standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness or significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

The accompanying special purpose fund financial statements were prepared for the purpose of complying with Chapter 10.550, *Rules of the Auditor General - Local Governmental Entity Audits*. As described in Note 1 to the financial statements, the Tax Collector is part of the reporting entity, Wakulla County, Florida. Accordingly, these special purpose fund financial statements are not a complete presentation of the reporting entity's basic financial statements.

Opinion

In our opinion, the special purpose fund financial statements referred to above present fairly, in all material respects, the financial position of the Wakulla County Tax Collector, as of September 30, 2018, and the results of its operations for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated May 30, 2019, on our consideration of the Tax Collector's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the 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 Tax Collector's internal control over financial reporting and on compliance.

Other Information

Our audit was made for the purpose of forming an opinion on the special purpose fund financial statements taken as a whole. The individual and combining fund financial statements listed in the table of contents are presented for purposes of additional analysis and are not a required part of the special purpose fund financial statements of the Tax Collector. Such information has been subjected to the auditing procedures applied in the audit of the special purpose fund financial statements and, in our opinion, is fairly presented, in all material respects, in relation to the special purpose fund financial statements taken as a whole.



POWELL & JONES

Certified Public Accountants
May 30, 2019

WAKULLA COUNTY, FLORIDA

**TAX COLLECTOR
BASIC FINANCIAL STATEMENTS**

WAKULLA COUNTY, FLORIDA

TAX COLLECTOR
 COMBINED BALANCE SHEET - ALL FUND TYPES
 September 30, 2018

| | Governmental Fund Types | | Fiduciary Fund Type | Totals (Memorandum Only) |
|---|-------------------------|--------------------------|------------------------|-----------------------------|
| | General Fund | Special Revenue Funds | Agency Funds | |
| ASSETS | | | | |
| Cash and cash equivalents | \$ 1,034 | \$ - | \$ 346,973 | \$ 348,007 |
| Accounts receivable, net | - | - | - | - |
| Due from individuals | - | - | - | - |
| Due from agency funds | - | - | - | - |
| Due from other funds | - | - | - | - |
| Due from other governmental units | - | - | - | - |
| Inventories | - | - | - | - |
| Prepaid expense | - | - | - | - |
| Other current assets | - | - | - | - |
| Total assets | \$1,034 | \$ - | \$ 346,973 | \$ 348,007 |
| LIABILITIES AND FUND BALANCE | | | | |
| Liabilities | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Accrued liabilities | - | - | - | - |
| Due to individuals | - | - | 2,295 | 2,295 |
| Due to agency funds | - | - | - | - |
| Due to other funds | - | - | 37,321 | 37,321 |
| Due to other governmental units | - | - | 307,357 | 307,357 |
| Unearned revenues | - | - | - | - |
| Interest payable | - | - | - | - |
| Deposits | - | - | - | - |
| Other current liabilities | 1,034 | - | - | 1,034 |
| Total liabilities | \$1,034 | \$ - | \$ 346,973 | \$ 348,007 |
| Fund balance | | | | |
| Nonspendable | | | | |
| Inventories | \$ - | \$ - | \$ - | \$ - |
| Prepaid expenses | - | - | - | - |
| Restricted | - | - | - | - |
| Committed | - | - | - | - |
| Assigned | - | - | - | - |
| Unassigned | - | - | - | - |
| Total fund balance | \$ - | \$ - | \$ - | \$ - |
| Total liabilities and fund balance | \$1,034 | \$ - | \$ 346,973 | \$ 348,007 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

