

2019

Bradford County-Wide

Financial Statements
and Independent Auditor's Report

September 30, 2019

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**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT**

**BRADFORD COUNTY, FLORIDA
STARKE, FLORIDA**

SEPTEMBER 30, 2019

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**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR’S REPORT**

**BRADFORD COUNTY, FLORIDA
STARKE, FLORIDA**

SEPTEMBER 30, 2019

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INDEPENDENT AUDITOR'S REPORT

The Honorable Board of County Commissioners and
Constitutional Officers
Bradford County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of Bradford County, Florida (the County), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the County'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 and the standards applicable to financial audits contained in *Government 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 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 County'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 County'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 opinion.

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The Honorable Board of County Commissioners and
Constitutional Officers
Bradford County, Florida

INDEPENDENT AUDITOR'S REPORT

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund and the aggregate remaining fund information of the County as of September 30, 2019, and the respective changes in financial position, thereof, and the respective budgetary comparison of the general fund, and each major special revenue fund, for the 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 and required supplementary information, as listed in the table of contents, 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 the County's basic financial statements. The combining fund statements are presented for purposes of additional analysis, and are not a required part of the basic financial statements. The schedule of expenditures of federal awards and state financial assistance is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and Chapter 10.550, *Rules of the Auditor General* of the State of Florida, is also not a required part of the basic financial statements.

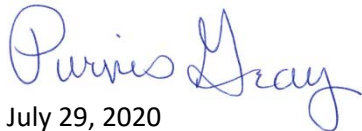
The combining fund statements and the schedule of expenditures of federal awards and state financial assistance are the responsibility of management and were derived from, and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information 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 fund statements and the schedule of expenditures of federal awards and state financial assistance are fairly stated in all material respects in relation to the basic financial statements as a whole.

The Honorable Board of County Commissioners and
Constitutional Officers
Bradford County, Florida

INDEPENDENT AUDITOR'S REPORT

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated July 29, 2020, on our consideration of the County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the County's internal control over financial reporting and compliance.

A handwritten signature in blue ink that reads "Purvis Gray". The signature is written in a cursive style with a large initial "P".

July 29, 2020
Gainesville, Florida

MANAGEMENT'S DISCUSSION AND ANALYSIS

The County's management's discussion and analysis (MD&A) is designed to "provide an objective and easily readable analysis of the government's financial activities based on currently known facts, decisions, or conditions." The MD&A is designed to focus on significant financial issues, as well as to provide an overview of the County's financial activity and changes in the County's financial position.

This is the sixteenth year that Bradford County has presented its financial statements under the reporting model required by the Governmental Accounting Standards Board Statement Number 34. This reporting model changes significantly not only the presentation of financial data, but also the manner in which the information is recorded. One of the most significant changes in financial presentation is the requirement to capitalize infrastructure assets and record depreciation.

As with other sections of this financial report, the information contained within this MD&A should be considered only a part of a greater whole. The reader should take the time to read and evaluate all sections of this report, including the footnotes and other supplemental information that is provided.

Financial Highlights

Total assets and deferred outflows of the County exceeded total liabilities and deferred inflows by \$42.0 million (net position). Unrestricted net position for Governmental Activities was \$0.9 million and restricted net position was \$3.8 million, with the remaining \$37.2 million classified as net position invested in capital assets. The Net Position for the year declined from \$45.6 million to \$42.0 million. Looking back seven years to fiscal year 2013, the Net Position has declined from \$66.9 million to \$42.0 million.

Looking at the Total Governmental Funds for the year, expenditures exceeded revenues by \$314,524. This has been the trend for the last seven years. Over that last seven year period, from fiscal years 2013 through 2019, expenditures have exceeded revenues by \$5.5 million.

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 consist of three components: 1) Government-Wide Financial Statements, 2) Fund Financial Statements, and 3) Notes to Financial Statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The *government-wide financial statements*, consisting of the following two 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 of resources, liabilities, and deferred inflows of resources using the accrual basis of accounting with the difference between the two reported as *net position*. This difference between assets and deferred outflows and liabilities and deferred inflows is one way to measure the County's financial health, or financial position. Over time, increases or decreases in net position may serve as a useful indicator of the County's financial health. It will serve to show whether the financial position is improving or deteriorating.

The *Statement of Activities* presents information on all revenues and expenses of the County and shows how the County's net position changed during the year. Expenses are reported by major function and program revenues relating to those functions are reported, providing the net cost of all the functions provided by the County. All of Bradford County's basic services are considered to be governmental activities.

MANAGEMENT'S DISCUSSION AND ANALYSIS

These expense activities include general government, public safety, physical environment, transportation, economic environment, human services, culture and recreation, court-related, and interest and fiscal charges.

The General Revenues that finance these activities are mostly made up of property taxes, sales taxes, gas taxes, and other state shared revenues.

Fund Financial Statements

A fund consists of a group of related accounts used to control resources that have been segregated for the purpose of carrying on specific activities or attaining certain objectives. The County, as with other state and local governments, uses fund accounting to demonstrate compliance with finance-related legal requirements. Bradford County funds can be divided into two categories: governmental 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 except on a much more narrowly defined basis. The County maintains twenty individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balance for the seven major funds, the General Fund, S.H.I.P, Public Library, Transportation Trust, Fines and Forfeitures, Emergency Medical Services, and Fiscally Constrained. Data from the other thirteen governmental funds are combined into a single aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of *combining statements* in the supplementary information section of this report.

The County adopts an annual budget for its general and special revenue funds. A budgetary comparison statement has been provided for each of six major funds. The seventh major fund is a capital projects fund and a budgetary comparison statement is not required.

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of 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.

Notes to Financial Statements

The notes provide additional information needed to fully understand both the government-wide and the fund financial statements. They provide information that is needed to help interpret the data and explain how it was collected.

Government-Wide Financial Analysis

Net position may serve over time as a useful indicator of a government's financial position. In the case of Bradford County, assets and deferred outflows exceeded liabilities and deferred inflows by \$41,956,362 which is a decrease over the prior year of \$3,614,298. Net position is composed of \$37,250,450 net investment in Capital Assets, \$3,812,720 restricted for other purposes, and \$893,192 being unrestricted. The unrestricted net position for the year declined by \$3,031,583. If we look back seven years from fiscal year 2013 through 2019, the unrestricted net position has declined \$11,232,489. This unrestricted amount is available for use in future years to meet Bradford County's ongoing obligations to its citizens and creditors.

MANAGEMENT'S DISCUSSION AND ANALYSIS

**Bradford County Florida
Summary of Net Position**

	<u>FYE 2019</u>	<u>FYE 2018</u>
Assets		
Current and Restricted Assets	\$ 24,348,126	\$ 24,174,052
Capital Assets	<u>37,505,760</u>	<u>38,001,365</u>
Total Assets	<u>61,853,886</u>	<u>62,175,417</u>
Deferred Outflow of Resources		
OPEB Related	129,728	50,839
Pension Related	<u>7,359,450</u>	<u>7,588,430</u>
Total Deferred Outflow of Resources	<u>7,489,178</u>	<u>7,639,269</u>
Liabilities		
Current Liabilities	3,717,050	3,603,414
Non-Current Liabilities	<u>21,930,861</u>	<u>18,785,455</u>
Total Liabilities	<u>25,647,911</u>	<u>22,388,869</u>
Deferred Inflow of Resources		
OPEB Related	49,403	56,461
Pension Related	<u>1,689,388</u>	<u>1,798,696</u>
Total Deferred Inflow of Resources	<u>1,738,791</u>	<u>1,855,157</u>
Net Position		
Net Investment in Capital Assets	37,250,450	37,933,326
Restricted	3,812,720	3,712,559
Unrestricted	<u>893,192</u>	<u>3,924,775</u>
Total Net Position	<u>\$ 41,956,362</u>	<u>\$ 45,570,660</u>

The following schedule provides a summary of changes in net position as follows:

**Bradford County
Changes in Net Position**

	<u>FYE 2019</u>	<u>FYE 2018</u>
Revenues		
Program Revenues:		
Charges for Services	\$ 7,079,499	\$ 6,731,346
Operating Grants and Contributions	6,445,778	3,937,110
Capital Grants and Contributions	2,785,323	1,011,979
General Revenues:		
Property Taxes	8,118,615	7,826,420
Other Taxes	7,320,091	6,948,494
Other	<u>1,060,143</u>	<u>479,708</u>
Total Revenues	<u>32,809,449</u>	<u>26,935,057</u>
Expenses		
General Government	6,384,131	5,779,191
Public Safety	16,162,345	13,546,482
Physical Environment	3,415,695	2,203,000
Transportation	6,105,447	4,954,033
Economic Environment	483,880	638,858
Human Services	947,422	983,755
Culture and Recreation	1,153,379	993,892
Court Related	1,770,807	1,706,005
Interest and Fiscal Charges	641	794
Total Expenses	<u>36,423,747</u>	<u>30,806,010</u>
Change in Net Position	(3,614,298)	(3,870,953)
Net Position-Beginning of Year	<u>45,570,660</u>	<u>49,441,613</u>
Net Position-End of Year	<u>\$ 41,956,362</u>	<u>\$ 45,570,660</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS

Fund Financial Analysis

The primary purpose of the County's governmental funds is to provide financial statements that focus on the short-term. The focus is directed to specific activities of the County instead of the County as a whole. Most funds are established for managerial control over resources and to satisfy finance related legal requirements.

As of September 30, 2019, Bradford County's governmental funds reported combined ending fund balances of \$20,205,267. This is a decrease over the prior year of \$16,804. The breakout of the seven major funds and the remaining non-major funds is as follows.

Bradford County, Florida Schedule of Fund Balances

General Fund	\$ 6,211,282
S.H.I.P.	-
Public Library	375,876
Transportation Trust	1,597,868
Fines and Forfeitures	3,155,750
Emergency Medical Service	1,390,679
Fiscally Constrained	4,184,853
Other Governmental Funds (Combined 13 Non-Major Funds)	<u>3,288,959</u>
Total Fund Balances	<u><u>\$ 20,205,267</u></u>

The County's overall financial position reported a decrease in total governmental fund balances of \$16,804, or .08% during fiscal year 2019.

The County's General Fund had a decrease in Fund Balance of \$635,636 during the current fiscal year. S.H.I.P. had no change, the Public Library Fund had an increase of \$96,451. The Transportation Trust Fund showed an increase of \$337,501 in fund balance. The Fines and Forfeitures Fund increased its fund balance by \$173,768. The Emergency Medical Services Fund showed an increase in fund balance of \$205,578. The Fiscally Constrained Fund showed a decrease in fund balance of \$44,248. This accounts for all the major funds. The remaining thirteen non-major funds had a combined decrease in fund balance of \$150,218. Combining the changes in all fund balances the County incurred a decrease in total fund balance of \$16,804.

General Fund Budgetary Highlights

There were a few differences between the General Fund's final amended budget and the actual revenue and expenditures. The revenues were \$675,040 more than the final budgeted amount, and the expenditures were \$2,722,796 less than the final budgeted amounts.

MANAGEMENT'S DISCUSSION AND ANALYSIS

Capital Assets and Debt Management

Capital Assets

The County's capital assets for the year ended September 30, 2019, including the Sheriff exceeded \$37.5 million (net of accumulated depreciation). This investment in capital assets includes land, land right-of-way, buildings, machinery and equipment, infrastructure, and construction in progress, net of depreciation and disposals. Major capital asset events during the current fiscal year included the following increases before depreciation:

Net Increase in Buildings	\$	950,734
Net Increase in Machinery & Equipment	\$	204,157

See the notes to the financial statements for additional information on capital assets.

Long-Term Liabilities

The General long-term liabilities totaled \$22,007,460. The primary debt for the fiscal year ended September 30, 2019, consists of \$20,238,864 for Net Pension Liability, \$748,380 for Compensated Absences, and \$764,906 for Other Postemployment Benefits.

Economic Factors and Future Financial Condition

Bradford County primarily relies on Ad Valorem taxes, a limited array of other taxes (sales, gasoline, etc.), state shared revenues (mainly from Florida's sales tax collections), and fees (building permits, ambulance user charges, etc.) for its governmental activities. Property taxes were levied at 9.1104 mills. A Small County Surtax was also collected at the maximum 1%. The Bradford County average unemployment rate for 2019 is 2.9% compared with the rate for the State of Florida in September 2019 which is 2.9%. This looks like Bradford residents are right in line with the rest of the State of Florida as a whole.

Requests for Information

This financial report was designed to provide users with a general overview of Bradford County's finances and demonstrate the County's accountability. If you have any questions concerning information provided in this report or need additional information, please contact the Bradford County Clerk of Court, P.O. Drawer B, Starke, Florida 32091.

BASIC FINANCIAL STATEMENTS

**STATEMENT OF NET POSITION
SEPTEMBER 30, 2019
BRADFORD COUNTY, FLORIDA**

	<u>Governmental Activities</u>
Assets	
Cash Deposits	\$ 13,568,929
Investments	8,146,394
Accounts Receivable	433,310
Mortgages Receivable	191,857
Due from Other Governments	1,938,688
Inventory	49,352
Prepaid Expenses	19,596
Capital Assets Not Being Depreciated:	
Land	8,414,783
Construction in Progress	488,221
Depreciable Capital Assets, Net	28,602,756
Total Assets	<u>61,853,886</u>
Deferred Outflows of Resources	
OPEB Related	129,728
Pension Related	7,359,450
Total Deferred Outflows of Resources	<u>7,489,178</u>
Liabilities	
Accounts Payable	1,195,074
Deposits	235,071
Due to Other Governments	98,604
Unearned Revenues	2,111,702
Non-Current Liabilities:	
Due Within One Year:	
Installment Purchase	54,568
Lease Purchase Agreement	22,031
Due in More Than One Year:	
Installment Purchase	178,711
Compensated Absences	748,380
Other Postemployment Benefits Liability	764,906
Net Pension Liability	20,238,864
Total Liabilities	<u>25,647,911</u>
Deferred Inflows of Resources	
OPEB Related	49,403
Pension Related	1,689,388
Total Deferred Inflows of Resources	<u>1,738,791</u>
Net Position	
Net Investment in Capital Assets	37,250,450
Restricted for:	
Other Purposes	3,812,720
Unrestricted	893,192
Total Net Position	<u>\$ 41,956,362</u>

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

STATEMENT OF ACTIVITIES
SEPTEMBER 30, 2019
BRADFORD COUNTY, FLORIDA

Functions/Programs	Program Revenues				Net (Expense) Revenue and Change in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental Activities					
General Government	\$ 6,384,131	\$ 1,188,411	\$ 931,173	\$ 102,643	\$ (4,161,904)
Public Safety	16,162,345	3,510,734	799,803	-	(11,851,808)
Physical Environment	3,415,695	1,000,394	2,260,501	-	(154,800)
Transportation	6,105,447	444,914	1,223,265	2,682,680	(1,754,588)
Economic Environment	483,880	-	295,331	-	(188,549)
Human Services	947,422	-	222,799	-	(724,623)
Culture and Recreation	1,153,379	9,126	462,316	-	(681,937)
Court-Related	1,770,807	925,920	250,590	-	(594,297)
Interest and Fiscal Charges	641	-	-	-	(641)
Total Governmental Activities	\$ 36,423,747	\$ 7,079,499	\$ 6,445,778	\$ 2,785,323	(20,113,147)

General Revenues

Property Taxes	8,118,615
Discretionary Sales Surtax	2,401,534
Gasoline Taxes	1,074,904
Communication Service Taxes	30,667
Tourist Development Tax	149,825
Sales Tax and Other State Shared Revenue	3,663,161
Interest Earnings	521,543
Miscellaneous	538,600
Total General Revenues	16,498,849
Change in Net Position	(3,614,298)
Net Position, Beginning of Year	45,570,660
Net Position, End of Year	\$ 41,956,362

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

BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019
BRADFORD COUNTY, FLORIDA

	<u>General</u>	<u>S.H.I.P.</u>	<u>Public Library</u>	<u>Transportation Trust</u>
Assets				
Cash Deposits	\$ 4,470,116	\$ 771,498	\$ 121,989	\$ 1,211,424
Investments	1,769,208	-	1,501,445	-
Accounts Receivable	-	-	-	16,515
Mortgages Receivable	-	191,857	-	-
Due from Other Funds	1,177,764	-	-	-
Due from Other Governments	953,954	-	1,673	633,560
Inventory	-	-	-	49,352
Prepaid Expenses	19,596	-	-	-
Total Assets	<u>8,390,638</u>	<u>963,355</u>	<u>1,625,107</u>	<u>1,910,851</u>
Liabilities, Deferred Inflows of Resources, and Fund Balances				
Liabilities				
Accounts Payable	580,851	283	7,527	312,983
Deposits	196,302	-	170	-
Due to Other Funds	1,344,508	-	-	-
Due to Other Governments	6,185	-	-	-
Unearned Revenues	8,757	771,215	1,241,534	-
Total Liabilities	<u>2,136,603</u>	<u>771,498</u>	<u>1,249,231</u>	<u>312,983</u>
Deferred Inflows of Resources				
Unavailable Revenues	42,753	191,857	-	-
Fund Balances				
Non-Spendable	19,596	-	-	49,352
Restricted	168,038	-	-	1,548,516
Committed	-	-	-	-
Assigned	-	-	375,876	-
Unassigned	6,023,648	-	-	-
Total Fund Balances	<u>6,211,282</u>	<u>-</u>	<u>375,876</u>	<u>1,597,868</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 8,390,638</u>	<u>\$ 963,355</u>	<u>\$ 1,625,107</u>	<u>\$ 1,910,851</u>

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

	Fines and Forfeitures	Emergency Medical Service	Fiscally Constrained	Other Governmental Funds	Total Governmental Funds
\$	1,332,223	\$ 1,300,046	\$ 557,988	\$ 3,803,645	\$ 13,568,929
	1,188,179	-	3,687,562	-	8,146,394
	-	396,949	-	19,846	433,310
	-	-	-	-	191,857
	1,370,446	156	-	21,596	2,569,962
	69,591	-	62,301	116,858	1,837,937
	-	-	-	-	49,352
	-	-	-	-	19,596
	<u>3,960,439</u>	<u>1,697,151</u>	<u>4,307,851</u>	<u>3,961,945</u>	<u>26,817,337</u>
	39,541	35,247	122,998	95,644	1,195,074
	-	-	-	38,599	235,071
	765,148	-	-	359,555	2,469,211
	-	3,427	-	88,992	98,604
	-	-	-	90,196	2,111,702
	<u>804,689</u>	<u>38,674</u>	<u>122,998</u>	<u>672,986</u>	<u>6,109,662</u>
	-	267,798	-	-	502,408
	-	-	-	-	68,948
	435,609	-	-	1,660,557	3,812,720
	2,106,608	-	-	903,516	3,010,124
	613,533	1,390,679	4,184,853	724,886	7,289,827
	-	-	-	-	6,023,648
	<u>3,155,750</u>	<u>1,390,679</u>	<u>4,184,853</u>	<u>3,288,959</u>	<u>20,205,267</u>
\$	<u>3,960,439</u>	\$ <u>1,697,151</u>	\$ <u>4,307,851</u>	\$ <u>3,961,945</u>	\$ <u>26,817,337</u>

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

**RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2019
BRADFORD COUNTY, FLORIDA**

Fund Balances - Total Governmental Funds		\$ 20,205,267
 Amounts Reported for Governmental Activities in the Statement of Net Position are Different Because:		
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		37,505,760
Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:		
Net Pension Liability	\$ (20,238,864)	
Installment Purchase	(233,279)	
Lease Purchase Agreement	(22,031)	
Compensated Absences	(748,380)	
Other Postemployment Benefits Liability	<u>(764,906)</u>	
		(22,007,460)
Deferred inflows and outflows related to Other Postemployment Benefits are amortized in future periods and are, therefore, not reported in the governmental funds:		
Deferred Outflows Related to Other Postemployment Benefits		129,728
Deferred Inflows Related to Other Postemployment Benefits		(49,403)
Certain pension related amounts are being deferred and amortized over a period of years or are being deferred as contributions to the pension plan made after the measurement date:		
Deferred Outflows Related to Pensions		7,359,450
Deferred Inflows Related to Pensions		(1,689,388)
Receivables that do not provide current financial resources are reported as unearned revenue in the governmental funds.		<u>502,408</u>
Net Position of Governmental Activities		<u><u>\$ 41,956,362</u></u>

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

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019
BRADFORD COUNTY, FLORIDA

	<u>General</u>	<u>S.H.I.P.</u>	<u>Public Library</u>	<u>Transportation Trust</u>
Revenues				
Taxes	\$ 8,599,129	\$ -	\$ -	\$ 1,074,904
Licenses and Permits	168,547	-	-	-
Intergovernmental	5,944,976	230,107	462,316	3,698,561
Charges for Services	995,921	-	-	386,670
Fines and Forfeitures	111,971	-	-	-
Miscellaneous	291,860	8,113	86,303	83,732
Total Revenues	<u>16,112,404</u>	<u>238,220</u>	<u>548,619</u>	<u>5,243,867</u>
Expenditures				
Current:				
General Government	5,216,001	-	-	-
Public Safety	8,441,944	-	-	-
Physical Environment	2,134,961	-	-	-
Transportation	25,843	-	-	5,406,366
Economic Environment	64,355	253,220	-	-
Human Services	884,627	-	-	-
Culture and Recreation	121,714	-	914,300	-
Court-Related	327,226	-	-	-
Debt Service:				
Principal Retirement	22,031	-	-	-
Interest	-	-	-	-
(Total Expenditures)	<u>(17,238,702)</u>	<u>(253,220)</u>	<u>(914,300)</u>	<u>(5,406,366)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,126,298)</u>	<u>(15,000)</u>	<u>(365,681)</u>	<u>(162,499)</u>
Other Financing Sources (Uses)				
Installment Purchase Proceeds	-	-	-	-
Transfers in	7,352,007	65,000	462,132	500,000
Transfers (out)	(6,861,345)	(50,000)	-	-
Total Other Financing Sources (Uses)	<u>490,662</u>	<u>15,000</u>	<u>462,132</u>	<u>500,000</u>
Net Change in Fund Balances	(635,636)	-	96,451	337,501
Fund Balances, Beginning of Year	<u>6,846,918</u>	<u>-</u>	<u>279,425</u>	<u>1,260,367</u>
Fund Balances, End of Year	<u>\$ 6,211,282</u>	<u>\$ -</u>	<u>\$ 375,876</u>	<u>\$ 1,597,868</u>

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

Fines and Forfeitures	Emergency Medical Services	Fiscally Constrained	Other Governmental Funds	Total Governmental Funds
\$ 1,803,194	\$ 148,493	\$ -	\$ 149,825	\$ 11,775,545
-	-	-	678,997	847,544
885,394	47,421	709,448	933,737	12,911,960
1,482,492	1,827,047	-	961,811	5,653,941
24,168	-	-	213,217	349,356
86,258	10,652	182,776	319,575	1,069,269
<u>4,281,506</u>	<u>2,033,613</u>	<u>892,224</u>	<u>3,257,162</u>	<u>32,607,615</u>
-	-	-	6,250	5,222,251
1,290,282	3,378,399	693,558	530,405	14,334,588
-	-	-	1,162,554	3,297,515
-	-	475,685	-	5,907,894
-	-	-	169,498	487,073
-	-	-	-	884,627
-	-	-	-	1,036,014
-	-	-	1,291,801	1,619,027
-	-	-	-	-
-	-	64,441	46,037	132,509
-	-	508	133	641
<u>(1,290,282)</u>	<u>(3,378,399)</u>	<u>(1,234,192)</u>	<u>(3,206,678)</u>	<u>(32,922,139)</u>
<u>2,991,224</u>	<u>(1,344,786)</u>	<u>(341,968)</u>	<u>50,484</u>	<u>(314,524)</u>
-	-	297,720	-	297,720
4,148,105	1,550,364	-	185,744	14,263,352
<u>(6,965,561)</u>	<u>-</u>	<u>-</u>	<u>(386,446)</u>	<u>(14,263,352)</u>
<u>(2,817,456)</u>	<u>1,550,364</u>	<u>297,720</u>	<u>(200,702)</u>	<u>297,720</u>
173,768	205,578	(44,248)	(150,218)	(16,804)
<u>2,981,982</u>	<u>1,185,101</u>	<u>4,229,101</u>	<u>3,439,177</u>	<u>20,222,071</u>
<u>\$ 3,155,750</u>	<u>\$ 1,390,679</u>	<u>\$ 4,184,853</u>	<u>\$ 3,288,959</u>	<u>\$ 20,205,267</u>

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

**RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF
GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2019
BRADFORD COUNTY, FLORIDA**

Net Change in Fund Balances - Total Governmental Funds \$ (16,804)

**Amounts Reported for Governmental Activities in the Statement
of Activities are Different Because:**

Governmental funds report capital purchases as expenditures.

However, in the statement of activities, the costs of those assets is depreciated over their estimated useful lives and reported as depreciation expense:

Expenditures for Capital Assets	\$	1,845,988	
(Current Year Depreciation)		(2,362,954)	
Contributions of Capital Assets		13,418	
(Loss) on Disposal of Capital Assets		<u>(108,118)</u>	(611,666)

Certain revenues reported in the statement of activities are not considered current financial resources and, therefore, are not reported as revenue in the governmental funds. 201,834

The issuance of long-term debt provides current financial resources to governmental funds, and thus contributes to the change in fund balance. In the statement of net position, however, issuing debt increases long-term liabilities and does not affect the statement of activities. Similarly, repayment of principal is an expenditure in the governmental funds, but reduces the liability in the statement of net position. The amounts of the items that make up these differences in treatment of long-term debt are:

Installment Purchase		(297,720)	
Principal Repayments		<u>132,509</u>	(165,211)

The changes in Other Postemployment Benefits related to expenses and deferred outflows and inflows of resources result in an adjustment to Other Postemployment Benefits expense in the statement of activities, but not in the governmental fund statements. (74,496)

The changes in net pension liability and pension related deferred outflows and inflows of resources result in an adjustment to pension expense in the statement of activities, but not in the governmental fund statements. (2,947,197)

Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds:

Change in Accrued Compensated Absences			(758)
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Change in Net Position of Governmental Activities \$ (3,614,298)

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

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019
BRADFORD COUNTY, FLORIDA**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 8,291,198	\$ 8,291,198	\$ 8,599,129	\$ 307,931
Licenses and Permits	119,880	119,880	168,547	48,667
Intergovernmental	5,834,100	5,834,100	5,944,976	110,876
Charges for Services	895,493	918,372	995,921	77,549
Fines and Forfeitures	137,780	137,780	111,971	(25,809)
Miscellaneous	98,899	136,034	291,860	155,826
Total Revenues	<u>15,377,350</u>	<u>15,437,364</u>	<u>16,112,404</u>	<u>675,040</u>
Expenditures				
Current:				
General Government	6,309,226	6,545,479	5,216,001	1,329,478
Public Safety	7,008,453	8,261,761	8,441,944	(180,183)
Physical Environment	2,891,982	2,903,670	2,134,961	768,709
Transportation	-	-	25,843	(25,843)
Economic Environment	82,957	82,957	64,355	18,602
Human Services	958,309	966,877	884,627	82,250
Culture and Recreation	218,828	219,828	121,714	98,114
Court-Related	326,481	360,052	327,226	32,826
Reserve for Contingency	927,761	620,874	-	620,874
Debt Service:				
Principal Retirement	-	-	22,031	(22,031)
(Total Expenditures)	<u>(18,723,997)</u>	<u>(19,961,498)</u>	<u>(17,238,702)</u>	<u>2,722,796</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(3,346,647)</u>	<u>(4,524,134)</u>	<u>(1,126,298)</u>	<u>3,397,836</u>
Other Financing Sources (Uses)				
Transfers in	8,327,420	9,803,402	7,352,007	(2,451,395)
Transfers (out)	(8,961,103)	(9,257,574)	(6,861,345)	2,396,229
Total Other Financing Sources (Uses)	<u>(633,683)</u>	<u>545,828</u>	<u>490,662</u>	<u>(55,166)</u>
Net Change in Fund Balance	(3,980,330)	(3,978,306)	(635,636)	3,342,670
Fund Balance, Beginning of Year	<u>4,032,663</u>	<u>4,032,663</u>	<u>6,846,918</u>	<u>2,814,255</u>
Fund Balance, End of Year	<u>\$ 52,333</u>	<u>\$ 54,357</u>	<u>\$ 6,211,282</u>	<u>\$ 6,156,925</u>

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

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
S.H.I.P. FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019
BRADFORD COUNTY, FLORIDA**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental	\$ 803,914	\$ 803,914	\$ 230,107	\$ (573,807)
Miscellaneous	3,000	3,000	8,113	5,113
Total Revenues	<u>806,914</u>	<u>806,914</u>	<u>238,220</u>	<u>(568,694)</u>
Expenditures				
Current:				
Economic Environment	821,914	821,914	253,220	568,694
(Total Expenditures)	<u>(821,914)</u>	<u>(821,914)</u>	<u>(253,220)</u>	<u>568,694</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(15,000)</u>	<u>(15,000)</u>	<u>(15,000)</u>	<u>-</u>
Other Financing Sources (Uses)				
Transfers in	65,000	65,000	65,000	-
Transfers (out)	(50,000)	(50,000)	(50,000)	-
Total Other Financing Sources	<u>15,000</u>	<u>15,000</u>	<u>15,000</u>	<u>-</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
PUBLIC LIBRARY FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019
BRADFORD COUNTY, FLORIDA**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
Revenues				
Intergovernmental	\$ 315,659	\$ 315,659	\$ 462,316	\$ 146,657
Miscellaneous	20,835	20,835	86,303	65,468
Total Revenues	<u>336,494</u>	<u>336,494</u>	<u>548,619</u>	<u>212,125</u>
Expenditures				
Current:				
Culture and Recreation	2,367,169	2,367,169	914,300	1,452,869
(Total Expenditures)	<u>(2,367,169)</u>	<u>(2,367,169)</u>	<u>(914,300)</u>	<u>1,452,869</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(2,030,675)</u>	<u>(2,030,675)</u>	<u>(365,681)</u>	<u>1,664,994</u>
Other Financing Sources (Uses)				
Transfers in	462,132	462,132	462,132	-
Net Change in Fund Balance	(1,568,543)	(1,568,543)	96,451	1,664,994
Fund Balance, Beginning of Year	<u>1,568,543</u>	<u>1,568,543</u>	<u>279,425</u>	<u>(1,289,118)</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 375,876</u>	<u>\$ 375,876</u>

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

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
TRANSPORTATION TRUST FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019
BRADFORD COUNTY, FLORIDA**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 1,172,520	\$ 1,172,520	\$ 1,074,904	\$ (97,616)
Intergovernmental	4,940,223	5,509,696	3,698,561	(1,811,135)
Charges for Services	349,900	349,900	386,670	36,770
Miscellaneous	3,900	3,900	83,732	79,832
Total Revenues	<u>6,466,543</u>	<u>7,036,016</u>	<u>5,243,867</u>	<u>(1,792,149)</u>
Expenditures				
Current:				
Transportation	7,643,821	8,213,294	5,406,366	2,806,928
(Total Expenditures)	<u>(7,643,821)</u>	<u>(8,213,294)</u>	<u>(5,406,366)</u>	<u>2,806,928</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,177,278)</u>	<u>(1,177,278)</u>	<u>(162,499)</u>	<u>1,014,779</u>
Other Financing Sources (Uses)				
Transfers in	500,000	500,000	500,000	-
Net Change in Fund Balance	(677,278)	(677,278)	337,501	1,014,779
Fund Balance, Beginning of Year	677,278	677,278	1,260,367	583,089
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,597,868</u>	<u>\$ 1,597,868</u>

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

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
FINES AND FORFEITURES FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019
BRADFORD COUNTY, FLORIDA**

	<u>Budgeted Amounts</u>		<u>Actual</u>	Variance With Final Budget Positive (Negative)
	<u>Original</u>	<u>Final</u>		<u>(Negative)</u>
Revenues				
Taxes	\$ 1,718,198	\$ 1,718,198	\$ 1,803,194	\$ 84,996
Intergovernmental	823,000	823,000	885,394	62,394
Charges for Services	525,700	525,700	1,482,492	956,792
Fines and Forfeitures	26,100	26,100	24,168	(1,932)
Miscellaneous	6,000	6,000	86,258	80,258
Total Revenues	<u>3,098,998</u>	<u>3,098,998</u>	<u>4,281,506</u>	<u>1,182,508</u>
Expenditures				
Current:				
Public Safety	2,892,544	2,892,544	1,290,282	1,602,262
(Total Expenditures)	<u>(2,892,544)</u>	<u>(2,892,544)</u>	<u>(1,290,282)</u>	<u>1,602,262</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>206,454</u>	<u>206,454</u>	<u>2,991,224</u>	<u>2,784,770</u>
Other Financing Sources (Uses)				
Transfers in	4,124,484	4,124,484	4,148,105	23,621
Transfers (out)	(6,212,682)	(6,212,682)	(6,965,561)	(752,879)
Total Other Financing (Uses)	<u>(2,088,198)</u>	<u>(2,088,198)</u>	<u>(2,817,456)</u>	<u>(729,258)</u>
Net Change in Fund Balance	(1,881,744)	(1,881,744)	173,768	2,055,512
Fund Balance, Beginning of Year	<u>1,881,744</u>	<u>1,881,744</u>	<u>2,981,982</u>	<u>1,100,238</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,155,750</u>	<u>\$ 3,155,750</u>

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

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCE - BUDGET AND ACTUAL
EMERGENCY MEDICAL SERVICES FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019
BRADFORD COUNTY, FLORIDA**

	Budgeted Amounts		Actual	Variance With Final Budget Positive (Negative)
	Original	Final		
Revenues				
Taxes	\$ 152,983	\$ 152,983	\$ 148,493	\$ (4,490)
Intergovernmental	20,000	20,000	47,421	27,421
Charges for Services	1,606,424	1,667,684	1,827,047	159,363
Miscellaneous	-	-	10,652	10,652
Total Revenues	<u>1,779,407</u>	<u>1,840,667</u>	<u>2,033,613</u>	<u>192,946</u>
Expenditures				
Current:				
Public Safety	3,329,771	3,391,031	3,378,399	12,632
(Total Expenditures)	<u>(3,329,771)</u>	<u>(3,391,031)</u>	<u>(3,378,399)</u>	<u>12,632</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(1,550,364)</u>	<u>(1,550,364)</u>	<u>(1,344,786)</u>	<u>205,578</u>
Other Financing Sources (Uses)				
Transfers in	1,550,364	1,550,364	1,550,364	-
Total Other Financing (Uses)	<u>1,550,364</u>	<u>1,550,364</u>	<u>1,550,364</u>	<u>-</u>
Net Change in Fund Balance	-	-	205,578	205,578
Fund Balance, Beginning of Year	-	-	1,185,101	1,185,101
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,390,679</u>	<u>\$ 1,390,679</u>

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

STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
SEPTEMBER 30, 2019
BRADFORD COUNTY, FLORIDA

	Agency Funds
Assets	
Cash Deposits	\$ 644,309
Total Assets	644,309
Liabilities	
Accounts Payable	17,770
Due to Others	30,207
Due to Other Funds	100,751
Due to Other Governments	462,025
Deposits	33,556
Total Liabilities	\$ 644,309

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

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY, FLORIDA**

Note 1 - Reporting Entity

Bradford County, Florida (the County) is a political subdivision of the State of Florida, and provides services to its residents in many areas including general government, public safety, physical environment, transportation, economic environment, human services, culture, and recreation. It is governed by a five-member elected Board of County Commissioners (the Board), which derives its authority by Florida Statutes and regulations. In addition to the members of the Board, there are five elected Constitutional Officers: Clerk of the Circuit Court, Sheriff, Tax Collector, Property Appraiser, and Supervisor of Elections. The Constitutional Officers, with the exception of the Supervisor of Elections, maintain separate accounting records and budgets. The County was established by the Constitution of the State of Florida, Article VIII, Section 1.

The Board and the offices of the Constitutional Officers (Clerk of the Circuit Court, Sheriff, Tax Collector, Property Appraiser, and Supervisor of Elections) comprise the primary government of the County and are operated as separate County agencies in accordance with applicable provisions of Florida Statutes. The Sheriff and Supervisor of Elections are budget officers fully funded by the Board. The Clerk funds his operations as a Budget Officer and a Fee Officer pursuant to Florida Statutes, Chapters 28, 218, and 129, respectively. As a Budget Officer, the operations of the Clerk are approved and funded by the Board. As a Fee Officer, from July 1, 2009 through June 30, 2013, the court-related operations of the Clerk were funded from the State of Florida general appropriations, pursuant to Chapter 2009-204, Laws of Florida. Beginning July 1, 2013, the Clerk's court-related operations were funded from fines, fees, court costs, and payments from the Clerk's Trust Fund, if applicable, under Chapter 2013-44, Laws of Florida. The operations of the Property Appraiser are funded by the Board, the St. Johns River Water Management District, and the Suwannee River Water Management District. The Tax Collector operates as a Fee Officer, whereby fees, commissions, and charges for services are retained to pay operating expenses.

The accompanying financial statements present the financial position and results of operations of the applicable fund types of the County.

Generally accepted accounting principles require that these financial statements include all entities for which the County is considered to be financially accountable (component units).

The Bradford County Health Facilities Authority (the Authority) is an entity (Part III, Chapter 154, Florida Statutes) established to assist health facilities within the County. For the 2018-2019 fiscal year, the Authority had no financial activity. The Authority is the County's only component unit and is not included because it had no financial transactions.

In addition, the County has entered into an interlocal agreement with Baker County and Union County, Florida to participate in the New River Public Library Cooperative (the Cooperative), an independent special district, the Cooperative Board, which is composed of two members from each participating county. Because there is no ongoing financial interest or responsibility by participating governments, the Cooperative is considered to be a jointly governed organization.

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY, FLORIDA**

Joint Venture

The governments of Baker, Bradford, and Union Counties established the New River Solid Waste Association (NRSWA) through an interlocal agreement executed on July 5, 1988. The NRSWA was established to provide the most effective, efficient, and economic means of disposing of the solid waste generated within the Tri-County region, as well as to provide associated services related to solid waste management.

The NRSWA has all the powers and authorities enumerated in Florida Statute, Chapter 163.01, *Florida Interlocal Cooperation Act of 1969*, plus additional powers as described in the interlocal agreement, including the ability to acquire real or personal property, the ability to sue and be sued, and the ability to incur debts, borrow money, and issue evidences of indebtedness. The County has an ongoing financial responsibility for the continued existence of the NRSWA.

The NRSWA is governed by a six-member Board of Directors consisting of two county commissioners from each of the participating counties. The Board of Directors has control over the budgeting and financing of the NRSWA.

During fiscal year 2018-2019, NRSWA collected and remitted \$217,063 to the County in solid waste assessments, and the County paid \$433,259 to NRSWA in fees.

During fiscal year 2018-2019, NRSWA distributed \$ 100,000 to the County in revenue sharing monies.

The NRSWA's condensed financial information, as of and for the year ended September 30, 2019, (the latest audit report available) is hereafter presented:

Total Assets	\$	59,887,926
Total Deferred Outflows of Resources		313,800
Total Liabilities		19,437,559
Total Deferred Inflows of Resources		54,001
Total Net Assets		40,710,166
Total Operating Revenues		8,427,992
Total Operating Expenses		9,928,031
Non-Operating Revenues/(Expenses)		594,105
Change in Net Assets		(905,934)

Complete financial statements for the NRSWA may be obtained from its principal office, two and one-half miles north of Raiford, Florida, on State Road 121, or at P.O. Box 647, Raiford, Florida 32083.

Note 2 - Summary of Significant Accounting Policies

The accounting policies of the County conform to generally accepted accounting principles as applicable to governments. The following is a summary of the more significant policies:

Government-Wide and Fund Financial Statements

The basic financial statements of the County are composed of the following:

- Government-Wide Financial Statements
- Fund Financial Statements
- Notes to Financial Statements

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY, FLORIDA**

Government-wide financial statements (the statement of net position and the statement of changes in net position) report information on the reporting government as a whole, except for its fiduciary activities. The effect of interfund activity has been eliminated from these statements.

The statement of activities shows the degree to which the direct expenses of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly related to a specific function or segment. *Program revenues* include: a) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment; and b) grants and contributions that are restricted to meeting specific requirements of a particular function or segment. Taxes imposed by the County and other items not properly included among program revenues are reported as *general revenues*.

Separate financial statements are provided for governmental funds and fiduciary funds, the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

■ **Fund Financial Statements**

The accounts of the County are organized 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, revenue 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.

Fund financial statements for the government's governmental and fiduciary funds are presented after the government-wide financial statements. These statements show information about major funds individually and non-major funds in the aggregate for governmental 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 or governments.

Governmental Accounting Standards Board (GASB) Statement No. 34 set forth minimum criteria (percentage of the assets, liabilities, revenues, or expenditures/expenses of total governmental funds) for the determination of major funds. The non-major funds are combined in a column in the fund financial statements and detailed in the combining section.

■ **Governmental Major Funds**

- *General Fund*—The General Fund is the operating fund of the County. It is used to account for all financial resources except those required to be accounted for in another fund.
- *State Housing Initiatives Partnership (S.H.I.P.) Fund*—The S.H.I.P. Fund is used to account for state grant funds to be used for housing assistance.
- *Public Library Fund*—The Public Library Fund is used to account for grants and local funds to be used to support the County Library system.

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY, FLORIDA**

- *Transportation Trust Fund*—The Transportation Trust Fund is used to account for costs of road maintenance and the paving of new roads. Primarily funded by gas taxes.
- *Fines and Forfeitures Fund*—The Fines and Forfeitures Fund is used to account for the Board of County Commissioners transfers to the Sheriff, including costs of the jail, and the cost of the County court system. Primarily funded by property taxes, various fines and fees, and transfers from the General Fund.
- *Emergency Medical Services Fund*—The Emergency Medical Services Fund is used to account for grants and charges received for providing emergency transport and medical services within the County.
- *Fiscally Constrained Fund*—The Fiscally Constrained Fund is used to account for state revenues appropriated by the legislature to offset reductions in property tax revenue that occurred as a result of a constitutional amendment approved on January 29, 2008. This revenue is provided to fiscally constrained counties.

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

■ **Government-Wide Financial Statements**

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the fiduciary fund financial statements. Under the accrual basis of accounting, revenues, expenses, gains, losses, assets, and liabilities resulting from 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 No. 33, *Accounting and Financial Reporting for Nonexchange 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 source. Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of related liability, rather than as an expenditure.

The effect of interfund activity has been eliminated from the government-wide financial statements.

■ **Governmental Fund Financial Statements**

Governmental fund financial statements are reported using *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 to be available if they are collected within sixty days after the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY, FLORIDA**

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

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 assets, such long-term amounts are not recognized as governmental fund type expenditures or funds 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 source rather than as a fund liability. Debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

■ **Assets**

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

Certain funds of the County are classified as restricted assets on the statement of net position because the restriction is either imposed by law through constitutional provisions or enabling legislation or imposed externally by creditors, grantors, contributions, or laws or regulations of other governments. Therefore, their use is limited by applicable laws and regulations.

■ **Inventories**

Inventories shown in the Transportation Trust Fund consists predominately of fuel and road materials and are valued at cost. On the governmental fund balance sheet, the inventory balance is offset by a non-spendable fund balance classification, which indicates this balance does not constitute “available spendable resources” even though it is a component of net current assets. The costs of governmental fund type inventories are recorded as an expenditure when consumed; therefore, the inventory is not available for appropriation.

■ **Capital Assets**

Capital assets, which include property, plant and equipment, and infrastructure assets (e.g., roads and bridges), are reported in the governmental activities column in the government-wide financial statements. Capital assets are defined by Florida Statute, Chapter 274.02 to include items of a non-consumable nature with a value of at least \$1,000 and a life of one year or more. Donated capital assets are recorded at estimated fair market value at the time 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.

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY, FLORIDA**

The capital assets used in the operations of the Board, Property Appraiser, Tax Collector, Clerk of the Circuit and County Courts, and Supervisor of Elections are accounted for by the Board, as the Board holds legal title and is accountable for them under Florida law. The Sheriff, under Florida law, is accountable for and thus maintains capital asset records pertaining to vehicles and equipment used in his operations.

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

Assets	Years
Buildings and Improvements	15-50
Equipment	5-15
Bridges	50
Roads	30

Budgets and Budgetary Accounting

The County follows the procedures provided by Florida Statutes in establishing final budget balances reported on the financial statements.

- Budgets are prepared, public hearings are held, and original budgets are adopted annually for governmental funds in accordance with procedures and time intervals prescribed by law.
- Budgets are prepared for governmental funds on a basis consistent with generally accepted accounting principles and are based upon the final amended amounts.
- Appropriations lapse at year-end to the extent that they have not been expended. Budget appropriations may not be legally exceeded on a total fund basis.
- Budget amendments require the approval of the Board.

Cash

Cash consists of checking and savings accounts, certificates of deposit, and petty cash.

Receivables

Receivables are shown at their net realizable value and reduced by an allowance for uncollectible accounts of \$323,283.

Due from (to) Other Funds

During the course of operations, numerous transactions occur between funds for goods provided or services rendered. These include transactions between the Board and the Constitutional Officers for goods provided, services rendered, or other budget transactions. These receivables and payables are classified as “Due from Other Funds” or “Due to Other Funds” on the governmental fund balance sheet. These transactions are eliminated on the government-wide financial statements.

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY, FLORIDA**

Deferred Inflows/Outflows of Resources

Deferred inflows of resources reported on applicable governmental fund types represent revenues which are measurable but not available in accordance with the modified accrual basis of accounting. The deferred inflows will be recognized as revenue in the fiscal year they are earned or become available. Deferred outflows of resources represent consumption of net position that is applicable to a future reporting period. Deferred outflows have a positive effect on net position, similar to assets.

Pension Related—Pension Related Deferred Inflows and Outflows represent the difference between expected and actual experience with regard to economic or demographic factors, and changes to assumptions in the measurement of total pension liability, and the differences between expected and actual earnings on pension plan investments, and changes in the County’s proportionate share of pension contributions. These amounts are reported as deferred inflows or outflows of resources, to be recognized in expense over time. Also included in deferred outflows are amounts contributed to the pension plans subsequent to the measurement date. See Note 9 for more information on Pension Related Deferred Inflows and Outflows.

OPEB Related—OPEB Related Deferred Inflows and Outflows represent the difference between expected and actual experience with regard to economic or demographic factors, and changes to assumptions in the measurement of total OPEB liability. These amounts are reported as deferred inflows or outflows of resources, to be recognized in expense over time. See Note 10 for more information on OPEB Related Deferred Inflows and Outflows.

Unavailable Revenues—Unavailable revenues are revenues which are measurable, but not available because they have not been received within the County’s period of availability. These revenues are deferred and recorded as deferred outflows of resources in the governmental funds financial statements.

Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position.

Property Taxes

Under the laws of the State of Florida, the assessment of all properties and the collection of all county, municipal, and school board property taxes are consolidated in the offices of the County Property Appraiser and County Tax Collector. The laws of the state regulating tax assessments are also designed to assure a consistent property valuation method statewide. Florida Statutes permit counties to levy property taxes at a rate of up to 10 mills for general operations. The tax levy rate for general operations of the County for the year ended September 30, 2019, was 9.1104 mills.

The tax levy of the County is established by the Board prior to October 1 of each year and the County Property Appraiser incorporates the Board millages into the total tax levy, which includes the various municipalities, the County School Board, and other taxing authorities.

All property is assessed according to its fair market value on January 1 of each year. Each assessment roll is submitted to the Executive Director of the Florida Department of Revenue for review to determine if the rolls meet all of the appropriate requirements of Florida Statutes.

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY, FLORIDA**

All taxes become payable on November 1 of each year, or as soon thereafter, as the assessment roll is certified and delivered to the County Tax Collector. All unpaid taxes become delinquent on April 1 following the year in which they are assessed. Discounts are allowed for early payment at the rate of 4% in the month of November, 3% in the month of December, 2% in the month of January, and 1% in the month of February. Taxes paid in March are without discount.

On or prior to June 1 following the tax year, tax certificates are sold for all delinquent taxes on real property. After sale, tax certificates bear interest of 18% per year or at any lower rate bid by the buyer. Application for a tax deed on any unredeemed tax certificates may be made by the tax certificate holder after a period of two years. Unsold tax certificates are held by the County.

The County does not accrue its portion of the County held tax certificates because such amounts are not measurable and available as of the balance sheet date.

Compensated Absences

It is the County's policy to grant employees personal leave time.

Permanent full-time employees of the County are entitled to accrue personal leave time. Upon retirement or resignation in good standing, employees shall be paid up to a maximum number of hours based upon the employee's years of service at the employee's current rate of pay.

Upon retirement, or resignation in good standing, Sheriff's employees are paid based upon years of service; in addition, Sheriff's employees that have compensatory leave time for approved holidays are to be paid for this leave time upon retirement or resignation at the employee's current rate of pay. Compensated absences are generally liquidated by the General Fund, Transportation Fund, and Sheriff Operations Fund.

The County reports compensated absences on the government-wide financial statement as a non-current liability.

Fund Balance

Fund balance is reported in five components – non-spendable, restricted, committed, assigned, and unassigned.

- **Non-Spendable**—This component of fund balance consists of amounts that cannot be spent because:
a) they are not expected to be converted to cash; or b) they are legally or contractually required to remain intact. Examples of this classification are prepaid items and inventories.
- **Restricted**—This component of fund balance consists of amounts that are constrained either:
a) externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments); or b) by law through constitutional provisions or enabling legislation.
- **Committed**—This component of fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (e.g., ordinance or resolution) of the organization's governing authority (the Board). These committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (e.g., ordinance or resolution) employed to constrain those amounts.

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY, FLORIDA**

- **Assigned**—This component of fund balance consists of amounts that are constrained by a less-than-formal action of the organization’s governing authority, or by an individual or body to whom the governing authority has delegated this responsibility. In governmental funds other than the General Fund, assigned fund balance represents the amount that is not restricted or committed. This indicates that the resources in other governmental funds are, at a minimum, intended to be used for the purpose of that fund.
- **Unassigned**—This classification is used for: a) negative unrestricted fund balances in any governmental fund; or b) fund balances within the General Fund that are not restricted, committed, or assigned.
- **Flow Assumption**—When both restricted and unrestricted resources are available for use, it is the Board’s policy to use restricted resources first, then unrestricted resources (committed, assigned, and unassigned) as they are needed. When unrestricted resources (committed, assigned, and unassigned) are available for use in any governmental fund, it is the Board’s policy to use committed resources first, then assigned, and then unassigned as needed.

Accounting Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America as applied to governmental units, requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from the estimates.

Recent GASB Accounting Standards

The County is currently evaluating the effects that the following GASB Statement, which will be implemented in future financial statements, will have on its financial statements for subsequent fiscal years:

- GASB Statement No. 87, *Leases*. This Statement increases the usefulness of governments’ financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments’ leasing activities. This statement is currently under review and the County will consider the impact, if any, upon financial reporting. The provisions of this statement are effective for fiscal years beginning after June 15, 2021.

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY, FLORIDA**

Note 3 - Cash and Investments

Deposits with Financial Institutions

The County maintains various checking and money market accounts which are held in banks that qualify as public depositories pursuant to Chapter 280, Florida Statutes. In addition, the County held two certificates of deposit in banks that qualify as public depositories at September 30, 2019.

Under Chapter 280, Florida Statutes, every qualified public depository is required by this law to deposit with the State Treasurer eligible collateral equal to, or in excess of, the required collateral for the depository. The State Treasurer, by rule, shall establish minimum required collateral pledging levels and shall notify each qualified public depository of its required pledging level. Each qualified public depository shall calculate the amount of its required collateral based upon certain formulas. The Public Deposit Security Trust Fund has a procedure to allocate and recover losses in the event of default or insolvency. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereof. Any losses to public depositors are covered by applicable deposit insurance, sale of securities pledged as collateral and, if necessary, assessments against other qualified public depositories of the same type as the depository in default.

The County's net carrying amount of cash deposits was \$14,213,238, and the bank balances were \$14,993,782 at September 30, 2019.

Investments

The County's investment practices are governed by Section 218.415, Florida Statutes. Authorized investments include the Local Government Surplus Funds Trust Fund (the State Pool) or similar intergovernmental investment pools, money market funds registered with obligations of the United States Treasury, federal agencies and instrumentalities, securities of, or interests in, any open-end or closed-end management-type investment company or investment trust, or other investments authorized by Florida Statutes.

As of September 30, 2019, the County had the following in investments:

	Fair Value Amount
Florida Local Government Investment Trust	\$ 8,146,394
Total Investments	\$ 8,146,394

Reported in accompanying financial statements as follows:

Investments	\$ 8,146,394
Total	\$ 8,146,394

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY, FLORIDA**

The Florida Local Government Investment Trust (the Trust) is a joint venture between the Florida Association of Counties and the Florida Association of Court Clerks. The Trust is a local government investment pool established through Section 163.01, Florida Statutes (*Florida Interlocal Cooperation Act*) and is a statutory investment under Section 218.415(15), Florida Statutes. The Trust reports all share information at Net Asset Value (NAV) and reflects its share value at fair value in accordance with GASB Statement No. 72. At September 30, 2019, the Trust was invested in corporate bonds, government related securities, asset-backed securities, agency discount notes, and treasury notes. This investment type is subject to some market risk due to fluctuating prices and liquidity risk due to advance redemption notification requirements. However, it has a professional investment advisor and an investment advisory board. The Trust is rated AA+ by Standard & Poor's at September 30, 2019. The Trust is not insured against loss. As of September 30, 2019, the County had \$8,146,394 invested with the Trust.