TAX COLLECTOR
STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCES -
ALL GOVERNMENTAL FUNDS

For the Fiscal Year Ended September 30, 2018

| | General Fund | Special Revenue Funds | Totals |
|--|---------------------|-----------------------------|---------------------|
| Revenue | | | |
| Taxes | \$ - | \$ - | \$ - |
| Licenses, permits, special assessments | - | - | - |
| Intergovernmental | - | - | - |
| Charges for services | 56,030 | - | 56,030 |
| Fines and forfeitures | - | - | - |
| Miscellaneous | - | - | - |
| Interest | - | - | - |
| Total revenue | \$ 56,030 | \$ - | \$ 56,030 |
| Expenditures | | | |
| Current | | | |
| General Government | \$ 873,477 | \$ - | \$ 873,477 |
| Public safety | - | - | - |
| Physical environment | - | - | - |
| Transportation | - | - | - |
| Economic environment | - | - | - |
| Human services | - | - | - |
| Culture and recreation | - | - | - |
| Court related | - | - | - |
| Capital Outlay | | | |
| General government | - | - | - |
| Public safety | - | - | - |
| Physical environment | - | - | - |
| Transportation | - | - | - |
| Economic environment | - | - | - |
| Human services | - | - | - |
| Culture and recreation | - | - | - |
| Court related | - | - | - |
| Debt Service | | | |
| Principal | - | - | - |
| Interest | - | - | - |
| Total Expenditures | \$ 873,477 | \$ - | \$ 873,477 |
| Excess (deficiency) of revenues over (under) expenditures | \$ (817,447) | \$ - | \$ (817,447) |
| Other financing sources | | | |
| Sale of equipment | \$ - | \$ - | \$ - |
| Debt Proceeds | - | - | - |
| Transfers from Board of County Commissioners | 817,447 | - | 817,447 |
| Transfers from (to) other governments | - | - | - |
| Interfund transfer in | - | - | - |
| Interfund transfers out | - | - | - |
| Total other financing sources (uses) | \$ 817,447 | \$ - | \$ 817,447 |
| Net change in fund balance | - | - | - |
| Fund balances, beginning of year | - | - | - |
| Fund balances, end of year | \$ - | \$ - | \$ - |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

TAX COLLECTOR NOTES TO FINANCIAL STATEMENTS September 30, 2018

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the more significant accounting policies of the Wakulla County Tax Collector (the Tax Collector).

A. Reporting Entity – The Governmental Accounting Standards Board (GASB) on its Statement No. 14, “The Financial Reporting Entity”, as amended by GASB Statement No. 39 “Determining Whether Certain Organizations Are Component Units – an amendment of GASB Statement 14”, establishes standards for defining the financial reporting entity. In developing these standards, the GASB assumed that all governmental organizations are responsible to elected officials at the federal, state or local level. Financial reporting by state or local government should report the elected officials’ accountability for those organizations.

The Tax Collector, as established by Article VIII of the Constitution of the State of Florida, is an elected official of the County. Although the Tax Collector’s Office is operationally autonomous from the Board of County Commissioners, it does not hold sufficient corporate powers of its own to be considered a legally separate entity for financial reporting purposes. Therefore, the Tax Collector is reported as a part of the primary government of Wakulla County, Florida. The Tax Collector’s special purpose fund financial statements do not purport to reflect the financial position or the results of operations of Wakulla County, Florida, taken as a whole.

These special purpose fund financial statements of the Tax Collector are issued separately to comply with Section 218.39(2), Florida Statutes and Rule 10.557 (5) of Chapter 10.550, Rules of the Auditor General – Local Government Entity Audits. This rule requires the Tax Collector to present only fund financial statements. Accordingly, due to the omission of government-wide financial statements and certain financial statement disclosures including a management’s discussion and analysis, these financial statements do not constitute a complete presentation of the financial position of the Tax Collector and the changes in its financial position for the year then ended in conformity with GASB Statement No 34 “Basic Financial Statements – and Management’s Discussion and Analysis – for State and Local Governments”, but otherwise constitute financial statements prepared in conformity with generally accepted accounting principles (GAAP) in the United States of America. The financial activities of the Tax Collector, as a constitutional officer, are included in the basic financial statements of Wakulla County, Florida.

The Tax Collector funds operations as a fee officer and a budget officer pursuant to Florida Statutes, Chapter 28, 218 and 129, respectively. As a fee officer, the Tax Collector collects fees from certain County and State activities. As a budget officer, the operations of the Tax Collector relating to the Board of County Commissioners are approved and funded by the Board of County

Commissioners. The budgeted receipts from the Board of County Commissioners are recorded as other financing sources in the Tax Collector's special purpose fund financial statements and as other financing uses in the Board of County Commissioner's financial statements. Any excess of revenues and other financing sources received over expenditures are to be remitted to the Board of County Commissioners at year end.

B. Measurement Focus, Basis of Accounting and Basis of Presentation

Fund Financial Statements

Accounts are organized and presented on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures. Resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which the activities are controlled. The funds utilized by the Tax Collector are as follows:

1. Governmental Funds

Governmental funds are accounted for using the flow of current financial resources measurement focus. Only current assets and current liabilities are generally included on the balance sheet. Operating statements for these funds present increases (i.e. revenues and other financing sources) and decreases (i.e. expenditures and other financing uses) in net current position (formerly net current assets). The Tax Collector reports the following governmental fund types:

General Fund – The General Fund of the Tax Collector is used to account for all financial resources (revenues and appropriations) which are generated from the operation of the Tax Collector's Office relating to the Board of County Commissioners and any other resources not required to be accounted for in a separate fund.