Investments at Net Asset Value (NAV)	<u>Amount</u>	<u>Unfunded Commitments</u>	<u>Redemption Frequency</u>	<u>Redemption Notice Period</u>
Local Government Investment Trust:				
Short-Term Bond Fund	\$ 8,146,394	\$ -	None	3 Business Days

Interest Rate Risk

The County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The dollar weighted-average days to maturity (WAM) of the Florida Local Government Investment Trust - Short-Term Bond Fund at September 30, 2019, is 1.92 years.

Credit Risk

The risk that an issuer or other counterparty to an investment will not fulfill its obligations. The Trust is rated by Standard & Poor's and has a credit rating at September 30, 2019, of AA+ for the Short-Term Bond Fund.

Concentration of Credit Risk

The County does not have a policy that limits the amount that may be invested in any type of investment. More than 5% of the County's investments are in the Florida Local Government Investment Trust - Short-Term Bond Fund. At September 30, 2019, all of the County's investments are with the Trust. The Trust had no exposure of 5% or more to any single issuer.

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of bank failure, or the failure of the counterparty, the government's deposits may not be returned to it, or the government may not be able to recover the value of its investments that are in the possession of an outside party. The County does not have a written investment policy that limits the exposure to custodial credit risk for investments. All of the Trust's underlying investments are registered and uninsured and are held by a custodian in the Trust's name.

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY, FLORIDA**

Fair Value Measurements

The fair value hierarchy categorizes the inputs to valuation techniques used to measure fair value into three levels:

- **Level 1 Inputs**—are quoted market prices (unadjusted) for identical assets or liabilities in active markets that a government can access at the measurement date.
- **Level 2 Inputs**—are inputs, other than quoted prices, included within Level 1 that are observable for an asset or liability, either directly or indirectly.
- **Level 3 Inputs**—are unobservable inputs for an asset or liability. The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. If a price for an identical asset or liability is not observable, a government should measure fair value using another valuation technique that maximizes the use of relevant observable inputs and minimizes the use of unobservable inputs.

The Florida Local Government Investment Trust (Short-Term Bond Fund) uses NAV to value investments.

Note 4 - Capital Assets

Capital asset activity for the year ended September 30, 2019, including the Sheriff, is as follows:

	<u>Balance 10/1/18</u>	<u>Increases</u>	<u>(Decreases)</u>	<u>Balance 9/30/19</u>
Capital Assets Not Being Depreciated				
Land	\$ 1,414,305	\$ 12,500	\$ (2,500)	\$ 1,424,305
Land Right-of-Way	6,990,478	-	-	6,990,478
Construction in Progress:				
Infrastructure	472,171	928,396	(912,346)	488,221
Total Capital Assets Not Being Depreciated	<u>8,876,954</u>	<u>940,896</u>	<u>(914,846)</u>	<u>8,903,004</u>
Capital Assets Being Depreciated				
Buildings	17,722,483	950,734	-	18,673,217
Machinery and Equipment	18,171,327	996,183	(792,026)	18,375,484
Infrastructure	44,844,993	-	-	44,844,993
Total Capital Assets Being Depreciated	<u>80,738,803</u>	<u>1,946,917</u>	<u>(792,026)</u>	<u>81,893,694</u>
Total Before Depreciation	<u>89,615,757</u>	<u>2,887,813</u>	<u>(1,706,872)</u>	<u>90,796,698</u>
Less Accumulated Depreciation				
Buildings	(6,795,543)	(377,918)	-	(7,173,461)
Machinery and Equipment	(12,857,763)	(1,275,895)	686,408	(13,447,250)
Infrastructure	(31,961,086)	(709,141)	-	(32,670,227)
Total Accumulated Depreciation	<u>(51,614,392)</u>	<u>(2,362,954)</u>	<u>686,408</u>	<u>(53,290,938)</u>
Total Being Depreciated, Net	<u>29,124,411</u>	<u>(416,037)</u>	<u>(105,618)</u>	<u>28,602,756</u>
Fixed Assets, Cost Less Depreciation	<u>\$ 38,001,365</u>	<u>\$ 524,859</u>	<u>\$ (1,020,464)</u>	<u>\$ 37,505,760</u>

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY, FLORIDA**

Note 4 - Capital Assets

Depreciation expense was charged to functions/programs as follows:

General Government	\$ 564,166
Public Safety	780,595
Physical Environment	73,887
Transportation	797,636
Economic Environment	794
Human Services	28,313
Culture and Recreation	117,563
Total Depreciation Expense	<u><u>\$ 2,362,954</u></u>

Note 5 - General Long-Term Debt

The following is a summary of the changes in general long-term debt for the year ended September 30, 2019:

	<u>Balance</u> <u>10/1/18</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>9/30/19</u>	<u>Due Within</u> <u>One Year</u>
Long-Term Debt Payable					
Installment Obligations	\$ 23,977	\$ -	\$ (23,977)	\$ -	\$ -
Clerk - Child Support Grant	8,642	13,418	(22,060)	-	-
Installment Purchase	-	297,720	(64,441)	233,279	54,568
Lease Purchase Agreement	44,062	-	(22,031)	22,031	22,031
Compensated Absences	747,622	758	-	748,380	-
Other Postemployment Benefits	604,463	160,443	-	764,906	-
Net Pension Liability	17,411,339	2,827,525	-	20,238,864	-
Total Long-Term Debt Payable	<u>\$ 18,840,105</u>	<u>\$ 3,299,864</u>	<u>\$ (132,509)</u>	<u>\$ 22,007,460</u>	<u>\$ 76,599</u>

General long-term debt at September 30, 2019, is comprised of the following:

Installment Purchase-Garbage Trucks, Due in 5 Yearly Payments of \$64,949, Includes Interest at 4.45%	\$ 233,279
Lease Purchase Agreement-Voting Equipment, Due in 4 Yearly Payments of \$22,031	22,031
Accumulated Compensated Absences Payable	748,380
Other Postemployment Benefits	764,906
Net Pension Liability	20,238,864
Total	<u><u>\$ 22,007,460</u></u>

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY, FLORIDA**

The following is a summary of remaining debt service payments on all general long-term debt as of September 30, 2019:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2020	\$ 76,599	\$ 10,381	\$ 86,980
2021	56,997	7,952	64,949
2022	59,533	5,416	64,949
2023	62,181	2,767	64,948
Net Pension Liability	20,238,864	-	20,238,864
Compensated Absences	748,380	-	748,380
Other Postemployment Benefits	764,906	-	764,906
Totals	<u>\$ 22,007,460</u>	<u>\$ 26,516</u>	<u>\$ 22,033,976</u>

Interest expense during 2019 on general long-term debt totaled \$641, none of which was capitalized.

Note 6 - Operating Leases

The County leased three motor graders effective June 2017, with annual lease payments of \$68,340 for a period of five years; one compactor effective March 2019, with annual lease payments of \$21,267 for a period of five years; two loaders effective May 2019, with annual lease payments of \$53,585 for a period of five years; and one skid steer loader effective July 2019, with annual lease payments of \$15,554 for a period of three years. During fiscal year 2019, the lease payments of \$158,745 were made. Future minimum lease payments are noted below:

<u>Year Ending September 30,</u>	<u>Amount</u>
2020	\$ 158,745
2021	158,745
2022	74,852
2022	<u>74,852</u>
Total	<u>\$ 467,194</u>

Note 7 - Grants

The County participates in a number of federal and state grant programs, principal of which are the following:

- State Aid to Libraries
- Small County Outreach Program
- Small County Road Assistance Program
- Department of Justice Grants
- State Housing Initiative Partnership (S.H.I.P.) Grants
- Emergency Watershed Protection Grant

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY, FLORIDA**

These programs are subject to program compliance audits by the grantors or their representatives. The audits of these programs for, or including the current fiscal year, have not yet been accepted/approved by the grantors. Accordingly, the final determination of the County's compliance with applicable grant requirements will be established at a future date. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined, although the County expects such amounts, if any, to be immaterial.

Note 8 - Interfund Balances and Transfers

Interfund balances at September 30, 2019, were as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Major Funds	Major Funds	
Sheriff General Fund	Fines and Forfeitures	\$ 765,148
Fines and Forfeitures	Sheriff General Fund	1,342,168
	Other Governmental Funds	
Sheriff General Fund	Sheriff - 911	223,414
Sheriff General Fund	Sheriff - Inmate Welfare	135,037
	Agency Funds	
General Fund	Tax Collector - Taxes	7,463
Fines and Forfeitures	Tax Collector - Taxes	1,897
Emergency Services	Tax Collector - Taxes	156
General Fund	Clerk - Special Fine and Forfeiture	8,849
Fines and Forfeitures	Clerk - Special Fine and Forfeiture	2,250
General Fund	Sheriff - Individual Depositor	10,200
Fines and Forfeitures	Sheriff - Individual Depositor	24,130
Sheriff General Fund	Sheriff - Inmate Trust	27,655
Other Governmental Funds	Major Funds	
Solid Waste	Tax Collector General Fund	2,340
	Agency Funds	
Eighth Judicial Court	Clerk - Trust Fund	2,782
Eighth Judicial Court	Clerk - Special Fine and Forfeiture	10,622
Solid Waste	Tax Collector - Taxes	4,747
	Other Governmental Funds	
Eighth Judicial Court	CDBG	1,104
Total		<u>\$ 2,569,962</u>

Sheriff Operations, Clerk of the Circuit Court Operations, Property Appraiser Operations, and Tax Collector Operations payables represent those Constitutional Officers' budget excess to be returned to the Board. Agency Fund payables are normal fees and fines collected by the Agency Funds and paid to Board funds each month.

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY, FLORIDA**

<u>Fund Receiving Transfer</u>	<u>Amount</u>	<u>Fund Sending Transfer</u>
Major Funds		Other Governmental Funds
Sheriff General Fund	\$ 251,409	Sheriff - 911
Sheriff General Fund	135,037	Sheriff - Inmate Welfare
Major Funds		Major Funds
Fines and Forfeitures	23,621	Sheriff General Fund
S.H.I.P	65,000	General Fund
Public Library	462,132	General Fund
Transportation Trust	500,000	General Fund
Fines and Forfeitures	4,124,484	General Fund
Emergency Services	1,550,364	General Fund
Sheriff General Fund	6,965,561	Fines and Forfeitures
Other Governmental Funds		
Solid Waste	2,340	Tax Collector General Fund
CDBG	50,000	S.H.I.P
Eighth Judicial Court	100,000	General Fund
Mosquito Control	33,404	General Fund
Total	<u><u>\$ 14,263,352</u></u>	

Transfers are used to fund general operations of the Board of County Commissioners and Constitutional Officers.

Note 9 - Employee Retirement Plans

The County participates in two defined benefit pension plans that are administered by the State of Florida, Department of Management Services, Division of Retirement. The plans provide retirement, disability, or death benefits to retirees or their designated beneficiaries. Chapter 121, Florida Statutes, establishes the authority for benefit provisions. Changes to the law can only occur through an act of the Florida Legislature. The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the plans. That report is available from the Florida Department of Management Services' website (www.dms.myflorida.com).

The Florida Retirement System (FRS) Pension Plan is a cost-sharing, multiple-employer defined benefit pension plan with a Deferred Retirement Option Program (DROP) available for eligible employees. The FRS was established and is administered in accordance with Chapter 121, Florida Statutes. Retirees receive a lifetime pension benefit with joint and survivor payment options. FRS membership is compulsory for employees filling regularly established positions in a state agency, county agency, state university, state college, or district school board, unless restricted from FRS membership under Sections 121.053 or 121.122, Florida Statutes, or allowed to participate in a defined contribution plan in lieu of FRS membership. Participation by cities, municipalities, special districts, charter schools, and metropolitan planning organizations is optional.

The Retiree Health Insurance Subsidy (HIS) Program is a cost-sharing, multiple-employer defined benefit pension plan established and administered in accordance with Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of the state-administered retirement systems in paying their health insurance costs. To be eligible to receive a HIS benefit, a retiree under a state administered retirement system must provide proof of eligible health insurance coverage, which can include Medicare.

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY, FLORIDA**

Benefits Provided

Benefits under the FRS Pension Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings.

The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement plan and/or class to which the member belonged when the service credit was earned.

Eligible retirees and beneficiaries receive a monthly HIS payment equal to the number of years of service credited at retirement multiplied by \$5. The minimum payment is \$30 and the maximum payment is \$150 per month, pursuant to Section 112.363, Florida Statutes.

The contribution requirements of plan members and the employer are established and may be amended by the Florida Legislature. Employees are required to contribute 3.00% of their salary to the FRS Pension Plan. The employer's contribution rates as of September 30, 2019, were as follows:

	FRS	HIS
Regular Class	6.81%	1.66%
Special Risk Class	23.82%	1.66%
Senior Management Service Class	23.75%	1.66%
Elected Officials	47.16%	1.66%
DROP from FRS	12.94%	1.66%

The County's contributions for the year ended September 30, 2019, were \$1,526,256 to the FRS Pension Plan and \$178,205 to the HIS Program.

Pension Liabilities and Pension Expense

In its financial statements for the year ended September 30, 2019, the County reported a liability for its proportionate share of the net pension liability of the FRS Pension Plan and its proportionate share of the net pension liability of the HIS Program. The net pension liabilities were measured as of June 30, 2019. The County's proportions of the net pension liabilities were based on its share of contributions to the pension plans relative to the contributions of all participating entities, actuarially determined.

	FRS	HIS	Total
Net Pension Liability	\$ 16,672,144	\$ 3,566,720	\$ 20,238,864
Proportion at:			
Current Measurement Date	0.0484%	0.0319%	
Prior Measurement Date	0.0468%	0.0312%	
Pension Expense	\$ 4,335,279	\$ 316,384	\$ 4,651,663

Deferred Outflows/Inflows of Resources Related to Pensions

At September 30, 2019, the County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY, FLORIDA**

Description	FRS		HIS		Total	
	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources	Deferred Outflows of Resources	Deferred Inflows of Resources
Employer Contributions After Measurement Date	\$ 408,639	\$ -	\$ 46,386	\$ -	\$ 455,025	\$ -
Difference Between Expected and Actual Experience	988,873	10,347	43,322	4,367	1,032,195	14,714
Change of Assumptions	4,282,124	-	412,992	291,515	4,695,116	291,515
Changes of Proportion and Difference Between County Contributions and Proportionate Share of Contributions	883,203	337,013	291,609	123,756	1,174,812	460,769
Net Difference Between Projected and Actual Earnings on Pension Investments	-	922,390	2,302	-	2,302	922,390
Total	\$ 6,562,839	\$ 1,269,750	\$ 796,611	\$ 419,638	\$ 7,359,450	\$ 1,689,388

Deferred outflows of resources related to employer contributions paid subsequent to the measurement date and prior to the employer's fiscal year-end will be recognized as a reduction of the net pension liability in the reporting period ending September 30, 2020. Other pension-related amounts reported as deferred outflows of resources and deferred inflows of resources will be recognized in pension expense as follows:

Fiscal Year Ending	FRS Amount	HIS Amount
2020	\$ 1,790,570	\$ 112,179
2021	617,594	94,230
2022	1,218,046	60,869
2023	910,632	471
2024	272,376	23,689
Thereafter	75,232	39,149
Total	\$ 4,884,450	\$ 330,587

Actuarial Assumptions

The total pension liability for each of the defined benefit plans was measured as of June 30, 2019. The total pension liability for the FRS Pension Plan was determined by an actuarial valuation dated July 1, 2019. For the HIS Program, the total pension liability was determined by an actuarial valuation dated July 1, 2019.

The individual entry age normal actuarial cost method was used for each plan, along with the following significant actuarial assumptions:

	FRS	HIS
Inflation	2.60%	2.60%
Salary Increases	3.25%	3.25%
Investment Rate of Return	6.90%	N/A
Discount Rate	6.90%	3.50%

Mortality assumptions were based on the PUB-2010 Base Tables projected generationally with Scale MP-2018 for the FRS Plan and the Generational RP-2000 with Projection Scale BB for HIS Plan.

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY, FLORIDA**

The actuarial assumptions were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013 for the HIS Plan and actuarial experience study for the period July 1, 2013-June 30, 2018.

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:

<u>Asset Class</u>	<u>Annual Target Allocation (1)</u>	<u>Annual Arithmetic Return</u>	<u>(Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1.0%	3.3%	3.3%	1.2%
Fixed Income	18.0%	4.1%	4.1%	3.5%
Global Equity	54.0%	8.0%	6.8%	16.5%
Real Estate (Property)	11.0%	6.7%	6.1%	11.7%
Private Equity	10.0%	11.2%	8.4%	25.8%
Strategic Investments	6.0%	5.9%	5.7%	6.7%
Assumed Inflation – Mean		2.6%		1.7%

Note: (1) As Outlined in the Plan's Investment Policy.

Discount Rate. The discount rate used to measure the total pension liability for the FRS Pension Plan was 6.90%. The 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 long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The discount rate used to measure the total pension liability for the HIS Pension Plan 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 Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the County's Proportionate Share of the Net Position Liability to Changes in the Discount Rate. The following tables demonstrate the sensitivity of the net pension liability to changes in the discount rate. The sensitivity analysis shows the impact to the employer's proportionate share of the net pension liability if the discount rate was 1.00% higher or 1.00% lower than the current discount rate.

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY, FLORIDA**

FRS – County:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
County’s Proportionate Share of the Net Pension Liability	\$ 28,820,585	\$ 16,672,144	\$ 6,526,141

HIS – County:

	1% Decrease (2.50%)	Current Discount Rate (3.50%)	1% Increase (4.50%)
County’s Proportionate Share of the Net Pension Liability	\$ 4,071,594	\$ 3,566,720	\$ 3,146,217

Pension Plan Fiduciary Net Position. Detailed information about the Plan’s fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

FRS – Defined Contribution Pension Plan

The County contributes to the FRS Investment Plan (Investment Plan), a defined contribution pension plan, for its eligible employees electing to participate in the Investment Plan. The Investment Plan is administered by the SBA, and is reported in the SBA’s annual financial statements and in the State of Florida Comprehensive Annual Financial Report. Service retirement benefits are based upon the value of the member’s account upon retirement.

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. Employer and employee contributions, including amounts contributed to individual member’s accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined-benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Allocations to the investment member’s accounts during the 2018-19 fiscal year were as follows:

Class	Percent of Gross Compensation
FRS, Regular	6.30
FRS, Elected County Officers	11.34
FRS, Senior Management Service	7.67
FRS, Special Risk Regular	14.00

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY, FLORIDA**

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 FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS 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. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04% of payroll and by forfeited benefits of Investment Plan members. For the fiscal year ended September 30, 2019, 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 to 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 account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The County’s Investment Plan pension expense totaled \$130,838 for the fiscal year ended September 30, 2019.

Note 10 - Other Postemployment Benefits (OPEB)

Plan Description

The OPEB Plan is a single-employer defined-benefit plan administered by the County. Retirees are charged whatever the insurance company charges for the type of coverage elected. However, the premiums charged by the insurance company are based on a blending of the experience among younger active employees and older retired employees.

Retirees and their dependents (except for life insurance) are permitted to remain covered under the County’s respective medical and insurance plans as long as they pay a full premium applicable to coverage elected. This conforms to the minimum required of Florida governmental employers per Chapter 112.08, Florida Statutes. The OPEB Plan does not issue a stand-alone report.

Participant data as of the most recent actuarial valuation date is shown below:

	September 30, 2019
Retiree and Beneficiaries Currently Receiving Benefits	3
Active Employees	233
Total	236

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY, FLORIDA**

Funding Policy

For the OPEB Plan, contribution requirements of the County are established and may be amended through action from either the Board of County Commissioners or Constitutional Officers. Currently the County's OPEB benefits are unfunded. The required contributions are based on pay-as-you-go financing requirements. There is no separate Trust Fund or equivalent arrangement into which the County would make contributions to advance-fund the obligation, as it does for its pension plan, the FRS. Therefore, ultimate subsidies which are provided over time are financed directly by general assets of the County, which are invested in very short-term income instruments.

Actuarial Methods and Assumptions

In any long-term actuarial valuation, certain demographic, economic, and behavioral assumptions are made concerning the population, the investment discount rates and the benefits provided. These actuarial assumptions form the basis for the actuarial model which is used to project the future population, the future benefits provided, and the contributions collected. Then the investment discount rate assumption is used to discount those projected net OPEB benefits to a present value. This and other related present values are used to calculate the annual OPEB cost.

Actuarial Assumptions:

Inflation	2.60%
Salary Increases	3.25% Payroll growth, based on FRS June 30, 2017 Valuation
Discount Rate	3.58%
Investment Rate of Return	0.0%
Healthcare cost trend rates	8.0% initial rate, decreasing 0.5% annually to an ultimate rate of 5.0% in 2027+.

Mortality rates were based on the SOA RPH-2006 Total Dataset Headcount-weighted Mortality Table using Scale MP-2017 to SOA Pub-2010.

The discount rate as of the actuarial measurement date has been updated to be based on a yield for 20-year tax-exempt general obligation municipal bonds with an average rating of AAA/Aa or higher (or equivalent quality on another rating scale) tax-exempt, high quality 20-year municipal bonds. The current full valuation uses a discount rate of 3.58% as of September 30, 2019. The discount rate is updated annually to reflect market conditions as of the Measurement Date.

The results presented as of the actuarial valuation date have been derived using the entry age normal level % of salary method. Under this method, service cost for each individual participant, payable from date of employment to date of retirement, is sufficient to pay for the participant's benefit at retirement; and annual service cost is a constant percentage of the participant's salary that is assumed to increase according to the payroll growth.

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY, FLORIDA**

Total OPEB Liability

The County's total OPEB liability was measured as of September 30, 2019. The census information used in the September 30, 2019 valuation, was based on information provided by the County in October of 2019.

Changes in the Total OPEB Liability:

	Total OPEB Liability
Balance at September 30, 2018	\$ 604,463
Changes for the Year	
Service Cost	65,940
Interest	27,213
Changes in Assumptions	9,323
Benefit Payments	(29,631)
Difference in Experience	87,598
Net Changes	160,443
Balance at September 30, 2019	\$ 764,906

Sensitivity of the total OPEB liability to changes in the discount rate:

The following 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-percentage-point lower or 1-percentage-point higher than the current discount rate:

	1% Decrease (2.58%)	Discount Rate (3.58%)	1% Increase (4.58%)
Total OPEB Liability	\$ 821,462	\$ 764,906	\$ 711,735

Sensitivity of the total OPEB liability to changes in healthcare cost trend rates:

The following presents the total OPEB liability for the County, as well as what the County's total OPEB liability would be if it were calculated using healthcare trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease (7.5% Decreasing to 4.0%)	Healthcare Cost Trend Rates (8.5% Decreasing to 5.0%)	1% Increase (9.5% Decreasing to 6.0%)
Total OPEB Liability	\$ 675,658	\$ 764,906	\$ 872,497

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended September 30, 2019, the County recognized OPEB expense of \$104,127. At September 30, 2019, the County reported deferred outflows and inflows of resources related to OPEB from the following sources:

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY, FLORIDA**

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and Actual Experience	\$ 114,367	\$ 29,268
Changes in Assumptions	15,361	20,135
Total	\$ 129,728	\$ 49,403

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending	Amount
2020	\$ 10,974
2021	10,974
2022	10,974
2023	10,974
2024	10,974
Thereafter	25,455
Total	\$ 80,325

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

Note 11 - Other Disclosures

Fund Balance Classifications

The following is a summary of the County's fund balance classifications and the purpose of each as of September 30, 2019:

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY, FLORIDA**

Non-Spendable Fund Balance	
Prepaid Expense	\$ 19,596
Inventories	49,352
Total Non-Spendable Fund Balance	<u><u>\$ 68,948</u></u>
Restricted Fund Balance	
Transportation	\$ 1,274,882
\$.05 Gas Tax	273,634
Doris Slosberg	26,084
Vessel Fees	51,726
IGCF	90,228
Sheriff Forfeitures	229,985
Law Enforcement Education	49,478
Crime Prevention Programs	156,146
Tourist Development	329,561
Court Technology	28,598
\$65 Ordinance	139,176
Mosquito Control	153,688
Criminal Justice	456,361
Public Records	192,427
Inmate Welfare	299,819
E-911	60,927
Total Restricted Fund Balance	<u><u>\$ 3,812,720</u></u>
Committed Fund Balance	
Inmate Fees Set-Aside	\$ 2,106,608
Solid Waste	903,516
Total Committed Fund Balance	<u><u>\$ 3,010,124</u></u>
Assigned Fund Balance	
Public Library	\$ 375,876
Fines and Forfeitures	613,533
Court Operations	284,560
Emergency Services	1,390,679
Traffic Fine Fees	166
Sheriff Education and Public Service	22,534
Landfill	417,626
Capital Projects	4,184,853
Total Assigned Fund Balance	<u><u>\$ 7,289,827</u></u>

Note 12 - Risk Management

The County 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 County uses commercial insurance to cover the following types of risk:

- Workers' Compensation
- Automobile Liability
- Public Officials' Liability
- Personal Property Damage
- General Liability
- Crime Coverage
- Law Enforcement Officers
- Emergency Medical Service Technicians

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY, FLORIDA**

Workers' compensation coverage was obtained under a retrospectively rated insurance policy. Premiums are accrued based on the ultimate cost-to-date of the County's experience for this type of risk. Settlements have not exceeded insurance coverage for each of the past three years.

Note 13 - Contingencies

The County is contingently liable with respect to lawsuits and other claims incidental to the ordinary course of its operations. It is the opinion of management that resolution of these matters will not have a material adverse effect on the financial condition of the County.

Note 14 - Commitments

The County is currently conducting various road improvement projects that are eligible for state reimbursements. Commitments outstanding are approximately \$620,000 at September 30, 2019.

Note 15 - Other Disclosures

The Fine and Forfeiture Fund reported transfers out of (\$752,879) in excess of appropriations. This budget over expenditure was the result of an accounting adjustment made after the end of the fiscal year to record additional transfers out of the Fine and Forfeiture Fund to the Sheriff.

Note 16 - Subsequent Events

The COVID-19 pandemic has created economic disruptions throughout the country as of the date of this report causing significant declines in the financial markets and economic activity overall. The County expects to experience losses of various local and state shared revenues, declines in user fees, and declines in investment values for both the government and in pension plans which could result in increased pension contributions and declines in financial reserves as a result. The ultimate effect of these items is expected to be significant but is not quantifiable at this time.