The "basis of accounting" refers to when revenues and expenditures and the related assets and liabilities are recognized in the accounting records and reported in the financial statements. The modified accrual basis of accounting is used by governmental funds. Under this basis of accounting, revenues are recognized when susceptible to accrual (i.e. when they become measurable and available to finance liabilities of the current fiscal year). For this purpose, the Tax Collector considers revenues available if they are collected within 60 days of the current period. Expenditures are recorded when the related fund liability is incurred, except for certain compensated absences, which are recognized as expenditures to the extent they have matured. Interest income and other revenue are recognized as they are earned and become measurable and available to pay liabilities of the current period.

Approximately 93.6% of the Tax Collector's funding is appropriated by the Board of County Commissioners. In applying the susceptible to accrual concept to intergovernmental revenue, there are essentially two types of revenue. In one, moneys must be expended on the specific purpose or project before any amounts will be paid to the Tax Collector; therefore, revenue is recognized based upon the expenditures incurred. Grant revenue is recorded in this manner. In the other type, moneys are virtually unrestricted and are revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenue at the time of receipt, or earlier, if the "susceptible to accrual" criteria are met.

2. Fiduciary Funds

Agency Funds – Agency funds are used to account for assets held by the Tax Collector as an agent for individuals, other County funds, and other governmental units. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. The Tax Collector functions purely as an agent for others in the maintenance of these funds. The Tax Collector reports the following agency funds:

- Bankruptcy Fund
- Delinquent Tax Fund
- Hunting and Fishing Fund
- Tag Fund
- Tax Escrow Fund

C. Budgetary Accounting – The preparation, adoption and amendment of the budget is governed by Chapter 129, Florida Statutes which requires that budgets be adopted for all funds as may be required by law, sound financial practices and GAAP. The fund is the legal level of control for the budget.

The Tax Collector’s General Fund budget for Board of County Commissioner related activity is approved and set by the annually adopted budget of the Board of County Commissioners and is consistent with sound financial policies and generally accepted accounting principles.

No budget amendments were made to the budget during the fiscal year. In the budgetary comparisons included in these special purpose financial statements, both the budgetary amounts and actual amounts are presented in accordance with GAAP. In these statements the “Original” budget represents the legally adopted budget on October 1 and the “Final” budget represents the budget as amended through September 30. All budget appropriations lapse at year-end.

D. Cash and Cash Equivalents – The Tax Collector’s cash, cash equivalents and investments are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from acquisition date. Deposits are carried at cost which approximates market value. The carrying amount of deposits is separately displayed as “Cash” on the balance sheet.

E. Inventories – It is the policy of the Tax Collector to record the acquisition of supplies as expenditures at the time of purchase. The amount of supplies on hand at any one time is nominal and considered immaterial.

F. Fixed Assets – All fixed assets used in governmental fund type operations and acquired by purchase are recorded at historical cost. Donated assets are recorded at estimated fair market value at the date donated. All assets with an acquisition or donation value of \$1,000 or more and a useful life of at least one year are tracked and inventoried on an annual basis. All assets with an acquisition or donation value of \$5,000 or more and a useful life of at least one year are depreciated over their useful life using the straight line method. All assets purchased by the Tax Collector are reported in the Board of County Commissioner’s General Fixed Asset Account Group and the basic financial statements of Wakulla County, Florida.

G. Long-Term Liabilities – Long-term liabilities are comprised of compensated absences and lease commitments.

Compensated Absences – Compensated absences are absences for which employees will be paid such as vacation and sick leave. A liability for compensated absences that are attributable to services already rendered and that are not contingent on a specific event that is outside the control of the Tax Collector and its employees is accrued as employees earn the rights to the benefits. Compensated absences that relate to future services or that are contingent upon a specific event that is outside the control of the Tax Collector and its employees are accounted for in the period in which such services are rendered or such events take place. Annual leave is accrued at the following rates:

| Years of Creditable Service | Vacation Leave Earned Monthly | Sick Leave Earned Monthly |
|--------------------------------|----------------------------------|------------------------------|
| 1-5 | 9 | 8 |
| 6-10 | 11 | 8 |
| 11 + | 13 | 8 |

Employees may not carry more than 240 hours of annual leave from one calendar year to the next. Any amounts exceeding the 240 hour limit are lost at year end. There is no limitation to the number of sick leave hours carried from one year to the next. Employees who leave the Tax Collector’s Office may be compensated for all unused annual leave up to 240 hours and employees with one or more years of service may be compensated for unused sick leave at the rate of ¼ per hour up to a maximum of 240 hours.