REQUIRED SUPPLEMENTARY INFORMATION

REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
SEPTEMBER 30, 2019
BRADFORD COUNTY, FLORIDA

Total OPEB Liability	September 30, 2019	September 30, 2018	September 30, 2017
Total OPEB Liability - Beginning of Year	\$ 604,463	\$ 606,695	\$ 467,192
Service Cost	65,940	71,791	67,635
Interest	27,213	23,813	14,362
Changes in Benefit Terms	-	-	-
Changes in Assumptions	9,323	(25,889)	10,611
Difference in Experience	87,598	(37,630)	54,754
Benefit Payments	(29,631)	(34,317)	(7,859)
Net Change in Total OPEB Liability	160,443	(2,232)	139,503
Total OPEB Liability - End of Year	764,906	604,463	606,695
Plan Fiduciary Net Position			
Plan Fiduciary Net Position - Beginning of Year:	-	-	-
Contributions - Employer	29,631	34,317	7,859
Contributions - Active Employees	-	-	-
Net Investment Income	-	-	-
Benefit Payments	(29,631)	(34,317)	(7,859)
Trust Administrative Expenses	-	-	-
Net Change in Plan Fiduciary Net Position	-	-	-
Total Plan Fiduciary Net Position - End of Year	-	-	-
Net OPEB Liability - End of Year	\$ 764,906	\$ 604,463	\$ 606,695
Plan Fiduciary Net Position as a Percentage of Total OPEB Liability	0%	0%	0%
Covered-Employee Payroll	\$ 8,902,544	\$ 8,676,944	\$ 8,457,060
Net OPEB Liability as a Percentage of Payroll	8.6%	7.0%	7.2%

Notes to the Schedule

- (1) This schedule is prepared to satisfy the requirement to show information regarding the Net OPEB Liability and Related Ratios for 10 years.
- (2) No assets are being accumulated in a trust to pay for the plan benefits.

FLORIDA RETIREMENT SYSTEM AND HEALTH INSURANCE SUBSIDY PENSION PLANS
SCHEDULE OF THE COUNTY'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY
SEPTEMBER 30, 2019
BRADFORD COUNTY, FLORIDA

FLORIDA RETIREMENT SYSTEM PENSION PLAN

	<u>September 30, 2019</u>	<u>September 30, 2018</u>	<u>September 30, 2017</u>	<u>September 30, 2016</u>	<u>September 30, 2015</u>
County's Proportion of the FRS Net Pension Liability	0.048411202%	0.046841448%	0.047214911%	0.047214911%	0.043694640%
County's Proportion Share of the FRS Net Pension Liability	\$ 16,672,144	\$ 14,108,887	\$ 13,858,844	\$ 11,921,802	\$ 5,643,749
County's Covered Payroll	\$ 10,624,850	\$ 10,083,294	\$ 9,840,966	\$ 9,505,260	\$ 9,193,154
County's Proportionate Share of the FRS Net Pension Liability as a Percentage of its Covered-Employee Payroll	156.92%	139.92%	140.83%	125.42%	61.39%
FRS Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	82.61%	84.26%	83.89%	84.88%	92.00%

Notes to Schedule:

The amounts presented for the Net Pension Liability were determined using a measurement date of June 30.

The Covered-Employee Payroll is for the fiscal year shown.

This schedule will build to 10 years as information becomes available.

HEALTH INSURANCE SUBSIDY PENSION PLAN

	<u>September 30, 2019</u>	<u>September 30, 2018</u>	<u>September 30, 2017</u>	<u>September 30, 2016</u>	<u>September 30, 2015</u>
County's Proportion of the HIS Net Pension Liability	0.031877024%	0.031201974%	0.030397670%	0.030397670%	0.029808429%
County's Proportion Share of the HIS Net Pension Liability	\$ 3,566,720	\$ 3,302,452	\$ 3,263,120	\$ 3,542,723	\$ 3,039,991
County's Covered Payroll	\$ 10,624,850	\$ 10,083,294	\$ 9,840,966	\$ 9,505,260	\$ 9,193,154
County's Proportionate Share of the HIS Net Pension Liability as a Percentage of its Covered-Employee Payroll	33.57%	32.75%	33.16%	37.27%	33.07%
HIS Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	2.63%	2.15%	1.64%	0.97%	0.50%

Notes to Schedule:

The amounts presented for the Net Pension Liability were determined using a measurement date of June 30.

The Covered-Employee Payroll is for the fiscal year shown.

This schedule will build to 10 years as information becomes available.

**FLORIDA RETIREMENT SYSTEM AND HEALTH INSURANCE SUBSIDY PENSION PLANS
SCHEDULE OF COUNTY'S CONTRIBUTIONS
SEPTEMBER 30, 2019
BRADFORD COUNTY, FLORIDA**

FLORIDA RETIREMENT SYSTEM PENSION PLAN

	<u>September 30, 2019</u>	<u>September 30, 2018</u>	<u>September 30, 2017</u>	<u>September 30, 2016</u>	<u>September 30, 2015</u>
Contractually Required Contribution	\$ 1,526,256	\$ 1,372,454	\$ 1,216,282	\$ 1,199,815	\$ 1,087,557
FRS Contribution in Relation to the Contractually Required Contribution	<u>(1,526,256)</u>	<u>(1,372,454)</u>	<u>(1,216,282)</u>	<u>(1,199,815)</u>	<u>(1,087,557)</u>
FRS Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's Covered Payroll (FYE 9/30)	\$ 10,735,241	\$ 10,208,833	\$ 9,840,966	\$ 9,505,260	\$ 9,193,154
FRS Contributions as a Percentage of Covered-Employee Payroll	14.22%	13.44%	12.36%	12.62%	11.83%

Note to Schedule:

This schedule will build to 10 years as information becomes available.

HEALTH INSURANCE SUBSIDY PENSION PLAN

	<u>September 30, 2019</u>	<u>September 30, 2018</u>	<u>September 30, 2017</u>	<u>September 30, 2016</u>	<u>September 30, 2015</u>
Contractually Required Contribution	\$ 178,205	\$ 169,174	\$ 165,876	\$ 157,274	\$ 125,017
HIS Contribution in Relation to the Contractually Required Contribution	<u>(178,205)</u>	<u>(169,174)</u>	<u>(165,876)</u>	<u>(157,274)</u>	<u>(125,017)</u>
HIS Contribution Deficiency (Excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
County's Covered Payroll (FYE 9/30)	\$ 10,735,241	\$ 10,208,833	\$ 9,840,966	\$ 9,505,260	\$ 9,193,154
HIS Contributions as a Percentage of Covered-Employee Payroll	1.66%	1.66%	1.69%	1.65%	1.36%

Note to Schedule:

This schedule will build to 10 years as information becomes available.

COMBINING FUND STATEMENTS

**COMBINING BALANCE SHEET
GENERAL FUNDS
SEPTEMBER 30, 2019
BRADFORD COUNTY, FLORIDA**

	BOCC General	One-Cent Sales Tax	Clerk Operating	Sheriff Operating	Property Appraiser Operating	Tax Collector Operating	Supervisor of Elections Operating	Interfund Eliminations	Total General Funds
Assets									
Cash Deposits	\$ 3,252,210	\$ 439,783	\$ 155,528	\$ 455,020	\$ 115,880	\$ 51,695	\$ -	\$ -	\$ 4,470,116
Investments	1,195,422	573,786	-	-	-	-	-	-	1,769,208
Accounts Receivable	-	-	-	-	-	-	-	-	-
Due from Other Funds	297,850	-	-	1,151,254	-	-	-	(271,340)	1,177,764
Due from Other Governments	303,326	426,800	-	223,828	-	-	-	-	953,954
Prepaid Expenses	19,596	-	-	-	-	-	-	-	19,596
Total Assets	5,068,404	1,440,369	155,528	1,830,102	115,880	51,695	-	(271,340)	8,390,638
Liabilities, Deferred Inflows of Resources and Fund Balances									
Liabilities									
Accounts Payable	86,709	-	6,208	487,934	-	-	-	-	580,851
Deposits	196,302	-	-	-	-	-	-	-	196,302
Due to Other Funds	-	-	117,942	1,342,168	113,313	42,425	-	(271,340)	1,344,508
Due to Other Governments	3,105	-	-	-	2,567	513	-	-	6,185
Unearned Revenue	-	-	-	-	-	8,757	-	-	8,757
Total Liabilities	286,116	-	124,150	1,830,102	115,880	51,695	-	(271,340)	2,136,603
Deferred Inflows of Resources	42,753	-	-	-	-	-	-	-	42,753
Fund Balances									
Non-Spendable	19,596	-	-	-	-	-	-	-	19,596
Restricted	168,038	-	-	-	-	-	-	-	168,038
Unassigned	4,551,901	1,440,369	31,378	-	-	-	-	-	6,023,648
Total Fund Balances	4,739,535	1,440,369	31,378	-	-	-	-	-	6,211,282
Total Liabilities, Deferred Inflows of Resources and Fund Balances	\$ 5,068,404	\$ 1,440,369	\$ 155,528	\$ 1,830,102	\$ 115,880	\$ 51,695	\$ -	\$ (271,340)	\$ 8,390,638

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES - GENERAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019
BRADFORD COUNTY, FLORIDA**

	BOCC General	One-Cent Sales Tax	Clerk Operating	Sheriff Operating	Property Appraiser Operating	Tax Collector Operating	Supervisor of Elections Operating	Interfund Eliminations	Total General Funds
Revenues									
Taxes	\$ 6,197,595	\$ 2,401,534	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,599,129
Licenses and Permits	168,547	-	-	-	-	-	-	-	168,547
Intergovernmental	5,522,252	-	-	392,491	-	-	30,233	-	5,944,976
Charges for Services	81,155	-	120,033	58,244	12,841	723,648	-	-	995,921
Fines and Forfeitures	111,971	-	-	-	-	-	-	-	111,971
Miscellaneous	206,655	30,617	467	47,807	1,489	4,317	508	-	291,860
Total Revenues	12,288,175	2,432,151	120,500	498,542	14,330	727,965	30,741	-	16,112,404
Expenditures									
Current:									
General Government	2,813,699	-	705,711	-	572,357	685,540	438,694	-	5,216,001
Public Safety	475,630	-	-	7,966,314	-	-	-	-	8,441,944
Physical Environment	2,134,961	-	-	-	-	-	-	-	2,134,961
Transportation	25,843	-	-	-	-	-	-	-	25,843
Economic Environment	64,355	-	-	-	-	-	-	-	64,355
Human Services	760,730	-	-	123,897	-	-	-	-	884,627
Culture and Recreation	121,714	-	-	-	-	-	-	-	121,714
Court-Related	77,100	-	100,891	149,235	-	-	-	-	327,226
Debt Service:									
Principal	-	-	-	-	-	-	22,031	-	22,031
(Total Expenditures)	(6,474,032)	-	(806,602)	(8,239,446)	(572,357)	(685,540)	(460,725)	-	(17,238,702)
Excess (Deficiency) of Revenues Over (Under) Expenditures	5,814,143	2,432,151	(686,102)	(7,740,904)	(558,027)	42,425	(429,984)	-	(1,126,298)
Other Financing									
Transfers in	271,340	-	804,044	7,764,525	671,340	-	429,984	(2,589,226)	7,352,007
Transfers (out)	(5,028,786)	(4,124,484)	(117,942)	(23,621)	(113,313)	(42,425)	-	2,589,226	(6,861,345)
Total Other Financing Sources (Uses)	(4,757,446)	(4,124,484)	686,102	7,740,904	558,027	(42,425)	429,984	-	490,662
Net Change in Fund Balances	1,056,697	(1,692,333)	-	-	-	-	-	-	(635,636)
Fund Balances, Beginning of Year	3,682,838	3,132,702	31,378	-	-	-	-	-	6,846,918
Fund Balances, End of Year	\$ 4,739,535	\$ 1,440,369	\$ 31,378	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,211,282

**COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019
BRADFORD COUNTY, FLORIDA**

**Board of County Commissioners
Special Revenue Funds**

	Tourist Development	CDBG	Eighth Circuit Court	Mosquito Control	Solid Waste	Criminal Justice	Traffic Fines
Assets							
Cash Deposits	\$ 318,531	\$ -	\$ 448,811	\$ 163,994	\$ 905,841	\$ 456,361	\$ 166
Accounts Receivable	-	-	-	-	-	-	-
Due from Other Funds	-	-	14,508	-	7,088	-	-
Due from Other Governments	11,030	40,445	50	-	35,654	-	-
Total Assets	<u>329,561</u>	<u>40,445</u>	<u>463,369</u>	<u>163,994</u>	<u>948,583</u>	<u>456,361</u>	<u>166</u>
Liabilities and Fund Balances							
Liabilities							
Accounts Payable	-	39,341	11,035	-	45,067	-	-
Deposits	-	-	-	-	-	-	-
Due to Other Funds	-	1,104	-	-	-	-	-
Due to Other Governments	-	-	-	-	-	-	-
Unearned Revenues	-	-	-	10,306	-	-	-
Total Liabilities	<u>-</u>	<u>40,445</u>	<u>11,035</u>	<u>10,306</u>	<u>45,067</u>	<u>-</u>	<u>-</u>
Fund Balances							
Restricted	329,561	-	167,774	153,688	-	456,361	-
Committed	-	-	-	-	903,516	-	-
Assigned	-	-	284,560	-	-	-	166
Total Fund Balances	<u>329,561</u>	<u>-</u>	<u>452,334</u>	<u>153,688</u>	<u>903,516</u>	<u>456,361</u>	<u>166</u>
Total Liabilities and Fund Balances	<u>\$ 329,561</u>	<u>\$ 40,445</u>	<u>\$ 463,369</u>	<u>\$ 163,994</u>	<u>\$ 948,583</u>	<u>\$ 456,361</u>	<u>\$ 166</u>

Constitutional Officers Special Revenue Funds					Board of County Commissioners Capital Projects Fund		
Clerk of the Circuit Court Fine and Forfeitures	Clerk of the Circuit Court Public Records	Sheriff Education and Public Service	Sheriff Inmate Welfare	Sheriff E-911 Fund	Landfill Closure Escrow	Totals	
\$ 139,243	\$ 192,558	\$ 61,163	\$ 415,010	\$ 284,341	\$ 417,626	\$ 3,803,645	
-	-	-	19,846	-	-	19,846	
-	-	-	-	-	-	21,596	
29,679	-	-	-	-	-	116,858	
<u>168,922</u>	<u>192,558</u>	<u>61,163</u>	<u>434,856</u>	<u>284,341</u>	<u>417,626</u>	<u>3,961,945</u>	
40	131	30	-	-	-	95,644	
-	-	38,599	-	-	-	38,599	
-	-	-	135,037	223,414	-	359,555	
88,992	-	-	-	-	-	88,992	
79,890	-	-	-	-	-	90,196	
<u>168,922</u>	<u>131</u>	<u>38,629</u>	<u>135,037</u>	<u>223,414</u>	<u>-</u>	<u>672,986</u>	
-	192,427	-	299,819	60,927	-	1,660,557	
-	-	-	-	-	-	903,516	
-	-	22,534	-	-	417,626	724,886	
-	<u>192,427</u>	<u>22,534</u>	<u>299,819</u>	<u>60,927</u>	<u>417,626</u>	<u>3,288,959</u>	
<u>\$ 168,922</u>	<u>\$ 192,558</u>	<u>\$ 61,163</u>	<u>\$ 434,856</u>	<u>\$ 284,341</u>	<u>\$ 417,626</u>	<u>\$ 3,961,945</u>	

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - NON-MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019
BRADFORD COUNTY, FLORIDA**

**Board of County Commissioners
Special Revenue Funds**

	Tourist Development	CDBG	Eighth Circuit Court	Mosquito Control	Solid Waste	Criminal Justice	Traffic Fines
Revenues							
Taxes	\$ 149,825	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	678,997	-	-
Intergovernmental	-	40,445	-	44,481	190,909	-	-
Charges for Services	-	-	170,428	-	221,397	-	-
Fines and Forfeitures	-	-	-	-	-	-	-
Miscellaneous	141	-	-	18	47,258	-	-
Total Revenues	149,966	40,445	170,428	44,499	1,138,561	-	-
Expenditures							
Current:							
General Government	-	-	-	-	-	6,250	-
Public Safety	-	-	-	-	-	-	-
Physical Environment	-	-	-	55,846	1,106,708	-	-
Economic Environment	79,053	90,445	-	-	-	-	-
Court-Related	-	-	286,491	-	-	-	-
Debt Service:							
Principal Retirement	23,977	-	-	-	-	-	-
Interest	133	-	-	-	-	-	-
(Total Expenditures)	(103,163)	(90,445)	(286,491)	(55,846)	(1,106,708)	(6,250)	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	46,803	(50,000)	(116,063)	(11,347)	31,853	(6,250)	-
Other Financing Sources (Uses)							
Transfers in	-	50,000	100,000	33,404	2,340	-	-
Transfers (out)	-	-	-	-	-	-	-
Total Other Financing Sources (Uses)	-	50,000	100,000	33,404	2,340	-	-
Net Change in Fund Balances	46,803	-	(16,063)	22,057	34,193	(6,250)	-
Fund Balances, Beginning of Year	282,758	-	468,397	131,631	869,323	462,611	166
Fund Balances, End of Year	\$ 329,561	\$ -	\$ 452,334	\$ 153,688	\$ 903,516	\$ 456,361	\$ 166

Constitutional Officers Special Revenue Funds					Board of County Commissioners Capital Projects Fund	Totals
Clerk of the Circuit Court Fines and Forfeitures	Clerk of the Circuit Court Public Records	Sheriff Education and Public Service	Sheriff Inmate Welfare	Sheriff E-911 Fund	Landfill Closure Escrow	Totals
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 149,825
-	-	-	-	-	-	678,997
222,881	27,709	-	-	407,312	-	933,737
529,605	40,381	-	-	-	-	961,811
213,199	18	-	-	-	-	213,217
20,540	-	107,643	143,220	-	755	319,575
986,225	68,108	107,643	143,220	407,312	755	3,257,162
-	-	-	-	-	-	6,250
-	-	91,951	185,204	253,250	-	530,405
-	-	-	-	-	-	1,162,554
-	-	-	-	-	-	169,498
964,165	41,145	-	-	-	-	1,291,801
22,060	-	-	-	-	-	46,037
-	-	-	-	-	-	133
(986,225)	(41,145)	(91,951)	(185,204)	(253,250)	-	(3,206,678)
-	26,963	15,692	(41,984)	154,062	755	50,484
-	-	-	-	-	-	185,744
-	-	-	(135,037)	(251,409)	-	(386,446)
-	-	-	(135,037)	(251,409)	-	(200,702)
-	26,963	15,692	(177,021)	(97,347)	755	(150,218)
-	165,464	6,842	476,840	158,274	416,871	3,439,177
\$ -	\$ 192,427	\$ 22,534	\$ 299,819	\$ 60,927	\$ 417,626	\$ 3,288,959

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
ALL AGENCY FUNDS
SEPTEMBER 30, 2019
BRADFORD COUNTY, FLORIDA**

	Clerk of the Circuit Court				
	Cash Bonds	Trust	Alimony and Support	Special Fine and Forfeiture	Registry of the Court
Assets					
Cash Deposits	\$ 7,660	\$ 59,949	\$ 6,084	\$ 44,478	\$ 16,486
Total Assets	<u>7,660</u>	<u>59,949</u>	<u>6,084</u>	<u>44,478</u>	<u>16,486</u>
Liabilities					
Accounts Payable	-	-	-	-	-
Due to Others	-	151	53	22,206	-
Due to Other Funds	-	2,782	-	21,721	-
Due to Other Governments	-	55,259	6,031	551	-
Deposits	7,660	1,757	-	-	16,486
Total Liabilities	<u>\$ 7,660</u>	<u>\$ 59,949</u>	<u>\$ 6,084</u>	<u>\$ 44,478</u>	<u>\$ 16,486</u>

Tax Collector	Sheriff		
	Individual Depositors	Inmate Trust	Total
\$ 414,447	\$ 41,703	\$ 53,502	\$ 644,309
414,447	41,703	53,502	644,309
-	-	17,770	17,770
-	7,373	424	30,207
14,263	34,330	27,655	100,751
400,184	-	-	462,025
-	-	7,653	33,556
<u>\$ 414,447</u>	<u>\$ 41,703</u>	<u>\$ 53,502</u>	<u>\$ 644,309</u>

OTHER INFORMATION

**SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2019
BRADFORD COUNTY, FLORIDA**

Federal Grantor/Pass-Through Grantor/ Grant Program	CSFA Number	Grant ID Number	Expenditures
Federal Awards			
U.S. Department of Agriculture			
Passed through State of Florida Department of Agriculture:			
Volunteer Fire Assistance Grant	10.664		\$ 25,228
Emergency Watershed Protection	10.923	NR1842209XXXXC023	1,957,741
Total U.S. Department of Agriculture			<u>1,982,969</u>
U.S. Department of Housing and Urban Development			
Passed through State of Florida Department of Economic Opportunity:			
CDBG-Community Development Block Grant	14.228	18DB-OM-03-14-01-H-09	40,445
U.S. Department of Justice			
Passed through State of Florida Office of the Attorney General:			
Victims of Crime Act (VOCA)	16.575	VA150	34,033
Passed through State of Florida Department of Law Enforcement:			
Edward Byrne Memorial Justice Assistance Grant	16.738	2019-JACG-BRAD-1-N2-049	42,111
Total U.S. Department of Justice			<u>76,144</u>
U.S. Department of Transportation			
Passed through State of Florida Department of Transportation:			
LAP CR 225 Sidewalk	20.205	G1691	131,050
Impaired Driving Enforcement	20.616	G1153	24,069
Total U.S. Department of Transportation			<u>155,119</u>
U.S. Election Assistance Commission			
Passed through State of Florida Department of State:			
Voting System Assistance Grant	90.401	10/1/18-09/30/19	22,031
Federal Elections Security Grant	90.401	07/01/18-12/15/18	8,202
Subtotal Expenditures - CFDA No. 90.401			<u>30,233</u>
Total U.S. Election Assistance Commission			<u>30,233</u>
U.S. Department of Health and Human Services			
Passed through State of Florida Department of Revenue:			
Child Support Enforcement	93.563	COCO4	222,881
U.S. Department of Homeland Security			
Passed through State of Florida Division of Emergency Management:			
Federal Disaster Assistance	97.036	17-PA-U5-03-14-02-053	297,431
Federal Disaster Assistance	97.036	Hurricane Michael Mutual Aid	21,656
Subtotal Expenditures - CFDA No. 97.036			<u>319,087</u>
Passed through State of Florida Executive Office of the Governor:			
Emergency Management Performance Grant	97.042	19-FG-AF-03-14-01-070	41,234
Emergency Management Performance Grant	97.042	G0014	7,313
Subtotal Expenditures - CFDA No. 97.042			<u>48,547</u>
Total U.S. Department of Homeland Security			<u>367,634</u>
Total Federal Awards			<u>2,875,425</u>

**SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2019
BRADFORD COUNTY, FLORIDA**

State Grantor/Pass-Through Grantor/ Grant Program	CSFA Number	Grant ID Number	Expenditures
State Financial Assistance			
Office of the Governor			
Emergency Management Programs	31.063	19-BG-21-03-14-01-040	\$ 98,651
Emergency Management Programs	31.063	A0016	10,928
Subtotal Expenditures - CSFA No. 31.063			<u>109,579</u>
Emergency Management Programs	31.067	19-CP-11-03-14-01-101	1,434
Total Office of the Governor			<u>111,013</u>
State of Florida Department of Environmental Protection			
Small County Consolidated Grant - S/W Management Grant	37.012	SC902	90,909
Florida Recreation Development Assistance Program - Speedville	37.017	A7009	3,111
Florida Recreation Development Assistance Program - Lincoln City	37.017	A9058	36,055
Subtotal Expenditures - CSFA No. 37.017			<u>39,166</u>
Total State of Florida Department of Environmental Protection			<u>130,075</u>
Florida Housing Finance Corporation			
State Housing Initiative Partnership (SHIP) Program	40.901		130,528
State of Florida Department of Agriculture and Consumer Services			
Mosquito Control	42.003	10/1/18-09/30/19	34,481
State of Florida Department of State			
State Aid to Libraries	45.030	15-ST-41	305,955
State Aid to Libraries	45.030	16-ST-40	147,788
Subtotal Expenditures - CSFA No. 45.030			<u>453,743</u>
Total State of Florida Department of State			<u>453,743</u>
State of Florida Department of Education			
Coach Aaron Fies Guardian Program	48.140	96D-90210-9D001	57,639
State of Florida Department of Transportation			
Small County Outreach Program - SE CR 325	55.009	G0J90	1,035,877
Small County Outreach Program - SE 150th Street	55.009	G0S12	777,191
Small County Outreach Program - SW CR 227	55.009	G1185	153,213
Subtotal Expenditures - CSFA No. 55.009			<u>1,966,281</u>
Small County Road Assistance Program - NE 173rd Street	55.016	G0K55	250,800
Small County Road Assistance Program - NW CR 251, NW 22nd Avenue	55.016	G0U16	420,621
Small County Road Assistance Program - NE 154th Street	55.016	G1272	34,539
Subtotal Expenditures - CSFA No. 55.016			<u>705,960</u>
Total State of Florida Department of Transportation			<u>2,672,241</u>
State of Florida Department of Health			
Emergency Medical Services Matching Award	64.003	R6021	25,790
County Grant Award	64.005	C7004	21,631
Total State of Florida Department of Health			<u>47,421</u>

**SCHEDULE OF EXPENDITURES OF
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2019
BRADFORD COUNTY, FLORIDA**

<u>State Grantor/Pass-Through Grantor/ Grant Program</u>	<u>CSFA Number</u>	<u>Grant ID Number</u>	<u>Expenditures</u>
State of Florida Department of Management Services			
E911 Rural Grant Program	72.001	18-11-01	\$ 50,303
E911 Rural Grant Program	72.001	19-04-02	20,028
E911 Rural Grant Program	72.001	19-04-03	13,027
Subtotal Expenditures - CSFA No. 72.001			<u>83,358</u>
E911 State Grant Program	72.002	S11-18-05-02	169,799
Total State of Florida Department of Management Services			<u>253,157</u>
Total State Financial Assistance			<u>3,890,298</u>
Total Expenditures of Federal Awards and State Financial Assistance			<u>\$ 6,765,723</u>

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

Basis of Presentation

The accompanying schedule of expenditures of federal awards and state financial assistance is presented on the modified accrual basis of accounting.