The current or short-term portion of the available compensated absences balance is the amount estimated to be used in the following year (15%). In the governmental funds, this current portion of compensated absences that are expected to be liquidated with expendable available financial resources are reported as an expenditure and fund liability in the fund of the Board of County Commissioners that will pay for them. The non-current or long-term portion is the amount estimated to be used in subsequent years (85%). This long-term portion is reported in the Board of County Commissioner’s General Long-Term Debt Account Group of Wakulla County, Florida.

Lease Commitments – Lease commitments are comprised of operating and capital leases. Operating leases are leases of equipment with a value of less than \$5,000 and capital leases are lease of equipment with a value of \$5,000 or more. The short-term portion of leases is those amounts due within one year and the long-term portion of leases is those amounts due beyond 12 months.

H. Unearned Revenue – Unearned revenue is reported in the special purpose fund financial statements and represents unearned grant revenues which are measurable but not available and, in accordance with the modified accrual basis of accounting, are reported as unearned.

I. Total Column on the Combined Statements – The total column on the combined statements is captioned “Memorandum Only” to indicate that it is presented only to facilitate financial

analysis. Data in this column does not present financial position, results of operations or changes in cash flows in conformity with generally accepted accounting principles, nor is such data comparable to a consolidation. Inter-fund eliminations have not been made in the aggregation of this data.

J. Estimates – The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

NOTE 2. DEPOSITS

At fiscal year end, the book amount of the Tax Collector's deposits was \$348,007. Of the bank balances, \$250,000 was covered by federal depository insurance. Any balance in excess of \$250,000 is insured by collateral provided by the qualified public depositories to the Chief Financial Officer pursuant to the Florida Security for Public Deposits Act of the State of Florida, Chapter 280, Florida Statutes. All Tax Collector deposits are with qualified public depository institutions.

The Florida Security for Public Deposits Act establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral. Under the Act, the qualified public depository must pledge at least 50 percent of the average daily balance for each month that all public deposits are in excess of any applicable deposit insurance. Additional collateral, up to a maximum of 125 percent, may be required, if deemed necessary under the conditions set forth in the Act. Obligations pledged to secure deposits must be delivered to the State Chief Financial Officer or, with the approval of the State Chief Financial Officer, to a bank, savings association or trust company provided a power of attorney is delivered to the State Chief Financial Officer. Under the Act, the pool may assess participating financial institutions on a pro rata basis to fund any shortfall in the event of the failure of a member institution.

The collateral for the Tax Collector's deposits is categorized to give an indication of the level of risk assumed by the Tax Collector at year end. Category 1 includes deposits that are insured or registered or for which the securities are held by the Tax Collector or his agent in the Tax Collector's name. Category 2 includes uninsured and unregistered deposits for which the securities are held by the counterparty's trust department or agent in the Tax Collector's name. Category 3 includes uninsured or unregistered deposits for which the securities are held by the counterparty's trust department or agent but not in the Tax Collector's name. All of the collateral covering the Tax Collector's deposits was Category 1.

NOTE 3. FIXED ASSETS

The Tax Collector's fixed assets are primarily comprised of vehicles, furniture and computer and related equipment. The building(s) and related facilities that house the Tax Collector are reported as part of the County's financial statements and are not reported as part of the Tax Collector's financial statements. The value of fixed assets for the Tax Collector at year end is:

| | Beginning Balance | | Reclassifications / | | Ending Balance |
|-------------------------------|-------------------|-------------------|---------------------|--|------------------|
| | Oct. 1, 2017 | Additions | Deletions | | Sept. 30, 2018 |
| Fixed Assets | | | | | |
| Furniture and equipment | \$ 63,836 | \$ - | \$ - | | \$ 63,836 |
| less accumulated depreciation | (39,596) | (8,080) | - | | (47,676) |
| Fixed Assets, net | \$ 24,240 | \$ (8,080) | \$ - | | \$ 16,160 |