Bradford County did not elect to use the 10% de minimus indirect cost rate as covered in Section 200.414, Indirect (F&A) costs, of the Uniform Guidance.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2019
BRADFORD COUNTY, FLORIDA**

PART A - SUMMARY OF AUDIT RESULTS

1. The independent auditor’s report expresses an unmodified opinion on the financial statements of Bradford County, Florida.
2. There was a significant deficiency identified during the audit of the financial statements reported in the 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* for the individual report of one of the Constitutional Officers.
3. There was an instance of non-compliance identified during the audit of the financial statements reported in the 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* for the individual report of one of the Constitutional Officers.
4. The audit disclosed no significant deficiencies or material weaknesses relating to internal control and compliance over major federal programs or state projects that are required to be reported in the schedule of findings and questioned costs.
5. The auditor’s report on compliance for the major federal programs and state projects for Bradford County, Florida expresses an unmodified opinion.
6. The audit disclosed no findings that are required to be reported in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*.
7. The programs tested as major federal programs and state projects were as follows:

Federal Programs	CFDA No.
Emergency Watershed Protection	10.923
State Projects	CSFA No.
Small County Outreach Program	55.009
Small County Road Assistance Program	55.016

8. The threshold for distinguishing Type A and Type B projects was \$750,000 for federal programs and for state projects.
9. The County did not qualify as a low risk auditee for federal grant programs.

PART B - FINDINGS—FINANCIAL STATEMENTS

Financial statement findings, if any, are reported in the individual reports of the Constitutional Officers.

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FEDERAL AWARDS AND STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED SEPTEMBER 30, 2019
BRADFORD COUNTY, FLORIDA**

PART C - FINDINGS AND QUESTIONED COSTS—MAJOR FEDERAL PROGRAMS AND STATE PROJECTS

1. No matters were reported.

PART D - OTHER ISSUES

1. There were no prior year audit findings required to be reported in accordance with the Uniform Guidance and Chapter 10.550, *Rules of the Auditor General*.
2. No Corrective Action Plan is required because there were no findings required to be reported under the Uniform Guidance or Chapter 10.550, *Rules of the Auditor General*.

**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**

The Honorable Board of County Commissioners and
Constitutional Officers
Bradford 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, each major fund, and the aggregate remaining fund information of Bradford County, Florida (the County), as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the County's basic financial statements, and have issued our report thereon dated July 29, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the County'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 County's internal control. Accordingly, we do not express an opinion on the effectiveness of the County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the County'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. We did identify a certain deficiency in internal control that we consider to be a significant deficiency. This item has been disclosed in the report of one of the Constitutional Officers.

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The Honorable Board of County Commissioners and
Constitutional Officers
Bradford County, Florida

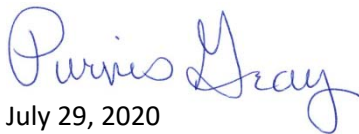
**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance 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 non-compliance 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 County'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 County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



July 29, 2020
Gainesville, Florida

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL

The Honorable Board of County Commissioners and
Constitutional Officers
Bradford County, Florida

Report on Compliance for Each Major Federal Program and State Project

We have audited Bradford County, Florida's (the County) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and in the Florida Department of Financial Services', *State Projects Compliance Supplement*, that could have a direct and material effect on each of the County's major federal programs and state projects for the year ended September 30, 2019. The County's major federal programs and state projects are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal programs and state projects.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the County's major federal programs and state projects 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; 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) and Chapter 10.550, *Rules of the Auditor General*. Those standards, the Uniform Guidance, and Chapter 10.550, *Rules 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 federal program or state project occurred. An audit includes examining, on a test basis, evidence about the County'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 and state project. However, our audit does not provide a legal determination of the County's compliance.

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The Honorable Board of County Commissioners and
Constitutional Officers
Bradford County, Florida

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND
STATE PROJECT AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM
GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

Opinion on Each Major Federal Program and State Project

In our opinion, the County 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 and state projects for the year ended September 30, 2019.

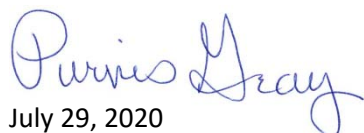
Report on Internal Control Over Compliance

Management of the County 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 the County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program and 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 federal program and state project and to test and report on internal control over compliance in accordance with the Uniform Guidance and Chapter 10.550, *Rules 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 the County'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, non-compliance with a type of compliance requirement of a federal program and 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 non-compliance with a type of compliance requirement of a federal program or 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 combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program or 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 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 and Chapter 10.550, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.



July 29, 2020
Gainesville, Florida

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

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

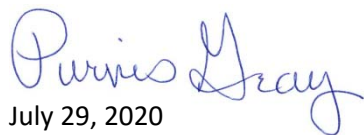
We have examined Bradford County, Florida's (the County) compliance with Section 218.415, Florida Statutes during the fiscal year ended September 30, 2019. Management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County's compliance based on our examination.

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

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

In our opinion, the County complied, in all material respects, with the aforementioned requirements during the fiscal year ended September 30, 2019.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of County Commissioners of Bradford County, Florida, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.



July 29, 2020
Gainesville, Florida

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**INDEPENDENT ACCOUNTANT'S REPORT ON
COMPLIANCE WITH SECTION 365.172(10)
AND SECTION 365.173(2)(d), FLORIDA STATUTES**

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

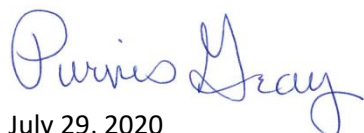
We have examined Bradford County, Florida's (the County) compliance with Section 365.172(10), Florida Statutes, *Authorized Expenditures of E-911 Fee* and Section 365.173(2)(d), Florida Statutes, *Distribution and Use of (E-911) Funds*, during the fiscal year ended September 30, 2019. Management is responsible for the County's compliance with those requirements. Our responsibility is to express an opinion on the County's compliance based on our examination.

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

Our examination does not provide legal determination of the County's compliance with specified requirements.

In our opinion, the County complied, in all material respects, with the aforementioned requirements during the fiscal year ended September 30, 2019.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of County Commissioners of Bradford County, Florida, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.



July 29, 2020
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MANAGEMENT LETTER

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

Report on the Financial Statements

We have audited the financial statements of Bradford County, Florida (the County) as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated July 29, 2020.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Auditor's Report on Compliance for Each Major Federal Program and State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs; and Independent Accountant's Reports on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated July 29, 2020, should be considered in conjunction with this management letter. This management letter applies to the County as a whole. Other management letter comments, if any, are described in the audit reports of the Constitutional Officers.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding financial audit report. See the individual reports of the Constitutional Officers for information on whether corrective actions were taken to address findings and recommendations made in the preceding annual financial audit reports.

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The County was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units included with the County's financial statements.

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

MANAGEMENT LETTER

Financial Condition and Management

Sections 10.554(1)(i)5.a. and 10.556(7), *Rules of the Auditor General*, require us to apply appropriate procedures and communicate the results of our determination as to whether or not the County has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific condition(s) met. In connection with our audit, we determined that the County did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), *Rules of the Auditor General*, we applied financial condition assessment procedures for the County. It is management's responsibility to monitor the County's financial condition, and our financial condition assessment was based in part on representations made by management and review of financial information provided by same.

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

Special District Component Units

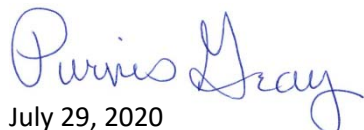
Section 10.554(1)(i)5.c., *Rules of the Auditor General*, requires, if appropriate, that we communicate the failure of a special district that is a component unit of a county, municipality, or special district, to provide the financial information necessary for proper reporting of the component unit within the audited financial statements of the county, municipality, or special district in accordance with Section 218.39(3)(b), Florida Statutes. In connection with our audit, we did not note any special district component units that failed to provide the necessary information for proper reporting in accordance with Section 218.39(3)(b), Florida Statutes.

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate non-compliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but warrants the attention of those charged with governance. See the individual reports of the Constitutional Officers for findings reported.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of County Commissioners and Constitutional Officers and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.



July 29, 2020
Gainesville, Florida

2019

Bradford County Clerk of the Circuit Court

Financial Statements

and Independent Auditor's Report

September 30, 2019

PURVIS GRAY
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**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT**

**BRADFORD COUNTY
CLERK OF THE CIRCUIT COURT
BRADFORD COUNTY, FLORIDA
STARKE, FLORIDA**

SEPTEMBER 30, 2019

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INDEPENDENT AUDITOR'S REPORT

The Honorable Ray Norman
Bradford County Clerk of the Circuit Court
Bradford County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of each major fund and aggregate remaining fund information of the Bradford County, Florida, Clerk of the Circuit Court (the Clerk) as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Clerk'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 and the standards applicable to financial audits contained in *Government 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 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 Clerk'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 Clerk'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 opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each major fund and the aggregate remaining fund information of the Clerk

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The Honorable Ray Norman
Bradford County Clerk of the Circuit Court
Bradford County, Florida

INDEPENDENT AUDITOR'S REPORT

as of September 30, 2019, and the respective changes in financial position, and budgetary comparison for each major fund for the year then ended, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the *Rules of the Auditor General* (the Rules) of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position, changes in financial position, and budgetary comparisons of each major fund, and the aggregate remaining fund information, only for that portion of the major funds, and the aggregate remaining fund information of Bradford County, Florida that is attributable to the Clerk. They do not purport to, and do not, present fairly the financial position of Bradford County, Florida as of September 30, 2019, and the changes in its financial position, and budgetary comparisons for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to these matters.

Other Matters

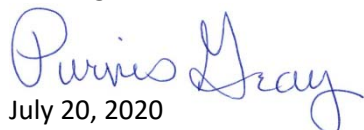
Other Financial Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Clerk's financial statements. The other financial information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The other financial information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements. Such 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 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 other financial information is 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 on our consideration of the Clerk's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts 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 the Clerk's internal control over financial reporting and compliance.



July 20, 2020
Gainesville, Florida

FINANCIAL STATEMENTS

BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019
BRADFORD COUNTY CLERK OF THE CIRCUIT COURT

	Major Funds			Total Governmental Funds
	General Fund	Fine and Forfeiture Fund	Public Records Fund	
Assets				
Cash	\$ 155,528	\$ 139,243	\$ 192,558	\$ 487,329
Due from Other Governments	-	29,679	-	29,679
Total Assets	<u>155,528</u>	<u>168,922</u>	<u>192,558</u>	<u>517,008</u>
Liabilities and Fund Balances				
Liabilities				
Accounts Payable	6,208	40	131	6,379
Unearned Revenue	-	79,890	-	79,890
Due to Other Governments	-	88,992	-	88,992
Due to Board of County Commissioners	117,942	-	-	117,942
Total Liabilities	<u>124,150</u>	<u>168,922</u>	<u>131</u>	<u>293,203</u>
Fund Balances				
Restricted:				
Records Modernization	-	-	192,427	192,427
Unassigned	31,378	-	-	31,378
Total Fund Balances	<u>31,378</u>	<u>-</u>	<u>192,427</u>	<u>223,805</u>
Total Liabilities and Fund Balances	<u>\$ 155,528</u>	<u>\$ 168,922</u>	<u>\$ 192,558</u>	<u>\$ 517,008</u>

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019
BRADFORD COUNTY CLERK OF THE CIRCUIT COURT**

	Major Funds			Total Governmental Funds
	General Fund	Fine and Forfeiture Fund	Public Records Fund	
Revenues				
Intergovernmental Revenue	\$ -	\$ 222,881	\$ 27,709	\$ 250,590
Charges for Services	120,033	529,605	40,381	690,019
Fines and Forfeitures	-	213,199	18	213,217
Miscellaneous	467	20,540	-	21,007
Total Revenues	<u>120,500</u>	<u>986,225</u>	<u>68,108</u>	<u>1,174,833</u>
Expenditures				
Current:				
General Government:				
Personal Services	681,830	-	-	681,830
Operating Expenditures	21,791	-	-	21,791
Capital Outlay	2,090	-	-	2,090
Court-Related:				
Personal Services	72,304	725,660	10,305	808,269
Operating Expenditures	28,221	19,032	28,708	75,961
Capital Outlay	366	-	2,132	2,498
Debt Service	-	22,060	-	22,060
(Total Expenditures)	<u>(806,602)</u>	<u>(766,752)</u>	<u>(41,145)</u>	<u>(1,614,499)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(686,102)</u>	<u>219,473</u>	<u>26,963</u>	<u>(439,666)</u>
Other Financing Sources (Uses)				
Reversion to Clerk of Court Trust Fund	-	(219,473)	-	(219,473)
Transfers in from Board of County Commissioners	804,044	-	-	804,044
Transfers (out) to Board of County Commissioners	(117,942)	-	-	(117,942)
Total Other Financing Sources (Uses)	<u>686,102</u>	<u>(219,473)</u>	<u>-</u>	<u>466,629</u>
Net Change in Fund Balances	-	-	26,963	26,963
Fund Balances, Beginning of Year	<u>31,378</u>	<u>-</u>	<u>165,464</u>	<u>196,842</u>
Fund Balances, End of Year	<u>\$ 31,378</u>	<u>\$ -</u>	<u>\$ 192,427</u>	<u>\$ 223,805</u>

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019
BRADFORD COUNTY CLERK OF THE CIRCUIT COURT**

	General Fund			Variance With Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Charges for Services	\$ 131,035	\$ 131,035	\$ 120,033	\$ (11,002)
Miscellaneous	775	775	467	(308)
Total Revenues	<u>131,810</u>	<u>131,810</u>	<u>120,500</u>	<u>(11,310)</u>
Expenditures				
Current:				
General Government:				
Personal Services	608,313	689,408	681,830	7,578
Operating Expenditures	52,450	36,416	21,791	14,625
Capital Outlay	4,000	4,344	2,090	2,254
Court-Related:				
Personal Services	33,926	72,311	72,304	7
Operating Expenditures	-	28,295	28,221	74
Capital Outlay	-	366	366	-
Reserve For Contingencies	237,165	104,714	-	104,714
(Total Expenditures)	<u>(935,854)</u>	<u>(935,854)</u>	<u>(806,602)</u>	<u>129,252</u>
Excess (Deficiency) of Expenditures Over (Under) Revenues	<u>(804,044)</u>	<u>(804,044)</u>	<u>(686,102)</u>	<u>117,942</u>
Other Financing Sources (Uses)				
Transfers in from Board of County Commissioners	804,044	804,044	804,044	-
Transfers (out) to Board of County Commissioners	-	-	(117,942)	(117,942)
Total Other Financing Sources (Uses)	<u>804,044</u>	<u>804,044</u>	<u>686,102</u>	<u>(117,942)</u>
Net Change in Fund Balances	-	-	-	-
Fund Balances, Beginning of Year	<u>-</u>	<u>-</u>	<u>31,378</u>	<u>31,378</u>
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 31,378</u>	<u>\$ 31,378</u>

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019
BRADFORD COUNTY CLERK OF THE CIRCUIT COURT**

	Fine and Forfeiture Fund			Variance With Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Intergovernmental Revenue	\$ 93,814	\$ 154,587	\$ 222,881	\$ 68,294
Charges for Services	626,631	626,631	529,605	(97,026)
Fines and Forfeitures	209,414	209,414	213,199	3,785
Miscellaneous	14,000	14,000	20,540	6,540
Total Revenues	<u>943,859</u>	<u>1,004,632</u>	<u>986,225</u>	<u>(18,407)</u>
Expenditures				
Current:				
Court-Related:				
Personal Services	795,230	795,230	725,660	69,570
Operating Expenditures	17,820	17,820	19,032	(1,212)
Debt Service	-	-	22,060	(22,060)
(Total Expenditures)	<u>(813,050)</u>	<u>(813,050)</u>	<u>(766,752)</u>	<u>46,298</u>
Excess (Deficiency) of Expenditures Over (Under) Revenues	<u>130,809</u>	<u>191,582</u>	<u>219,473</u>	<u>27,891</u>
Other Financing Sources (Uses)				
Reversion to Clerk of Court Trust Fund	<u>(130,809)</u>	<u>(191,582)</u>	<u>(219,473)</u>	<u>(27,891)</u>
Net Change in Fund Balances	-	-	-	-
Fund Balances, Beginning of Year	-	-	-	-
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - MAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019
BRADFORD COUNTY CLERK OF THE CIRCUIT COURT**

	Public Records Fund			Variance With Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Intergovernmental Revenue	\$ 20,773	\$ 20,773	\$ 27,709	\$ 6,936
Charges for Services	40,000	40,000	40,381	381
Fines and Forfeitures	-	-	18	18
Total Revenues	<u>60,773</u>	<u>60,773</u>	<u>68,108</u>	<u>7,335</u>
Expenditures				
Current:				
Court-Related:				
Personal Services	10,196	10,308	10,305	3
Operating Expenditures	155,577	157,443	28,708	128,735
Capital Outlay	60,500	58,522	2,132	56,390
(Total Expenditures)	<u>(226,273)</u>	<u>(226,273)</u>	<u>(41,145)</u>	<u>185,128</u>
Excess (Deficiency) of Expenditures Over (Under) Revenues	<u>(165,500)</u>	<u>(165,500)</u>	<u>26,963</u>	<u>192,463</u>
Net Change in Fund Balances	(165,500)	(165,500)	26,963	192,463
Fund Balances, Beginning of Year	<u>165,500</u>	<u>165,500</u>	<u>165,464</u>	<u>(36)</u>
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 192,427</u>	<u>\$ 192,427</u>

See accompanying notes to financial statements.

STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
SEPTEMBER 30, 2019
BRADFORD COUNTY CLERK OF THE CIRCUIT COURT

Assets

Cash	\$ 134,657
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Total Assets	<u>134,657</u>
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Liabilities

Due to Others	22,410
Due to Board of County Commissioners	24,503
Due to Other Governments	61,841
Deposits	<u>25,903</u>

Total Liabilities	<u>\$ 134,657</u>
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See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY CLERK OF THE CIRCUIT COURT**

Note 1 - Summary of Significant Accounting Policies

The accounting policies of the Bradford County, Florida, Clerk of the Circuit Court (the Clerk) conform to generally accepted accounting principles (GAAP), as applicable to governments. The following is a summary of significant accounting principles and policies used in the preparation of these financial statements.

Reporting Entity

Bradford County, Florida (the County) is a political subdivision of the State of Florida. It is governed by an elected Board of County Commissioners (the Board).

The Clerk is an elected official of the County pursuant to the Constitution of the State of Florida, Article VIII, Section 1(d). The Clerk is a part of the primary government of the County. The Clerk is responsible for the administration and operation of the Clerk's office, and the Clerk's financial statements do not include the financial statements of the Board or the other Constitutional Officers of the County. There are no component units for the Clerk to consider for inclusion in these financial statements.

The Clerk funds his non-court operations as a Budget Officer and a Fee Officer pursuant to Florida Statutes, Chapters 28, 218, and 129, respectively. As a Budget Officer, the operations of the Clerk are approved and funded by the County's General Fund. The receipts from the County's General Fund are recorded as other financing sources on the Clerk's general fund financial statements. Any excess of revenues and other financing sources received over expenditures of the Clerk's general fund are remitted to the County's General Fund at September 30 of each year. The amount of \$31,378 reported in the Clerk's general fund as unassigned fund balance at year-end represent amounts received in a prior year which were not required to be remitted to the County. The court-related operations of the Clerk are funded from fees and charges authorized under Chapter 2013-44, Laws of Florida and are reported in the Clerk's fine and forfeiture fund. Any excess of revenues over court-related expenditures of the Clerk's fine and forfeiture fund are remitted to the State of Florida pursuant to Section 28.37, Florida Statutes.

Basis of Presentation

The accompanying financial statements include all the funds and accounts of the Clerk's office, but are not a complete presentation of the County as a whole. Except for this matter, they are otherwise in conformity with accounting principles generally accepted in the United States of America. The accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557, *Rules of the Auditor General*, Local Governmental Entity Audits.

Fund Accounting

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

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY CLERK OF THE CIRCUIT COURT**

The Clerk utilizes the following fund types:

■ **Governmental Funds**

● **Major Funds**

- ▶ **General Fund**—The General Fund is the general operating fund of the Clerk. It is used to account for all financial resources, except for those required to be accounted for in another fund.
- ▶ **Fine and Forfeiture Fund**—The Fine and Forfeiture Fund was established to account for court-related revenues and expenditures and are legally restricted and required to be reported separately from the Clerk’s General Fund activities.
- ▶ **Public Records Fund**—The Public Records Fund is used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for the public records system of the Clerk’s office and additional court-related operational needs and program enhancements.

■ **Fiduciary Funds**

- **Agency Funds**—The Agency Funds are used to account for assets held by the Clerk as an agent for individuals, private organizations, and other governments. Agency Funds are custodial in nature and do not involve measurement of changes in financial position.

Basis of Accounting

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

The modified accrual basis of accounting is followed by the governmental funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available to finance expenditures of the current period. The Clerk considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Expenditures are recorded when the liability is incurred, except for accumulated sick and vacation pay, which are not recorded until paid. Charges for services and investment revenue are recorded as earned.

Measurement Focus

The accounting and financial reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or "financial flow" measurement focus. This means that generally, only current assets and current liabilities are included in the balance sheet. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they present a summary of sources and uses of “available spendable resources” during a period.

NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY CLERK OF THE CIRCUIT COURT

Budgetary Requirement

Governmental fund revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget was adopted for the General Fund and the Public Records Fund. All budget amounts presented in the accompanying financial statements have been adjusted for legally authorized amendments of the annual budget for the year. A budget was adopted for the Fine and Forfeiture Fund and approved by the Florida Clerk of Courts Operations Corporation (CCOC). Budgets are prepared on the modified accrual basis of accounting.

The Clerk's annual budgets are monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total annual budget appropriations at the individual fund level. All appropriations lapse at year-end.

Capital Assets

Tangible personal property is recorded as expenditures in the governmental fund at the time an asset is acquired. Assets acquired by the Clerk are capitalized at cost in the capital asset accounts of the County. The Clerk maintains custodial responsibility for the capital assets used by his office.

Unearned Revenue

In accordance with requirements of the CCOC, the Clerk reported unearned revenue in a liability account for court-related fines and fees collected in September of 2019. This unearned revenue will be used for services provided in the following fiscal year.

Accumulated Compensated Absences

Permanent full-time employees of the Clerk are entitled to accrue personal leave time. Upon retirement or resignation in good standing, employees shall be paid up to a maximum number of hours based upon the employee's years of service at the employee's current rate of pay.

Risk Management

The Clerk 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 participates in the risk management program through the County, which uses commercial insurance to cover the following types of risk:

- Workers' Compensation
- Automobile Liability
- Public Officials' Liability
- Personal Property Damage
- General Liability

Workers' compensation coverage is provided under a retrospectively rated policy. Premiums are accrued based on the ultimate cost to-date of the County's experience for this type of risk.

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY CLERK OF THE CIRCUIT COURT**

Note 2 - Cash

At September 30, 2019, the carrying amount of the Clerk’s deposits was \$621,986, and the bank balance was \$757,457. Deposits in banks and thrift institutions are collateralized as public funds through a state procedure provided for in Chapter 280, Florida Statutes. Financial institutions qualifying as public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits times the depository’s collateral pledging level. The Public Deposit Security Trust Fund has a procedure to allocate and recover losses in the event of a default or insolvency. When public deposits are made in accordance with Chapter 280, Florida Statutes, no public depositor shall be liable for any loss thereof. All of the cash deposits of the Clerk are placed with qualified financial institutions, which means they are insured or collateralized.

Florida Retirement System (FRS) Pension Benefits

The Clerk participates in the FRS to provide pension benefits to his employees. A detailed plan description and any liability for employees of the Clerk are included in the financial statements of the County.

Postemployment Benefits Other Than Pensions

The Clerk participates in the plan established by the Board of County Commissioners to provide other postemployment benefits to employees and retirees of the Board and Constitutional Officers. A detailed plan description and any liability for employees of the Clerk is included in the financial statements of the County.

Note 3 - Liabilities for Compensated Absences and Grant Funds Overpaid

The following is a summary of the changes in long-term liabilities of the Clerk for the year ended September 30, 2019:

	Balance October 1, 2018	Net Additions (Deletions)	Balance September 30, 2019
Accumulated Compensated Absences	\$ 95,894	\$ (3,901)	\$ 91,993
Due to Other Governments - Grant	8,642	(8,642)	-
Long-Term Liabilities	\$ 104,536	\$ (12,543)	\$ 91,993

Accumulated compensated absences represent the vested portion of accrued personal leave (see Note 1 for a summary of the Clerk’s accumulated compensated absences policy).

See Note 6 for a description of the Due to Other Governments - Grant which relates to excess reimbursements received from a child support grant.

The above liabilities are reported in the County’s government-wide financial statements.

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY CLERK OF THE CIRCUIT COURT**

Note 4 - Fund Balance Reporting

Fund balance is reported in five components – non-spendable, restricted, committed, assigned, and unassigned:

- **Non-Spendable**—This component of fund balance consists of amounts that cannot be spent because: (a) they are not expected to be converted to cash; or (b) they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund. The Clerk does not have any non-spendable funds.
- **Restricted**—This component of fund balance consists of amounts that are constrained either: (a) externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments); or (b) by law through constitutional provisions or enabling legislation.
- **Committed**—This component of fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (e.g., ordinance or resolution) of the County’s governing board. These committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (e.g., ordinance or resolution) it employed previously to constrain those amounts.
- **Assigned**—This component of fund balance consists of amounts that are constrained by a less-than-formal action of the Clerk, or by an individual or body to whom the Clerk has delegated this responsibility. By definition, fund balances are also assigned to the extent that they are needed to finance a subsequent years’ budget deficit.
- **Unassigned**—This classification is used for: (a) negative unrestricted fund balances in any governmental fund; or (b) fund balances within the General Fund that are not restricted, committed, or assigned.

When both restricted and unrestricted resources are available for use, it is the Clerk’s policy to use restricted resources first, then unrestricted resources (committed, assigned, and unassigned) as they are needed. When unrestricted resources (committed, assigned, and unassigned) are available for use, it is the Clerk’s policy to use committed resources first, then assigned, and then unassigned as needed.

Note 5 - Unassigned Fund Balance

The Clerk held \$31,378 in unassigned fund balance at September 30, 2019. These monies are available to budget and spend for authorized purposes at the discretion of the Clerk.

NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY CLERK OF THE CIRCUIT COURT

Note 6 - Commitments

During 2017, the Bradford County Clerk's office was notified by the Florida Department of Revenue (FDOR) that the indirect cost rate that was used by the Clerk's office in computing reimbursement of child support costs under the Child Support Enforcement grant for the last two fiscal years was required to be adjusted. The Clerk was using a provisional indirect cost rate provided by FDOR during that time period. The indirect cost rate for each Clerk in the State of Florida is computed by a third-party consultant who is retained by FDOR. As a result, the Clerk's office received excess reimbursements from FDOR during the fiscal years ended September 30, 2017 and 2018. During fiscal year 2019, the FDOR adjusted the excess reimbursements received by the Clerk to \$22,060. For the fiscal year 2019 the Clerk paid \$10,036, and the remaining amount of \$12,024 was withheld by FDOR from fiscal year 2019 grant reimbursements. This liability has been repaid in full as of September 30, 2019.

Note 7 - Subsequent Event – COVID-19

The COVID-19 pandemic has created economic disruptions throughout the country as of the date of this report, causing significant declines in the financial markets and economic activity overall. The County expects to experience losses of various local and state shared revenues, declines in property values, and declines in user fees, all of which could impact the operations of the Clerk's office. The ultimate effects of these items are expected to be significant, but are not quantifiable at this time.

OTHER FINANCIAL INFORMATION

AGENCY FUNDS

Cash Bond—Accounts for funds received from defendants of criminal and traffic arrests required to assure that the defendant will meet the requirement to appear in court. Disposition of these bond funds is made as ordered by the court.

Trust—This fund accounts for the receipt and disbursement of various fees and service charges, and the receipt and disbursement of monies to jurors and witnesses on behalf of county and state agencies.

Alimony and Support—This fund accounts for the collection and disbursement of court-ordered alimony and child support payments.

Special Fine and Forfeiture—This fund accounts for the receipt and disbursement of fines, fees, and service charges.

Registry of the Court—This fund accounts for the collection and disbursement of deposits required by circuit court legal actions.

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
ALL AGENCY FUNDS
SEPTEMBER 30, 2019
BRADFORD COUNTY CLERK OF THE CIRCUIT COURT**

	<u>Cash Bond</u>	<u>Trust</u>	<u>Alimony and Support</u>	<u>Special Fine and Forfeiture</u>	<u>Registry of the Court</u>	<u>Total All Agency Funds</u>
Assets						
Cash	\$ 7,660	\$ 59,949	\$ 6,084	\$ 44,478	\$ 16,486	\$ 134,657
Total Assets	<u>7,660</u>	<u>59,949</u>	<u>6,084</u>	<u>44,478</u>	<u>16,486</u>	<u>134,657</u>
Liabilities						
Due to Others	-	151	53	22,206	-	22,410
Due to Board of County Commissioners	-	2,782	-	21,721	-	24,503
Due to Other Governments	-	55,259	6,031	551	-	61,841
Deposits	7,660	1,757	-	-	16,486	25,903
Total Liabilities	<u>\$ 7,660</u>	<u>\$ 59,949</u>	<u>\$ 6,084</u>	<u>\$ 44,478</u>	<u>\$ 16,486</u>	<u>\$ 134,657</u>

OTHER REPORTS

**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***

The Honorable Ray Norman
Bradford County Clerk of the Circuit Court
Bradford County, Florida

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of each major fund and the aggregate remaining fund information of the Bradford County, Florida, Clerk of the Circuit Court (the Clerk) as of and for the year ended September 30, 2019, and the related notes to the financial statements and have issued our report thereon dated July 20, 2020.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of 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 Clerk'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.

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The Honorable Ray Norman
Bradford County Clerk of the Circuit Court
Bradford County, Florida

**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***

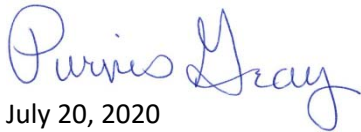
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Clerk's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance 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 non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we have reported to the management of the Clerk in a separate letter dated July 20, 2020.

Purpose of this Report

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



July 20, 2020
Gainesville, Florida

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Ray Norman
Bradford County Clerk of the Circuit Court
Bradford County, Florida

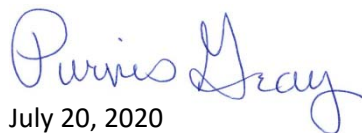
We have examined Bradford County, Florida, Clerk of the Circuit Court's (the Clerk) compliance with the requirements of Section 218.415, Florida Statutes, as of and for the year ended September 30, 2019, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the Clerk's compliance with those requirements. Our responsibility is to express an opinion on the Clerk's compliance based on our examination.

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

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

In our opinion, the Clerk complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2019.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Clerk, applicable management, and the Board of County Commissioners of Bradford County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.



July 20, 2020
Gainesville, Florida

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**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE
WITH SECTIONS 28.35 AND 28.36, FLORIDA STATUTES**

The Honorable Ray Norman
Bradford County Clerk of the Circuit Court
Bradford County, Florida

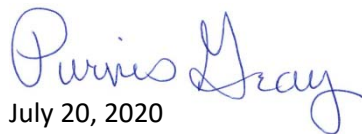
We have examined Bradford County, Florida, Clerk of the Circuit Court's (the Clerk) compliance with the requirements of Sections 28.35 and 28.36, Florida Statutes, as of and the year ended September 30, 2019. Management is responsible for the Clerk's compliance with those requirements. Our responsibility is to express an opinion on the Clerk's compliance based on our examination.

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

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

In our opinion, the Clerk complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2019.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Clerk, applicable management, and the Board of County Commissioners of Bradford County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.



July 20, 2020
Gainesville, Florida

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INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 61.181, FLORIDA STATUTES

The Honorable Ray Norman
Bradford County Clerk of the Circuit Court
Bradford County, Florida

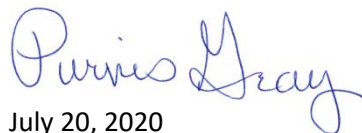
We have examined Bradford County, Florida, Clerk of the Circuit Court's (the Clerk) compliance with the requirements of Section 61.181, Florida Statutes, as of and for the year ended September 30, 2019. Management is responsible for the Clerk's compliance with those requirements. Our responsibility is to express an opinion on the Clerk's compliance based on our examination.

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

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

In our opinion, the Clerk complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2019.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Clerk, applicable management, and the Board of County Commissioners of Bradford County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.



July 20, 2020
Gainesville, Florida

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MANAGEMENT LETTER

The Honorable Ray Norman
Bradford County Clerk of the Circuit Court
Bradford County, Florida

Report on the Financial Statements

We have audited the financial statements of each major fund and the aggregate remaining fund information of the Bradford County, Florida, Clerk of the Circuit Court (the Clerk) as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated July 20, 2020.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; Independent Accountant's Reports on examinations conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated July 20, 2020, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Clerk was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Clerk.

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The Honorable Ray Norman
Bradford County Clerk of the Circuit Court
Bradford County, Florida

MANAGEMENT LETTER

Financial Management

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

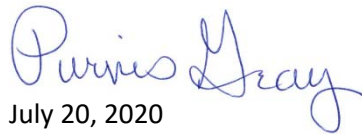
Additional Matters

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

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Clerk and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of our audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.



July 20, 2020
Gainesville, Florida

2019

Bradford County Sheriff

Financial Statements

and Independent Auditor's Report

September 30, 2019

PURVIS GRAY
CERTIFIED PUBLIC ACCOUNTANTS

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR’S REPORT**

**BRADFORD COUNTY SHERIFF
BRADFORD COUNTY, FLORIDA
STARKE, FLORIDA**

SEPTEMBER 30, 2019

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INDEPENDENT AUDITOR'S REPORT

The Honorable Gordon Smith
Bradford County Sheriff
Bradford County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the major fund and the aggregate remaining fund information of Bradford County, Florida, Sheriff (the Sheriff) as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Sheriff'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 and the standards applicable to financial audits contained in *Government 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 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 Sheriff'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 Sheriff'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.

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The Honorable Gordon Smith
Bradford County Sheriff
Bradford County, Florida

INDEPENDENT AUDITOR'S REPORT

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

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the major fund and the aggregate remaining fund information of the Sheriff as of September 30, 2019, and the respective changes in financial position thereof, and the budgetary comparison for the major fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the *Rules of the Auditor General* (the Rules) of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position, changes in financial position, and budgetary comparisons of the major fund, and the aggregate remaining fund information, only for that portion of the major funds, and the aggregate remaining fund information of Bradford County, Florida that is attributable to the Sheriff. They do not purport to, and do not, present fairly the financial position of Bradford County, Florida as of September 30, 2019, and the changes in its financial position and budgetary comparisons for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to these matters.

Other Matters

Other Financial Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Sheriff's basic financial statements. The other financial information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements.

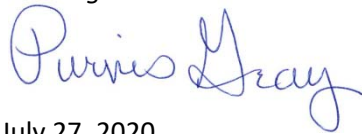
The combining non-major funds and agency financial statements are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied 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 other financial information is fairly stated in all material respects in relation to the financial statements as a whole.

The Honorable Gordon Smith
Bradford County Sheriff
Bradford County, Florida

INDEPENDENT AUDITOR'S REPORT

Other Reporting Required by *Government Auditing Standards*

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

A handwritten signature in blue ink that reads "Purvis Gray". The signature is written in a cursive style with a large initial "P".

July 27, 2020
Gainesville, Florida

FINANCIAL STATEMENTS

**BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2019
BRADFORD COUNTY SHERIFF**

	<u>Major Fund General Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
Assets			
Cash	\$ 455,020	\$ 760,514	\$ 1,215,534
Due from Other Governments	223,828	-	223,828
Due from Other Funds	386,106	-	386,106
Due from Board of County Commissioners	765,148	-	765,148
Accounts Receivable	-	19,846	19,846
Total Assets	<u>1,830,102</u>	<u>780,360</u>	<u>2,610,462</u>
 Liabilities and Fund Balances			
Liabilities			
Accounts Payable and Accrued Expenses	487,934	30	487,964
Due to Other Funds	-	358,451	358,451
Deposits	-	38,599	38,599
Due to Board of County Commissioners	1,342,168	-	1,342,168
Total Liabilities	<u>1,830,102</u>	<u>397,080</u>	<u>2,227,182</u>
 Fund Balances			
Restricted:			
Inmate Welfare Fund	-	299,819	299,819
E-911 Fund	-	60,927	60,927
Assigned:			
Education and Public Service	-	22,534	22,534
Total Fund Balances	<u>-</u>	<u>383,280</u>	<u>383,280</u>
 Total Liabilities and Fund Balances	 <u>\$ 1,830,102</u>	 <u>\$ 780,360</u>	 <u>\$ 2,610,462</u>

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019
BRADFORD COUNTY SHERIFF**

	Major Fund <u>General Fund</u>	Other Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
Revenues			
Intergovernmental Revenues	\$ 392,491	\$ 407,312	\$ 799,803
Charges for Services	58,244	-	58,244
Miscellaneous	47,807	250,863	298,670
Total Revenues	<u>498,542</u>	<u>658,175</u>	<u>1,156,717</u>
Expenditures			
Current:			
Court-Related:			
Personal Services	136,418	-	136,418
Operating Expenditures	12,817	-	12,817
Public Safety:			
Personal Services	5,179,964	-	5,179,964
Operating Expenditures	2,448,557	357,371	2,805,928
Capital Outlay	337,793	173,034	510,827
Human Services:			
Personal Services	86,763	-	86,763
Operating Expenditures	37,134	-	37,134
(Total Expenditures)	<u>(8,239,446)</u>	<u>(530,405)</u>	<u>(8,769,851)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(7,740,904)</u>	<u>127,770</u>	<u>(7,613,134)</u>
Other Financing Sources (Uses)			
Transfers in from Board of County Commissioners	7,378,079	-	7,378,079
Transfers (out) to Board of County Commissioners	(23,621)	-	(23,621)
Inter-Fund Transfers in	386,446	-	386,446
Inter-Fund Transfers (out)	-	(386,446)	(386,446)
Total Other Financing Sources (Uses)	<u>7,740,904</u>	<u>(386,446)</u>	<u>7,354,458</u>
Net Change in Fund Balances	-	(258,676)	(258,676)
Fund Balances, Beginning of Year	-	641,956	641,956
Fund Balances, End of Year	<u>\$ -</u>	<u>\$ 383,280</u>	<u>\$ 383,280</u>

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL - MAJOR GOVERNMENTAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019
BRADFORD COUNTY SHERIFF**

	General Fund			Variance With Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Intergovernmental Revenues	\$ -	\$ -	\$ 392,491	\$ 392,491
Charges for Services	-	-	58,244	58,244
Miscellaneous	-	-	47,807	47,807
Total Revenues	<u>-</u>	<u>-</u>	<u>498,542</u>	<u>498,542</u>
Expenditures				
Current:				
Court-Related:				
Personal Services	167,710	136,418	136,418	-
Operating Expenditures	15,000	12,817	12,817	-
Public Safety:				
Personal Services	4,644,469	5,003,117	5,179,964	(176,847)
Operating Expenditures	1,215,503	2,312,712	2,448,557	(135,845)
Capital Outlay	170,000	214,522	337,793	(123,271)
Human Services:				
Personal Services	87,048	86,763	86,763	-
Operating Expenditures	29,000	37,134	37,134	-
(Total Expenditures)	<u>(6,328,730)</u>	<u>(7,803,483)</u>	<u>(8,239,446)</u>	<u>(435,963)</u>
(Deficiency) of Revenues Over (Under) Expenditures	<u>(6,328,730)</u>	<u>(7,803,483)</u>	<u>(7,740,904)</u>	<u>62,579</u>
Other Financing Sources (Uses)				
Transfers in from Board of County Commissioners	6,328,730	7,803,483	7,378,079	(425,404)
Transfers (out) to Board of County Commissioners	-	-	(23,621)	(23,621)
Transfers in from Other Funds	-	-	386,446	386,446
Total Other Financing Sources (Uses)	<u>6,328,730</u>	<u>7,803,483</u>	<u>7,740,904</u>	<u>(62,579)</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
SEPTEMBER 30, 2019
BRADFORD COUNTY SHERIFF

Assets

Cash	\$ 95,205
------	-----------

Total Assets	<u>95,205</u>
---------------------	---------------

Liabilities

Accounts Payable	17,770
------------------	--------

Other Liabilities	7,797
-------------------	-------

Due to Other Funds	27,655
--------------------	--------

Due to Board of County Commissioners	34,330
--------------------------------------	--------

Deposits	<u>7,653</u>
----------	--------------

Total Liabilities	<u>\$ 95,205</u>
--------------------------	------------------

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY SHERIFF**

Note 1 - Summary of Significant Accounting Policies

The accounting policies of the Bradford County, Florida, Sheriff (the Sheriff) conform to generally accepted accounting principles (GAAP), as applicable to governments. The following is a summary of significant accounting principles and policies used in the preparation of these financial statements.

Reporting Entity

Bradford County, Florida (the County) is a political subdivision of the State of Florida. It is governed by an elected Board of County Commissioners (the Board).

The Sheriff is an elected official of the County pursuant to the Constitution of the State of Florida, Article VIII, Section 1(d). The Sheriff is a part of the primary government of the County. The Sheriff is responsible for the administration and operation of the Sheriff's office, and the Sheriff's financial statements do not include the financial statements of the Board or the other Constitutional Officers of the County. There are no component units for the Sheriff to consider for inclusion in these financial statements.

The operations of the Sheriff are primarily funded by the Board. The receipts from the Board are recorded as other financing sources on the Sheriff's financial statements. Any excess of revenues and other financing sources received over expenditures are remitted to the Board at year-end.

Basis of Presentation

The accompanying financial statements include all the funds and accounts of the Sheriff's office, but are not a complete presentation of the County as a whole. Except for this matter, they are otherwise in conformity with GAAP. The accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557, *Rules of the Auditor General, Local Governmental Entity Audits*.

Fund Accounting

The financial activities of the Sheriff are recorded in separate funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. Governmental 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 the spending activities are controlled.

The Sheriff utilizes the following fund types:

■ **Governmental Funds**

● **Major Fund**

- ▶ **General Fund**—The General Fund is the general operating fund of the Sheriff. It is used to account for all financial resources, except for those required to be accounted for in another fund.

● **Other Governmental Funds**

- ▶ **Special Revenue Funds**—Special revenue funds are used to account for the proceeds of specific revenue sources (other than major capital projects) that are legally restricted to expenditures for specified purposes. The Sheriff reports the following special revenue funds in the financial statements under the title "Other Governmental Funds:"

NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY SHERIFF

- **Education and Public Service Fund**—Accounts for the revenues and expenditures from donations received and miscellaneous receipts.
- **Inmate Welfare Fund**—Accounts for commissions received from pay telephones and commissary profits used for the benefit of inmates.
- **E-911 Fund**—Accounts for revenues received for the 911 program and expenditures for 911 services.

■ **Fiduciary Funds**

- **Agency Funds**—The agency funds are used to account for assets held by the Sheriff as an agent for individuals, private organizations, and other governments. Agency funds are custodial in nature and do not involve measurement of changes in financial position.

Basis of Accounting

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

The modified accrual basis of accounting is followed by the governmental funds and agency funds. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available to finance expenditures of the current period. The Sheriff considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Expenditures are recorded when the liability is incurred, except for accumulated sick and vacation pay, which are not recorded until paid.

Measurement Focus

The accounting and financial reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or “financial flow” measurement focus. This means that generally, only current assets and current liabilities are included in the balance sheet. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they present a summary of sources and uses of “available spendable resources” during a period.

Budgetary Requirement

Government fund revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget is adopted for the General Fund. All budget amounts presented in the accompanying financial statements have been adjusted for legally authorized amendments of the annual budget for the year. Budgets are prepared on the modified accrual basis of accounting.

The Sheriff’s annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total annual budget appropriations at the individual fund level. All appropriations lapse at year-end.

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY SHERIFF**

Capital Assets

Capital assets, which include vehicles and equipment, are recorded as capital outlay expenditures in the governmental funds at the time goods are received and a liability is incurred. These assets are then capitalized at cost in the statement of net position as part of the basic financial statements of the County (statement of net position). Capital assets acquired under capital leases are capitalized at cost in the statement of net position at the time the assets are received. Donated and confiscated capital assets are recorded in the statement of net position at fair value at the time received. Capital assets are depreciated using the straight-line method over two to ten years. The depreciation expense is recorded in the statement of activities as part of the basic financial statements of the County.

Accumulated Compensated Absences

Permanent full-time employees of the Sheriff are entitled to accrue personal leave time. Upon retirement or resignation in good standing, employees shall be paid up to a maximum number of hours based upon the employee's years of service at the employee's current rate of pay. In addition, employees that have earned compensatory leave time for approved holidays are to be paid for this leave time upon retirement or resignation at the employee's current rate of pay.

Group Health Insurance

The employer portion of health insurance coverages provided for the Sheriff's employees, under a group health insurance plan, were paid for by the Board, and recorded on the Board's accounting records.

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 purchased commercial insurance and participates in the risk management program through the Board, which uses commercial insurance to cover the following types of risk:

- Crime Coverage
- Workers' Compensation
- Law Enforcement Officers
- Personal Property Damage

The Sheriff's coverage for workers' compensation is under the Board's retrospectively rated policy. Premiums paid by the Board are accrued based on the ultimate cost to-date of the Sheriff's experience for this type of risk. Claims have not exceeded coverage during the last three years.

In addition, the Sheriff participates in two Florida Sheriffs self-insurance funds for risk related to professional liability, public officials' coverage, and automobile risks. The funding agreements provide that each fund will be self-sustaining through member premiums and that the Sheriff's liability fund will reinsure through commercial companies. Aggregate coverage provided by the liability fund is \$2,300,000 for professional liability and \$1,300,000 for public officials' coverage. Coverage limits for automobile risks are \$200,000 for bodily injury and \$100,000 for property damage.

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY SHERIFF**

Note 2 - Cash Deposits

At September 30, 2019, the carrying amount of the Sheriff's deposits was \$1,310,739, and the bank balance was \$1,471,369. Deposits in banks and savings and loan institutions are collateralized as public funds through a state procedure provided for in Chapter 280, Florida Statutes. Financial institutions qualifying as public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits times the depository's collateral pledging level. The Public Deposit Security Trust Fund has a procedure to allocate and recover losses in the event of a default or insolvency. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereof. All of the cash deposits of the Sheriff are placed with qualified financial institutions, which means they are insured or collateralized.

Note 3 - Pension and Postemployment Benefits Other Than Pension

Florida Retirement System (FRS) Pension Benefits

The Sheriff participates in the FRS to provide pension benefits to its employees. A detailed plan description and any liability for employees of the Sheriff are included in the financial statements of the County.

Postemployment Benefits Other than Pensions

The Sheriff participates in the plan established by the Board to provide other postemployment benefits to employees and retirees of the Board and Constitutional Officers. A detailed plan description and any liability for employees of the Sheriff is included in the financial statements of the County.

Note 4 - Capital Assets

The tangible personal property used by the Sheriff in its governmental fund operation is reported as capital assets in the statement of net position as part of the basic financial statements of the County. Upon acquisition, such assets are recorded as expenditures in the governmental fund types of the Sheriff and capitalized at cost in the capital asset accounts of the County. The Sheriff maintains recordkeeping and custodial responsibility for certain tangible capital assets used by his office. Information on vehicles and equipment used in the operations of the Sheriff's office are presented below:

	Balance October 1, 2018	Increase	(Decrease)	Balance September 30, 2019
Buildings	\$ 11,345	\$ -	\$ -	\$ 11,345
Vehicles and Equipment	5,190,790	3,172,524 *	(74,869)	8,288,445
(Accumulated Depreciation)	(3,810,497)	(2,657,687) *	74,869	(6,393,315)
Capital Assets, Net	\$ 1,391,638	\$ 514,837	\$ -	\$ 1,906,475

* Note – Included in these amounts are Bradford County BOCC transfers of Fire Department assets with an original cost of \$2,079,229 and accumulated depreciation of \$1,761,259.

Depreciation expense was charged to Public Safety of the Sheriff in the government-wide financial statements in the amount of \$529,402.

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY SHERIFF**

Note 5 - Changes in Long-Term Debt

The following is a summary of the changes in long-term debt of the Sheriff for the year ended September 30, 2019:

	Balance October 1, 2018	Additions	(Deletions)	Balance September 30, 2019
Accumulated Compensate Absences	\$ 275,722	\$ 2,915	\$ -	\$ 278,637

Accrued compensated absences represent the vested portion of accrued leave. See Note 1 for a summary of the Sheriff's policy regarding compensated absences.

Postemployment benefits represent the portion of the liability based upon current and retired employees of the Sheriff's office. See Note 3 for a description of postemployment benefits.

See Note 3 for more information on the Net Pension Liabilities related to the FRS and HIS Pension Plans.

The Sheriff's long-term debt is recorded in the County's government-wide financial statements.

Note 6 - Inter-Fund Receivables and Payables

Inter-fund receivables and payables consist of the following at September 30, 2019:

	Due from Other Funds	Due to Other Funds
Major Fund:		
General Fund	\$ 386,106	\$ -
Special Revenue Funds:		
E-911 Fund	-	223,414
Inmate Welfare Fund	-	135,037
Agency Funds:		
Inmate Trust	-	27,655
Totals	\$ 386,106	\$ 386,106

The amounts shown as due from the E-911 fund and Inmate Welfare Fund to the General Fund, are for services provided by the General Fund to these funds in fiscal year 2018-2019. These amounts were paid after September 30, 2019. The amount shown as due from the Inmate Trust Fund to the General Fund, represents fees and charges collected from inmates that are required to be paid to the General Fund. This amount was paid after September 30, 2019.

Note 7 - Inter-Fund Transfers

Transfers are used to: a) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them; b) move receipts restricted to debt service from the funds collecting the receipts to the debt service fund as debt service payments become due; and c) use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY SHERIFF**

In the year ended September 30, 2019, the E-911 Fund and Inmate Welfare Fund transferred \$251,409 and \$135,037, respectively, to the General Fund to cover expenditures paid for by the General Fund on behalf of the E-911 Fund and the Inmate Welfare Fund.

Note 8 - Fund Balance Reporting

Fund balance is reported in five components – non-spendable, restricted, committed, assigned, and unassigned:

- **Non-Spendable**—This component of fund balance consists of amounts that cannot be spent because: a) they are not expected to be converted to cash; or b) they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund. The Sheriff does not have any non-spendable funds.
- **Restricted**—This component of fund balance consists of amounts that are constrained either: a) externally by third parties (creditors, grantors, contributors, or laws or regulations of other governments); or b) by law through constitutional provisions or enabling legislation.
- **Committed**—This component of fund balance consists of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action (e.g., ordinance or resolution) of the County’s governing board. These committed amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same type of action (e.g., ordinance or resolution) it employed previously to constrain those amounts.
- **Assigned**—This component of fund balance consists of amounts that are constrained by a less-than-formal action of the Sheriff, or by an individual or body to whom the Sheriff has delegated this responsibility. By definition, fund balances are also assigned to the extent that they are needed to finance a subsequent years’ budget deficit.
- **Unassigned**—This classification is used for: a) negative unrestricted fund balances in any governmental fund; or b) fund balances within the General Fund that are not restricted, committed, or assigned.

When both restricted and unrestricted resources are available for use, it is the Sheriff’s policy to use restricted resources first, then unrestricted resources (committed, assigned, and unassigned) as they are needed. When unrestricted resources (committed, assigned, and unassigned) are available for use, it is the Sheriff’s policy to use committed resources first, then assigned, and then unassigned as needed.

Note 9 - Other Disclosures

Actual expenditures of the General Fund exceeded budgeted appropriations by \$435,963 for fiscal year 2019.

Note 10 - Subsequent Event – COVID-19

The COVID-19 pandemic has created economic disruptions throughout the country as of the date of this report, causing significant declines in the financial markets and economic activity overall. The County expects to experience losses of various local and state shared revenues, declines in property values, and declines in user fees, all of which could impact the operations of the Sheriff’s office. The ultimate effects of these items are expected to be significant, but are not quantifiable at this time.

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY SHERIFF**

Note 11 - Commitment and Contingencies

Litigation

The Sheriff is involved as defendant or plaintiff in certain litigation and claims arising from the ordinary course of operations. Any judgments against the Sheriff in excess of insurance limits would be settled by the Board. In the opinion of the Sheriff and legal counsel, the range of potential recoveries or liabilities will not materially affect the financial position of the Sheriff.

Federal and State Grants

Grant funds received by the Sheriff are subject to audit by grantor agencies. Audits of these grants may result in disallowed costs, which may constitute a liability of the Sheriff. In the opinion of management, disallowed costs, if any, would be insignificant to the financial position and operations of the Sheriff.

OTHER FINANCIAL INFORMATION

**NON-MAJOR GOVERNMENTAL FUNDS
SPECIAL REVENUE FUNDS**

Education and Public Service Fund—Accounts for revenues and expenditures from donations received and miscellaneous receipts.

Inmate Welfare Fund—Accounts for commissions received from pay telephones and commissary profits used for the benefit of inmates.

E-911 Fund—Accounts for revenues and expenditures for the 911 program.