NOTE 4. LONG-TERM LIABILITIES

The Tax Collector had no capital leases or notes payable at year end. The long-term liabilities of the Tax Collector's Office are associated with employee compensated absences. The balances due at year end are:

| | Beginning Balance | | | | Ending Balance | Due Within One Year | Interest Paid in Current Year |
|------------------------------------|-------------------|-------------|-------------------|-------------|------------------|---------------------|-------------------------------|
| | Oct. 1, 2017 | Additions | Reductions | Adjustments | | | |
| Long-term liabilities | | | | | Sept. 30, 2018 | | |
| Compensated absences | \$ 28,421 | | \$ (7,957) | | \$ 20,464 | \$ 3,070 | \$ - |
| Total long-term liabilities | \$ 28,421 | \$ - | \$ (7,957) | \$ - | \$ 20,464 | \$ 3,070 | |

The Tax Collector's Office had two operating leases during the current year for a telephone system and a postage/ mailing system. The annual future lease obligations are:

| Year Ending September 30, | Annual Obligation |
|---------------------------|-------------------|
| 2019 | 5,644 |
| 2020 | 5,419 |
| 2021 | 2,944 |
| 2022 | - |
| 2023 | - |
| Total | \$ 14,007 |

NOTE 5. RISK MANAGEMENT

The Tax Collector is exposed to various risks of loss related to torts; theft of; damage to and destruction of assets; errors and omissions; injuries to employees and the public; or damage to property of others. The Tax Collector's Office directly purchases insurance and participates in the risk management program through Wakulla County Board of County Commissioners which uses commercial insurance and a public entity risk pool to cover certain risks from loss.

The Board of County Commissioners obtained commercial insurance against losses for the following types of risk:

- Real and Personal Property Damage
- Public Employees Bond
- Worker's Compensation
- Automobile Liability

Worker's compensation coverage is provided under a retrospectively rated policy. Premiums are accrued based on the ultimate cost-to-date of the Board of County Commissioner's experience for these type risks.

The Board of County Commissioners participates in the Florida Association of Counties Trust (FACT), a public entity risk pool, for risks related to comprehensive general liability. The agreement provides that the financial liability of each participating county is limited to premiums and surplus contributions paid or obligations made to FACT. Aggregate coverage provided is limited to \$1,000,000 for each claim. There were no pending legal actions against the Tax Collector's Office as of the fiscal year end.

NOTE 6. RETIREMENT PROGRAM

1. Florida Retirement System

The Tax Collector's Office contributes to the Florida Retirement System (FRS), a cost-sharing multiple-employer plan administered by the State of Florida. The FRS provides either a defined benefit or a defined contribution plan to its participants.

Plan Description – The FRS provides retirement, disability or death benefits to retirees or their designated beneficiaries. FRS rules and provisions related to eligibility, contributions and benefits are established by Chapter 112 Part IV, Chapter 121, Chapter 122 and Chapter 238, Florida Statutes, and Chapter 605 Florida Administrative Code. Changes to the law can only occur through an act of the Florida Legislature.

A Deferred Retirement Option Program (DROP) subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with a FRS employer. An employee may participate in the DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest.

Funding Policy – The Tax Collector is required to contribute to the FRS at an actuarially determined rate as set by the State of Florida. Effective July 1, 2011, employees are required to also contribute 3% of gross salary to the FRS. The Tax Collector's liability for participation is limited to the payment of the required contribution at the rates and frequencies established by law on future payrolls of the Tax Collector. The Tax Collector's contributions to the FRS for the fiscal years ended September 30, 2018, 2017, 2016 and 2015 were \$92,064, \$81,749, \$76,466, and \$76,781, respectively, which were equal to the required contributions for each fiscal year. The contribution rates, as a percent of gross salary, at September 30, 2018 were as follows:

| Class Description | October 1, 2017 - June 30, 2018 | | | July 1, 2018 - September 30, 2018 | | | % Change |
|--|---------------------------------|-----------------------|--------------------|-----------------------------------|-----------------------|--------------------|----------|
| | Employer Contribution (A) | Employee Contribution | Total Contribution | Employer Contribution (A) | Employee Contribution | Total Contribution | |
| <u>Regular Class</u> | 7.92% | 3.00% | 10.92% | 8.26% | 3.00% | 11.26% | 0.34% |
| <u>Senior Management Service Class</u> | 22.71% | 3.00% | 25.71% | 24.06% | 3.00% | 27.06% | 1.35% |
| <u>Special Risk Class</u> | 23.27% | 3.00% | 26.27% | 24.50% | 3.00% | 27.50% | 1.23% |
| <u>Special Risk Administrative Support</u> | 34.63% | 3.00% | 37.63% | 34.98% | 3.00% | 37.98% | 0.35% |
| <u>Elected Officers Class</u> | 45.50% | 3.00% | 48.50% | 48.70% | 3.00% | 51.70% | 3.20% |
| <u>Deferred Retirement Option Program</u> | 13.26% | N/A | 13.26% | 14.03% | N/A | 14.03% | 0.77% |
| <u>Reemployed Retiree</u> | (B) | | | (B) | | | |

(A) These employer contribution rates include a subsidy for the Health Insurance Subsidy (HIS) Plan in the amount of 1.66% for the period October 1 - June 30 and 1.66% for the period July 1 - September 30. Also, employer rates, other than DROP participants, include .06% for October 1 - June 30 and .06% for July 1 - September 30 for administrative costs.