COMBINING BALANCE SHEET
NON-MAJOR GOVERNMENTAL FUNDS - ALL SPECIAL REVENUE FUNDS
SEPTEMBER 30, 2019
BRADFORD COUNTY SHERIFF

	<u>Education and Public Service Fund</u>	<u>Inmate Welfare Fund</u>	<u>E-911 Fund</u>	<u>Total Non-Major Governmental Funds</u>
Assets				
Cash	\$ 61,163	\$ 415,010	\$ 284,341	\$ 760,514
Accounts Receivable	-	19,846	-	19,846
Total Assets	<u>61,163</u>	<u>434,856</u>	<u>284,341</u>	<u>780,360</u>
Liabilities and Fund Balances				
Accounts Payable	30	-	-	30
Deposits	38,599	-	-	38,599
Due to Other Funds	-	135,037	223,414	358,451
Total Liabilities	<u>38,629</u>	<u>135,037</u>	<u>223,414</u>	<u>397,080</u>
Fund Balances				
Restricted:				
Inmate Welfare Fund	-	299,819	-	299,819
E-911 Fund	-	-	60,927	60,927
Assigned:				
Education and Public Service	22,534	-	-	22,534
Total Fund Balances	<u>22,534</u>	<u>299,819</u>	<u>60,927</u>	<u>383,280</u>
Total Liabilities and Fund Balances	<u>\$ 61,163</u>	<u>\$ 434,856</u>	<u>\$ 284,341</u>	<u>\$ 780,360</u>

**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - NON-MAJOR GOVERNMENTAL FUNDS
ALL SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019
BRADFORD COUNTY SHERIFF**

	Education and Public Service Fund	Inmate Welfare Fund	E-911 Fund	Total Non-Major Governmental Funds
Revenues				
Intergovernmental Revenues	\$ -	\$ -	\$ 407,312	\$ 407,312
Miscellaneous	107,643	143,220	-	250,863
Total Revenues	<u>107,643</u>	<u>143,220</u>	<u>407,312</u>	<u>658,175</u>
Expenditures				
Public Safety:				
Operating Expenditures	(91,951)	(12,170)	(253,250)	(357,371)
Capital Outlay	-	(173,034)	-	(173,034)
Total Expenditures	<u>(91,951)</u>	<u>(185,204)</u>	<u>(253,250)</u>	<u>(530,405)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>15,692</u>	<u>(41,984)</u>	<u>154,062</u>	<u>127,770</u>
Other Financing Sources (Uses)				
Inter-Fund Transfers (out)	-	(135,037)	(251,409)	(386,446)
Total Other Financing Sources (Uses)	<u>-</u>	<u>(135,037)</u>	<u>(251,409)</u>	<u>(386,446)</u>
Net Change in Fund Balances	15,692	(177,021)	(97,347)	(258,676)
Fund Balances, Beginning of Year	<u>6,842</u>	<u>476,840</u>	<u>158,274</u>	<u>641,956</u>
Fund Balances, End of Year	<u>\$ 22,534</u>	<u>\$ 299,819</u>	<u>\$ 60,927</u>	<u>\$ 383,280</u>

AGENCY FUNDS

Individual Depositors—Accounts for fees charged for the service of process in civil cases. These non-refundable fees are set by Section 30.231, Florida Statutes. The cost of executing enforceable writs is also handled through this fund. On a monthly basis, these fees are deposited to the General Fund of the Board.

Inmate Trust—Accounts for inmates' cash receipts and disbursements. Individual inmate account records are maintained and commissary sales recorded. This fund makes disbursements requested by inmates to the extent of their available funds.

**COMBINING STATEMENT OF FIDUCIARY NET POSITION
ALL AGENCY FUNDS
SEPTEMBER 30, 2019
BRADFORD COUNTY SHERIFF**

	<u>Individual Depositors</u>	<u>Inmate Trust</u>	<u>Total All Agency Funds</u>
Assets			
Cash	\$ 41,703	\$ 53,502	\$ 95,205
Total Current Assets	<u>41,703</u>	<u>53,502</u>	<u>95,205</u>
Liabilities			
Accounts Payable	-	17,770	17,770
Other Liabilities	7,373	424	7,797
Due to Other Fund	-	27,655	27,655
Due to Board of County Commissioners	34,330	-	34,330
Deposits	-	7,653	7,653
Total Liabilities	<u>\$ 41,703</u>	<u>\$ 53,502</u>	<u>\$ 95,205</u>

OTHER REPORTS

**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**

The Honorable Gordon Smith
Bradford County Sheriff
Bradford County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to the financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the major fund, and the aggregate remaining fund information of the Bradford County, Florida, Sheriff (the Sheriff) as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Sheriff's basic financial statements and have issued our report thereon dated July 27, 2020.

Internal Control Over Financial Reporting

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

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the Sheriff'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 and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify certain deficiencies in internal control, described below that we consider to be significant deficiencies.

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The Honorable Gordon Smith
Bradford County Sheriff
Bradford County, Florida

**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**

■ **2019-01 - (Previously 2018-01)**

Significant Audit Adjustments

Condition—At the beginning of audit fieldwork, it was noted that the preliminary working trial balance for the General Fund did not include the required closing entries, including but not limited to the accrual and reversal of balance sheet accounts. Several significant audit adjusting entries were provided to the Sheriff's staff to post to the accounting records of the General Fund for the fiscal year ended September 30, 2019. Under generally accepted standards for internal controls, the Sheriff's Office should have procedures in place to make these year-end adjusting and closing entries.

Effect—Auditors are prohibited from acting as a segment of the Sheriff's internal control over financial reporting. If the audit adjustments had not been made to record these closing and correcting entries the financial statements may have been materially misstated.

Recommendation—Although no system of internal control can guarantee accurate financial reporting at all times, we recommend the Sheriff's Office review the causes of the audit adjustments proposed and determine what changes should be made to its system of internal control over financial reporting. We recommend the Sheriff consider an accountant position in his budget or provide additional accounting education and training for his existing staff.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Sheriff's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, non-compliance 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 non-compliance or other matters that are required to be reported under *Government Auditing Standards*.

We noted certain matters that we reported to management in a separate letter dated July 27, 2020.

Sheriff's Response to Findings

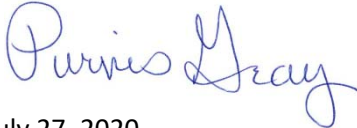
The Sheriff's response to the findings identified in our audit are described in the Management's Response. The Sheriff's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

The Honorable Gordon Smith
Bradford County Sheriff
Bradford County, Florida

**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***

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 Sheriff'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 Sheriff's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Purvis Gray". The signature is written in a cursive style with a large initial "P".

July 27, 2020
Gainesville, Florida

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Gordon Smith
Bradford County Sheriff
Bradford County, Florida

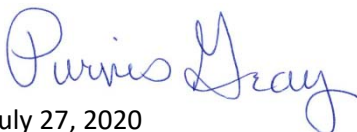
We have examined Bradford County, Florida, Sheriff's (the Sheriff) compliance with the requirements of Section 218.415, Florida Statutes, as of and for the year ended September 30, 2019, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is responsible for the Sheriff's compliance with those requirements. Our responsibility is to express an opinion on the Sheriff's compliance based on our examination.

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

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

In our opinion, the Sheriff complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2019.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Sheriff and applicable management, and the Board of County Commissioners of Bradford County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.



July 27, 2020
Gainesville, Florida

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MANAGEMENT LETTER

The Honorable Gordon Smith
Bradford County Sheriff
Bradford County, Florida

Report on the Financial Statements

We have audited the financial statements of the major fund and the aggregate remaining fund information of the Bradford County, Florida, Sheriff (the Sheriff) as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated July 27, 2020.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with AICPA *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated July 27, 2020, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. The prior findings were resolved except for findings 2015-02 and findings 2019-01 and (previously 2018-01) as noted in the Independent Auditor's Report on Internal Control over Financial Reporting and Compliance.

Prior Year Findings and Recommendations

■ ML 2015-02 Evidence Deposits

During fiscal year 2015, certain cash held as evidence was deposited into one of the Sheriff's bank accounts for safekeeping. The cash evidence that was deposited into the bank account was not specifically identified in the records by case and/or defendant name so that it could be properly tracked and accounted for.

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The Honorable Gordon Smith
Bradford County Sheriff
Bradford County, Florida

MANAGEMENT LETTER

We recommend that written policies be established to account for the receipt and tracking of all evidence deposits received and disbursed and that appropriate employees be properly trained in these policies. We also recommend that all cash evidence held be specifically identified by case and/or defendant name so that it can be properly tracked and accounted for.

Fiscal Year 2019 Update: During the fiscal year 2019 audit, it was noted that the Sheriff's office now attaches a copy of a judge's order to document the release of any confiscated funds. However, there is a fiscal year 2015 accumulated balance of unidentified funds which needs to be reviewed in order to determine if the monies are part of the Sheriff's available funds or are due to another party.

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. The Sheriff was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Sheriff.

Financial Management

Section 10.554(1)(i)2., *Rules of the Auditor General*, requires that we communicate any recommendations to improve financial management. In connection with our audit, we have no recommendations.

Additional Matters

Section 10.554(1)(i)3., *Rules of the Auditor General*, requires us to communicate non-compliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we have the following findings.

■ 2019-03 – Fixed Asset Tracking

During fiscal year 2019, the Sheriff's office took over Bradford County Fire operations. The Bradford BOCC transferred all Fire department equipment over to the Sheriff's office. The Sheriff's office tracks their fixed assets in a separate accounting module. During our review of fixed assets we noted that the Sheriff's office did not add all of the transferred assets into their fixed asset tracking module. Even though we were able to reconcile fixed assets for the government-wide conversion it is important that the Sheriff's office keeps track of all fixed assets. The Sheriff's office has added the majority of the assets to their module; however, there are still differences between the transfer listing from the BOCC and what was added by the Sheriff.

We recommend that the Sheriff's office reviews and reconciles all transfers to their fixed asset accounting software and make any adjustments, if necessary.

The Honorable Gordon Smith
Bradford County Sheriff
Bradford County, Florida

MANAGEMENT LETTER

■ 2019-04 – Excess of Expenditures Over Final Budget

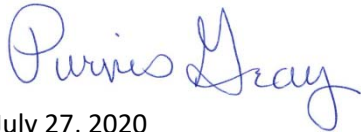
During fiscal year 2019, the Sheriff's office amended their budget within the 60 day deadline; however, the calculation for the use of jail set aside funds was not done until well after the 60 day deadline. This resulted in the Sheriff's general fund reporting budget over expenditures relating to the use of jail set aside funds which are annually remitted to and held by the Board. The Board's budget included amounts for the use of the set aside funds; however, the Sheriff's budget was never formally amended for these amounts.

We recommend that moving forward the Sheriff provide and submit an estimate of jail set aside funds that will be requested to cover jail related costs.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Sheriff and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of our audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.



July 27, 2020
Gainesville, Florida



Gordon Smith, Sheriff

SHERIFF

Bradford County

July 31, 2020

Purvis Gray and Company
PO Box 141270
Gainesville, FL 32614

Gentlemen;

After review of the Special Purpose Financial Statements and Independent Auditor's Report, I have prepared the following response to the items of concern you noted:

Page 18 2019-01 Significant Audit Adjustments

Moving forward, we will have procedures in place to make these year-end adjusting and closing entries in a timely manner. We can also provide additional accounting education and/or training to the staff.

Page 21 2015-02 Evidence Deposits

Written policies have been established to account for the tracking of all evidence deposits to ensure the proper accounting and disbursement. A judge's order will be attached to the document to release any confiscated funds.

*P. O. Box 400 Starke, FL 32091
945-B N. Temple Ave, Starke, FL 32091
Telephone: 904-966-6910 - Fax: 904-966-6160*



Gordon Smith, Sheriff

SHERIFF

Bradford County

Page 22 2019-03 Fixed Asset Tracking

The Sheriff's Office took over the Fire Department in June 2019. We did receive a complete list of fire vehicles but not a complete list of fire equipment. This list was not turned over to us until much later after the fiscal year had ended and was still not fully complete from the Bradford County Board of Commissioners.

Page 23 2019-04 Excess of Expenditures over Final Budget

We will provide and submit an estimate of jail set aside funds that will be requested to cover the jail related costs within the required timetable.

Sincerely,



Sheriff Gordon Smith

*P.O. Box 400 Starke, FL 32091
945-B N. Temple Ave, Starke, FL 32091
Telephone: 904-966-6910 - Fax: 904-966-6160*

2019

Bradford County Tax Collector

Financial Statements
and Independent Auditor's Report

September 30, 2019

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR’S REPORT**

**BRADFORD COUNTY TAX COLLECTOR
BRADFORD COUNTY, FLORIDA
STARKE, FLORIDA**

SEPTEMBER 30, 2019

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INDEPENDENT AUDITOR'S REPORT

The Honorable Teresa G. Phillips
Bradford County Tax Collector
Bradford County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the general fund and the aggregate remaining fund information of the Bradford County, Florida, Tax Collector (the Tax Collector) as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Tax Collector'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 and the standards applicable to financial audits contained in *Government 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 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 Tax Collector'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 Tax Collector'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 opinion.

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The Honorable Teresa G. Phillips
Bradford County Tax Collector
Bradford County, Florida

INDEPENDENT AUDITOR'S REPORT

Opinion

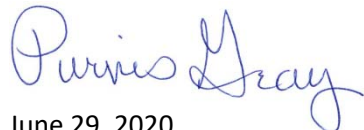
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the general fund and the aggregate remaining fund information for the Tax Collector as of September 30, 2019, and the respective changes in financial position and budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the *Rules of the Auditor General* (the Rules) of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position, changes in financial position, and budgetary comparisons of the general fund, and the aggregate remaining fund information, only for that portion of the major funds, and the aggregate remaining fund information of Bradford County, Florida that is attributable to the Tax Collector. They do not purport to, and do not, present fairly the financial position of Bradford County, Florida as of September 30, 2019, and the changes in its financial position and budgetary comparisons for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to these matters.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued a report 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, rules, 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 the Tax Collector's internal control over financial reporting and compliance.



June 29, 2020
Gainesville, Florida

FINANCIAL STATEMENTS

**BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2019
BRADFORD COUNTY TAX COLLECTOR**

Assets	
Cash	\$ 51,695
Total Assets	<u>51,695</u>
Liabilities and Fund Balance	
Liabilities	
Due to Board of County Commissioners	42,425
Due to Other Governments	513
Unearned Revenue	8,757
Total Liabilities	<u>51,695</u>
Fund Balance	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ 51,695</u>

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019
BRADFORD COUNTY TAX COLLECTOR**

Revenues	
Charges for Services	\$ 723,648
Miscellaneous	4,317
Total Revenues	<u>727,965</u>
Expenditures	
Current:	
General Government:	
Personal Services	629,252
Operating Expenditures	56,288
(Total Expenditures)	<u>(685,540)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	42,425
Other Financing Sources	
Transfers (out) to Board of County Commissioners	<u>(42,425)</u>
Net Change in Fund Balance	-
Fund Balance, Beginning of Year	<u>-</u>
Fund Balance, End of Year	<u><u>\$ -</u></u>

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019
BRADFORD COUNTY TAX COLLECTOR**

	General Fund			Variance With Final Budget Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Charges for Services	\$ 703,850	\$ 703,850	\$ 723,648	\$ 19,798
Miscellaneous	4,830	4,830	4,317	(513)
Total Revenues	<u>708,680</u>	<u>708,680</u>	<u>727,965</u>	<u>19,285</u>
Expenditures				
Current:				
General Government:				
Personal Services	708,847	708,847	629,252	79,595
Operating Expenditures	64,993	64,993	56,288	8,705
(Total Expenditures)	<u>(773,840)</u>	<u>(773,840)</u>	<u>(685,540)</u>	<u>88,300</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(65,160)</u>	<u>(65,160)</u>	<u>42,425</u>	<u>107,585</u>
Other Financing Sources (Uses)				
Transfers in from Board of County Commissioners	65,160	65,160	-	(65,160)
Transfers (out) to Board of County Commissioners	-	-	(42,425)	(42,425)
Total Other Financing Sources (Uses)	<u>65,160</u>	<u>65,160</u>	<u>(42,425)</u>	<u>(107,585)</u>
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

STATEMENT OF FIDUCIARY NET POSITION
AGENCY FUNDS
SEPTEMBER 30, 2019
BRADFORD COUNTY TAX COLLECTOR

Assets	
Cash	\$ 414,447
Total Assets	<u>414,447</u>
Liabilities	
Due to Board of County Commissioners	14,263
Due to Other Governments	400,184
Total Liabilities	<u>\$ 414,447</u>

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY TAX COLLECTOR**

Note 1 - Summary of Significant Accounting Policies

The accounting policies of the Bradford County, Florida, Tax Collector (the Tax Collector), conform to generally accepted accounting principles (GAAP), as applicable to governments.

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

Reporting Entity

Bradford County, Florida, (the County) is a political subdivision of the State of Florida. It is governed by an elected Board of County Commissioners (the Board).

The Tax Collector is an elected official of the County, pursuant to the Constitution of the State of Florida, Article VIII, Section 1(d). The Tax Collector is a part of the primary government of Bradford County, Florida. The Florida Department of Revenue approves the Tax Collector's operating budget, the Tax Collector is responsible for the administration and operation of the Tax Collector's office, and the Tax Collector's financial statements do not include the financial statements of the Board or the other Constitutional Officers of the County. There are no component units for the Tax Collector to consider for inclusion in these financial statements.

The Tax Collector operates as a fee officer. Upon approval of the operating budget, revenues are collected from fees and from commissions earned for the collection of taxes and special assessments for the various County taxing authorities pursuant to Section 192.091(2), Florida Statutes. Any excess revenues received over expenditures made are remitted at year-end to all the taxing districts.

Basis of Presentation

The accompanying financial statements include all the funds and accounts of the Tax Collector's office, but are not a complete presentation of the County as a whole. Except for this matter, they are otherwise in conformity with GAAP. The accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557, *Rules of the Auditor General Local Governmental Entity Audits*.

Fund Accounting

The financial transactions of the Tax Collector are recorded in separate funds. Each fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures. These funds are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

The Tax Collector utilizes the following fund types:

■ **Governmental Funds**

● **Major Fund**

- ▶ **General Fund**—The General Fund is the general operating fund of the Tax Collector. It is used to account for all financial resources, except for those required to be accounted for in another fund.

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY TAX COLLECTOR**

■ **Fiduciary Funds**

- **Agency Funds**—Agency funds are used to account for assets held by the Tax Collector as an agent for individuals, private organizations, and other governments. Agency funds are custodial in nature and do not involve measurement of changes in financial position.

Basis of Accounting

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting refers to the timing of the measurements made, regardless of the measurement focus applied. All governmental funds and agency funds are accounted for using the modified accrual basis of accounting.

Under this method, revenues are recognized when they become both measurable and available to finance expenditures of the current period. The Tax Collector considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred, except for accumulated sick and vacation pay, which are not recorded until paid. Charges for services and investment revenue are recorded as earned.

Measurement Focus

The accounting and financial reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. All governmental funds are accounted for on a spending or “financial flow” measurement focus. This means that generally, only current assets and current liabilities are included in the balance sheet. Governmental Fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they present a summary of sources and uses of “available spendable resources” during a period.

Budgetary Requirement

The revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget is approved by the Florida Department of Revenue for the General Fund. Budget to actual comparisons are provided in the financial statements for the General Fund, where the Tax Collector has legally adopted an annual budget. All budget amounts presented in the accompanying financial statements have been adjusted for legally authorized amendments of the annual budget for the year.

Budgets are prepared on the modified accrual basis of accounting.

The Tax Collector’s annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total annual budget appropriations at the individual fund level. All appropriations lapse at year-end.

Capital Assets

Tangible personal property is recorded as expenditures in the General Fund at the time an asset is acquired. Assets acquired by the Tax Collector are capitalized at cost in the capital asset accounts of the County. The Tax Collector maintains custodial responsibility for the capital assets used by her office.

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY TAX COLLECTOR**

Accumulated Compensated Absences

Permanent full-time employees of the Tax Collector are entitled to accrue personal leave time. Upon retirement or resignation in good standing, employees shall be paid up to a maximum number of hours based upon the employee's years of service at the employee's current rate of pay.

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 participates in the risk management program through the Board, which uses commercial insurance to cover the following types of risk:

- Workers' Compensation
- Automobile Liability
- Public Officials' Liability
- Personal Property Damage
- General Liability

Workers' compensation coverage is provided under a retrospectively rated policy. Premiums are accrued based on the ultimate cost to-date of the Board's experience for this type of risk.

Property Tax Collections

Chapter 197, Florida Statutes, governs property tax collections.

■ **Current Taxes**

All property taxes become due and payable on November 1, and are delinquent on April 1 of the following year. Discounts of 4%, 3%, 2%, and 1% are allowed for early payment in November through February, respectively.

■ **Unpaid Taxes—Sale of Tax Certificates**

The Tax Collector advertises, as required by Florida Statutes, then sells tax certificates on all real property for unpaid taxes. Certificates not purchased are issued to the County. Any person owning real property upon which a tax certificate has been sold may reacquire the real property by paying the Tax Collector the face amount of the tax certificate plus interest and other costs.

■ **Tax Deeds**

The owner of a tax certificate may, after two years when the taxes have been delinquent (after April 1), file an application for tax deed sale. The County, as a certificate owner, may exercise similar procedures two years after taxes have been delinquent (after April 1). Tax deeds are issued to the highest bidder for the property, which is sold at public auction. The Clerk of the Circuit Court administers these sales.

Unearned Revenue

Unearned revenue represents the portion of biennial service fees attributable to future years.

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY TAX COLLECTOR**

Note 2 - Cash

Deposits in banks, and savings and loan institutions are collateralized as public funds through a state procedure provided for in Chapter 280, Florida Statutes. Financial institutions qualifying as public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits times the depository's collateral pledging level. The Public Deposit Security Trust Fund has a procedure to allocate and recover losses in the event of a default or insolvency. When public deposits are made in accordance with Chapter 280, Florida Statutes, no public depositor shall be liable for any loss thereof. All of the cash deposits of the Tax Collector are placed with qualified financial institutions which means they are insured or collateralized.

Note 3 - Pension and Postemployment Benefits Other Than Pension

Florida Retirement System (FRS) Pension Benefits

The Tax Collector participates in the Florida Retirement System to provide pension benefits to its employees. A detailed plan description and any liability for employees of the Tax Collector are included in the financial statements of the County.

Postemployment Benefits Other than Pensions

The Tax Collector participates in the plan established by the Board of County Commissioners to provide other postemployment benefits to employees and retirees of the Board and Constitutional Officers. A detailed plan description and any liability for employees of the Tax Collector is included in the financial statements of the County.

Note 4 - Long-Term Liability for Compensated Absences

The Tax Collector's long-term liability for compensated absences is as follows:

	Balance October 1, 2018	Additions	(Deletions)	Balance September 30, 2019
Accumulated Compensate Absences	\$ 43,058	\$ 33,637	\$ (32,623)	\$ 44,072

Accumulated compensated absences represent the vested portion of accrued personal leave. The liability is not reported in the financial statements of the Tax Collector since it is not payable from available resources at September 30, 2019. The liability is reported on the statement of net position in the County-wide financial statements.

Note 5 - Operating Lease

The Tax Collector's Office entered into lease agreement for lease of a mail processor and software. The mail processor lease provides for 16 quarterly payments of \$230. The lease is for 48 months, ending November 2022. The software lease provides for 36 monthly payments of \$1,516, of which \$435 is reimbursed by the Board. The lease is 36 months, ending September 2021. Total lease payments of \$1,996 were made during the fiscal year ended September 30, 2019.

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY TAX COLLECTOR**

The future minimum lease payments for the mail processor and scale are as follows:

<u>September 30,</u>	<u>Year Ending Amount</u>
2020	\$ 2,002
2021	2,002
2022	921
2023	<u>230</u>
Total	<u><u>\$ 5,155</u></u>

Note 6 - Subsequent Event – COVID-19

The COVID-19 pandemic has, and continues, to pose significant risk to the economy of the State of Florida and Bradford County. While full implications of the pandemic are still unknown, the impact to the Tax Collector’s revenues could be significant. The Tax Collector continues to closely monitor revenues, as well as unplanned expenses, related to the pandemic.

OTHER REPORTS

**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**

The Honorable Teresa G. Phillips
Bradford County Tax Collector
Bradford 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 general fund and the aggregate remaining fund information of the Bradford County, Florida, Tax Collector (the Tax Collector) as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Tax Collector's basic financial statements, and have issued our report thereon dated June 29, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 Tax Collector's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 Tax Collector'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.

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The Honorable Teresa G. Phillips
Bradford County Tax Collector
Bradford County, Florida


**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***

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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, non-compliance 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 non-compliance 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 Tax Collector'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 Tax Collector's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



June 29, 2020
Gainesville, Florida

**INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE
WITH SECTION 218.415, FLORIDA STATUTES**

The Honorable Teresa G. Phillips
Bradford County Tax Collector
Bradford County, Florida

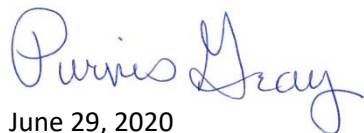
We have examined Bradford County, Florida, Tax Collector's (the Tax Collector) compliance with Section 218.415, Florida Statutes, during the year ended September 30, 2019. Management is responsible for the Tax Collector's compliance with those requirements. Our responsibility is to express an opinion 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. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Tax Collector complied, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Tax Collector complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material non-compliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

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

In our opinion, the Tax Collector complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2019.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Tax Collector and applicable management, and the Board of County Commissioners of Bradford County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.



June 29, 2020
Gainesville, Florida

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MANAGEMENT LETTER

The Honorable Teresa G. Phillips
Bradford County Tax Collector
Bradford County, Florida

Report on the Financial Statements

We have audited the financial statements of the general fund and the aggregate remaining fund information of the Bradford County, Florida, Tax Collector (the Tax Collector) as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated June 29, 2020.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated June 29, 2020, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in this management letter, unless disclosed in the notes to the financial statements. The Tax Collector was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Tax Collector.

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The Honorable Teresa G. Phillips
Bradford County Tax Collector
Bradford County, Florida

MANAGEMENT LETTER

Financial Management

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

Additional Matters

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

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Tax Collector, its management, and the Board of County Commissioners of Bradford County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of our audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.



June 29, 2020
Gainesville, Florida

2019

Bradford County Property Appraiser

Financial Statements

and Independent Auditor's Report

September 30, 2019

PURVIS GRAY
CERTIFIED PUBLIC ACCOUNTANTS

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR’S REPORT**

**BRADFORD COUNTY PROPERTY APPRAISER
BRADFORD COUNTY, FLORIDA
STARKE, FLORIDA**

SEPTEMBER 30, 2019

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INDEPENDENT AUDITOR'S REPORT

The Honorable Thomas K. Clark
Bradford County Property Appraiser
Bradford County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the general fund of the Bradford County, Florida, Property Appraiser (the Property Appraiser) as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Property Appraiser's 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 and the standards applicable to financial audits contained in *Government 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 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 Property Appraiser'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 Property Appraiser'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 opinion.

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The Honorable Thomas K. Clark
Bradford County Property Appraiser
Bradford County, Florida

INDEPENDENT AUDITOR'S REPORT

Opinion

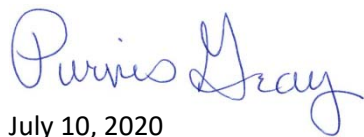
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the general fund of the Property Appraiser as of September 30, 2019, and the respective changes in financial position and budgetary comparison for the general fund, for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the *Rules of the Auditor General* (the Rules) of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position, changes in financial position, and budgetary comparisons of the general fund, only for that portion of the major funds of Bradford County, Florida, that is attributable to the Property Appraiser. They do not purport to, and do not, present fairly the financial position of Bradford County, Florida as of September 30, 2019, and the changes in its financial position and budgetary comparisons for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report 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, rules, 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 the Property Appraiser's internal control over financial reporting and compliance.



July 10, 2020
Gainesville, Florida

FINANCIAL STATEMENTS

**BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2019
BRADFORD COUNTY PROPERTY APPRAISER**

Assets	
Cash	<u>\$ 115,880</u>
Liabilities and Fund Balance	
Liabilities	
Due to Board of County Commissioners	113,313
Due to Other Governments	<u>2,567</u>
Total Liabilities	<u>115,880</u>
Fund Balance	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ 115,880</u>

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019
BRADFORD COUNTY PROPERTY APPRAISER**

Revenues	
Charges for Services	\$ 12,841
Miscellaneous	1,489
Total Revenues	<u>14,330</u>
Expenditures	
Current:	
General Government:	
Personal Services	484,146
Operating Expenditures	88,211
(Total Expenditures)	<u>(572,357)</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(558,027)</u>
Other Financing Sources (Uses)	
Transfers in from Board of County Commissioners	671,340
Transfers (out) to Board of County Commissioners	<u>(113,313)</u>
Total Other Financing Sources (Uses)	<u>558,027</u>
Net Change in Fund Balance	-
Fund Balance, Beginning of Year	<u>-</u>
Fund Balance, End of Year	<u><u>\$ -</u></u>

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019
BRADFORD COUNTY PROPERTY APPRAISER**

	<u>Original</u>	<u>Final</u>	<u>Actual Amounts</u>	<u>Variance With Final Budget Positive (Negative)</u>
Revenues				
Charges for Services	\$ 15,408	\$ 15,408	\$ 12,841	\$ (2,567)
Miscellaneous	-	-	1,489	1,489
Total Revenues	<u>15,408</u>	<u>15,408</u>	<u>14,330</u>	<u>(1,078)</u>
Expenditures				
Current:				
General Government:				
Personal Services	569,537	570,766	484,146	86,620
Operating Expenditures	113,982	113,982	88,211	25,771
Reserve for Contingency	2,000	2,000	-	2,000
(Total Expenditures)	<u>(685,519)</u>	<u>(686,748)</u>	<u>(572,357)</u>	<u>114,391</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(670,111)</u>	<u>(671,340)</u>	<u>(558,027)</u>	<u>113,313</u>
Other Financing Sources (Uses)				
Transfers in from Board of County Commissioners	670,111	671,340	671,340	-
Transfers (out) to Board of County Commissioners	-	-	(113,313)	(113,313)
Total Other Financing Sources (Uses)	<u>670,111</u>	<u>671,340</u>	<u>558,027</u>	<u>(113,313)</u>
Net Change in Fund Balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, Beginning of Year	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balance, End of Year	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY PROPERTY APPRAISER**

Note 1 - Summary of Significant Accounting Policies

The accounting policies of the Bradford County, Florida, Property Appraiser (the Property Appraiser) conform to generally accepted accounting principles (GAAP), as applicable to governments. The following is a summary of significant accounting principles and policies used in the preparation of these financial statements.

Reporting Entity

Bradford County, Florida, (the County) is a political subdivision of the State of Florida. It is governed by an elected Board of County Commissioners (the Board).

The Property Appraiser is an elected official of the County pursuant to the Constitution of the State of Florida, Article VIII, Section 1(d). The Property Appraiser is a part of the primary government of the County. The Florida Department of Revenue approves the Property Appraiser's total operating budget, the Property Appraiser is responsible for the administration and operation of the Property Appraiser's office, and the Property Appraiser's financial statements do not include the financial statements of the Board or the other Constitutional Officers of the County. There are no component units for the Property Appraiser to consider for inclusion in these financial statements.

The operations of the Property Appraiser are funded by the Board, the St. John's River Water Management District, and the Suwannee River Water Management District. The receipts from the Board are recorded as other financing sources on the Property Appraiser's financial statements.

Basis of Presentation

The accompanying financial statements include all the funds and accounts of the Property Appraiser's office, but are not a complete presentation of the County as a whole. Except for this matter, they are otherwise in conformity with accounting principles generally accepted in the United States of America (GAAP). The accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557, *Rules of the Auditor General Local Governmental Entity Audits*.

Fund Accounting

The financial transactions of the Property Appraiser are recorded in one individual fund. This fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures.

The Property Appraiser utilizes the following fund type:

■ **Governmental Fund**

● **Major Fund**

- ▶ **General Fund**—The General Fund is the general operating fund of the Property Appraiser. It is used to account for all financial resources, except for those required to be accounted for in another fund.

NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY PROPERTY APPRAISER

Basis of Accounting

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

The modified accrual basis of accounting is followed by the General Fund. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available to finance expenditures of the current period. The Property Appraiser considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Expenditures are recorded when the liability is incurred, except for accumulated sick and vacation pay, which are not recorded until paid.

Measurement Focus

The accounting and financial reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. The General Fund is accounted for on a spending or “financial flow” measurement focus. This means that generally, only current assets and current liabilities are included in the balance sheet. General Fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they present a summary of sources and uses of “available spendable resources” during a period.

Budgetary Requirement

General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget is approved by the Florida Department of Revenue for the General Fund. Budget to actual comparisons are provided in the financial statements for the General Fund, where the Property Appraiser has legally adopted an annual budget. All budget amounts presented in the accompanying financial statements have been adjusted for legally authorized amendments of the annual budget for the year.

Budgets are prepared on the modified accrual basis of accounting.

The Property Appraiser’s annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total annual budget appropriations at the individual fund level. All appropriations lapse at year-end.

Capital Assets

Tangible personal property is recorded as expenditures in the General Fund at the time an asset is acquired. Assets acquired by the Property Appraiser are capitalized at cost in the capital asset accounts of the County. The Property Appraiser maintains custodial responsibility for the capital assets used by his office.

Accumulated Compensated Absences

Permanent full-time employees of the Property Appraiser are entitled to accrue personal leave time. Upon retirement or resignation in good standing, employees shall be paid up to a maximum number of hours based upon the employee’s years of service at the employee’s current rate of pay.

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY PROPERTY APPRAISER**

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 participates in a risk management program through the Board, which uses commercial insurance to cover the following types of risk:

- Workers' Compensation
- Automobile Liability
- Public Officials' Liability
- Personal Property Damage
- General Liability

Workers' compensation coverage is provided under a retrospectively rated policy. Premiums are accrued based on the ultimate cost to-date of the Board's experience for this type of risk.

Note 2 - Cash

Deposits in banks and savings, and loan institutions are collateralized as public funds through a state procedure provided for in Chapter 280, Florida Statutes. Financial institutions qualifying as public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balance of all public deposits times the depository's collateral pledging level. The Public Deposit Security Trust Fund has a procedure to allocate and recover losses in the event of a default or insolvency. When public deposits are made in accordance with Chapter 280, no public depositor shall be liable for any loss thereof. All of the cash deposits of the Property Appraiser are placed with a qualified financial institution, which means they are insured or collateralized.

Note 3 - Pension and Postemployment Benefits Other Than Pension

Florida Retirement System (FRS) Pension Benefits

The Property Appraiser participates in the Florida Retirement System to provide pension benefits to its employees. A detailed plan description and any liability for employees of the Property Appraiser are included in the financial statements of the County.

Postemployment Benefits Other than Pensions

The Property Appraiser participates in the plan established by the Board of County Commissioners to provide other postemployment benefits to employees and retirees of the Board and Constitutional Officers. A detailed plan description and any liability for employees of the Property Appraiser is included in the financial statements of the County.

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY PROPERTY APPRAISER**

Note 4 - Long-Term Liability for Compensated Absences

The long-term liability for compensated absences of the Property Appraiser for the year ended September 30, 2019, is as follows:

	Balance October 1, 2018	Additions	(Deletions)	Balance September 30, 2019
Accumulated Compensated Absences	\$ 17,589	\$ 17,844	\$ (16,317)	\$ 19,116

Accumulated compensated absences represent the vested portion of accrued leave. The liability is not reported in the financial statements of the Property Appraiser since it is not payable from available resources at September 30, 2019. The liability is reported on the statement of net position in the County-wide financial statements.

Note 5 - Subsequent Event – COVID-19

The COVID-19 pandemic has created economic disruptions throughout the country as of the date of this report, causing significant declines in the financial markets and economic activity overall. The County expects to experience losses of various local and state shared revenues, declines in property values, and declines in user fees, all of which could impact the operations of the Property Appraiser’s office. The ultimate effects of these items are expected to be significant, but are not quantifiable at this time.

OTHER REPORTS

**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**

The Honorable Thomas K. Clark
Bradford County Property Appraiser
Bradford 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 general fund of the Bradford County, Florida, Property Appraiser (the Property Appraiser) as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Property Appraiser's basic financial statements, and have issued our report thereon dated July 10, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Property Appraiser's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 Property Appraiser'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.

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The Honorable Thomas K. Clark
Bradford County Property Appraiser
Bradford County, Florida

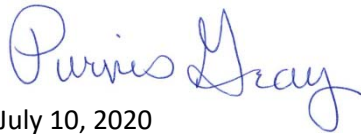
**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Property Appraiser's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, non-compliance 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 non-compliance 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 Property Appraiser'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 Property Appraiser's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



July 10, 2020
Gainesville, Florida

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Thomas K. Clark
Bradford County Property Appraiser
Bradford County, Florida

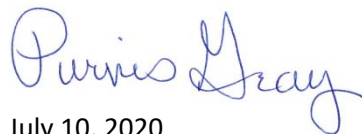
We have examined Bradford County, Florida, Property Appraiser's (the Property Appraiser) compliance with Section 218.415, Florida Statutes, during the year ended September 30, 2019. Management is responsible for the Property Appraiser's compliance with those requirements. Our responsibility is to express 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. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Property Appraiser complied, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Property Appraiser complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material non-compliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the Property Appraiser's compliance with specific requirements.

In our opinion, the Property Appraiser complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2019.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Property Appraiser and applicable management, and the Board of County Commissioners of Bradford County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.



July 10, 2020
Gainesville, Florida

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MANAGEMENT LETTER

The Honorable Thomas K. Clark
Bradford County Property Appraiser
Bradford County, Florida

Report on the Financial Statements

We have audited the financial statements of the general fund of the Bradford County, Florida, Property Appraiser (the Property Appraiser) as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated July 10, 2020.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated July 10, 2020, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. The Property Appraiser was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Property Appraiser.

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The Honorable Thomas K. Clark
Bradford County Property Appraiser
Bradford County, Florida

MANAGEMENT LETTER

Financial Management

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

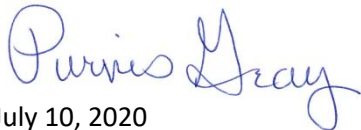
Additional Matters

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

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Property Appraiser and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of our audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.



July 10, 2020
Gainesville, Florida

2019

Bradford County Supervisor of Elections

Financial Statements
and Independent Auditor's Report

September 30, 2019

**FINANCIAL STATEMENTS
AND
INDEPENDENT AUDITOR'S REPORT**

**BRADFORD COUNTY SUPERVISOR OF ELECTIONS
BRADFORD COUNTY, FLORIDA
STARKE, FLORIDA**

SEPTEMBER 30, 2019

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INDEPENDENT AUDITOR'S REPORT

The Honorable Terry Vaughan
Bradford County Supervisor of Elections
Bradford County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the general fund of the Bradford County, Florida, Supervisor of Elections (the Supervisor of Elections) as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the Supervisor of Elections' 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 the 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 and the standards applicable to financial audits contained in *Government 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 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 opinion.

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The Honorable Terry Vaughan
Bradford County Supervisor of Elections
Bradford County, Florida

INDEPENDENT AUDITOR'S REPORT

Opinion

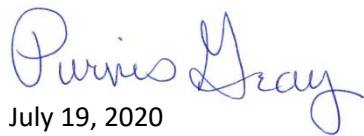
In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the general fund of the Supervisor of Elections as of September 30, 2019, and the respective changes in financial position and budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the financial statements, the financial statements referred to above were prepared solely for the purpose of complying with the *Rules of the Auditor General* (the Rules) of the State of Florida. In conformity with the Rules, the accompanying financial statements are intended to present the financial position, changes in financial position, and budgetary comparisons of the general fund only for that portion of the major funds of Bradford County, Florida that is attributable to the Supervisor of Elections. They do not purport to, and do not, present fairly the financial position of Bradford County, Florida as of September 30, 2019, and the changes in its financial position and budgetary comparisons for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to these matters.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report 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 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 the Supervisor of Elections' internal control over financial reporting and compliance.



July 19, 2020
Gainesville, Florida

FINANCIAL STATEMENTS

**BALANCE SHEET
GENERAL FUND
SEPTEMBER 30, 2019
BRADFORD COUNTY SUPERVISOR OF ELECTIONS**

Assets	<u>\$ -</u>
Liabilities and Fund Balance	
Liabilities	<u>-</u>
Fund Balance	<u>-</u>
Total Liabilities and Fund Balance	<u>\$ -</u>

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019
BRADFORD COUNTY SUPERVISOR OF ELECTIONS**

Revenues	
Intergovernmental Revenue	\$ 30,233
Miscellaneous	508
Total Revenues	<u>30,741</u>
 Expenditures	
Current:	
General Government:	
Personal Services	333,419
Operating Expenditures	104,960
Capital Outlay	315
Debt Service	22,031
(Total Expenditures)	<u>(460,725)</u>
 (Deficiency) of Revenues (Under) Expenditures	 <u>(429,984)</u>
 Other Financing Sources (Uses)	
Transfers in from Board of County Commissioners	429,984
Total Other Financing Sources (Uses)	<u>429,984</u>
 Net Change in Fund Balance	 -
 Fund Balance, Beginning of Year	 <u>-</u>
 Fund Balance, End of Year	 <u><u>\$ -</u></u>

See accompanying notes to financial statements.

**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN
FUND BALANCE - BUDGET AND ACTUAL - GENERAL FUND
FOR THE YEAR ENDED SEPTEMBER 30, 2019
BRADFORD COUNTY SUPERVISOR OF ELECTIONS**

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Original	Final		
Revenues				
Intergovernmental Revenue	\$ 22,031	\$ 22,031	\$ 30,233	\$ 8,202
Miscellaneous	500	500	508	8
Total Revenues	22,531	22,531	30,741	8,210
Expenditures				
Current:				
General Government:				
Personal Services	322,139	337,393	333,419	3,974
Operating Expenditures	163,500	156,931	104,960	51,971
Debt Service	-	-	22,031	(22,031)
Capital Outlay	8,000	315	315	-
Reserve for Contingency	1,000	-	-	-
(Total Expenditures)	(494,639)	(494,639)	(460,725)	33,914
Excess (Deficiency) of Revenues Over (Under) Expenditures	(472,108)	(472,108)	(429,984)	42,124
Other Financing Sources (Uses)				
Transfers in from Board of County Commissioners	472,108	472,108	429,984	(42,124)
Total Other Financing Sources (Uses)	472,108	472,108	429,984	(42,124)
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning of Year	-	-	-	-
Fund Balance, End of Year	\$ -	\$ -	\$ -	\$ -

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY SUPERVISOR OF ELECTIONS

Note 1 - Summary of Significant Accounting Policies

The accounting policies of the Bradford County, Florida, Supervisor of Elections (the Supervisor of Elections) conform to generally accepted accounting principles (GAAP), as applicable to governments. The following is a summary of significant accounting principles and policies used in the preparation of these financial statements.

Reporting Entity

Bradford County, Florida (the County) is a political subdivision of the State of Florida. It is governed by an elected Board of County Commissioners (the Board).

The Supervisor of Elections is an elected official of the County pursuant to the Constitution of the State of Florida, Article VIII, Section 1(d). The Supervisor of Elections is a part of the primary government of the County. The Board approves the Supervisor of Elections' total operating budget and is responsible for accounting for the Supervisor of Elections' transactions. The Supervisor of Elections is responsible for the administration and operation of the Supervisor of Elections' office, and the Supervisor of Elections' financial statements do not include the financial statements of the Board or the other Constitutional Officers of the County. There are no component units for the Supervisor of Elections to consider for inclusion in these financial statements.

The operations of the Supervisor of Elections are funded by the Board. The receipts from the Board are recorded as other financing sources on the Supervisor of Elections' financial statements.

Basis of Presentation

The accompanying financial statements include all the funds and accounts of the Supervisor of Elections' office, but are not a complete presentation of the County as a whole. Except for this matter, they are otherwise in conformity with accounting principles generally accepted in the United States of America. The accompanying financial statements were prepared for the purpose of complying with Section 218.39, Florida Statutes, and Section 10.557, *Rules of the Auditor General Local Governmental Entity Audits*.

Fund Accounting

The financial transactions of the Supervisor of Elections are recorded in one individual fund. This fund is accounted for by providing a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures.

The Supervisor of Elections utilizes the following fund type:

■ **Governmental Fund**

● **Major Fund**

- ▶ **General Fund**—The General Fund is the general operating fund of the Supervisor of Elections. It is used to account for all financial resources, except for those required to be accounted for in another fund.

Basis of Accounting

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

NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY SUPERVISOR OF ELECTIONS

The modified accrual basis of accounting is followed by the General Fund. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available to finance expenditures of the current period. The Supervisor of Elections considers revenues to be available if they are collected within 30 days of the end of the current fiscal period. Expenditures are recorded when the liability is incurred, except for accumulated sick and vacation pay, which are not recorded until paid.

Measurement Focus

The accounting and financial reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus. The General Fund is accounted for on a spending or “financial flow” measurement focus. This means that generally, only current assets and current liabilities are included in the balance sheet. General Fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they present a summary of sources and uses of “available spendable resources” during a period.

Budgetary Requirement

General governmental revenues and expenditures accounted for in budgetary funds are controlled by a formal integrated budgetary accounting system in accordance with the Florida Statutes. An annual budget is adopted for the General Fund.

The Supervisor of Elections’ annual budget is monitored at varying levels of classification detail. However, for purposes of budgetary control, expenditures cannot legally exceed the total annual budget appropriations at the individual fund level. All appropriations lapse at year-end.

Budget to actual comparisons are provided in the financial statements for the General Fund. All budget amounts presented in the accompanying financial statements have been adjusted for legally authorized amendments of the annual budget for the year. Budgets are prepared on the modified accrual basis of accounting.

Capital Assets

Tangible personal property is recorded as expenditures in the General Fund at the time an asset is acquired. Assets acquired by the Supervisor of Elections are capitalized at cost in the capital asset accounts of the County. The Supervisor of Elections maintains custodial responsibility for the capital assets used by his office.

Compensated Absences

Permanent full-time employees of the Supervisor of Elections are entitled to accrue personal leave time. Upon retirement or resignation in good standing, employees shall be paid up to a maximum number of hours based upon the employee’s years of service at the employee’s current rate of pay.

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 of Elections participates in the risk management program through the Board, which uses commercial insurance to cover the following types of risk:

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY SUPERVISOR OF ELECTIONS**

- Workers' Compensation
- Automobile Liability
- Public Officials' Liability
- Personal Property Damage
- General Liability

Note 2 - Cash Deposits

At September 30, 2019, the carrying amount of the Supervisor of Elections' deposits was \$0 held as part of the Board's pooled checking account. Deposits in banks and savings and loan institutions are collateralized as public funds through a state procedure provided for in Chapter 280, Florida Statutes. Financial institutions qualifying as public depositories are required to pledge eligible collateral having a market value equal to or greater than the average daily or monthly balances of all public deposits times the depository's collateral pledging level. The Public Deposit Security Trust Fund has a procedure to allocate and recover losses in the event of a default or insolvency. When public deposits are made in accordance with Chapter 280, Florida Statutes, no public depositor shall be liable for any loss thereof. All of the cash deposits of the Supervisor of Elections are placed with qualified financial institutions, which means they are insured or collateralized.

Note 3 - Pension and Postemployment Benefits Other Than Pension

Florida Retirement System (FRS) Pension Benefits

The Supervisor of Elections participates in the FRS to provide pension benefits to its employees. A detailed plan description and any liability for employees of the Supervisor of Elections are included in the financial statements of the County.

Postemployment Benefits Other than Pensions

The Supervisor of Elections participates in the plan established by the Board of County Commissioners to provide other postemployment benefits to employees and retirees of the Board and Constitutional Officers. A detailed plan description and any liability for employees of the Supervisor of Elections is included in the financial statements of the County.

Note 4 - Change in Long-Term Debt

The following is a summary of the change in long-term debt of the Supervisor of Elections for the year ended September 30, 2019:

	<u>Balance</u> <u>October 1,</u> <u>2018</u>	<u>Additions</u>	<u>(Deletions)</u>	<u>Balance</u> <u>September 30,</u> <u>2019</u>	<u>Due Within</u> <u>One Year</u>
Accumulated Compensated Absences	\$ 2,847	\$ 1,895	\$ -	\$ 4,742	\$ -
Capital Lease—Voting Equipment	44,064	-	(22,031)	22,033	22,033
Total Long-Term Debt	<u>\$ 46,911</u>	<u>\$ 1,895</u>	<u>\$ (22,031)</u>	<u>\$ 26,775</u>	<u>\$ 22,033</u>

Accumulated compensated absences represent the vested portion of personal leave (see Note 1 for a summary of the Supervisor of Elections' compensated absences policy).

**NOTES TO FINANCIAL STATEMENTS
BRADFORD COUNTY SUPERVISOR OF ELECTIONS**

The Supervisor of Elections has entered into a five-year capital lease agreement as a lessee for 20 voting machines and other equipment. This lease agreement qualifies as a capital lease for accounting purposes and, therefore, has been recorded at the present value of its future minimum lease payments as of the inception date.

The following is a summary of remaining debt service payments on all general long-term debt as of September 30, 2019:

<u>Year Ending September 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
2020	\$ 22,033	\$ -	\$ 22,033
Compensated Absences	4,742	-	4,742
Totals	<u>\$ 26,775</u>	<u>\$ -</u>	<u>\$ 26,775</u>

Interest paid on the capital lease during the fiscal year totaled \$0.

The Supervisor of Elections' long-term debt is reported in the County's government-wide financial statements.

Note 5 - Subsequent Event – COVID-19

The COVID-19 pandemic has created economic disruptions throughout the country as of the date of this report, causing significant declines in the financial markets and economic activity overall. The County expects to experience losses of various local and state shared revenues, declines in property values, and declines in user fees, all of which could impact the operations of the Supervisor of Elections' office. The ultimate effects of these items are expected to be significant, but are not quantifiable at this time.

OTHER REPORTS

**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**

The Honorable Terry Vaughan
Bradford County Supervisor of Elections
Bradford 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 of the Bradford County, Florida, Supervisor of Elections (the Supervisor of Elections) as of and for the year ended September 30, 2019, and the related notes to the basic financial statements, and have issued our report thereon dated July 19, 2020.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the 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 opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Supervisor of Elections' internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 Supervisor of Election'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.

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The Honorable Terry Vaughan
Bradford County Supervisor of Elections
Bradford County, Florida

**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***

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 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, non-compliance 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 non-compliance 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 Supervisor of Elections' internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Supervisor of Elections' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



July 19, 2020
Gainesville, Florida

INDEPENDENT ACCOUNTANT'S REPORT ON COMPLIANCE WITH SECTION 218.415, FLORIDA STATUTES

The Honorable Terry Vaughn
Bradford County Supervisor of Elections
Bradford County, Florida

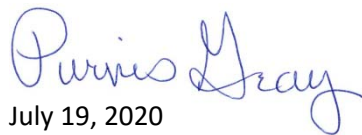
We have examined Bradford County, Florida, Supervisor of Election's (the Supervisor of Elections) compliance with the requirements of Section 218.415, Florida Statutes, as of and for the year ended September 30, 2019, as required by Section 10.556(10)(a), *Rules of the Auditor General*. Management is 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. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the Supervisor of Elections complied, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether the Supervisor of Elections complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material non-compliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the Supervisor of Elections' compliance with specified requirements.

In our opinion, the Supervision of Elections complied, in all material respects, with the aforementioned requirements for the year ended September 30, 2019.

This report is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, the Supervisor of Elections and applicable management, and the Board of County Commissioners of Bradford County, Florida, and is not intended to be, and should not be, used by anyone other than these specified parties.



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July 19, 2020
Gainesville, Florida

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MANAGEMENT LETTER

The Honorable Terry Vaughan
Bradford County Supervisor of Elections
Bradford County, Florida

Report on the Financial Statements

We have audited the financial statements of the Bradford County, Florida, Supervisor of Elections (the Supervisor of Elections) as of and for the fiscal year ended September 30, 2019, and have issued our report thereon dated July 19, 2020.

Auditor's Responsibility

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

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Accountant's Report on an examination conducted in accordance with AICPA *Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, *Rules of the Auditor General*. Disclosures in those reports, which are dated July 19, 2020, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Official Title and Legal Authority

Section 10.554(1)(i)4., *Rules of the Auditor General*, requires that the name or official title and legal authority for the primary government and each component unit of the reporting entity be disclosed in the management letter, unless disclosed in the notes to the financial statements. The Supervisor of Elections was established by the Constitution of the State of Florida, Article VIII, Section 1(d). There were no component units related to the Supervisor of Elections.

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The Honorable Terry Vaughan
Bradford County Supervisor of Elections
Bradford County, Florida

MANAGEMENT LETTER

Financial Management

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

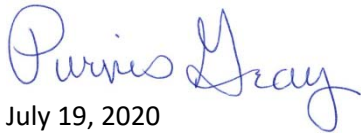
Additional Matters

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

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, and the Supervisor of Elections and his management team, and is not intended to be and should not be used by anyone other than these specified parties.

We wish to take this opportunity to thank you and your staff for the cooperation and courtesies extended to us during the course of our audit. Please let us know if you have any questions or comments concerning this letter, our accompanying reports, or other matters.



July 19, 2020
Gainesville, Florida

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