(B) Contribution rates are dependent upon the retirement class or plan in which re-employed.

Financial statements and other supplementary information of the FRS are included in the State of Florida Comprehensive Annual Financial Report which is available from the Florida Department of Financial Services. An annual report on the FRS which includes its financial statements, required supplementary information, actuarial report and other relevant information is available from the Florida Department of Management Services, Division of Retirement. That report may be obtained by writing to the Florida Retirement System, 2639 North Monroe Street, Tallahassee, Florida or by calling (850) 488-5706. Full information regarding Wakulla County's participation in the FRS, which includes the Tax Collector, is contained in Note 12 of the Wakulla County Annual Financial Report.

NOTE 7. INTER-FUND RECEIVABLES AND PAYABLES

There were no inter-fund receivables and payables at year end.

NOTE 8. CONTINGENT LIABILITIES

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the State of Florida and Federal governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although, the Tax Collector expects such amounts, if any, to be immaterial.

NOTE 9. FUND BALANCES – GOVERNMENTAL FUNDS

As of September 30, 2018, fund balances of the governmental funds as classified as follows:

- Non-spendable – amounts that cannot be spent either because they are in non-spendable form or because they are legally or contractually required to be maintained intact
- Restricted – amounts that can be spent only for specific purposes because of constitutional provisions, charter requirements, enabling legislation, constraints that are

externally imposed by creditors, grantors, contributors or the laws or regulations of other governmental entities.

- Committed – amounts that can be used only for specific purposes determined by a formal action of the Board of County Commissioners (BOCC). The BOCC is the highest level of decision making authority for the County. Committed fund balance may be established, modified or rescinded only through resolutions or other formal actions approved by the BOCC.
- Assigned – amounts that do not meet the criteria to be classified as restricted or committed, but that are intended to be used for specific purposes. Under current practices, the assignment of amounts for specific purposes is approved by the BOCC typically through the budgeting process.
- Unassigned – all other spendable amounts.

There were no fund balances held by the Tax Collector at year end.

WAKULLA COUNTY, FLORIDA

**TAX COLLECTOR
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS**

WAKULLA COUNTY, FLORIDA

TAX COLLECTOR
 STATEMENT OF REVENUE, EXPENDITURES AND CHANGES IN FUND BALANCE -
 BUDGET AND ACTUAL - GENERAL FUND
 For the Fiscal Year Ended September 30, 2018

| | Budgeted Amount | | Actual Amount | Variance with Final Budget Positive (Negative) |
|--|--------------------|--------------------|--------------------|---|
| | Original | Final | | |
| Revenue | | | | |
| Taxes | \$ - | \$ - | \$ - | \$ - |
| Licenses, permits, special assessments | - | - | - | - |
| Intergovernmental | - | - | - | - |
| Charges for services | - | 47,630 | 56,030 | 8,400 |
| Fines and forfeitures | - | - | - | - |
| Miscellaneous | 45,727 | 10,947 | - | (10,947) |
| Interest | - | - | - | - |
| Total revenue | \$ 45,727 | \$ 58,577 | \$ 56,030 | \$ (2,547) |
| Expenditures | | | | |
| Current | | | | |
| General Government | \$ 863,174 | \$ 876,024 | \$ 873,477 | \$ 2,547 |
| Public safety | - | - | - | - |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Court related | - | - | - | - |
| Capital Outlay | | | | |
| General government | - | - | - | - |
| Public safety | - | - | - | - |
| Physical environment | - | - | - | - |
| Transportation | - | - | - | - |
| Economic environment | - | - | - | - |
| Human services | - | - | - | - |
| Culture and recreation | - | - | - | - |
| Court related | - | - | - | - |
| Debt Service | | | | |
| Principal | - | - | - | - |
| Interest | - | - | - | - |
| Total Expenditures | \$ 863,174 | \$ 876,024 | \$ 873,477 | \$ 2,547 |
| Excess (deficiency) of revenues over (under) expenditures | \$(817,447) | \$(817,447) | \$(817,447) | \$ - |
| Other financing sources | | | | |
| Sale of equipment | \$ - | \$ - | \$ - | \$ - |
| Debt proceeds | - | - | - | - |
| Transfers from Board of County Commissioners | 817,447 | 817,447 | 817,447 | - |
| Transfers to other governments | - | - | - | - |
| Interfund transfer in | - | - | - | - |
| Interfund transfers out | - | - | - | - |
| Total other financing sources (uses) | \$ 817,447 | \$ 817,447 | \$ 817,447 | \$ - |
| Net change in fund balance | - | - | - | - |
| Fund balances, beginning of year | - | - | - | - |
| Fund balances, end of year | \$ - | \$ - | \$ - | \$ - |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

TAX COLLECTOR
 COMBINING BALANCE SHEET - ALL AGENCY FUNDS
 September 30, 2018

| | Bankruptcy | Delinquent Tax | Hunting & Fishing | Tag | Tax Escrow | Totals |
|---|------------------|-----------------|-------------------|-----------------|-------------------|-------------------|
| ASSETS | | | | | | |
| Cash and cash equivalents | \$ 19,277 | \$ 1,250 | \$ 15,505 | \$ 24,690 | \$ 286,251 | \$ 346,973 |
| Accounts receivable, net | - | - | - | - | - | - |
| Due from individuals | - | - | - | - | - | - |
| Due from other funds | - | - | - | - | - | - |
| Due from other governmental units | - | - | - | - | - | - |
| Inventories | - | - | - | - | - | - |
| Prepaid expense | - | - | - | - | - | - |
| Other current assets | - | - | - | - | - | - |
| Total assets | \$ 19,277 | \$ 1,250 | \$15,505 | \$24,690 | \$ 286,251 | \$ 346,973 |
| LIABILITIES AND FUND BALANCE | | | | | | |
| Liabilities | | | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Accrued liabilities | - | - | - | - | - | - |
| Due to individuals | 991 | 1,250 | - | - | 54 | 2,295 |
| Due to other funds | 18,286 | - | - | 19,035 | - | 37,321 |
| Due to other governmental units | - | - | 15,505 | 5,655 | 286,197 | 307,357 |
| Unearned revenues | - | - | - | - | - | - |
| Interest payable | - | - | - | - | - | - |
| Other current liabilities | - | - | - | - | - | - |
| Total liabilities | \$ 19,277 | \$ 1,250 | \$15,505 | \$24,690 | \$ 286,251 | \$ 346,973 |
| Fund balance | | | | | | |
| Nonspendable | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Inventories | - | - | - | - | - | - |
| Prepaid expenses | - | - | - | - | - | - |
| Restricted | - | - | - | - | - | - |
| Committed | - | - | - | - | - | - |
| Assigned | - | - | - | - | - | - |
| Unassigned | - | - | - | - | - | - |
| Total fund balance | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Total liabilities and fund balance | \$ 19,277 | \$ 1,250 | \$15,505 | \$24,690 | \$ 286,251 | \$ 346,973 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

TAX COLLECTOR
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES -
 ALL AGENCY FUNDS
 September 30, 2018

| | Balance Oct. 1, 2017 | Additions | Deductions | Balance Sept. 30, 2018 |
|---|-------------------------|----------------------|----------------------|---------------------------|
| ASSETS | | | | |
| Cash and cash equivalents | \$ 334,976 | \$ 30,789,332 | \$ 30,777,335 | \$ 346,973 |
| Accounts receivable, net | - | - | - | - |
| Due from individuals | - | - | - | - |
| Due from other funds | - | - | - | - |
| Due from other governmental units | - | - | - | - |
| Inventories | - | - | - | - |
| Prepaid expenses | - | - | - | - |
| Other current assets | - | - | - | - |
| Total assets | \$ 334,976 | \$ 30,789,332 | \$ 30,777,335 | \$ 346,973 |
| LIABILITIES AND NET ASSETS | | | | |
| Liabilities | | | | |
| Accounts payable | \$ - | \$ - | \$ - | \$ - |
| Accrued liabilities | - | - | - | - |
| Due to individuals | 2,596 | 6,098,259 | 6,098,560 | 2,295 |
| Due to other funds | - | 37,321 | - | 37,321 |
| Due to other governmental units | 332,380 | 24,653,752 | 24,678,775 | 307,357 |
| Unearned revenues | - | - | - | - |
| Interest payable | - | - | - | - |
| Other current liabilities | - | - | - | - |
| Total liabilities | \$ 334,976 | \$ 30,789,332 | \$ 30,777,335 | \$ 346,973 |
| Total net assets | - | - | - | - |
| Total liabilities and net assets | \$ 334,976 | \$ 30,789,332 | \$ 30,777,335 | \$ 346,973 |

See notes to financial statements.

WAKULLA COUNTY, FLORIDA

**TAX COLLECTOR
COMPLIANCE SECTION**

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

To the Tax Collector
Wakulla County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the special purpose financial statements of the Wakulla County Tax Collector as of and for the year ended September 30, 2018, and the related notes to the financial statements, which collectively comprise the Wakulla County Tax Collector's special purpose financial statements, and have issued our report thereon dated May 30, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Wakulla County Tax Collector's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Wakulla County Tax Collector's internal control. Accordingly, we do not express an opinion on the effectiveness of the Wakulla County Tax Collector'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 may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Wakulla County Tax Collector'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 determination of financial statement amounts. 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.

A rectangular box containing a handwritten signature in cursive script that reads "Powell & Jones".**POWELL & JONES**

Certified Public Accountants

May 30, 2019

**MANAGEMENT LETTER REQUIRED BY CHAPTER 10.550,
RULES OF THE AUDITOR GENERAL**

Honorable Tax Collector
Wakulla County, Florida

We have audited the financial statements of the Wakulla County Tax Collector, as of and for the year ended September 30, 2018, and have issued our report thereon dated May 30, 2019.

We have issued our Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* dated May 30, 2019. Disclosures in that report should be considered in conjunction with this management letter.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*, issued by the Comptroller General of the United States. Additionally our audit was conducted in accordance with the provisions of Chapter 10.550, *Rules of the Auditor General*, which govern the conduct of local governmental entity audits performed in the State of Florida and require that the following be addressed in this letter.

PRIOR YEAR FINDINGS

There were no reportable findings in the prior year.

CURRENT YEAR FINDINGS

There were no reportable findings in the current year.

FINANCIAL COMPLIANCE MATTERS

Annual Local Government Financial Report - The Financial Report filed with the Department of Financial Services pursuant to Section 218.32(1)(a), *Florida Statutes*, is in agreement with the accompanying financial statements of Wakulla County, Florida, for the year ended September 30, 2018. The financial statements of the Tax Collector are combined with other County agencies in that report.

Financial Emergency Status – We have determined that the Tax Collector did not meet any of the conditions described in Section 218.503(1), *Florida Statutes*, that might result in a financial emergency.

Financial Condition Assessment Procedures - As required by the Rules of the Auditor General (Sections 10.554(1)(i)5.a. and 10.556(7)), we applied financial condition assessment procedures. It is management's responsibility to monitor the entity's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information they provided.

Our audit did not disclose any further items that would be required to be reported under the Rules of the Auditor General, Chapter 10.550.

CONCLUSION

We have reviewed information regarding our audit with the Tax Collector and have provided him with appropriate documentation as requested. We very much enjoyed the challenges and experiences associated with our audit of the Tax Collector. We appreciate the helpful assistance of Tax Collector staff in completing our audit and also the generally high quality of the Tax Collector's financial records and internal control. We also appreciate the helpful assistance and courtesy afforded us by these employees.

A rectangular box containing a handwritten signature in cursive script that reads "Powell & Jones".

POWELL & JONES

Certified Public Accountants

May 30, 2019

INDEPENDENT ACCOUNTANT'S REPORT

To the Honorable Tax Collector
Wakulla County, Florida

We have examined the Wakulla County, Florida's Tax Collector's (the Tax Collector) compliance with Section 218.415, *Florida Statutes*, regarding the investment of public funds during the year ended September 30, 2018. Management is responsible for the Tax Collector's compliance with those requirements. Our responsibility is to express an opinion on the Tax Collector's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Tax Collector's compliance with those respective requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examinations provide a reasonable basis for our opinion. Our examinations do not provide a legal determination on the Supervisor of Elections' compliance with specified requirements.

In our opinion, the Wakulla County Tax Collector complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2018.

This report is intended solely for the information and use of Wakulla County, Florida, the Tax Collector, and the Auditor General, State of Florida, and is not intended to be and should not be used by anyone other than these specified parties.



POWELL & JONES
Certified Public Accountants
May 30, 2019

WAKULLA COUNTY, FLORIDA

END OF CONSTITUTIONAL OFFICERS ANNUAL FINANCIAL REPORTS

For the Fiscal Year Ended September 30, 2018